



Z&A

Zeya & Associates Co., Ltd.

RGK+Z&A GROUP

437 A, Pyay Road, Kamayut, P.O., 11041,

Yangon, Myanmar.

t. +95-1-502016-8, 534845-6.

f. +95-1-527604.

---

United Nations Global Compact

Communication on Progress

From 8 October 2015

to 8 October 2016

7 October 2016

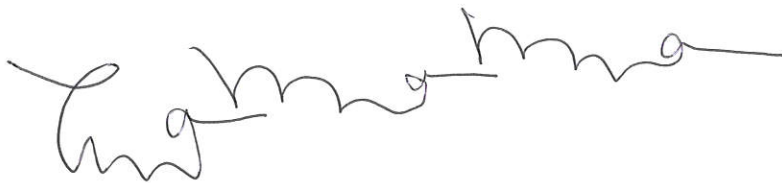
H.E. Ban Ki-Moon  
Secretary-General  
United Nations  
New York, NY 10017

Dear Mr Secretary-General

We, Zeya & Associates Co., Ltd. (RGK + ZNA Group) support the ten principles of the UN Global Compact on human rights, labor, environment, and anti-corruption. With this communication, we express our intent to implement those principles. We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goal of the United Nations, particularly the Millennium Development goals, Zeya & Associates Co., Ltd. (RGK + ZNA Group) will make a clear statement of this commitment to our stakeholders and the general public.

This is the second Communication on Progress as we have joined since 7 October 2014. We will keep continuing our best to blend the Global Compact and its principles into our business strategy, culture and daily operations. We are pleased to share this information with our stakeholders using our channels of communication.

Sincerely yours



Zeya Thura Mon  
Chairman/ CEO

## Human Rights

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

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

### *Assessment, Policy and Goals*

We strongly respect and support the human rights with applicable international and national practices. We persist to enforce our Standard human resource policies that safeguard non-discrimination and fair employment practices within our employees. We also pursue The Social Security Law which was enacted in 2012 in Myanmar. Regarding with our education policy, that is "Primary and Secondary education for all" to the staff member families. We demonstrate its commitment to employees by responding effectively to employee concerns. We have a policy concerning Corporate Social Responsibility.

### *Implementation*

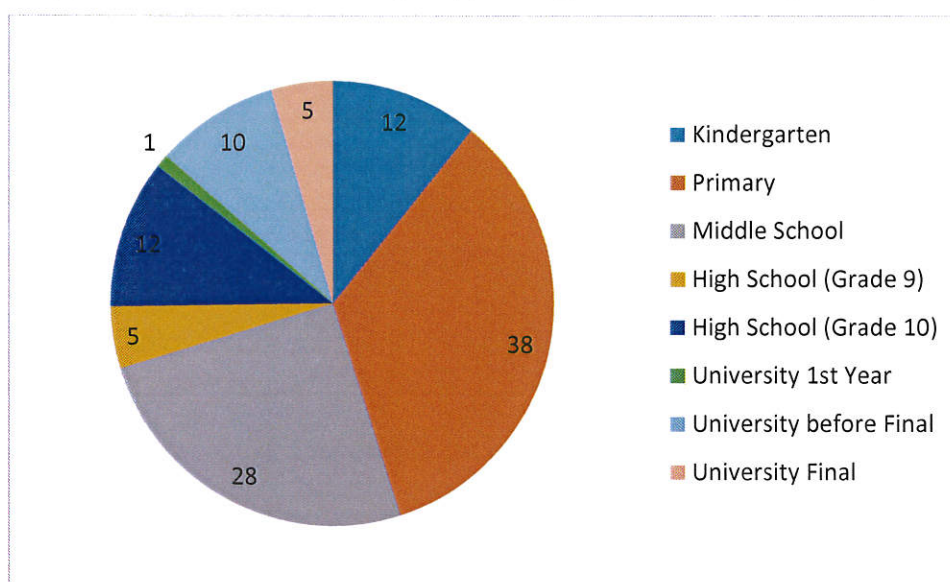
Zeya & Associates Co., Ltd. has continued to implement its "No Workplace Discrimination" policy and we make sure that we care socio-economic human rights. We provide good working environment (clean and standardized workplace, good lighting system, and standardized air conditioning), great value on diversity and a comprehensive work-life balance. We provide educational assistance program encourages personal development through formal education so that employees can maintain and improve job related skills or enhance their ability to compete for reasonably attainable jobs. We provide financial support for education not only to staff member families but also the families those who are in difficulties. We work with governments, law firms and NGOs to institute policies to help better protect individual's right to privacy. We closely perform with Health Care organizations, Charity Organizations, Border Areas Development Association and local societies.

### *Measurement of outcomes*

We accomplish periodic review of results by management team and the results show there is no case of human right violations, complaints and breaches during this report period. The areas reviewed were Working Condition and Hours, Employment Status, Employee Benefits Programs, Training Development, Performance. And the period is October 2015 to end of September 2016.

We have the awareness of right to education, thus our Education Supports for 2016 ~ 2017 Academic year are as follows:

## Education Support Number of Students (111) (Kindergarten to University Final)



No.	Items	Number of Students	Cash		Materials	Total (US\$) (Cash + Material)
			Rate (US\$)	Amount (US\$) Cash	Amount (US\$) Materials	
1	Kindergarten	12	200	2400	251	2651
2	Primary	38	120	4560	796	5356
3	Middle School	28	125	3500	785	4285
4	High School (Grade 9)	5	135	675	140	815
5	High School (Grade 10)	12	160	1920	337	2257
6	University 1st Year	1	215	215	30	245
7	University before Final	10	162	1620	146	1766
8	University Final	5	202	1010	73	1083
		<b>111</b>		<b>15900</b>	<b>2558</b>	<b>18458</b>

We contributed about US\$ 15,900 (cash) and US\$ 2558 (material) to above students for academic year 2016 – 2017 (Total amount is about US\$ 18,458).

Besides, the CEO is attending Executive MBA at University of Chicago Booth, Batch AXP – 16 as the Company has granted a scholarship of US\$ 140,000 for CEO. Furthermore, 3 Management Committee members are attending an MBA Program at Assumption University, as the Company has sponsored the school fees.

We keep on assisting Border Areas Development Association (BDA) which is performing Non-Formal Primary Education (NFPE) project jointly with UNICEF. We donated about US\$ 11,000 within a year. (On 23 October 2016, on 2 September 2016)

We support Myanmar Football Federation (MFF) as a sponsor and paid US\$ 100,000 in February 2016.

We donated US\$ 5,000 to UNGC Network Myanmar on 30<sup>th</sup> November 2015.

We also donated to the people who are living in flooded area during rainy season as doing a corporate philanthropy, besides we have done volunteer work.

## Labor

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

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

### *Assessment, Policy and Goals*

Zeya & Associates supports freedom of association and, where applicable, recognize the right to collective bargaining. We disclosure of standard operating procedures and job descriptions through our employee handbook, create an open and a favorable work environment. We have an obligation to respect, protect and fulfill economic, social and cultural rights. Staff members want to work for an organization that encourages and respects individuals, and this is one of our core values across the Zeya & Associates network. We have a strict policy regarding with not employing child labor. Our organization prohibits sub-contractors not to employ child labor. Besides, there are contracts with sub-contractors regarding with not employing child labor. Our Company's Human Capital Manual clearly reveals that it covers policies concerning employee rights and responsibilities, compensations and benefits.

### *Implementation*

We understand that by putting effective anti-discrimination and anti-harassment procedures in place in business, we can improve productivity and increase efficiency. We do not recruit any person who is under the age of 18. We provide capacity building sections for employees like 30-day MBA. We also send staff abroad to attend trainings regarding with technical, management and secretarial skills. We perform financial support for homes for employees as well as health care. According to rules and regulations, we allow staff to take maternity leave, paternity leave and so on. Employees can go to the hospitals (Victoria, Asia Royal, SSC, Aung Yadanar Hospital and so on) for their health care and they can re-claim the expenses according to the principles. We do not execute any discrimination on the basis of racial or ethnic origin in relation. We do not assign any child labor (or) forced labor in our organization. We pursue employ equal opportunity standards, besides offering a healthy lifestyle workplace and appropriate requirement.

### *Measurement of outcomes*

We performed a 40% random check in all working sites including sub-contractor sites and there was no child labor and force labor. We found out that all employees are above 18 years old.

According to the feedback from the staff, they satisfy the health care system.



## Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

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

### *Assessment, Policy and Goals*

We aim to be a paperless organization. Besides, we are trying to increase percentage of recyclable waste and encourage generating power (energy) from waste.

We avoid using coal plant power generation which shall impact the environment.

Besides, we support in environmental conservation by growing and maintaining trees.

We reduce the usage of resources and practice the waste management system.

We educate the cost and benefits of clean technology, besides utilize clean technology for Bus Rapid Transit - Lite (BRT – lite) in Yangon Region.

### *Implementation*

We educate our employees about the environmental awareness frequently.

We are involved in Electric Power Generation and we have fossil-fuel power plants, located in Hlaw Gar, Yangon, however we do not use coal for power generation.

Environmental and Social Impact analysis was thorough performed.

Furthermore, we educate not only employees but also natives about benefits of growing trees.

We have grown trees in the area of 230 acres in Upper Myanmar (along the express way between Nay Pyi Taw (Capital) and Mandalay. We also have grown trees in Mingalar Don township, Yangon.

In order to reduce electric power consumption, we installed special glasses in air-conditioned rooms. We do switch-off the unnecessary lights and electrical appliances.

We use low emission cars and travelling together instead of using individuals.

We try not to print out papers and reuse one-sided papers.

We encourage using electronic communication in order to obtain proficiency and conservation of environment. We maintain no leakage water system and safe the water. In addition to this, we have installed reclaimed water system so that it will not harm environment.

We have preventive maintenance programs for all machines and we do regular maintenance, thus, it helps to reduce air pollution.

As we are one of the founders of Yangon Bus Public Co., Ltd., we encourage using CNG for Buses.

### *Measurement of outcomes*

In accordance with Organization's policy, Environmental and Social Impact Assessments are conducted.

We have been growing trees since 2013 between Nay Pyi Taw and Mandalay Expressway.

The area is 230 Acres, which is located in Tat Kone Township (Nay Pyi Taw Region)

Between 2015 October and 2016 September the following trees were developed-

- |                    |             |
|--------------------|-------------|
| • Ironwood trees   | 56,750 nos. |
| • Gum-Kino trees   | 27,950 nos. |
| • Eucalyptus trees | 5,900 nos.  |
| • Mahogany         | 1,000 nos.  |

Total	<hr/> 91,600 nos.
-------	-------------------

No cases of impacts on environment and no complaints are reported during the report period.

## Anti-Corruption

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

### *Assessment, Policy and Goals*

We are committed to achieving a high standard of ethical behavior in everything that we do. Restrictions on accepting gifts prevent outside interests from giving things of value to employees. These restrictions prevent outside interests from exercising an improper influence over decision-making.

### *Implementation*

We provide Human Capital Manual which supports anticorruption commitment. Furthermore, we preserve internal accounting and auditing procedures related to anticorruption.

We promote anticorruption environment within the organization's personnel.

There is a restriction of accepting gifts in our organization. On the other hand, an employee may accept the promotional materials or souvenir or small gifts (not valuable).

We effort with consultants, partners to promote Anti-Corruption Best Practices.

We are the provider of foreign companies such as GUASCOR POWER, Rolls-Royces Power Systems Company and so on. Thus, we are complying with the Foreign Corrupt Practices Act and Other Laws Restricting Bribes through those foreign companies. According to requirements, our company staff also attending training regarding with the Foreign Corrupt Practices Act and Other Law Restricting Bribes. Furthermore, our company will strive to obtain the certification to conduct that kind of training for our employees.

### *Measurement of outcomes*

Monthly review accomplished by management team. We keep on monitoring for the breach of policies and no case was arisen. Our Company has both internal and external audit functions, thereby ensuring that records, processes, and financial statements are closely examined at regular intervals.

The other management members will strive to obtain the Certificates on FCPA Compliance as well.

In our company, Mr Aung Thu Htoon/ Director of Power Systems, Mr Ravichandran Sabrinathan/ Director of Supply Chain, Mr Aung Kyaw Phyo/ EE, Mr Maung Maung Soe/ EE and Mr Tay Zar Lin/ EE have got their FCPA Compliance Certification from DRESSER-RAND on 7 August 2014.

The other management members will strive to obtain the Certificates on FCPA Compliance as well.