Coporate Sustainable Responsibilities
&
UN Global Compact 10 Principles

THE GLOBAL COMPACT

WE SUPPORT

CLIMATE CHANGE

On the Move

Noritake

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LANKA PORCELAIN (PVT) LTD

CLIMATE CHANGE

On the Move

Noritake

COP PERIOD

2018

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UN GLOBAL COMPACT

COMMUNICATION ON PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

CEO LETTER

TO OUR STAKEHOLDERS ;

The creed of Noritake, i.e. the principles of quality products and co-prosperity from a global viewpoint, provides a basis for consideration for the global environment. Noritake endeavours to develop a clean production process and green products with less environmental impact so as to provide society with products and services that are gentle to people and the environment.

Understanding the global business risk in the current context our strategies are aligned for sustainability. As a manufacturer our principles are governed through policies ensuring that we meet the social and ethical standards and accordingly our social responsibility will be delivered flawlessly worldwide. Through these green activities we provide value to all stakeholders. We have undertaken to commit and support the ten Principles of the United Nations Global Compact on Human rights, labour, environment and anti-corruption.

We are proud to be a member of the United Nations Global Compact and committed to making the UN Global Compact and its principles part of the strategy, culture and day to day operations of our company.

H. Tanaka
Deputy Chairman / Managing Director
Noritake Lanka Porcelain (Pvt) Limited.

WHO WE ARE

Noritake Lanka Porcelain Private Limited is the pioneer porcelain tableware manufacturing conglomerate in Sri Lanka. The Company was established in 1972 as a joint venture company between Ceylon Ceramic Corporation and Noritake Co., Limited of Japan. Noritake Co., Limited of Japan is a hundred years old company which markets tableware under the brand "Noritake" all over the world.

Our management processes are supported by ISO 9001:2015, OHSAS 18001:2015, ISO 14001-2015 certifications from the Sri Lanka Standard Institute. Our factory in Matale is one of the largest production facility in the world to make high quality tableware under the brand

Noritake

SLSI ISO 14001 Certified

SLSI SYSTEM CERTIFIED ISO 9001

HEALTH & SAFETY OHSAS 18001: 2007 MANAGEMENT SYSTEM

NLPL Sustainability

Noritake Lanka Porcelain Private Limited (NLPL) sustainability is built on a great philosophy i.e. "Co-prosperity, Good quality, and Export" which hailed from our mother company Noritake Japan. Noritake Lanka Porcelain private Limited (NLPL) is bound to conduct their business in a way that is ethical and society friendly. This obligation shows that the organizations have to comply with legislation and voluntarily take initiatives to improve the well-being of their employees and their families as well as for the local community and society at large. The United Nations Global Compact is one of the inititives to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UN goals and issues embodied in the Sustainable Development Goals (SDG). Company CSR (Corporate Sustainable Responsibility) involves a range of activities such as working in partnership with local communities, socially sensitive investment, developing relationships with employees, customers and their families, and involving in activities for environmental conservation and sustainability.

Relationship with community

Restoration of degraded sites at the Knuckles Forest Reserve turn out to be the most environment sustainable and community development activity of NORITAKE.

NLPL'S COMMITMENT TO WARDS KNUCKLES FOREST PROTECTION AND CONSERVATION

NLPL introduced "Carbon Foot Print" project as a socially sensitive investment programme largely focus on forest-protection and conservation strategies. Strategies will focus on critical emphasis areas: geographic locations wherein-terventions are both urgently needed and likely to be the most effective. Urgency for forest protection has been prioritised on the basis of the presence and severity of a number of threats. These include, among others, climatechange and global warming; degradation of water quality or supply; degradation or loss of soil; unsustainable and illegal removal of timber; cultivation on unsuitable sites; and despoiling of recreational and scenic values. Institutional and socio-economic factors have also been considered in identifying critical emphasis areas.

Currently Knuckles forest reserve has already being despoiling in term of these criteria's. Hence, in order to conserve the much degraded submontane forests in the Knuckles forest reserve the Botanical Society, the Zoology Department of the University of Peradeniya (BOTSOC) and the Forest Department-Matale joined hands with Noritake Lanka Porcelain (Pvt) Limited, to initiate the restoration project at the Knuckles forest reserve and the adjoining clap-out uncultivated tea lands in forest buffer zones. Initial Land and biodiversity survey have been undertaken in order to select the precise land plots and understand the threatened plant and animal species in the forest reserve. Members of the Botanical Society of the University of Peradeniya, officials from the Noritake Lanka (Pvt) Limited., officials from the Forest Department, Matale and villagers from adjacent villages are the key group members in this event. Meanwhile Zoological department of Peradeniya university initiated a pilot conservation project of flora & fauna at the said land to build up environmental preservation and protection sensitivity among the community. Department of sociology is very keen to encourage community mindset towards forest protection and conservation in terms of livelihood opportunity and income generation.

This project widely stretchers other benefits such as protection for clear and perennial waterways, cloud s and exquisite fauna and flora in knuckles mountain range as it is a climatic microcosm of the rest of Sri Lanka.

NLPL "Carbon Foot Print" initiative project works directly with villages and communities suffering from extreme poverty resulting from the deforestation and destruction of the land that sustains them. The company initially started the reforestation programme with local villagers and provides them with the education and tools necessary to plant, grow, and protect to maturity, thousands of trees each year. NLPL plants over 5000 trees annually and in 2026 to be reached over 236000 trees planted.

Environmental Sustainability - CO2 Fixation

LIVELIHOOD OPPORTUNITY AND INCOME GENERATION

It is now widely accepted that sustainable use, management and protection of the Nation's forest resources requires the participation and co-operation of local communities, particularly those living on the fringes of the forest. Carbon foot print project has created many livelihood opportunities to the community around the plantation sector since proposed lands for the forestation had been positioned nearby tea plantation zone. NLPL's intention is to outsource the total forestation practices to the plantation community who are enriched with exceptional agricultural practices. The sustainability activities are an additional source of income generation to the surrounding plantation community, who are in need for an improved quality of life. Raising up the materials & tools for reforestation project is very unique. Making agricultural tools and raising up plant nursery for the total project has become some of the major business units among the community. The production of forest products provides many opportunities for income generation and employment in rural areas. Collection of forest materials for making handicrafts and eco-friendly furniture and nature tourism based on the area's forests also presents direct employment opportunities.

Mr.P.Selvaratnem share his expertise in plantation with NLPL official. His (PLANT) nursery

Mr. Ruwan Rathnayake-Community head - Mahalakotuwa - attanwawala , with his team

Comments from beneficiaries

After receiving the opportunity to start plant nursery I was able to earn a sufficient income and when this is added to my salary I get from the estate, my savings are quite big. Not only that our team members too benefited from this project My nursery plants are growing well in the field. It gives me great pleasure.

P.Selvaratnem
(Plantation worker-Pansaltanna estate-Elkaduwa plantions.)

As the community head I was really happy to be a partner for this programme. Most of the forest operation done under my preview. This project has help the villagers as a part time income generating source while having induce the mind set of village community towards better future.

'I am happy to see that our effort to restore degraded sites in villagers helpedus to connect this program with the livelihood of the local community living closer to the sites.'

Chandima Samarasinghe
(Research Assistant, PGIS /University of Peradeniya)

I happy that I got chance to participate in the reforestation pro gramme that aims to conserve forests and support livelihoods of locals.

Suranga Madhawa (3rd year undergraduate student, Faculty of Science, University of Peradeniya)

We feel privileged to join with NLPL in the reforestration Programme. Also it is encouraging to work with Universities so that our students also would motivate themselves to grow as leaders. Children are the future - and this opportunity would enlighten their minds towards saving for to morrow

Mr. B.G.Chandrarathne Bandara
(Principal of Malakotuwa Sri Sumana Maha School)

This is the first time that we have participated for such great concern. We are lucky to partake in this great effort in saving our planet from destruction. Also working with higher educational institutes such as Universities has encouraged me a lot in focusing more in my studies. For students like me this exposure is an early sign of a secured future.

S.chapa (Student of Malakotuwa sri sumana maha School)

Empowering Community

An Environment Conservation Society was formed consisting of 15 local villagers in order to empower and promote their participation for reforestation activities. An awareness program for local villagers about the reforestation program and the lively hood development was conducted at the Malakotuwa Sri Sumana Maha School on the 14th of July 2018.
Mr. B.G.Chandrarathne Bandara (Principal of the school), Dr. Thilanka Gunaratne (University of Peradeniya), Mr. Ananda Subasinghe (Noritake Porcelain (Pvt) Limited, Mr. Kingsley Illukumbura (Forest Department) and Mr. Ruwan Wijerathne (Village Coordinator) explained about their role in the project. The members of the Botanical society of the University of Peradeniya collected information from villagers on uses of forests, native plants or reforestation, enrichment of home gardens and environmental issues, etc.

Academic and research development

Reforestation programme has given tremendous boost to the undergraduates and the school children for their academic and research improvements. The progress of the reforestation project is been carried out by the undergraduates and experts' team who represent the University of Peradeniya Botanical Department and Zoological Department and submit the statistical data to policy makers to make the rational decisions.

It is crucial to integrate youth to take leadership for restoration projects as it is the only way to safeguard our future. Our team is the best combination of stakeholders to achieve restoration goals as all the parties involved bring novelty to the program. This program has improved interpersonal skills and developed positive attitudes towards conservation in student volunteers.
Dr. Thilanka Gunaratne (Coordinator, University of Peradeniya), Senior Lecturer in Ecology,Faculty of Science, University of Peradeniya

The project "Saving the next generation" not only helps to protect the nature by increasing the green cover of Sri Lanka, but also inspire people to look for more sustainable ways to make a positive effort to environment conservation and to live connected to nature.'
Dilan Chathuranga (Research Assistant, PGIS /University of Peradeniya)

'Members of our society enthusiastically participate for different activities of the program. I feel this is the way to educate younger generation on conservation of biodiversity'
Upeksha Wanasinghe (President, Botanical Society/ University of Peradeniya)

'My dream to initiate a restoration project came to reality due to team work. This is not an easy task someone can achieve alone. So we invite all of you to join with us and to pay our gratitude to mother nature.'This programme will definitely help us to improve our academic carrier.
Chinthani Malsha Eeriyawala (Teaching Assistant, University of Peradeniya)

We have to protect trees since they offer many services to all living organisms. This reforest ation program is beneficial to Sri Lanka in many ways. We as undergraduates learn practical approach of real forest plating systems'
Sanka Priyanath (1st year undergraduate, Faculty of Science,Univerity of Peradeniya)

Communal Harmony And Respect For Minority

NLPL carbon foot print activity i.e. reforestation had been undertaken in plantation zone in Knuckles range where most of the plantation community represents as minority. Currently tea plantation community is in a great down fall in terms of earnings due to less crop generation in the tea fields. Main reason for this is 'Global climate change". A report by the Sri Lanka Climate Change Secretariat's 2nd National Communication notes that overall dry periods are now longer, while rainfall intensity during wet season has increased. This has causing an annual erosion rate of 100,000 to 800,000 tonnes of topsoil runoff. Reckless, de-forestation and unplanned land clearing for other plantations by the various authorities permanently changed the drainage patterns and dramatically reduced vegetation cover, making far larger areas more unproductive in tea plantation. Apart from that exploitation of vegetative and forest land has become major communal issue in Sri Lanka. Taking all these effects in to consideration NLPL as good corporate governance launched a long term re-forest programme in forest buffer zone to rebuild the forest cover and unproductive tea land to recognized value of communal harmony and respect of minorities.

CONTRIBUTING TO THE PUBLIC DEBATE AND MULTI-STAKEHOLDER PARTNERSHIP

NLPL interact with all levels of government in the countries where they operate. We call open forums to discuss the layout and considered everyone's opinion such as a valuable piece to assemble and establish strong fundamentals to drive our business in consistency. NLPL compelled to maintain high ethical standards and complying with laws and regulations subject to each government in the country where they operate. Our concerns are to establish strong policies to sustain in very strong socio-economic sustainable environment. The transparency we maintain ensures that our best practices are well informed among our stakeholders giving ample opportunities to review and express their views which are taken as feedback to further improve our strategies. The activity plans are strives to bring together all stakeholders in a process which will enable them to express concern and become committed. Policies and strategies are reached and agreed upon through participatory decision making and consensus building among all the interested partners.

NLPL always belief in multi-stakeholder partnership is the best mechanism to address social and environmental problems. Through this partnership, NLPL is committing to a more general task of raising awareness among its stakeholders and supporting projects that aim to ensure many ecosystem challenges cross jurisdictional boundaries and require systemic changes beyond the capabilities of individual companies or even of an industry. In these cases, the best approach for NLPL business could be to partner up—with governments, investors, local communities, nongovernmental organizations (NGOs), research institutes and other companies. All these partners are highly involved and concerned in ecological challengers while mobilizing and sharing knowledge, expertise, technologies and financial resources to support the achievement of the sustainable development goals(SDG's).

Initial public debate and multi stakeholders' workshop was hosted at Department of Botany, Faculty of Science, and University of Peradeniya on 2018.03.23 with a collective participation of 57 representations from, Forest Department, Sri Lanka, IUCN, Biodiversity Sri Lanka, Noritake Porcelain Lanka (Pvt.) Ltd. Department of Botany, Department of Zoology, Department of Sociology, University of Peradeniya, Botanical Society (BOTSOC), University of Peradeniya, Villagers of adjacent villages in Riverstone, Knuckles Conservation Forests.

Mr Ananda Subasinghe Noritake Porcelain Lanka (Pvt.)-Ltd. Dr.Thilanka Gunarathne from University of Peradeniya-Sri Lanka, explain the role of Noritake in reforestation projects and their contribution to UNITED NATION GLOBAL COMPACT program.

Helth and wellbeing

DIABETES AWARENESS PROGRAMME

NLPL joined hands with lions club of international to create more public awareness of diabetes and its re percussions, by organizing the diabetes walk within the Matale area on 21st of February 2018. Lions club international together with the Sri Lanka College of Endocrinologists (SLCE), Sri Lanka Diabetes Federation (SLDF), Sri Lanka Diabetes and cardiovascular Disease initiative (SLDC) have taken the initiative to organize this awareness programme.

COMMUNITY SERVICE TO THE DROUGHT AND FLOOD AFFECTED AREAS

The generous hearts of the employees of NLPL and the supporting hand of the management jointly contributed a valuable community service to the drought affected areas of flood effected areas in Sri Lanka annually.

A special deserter team representing the management, Trade Unions & representatives of employee associations always geared to provide essential items such as drinking water, healthy meals, water storage tanks, healthy meals to the community who are vulnerable to the drought and flood annually.

NLPL STAFF ENGAGE DENGUE PREVENTION ACTIVITY

Joining the island wide dengue prevention campaign, NLPL staff participated in a Dengue Prevention activity around the factory premises and within the adjacent village area, recently. The villagers along with some government officials also joined this activity and NLPL staff could clear a vast area from the dengue threat and assist the villagers to maintain their good health.

Education

Special Needs Scholarship (SNS) Program

The Noritake Special Needs Scholarship (SNS) is a program available for special needs students attending Sri Lanka public schools who are served under an Individualized Education Plan (IEP).

This programme sponsored by AKAHANE FUND which was established to provide financial assistance to children with special needs in low income families. These special children are continued to be supported from grade 1 to General Certificate Education-Advanced Level Examination (G.C.E.A/L) in the Science, Mathematics, Commerce or Art Stream through this fund.
Noritake Lanka Porcelain (Pvt) Limited (NLPL), initiated to distribute this scholarship from the year 2014. This programme is being carried out under the supervision of Education Department of the respective District.

2014 - 2019 - Total Special Needs Students Benifited

(Break-up of No. of Children with special needs who are currently receiving scholarships from 2014-up to 2019)

Total Fund distribution From 2014 to 2018

(Scholarship fund distribution from 2014-2018)

Workplace

PRINCIPLE ONE: HUMAN RIGHTS

Businesses should support and respect the protection of internationally proclaimed human rights.

PRINCIPLE TWO: HUMAN RIGHTS

Businesses should make sure that they are not complicit in human rights abuses.

Noritake group ethics Standards

Noritake group of companies maintain overall Code of Ethics

Respect the human rights of employees

Noritake shall respect the fundamental human rights of its employees, and engage in no practices of unfair discrimination. Furthermore, the Group shall safeguard employees' health while maintaining a safe and hygienic working environment.

Standards of Business Conduct

Relationship with Employees

Respect the fundamental human rights of its employees

NLPL will respect the fundamental human rights of its employees, and engage in no practices of unfair discrimination based on age, gender, or other categories. Furthermore, Noritake will diligently protect the privacy of individuals and handle personal data with great care.

Safeguard employees' health and maintain a safe and hygienic working environment

NLPL shall safeguard the health of its employees while maintaining a safe and hygienic working environ ment. Furthermore, the Company shall not permit actions that cause discomfort in the workplace, such as sexual harassment.

MEASUREMENT AND FUTURE GOALS

Safety, health, education and housing

NLPL committed to provide access to basic health, education and housing for the workers and their families while ensuring "safety first" at work place. In 2018, we considerably increased our focus in promoting well-being of employees and as an outcome of that NLPL was recognized as a company who made extraordinary effort to improve employee health and well-being in year 2018, by Japan external trade organization. In year 2019 our focus will be even better since we are on the move to achieve Sustainable Development Goal 3—to "ensure healthy lives and promote well-being for all at all ages"

Safety

NLPL OHSAS 18001:2015 certified company having maintained very high ethical safety standers. Safety remains our key priority for the future, and whether on the road, at our own sites or those of our clients, we are committed to continuous improvement. NLPL will continue to build and monitor safety sensitivity of the employees through safety recognition programmes and behavioural based safety initiatives such as SOS (safety observation sheet), Hiary-hatto (near miss experiencers), Kaizen and Risk Assessments (RA). In year 2018 we have done many safety sensitivity recognition programmes and as a result of that major injuries were reduced to "ZERO".

Appendix 3-(Safety 2018)

OSH internal recognition programs	
1. Near-Miss (Hiary Hat) Award Encourage employees to submit their Hieary hats, kaizan experience and proposed actions to the management.	 Built in safety culture by improving safety sensitivity through employees family(KIDS)

Health

All the workers have been covered under compensation act in case of injury or illness caused during the work operation. Company provide basic health facility at the company medical centre with the support of highly qualified doctors and nursing staff. Company provide 75% of individual salary component for two year as critical illness payment if person absent from work due to illness. Apart from that company employees have covered under company maintain medical insurance scheme.

Health club

NLPL is running a health club "Fitness Centre" for the purpose of employee's physical fitness. Main work - out area of the fitness centre primarily consists of free weights and exercise machines. Cardio area includes many types of cardiovascular training-related equipment such as cycling machines, treadmills. This centre runs under competent experienced trainer.

Appendix 1-NLPL ethical NEW (standard No. 7.health and safety)

Apart from that playground and running tracks available for employees to improve their sports activies.

Financial Benefits

Financial benifits for health and social Security

Employees who cannot work due to critical illness (Cancer, Organ Transplant, Bypass etc,) anre been looked
after by the company
75% of salary is granted for 2 year period
Transport provided for medical treatments
Regular visits by Management to check their condition

Branded drugs given dree of charge for employees to facilitate their medical needs
Basic medical teste (Sugar level) and medical assistance through qulified Government
Doctor
Sue to introducing of good health care practices such as nutritious awareness,
Gym, Fruit center, Health drink (Kolakanda at fruit Center), work environment
improvement etc, Drug consumption has been reduced during the past two years

Housing

All the employees have their own housing facilities. However, company provide housing loan facilities and distress loan facilities to employees to build new houses and also upgradethe existing houses.

Financial benifits to motivate employees and reduce stress and improve wellbeing

Loans for low intrest rate to overcome the burden of sudden requrirements
Providing financial advises on micro financing for every employee

Education

Employees children are being educated in the National and Local schools which are administrate by the-government under free education system. However, company provide many scholarships through NORITAKE SCHOLARSHIP FOUNDATION to employees and community children in order to support-student's education, on the basis of academic achievement.

The scholarships are granted considering their performance in G.C.E. Ordinary Level and there onwards until they complete studies at University level NLPL supports their educational expenses. This benefit is granted to encourage these students and motivating them to reach their final goals.

PRINCIPLE THREE: LABOUR

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

PRINCIPLE FOUR: LABOUR

Businesses should uphold the elimination of all forms of forced and compulsory labour.

PRINCIPLE FIVE: LABOUR

Businesses should uphold the effective abolition of child labour.

PRINCIPLE 6: LABOUR

Businesses should uphold the elimination of discrimination in respect of employment and occupation.

NLPL is bound to respect the right of workers to choose whether to lawfully and peacefully form or join trade unions of their choosing and to bargain collectively. In this collective bargaining process employers and workers discuss and negotiate their relations, in particular terms and conditions of work and the regulation of relations between employers, workers and their organizations. Work place grievance handling of employees take place very frequently (weekly &monthly) and collective bargaining will take place once in three years.

Appendix 1-(standard No.6- Freedom of Association and Collective Bargaining)

NLPL always uphold the elimination of all, form of forced and compulsory labour in their complex supply chain. Company have a moral responsibility of ensuring that no force labour has been used in producing the products they sell. This apply not only to goods produced in NLPL factory but also to their suppliers, and suppliers of their suppliers, all the way down the supply chain. Further stakeholders who are involved in supply chain will come to an agreement before they commence business with NLPL.

Appendix 1-NLPL ethical NEW(standard No. 2.Voluntary Labor)

NLPL is very concern over minimum age for admission to employment or Work. Company adhere national law to prescribe a minimum age which is 18 years and above. To avoid child labour entering to the work place NLPL HR department use adequate and verifiable mechanisms for age verification in recruitment procedures. National identity card and birth certificates are the major documents company refer.

Appendix 1-NLPL ethical NEW(standard No. 2.Voluntary Labor)
Appendix 1-NLPL ethical NEW(standard No. 4. Hiring and Employment Practices)

NLPL prohibits discrimination against and harassment of any employee or any applicant for employment because of race, color, power, national or ethnic origin, age, religion, disability, sex, sexual orientation, gender identity and expression, veteran status or any other characteristic.

As a member of the NLPL every employee have the right to work, learn, and live in an environment free from discrimination and harassment. Every employee at NLPL have the right to equal opportunity and equal access for own carrier development.

MEASUREMENT AND FUTURE GOALS

Social accountability is the assessment and on going monitoring of working conditions in manufacturing environments. In year 2018 a social accountability audit was carried out by world recognized customers at NLPL and results shows as bellow. However, NLPL aims for 2019 to continue to enhance employees' participation and understanding of human rights and employee safety through an increased number of "Gemba" (work floor) training modules.

PRINCIPLE SEVEN: ENVIRONMENT

Businesses should support a precautionary approach to environmental challenges.

PRINCIPLE EIGHT: ENVIRONMENT

Businesses should undertake initiatives to promote greater environmental responsibility.

PRINCIPLE NINE: ENVIRONMENT

Businesses should encourage the development and diffusion of environmentally friendly technologies

ETHICS STANDARDS

Preserve the global environment and contribute to affluent and comfortable local communities

Noritake commits to help preserve the global environment against deterioration from maximized usage and depletion of finite natural resources. At the same time, the Group will contribute to creating local communities that offer abundant and comfortable lifestyles.

Standards of Business Conduct

NLPL follow the code of conduct of Noritake which practice for its operations and products that confirms commitment to care for people and the environment. "Preserve and sustain the global environment: In order to protect the global environment, Noritake shall offer the public products and services that are friendly to both people and the environment".

Appendix 1-NLPL ethical NEW(standard No. 9. Environment A ~ K)

NLPL has a well-established environment policy which is assimilated to its integrated management system. NLPL meets the requirement of the international standard ISO 14001:2015 Environment Management System. The system addresses the management of environment aspects, compliance obligations, the action to address the risk and opportunities. The management of interactive processes provides for the achievement of continual and focused on effort leading to the prevention of undesirable outcomes.

MEASUREMENT AND FUTURE GOALS

As a consequence of the scientific research, NLPL realized that the focus on the "Carbon Foot Print" is the most viable investment mechanism to sustain in the global business. CO2 reduction by 5% annually with radical changes in the technologies and actual product concept, as well as in the available energy sources and 0.50% of CO2 fixation in year 2026 by growing 236000 native trees in knuckles mountain range turn out to be to be the most environment innovative activity of the NLPL. This project widely stretchers other benefits such as protection for clear and perennial waterways, cloud s and exquisite fauna and flora in knuckles mountain range as it is a climatic microcosm of the rest of Sri Lanka.

Structure of the Carbon Footprint

In order to accomplish this objective NLPL "Carbon foot print concept" came in to beginning in year 2015 and the management accelerate to do a scientific research **" To calculate present CO2 emission from the process of porcelain production based on key stages in which CO2 is emitted and to fix the emission ".**

CO2 Emission

The recent scientific results show that CO2 emission in the porcelain reached 16333t per year. Carbon dioxide mainly arises from the combustion of fuel in the kiln. The fuels employed in the drying and firing operations are mainly LPG.

Our main natural resource to counterbalance growing carbon dioxide emissions is plant life, especially trees. Mature tree absorbs 271,580 pounds of CO2 per acre over its first 20 years. Totally 80815 trees should be planted to absorb CO2 which are emitted from porcelain manufacturing process. Also by using LPG gas instead of Diesel and Electricity as a fuel for kiln, Implementing projects to minimize wastage of foods, Using solar power for the electricity generation and Using energy efficient production methods can be Proposed to reduce CO2 emissions in Noritake porcelain.

CO2 Reduction

Data indicates NLPL has taken every step to reduce CO emission for last three years with radical changes in the technologies and actual product concept. Annual average reduction target for 2016/2017/2018 had been 5% and achieved rate up to now (as at to date) recorded as average of 9.2%

Reduction of Carbon Emission

Progress in Last 03 Years (2016– 2018)	Targets for Next 03 Years (2019– 2021)
9.2% reduction in past 03 Years	Energy Saving activities & Innovations to Reduce energy volume for Carbon Reduction/ Planting of 40000 Plants for carbon fixation.

NLPL has taken following initiatives to enhance the technology / innovations to reduce the CO2 emission.

Changing LP gas to Electricity in Dehumidifier
Improving of the LPG efficiency in Heat Generators
Introducing of energy efficient burners to the kilns
Changing florescent lamp to LED

Electricity is also used productively as gas in engaging in the manufacturing process and in turn, cutting back on carbon emissions. This was evident in conversion of LP gas to electricity in dehumidifier (drier). As a result of the conversion CO2 emission has reduce by 50t per month. In addition to that, this drier does not emit the heat; therefore, environmental destruction is reduced through this feature. Improving of the LPG efficiency in heat generators and introducing of energy efficient burners to the kilns are some of technology initiatives activities implemented in last couple years. Changing florescent lamp to LED will be a factory wide project

In future this will further improve while considering solar panel system to every possible place at the plant.

Installation of capacitor banks

NLPL used capacitor banks to improve the quality of the electrical supply and the efficient operation of the power system.

Solar power light post

As an Initial project solar power light posts planted alone the walking areas of the factory.
This project will extend to other areas such as office buildings and factory building in the coming years

Measurement and future goals

REDUCTION OF ELECTRICITY POWER

Progress in Last 03 Years (2016– 2018)

Reduction of electricity Kwh by 9.3%

Targets for Next 03 Years (2019– 2021)

Reduction of electricity target-12% Mw

Targets for Next 03 Years (2019– 2021)

Target projects –100% LED illumination, installation of Solar Systems and Centralized Compressor unit.

Waste management

NLPL ensure that every manufacturing facility complies with environmental laws, including all laws related to waste disposal, air emissions, discharges, toxic substances and hazardous waste disposal while practicing 3R effectively. NLPL validate that all input materials and components were obtained from permissible harvescon-sistent with international treaties and protocols in addition to local laws and regulations and ethical standards.

Noritake take every possible step to avoid discharging of effluent Clay to the environment. The company which precisely abides by international treaties, passes on the residue to another eco-friendly manufacturing plant as raw material. It's one of the steps taken to conserve the environment. Simply saying, the effluent clay is being given to an eco-friendly roofing tile factory i.e. M/S SAMSON RAJARATA TILES PVT LIMITED who will enhance their tile product quality by using effluent clay.

It's not only the Production Division that had taken in to environment conservation; the Printing Division has also set about on a journey to protect the environment and made few developments. The division which engages in printing before the manufacturing process uses a good deal of chemicals. The management identified the devastation they cause to the environment and passed on these chemicals to another eco-friendly manufacturing plant in otherwise, the waste effused from this section is being used as a co bustion agent at a cement factory.The momentous feature is that Noritake passes on the waste only to another eco-friendly entity.

MEASUREMENT AND FUTURE GOALS

Reduction of Waste for Land Filling & Increase Recycling

Progress in Last 03 Years & Future Target	Recycling Amount in past 03 Years & targets

Scientific approach on CO2 Fixation

Noritake has not only taken steps to reducing Carbon emissions; but, implemented certain procedures to fix the CO2. The best example to showcase this endeavour is the forest cultivation project launched by the company until 2026. This was kick started the forest cultivation project on the open lands located in and out of the Knuckles mountain range, which is a world heritage.

Further NLPL **supports on scientific research** subject to ecosystem related issues. Four groups of stakeholders, the Botanical Society of the University of Peradeniya, the Forest Department of Sri Lanka, Noritake Lanka (Pvt) Ltd. and the local community initiated a restoration project on the 10th of September 2017 at the knuckles forest reserve. The aim of the program is to restore degraded sites in the montane region of Sri Lanka in order to enhance the ecosystem services including increase carbon sequestration, protect high biodiversity and important water catchments of the country.

Appendix 2- Research report 2018

PRINCIPLE TEN: ANTI-CORRUPTION

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

NLPL established very sound anti-corruption and bribery policy to conduct all of our business
in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our relationships and business dealings wherever we operate and to implementing and enforcing effective systems to counter bribery.

NLPL ensure to maintain sound relations with business associates

1. *Relations with clients:*
   When entertaining and presenting gifts to clients, Noritake shall consider social norms and appropriate commercial practices.

2. *Relations with suppliers:*
   Noritake shall choose the most suitable suppliers, and the terms and conditions of transactions with suppliers shall be fair and impartial.

3. *Relations with public officials:*
   When dealing with public officials, Noritake shall respect and observe all relevant laws and regulations, and never act outside the bounds of such laws and regulations.

MEASUREMENT AND FUTURE GOALS

Training and communication

All existing workers operating in areas that are perceived as high risk as far as the Bribery Act is concerned will receive regular, relevant training on how to implement and adhere to this policy.

In year 2019 our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors, agents and business and other partners at the outset of our relationship with them and as appropriate thereafter.

Appendix 1-NLPL ethical NEW (standard No.12- Anti-Corruption)

Diversity in workplace

Every business needs to be constantly looking at products, process and procedures to determine better ways of performing day-to-day tasks, processes and fulfilment procedures. Most innovation comes from feedback and brainstorming. NLPl always belief mix of employees or rather workplace diversity bring a variety of perspectives and ideas to the table, which can boost the business with unique insights and enhance the moral of employees.

Women diversity

NLPL has maintained broad and holistic approach to support female leadership engagement in their operations. As at to date total work force gender composition read as Male 53% & female 47%. During the Last five year the number of women in senior management shows significant improvement. Most of the senior roles in NLPL are headed by the women. Currently women make up read as 22% in management roles.

" Gender is never a barrier towards reaching success in the career path at NLPL. Many men and women have proved themselves by doing extremely well in their fields of service. Today NLPL stand strong as a result of a strong team. In the current context with the concern of equity, empowering of women has opened many opportunities for them to be recognized "

Mrs. Sujatha Egodagedara, Director / General Manager of Noritake Lanka Porcelain (Pvt) Limited, has proved that true commitment and desire can break any barrier and enable to face any challenge with great tolerance. She currently heads departments of IT, Finance, Administration, Human Resources Development, Internal Audit, Compliance, General Stores, Supplies and Marketing and at the same time has lead NLPL to reach many advancements and recognitions.

Her ability of motivating, guiding and supporting her team is an inspiration to all. She put-in great effort to streamline Indian market operation & increase domestic sales. It was under her leadership that an IT department was established in 2010 and Compliance Department in 2015. She has contributed in large in building the corporate image of Noritake through Public relations. NLPL has excelled in many fields and won many awards such as National Productivity, Presidential Export awards, Business Excellence award, Industrial Excellence awards, CSR/ Sustainability awards (2017/2018) and Sri Lanka Corporate Health and Productivity awards 2019 etc,.

Throughout my 11-year experience NLPL identified my working requirements and respective needs. NLPL fairness of treatment for women and men is excellent.

Nalika Weerasinghe (Asst. Manager Integrated Management System)

NLPL understands the different roles of a female (mother, wife etc.) & make them comfortable at work with different benefits.

Poorna Jayasekara – (Manager Monozukuri)

They treat me as a leader and a team member so I do not feel any difference.

Thilina Dharshini – (Asst. Production Manager (Decoration Inspection)

If you have the passion and willingness NLPL is the ideal place for a successful career. I feel extremely secured and well looked after.

Sandamali Manathunga - (Asst. Production Manager (Printing)

We have been given equal opportunity to reach into successful possitions in our careerpath here at NLPL. And they have facilitated our requiremennts to develop and achieve.

Dulani Welithota - (Asst. Production Manager (Reduction Firing)

I feel proud to be a frontliner representing a world renound brand. Gender was not a barrier at all.

Harshini Ambagaspitiya - (Asst. Manager Marketing)

Cultural diversity

NLPL ensure that effective cross-cultural team-building is essential to benefiting from the potential advantages of cultural diversity in the workplace. Most of the employees represent from a mix of various cultural types such as nationality, reagon, lifestyle, sense of empowerment, regulations and philosophy etc. Company has undertaken many training programme and social activists to build effective diversity workplace relationships among employees.

Group Training with Japanese experts and local management

Religious Activities

Family Programme

NLPL has developed a family pregame in order to create a family –friendly workplace. They conduct diverse programmes such as motivational workshop, religious activities, and fun events, talent shows, very frequently. This programme really helped NLPL to creating an inclusive environment that accept each individual's differences, embrace their strengths and provide opportunities for all employees and family members to achieve their full potential in work life balance.

MEASUREMENT AND FUTURE GOALS

Having considering all the above facts NLPL joined hand with the Great Place to Work Trust Index employee survey since year 2013 which gives comprehensive analysis of the quality and attractiveness of our company's workplace culture from the employees' perspective.

This covers the three primary relationships that each and every employee has in their workplace - their relationship with management (fostered by Credibility, Respect & Fairness), their sentiments about their job or role (manifested as Pride), and their sentiments towards their colleagues (in the form of Camaraderie).

The company ultimate goal is to be the best workplaces in Asia region that are dedicated to sustaining high-trust cultures for their employees.