



Communication on progress

Implementing UN global compact principles in
Beijing Pengmen International Trading Co.Ltd.
2017

1. Introduction

I am pleased to confirm that Beijing Pengmen International Trading Co., Ltd. reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti Corruption.

In this our first annual Communication on Progress, we describe our actions to integrate the Global Compact and its principles into our business strategy, culture and daily operations. We are also committed to share this information with our stakeholders using our primary channels of communication.

Yours sincerely

Qilong Fu

Managing Director



2. Beijing Pengmen Int'l Trading Co., Ltd.

Founded in 2012, we are engaged in the production of luxury adornments, furniture and decoration items, jewellery items and living products. Our best sellers are our red sandalwood furniture, red sandalwood adornments and red sandalwood related products

With a registered capital of \$500,000, we are authorized in the operational right of self-supporting import and export, and the business permission of various products by TDB (Trade Development Bureau) of China. From the very beginning, we have been committed to providing the best quality and efficient services to our clients. Our annual turnover is gradually increasing year by year. In fact, we have been gloriously appraised by TDB as "One of the Top 100 Outstanding Enterprises" of Ningjin County, Shandong Province in the past two years.

3. Our approach to the 10 principles

In the beginning of 2017 Beijing Pengmen International Trading Co., Ltd. signed up for the UN Global Compact program. At that point we could define three major stakeholders, which could guide the direction of our CSR policy - where we wanted to make a difference within the natural context of our business.

These are:

- People (employees and members)
- Society (locally)
- Society (globally)

In this connection we decided to implement our initiatives in two stages. The first stage would thus concentrate on implementing initiatives within the Secretariat to ensure that all members of staff understood UNs basic principles and ensure the willingness to implement sustainable solutions throughout the organization. We organized several company-wide meetings and lectures to illustrate and discuss basic ten principles, in order to make sure all initiatives were employee borne. The second stage would hereafter be directed at initiatives outside the secretariat, first towards our members, and later toward society, locally and finally globally.

we plan to set up a CSR committee, which would be responsible for choosing and implementing the internal initiatives within stage one.

HUMAN RIGHTS
LABOUR
ENVIRONMENT
ANTI-CORRUPTION

4. Contents of the Beijing Pengmen Int'l Trading Co., Ltd. CSR policy – year one

4.1 The environment

Economy - Employment – Environment {EEE}: Possible through the World's richest Sacred Sandalwood Plantations.

Sandalwood Plantations can be one of the growth engines for country's sustainable economy and development. Beijing Pengmen Int'l Trading Co., Ltd. has been engaged in manufacturing and importing sandalwood furniture and adornments for several years by cooperating with local plantation in India where many of the processing units are being shutdown due to shortage of raw material because of various legal issues, restrictions and lack of vision. Hence a call has to be taken up by the governments by providing all inputs and technical support to promote Sandalwood Plantations involving all sections of people's participation through different possible means. We come together and invite all the subject specialists to create a platform and to drive the grassroots level communities with "EEE" formula towards sustainable economies in the country by creating employment and protecting environment. We make at least five-year plant-usage plan for the plantation, factory and company. With reasonable usage of the precious wood, we invest a great amount of profit in planting and protecting more sandalwood

We attend the meetings set up by India local provincial and state forest department regarding forest protecting and cultivating, as well as illegally chopping down trees and anti-smuggling. We spare no efforts in such career.

Goals

We wish to continue to protect and plant more precious wood by drafting and implementing long-term manufacturing and fostering plans.

How do we monitor and evaluate performances

The CSR committee is planned to set up, which will be responsible for choosing and implementing the internal initiatives.

4.2 The working environment and health of the employees

Beijing Pengmen Int'l Trading Co., Ltd. Believes that all employees have the right to individual freedom of expression and opinion. This is upheld by regular meetings between management and employee groups.

We encourage all employees raise their opinions about working environment on the regular meetings with no hesitation. The management then would act upon immediately to improve the satisfaction of the employees.

In having a good working environment, lies also having good health. A bad working environment affects the health of the individual and vice versa -- and both have an impact on employee well being and motivation.

Some of the the initiatives we have implemented thus aim at promoting and protecting our employees' physical well being. The employee rights therefore include home working, an employer subsidized healthy lunch, fresh fruit, five kinds of insurance including endowment insurance, medical insurance, unemployment insurance, employment injury insurance and maternity insurance, and annual sports and social activities.

Goals

It is our goal to have a high rate of employee satisfaction and low sickness absence.

Monitoring and evaluating performances

Constant dialogue with the employees is deemed the best way of securing a good working environment and preventing stress. The management therefore has a responsibility of monitoring the employees well being, both on a regular basis and through the yearly "Company and Individual Performance Review".

5. Future initiative

Beijing Pengmen Int'l Trading Co., Ltd. plays a leading role in Shandong (Province) Business Chamber. In 2018 and 2019 our focus will be directed towards our chamber mates.

We are planning to:

- Give an introduction of the global compact framework on the regular and annual meeting of Shandong Business chamber and encourage other members to register within the global compact framework
- Set up a CSR committee, which would be responsible for choosing and implementing the internal initiatives to ensure that all members of staff understood UNs basic principles and ensure the willingness to implement sustainable solutions throughout the organization.



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