

UN Global Compact Communication on Progress



10th March 2017

Skyward International Trade Ltd.

No.1, Corner of Zawtika Lane & Bayint Naung Main Road,

 $Ward\ (4), Kamayut, Yangon, Myanmar$

Tel: +95 (01) 538412, 538413,

Fax: +95 (01) 510553



Statement of Commitment

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

Dear Mr. Secretary-General,

It is the great pleasure to confirm that Skyward International Trade Limited reaffirms its support of the Ten Principles of the United Nations Global Compact, in the areas of Human Rights, Labor, Environment and Anticorruption.

In this second annual Communication on Progress, we describe our actions and activities to improve the integration of Global Compact and its ten principles in our business strategy and daily operations.

We will continue to take part in the activities of the UN Global Compact where appropriate and feasible- through, participation in country and local networks, involvement in specialized initiatives and work streams, engagement in partnership projects, and reviewing and providing commentary to participating companies on their Communications on Progress.

Sincerely yours,

U Thein Win

Managing Director

Skyward International Trade Limited.



HUMAN RIGHTS PRINCIPLES

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

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

We strongly respect and follow the Universal Declaration of Human Rights. In our Skyward International Trade, all employees are entitled to all rights and freedoms without discrimination of any kind such as race, religion, skin color. From our senior management to entry level, we are committed to ensuring the protection of human rights that our business practices are not complicit in any human right abuses.

We publish internal newsletter for not only keeping employees up to date on the happenings of the company but also sharing the knowledge and developments of the company. Seminars on environmental, social and workplace issues are also provided to employees.

Employees are also provided with training such as induction training for new employees and the other trainings such as on the job training, in house training. The external trainings are provided to employees to increase job satisfaction, to perform his or her job better and to build their confidence and to polish their skills. Now, we are trying to upgrade ISO (9001: 2008) to ISO (9001:2015). We invited external trainer from MyAsia Consulting Co., Ltd. to give the upgrade version training of ISO 2015 to employees.

We are also proud of our CSR activity efforts. Nyein Chan Myanmar Blood Donation Group was created in 2014 and we have engaged in 9 blood drives. Our employees (366) and friends of the company (410) donated (776) Blood Bags to save the precious lives. While this hugely benefits the community, these blood drives also create bonding and workplace happiness for our employees, teambuilding and then they enjoy a day of free transportation, food, drinking water, oral Rehydration salts, and shirt with Nyein Chan Myanmar Logo. The employees have to make blood checking before donating the blood and they can also know their health condition whether they can donate or not and need medical treatment.



Skyward family also donated the purified drinking water, 20-Liters (1200) bottles to Villages in Tontay and Sake-Kyi-Kha-Naung-To Townships located in Yangon Region where doesn't enough water in summer. Skyward family never hesitates in donation. Donations have been made by going to places suffering from Flood and providing drinking water and other essentials to victims of floods and storms. Then, we also donated PMG purified drinking water 1-Liter (14,400) bottles to volunteers, social groups who help in repairing the pagodas and temples in Bagan which was struck by earthquake in 29 August, 2016.

Internal Newsletter of Skyward International Trade









Giving training to employees with the external trainer from

MDP (**Myanmar Development Professionals**)





Nyein Chan Myanmar 9th Blood Donation to National Blood Bank















Purified Drinking Water Bottles Donation















LABOR STANDARD PRINCIPLES

Principle 3: Business 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.

We fully respect and support the right of Freedom of association and collective bargaining rights. We provided the written terms and conditions of the company to all employees according to the law of Ministry of Labors for responsibility of employers and employee.

We do not force on labor policy. Employees require working 44 hours in a week and overtime premium are paid according to related law. Employees are paid monthly salary and given overtime allowances, travel and meal allowances, transportation provision. According to terms and conditions, employees can able to have yearly leave entitlements; 6 days of casual leave, 10 days of earned leave, 14 weeks of maternity leave, 15 days of paternity leave, 30 days of fully paid medical leave. Our company also gives 7 days of Funerals and Bereavement leave to employees which is not mentioned in labor law. Employees can also have social security insurances at social security board. We also make monthly birthday party for employees to create more convenient and happy working environment with colleagues and let them know that all employees are considered part of Skyward's Family.

Our company does not employ child labors below the age of eighteen years. All employees have right to believe their religion and right to take part in public affairs. Employees can also able to join Union with any discriminated against for being a Union member. We emphasize on equality and non-discrimination such as race, gender, national, ethnic origin, marital status and any other occupationally irrelevant condition on workers and among workers. We strongly support and encourages to female employees to have more confidence and to face the challenges in life. That is the reason why we have several outstanding female employees in our senior management.



Monthly Birthday Celebration for Employees













ENVIRONMENT PRINCIPLES

Principle 7: Business should support a precautionary approach to environment challenges;

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

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

Since the beginning of 2014, we have been introducing thinner plastic bottles (1-Liter, 0.3-Liters, and 0.5-Liter) to the Myanmar market. By reducing the grams of plastic for both the water bottles as well as the cap, we are using fewer raw materials thereby reducing the environment impact of our business both in sourcing as well as in waste. Even though we incur the risks associated with introducing thinner bottles in a market that is used to thick, sturdy bottles, we stick to our commitment of reducing environment impact of our business. We take upon the responsibility of educating the public over time. In the middle of 2015, we introduced 5-Liter bottles that also use less plastic than our competitors.

At the end of 2016, we introduced the new 1-Liter bottle. Best quality technology is being used by reducing the use of crude petroleum oil which is the raw material for plastic and prevention of the natural resources which is a support for conservation of the environment. We produced the 1-Liter thinner bottles not only distribution to market to get profit but also giving knowledge of reducing plastic to save the environment.

Our company follows and practices The environmental Conversation Law laid down in The Republic of the Union of Myanmar. At company, all the departments are connected with local network and we distribute the internal orders, meeting minutes, internal instructions, etc. with email or office outlook instead of copying paper. When we do print, we use both sides of paper and submit our recyclables to appropriate.

Our first priority is not only to safe the people but also our environment. The Extinguishers are also placed at the every corner of the room and the safety trainings are also given to employees.



To support the growth and development of green practices, the mini-garden with the green plants is placed in the compound to relieve our employees from mental fatigue. To reduce the consumption of fuels, we regularly maintain our motor vehicles and generators to make sure they run efficiently.

Thinner Plastic Bottles (1-Liter, 0.3-Liters, and 0.5-Liters)





Mini-Garden with green plants in company compound









ANTI-CORRUPTION PRINCIPLE

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

Skyward takes zero tolerance approach to corruption or bribery. Management sets strict rules and procedures that corruptions are not allowed to all levels of employees. The gifts or others briberies are not given in the favor of the performance of the work either.

We always pay Income Tax, Commercial Tax and the prepaid tax is also paid for 2016-2017. Then, we have never tried to commit bribery or corruption and we do not give, promise or offer to or accepted from whether the government officials or representatives, union parities and social board. We also do not make any corruption in communicating to our suppliers, customers and business partners. Enough training is given to all existing employees to follow anti-corruption policy of company or not to make any corruption.

If any corruption or bribery case is investigated or complained by the customers, our management team takes action in time by reviewing the documents or records or other evidences.



Commercial Tax Certification of Skyward International Trade Ltd.





Income Tax Certification of Skyward International Trade Ltd.



