

## UN Global Compact report for 2012

### About Hent

The global economic is not optimistic in the past year, especially affected by European debt crisis. Many enterprises are facing various difficulties, such as reduced orders, shortage of funds, lack of staff and so on.

However, Hent is still keep the steady development, which is related to 10 principles of UN Global Compact. Now we are one of the most largest floorbox manufacturer in the world, specially for high-quality class products. Hent is very proud to be a member of UN Global Compact, and will continue to keep and develop its principles and goals.

### Statement of Support from Mr. Yipong Zhou, Managing Director

"Thanks for UN Global Compact, Hent is developing better and better. We will carry out more policies and practices around the 10 principles of UN Global Compact. In 2012, Hent not only maintained the principles in the past year, and also extend more in this year. There is a new industrial zone will begin production by the end of 2012, which marks once again advance in development by leaps and bounds of Hent. I trust Hent will be getting better and better in the future under all the staffs' efforts."

### Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

- Human Rights policy and public statement adopted by our company when our company set up in 1998.
- Human Rights considerations embedded in internal protocol for deciding where we should have business activities.
- Active participation in international organizations and workshops seeking to promote business awareness and support for human rights.
- Human Rights are expanded in risk review process for projects, as well as in supply chain questionnaire and mergers and acquisitions process.

Principle 2: Make sure they are not complicit in human rights abuses.

- Human Rights policy adopted in 1998 is designed to raise performance and avoid complicity in Hent.
- Training of management teams since 1998, attempts are being made to strengthen awareness of human rights risks and opportunities among sustainability experts and key business unit members. In 2012, we have updated internal management system.
- Employees were organized to learn about the spirit of human right annually since 2009. And now Human Rights has gained for everyone.

## Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

- We tried to improved workers' working condition all the time. E.g. in the 2010, we have equipped our workers with anti-dust mask in our painting workshop, and earplugs in our punching workshop, and a physical inspection is implemented for all our employees each year since 2010. This year our company send more staffs to learn high education in the training school to strength their ability.
- The CPI index rise up in the past year in China, in order to improving our workers' life condition, we have adjusted the wage by increasing 30% at the beginning of 2010.
- In 2012, our company has raised 10% salaries for everyone again, and recruiting more than 20 new staffs in all kinds of position.

Principle 4: The elimination of all forms of forced and compulsory labor.

- Any forms of forced and compulsory labor activities is illegal, defined by the law in China, and Hent has well trained management staff to stand out of this "Warning Line."
- From the moment of our company foundation, we strictly follow National working time principles.
- The principle of "no forced or compulsory labor" has been included in our company protocol for supplier audits.

Principle 5: The effective abolition of child labour.

- This is basic law requirement for workers in China.
- The principle of "no child labour" is included in our company protocol for supplier audits.
- Hent has a procedure to distinguish the real age of each applicant for job, and rejected 2 applicants in the past year due to this principle.
- All of staff of Hent is over the legal age.

Principle 6: Eliminate discrimination in respect of employment and occupation.

- About 45% of our employees are female in 2010, and 1/3 are female in our management. In 2012, there is almost 50% female employees in our company.
- We have employed HBV carriers in respect of Labour Law and society ethics.

## Environment

Principle 7: Business should support a precautionary approach to environmental challenges.

- We have reduced our carbon-emission by 30% in the past year via purchasing Intermediate frequency furnace, and by using hydropower instead of thermal power.
- We organized our staff to plant trees on March 12, 2010, the Arbor Day. This year our company purchase some plants to improve the environment.

Principle 8: Undertake initiatives to promote greater environmental responsibility.

- We have been modifying our work procedures according to the standards of ISO14000 system.
- We implemented a new and strengthened protocol for auditing of suppliers' environmental performance.
- Our company promote energy-saving production.

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

- Our purchasing activities is concept with "Green, Clean", all devices or equipments with these characteristics are preferable to us.

### **Anti-corruption**

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

- Hent developed a severe punishment rules for any corruption.
- We keep transparency in every cooperation with our clients and supplier, and win the contract only by excellent quality, good service and favorable price. We believe the fair competition will bring us more profits in the future.
- Our sales policy require us to complain to the superior of client once their purchasers or relevant persons ask for an unreasonable fee.

### **Measurement of Outcome**

- We have a paper testing annually for all our management on Human rights that defined by Labour law, the passman will win some scores that included into the Year-Assessment.
- We also do a yearly questionnaire to everyone in our company to estimate their satisfaction status about Hent, and also absorbing their advices that are useful to Hent.

### **Social Commitment**

Hent keeps the commitment to the society every year, and we have reached some achievements:

E.g. In Nov. 2010, Hent sponsored 2 students' education cost in High school due to their poor economy but strong spirit, and added 4 students in 2012.

In Mar. 2012, Hent organized management to visit the local Retirement Homes, and bring daily necessities to them.

As a professional floorbox manufacturers in China, we always follow the 10 principles of UN Global Compact to develop our company, and will encourage more and more factories joint it together to make better life for us and next generation.