



**SMART Technical Services Co.,Ltd**  
**Communication on Progress**  
**2018**





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## STATEMENT FROM CEO

Dear Stakeholders,

SMART is committed to the UN Global Compact and upholding its ten principles covering human rights, labor, the environment and anti-corruption. We signed up to the UNGC in April 2016 and have been continuously implementing these principles in our strategies and operative work. It is imperative that these principles become embedded in the way we conduct our business and thus our corporate culture.



As the UN Global Compact is a voluntary initiative, it is a call to companies to align strategies and operations with universal principles on human rights, labor, environment and anti-corruption, and take actions that advance societal goals.

In this annual Communication on Progress, we describe our actions to continual 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.

Sincerely yours,

A handwritten signature in blue ink that reads "K.K. Hlaing". The signature is written over a horizontal line that extends to the right.

Kyaw Kyaw Hlaing  
CEO



## INTRODUCTION

SMART became a signatory of the UNGC since April 2016 and strives to implement its all 10 Principles in every aspects of business process. As we are strongly support for Universal Declaration of Human Rights and the rules and regulations of International Labour Organization (ILO), we align our operation process in order to meet with guiding principles and rules.

SMART is continually accredited for its good practices in its Ethical Code of Conduct, Corporate Social responsibilities, HSE and Environmental Activities. We are an active participant of TRACE International and highly comply with its guideline in our business processes, so that we are not tolerant for any cases of corruption.

We values our employees and stakeholders and committed to provide a secure working environment and treat them with respect and dignity since respect and treating with professionalism are our core values. We have our own strong compliance policies, including Code of Ethics, Grivence Mechanism Policy, Human Right Policy, Lavour Policy, Employees Manual and Code

of Conduct for Suppliers to which we expect all our staffs, suppliers, contractors and others engaged parties to adhere our standards.



## HUMAN RIGHTS

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

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

## ASSESSMENT OF CONTEXT

As we are sincerely concern about the international issues regarding of human rights issues in our country, we focus on our working environment to be a fair and justice working environment by providing equal opportunity to all employees.



We provide equal employment opportunities and equal employment related decisions for hiring, evaluation, promotion, training, development, discipline, compensation and termination. No one at SMART should ever be subject to illegal discrimination on the basis of age, race, gender, language, religion, national or social origin and disability or the receipt of public assistance. We conduct training program for all employeew to understand the value of human rights, diversity and anti discrimination.

We are firmly committed to providing equal opportunity in all aspects of employment and business relations. We will not tolerate any illegal discrimination or harassment of any kind. All employees, officers and managers should respect the rights and cultural differences of other individuals.



We protect and respect community where we work and appreciate diversity in the work place. We also respect local custom and culture in operation environment. We have responsibilities to help the community we live in and taking social responsibilities encourage good moral for our employees.

### **POLICIES**

- 1) Human Right Policy
- 2) Grivance Mechanism Policy

**<http://smart-technical.com/about-us/compliance/>**

### **MEASUREMENT OUTCOMES**

Under our SMART's Human Rights Policy, we regularly measure our Stakeholder compliance by

- Practicing Greviance Mechanisms Procedure at our operation area.
- Conducting Workplace Human Rights Prevention Activites. Regular Supplier / Vendor Performance including Human Rights , Code of Conduct, Quality & Food Safety Management System Analysis.



One of our sustainable “Business and Human Right” project is organized by in house foundation, Ray of Hope. This project is funded 80% by ASEAN CSR Network, and co-operate with other international and local organizations. This project title “To reduce poverty by Increasing knowledge Capacity” which mainly focus on general knowledge on profitable business, harmless living, and human rights. And also this project will help to protect the local work survival for business, safety, health and prevention for natural disasters.



## LABOR

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 labor;

Principle 5: The effective abolition of child labor; and

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

## ASSESSMENT OF CONTEXT

SMART is committed to upholding the protection of labor under the human rights in all workers where it is possible through our sphere of influence. SMART ensure that we are not complicit in any violations on labors or suppliers and partners to this same high standard. We support and respect the principles proclaimed in the Universal Declaration of Human Rights, the international Labor Organization’s Principles and Myanmar Labor Laws believe businesses should ensure that they are not complicit in human rights abuses.

We are committed to a work force that is free of harassment and unlawful discrimination by complying SMART Human Rights Policy. We prohibit the employing of child labor and forcing labor where we operate under SMART Labor Law.



We support our employee to be in a safe environment, protected from hazards of the job. we are complying SMART HESS Policy and SMART Stop Work Policy. We allow the employee to create freedom of association and effective recognition of the right to collective bargaining.

## POLICIES

- 1) Labor Policy

<http://smart-technical.com/about-us/compliance/>

- 2) Stop Work Policy
- 3) HESS Policy Statement

<http://smart-technical.com/about-us/hess/>

- 4) Work Permit Procedure
- 5) Office Emergency Evacuation Procedure
- 6) Safe Handling, Lifting and Moving Procedure
- 7) Personal Protective Equipement (PPE) Procedure

## MEASUREMENT OUTCOMES

We measure the outcome by analyzing and monitoring under related report.

- Employee complaints, and requirements internally under Anomaly Report and Corrective and Preventive Action Report individually to know what the needs and want of employee
- Employee performance annually review by Peer Review Form to reward fairly
- Employee dignity and ethics were review by SMART Ethical Committee

An employee counseling session is taken by Human Resources Department in order to know what the employee's needs wants and interests. For some cases of complaints is solved by cooperating with Ethical Committee. We always create a safe and fun working environment by contributing equality and fairness in our daily routine working process.





## 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.

## ASSESSMENT OF CONTEXT

As we are in Oil and Gas industry and we are really sensitive for HESS standards. To monitor and implement all the HESS matters, our HESS manager is assigned as Environmental Management Representative (EMR) to ensure that EMS requirements are established effectively implement and maintained in addition to his present duties.

Management Team is responsible to review the EMS internal audit reports and access the extent of compliance or non-compliance to the organization's adopted EMS standard and also review the effectiveness of corrective action. Top management involve and provide human resources and specialized skills and financial resources for implementation and control of SMART' EMS.

Training is conducting both in headoffice and project areas to get awareness of the importance of the EMS Policy, Objective and targets by the staffs and crews. HESS Team provide the establishment of training requirement and as well as investigating the possible sources for the training where in-house training is not adequate , out-source training will be conducted.

Environment can be defined as the inter-relationship between aspects of living things, their process, products and their impacts of physical surrounding. An organizations's environment extend from within the organization itself to the global system and includes air, water, land as well as human beings.







Our SMART Environmental Management System is to reduce eliminate the impacts resulting from the aspects of oil and gas related services and products. Starting from 2012 ,we established following enviromental objectives :

1. Reduction of office electricity consumption
2. Reduction of office water usage consumption
3. Reduction of paper usage
4. Reuse the draft paper
5. Recycle of office paper waste
6. Use the solar power ( Renewable energy )
7. To reduce elevator usage
8. To reduce noise pollution by generator
9. Plastic free office environment
10. Live green policy
11. Waste disposal management



## **POLICIES**

- 1) Health, Safety , Environment and Corporate Social Responsibility Policy

***<http://smart-technical.com/about-us/hess/>***

- 2) Live Green Policy

***<http://smart-technical.com/about-us/compliance/>***

- 3) Waste Management Procedure

## **MEASUREMENT OUTCOMES**

We are already certified by ISO 14001:2015 and our third party organization (GIC Myanmar) conduct annual environmental audit to review SMART EMS objective and issue Audited Report for SMART.

HESS Team annually conduct internal audit program and environmental activities includes growing plants, house hold water and drinking water donation, education Program at Primary Level School, complimentary video distribution program titled by “Natural Environmental & Plastic Bags”, “Waste and Your Responsibility”. And this year, we will deliver “Safe Driving Habits” for public awareness campaign by uploading short video clip through social media.



## ANTI-CORRUPTION

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

## ASSESSMENT OF CONTEXT

As SMART is an active participant of TRACE international, we are not tolerant for any bribery and corruption cases. We are committed to create an ethical culture and promote the highest integrity where we operate. We are responsible to ensure our employees and third party contractors fully understand our Anti- Bribery and Corruption Policy and share our commitment to comply as well. We believe we can work and achieve greater success together by doing our business right all the time.

We practice business fairly and ethically and this is our commitment for all our employees and business partners to pledge all work activities with high integrity and transparency. Also this is our entire stakeholder's responsibility to battle corruption and conduct business responsibly.

We have responsible to communicate our company commitment to ensure our employee and third parties representative fully understand this scope and application of this Anti- Bribery and Corruption Policy. We make the business together and achieve the great success by doing the right things at all time

Our Anti Bribery and Corrrption Policy creates an ethical culture and promotes compliance and integrity where we operate. As we take a zero –tolerance approach to bribery and corruption and create more sustainable platform for future growth, all SMART's employees are prohibit normal and appropriate hospitality (given and received) to or from third parties and the giving or receipts of gifts, provided that this is done in accordance with the Financial Regulation.





All SMART's Employee cannot offer, pay, make, seek or accept a personal payment, gift, entertainment, meal and travel more than nominal value (defined as USD 25 or any lower limit specified by the location) that might directly or indirectly influence the employees' business judgments or advantage. Beyond above defined limit, which means more than 25 USD or local equivalent, we need to obtain approval from the line management. We only encourage corporate gift with SMART logo of no more than USD 25 value.

These requirements include any payment on behalf of the Company to government officials at any level, employees or others representatives of government owned business, and political candidates or parties. All employees should obtain SMART ethical



committee before offering or exchanging any gift or entertainment with a government official and record it.

As a mentioned at our Code of Conduct for Supplier, SMART personnel are prohibited from receiving the travel tickets, frequent meals or expensive gifts, gifts of cash or cash equivalents, such as gifts card and others specials gifts are never allowed.

#### **POLICIES**

- 1) Code of Ethics
- 2) Anti-Bribery and Corruption Policy  
***<http://smart-technical.com/about-us/compliance/>***

#### **MEASUREMENT OUTCOMES**

We have a strong Compliance Team, which take responsible for regular monitoring and periodically reviews the policy suitability, adequacy and effectiveness and implementation. All SMART's employee and third parties are required to read carefully and clearly understand the SMART's Anti-Bribery and Corruption Policy before working with SMART. And also conduct the Anti-Bribery and Corruption Training



including case studies, group discussion regularly. Employee or third parties are invited to comment in this policy for improvement. Any comment, suggestion or questionnaires regarding this policy must be addressed to compliance leader. Compliance Team must obtain Ethical Committee approval for revision of this Anti-Bribery and Corruption Policy.

SMART was participating as a member of TRACE Anti-Bribery Compliance Solutions since 2013. The TRACE Organization annual review SMART's Anti-Bribery Performance and issued Due Diligence Report for SMART. Our due diligence report are available TRACE corporate website [www.TRACEinternational.org](http://www.TRACEinternational.org).

Compliance Team from SMART Technical issued Compliance Risk Assessment which assesses the internal based research from all departments by individually. Also we annually participate in Pwint Thit Sa Project (also known as TiME Project) since 2014 and till now, led by Myanmar Center for Responsible Business (MCRB) based in Myanmar.

For more information about MCRB, <http://www.myanmar-responsiblebusiness.org/pwint-thit-sa/>

#### CONTACT DETAILS

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