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April 6, 2018

**Statement of continued support
by the Managing Director of Han Ideal Trading Ltd.**

At Han Ideal Trading Ltd. we are extremely proud of the continued support and adherence to the United Nations Global Compact guidelines and principles. Throughout the years, it is encouraging to see more organizations play a role in the global community in order to build a socially responsible world. Similarly, our organization is also taking an active role in the business community by sharing our knowledge and experiences to internal and external stakeholders about the importance of the Ten UNGC Principles. In addition, Han Ideal Trading Ltd. is continuously aiming to incorporate the principles and guidelines of the UNGC into our corporate culture and business policies. We strongly believe that these initiatives and practices will build a sustainable future since they are in alignment with the Sustainable Development Goals (SDGs).

In this annual Communication on Progress, we describe the activities undertaken by Han Ideal Trading Ltd. over the past year to maintain and incrementally improve from the preliminary implementations of the Ten UNGC Principles. We thank all the people involved in our daily operations and practices in order to implement the UNGC Principles for a sustainable future.

Warm Regards,

Htut Arkar Win
Managing Director
Han Ideal Trading Ltd.

UN Global Compact COP Report 2016

From: September 2016 To: August 2017

The Ten Principles of the United Nations Global Compact

The Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment, and anti-corruption:

Human Rights

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

Han Ideal Trading Ltd. is strongly committed to upholding the human rights of individuals both in the workplace and the wider community. The organization strives to protect all its workers from any form of discrimination by implementing business policies to achieve this goal. We also support and respect human rights by placing in importance on diversity, work-life balance, career development, and capacity building for all our employees.

Assessment, Policy and Goals

- We strongly condemn any form of discrimination within our workplace or broadly outside among any affiliates of the organization.
- Hiring practices at the organization is not biased by race, gender, religion, disability, and other traits; everyone is considered equal.
- The organization fosters a working environment where everyone treats one another with respect, fairness, and equal opportunity.
- The organization fosters a working environment where employees, business partners, and stakeholders are able to freely express their values, opinions, and culture without judgment (unless it goes against the United Nations Human Rights Principles).
- Sexual harassment and other forms of harassment are not tolerated.
- We will continue to donate to charitable causes and philanthropic efforts that respect and align with the United Nations Human Rights Principles.
- The organization also supports and participates within the business community in order to improve the socioeconomic status of people within the country.
- We continue to provide seminars, conferences, training, and programs for employees with the aims of capacity building and career development.

Assessment of Human Rights related risks and impact in industry sector and country/countries of operation (see Risk Assessment Report at www.humanrightsbusiness.org)

- Myanmar currently faces religious conflicts between Buddhists and Muslims in the western region of the country. However, the organization fosters a positive working environment where these types of conflicts do not occur in our workspace or with our stakeholders.
- There is a shortage of skilled and qualified labor in Myanmar. Therefore, we invest in seminars, training, conferences, and programs that aim to build the capacity and develop the careers of our employees.
- Our country also does not have an adequate healthcare system that provides universal coverage for everyone. Therefore, we provide appropriate and necessary healthcare to employees in their time of need.

Implementation

- We will share this Communication on Progress internally to our staff and branch offices and externally to our business partners and other stakeholders in order for them to align with and be aware of the Human Rights goals and values of our organization.
- The organization conducts hiring practices and promotions in a systematic and unbiased manner without discrimination of any form.
- We will take advice and collect feedback from our staff, business partners, branch offices, and external stakeholders on how we can improve our policies and practices to find better solutions to promote Human Rights.
- The owners, directors, and shareholders of the organization take full responsibility in order to protect and promote Human Rights at our firm.
- The Human Resources Department works closely with our Top Management Team to develop policies and resolve issues regarding in order to improve the organization for the future.
- The organization maintains our sexual harassment policy where any incidences will be dealt with in a fair, appropriate, and prioritized manner.
- The organization fosters an environment where people are able to express their cultural values and practice their religion without judgment.
- The organization holds various seminars, programs, training, and conferences throughout the year for all employees with the aim of capacity building and professional development.

Measurement of outcomes

- Any incidences that violate Human Rights and goes against our organizational policies are reported to the HR Department in order for them to be dealt with appropriately.
- The HR Department and Top Management Team are working closely together in order to assess the demographics of our organization to see if there can be any improvement for diversity.
- The annual assessment of our monitoring systems and handed cases is used to understand how our company policies can be improved for future use.

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.

Han Ideal Trading Ltd. is strongly committed to supporting and aligning with the Labour Principles of the UNGC. The organization strives to protect its workers from discrimination, forced labor, and other practices that goes against the UNGC Labour Principles. We also urge our business partners, branch offices, and other stakeholders to place an important emphasis on labour rights of workers in order to build a sustainable and socially responsible future for the world.

Assessment, Policy and Goals

- Han Ideal Trading Ltd. does not endorse or practice any form of child labour, forced labour, or compulsory labour within our workplace, branch offices, business partners, and suppliers.
- The organization adheres to Myanmar labor laws in order to provide employees with the appropriate benefits, compensation, rights, and responsibilities.
- All employees are compensated according to Myanmar labour laws with regards to minimum wage, overtime pay, medical leave, holidays, and other relevant matters.
- The organization endorses and practices hiring practices in a fair and just manner without discrimination of any form. We also encourage our business partners, suppliers, and other stakeholders to conduct the same practices to align with the UNGC Labour Principles.
- We foster a harmonious and positive working environment without discrimination of any means.
- We foster an open working environment where all staff is able to express their cultural values and practice their religion freely without judgment.

Implementation

- Labour policies are regularly updated and revised in order to align with national labour laws of the country so that all workers are protected.
- If a company policy on labour rights is revised, a company memo is issued by HR and Top Management to ensure that all staff is notified about the changes.
- The organization provides training and seminars to bring awareness of labour rights, discrimination, forced labour, and relevant topics in order for them to understand the importance of the UNGC Labour Principles.
- The organization invests in training all managers so that they can understand different forms of discrimination in order for them to promote a non-discriminatory and open workplace.
- The organization is a pharmaceutical company so it ensures that the medical needs of the staff are provided adequately and appropriately for their health and well-being.
- The organization also supports the healthcare of all employees by paying for operations, surgeries, death expenses, maternal leave, etc.
- We have a close relationship with the Labour Union of Myanmar (Government Ministry) so that

they can always provide information, education, and training to all our staff about the latest updates in the country about labour regulations and policies.

- The organization invests heavily in its own people through training, seminars, conferences, and programs so that their professional development, capacity building, knowledge, and skills can improve for long-term goals.

Measurement of outcomes

- The organization conducts an annual assessment on company statistics to see how our labour practices can improve for the benefit of our employees (e.g. gender, pay scale, sick leave, health coverage, training, diversity).
- We do not tolerate violations of the UNGC Labour Principles within our workplace, business partners, and external stakeholders. If there is a violation by one party, the organization will assess the situation in order to assess whether we should terminate all ties with the party in question.
- The Top Management and HR Department works closely to monitor the labour policies of our organization in order to adhere to national labour laws.
- The Top Management and HR Department conducts an annual assessment of any past violations to see if any action or improvement can be done for future reference.

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

Han Ideal Trading Ltd. is strongly committed to the UNGC Environmental Principles because the organization believes in promoting greater environmental responsibility and reducing waste in order to build a sustainable future. Throughout the organization, all employees have participated in activities and practices in order for them to understand the importance of saving the environment and reducing carbon footprint to protect the environment.

Assessment, Policy and Goals

- Han Idea Trading Ltd. will not participate in any activity or practice that will significantly increase the carbon footprint or violate the national environmental laws of the country.
- The organization establishes company policies such as “Green Friday” where staff are encouraged to recycle, carpool, not use plastic, reduce waste, and other activities to raise awareness of environmental protection.
- The Operations Department assesses employees and offices to ensure that everyone is acting in accordance to our company policies regarding the environment.
- The Top Management Team and HR Department work closely to conduct seminars and sharing exercises throughout the organization to promote environmental responsibility, bring awareness of current environmental challenges, and encourage practices to reduce waste.
- The organization sets a goal to reduce our carbon footprint by 10-15% annually.

Implementation

- The organization encourages all employees to engage in practices to reduce wastage and protect the environment (e.g. paperless communication, electronic data storage, carpooling, monitoring water usage levels, using natural light where appropriate, saving electricity if necessary, etc.).
- There are regular seminars on the topic of environmental protection for employees that bring awareness to the current environmental challenges in the world and methods to protect the environment by reducing waste.
- The Operations Department assesses all employees and departments to review the supply chains within our company so that any changes that can be implemented to reduce any environmental impact if necessary.
- The organization requests business partners of their environmental policies and reports to understand the actions they have taken to protect the environment.
- The HR Department regularly stays up to date with the national environmental laws and regulations in order for the organization to adhere to these standards.

Measurement of outcomes

- The organization takes systematic steps to monitor the carbon footprint of the company (e.g. monthly electricity bill, purchase of paper, gasoline bills, recycling, water bill, etc.).
- The Operations Department monitors our supply chain and workflows to assess where we can improve methods to reduce wastage.
- The managers hold seminars and meetings throughout the year to share best practices of reducing waste in their own departments in order for others to understand new methods of improvement.
- We request annual environmental reports from business partners in order to understand what they have done to reduce their carbon footprint and to learn from them about new ways that can be implemented at our own workplace.
- We conduct annual assessments to understand how we can improve our operations and activities to reduce our carbon footprint.

Anti-Corruption

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

Han Ideal Trading Ltd. strongly believes that all organizations should work towards eradicating any form of bribery, corruption, extortion, and other unethical practices.

Assessment, Policy and Goals

- Han Ideal Trading Ltd. maintains a zero tolerance policy towards any form of extortion, bribery, or corruption within our workplace or amongst our business partners and suppliers. Any business partner, supplier, or employee engaging in these unethical business practices will be dealt with in an appropriate manner.
- The organization does not endorse business practices that will violate the UNGC Anti-

Corruption Principle.

- The organization invests in training and seminars to our employees in order for them to recognize any form of corruption if it is taking place.

Implementation

- The organization has established company policies and protocols to inform the HR Department and Top Management if an employee or business partner discovers a situation involving bribery, extortion, or other forms of corruption.
- We invest in seminars and training for our staff in order for them to understand and be aware of any form of corruption.
- The company anti-corruption policy is made aware to all staff, business partners, suppliers, and external stakeholders so they understand to act in accordance to these regulations.
- Every department in our organization is audited regularly to ensure that no corruption, bribery, malpractice, or extortion is being conducted in our workplace.

Measurement of outcomes

- The Top Management and HR Department collaborate closely to handle any situation that is related to corruption in the workplace or if we are affected by business partners.
- Reported incidents will be dealt with by evaluating prior actions and punishments.
- The Top Management and HR Department will work together closely to evaluate current anti-corruption standards of the organization to see how it can be improved for future use.
- Every department is audited regularly to ensure that no corruption is being conducted in our workplace.

Concluding Statements

In conclusion, Han Ideal Trading Ltd. is taking measures and putting necessary procedures in place to ensure that the organization is aligning to the Ten Principles of the UNGC. We are extremely proud of the progress the organization is making in order to play a role in the local and global business community for a sustainable future. The organization also encourages all employees, business partners, suppliers, and external stakeholders to participate in accordance with the Ten Principles of the UNGC to build a socially responsible world. Again, we thank all the people involved in our daily operations and practices in order to implement the UNGC Principles for a better future.