

# **RMA Group UN Global Compact**

## **Communication on Progress**

### **October 2017**



# UN Global Compact & RMA Group: Ideals



## United Nations Global Compact

A strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of:

- Human rights,
- Labour,
- Environment,
- Anti-corruption.

# The Ten Principles of the United Nations Global Compact

## Human rights

1. Businesses should support and respect the protection of internationally proclaimed human rights;
2. Make sure that they are not complicit in human rights abuses.

## Labour

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; and
6. The elimination of discrimination in respect of employment and occupation.

## Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. Undertake initiatives to promote greater environmental responsibility; and
9. Encourage the development and diffusion of environmentally friendly technologies.

## Anti-corruption

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



# RMA supports the UN Global Compact



# **Practical Actions in Human Rights, Labour, Environment, and Anti-Corruption**



# Principle: Human Rights

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## 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.



Human Rights



# RMA's Commitment: Human Rights

## Strategic goals towards meeting the UN Global Compact on Human Rights

### Education

Education is a basic human right. The wider dissemination of knowledge leads to greater equality and wide spread social development.

- RMA has established a scholarship program for students with goals to improve their community.
- Basic requirements: need based, academic performance, and social/business awareness.
- Internship with RMA group/subsidiary for subsequent summer break.

### Ethical Sourcing

Supplier due diligence is a part of RMA's commitment to finding fair labor and ethically sound partners. As part of the due diligence, background checks of suppliers are done to ensure no forced labor or child labor was used in the manufacturing of products supplied to RMA.

### Outstanding Character of Employees

RMA performs background checks on all employees hired to ensure they are of outstanding character and do not participate in actions deemed questionable to human rights.

All employees are required to adhere to a code of ethics which encompasses protection of human rights.



Human Rights



# Principles: Labour

## 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 labour;

## Principle 5

the effective abolition of child labour; and

## Principle 6

the elimination of discrimination in respect of employment and occupation.



Labour





# RMA's Commitment: Labour

## Strategic goals towards meeting the UN Global Compact on Labour

### Diversity

RMA employs over 4,000 worldwide from all cultures, background, and nationalities. We employ approximately 40 different nationalities from all continents. They represent a wide range of religious, cultural, political, ethnic and linguistic backgrounds. Due to some of our key geographical locations and the intensive manual nature of some of the work, male employees represent over 70% of the workforce currently. However, in some locations female employees represent 40-50% of the workforce, including professional and managerial roles.

### Fair Treatment

Fair treatment of employees is a fundamental concept and RMA recognises employees' rights both under the laws of the countries in which we operate and through working with employee representative bodies and trade unions. We actively work with such representatives, both proactively as means to establishing fair employment conditions and where issues and disputes require management and staff working together to find solutions.

### Human Rights Labour

Most Labor issues overlap with human right concerns. Therefore, RMA commitments in Human Rights are stated with Labor issues in mind. In consideration of forced and child labor, RMA will work on implementing in house supplier checks and by all measurable methods practice fair labor employment.



Labour



# Principles: 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.



Environment



# RMA's Commitment: Environment

## Strategic goals towards meeting the UN Global Compact on Environment

### New Technology

RMA is committed to adopting and pushing new environmentally friendly technology and processes. This includes researching and test phasing different approaches that improve the quality of the environment before implementation.

- Oil Recycling: The customary removal of used engine oil in the Afghan army was simple. Dump it. RMA introduced an easy-to-manage solution that saved money and introduced the concept of reduced waste management. The oil was filtered and recycled several times, saving money and the environment.

- CNG Vehicles: Alternative fuel sources has increasingly become most cost effective alternatives to petrol vehicles. RMA has partnered with some of the largest car manufacturers in the world to test and develop Compressed Natural Gas vehicles.

### Grants

RMA is involved in a range or charitable institution and programme, the most significant of which is In 2008, RM Asia and Ford launched the “2008 Conservation and Environmental Grants” program in Cambodia and Laos. The following examples demonstrate how we have employed the grants; 1) Provided an ambulance (Ford) to the Lao Association for the Poor, 2) A donation of US\$ 6,000 to the Lao Association for the Poor to purchase rice following a drought in the South of Laos, 3) a US\$ 10,000 donation to build a school in Prea Smach village in Cambodia, 4) RMA paid for the materials and the staff of RMA volunteered their time to renovate a children’s library in Cambodia, 5) Together with Ford, RMA provided and planted 2500 trees and plants in Kampong Speu Province and Siem Reap, Cambodia to help reduce soil erosion in the area and ‘green’ the environs of the town, 6) Provided 600 helmets to the Cambodian dept. of Transport and Ministry of Public to help promote road safety. 7) Donated 25 0 helmets and US\$ 3,000 to the Red Cross in Cambodia to support their road safety programme. 8) Donated over 25 tons of rice, thousands of soy sauce bottles and packets of noodles over the last 3 years as part of the Ford Adventure event. 9) donated boats and food to teams from under privileged backgrounds to allow them to take part in the Cambodian Water Festival.

RMA is also a main sponsor of AIESEC Cambodia, a programme to build the human resource capability for Cambodia by empowering it’s youth the develop into youth business leaders.

### Certification

ISO 14001: 2004 Accreditation assures customers and neighbors of RMA’s commitment to minimize its processes in product manufacturing that negatively affect the environment. RMA’s commitment will continuously improve the qualities of air, water and land.



Environment



# Principles: Anti-Corruption

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## Principle 10

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



Anti-Corruption



# Principles & Commitment: Anti-corruption

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

## Education

RMA has developed Anti-Corruption training programs , which have been rolled out to all our employees. Education is the best tool to show the micro and macro impacts of corruption on an individual and the surrounding communities

## Internal Audit

All business transactions and agreements go through an internal audit process to check for irregularities. The scrutinization process introduces accountability and ownership of concessions and deals made. This is RMA's effort in pushing for greater transparency.

## Management Buy In

Executive Buy-In is critical to any goal an organization looks to implement. Directors at RMA will regularly communicate the challenges and hurdles of corruption to their teams.



Anti-Corruption



# RMA Business Ethics Policy

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RMA Group of Companies view themselves as modern companies in tune with the demands of a market in which buyers are increasingly concerned about the impact their own actions might have in terms of the environment and human rights.

As such, RMA Group has introduced its own Ethical Business Policy with the aim of satisfying these customer concerns. Through it, we hope to ensure that we source our materials and services from companies whose own practices are governed by similar principles.

Our policy shall be applied to suppliers of materials, spare parts and vehicle options, as well as our service providers (freight forwarders, etc). The aim is to ensure that due care for the environment has been taken during the manufacturing processes and that the goods and services are produced and provided in a manner which ensures that employees and communities have not been exploited.



Anti-Corruption



# RMA Business Ethics Policy

## RMA shall strive to act as outlined below:

- To maintain the highest standard of integrity in all business relationships.
- To reject any business practice that might reasonably be deemed improper.
- To foster the highest standards of professional competence amongst those responsible for procurement and supply.
- To enhance the proficiency and stature of those responsible for procurement and supply by acquiring and applying knowledge in the most appropriate way.
- To optimise the use of resources for the benefit of the organisation as a whole.
- To comply with both the letter and intent of the laws of the countries being dealt with; agreed contractual obligations; and professional practice.
- Goods and services should be purchased that are produced and delivered under conditions that do not involve the abuse or exploitation of any persons.
- Not to engage with suppliers that sell or manufacture anti-personnel mines or components utilised in the manufacture of anti- personnel mines.
- Not to abuse position of authority for personal gain.
- Declare any personal interest which may affect, or be seen by other to affect, impartiality or decision making.
- Not to accept inducements or gifts other than items of low value.
- To always declare the offer or acceptance of hospitality and never allow hospitality to influence a business decision.
- To ensure that the information given is accurate.
- To respect the confidentiality of information received and not to use it for personal gain.
- To strive for genuine, fair and transparent competition.
- To remain impartial in all business dealings and not to be influenced by those with vested interests.



Anti-Corruption



# Activities in Support of Broader UN Goals and Issues





# RMA Thailand

## November 2<sup>nd</sup>, 7<sup>th</sup>, 11<sup>th</sup> 2016 – Mazda City Supports Mourners of His Majesty King Bhumibol Adulyadej of the Kingdom of Thailand

RMA's Mazda City, in Bangkok, organized a CSR activity consisting of management, sales and administrative staff.

Manning a volunteer tent at Sanam Luang, the team provided free water, snacks and black ribbons to the mourners paying their respects to His Majesty King Bhumibol Adulyadej.



## **November 18<sup>th</sup>, 2016 – RMAA Donation to Christian Prison Ministry Foundation**

Volunteer staff from RMA's Mazda City visited the Christian Prison Ministry Foundation to distribute lunch, stationery and donate money. The efforts of the team were reciprocated with huge smiles by the many children.





# RMA Thailand

## July 27<sup>th</sup>, 2017 – Refurbish Wat Manorom Public School, Laem Chabang, Thailand

RMA Automotive's (RMAA) staff based at the Assembly and Distribution Center (ADC), spent a day refurbishing the local Wat Manorom Public School. Activities included painting the school hall, painting and repairing the playground and fences and fixing the restrooms. RMA volunteers also donated school stationery.

Through these actions, RMAA, aims to improve the well-being of students by creating a cleaner and better learning environment.



Human Rights and Labour & SDGs 4, 11, 16



# RMA Thailand

## September 15, 2017 – ADC Fun & Learning Day

RMA Automotive (RMAA) hosted a fun and learning day at its Assembly and Distribution Center (ADC) for children from the Child Protection and Development Center (CPDC) and Drop-In Center Pattaya, Thailand. Both orphanages are part of the Child Protection and Development Program supported by the HHN Foundation, Thailand, a non-governmental organization which helps to promote sustainable human, social and economic development.

Seventy-five children between the ages of 6 to 14 years, participated in fun activities at the plant. They were introduced to engineering and manufacturing as well as the concept of a safe working environment.



RMAA staff gave the children a tour of the plant while explaining to them workplace safety, how a fork lift is used and how a warehouse operates.

THB20,000 collected from staff donations was handed to the CPDC. Children received specially designed T-Shirts and caps, earplugs, two pairs of socks, a pair of shoes to and a delicious lunch.



Human Rights and Labour & SDGs 1-4, 9



# RMA Thailand

## 2016 - RMA South Africa Donate Two Rangers

RMA South Africa converted two Ford Rangers, donated by Ford Motor Company of Southern Africa (FMCSA), into mobile clinics. This is part of FMCSA's collaboration with World Vision South Africa to improve access to quality healthcare in the country's Eastern Cape province.

RMAA made special modifications to the Rangers free of charge at its plant, located in the FMCSA factory.

Mobile clinics, will support two area development programs in the Eastern Cape, providing health, education, access to medication and child nutrition to 20,000 children and 10,000 adults within its first year.

The two Ford Rangers will be used to access hard-to-reach areas in order to provide essential health services and dispense chronic medication.





# Minecorp, Australia

## May 25<sup>th</sup>, 2017 - Anti-Cancer Council Australia's Biggest Morning Tea

Australia's Biggest Morning Tea is Cancer Council Australia's most popular fundraising event and the largest, most successful event of its kind in Australia. In 2016 it raised \$11.9 million to help beat cancer.

RMA's Minecorp hosted The Biggest Morning Tea at its offices in Brisbane. Employees bring a plate of food to share and donate money to participate. Staff contributed generously to the event in an attempt to help the organizers achieve their target of \$13 million of 2017.



# RMA Cambodia

## February 14<sup>th</sup> - RMA Cambodia Shares Love

RMA Cambodia's HR department held a team-building activity on Valentine's Day. Spending the day cycling together, the team visited children at Coconut School in Ronas Village, Sangkat Khos Duch, Khan Chroy Chongya. Here they also donated study materials and snacks to the youngsters. Charitable actions encourage others to do the same. The day's activities also created a stronger bond between RMA staff.



## February 14<sup>th</sup> - From Krispy Kreme With Love – EFG Cambodia

EFG, the hospitality subsidiary of RMA Group, celebrated Valentine's Day by providing hundreds of doughnuts to the KKVA Organization and Phnom Penh Thmey Orphans Organization.

Held on Valentine's Day, this event was about sharing joy and happiness on the day of love. Krispy Kreme's staff did manage to bring smiles to the children's faces.



Human Rights and Labour & SDGs 2, 3, 4



# RMA Cambodia

## **December 1<sup>st</sup>, 2016 - RMA Cambodia donates John Deere Engine to PSE**

RMA Cambodia donated a John Deere engine to Pour Un Sourire d'Enfant (PSE) to show its support for the institution and to encourage more students to enroll in Science, Technology, Engineering and Mathematics (STEM) education. Cambodian college students predominantly study the arts with far fewer students specializing in STEM education.

RMA Cambodia has an established internship program. By attending an internship students are able to explore and advanced technologies and are equipped with better information to making long term career decisions.



Human Rights and Labour & SDGs 4, 9, 10, 16





# RMA Cambodia

## June 17<sup>th</sup>, 2017 – RMA Cambodia Clean Up Day

To promote a socially, environmental friendly mindset, especially on waste management issues, RMA Cambodia initiated a clean up campaign on National Road Number 2.

Bringing together more than one hundred RMA Cambodia staff, customers, friends and family members from Phnom Penh and surrounding Kandal and Taekeo provinces, volunteers cleaned up a 40 kilometer stretch of the national road.

This massive clean up operation, supported by local authorities and residents living along the road, raised much needed awareness about environmental protection and waste management. RMA Cambodia showed how corporations can act as role models and take the lead in supporting such environmental initiatives.

More than 20,000kg of rubbish was collected. A parade of over 1,000 bystanders formed to thank the volunteers at the end of the clean up. The environmental message reached a greater audience of 1 million people through news, PR and media activities.



Environment & SDGs 3, 11, 13, 15



# RMA Cambodia

## July 22<sup>nd</sup>, 2017 – RMA Cambodia Plants 1,300 Mangrove Trees in Koh Kong

RMA Cambodia planted 1,300 mangrove saplings at the Mangrove Sanctuary, Peam Krasoap District, Koh Kong province, Cambodia.. Under the slogan “Trees Make Lives Better”, more than 30 staff and other volunteers dedicated their time and energy, to plant the trees in the swampy conditions. The mangrove-estuary system of Koh Kong province is the largest and most intact in Southeast Asia. However, ongoing conservation is needed to protect this fragile ecosystem.



Environment & SDGs 2, 6, 12-15





# RMA Myanmar

## September 30<sup>th</sup>, 2017 – RMA and Capital Automotive Ford Myanmar For Ford Global Month of Caring

Ford Myanmar supported the Myanmar Leukemia Lymphoma Society in donating meals and medical supplies to children at the Yangon Children Hospital. Over 25 volunteers from Capital Automotive joined in a day of goodwill, caring and interaction with the young children.



Human Rights and Labour & SDG 2, 3





## November 5<sup>th</sup>, 2016 – RMA Lao Ford City For Ford Global Month of Caring

Ford Motor Company and Lao Ford City collaborated with Lao National Institute of Tourism and Hospitality (LANITH) proceeded activity for assisting community, which was held at Thintom Elementary school. Lao Ford City donated education material and sports equipment to the school. Lao Ford City staff volunteers spent the rest of the day painting the school wall and undertaking a clean up of the school grounds.

## June 30<sup>th</sup>, 2017 – RMA Lao Ford City Conservation and Environmental Grants

Lao Ford City donated \$25,000 to the Confluence Organization for Environmental and Conservation grants in Luang Prabang, Laos PDR. The organization actively supports ten villages by providing sustainable access to safe drinking water and sanitation.



## September 13<sup>th</sup>, 2017 – RMA Lao Ford City Neighbourhood Cleaning for Ford Global Month of Caring

Lao Ford City employees, in collaboration with World Vision, volunteered their time to Mahosot Hospital, one of the largest medical centres in Vientiane.

Twenty volunteers assisted in cleaning the hospital grounds and public park nearby and donated cleaning equipment to the hospital.





# Driving Skills for Life (Myanmar)

**June, 2015 to Current– Training licensed drivers the skills needed to be safe on the road and to preserve the world environment**

RMA Automotive, along with Ford, is working to train drivers on how to drive safely in any environment. Drivers learn more about hazard recognition, vehicle handling, distracted driving, speed and space management.

Since implementing the program, Driving Skills for Life has helped more than 600 licensed drivers, including members of the military, local police departments, local media affiliates, and RMA staff.



Human Rights and Labour & SDG 3, 4, 9, 11



# UNGC & RMA: Moving forward for 2017-18

- Continue to implement anti-corruption e-training and situational training throughout the organization.
- Review supplier audit policies for procurement to take into consideration UNGC principles on child and fair labour recommendations.
- Share case studies and success stories such as RMA Cambodia with other Group subsidiaries in order to increase awareness and generate action.
- Continue to communicate and instill Global Compact values into corporate culture and among employees.



# Global Impact

The Compact aligns business operations and strategies with 10 universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

RMA continues to support this compact and ensures that its own actions support and embrace the protections of internationally accepted human rights and reject rights abuses.

RMA supports the elimination of discrimination in the workplace and the abolition of child labour.

