

6 November 2018

To our stakeholders,

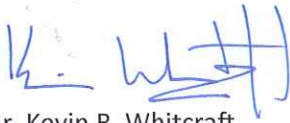
I am pleased to reaffirm RMA Group's support of the UN Global Compact with the release of our 2018 Communication of Progress (COP).

At RMA, we ensure the various businesses connect not only with our customers but also with the communities in which we operate. 'CSR' or Corporate Social Responsibility starts with each and every one of us. It is not just about writing a check or donating goods and materials, it is about our employees identifying and participating in activities that help the communities and environment around us.

RMA ensures that its own actions support and embrace the protections of internationally accepted human rights. Our companies engage in community projects, featured in this year's COP, that illustrate just a few ways we cooperate with the Global Compact and the Sustainable Development Goals (SDG).

We continue to work toward integrating Global Compact and SDG principles into our company operations and culture and look forward to sharing further progress in future reports.

Sincerely,

A handwritten signature in blue ink, appearing to read "K. Whitcraft", with a stylized flourish at the end.

Mr. Kevin R. Whitcraft
Chief Executive Officer
RMA Group

RMA Group Co., Ltd.

283/74 Home Place Office Building, 15th Floor, Sukhumvit 55 (Thonglor 13),
Sukhumvit Road, Klongton-Nue, Wattana, Bangkok 10110 THAILAND
Tel: +66 (0) 2 762 8500 Fax: +66 (0) 2 712 7509 www.rmagroup.net

UN Global Compact Communication on Progress

RMA Group
November 2018

UN Global Compact: Ideals



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 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

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.

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.

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.

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.

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.



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 of 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 250 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 its 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.

Principles: Anti-Corruption

Principle 10

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

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.

RMA Business Ethics Policy

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.



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.

Activities in Support of Broader UN Goals and Issues

RMA Thailand CSR

❑ June 5th, 2018 – World Environment and Safety Day Celebration

The event increased awareness of both employee safety and environmental issues. All 287 staff members participated in the event, planting 1,702 trees and 7,940 seeds.

Afterwards, employees received resources and training on building a safer workplace.



RMA Thailand CSR

❑ Free Seasonal Flu Vaccination to Employees

On June 15th, 20th, 2018 in Bangkok & ADC – Employees were invited to receive influenza vaccinations for protection during the rainy season



RMA Thailand CSR

- ❑ **June 29th-30th, 2018 – In Sri Racha, RMA Group partnered with PAE to sponsor the very first Title Sponsors of Southeast Asia's Fleet Forum Driver Recognition Programme.**

The Driver Recognition Programme (DRP) aims to engage, educate, and inspire humanitarian drivers and raise awareness on the importance of driver knowledge for aid and development missions. Drivers from various countries were invited to compete in events to test their driving ability.

In addition, the DRP organized the Fleet Forum to support and encourage the collaboration needed to realize cleaner global practices, better legislation and, ultimately, a world powered by sustainable transport.



RMA Cambodia CSR

❑ April 7th, 2018 – Public Road Cleaning Day Outside the Royal Palace

To celebrate the Khmer New Year, Hako Cambodia organized a massive cleaning day in front of the Royal Palace. The day brought the community together to raise awareness on city cleanliness. Over 100 volunteers participated collecting garbage from around the city.



RMA Cambodia CSR

❑ April 8th, 2018 – Donates Dustbins to City of Phnom Penh

50 large metal drum dustbins were donated to the municipality of Phnom Penh. The bins were distributed right before the Khmer New Year providing convenience for the many visitors during the holiday time.



RMA Cambodia CSR

❑ **May 18th, 2018 – Avis and John Deere teams organized a blood donation drive**
30 bags were donated to the Kantha Bopha Hospital. The Kantha Bopha Hospital is a Swiss-owned children's hospital that treats Cambodian children free of charge. RMA Cambodia is proud to serve the community in which they operate.



RMA Laos CSR

❑ July 27th, 2018 – Lao Ford City Supported Local Flood Victims

Humanitarian assistance was provided to residence of Attapeu province in Lao after a dam collapsed causing a flood. The Lao Ford City team purchased medical supplies and donated clothing that were sent directly to the collection shelters set up for thousands of people affected by the floods. The team also provided multiple Ford Rangers to collect supplies from Vientiane.



RMA Laos CSR

❑ September 20th, 2018 – Lao Ford City Participated in Ford Global Caring Month

To promote safe hygiene practices around Laos' Health Poverty Action (HPA), an organization that works to strengthen poor and marginalized people in their struggle for health. The funds granted by Ford Motor Company's philanthropic arm will go towards supporting HPA projects and help them purchase essential materials. Lao Ford City had 30 volunteers combined with HPA volunteers and two Ministry of Health experts for a health awareness day at Paktone and Huay Lar primary schools.



RMA Myanmar CSR

❑ May 4th-6th, 2018 – Capital Motors holds uplifting activity at YGW Orphanage School

RMA Myanmar, John Deere, and Capital Automotive joined forces to support the “We Care For You” program, initiated by employees from CML. The Yellow Generation Wave (YGW) Orphanage School, aimed at supporting schools in rural areas of Myanmar. The teams helped to rebuild the schools infrastructure with donated supplies, 90% by CML staff.



RMA Myanmar CSR

- ❑ June, 2015 to Current – May 11th, 2018 – Driving Skills for Life, 250 Licensed drivers were trained with 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.



RMA Myanmar CSR

❑ August 4th, 2018 – Capital Automotive Provided Relief to Flood Victims

Relief packages were provided to support flood victims in the Bago region of Myanmar. The heavy monsoon rains in July caused severe flooding, affecting over 100,000 local villagers in Kalay village. The CAL team gathered and packed essentials including medicine, water, dried foods and clothes. Twelve staff from various departments visited the flooded region, delivering donated items to the affected villagers.



RMA Myanmar CSR

☐ September 22nd, 2018 – RMA Myanmar Go Further Donating for Ford Global Month of Caring

Volunteers from Ford Myanmar donated food and medicinal supplies to Yangon Animal Shelter, as well as their time.



UNGC & RMA: Moving forward for 2018-19

- Improve measurement of progress on UN Global Compact goals.
- 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 with Group subsidiaries in order to increase awareness and generate action.
- Continue to communicate and encourage Global Compact values into corporate culture and among employees.