

## United Nations Global Compact

### Communication on Progress (COP Report) 2019

#### Statement of continued support by Chief Executive Officer

Statement of the company's chief executive (CEO) expressing continued support for Global Compact and renewing the company's ongoing commitment to the initiative and its principles.

It is a great pleasure for MJTD to be a member of the United Nations Global Compact since 2015 and we have produced and submitted Annual Communication on progress (COP). I am pleased to confirm that MJTD reaffirms continued supports to be strengthen the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environmental and Anti-Corruption.

This is annual Communication on Progress, we describe our actions to continuously improve the integration of the Global Compact and its principles into our business strategies, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of Communication.

Yours Sincerely,



Tomoyasu Shimizu

President & CEO

Myanmar Japan Thilawa Development Ltd

### **Human Rights Principles**

- Principle (1)** - **Business should support and respect the protection of international proclaimed human rights.**
- Principle (2)** - **Make sure Businesses are not complicit in human right abuses.**

Since being a member of UN Global Compact, we all are responsible for ensuring our operations and performance have been implemented in accordance with the ten principles of UNGC which mainly focus upon four significant areas: Human Rights, labor, Environment and Anti-Corruption.

According to UNGC's Human Rights principles, MJTD's HR procedures are accordance with UNGC's rules and principles. Additionally, we already updated company's rules and policy and also updating employee's handbook with the aim of structuring the best working environment for our staffs.

We gave opportunity for employees On-Job Training or Off-Job training to develop the employee's skills, efficiency competence, knowledge as per company rules and regulations. MJTD allowed employees to attend training outside working hours on their arrangement.

No discrimination based on race, religion, gender and sexual orientation. For healthy and peaceful working environment, we, MJTD make medical check-up for all employees before starting the job. If somebody feel sickness or something like that during working period, there have medical box for emergency situation. We totally prohibited child labour in all our working sectors and the same we informed to our locators for not hiring any child labour.

### **Measurement of outcomes**

There is no complaint and violation concerning with Human Rights Policy. We don't accept Human Rights abuse in our daily performance. We respect the protection of international proclaimed human rights and local human rights.



### **Labour Principles**

- Principal (3)** - **Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.**
- Principal (4)** - **The elimination of all forms of forced and compulsory labour.**
- Principal (5)** - **The effective abolition of child labour.**
- Principal (6)** - **The elimination of discrimination in respect of employment and occupation.**

In accordance with Myanmar national labour laws and regulations, and international applicable laws, MJTD make sure to recognize that all workers are free to form and join a trade union of their choices and there is zero-forced labour in our company and there is no child labour who has been unlawfully offered a job in MJTD. All the time, we make an attempt to be in line with our commitments to labour rights.

We have an employee handbook in keeping with both Myanmar Labour laws and regulations, and related international labour laws in order to protect all our employees against any form of situations in which there is unfairness and inequality. In addition, employment contract has well prepared for every staff in accordance with National Labour Regulations protecting the staff against compulsory labour and any form of labour abuses. The staff has been given the right to participate in institutional framework for industrial relations and collective bargaining, and working conditions and terms of employment are addressed through collective bargaining. The staff can feel free to negotiate and discuss their working condition with the employer, management or working environment.

We provide the reasonable working hours, leave allowance and other benefits allowance such as overtimes wages and travel allowance are offered equally to all staffs. As an additional social welfare benefits, all employees of MJTD are the members of National Social Security Board which provides the employees sickness allowance, maternity and work-related injury allowance for its members. In MJTD, transportation service has also been provided for the staffs to have easy commuting and comfortably transportation from home to work and vice versa. There is also additional transportation allowance for all employees



and surplus additional transportation allowance for employee who does not take transportation service.

Nb MJTD makes ensure that all employees are treated in the same way and given equal pay for equivalent work and job opportunity for the same proficiency. The management appraises employees' performance through standards of company rules and regulations, and yearly salary increment and bonus payment are provided for each staff in fairly. It is sure that there in no any form of discrimination in our working environment. MJTD has endeavors to close gender gap so as to boost women's empowerment and therefore, there is no gender discrimination in entitled to job opportunities.

Also, as MJTD values our human resources and appreciates individual's capacity and their performance, we provide internal and external trainings are organized occasionally and every staff has an access to have necessary training in their respective sector of work. For health care services, we provide medical allowance separately for each and every case of any forms of sickness and annual fully medical check-up system to all employees.

For the employee who considered unfair in their workplace or it may seem to be difficult in performing to accordance with company rules and regulations, all employees have the right to report their grievances in freedom. According to our employee grievances management procedure, we will not tolerate any case that breaks labour rules and regulations in some way, and employee rules and regulations, that will be investigated and there is an appropriate punishment for that case. The management including HR team and related head of department constantly keep a close watch on performance of each employee and the relation among them, in an attempt to be more pleasant and productive working environment.

#### **Measurement of outcomes:**

MJTD completely compiles with the principals relating to Labour Rights set up by Global Compact, National and International Labour Laws and Regulations, as the result there is zero case of labour abuses and contraventions of our commitments since our company has developed. We always pay fully respect to our employees to be qualified and effective human resources and ensure that there are mutual beneficial contributions between employees and the organization. We, MJTD, will retain our good reputation through better workforce of employee by building up the employee engagement to their work and the organization.

## Environment Principles

- Principle (7) - Business should support a precautionary to environmental challenges.**
- Principle (8) - Undertake to promote greater environmental responsibility**
- Principle (9) - Encourage the development and diffusion of environmentally friendly technology**

To be a clean and green environment, we always concern to mitigate any harmful effects on our environment and community. As we are Thilawa Special Economic Zone, we have many locators from various sectors. In this situation, Environment Impact Assessments (EIAs) and Social Impact Assessments (SIAs) were initially conducted to avoid a disaster impacts on its surrounding and community.

We also doing monitoring report for surface water quality, air quality, noise and vibration, soil contamination, waste disposal, ground water consumption, record for incidents/ accidents and also do mitigation measure for it, locator's waste-water quality and weather monitoring. MJTD made that monitoring twice a year (or) once a month depending on the type of monitoring. In accordance with international and local environmental management policy, Thilawa SEZ is protected systematically by setting up its own sewage treatment plant, water treatment plant and other high-tech protection systems with the good purpose of taking the necessary precaution against negative side effects upon the environment.

That can also reduce the effects that arise from factories such as that use of electrical and electronic equipment, batteries, lubricants, chemical raw material and packing materials.

As a CSR activity, MJTD is participated in plantation activity and trash collecting activity in neighboring community to promote greater environmental responsibility. For environmental challenges, we could handle easily when some incidents happen due to environmental damages like heavily rain and tender storm. In this situation, we taking action quickly upon that case with technical support.



**Measurement of outcomes:**

According to UNGC principles, we follow environmental principles and we shared awareness concerning with environmental principle to our host community and employees quarterly. So, employees and community have awareness and they can take care of environment not to harmful and can value on that.

**Anti-Corruption Principle**

**Principle (10) - Business should work against corruption in all its forms, including extortion and bribery.**

MJTD is always updating our rules and policy especially for anti-corruption. When our company takes action to implement the anti-corruption principles, we adopted the principles to be publicly accessible, terminating contracts with suppliers if any forms of corruption happen, making supply chain and sub-contracting arrangement, and training and awareness programme to employees.

All of the employees, officers and directors starting from lower to higher positions from MJTD are strictly prohibited that “giving or accepting gifts or bribes to anyone or from anyone, in direct or indirect way”.

**Measurement of outcomes:**

MJTD has an effective internal and external control system to prevent any forms of corruption. As a result, there is no record or report of corruption in all its forms starting from the establishment of the company. We assure that our commitments to constant prompt actions for any forms of corruption within the company are according to our internal financial rules and regulations, National Anti-corruption Policies, and applicable international anti-corruption policies and regulations, and the ten principles of UNGC in our business operation. We are stepping forwards for the better and sustainable development of our company including our employees, stakeholders, community and environment.