

## UN Global Compact Communications on Progress 2018

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## **UN Global Compact Communications on Progress 2018**

### **Self-assessment**

Includes a Chairman statement of continued support for the UN Global Compact and its ten principles

Description of actions or relevant policies related to Human Rights

Description of actions or relevant policies related to Labour

Description of actions or relevant policies related to Environment

Description of actions or relevant policies related to Anti-Corruption

Includes measurement of outcomes

### **Statement of continued support by the Chairman**

Statement of the company's Chairman expressing continued support for the Global Compact and renewing the company's ongoing commitment to the initiative and its principles.

December 20, 2018

To our stakeholders:

I am pleased to confirm that The Color Club reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our daily operations, our culture and our business strategy.

We also commit to sharing this information with our stakeholders through our primary channels of communication.

Sincerely yours,

Carsten Conradt-Eberlin

Chairman

## UN Global Compact Communications on Progress 2018

### Human Rights

#### Assessment, policy and goals

Description of the relevance of human rights for the company (i.e. human rights risk-assessment).

Description of policies, public commitments and company goals on Human Rights.

The Color Club's policy:

- Our policy is heavily influenced by the human factor. A critical element for any successful company is building a respectful culture. We aim to create this culture, and influence our employees, partners, suppliers and customers. Our aim is to follow the standards of the Universal Declaration of Human Rights.
- Our goal is to earn trust, respect and commitment amongst our employees, partners, suppliers, and customers in order to construct an environment that allows for freedom of expression amongst all parties.
- We ensure a flat organizational structure to facilitate the above goals and vision
- We uphold an open door policy to generate a work environment that eradicates elements that would deter employees from performing to their highest potential.
- We follow both international and local regulations in respect to Occupational Health and Safety (this includes temperature, humidity, lighting and table height in accordance with the requirements). We also follow regulations regarding HIV/AIDs prevention and protection of women.
- Our policy includes the application and maintenance of Decision No. 3733/2002/QĐ-BYT dated 10 October 2002, with 21 OHS standards, 5 principles and 7 OHS parameters.
- We uphold the Vietnamese Labor Code 2012 and its subsequent yearly updates.
- We adhere to the legal regulations pertaining to HIV/AIDS prevention and control (No. 64, 2006 Edition)

#### Implementation

Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.

Our Actions:

- We ensure a Flat Organizational Structure, allowing for freedom of expression specifically pertaining to, but not limited to, opinions about the working environment and company personnel.

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We apply this by encouraging direct feedback to the Chairman, Operations Manager, or HR department, through the channels of direct emails, private meetings or our suggestion box.

- We developed a company-wide online system with separate portals for clients and employees. This online portal system is accessible for all employees, clients and partners to report suspicion of wrongful behavior in regards to our CSR guidelines or Code of Conduct
- We ensure employee information is retained as primary private information, guaranteeing privacy for personnel
- We maintain Health and Safety regulations in our office building. We have 24/7 security, functioning fire alarm systems, and ample fire extinguishers for any emergency situation. Our building further provides firefighting practice yearly to ensure all equipment is functioning and that personnel know the required responses in emergency situations.
- There are 02 exit routes from both inside and outside of the building.
- Our employees are provided with vital information through newsletters, allowing us to raise awareness about HIV/AIDS and other infectious diseases
- We harness an environment that provides information across each level and department by incorporating an information board in the dining area that showcases all company activities.
- We strictly prohibit any kind of racist activity or expression of racial hatred. We promote a multicultural environment, with a workforce consisting of various ethnicities and nationalities, religions and culture, ages and genders.
- We strictly prohibit and denounce any and all kinds of violent behavior.
- All employees and personnel are treated with fairness, respect, and courtesy.

### **Measurement of outcomes**

- We have a majority female workforce (53.1%), with a total of 43 female employees amongst a total of 81 employees.
- We have a majority female management workforce (66.7%), with a total of 6 management positions out of 9 taken by females. This allows for key input from female employees in regards to strategy and decision making.
- All employees and personnel, including handicapped personnel, are given the right to participate in every single company activity and training session.

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### Labour

#### Assessment, policy and goals

Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights. The Color Club supports the United Nation Global Compact principles on Labor standards in addition to following Vietnamese Law on Labor rights.

The Color Club's policy:

- We align with the International Labor Organization Declaration on Fundamental Principles and Rights at Work.
- We strictly adhere to the Vietnamese Labor Code 2012 and its subsequent yearly updates
- We follow both international and local regulations in respect to Occupational Health Safety (this includes regulating temperature, humidity, lighting and table height in accordance with the requirements). We also follow regulations regarding HIV/AIDS prevention and the protection of women.
- We uphold the regulations dictated in the Child Labor Protection of Unicef.

#### Implementation

Description of concrete actions taken by the company to implement labour policies, address labour risks and respond to labour violations

.Our Actions:

- We focus on ensuring a "Work-life Balance", allowing employees to conduct work in a stress-free environment. We do so by providing 2 days off a week, which is more than the requirement dictated by the Vietnamese Labor Law. We also increase annual leave yearly.
- We guarantee that extra hours are payable overtime (if there is any), as 400% during holidays, 200% during the weekend and 150% on the weekdays.
- We strictly adhere to Child Protection laws and prohibit any hiring of child labor or exploitative labor.
- We consistently augment the workplace in a way that meets employees standards and more. Our office is located in a modern building, with ample lighting, air conditioning, elevator access, with seating and tables at appropriate heights. Our equipment is updated and clean, ensuring a healthy environment for all employees.

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- We have flexible working hours allowing all personnel who wish to avoid rush hour, to be able to do so.
- We apply for full Social Insurance, Health Insurance and Unemployment Insurance for all employees in order for them to be secure in personal and health matters and in retirement years.
- We consistently ensure that our company's wage scale is higher than the minimum wage of the country.
- We safeguard the equal treatment of employees, regardless of gender, origin, appearance, religion and sexual orientation. We ensure no wage gap between men and women.
- We support the enhancement of internal communication by providing support fees for English courses that are necessary for senior and leadership positions.
- We are a member of Local Organization Skill Commute of Technical and Vocational Education and Training Project, organized and supported by the Danish Ministry of Education to help build up Digital Imaging and Graphic Design program for Ho Chi Minh City Vocational College since 2017.
- We are certified members of the European Chamber of Commerce (Eurocham) and Nordic Chamber of Commerce (Nordcham), in order to provide more opportunities to all our personnel. This allows them to participate in events, training courses and workshops.
- We recruit handicapped people and undertake their training, thus allowing them to gain a skill set that equips them for more skilled industries.
- We have commenced a community-outreach program since November 2016 that allows us to recruit, train and coach deaf people.
- We have outlined a goal for 2019 to recruit more handicapped personnel in our Cambodia office, in order to support the community there.
- We have secured a contract with a food supplier to assess and ensure the quality of food and adhere to food safety regulations, that provides our employees with required nutrients.
- We adhere to the Vietnamese Labor Code in regards to the maternity policy.

### **Measurement of outcomes**

- We have a total of 05 handicapped personnel in our employment, with an employment period of 9 years. 100% of handicapped personnel command an important position requiring advance skill levels whilst 60% of handicapped personnel are shift monitors.
- We have been successful in recruiting and training a nonverbal and hearing impaired employee.

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- A new program built from Technical and Vocational Education and Training Project has been established and applied to the new course. The Color Club created an internship opportunity for 5 students (25%) in this program and recruited 01 students among the interns. However, the result did not reach our expectations due to the lack of Marketing, Resources and Evaluation system applied.
- 0% of employees have health issues such as backache, eyes diseases or other illnesses, relating to the conditions and air at the workplace
- 0% of employees have problems with food quality and safety such as food poisoning, allergies, etc.

## **Environment**

### **Assessment, policy and goals**

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

The Color Club's policy:

- Contribute to realizing a sustainable society
- Commit to the laws, regulations, and other legal requirements relevant mechanisms concerning environmental issues.
- Environment protection behaviors are considered a core business plan and management practice
- Minimise waste

### **Implementation**

Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.

Our actions:

- Newsletter in company information board to raise the awareness of environment protection, water saving and paper saving.
- Investment in a new printer from Fuji Xerox in order to reduce noise and dirt emissions at the workplace.
- An agreement has been signed with Fuji Xerox regarding the recycling of used toner cartridges in place since June 2016.

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- Long-term contract with our water supplier (Ion Life) to ensure health and safety for employees.
- Plant trees in the office and small plants on employees' desks to absorb excess carbon dioxide, and generate a healthy atmosphere.
- Implement metal straws at the office and paper bag provisions to reduce plastic waste will commence in 2019.
- Sorting daily waste

### **Measurement of outcomes**

- Employees have higher awareness about protecting the environment and saving energy (lights and air-conditioner are off after working hours).
- No litter activities found within or around the office

## **Anti-Corruption**

### **Assessment, policy and goals**

Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment).

Description of policies, public commitments and company goals on anti-corruption.

The Color Club's policy:

- The Color Club commits to follow and adapt the national laws regarding Anti-corruption and international best practices.

### **Implementation**

Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.

Our actions:

- A code of conduct policy has been set to make our position clear to all our suppliers, employees, clients, and partners.
- A yearly financial audit by an external auditor has taken place every year since the company was established.
- The Color Club employees and their families are not allowed to give or receive business gifts, favours from any customers or suppliers of The Color Club, except as approved by the company.

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- Encourage the employees to speak out and speak up when someone sees something that just does not look or feel right.

### **Measurement of outcomes**

- All the procedures in the company are stated clearly and step by step of the required processes are followed.
- No report about corruption in the workplace, and corrupt activities have been prohibited