



CHO CHO INDUSTRY LTD.

GMP CERTIFIED COMPANY

ShinShin®
Instant Rice Noodle and Vermicelli



Communication On Progress (COP)

Period covered by

From 27 January 2017 to 26 January 2018

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January 26, 2018

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

Dear Mr. Secretary-General,

I am honored to confirm that the ten principles of the UN Global Compact with respect to human rights, labor, environment, and anti-corruption. With this commitment, we express our intent to advance these principles within our sphere of influence, and will make statement of this commitment to our stakeholders and the general public. We also pledge 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 Communication on Progress.

I am honored to confirm that Cho Cho Industry Limited reaffirms its support of the United Nations Global Compact the Ten Principles in the area of Human Right, Labor, Environment and Anticorruption. In Cho Cho Industry Limited Annual Commitment on Progress, we continue to improve the integration of the Global Compact and its principles into our business strategy and daily operation.

Sincerely yours,

Daw Sah Soh
Dy-Director
Cho Cho Industry Limited

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Human Rights Principles

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

Assessment, Policy and Goals

We strongly support and respect the protection of internationally proclaimed human rights. We strongly provide employee's health care.

Implementation

Cho Cho Industry has regular Clinic head by a registered doctor is provided at the office and the factory.

Arrangement of the providing doctor and clinic at the company/factory for the employees.

Holding health forum once every (2) months

Providing health care through social security hospital/clinic and other hospital.

The employees with completion of (1) year service are inoculated with hepatitis (B) and up to the completion of Booster Course

Urine, stool, blood examination and treatment are provided for the employee at a company recognized laboratory once a year.

Every two year, medical examination performed for the disease TB

Measures of Outcomes

Medical checked up for every for employees. Company insured for fire, life, car once a year by Insurance Company.

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

Assessment, Policy and Goals

We strongly respect and support the human rights with applicable international and national practices including Universal Declaration of Human Rights and the ten Principles of United Nations Global Compact (UNGC). We've also followed the consumer protection law. The protection of Human Rights is embedded in our numerous operating processes and control mechanisms.

Implementation

Cho Cho Industry Limited has practiced "No Workplace Discrimination". We strongly prohibit improper behavior, including discrimination or harassment in any form, and any breaches will result in disciplinary action, inclusive of termination or dismissal. We don't discriminate based on Religion, Ethnicity, Race, Gender, Age or against Vulnerable Groups in our employment process. Cho Cho Industry Limited respects the rights of clients through the provision of objective information about products and services. Taking into account the



wishes and needs of our customers, we constantly improve the quality and increase the assortment of our products.

Measures of Outcomes

Top Management held monthly meeting every month with employee to speak out their needs and their complaints.

Labor Principles

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

Assessment, Policy and Goals

We strongly follow our national labour rules and regulations. We are freely upholding the freedom of association by labour negotiating committee. We are paying for Income Tax and for all taxes regularly.

Implementation

Cho Cho Industry Limited has labour negotiating committee between employee and employer.

Measures of Outcomes

Recorded meeting minutes and get signature for agreement from both employee and employer's sides.

Principle 4: The elimination of all form of forced and compulsory labour

Assessment, Policy and Goals

We have contracted with employee followed by the labour law.

Implementation

Cho Cho Industry Limited has employment contract between employee and employer. We strongly give employment equality to every employee.

Measures of Outcomes

Three sets of recorded Employment Contract between employee and employer. And we are also reconstructed after two years successfully employed.

Principle 5: The effective abolition of child.

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

Assessment, Policy and Goals

We strongly emphasize:

- Company policy to uphold the freedom of association and collective bargaining



- The encouragement of each employee to discuss problems they encounter with their higher management. (Durbar)
- No child labor
- No forced labor
- Employee rights, responsibilities, compensations and benefits
- Regular staff training and education for employee development
- Written company policy according to Myanmar Labor Law – provided to all employees
- Help out in emergency response for safety
- Practice 6S policy
- GMP (Good Manufacturing Practice)

Implementation

Cho Cho Industry Limited supports the health of workers and the prevention of occupational diseases by carrying out compulsory medical examinations. Cho Cho Industry Limited trains workers for their development continuously by the company. We also train with the objectives of development and encourage self-training of workers through the provision of educational leave. We strongly do not accept the employment of persons under 18 years of age. We follow National Labor Law on working hours, overtime payment and etc. For the benefit of the employees, we have the day care centre and pre-school for the children of our employees with no fees. Moreover we have scholarship program, Education Development Program, for the outstanding children of our employees. We've practiced 6S policy in every process of the factory and defined policy to follow in the production process for employees to be safe from accident and their health.

Measurement of outcomes

Collect and analyze Employee Satisfaction Survey for their benefits. To measure the development after training and the satisfaction over the training, we're analyzing training evaluation and survey.

Environment Principles

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

Assessment, Policy and Goals

We strongly support a precautionary approach to environmental challenges. We are strongly doing our environmental pollution control such as water, air, and land.

Implementation

Cho Cho Industry Limited supports environmental control and preventive actions as a precaution. We have daily watching and checking environment such as to protect the husk flying to environment. We are keeping our factory compound and environment smelling clean. We do daily and weekly report, then preventive and



corrective action. Waste disposal system doing by color coded bins. Rejected finish goods sold out to employee as welfare. Waste water management system is only prototype stage and retreat waste water to pour over plants. Product waste was recycling as an animal feeds.

Measures of Outcomes

Related department monthly checked and reported to Managing Director.

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

- Aware of its responsibility for the preservation of the environment, the company has committed to Properly dispose of waste and not pollute the land.
- Reduce waste materials, i.e. paper, water, plastic, etc.
- Implemented an electronic document management system to reduce paper consumption.
- Regular maintenance of vehicles, generators and machines for safety.
- In order to reduce natural fuel resources, used husk boiler in the production process.
- Plant trees for the green environment.
- Clear the drainage drilling
- Cleaning the factory compound and product line for safety and healthier products
- Use LED fluorescent tube to save the electricity.
- Auditing internally at the end of each quarter

Implementation

Cho Cho Industry Limited informs laborers about environmental issues and its impact on health in regards to the company. We keep the factory campus clean and encourage throwing waste into bins. We are planting trees every semi annually. We've replaced diesel boiler with husk boiler to replace natural resources with the recycled item. We've cleared the drainage drilling around the outside of our factory for not polluting in the environment and cleaned the factory compound and product line daily for product safety and health. Moreover, we've replaced our fluorescent tube with the electricity saved LED fluorescent tube in our factory. Every processes and procedures are audited quarterly and so each and every process are safe and do not harm our customers, employees and the environment.

Measure of outcomes

Accepting and welcoming every internal and external complaint upon the internal and external environment and take necessary corrective action.



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Anti-corruption Principles

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

Assessment, Policy and Goals

- External financial audit
- Inform about anti-corruption to employees

Implementation

The company does not pay money for protection by any institution, individual or group. Employees are clearly informed about the perception of the management on anti-corruption. Workers are paid wages officially in full and the company pays taxes regularly. Moreover, the external audit team is yearly checking the financial report of the company.

Measurement of Outcomes

Accepting and welcoming every internal and external complaint upon the internal and external environment and take necessary corrective action.

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