

## Content of the Communication on Progress

Since we are UN Global Compact member, Device Services Company is required to report its progress that is related to UN Global Compact Principles.

Reporting to UN Global Compact – Executive summary

Part 1: UN Global Compact – Communication on Progress

Part 2: Blueprint for Corporate Sustainability Leadership in Device Services Company Limited

## Executive Summary- Report to UN Global Compact

Device Services Company Limited has signed up to UN global compact since 2012. We made progress on all Global Compact Principles and implement these principles in our business activities.

### Human rights

Our human rights awareness training program is based on UN guidelines, practices and principles. Training focuses primarily on employee awareness, company policies and approaches, company resources and our commitment to respect human rights. We pursue a risk-based approach to providing human rights training in our highest-priority operating areas. In 2012, we designed principle of human rights for our stakeholders. We also continued to evaluate methodologies to reach additional personnel and expand the content of this training. Our plans include development of computer-based modules to provide greater access to security and human rights training. We will also evaluate combining this training with reviews of other business practice standards. We signed up to many associations for protecting human rights such as Myanmar Women's Development Association, Myanmar Young Entrepreneurs Association, Myanmar Maternal and Child Welfare Association, Myanmar Health Assistant Association, Myanmar Physically Handicapped Association.

### Labour

Device Company respect for labour rights and support the principles of UN global compact. We improve the performance of our labour through these manners.

- Respect for **fundamental principles and rights at work**, as critical for human dignity
- **Elimination and prevention** of an increase in forms of **forced labour, child labour and discrimination at work**;
- Make full use of the existing labour **Conventions and Recommendations** concerning employment policy, wages, social security, the employment relationship, the termination of employment, labour administration and inspection, migrant workers, labour conditions on public contracts, occupational safety and health, working hours and social dialogue mechanisms.

## **Environment**

Environmental protection is influenced by three interwoven factors: environmental legislation, ethics and education. Device Company now offers courses, such as environmental studies, environmental management that teaches the history and methods of environment protection. Protection of the environment is needed due to various human activities. Waste production, air pollution, and loss of biodiversity are some of the issues related to environmental protection. We try to pursue good practices of our employees.

## **Anti-corruption**

As Device is growing rapidly, we need to monitor the performance of new employees to ensure that they are guided through the principles of business ethics. Rules and regulations are highly regulated and complexity gradually. So, ethical behavior of employees must be observed. In 2012, we offer business ethic training to all employees regularly

## **Device Services Company Limited**

Device is being as member in UN Global Compact in 2012. When the ten principles were adopted, we reaffirmed our commitment as a signatory to the Global Compact. Device gets an opportunity to improve its performance and communicate with its stakeholders.

## **Part 1      UN Global Compact Communication on Progress**

### **Human Rights- Principle 1-2**

**Principle 1** : Business should support and respect the protection of internationally proclaimed human rights within their sphere of influence

**Principle 2** : Business should make sure they are not complicit in human rights abuses

### **Materiality and Scope**

Device Services Company Limited commit to Universal Declaration on human rights. Company emphasizes that we value the right of everyone. We always adhere and value human rights within our organization and our surroundings. We understand respect for human rights to be a minimum standard for conducting business with legitimacy and acknowledge that the private sector can play an important role in the protection and promotion of human rights to improve their human rights situations.

## **Commitments and memberships**

UN principles for human rights can offer certain advantages in social contribution. This principle requires the company to integrate human rights consideration into its business. Device Services Company Limited shows its commitment by doing these:

- Business Initiative on human rights
- Working group on Human Rights Assessment Tool for employee agency
- UN Global Compact
- CSR
- Myanmar national committee for human rights

## **Relevant Policies**

Our core statement is that we value the human rights which mean that our employees are to have an equal right to the most extensive total system of basic liberties compatible with a similar system of liberty for all. So, Company provides clear guidelines for non-discrimination of employees. That policies and guidelines provide positive effect to external stakeholders and internal stakeholders. Every policy is regulated by top executive management.

### **1. Device non-discrimination policy**

We consider that discrimination is unethical such as religious, race, nation of origin, color and language. In device, there are many different kinds of race and expatriate from foreign countries. Expatriates get equal opportunities and warm atmosphere. We allow our employees for Sabbath observance or time off to observe religious holidays. Company also allows some religious groups who have special dress requirements such as expatriates. Our employees get higher level positions depending on their tendency.

### **2. Device Selling Policy**

Device sells reasonable price with delivery, best quality with ethical and social responsibility to its surroundings.

### **3. Device' products and services policy**

Device will develop its services with respect to people. We operate by high ethical standards and require adherence to high ethical standard by our external partners and suppliers. We promote our products and services' awareness by complying with laws.

## Responsibilities

Top management and senior management are responsible for the following human right issues. These are:

- *Human right issue related to our HR department and business development department* – This handled all ethical issues related to human and environmental ethics. The departments suggest sustainable development in respecting human rights, strategies, and action.
- *Employees' human rights related to company's employee welfare department* – which covers employees' race, language, and color, national of origin.
- *Human rights in the supply chain* – it is the responsibility of respective departments and senior management.

## Challenges

As device Company continues to grow in number of employees and more product lines, supplier base, the challenge of systematically monitoring and managing human rights risks and impact increase.

## Labour – Principle 3-6

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

**Principle 4** : Businesses should uphold the elimination of all forms of forced and compulsory labour

**Principle 5** : Businesses should uphold the effective abolition of child labour

**Principle 6** : Businesses should eliminate discrimination in respect of employment and occupation

## Materiality and scope

Device supports the freedom of association and the right to collective bargaining are upheld, that the company does not engage in forced and compulsory labour or child labour and that the company works to ensure diversity and non-discrimination in respect of employment and occupation.

Device respects and obeys principles of UN Global Compact and we create effective workforce in a healthy and safe working environment. As Service Company, child labour and forced labour

is not allowed. We assume that mutual respect and good relationship between executive and employees is necessary to the organization.

Thus, we make to ensure that all employees in device are being stayed under local government structure. They can discuss working conditions and report their daily problems to their immediate boss. Moreover, they can freely talk and suggest their ideas within their respective management teams.

### **Commitment and membership**

Supporting the UN declaration principle is important for Device Services Company limited. We are also engaged in the following associations;

- Myanmar Women's Development Association
- Myanmar Young Entrepreneurs Association
- Myanmar Maternal and Child Welfare Association
- Myanmar Health Assistant Association
- Myanmar Physically Handicapped Association

Company also makes contribution to society such as donation to school for blinds and poor children, disabilities group. In CSR, company makes not only ethical responsibility but also discretionary responsibility to our society.

### **Responsibilities**

1. Occupational health and safety issues are subject to oversight by Device employee welfare department.
2. Social contributions are being handled by senior management and executive.

### **Challenges**

With the growth of the company combined with a need to comply and deal in changing local legislation and relevant requirements, we need relevant policies, strengthen management, processing and monitoring. Furthermore, company requires having strong social networks and commitment to implement policies and guidelines that are regulated by senior management and executives.

### **Progress made in 2012**

#### **1. Freedom of Association**

Device Services Company Limited encourages freedom of association and communicates between management and employees.

## **2. Health and Safety**

- Device is committed to improve employee' working conditions and environment
- Creating good workplace is a key element for long-term work-life health in Device
- Device is willing to take responsibilities for its employees and society

### **Environment**

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

As environmental protection, the key of long-term and steady economic increase, sustainable development is a basic national interest. Device Services Co., Ltd. supports a precautionary approach to environmental challenges by reducing using paper in working field.

- Print and copy on both sides.
- Use e-mail to exchange documents and memos instead of printing or faxing.
- Adjust fonts, margins and spacing to fit more text on a standard sheet.
- Reuse paper printed on one side for internal memos, "draft" documents or scratch pads.
- Use electronic data storage instead of hard copy files.
- Use recycled-content, chlorine-free paper products, and use soy or other agri-based inks for printing project.

**Principle 8** : Undertake initiatives to promote greater environmental responsibility.

Our business has included our commitment to contribute to sustainable development since 2010. It requires us to balance short- and long-term interests, and to integrate economic, environmental and social considerations into business decision-making. We also participate in this the environmental meeting of Humanity Social Environment Responsibility and take part in donation and empathy program of the local refugees who are suffer from natural disaster.

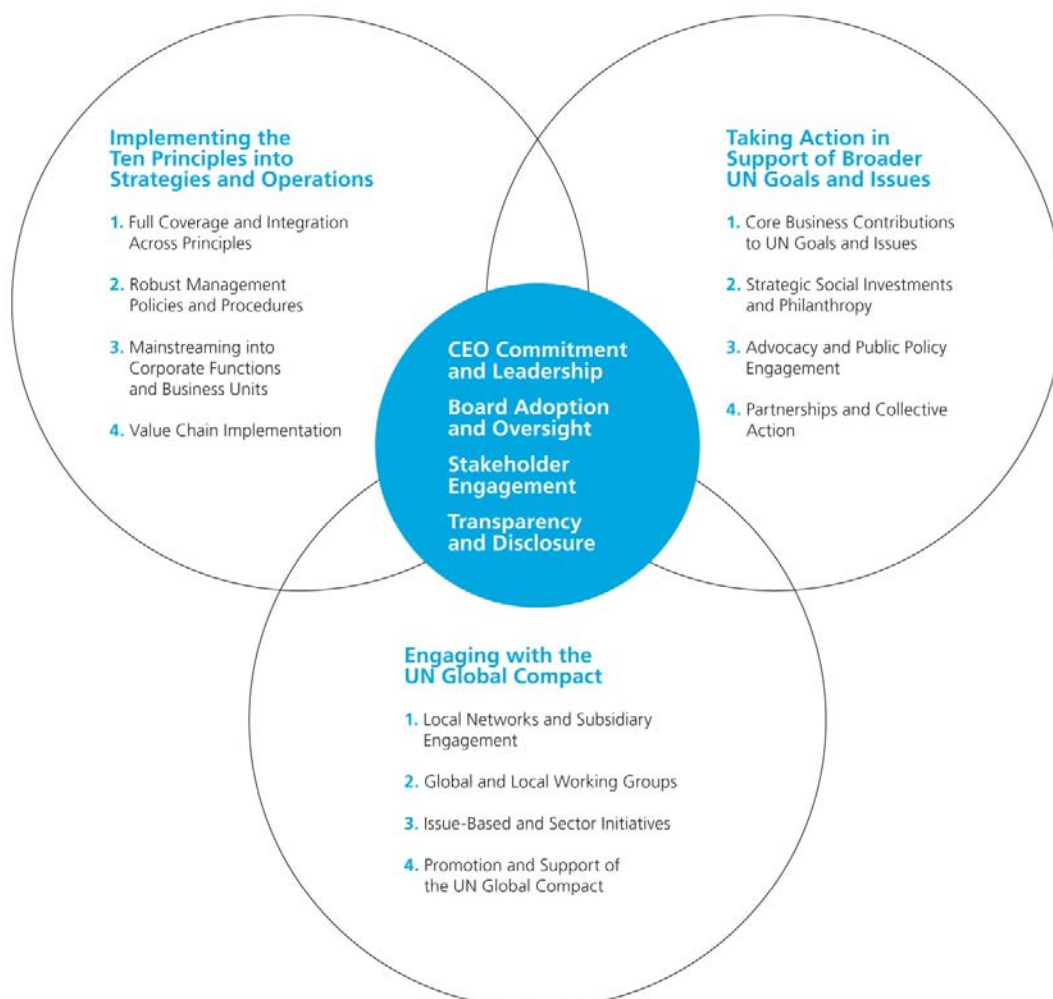
**Principle 9** : Encourage the development and diffusion of environmentally friendly technologies

In operation, we used online, email internet and networking system in order to reduce paper works. We always share such kinds of environmental friendly technologies not only with our internal customer but also with our external customer (i.e our clients). Moreover, we give training to the employee and also to the supplier/ Client/ Dealer who are in communication with Device Services Co., Ltd.

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

We are emphasizing on being high moral and best ethic in our organization. As our company has its own training academy, we share any of the disadvantages of Corruption in our seminars, training program, title in “The Winning Formula for Self Management, The Best Techniques for Managing Managers, etc.

## **Part 2                      Blueprint for Corporate Sustainability Leadership in Device Services Company Limited**



## Implementing the Ten Principles into Strategies and Operations

Indicator	Device Services Company Limited
Full coverage and integration across principles	<p>We implement all 10 principles in relevant perspectives. These are;</p> <ul style="list-style-type: none"> <li>• Principle 1-2 Human rights (through human resources, business development)</li> <li>• Principle 3-6 Labor (through human resources, employee welfare department)</li> <li>• Principle 7-9 Environment ( through environment protection)</li> <li>• Principle 10 Anti-corruption ( business ethics)</li> </ul> <p>We always monitor our company growth and respond to stakeholder' expectations. We always search for challenges that are critical to be a sustainable business for the long term. We encourage corporate sustainability strategy through employee welfare, employees' right, and business ethics.</p> <p>In device, there are many departments and product lines. All different departments coordinate and negotiate to achieve corporate goal. We develop cross-functional teams in which department heads, senior executives and team leaders are included.</p> <p>Our cross-functional teams are grouped with HR department, Business department which is responsible for the implementation of UN Global Compact Principles, Employee welfare department, Recruitment department, Training department, Editors and consulting group.</p> <p>We always get feedback from our employees and monitor progress.</p>
Robust management policies and procedures	<p>Device always analyses its risks and identifies the problems. Company develops strategies that can offer competitive advantages and other long term strategies such as health and safety.</p> <p>As we are servicing company, training program is one of our services. We provide short-term training courses for our employees twice a month. In order to motivate our employees, we use reward system so that employees can get financial and non-financial rewards when they hit their targets. We create short-term goals and evaluate individual 'performance.</p>
Mainstreaming into corporate functions and business unit	In device services company limited, several departments are responsible for achieving their targets as a meanwhile we all are



	trying to hit corporate objective. Our corporate objective is to be no.1 public listed one-stop services company in Myanmar, offer benefits to society and organization and share all of information with our stakeholders.
Value chain implementation	<p>We always evaluate our value chain and make better relationship with all of our stakeholders throughout the value chain. Having good relationship with them can smooth our business transactions and run the business efficiently and effectively. We can respond earlier and better to the risk and opportunities facing the company such as employees' welfare, business ethics.</p> <p>Device Services builds better communication network with not only customers but also its suppliers.</p>

### **Taking Action in Support of Broader UN Goals and Issues**

Core business contributions to UN goals and issues	<p>Device adopts its corporate strategy and business strategies by practicing UN declared principles. These are</p> <p>We value human rights and practice business ethics.</p> <p>We encourage our employees' motivation and support their welfare.</p> <p>We always pay attention to environmental management and climate action.</p> <p>We promote gender equality and empower women.</p> <p>Our organization always develops products and services that can meet UN goals/ issues. We design business models that can maximize the well-being of our stakeholders.</p>
Strategic social investments and Philanthropy	<p>We joined to social network groups and make contribution to society. The social networks we joined can be seen in Principle 1- 6. We also collaborate with other organizations for local charitable donations.</p>
Advocacy and public policy engagement	<p>Device is eager in advocating the importance of action in relation to UN goals. Our company leaders are very active to participate and corporate in key summit, important public policy interactions.</p>
Partnership and collective action	<p>Device makes alliances with profit and non-profit organizations. We make alliance with STYLE organization to offer better and variety kinds of products to our customers. We also make partnership with other charitable organizations such as</p> <ul style="list-style-type: none"> <li>• Myanmar Women's Development Association</li> <li>• Myanmar Young Entrepreneurs Association</li> </ul>

	<ul style="list-style-type: none"> <li>• Myanmar Maternal and Child Welfare Association</li> <li>• Myanmar Health Assistant Association</li> <li>• Myanmar Physically Handicapped Association</li> </ul>
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### **Engaging with the UN Global Compact**

Local networks and subsidiary engagement	We have other branch in Mandalay. Our commitment to UN Global Compact is world-wide. We encourage our branch to adapt principles of UN global compact. Our annual report and UN global compact COP represent consolidated information of the company's performance.
Issue-based and sector initiatives	<p>Device is committed to UNGC: caring for employees 'welfare, good business ethics, equal chance for women, non-discrimination in working groups, environmental protection.</p> <p>As we are member of Myanmar women's development association, we are committed to advancing women's well-being. We also focus on interests of our stakeholders.</p>

