



YKKO Group of
Companies Limited

UN Global Compact

2017 Communication on Progress



CONTENTS

STATEMENT FROM THE CHAIRPERSON	1
OVERVIEW	2
ABOUT THIS REPORT	3
OUR ACTIVITIES	4
HOW YKKO IMPLEMENTS THE 10 GLOBAL COMPACT PRINCIPLES	5





STATEMENT FROM THE CHAIRPERSON

I am pleased to confirm that YKKO Group of Companies Limited reasserts its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. In our first annual Communication on Progress, we describe our actions to continuously improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

We also commit to share this information with our stakeholders using our primary channels of communication.

Yours Sincerely,
Daw Yu Yu Lwin
CHAIRPERSON of YKKO Group of Companies Limited, Myanmar,
COP for 2017

OVERVIEW

- NOW OPERATING 36 SHOPS

SINCE 1988

VISION

To instantly recognize YKKO as a successful Myanmar Brand and to last for centuries.

MISSION

To provide customers with 100% satisfaction operating on '3' principles of foundation:

Quality, Cleanliness, and Service

ABOUT THIS REPORT

YKKO Group of Companies Limited has been a signatory of the UNGC since 2012. The Compact is a voluntary framework for businesses committed to aligning their operations and strategies to stimulate organisational change in accordance with the Ten Principles covering human rights, labour, the environment and anti-corruption. As a voluntary initiate, we are committed to submitting a Communications on Progress (COP) to the UNGC on an annual basis.

The reporting period for this COP is from 3 June 2016 to 1 June 2017 and the report highlights select activities of YKO in relation to the ten principles. This COP report is not a comprehensive disclosure of our activities in relation to the UNGC. It is designed to provide an overview of how we implement the Ten Principles, and outline our compliance. We also aim to report on our wider sustainability and citizenship activities and how our business operations enhance our commitment to our communities.



OUR ACTIVITIES

YKKO Group of Companies Limited is a network of family-oriented restaurant chains, operating across Myanmar. We have branches in 6 states, and have 1,400 people working in outlets across the country. Our core service has always been to deliver a great kyay oh experience for our customers through our YKKO ethos and actions. These principles evolved over time to not only extend towards our customers but also involve stakeholders.

Our Social & Sports Sub Committee still holds activities for employees, and YKKO continues our annual Blood Donation and Thingyan Donation programs.



Labutta Fire Victims

On 4th February 2016, a fire broke out at Labutta in Ayeyawady Region, Myanmar. The fire, caused by an old electrical wiring in a two-storey wood house, left 761 people homeless as it spread to neighbouring residences. 25 volunteers of the company gathered to head to the village, and donated 5,000,000 kyats.

Thingyan Donations

During our annual water festival – Thingyan – YKKO operated 1 shop during the holiday. 5,000,000 kyats from the proceeds were donated to **Daw Khin Kyi Foundation**, which was established in 2012 by Nobel Peace Prize Laureate, Daw Aung San Suu Kyi in loving memory of her late mother, Daw Khin Kyi. The purpose of the foundation is to promote health, education and living standards of the people of the country, focusing its attention especially on the needs of Burma's least developed areas

Ka Htein

30 members of YKKO gathered to donate Ka Htain, a tradition in Myanmar culture, where you are able to donate anything deemed useful for monks in a designated monastery. We were able to donate materials as well as monetary funds of 2,000,000 kyats to Yadanar Thein Ga Monestary.

SA DU THI THA

In Myanmar, during holiday festivals, there are events called Satuditha, which are occasions that are held as a means of merit making, where people go to pagodas and monasteries for religious good deeds, sharing donations and at times, hosting large meal gatherings. 17 volunteers gathered from YKKO to take part in the Satuditha offering drinks and traditional snacks to visitors of the shrine. Proceeds earned from Thingyan earnings contributed to make this event happen.

HOW YKKO IMPLEMENTS THE 10 GLOBAL COMPACT PRINCIPLES

	Principle	Commitment
Human Rights	<ol style="list-style-type: none"> 1. Businesses should support and respect the protection of internationally proclaimed human rights; 2. and make sure that they are not complicit in human right abuses. 	YKKO is organizationally oriented on career development at all levels. We focus on evoking new insights about the organization, community, industry and culture. Our training offers learning experiences to the employees that are job related, whilst encouraging career advancement beneficial to both employee and the company
Labour Standards	<ol style="list-style-type: none"> 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; 4. the elimination of all forms of forced and compulsory labour; 5. the effective abolition of child labour; 6. and the elimination of discrimination in respect of employment and occupation. 	YKKO has never sought competitive advantage at the cost of labour. We've implemented several labour rights standards in our company's code of conducts
Environment	<ol style="list-style-type: none"> 7. Businesses should support a precautionary approach to environmental challenges; 8. undertake initiatives to promote greater environmental responsibility; 9. and encourage the development and diffusion of environmentally friendly technologies. 	In recognition of the environmental impacts that concern the global community, YKKO has worked actively to promote greater environmental responsibility into our business activities. We have set social and environmental standards in our product development and in the provision of our products and services.
Anti-Corruption	<ol style="list-style-type: none"> 10. Businesses should work against corruption in all its forms, including extortion and bribery. 	YKKO Group of Companies Ltd. enforces a zero tolerance approach to exploitation and corrupted dealings. Our enhanced introduction of sound corporate governance practices in transactions with our suppliers and negotiations with chosen business associates further solidifies our stance against anti-corruption.

Systems, Policies and Procedures	Highlights
<ul style="list-style-type: none"> Internal Code of Ethics which includes Human Rights considerations and prohibits discrimination in our hiring practices against religion, race and gender Currently working on an EHB that will clarify employee rights and benefits Quality and Risk Management manual 	<p>Following international standards, we are now including YKKO Mission and Values in our employee handbook to further solidify a corporate culture that drives growth, innovation and teamwork.</p>
<ul style="list-style-type: none"> YKKO does not use forced, compulsory or child labor YKKO supports where applicable, the freedom of association and the effective recognition of the right to collective bargaining We hold ourselves accountable to recognize staff members that have travelled from suburban areas to the city without living quarters, and makes sure to provide hostels for them. 	
<ul style="list-style-type: none"> We record electricity, gas and water consumption on a regular basis to identify areas of wastage. The usage of air condition units are strictly monitored by management We take proactive steps to determine what areas can limit wastage and resources 	<p>We are currently developing a centralized kitchen to monitor food wastage which should be fully functioning by the end of this year.</p>
<ul style="list-style-type: none"> Internal Code of Ethics which includes anti-bribery policy 	

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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