



# **UPG Paint & Coating Co., Ltd.**









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# LETTER FROM MANAGING DIRECTOR

Dear Friends,

We are pleased to present our progress report on the United Nations Global Compact. For the recent years, we have labored tirelessly to build on our position as the top leading paint manufacturer in Myanmar and to improve the lives of many people with our products. In our business field, we concentrate on the health of people and on the area of energy and resource efficiency. And we do this with a great sense of responsibility and a clear commitment to sustainable business development. Because only in this way can we create the society acceptance that is of such importance for our business. Specifically, this means that safety has top priority for us. The safety of our products and facilities is our license to operate. It is the foundation for gaining the trust of our customers, shareholders, public authorities and employees that is absolutely essential for us. That is why safety training measures – both for our employees and for external service providers, suppliers and contractors are standard operating procedures at all our sites.



U AYE HAN
Managing Director
UPG Paint & Coating Co., Ltd.

The safe handling and use of our products lie at the focus of our activities, which include transparent communication and distribution of our products safety information. Here, we also follow the precautionary principle of the United Nations. We also focus constantly on the issue of legal compliance. Because of our efforts, our company has been accredited with Quality Management System (ISO 9001:2015) in September 2003, Environmental Management System (ISO14001:2015) and Occupational Health and Safety Management System (OHSMS ISO 45001:2018) in October 2008. Furthermore, we have been practicing the Responsible Care Management System. Thus we have been conferred the permission to use the RC logo. We achieved of "ASEAN-OSHNET Excellence Award 2017" for excellent performance in Occupational Safety and Health through the implementation of sound OSH management system. Recently we achieved of "ASEAN Outstanding Engineering Achievement Award 2018" for Innovation on Environmental Friendly & Energy Saving Quality Products to Protect Building and infrastructures in Myanmar.

We care about our stakeholders' satisfaction. We have developed a win-win situation amongst our stakeholders. We do not only emphasize on our profit, we will support and help those who are waiting for our help.

We have set and pursued the mechanisms, processes and relations by which we are able to get good Corporate Governance so that we can be classified as a dutiful and responsible company for our country.

Thank you very much for taking up your precious time to read this letter.

Sincerely,

Aye Han

Managing Director



# PROFILE OF UPG PAINT & COATING CO., LTD.







UPG Paint & Coating Co., Ltd starting as UPG Co., Ltd., a wholly Myanmar owned private company, set up its paint factory in 1995 with the aim of import substitution and export promotion in Myanmar. Since then, the company has been producing paints and paint related products and taking the position of the industry leader in Myanmar.

In 2002, UPG P&C achieved the Quality Management System QMS ISO 9001:2000 (later upgraded as ISO 9001:2015) to strengthen the customers' trust. In 2008, the company achieved the Environmental Management System EMS ISO 14001:2004 (later upgraded as ISO 14001:2015) and the Occupational Health & Safety Assessment Series OSHAS 18001:2007 to demonstrate our commitment toward environment and safety &health of our workforce.

In 2009, the company came to be a member of Myanmar Responsible Care Council (MRCC) which is under the guidelines of Japan Responsible Care Council (JRCC) and practices the Responsible Care Management System (RCMS) for its chemical handlings. Additionally, as a member of Chemical Industry Group (CIG) of Myanmar, UPG P&C has been submitting annual reports on its chemical safety, environmental safety and occupational safety.

In 2018, UPG P&C achieved the prestigious ASEAN-OSHNET Excellence Award 2017 for Myanmarfor its excellent performance in occupational safety and health through the implementation of effective OSH management system.

In the same year, the company achieved ASEAN Outstanding Engineering Award for its two environmental friendly and energy saving products.

UPG P&C is now one of the instrumental companies in socio-economic development of Myanmar.



#### Research & Development

The R & D Department is set up with international standard laboratory equipment to keep up with ever changing technical advances in paints and coatings manufacturing knowledge and practices. A competent and dedicated team of professionals and technicians runs the R&D laboratory of UPG P&C ensuring excellent performance.

#### Quality Assurance

In accordance with the company's policy to provide high quality products to satisfy customer requirements, the Quality Assurance Department takes stringent quality control measures by inspecting every stage of production process from incoming raw materials through finished products.





#### Customer Satisfaction

The comprehensive technical expertise of service personnel and effective logistical support has made UPG P&C as a reputable and reliable partner catering customer delight.

#### Distribution Network

UPG P&C has established a swift and reliable system of distribution and logistic support network ensuring timely, efficient and effective supply chain operation.



Our Values

• The UPG P&C employees, with quality consciousness and valid team spirit, work at their best to satisfy customer needs and wants. Properly trained UPG P&C employees undertake every task in genuine entrepreneurial manner.

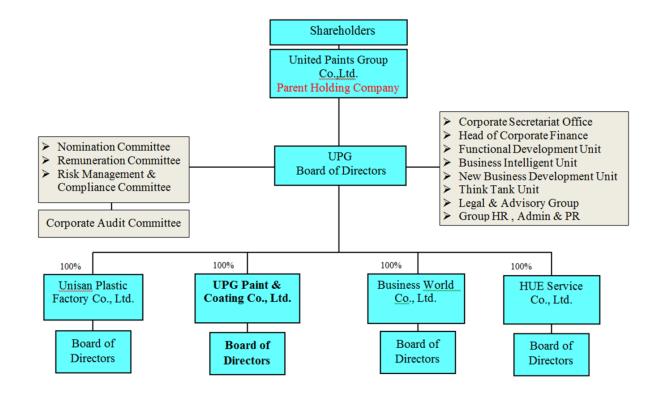
Import & Export
Promotion

 The UPG P&C imports raw materials from Australia, China, Germany, Indonesia, India, Japan, Malaysia, Netherland, Philippines, Singapore and Thailand. UPG P&C exports its finished products to China, India, Malaysia and Sri Lanka.

## **COMPANY RESTRUCTURING & BUSINESS EXPANSION**

In 2018, the parent holding company, UPG Co., Ltd. is growing subsidiary companies as per the below Organization Chart.

#### **NEW ORGANIZATION CHART**



## **OUR PRODUCTS**

Decorative Paints, Wood Coatings, Industrial Paints, **Automotive Paints, Marine Paints & Construction Chemicals** 



## **OUR BRANDS**





## Company Policy

UPG P&C as a leading paint manufacturer in Myanmar is committed to implement the Integrated Management System comprising Quality, Environmental, Health & Safety, and Responsible Care Systems and to fulfill all the applicable legal and other regulatory requirements with the aim to ensure satisfaction of interested parties (customers, suppliers, employees, local authorities and neighbours) by creating a corporate culture. In order to achieve the company policy, we are committed to the following:

- To promote the awareness of Quality, Environmental, Health & Safety, and Responsible Care Systems to interested parties.
- To prevent pollution, environmental impact and protect incident, injury, ill health, and health hazard through systematic risk identification, assessment, and control with specific procedures and training.
- To periodically analyse, set, implement and evaluate the company objectives and targets.
- To strictly adhere to all procedures and continually improve the Integrated Management System.

The management shall accept responsibility for the effective implementation of this policy and provide systems, enhance awareness and support to ensure an environmentally friendly, safe and healthy working condition.

**Managing Director** 

Dated: 01-03-2019



#### **OUR MISSION**

- We will strive to build and maintain UPG as the most user friendly, the most reliable and the largest Myanmar paints supplier with sustainable development goal.
- We aim to uphold our current status of being the leading paints supplier in domestic market by dynamic, ethical and responsive corporate governance through integrated management system.
- We will enhance the competency of our management and personnel via continual professional education programs to respond to challenges of the times.
- We must grow together with all our stakeholders since we embrace the importance of Corporate Sustainability and Responsibility.

# ကျွန်ပ်တို့၏ ရည်မှန်းချက်

- ကျွန်ုပ်တို့သည် ယူဝီဂျီကို စဉ်ဆက်မပြတ်ဖွံ့ဖြိုးတိုးတက်စေရေး ဦးတည်ချက်ဖြင့် မြန်မာနိုင်ငံတွင်သုံးစွဲသူများ
   အတွက် အဆင်ပြေဆုံး၊ အားကိုးထိုက်ဆုံး၊ အကြီးမားဆုံးသုတ်ဆေး ထုတ်လုပ်ဖြန့်ချိသည့် လုပ်ငန်းကြီးအဖြစ်
   တည်ဆောက်ထိန်းသိမ်းသွားရန် ကြိုးပမ်းအား ထုတ်ကြပါမည်။
- ကျွန်ုပ်တို့သည် ပေါင်းစုအရည်အသွေး စီမံခန့်ခွဲမှုစနစ်အားဖြင့် တက်ကြွသော၊ ကျင့်ဝတ်ညီသော၊ တာဝန်သိသော ကော်ပိုရိတ်အုပ်ချုပ်မှု ကျင့်သုံးကာပြည်တွင်းသုတ်ဆေးထုတ်လုပ် ဖြန့်ချိသူတို့ ဈေးကွက်တွင် ဦးဆောင်သူအဖြစ် လက်ရှိရပ်တည်နေသည့် ကျွန်ုပ်တို့ အနေအထားကို ဆက်လက်ထိန်းသိမ်းသွားရန် ရည်ရွယ် ပါသည်။
- ကျွန်ုပ်တို့သည် ခေတ်ကာလ၏ စိန်ခေါ်မှုများကို တုန့်ပြန်ရင်ဆိုင်နိုင်ရေးအတွက် ကျွန်ုပ်တို့ စီမံခန့်ခွဲရေးနှင့် ဝန်ထမ်း အဖွဲ့၏ ကျွမ်းကျင်ပိုင်နိုင်မှုအရည်အသွေးကို စဉ်ဆက်မပြတ်လုပ်ငန်းဆိုင်ရာ ပညာပေးအစီအစဉ်များဖြင့် မြှင့်တင် ပေးသွားမည်ဖြစ်ပါသည်။
- ကျွန်ုပ်တို့သည် ကုမ္ပဏီအဖွဲ့အစည်း စဉ်ဆက်မပြတ်ရပ်တည်မှုနှင့် တာဝန်သိမှု၏ အရေးပါခြင်းကို လက်ခံထားသည့် အလျောက် အကျိုးတူပုဂ္ဂိုလ်အားလုံးနှင့် အတူတကွ ရှင်သန်ကြီးပွားကြပါမည်။

Managing Director

PAINT & COATING CO., LTD.



# OVERVIEW OF GC PRINCIPLES IMPLEMENTATION

UPG P&C took the COP self-assessment regarding the following GC advanced criteria as engaging to implement the GC principles.

- Corporate sustainability governance and leadership
- Implementing the ten principles into strategies & operations in the areas of:
  - > Human rights
  - > Labor
  - > Environment
  - > Anti-corruption
- UN goals and issues

UPG P&C's Communication on Progress is in the format of stand alone document. In COP. description of actions and relevant policies regarding the principles will be contained some are implementation status with goals, timelines and responsible and with persons, some are established emerging best or practices.

As UPG P&C has been practicing OHS and EMS. Its organizational objectives and targets have been set for sub-sequent years in order to attain continual improvement of these systems, and to achieve the qualitative and quantitative outcomes over the objectives. Organization's upstream downstream business partners (such as suppliers, contractors, service providers, dealers, customers, users. transport contractors) have been as one mainstreaming into corporate functions and business units.

In doing so, UPG P&C has been achieving on the value chain implementation throughout the organization, as well as have developed win-win-win-win situation within the sphere of business units.



# IMPLEMENTATION OF GC PRINCIPLES

## Principle-1:

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

## Principle-2:

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

#### **HUMAN RIGHTS**

UPG P&C has been supporting the Universal Declaration of Human Rights, abiding by the Labor Law of Myanmar and applying the ILO's labor standards and principles for its employees. At UPG P&C, unfair practices and discriminations regarding recruitment, promotion, compensation or training are strictly prohibited and qualified employees are given a full and fair opportunity.

## FAIR ASSESSMENT AND COMPENSATION

To ensure fair assessment and compensation, UPG P&C conducts both management evaluation and performance evaluation together every year. Management evaluation is to review the unit-level attainment of management goals and efficiency. The result is utilized as criteria for bonus pay and performance assessment. Besides, the evaluation outcome is considered in determining division manager's annual salary level to ensure management accountability in respective divisions. Performance evaluation is to assess achievement and competency on an individual level and its results serve as key decide individual employee's salary data increases, promotions and competency development. UPG P&C will fine-tune its assessment and compensation system and operate it more rigorously to make sure all UPG P&C employees are evaluated and compensated fairly for what they achieved, and thus motivated to do better.

## Non – discrimination of Race, Religion and Sex

UPG P&C supports the Article 2 of the Universal Declaration of Human Rights by practicing non-discrimination among race, religion and sex.

Since the company shareholders are multi-ethnic and multi-religious representing Buddhism, Christianity, Islam and Hinduism, the company does not allow any racial or religious discrimination among its employees.

Regarding sex, UPG P&C practices non-discrimination. Gender ratio of the managerial staff of the factory is 5:6 men and women respectively.

## **Social Security**

UPG P&C supports the Article 22 of the Universal Declaration of Human Rights. Employees are entitled to join as members of Social Security Board (SSB) and enjoy the rights prescribed by the SSB.

#### Favorable Conditions of Works and Social Protection

UPG P&C supports the Article 23 of the Universal Declaration of Human Rights. The company considers its employees as partners for sustainable development and works for mutually beneficial and cooperative relations. We are building mature and trustworthy employee relations through such events as annual dinner, monsoon sports festival and vacation trip that unite labor and management as one. The company offers money as wedding gift for employees who are getting married. The company also offers condolence money to the employees on the death of his / her immediate family members and provides some funeral transport services.



Monsoon Sports and







## Rest and Leisure for Employees

UPG P&C supports the Article 24 of the Universal Declaration of Human Rights. Employees are given times to relax, recharge and de-stress by arranging local and foreign vacation programs fully financed and arranged by the company every year.

## Employees' Vacation Trip (China)



## Employees' Vacation Trip (Local)



#### **HEALTH**

UPG P&C provides health care trainings, doctor and nurse counseling services and in-house vaccination programs to promote employee health. Financial assistance is given to sick employees and blood donations as needed are done by the employees to the needy sick employees or family members. The blood donors are given a day-off on the next day in order to restore his/ her energy. Executive level and above employees are given the package of medical checkup every two years.

#### **LEAVES**

Employees are entitled to enjoy the following leaves as prescribed by the Leave & Holidays Act of Myanmar.

- 1. Casual Leave
- 4. Maternity Leave
- 2. Earned Leave
- 5. Leave Without Pay
- 3. Medical Leave

#### **CUSTOMER RELATIONSHIP**

In the case of consumers, we have transparent and well-tested procedures in place to address their complaints fairly and speedily without undue cost or burden to them. Sometimes our relationship with contractual partners will allow us to influence them to adopt principles and standards similar to our own. We also draw to their attention the rationale and importance of our Code of Business Principles.

#### TAXPAYER IN MYANMAR

As every citizen has the duty to pay TAXES to be levied according to the LAW, UPG P&C's taxpaying rank is as below.

Assessment Year/ Position	2011- 12	2012- 13	2013- 14	2014- 15	2015- 16	2016- 17	2017- 18	2018- 19
Commercial Tax	30	40	88	108	145	61	33	34
Income Tax	51	60	74	86	83	79	26	21



## LABOR

At UPG P&C, discrimination on the grounds of education, gender and age is strictly prohibited to offer equal employment opportunities. In addition, we are following the Labor Laws set by the Myanmar Government and implementing accordingly.

	Process implemented	Effectiveness of the process
Prevention of child Labor	100%. Verification of age of employee when hired	All employees are over 18 years of age when hired
Prevention of Forced Labor	100%. Employment contract based on employee's voluntary agreement	All employees enjoy employment as per contractual terms

#### Incentives & Bonus

In 2016, UPG P&C amended the system of incentives and bonus that is provided to employees. As the result, both sides of company and employees have the benefit of productivity increase and employees' better life style. The overtime wages are paid also according to the rules and regulations of labor law. Travelling allowance and daily wages are also provided to employees.

#### Meal Service

At the factory, canteen is providing lunch to employees. If there is overtime work, dinner is also provided to employees and anybody can have coffee and noodle freely at security guard house after 6:30 pm as they prefer. Regarding meal service, feedback from employees are listened and fulfillment are undertaken appropriately.

#### Ferry Service

Employees are provided with regular mini-bus ferry service for commuting to work and home. Also ferries take them back to their home doors If there is overtime work. Employees enjoy the ferry service.

## Principle-3:

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

## Principle-4:

Business should elimination of all forms of forced and compulsory labor.

#### Principle-5:

Business should effect the abolition of child labor.

#### Principle-6:

Business should effect the elimination of discrimination in respect of employment and occupation.



# CORPORATE LEARNING CULTURE

- Provide training to our employee to gain knowledge and awareness
- ❖ Increase the commitment of employees by encouraging them to identify with the mission and objectives of the organization.
- ❖ Help to develop a positive culture in the organization, one, for example, that is oriented towards performance improvement.
- Improve individual, team and corporate performance in terms of output, quality, speed and overall productivity.
- ❖ Establish both external and internal training, if necessary we provide further study.





## **ENVIRONMENT**

## Principle 7:

Businesses should support a precautionary approach to environmental challenges.

## Principle 8:

Undertake initiatives to promote greater environmental responsibility.

## Principle 9:

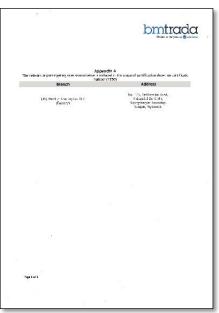
Encourage the development and diffusion of environmentally friendly technologies.

#### Our Commitment

- ➤ UPG P&C has an *Environmental Management System* that is accredited to the ISO14001 standard and UPG P&C has been conferred the logo of *Responsible Care Management System* (RCMS).
- ➤ UPG P&C commits to promote the awareness over the environmental conservation to all the interested parties.
- > UPG P&C commits to review our aspects and impacts on the environment and take action that is necessary to reduce our environmental impacts.
- > UPG P&C commits to set the yearly objectives and targets and to implement it successfully.



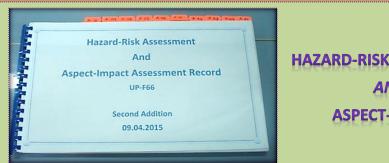




## Precautionary Measures on Aspect-Impact Identification

In order to prevent the accident / incident happening, hazard / aspect identification and risk/impact assessment have been performed systematically based on 6 steps of general procedures of risk assessment (Risk Assessment VER.5).

The risk/impact assessment is carried out not only for the production process line, but also for the maintenance operations for emergency situations. Then corrective and preventive actions are taken into account for hazard/aspect identification. The assessment for hazard and aspect were revised in April 2015 in order to cover all area and process. In the second edition assessment registration handbook "Content List of Hazard-Risk Assessment and Aspect-Impact Assessment", the numbers of total assessments increased A-60 to 70 assessments (All are A-01 ~ A-70). As necessary assessment for additional process or new locations, related assessment are being also revised or added, presently the total number of assessments are up to A-82. This assessment is based on the plant/location, process/procedures, OHS and EC describing as revised/review or additional or new assessment.



HAZARD-RISK ASSESSMENT

AND

ASPECT-IMPACT

"Hazard - Risk Assessment" *and* "Aspect - Impact Assessment"

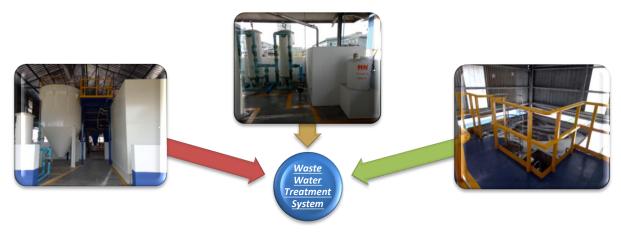
Reviewed

Assessment No: A-01 to A-86

27.7.2019

## Waste Water Treatment System

Waste water generated from the water based paint production plant, QC and R&D laboratories is being collected and treated at the waste water treatment plant. Effluent water quality from treatment plant is tested before it is discharged into the public drain. If it meets the Proposed National Standard (Ministry of Health) for discharge, it is discharged into the public drain. If it does not meet the standard it is sent back to the treatment plant.



## **Discharged Water Quality**

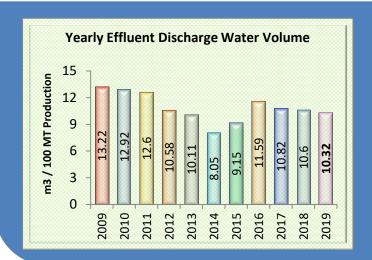
Discharged water quality was analyzed quarterly at the Myanmar Science & Technology Research Department. The quarterly test results in 2018 were as below. The standard will be referred to the national guide lines.

	Effluent Discharged Quality Test Result (Jan ~ December, 2019)										
Frequency	Quarterly						В	i-anually			Yearly
Parameters	рН	BOD (mg/l)	COD (mg/l)	Total Suspended Solids (mg/l)	Total Dissolved Solids( mg/l)	Residual Chlorine (mg/l)	Lead (mg/l)	Iron (mg/l)	Zn (mg/l)	Cu (mg/l)	Total Coliform Bacteria
Standard	6.0 ~ 9.0	≤ 50	≤ 250	≤ 50	≤ 2000	≤ 0.2	≤ 0.1	≤ 3.5	2	0.5	400/ 100 ml
First Quarter, 2019	8.03	7.59	200.00	6.00	536.00						
Second Quarter, 2019	7.47	7.41	138.00	4.00	705.00	0.04	0.044	0.022	0.041	0.029	0
Third Quarter, 2019	8.12	7.18	106.00	9.00	496.00	0.05					
Fourth Quarter, 2019	7.56	6.98	152.3	9.00	314.00	0.00	0.019	0.038	0.056	0.03	
D 1	•	y Departm aboratory	ent of Res	search and Inno	vation , Minist	ry of Science &	& Technolo	gy .Test by	Occupation	onal and En	vironmental
Remarks		Source of Standard - NEQEG(National Environmental Quality Emission Guideline) of ECD(Environmental Conservation Department) ,Ministry of Environmental Conservation and Forestry, Section-2.4.2 ,Page -101									

# The Analysed Report by Myanmar Science & Technology Department







## Effluent Discharge Volume

One of the objectives and targets of UPG P&C is to reduce the volume of discharge water. The achievement of reduction of yearly effluent discharge water volume is shown in figure. In 2019, some additional programs will be implemented to reduce the effluent discharge water.

# Hazardous Waste Disposal

Hazardous wastes generated from the solvent based paint production plant, QC and R&D laboratories are collected in drums at scheduled waste storage area located at the waste water treatment plant. Hazardous wastes are disposed of at the designated Municipal {Yangon City Development Council (YCDC) landfill).

Target was set to reduce the amount of waste generated from solvent based paint production in 2018, and UPG P&C is taking full utilization of 3R method over the waste. The target was achieved and will continue to set as target in 2019 also.





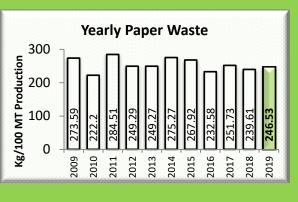


# Solid Waste Disposal

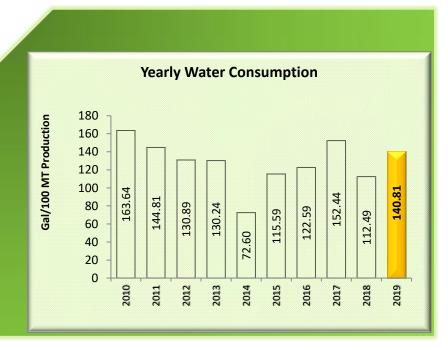
Plastics and paper bags are the solid wastes generated from production. These wastes, so called recycle wastes, are collected in the waste bags disposal room as well as in the waste brick-tanks. Then they are sold to the contractors for recycling. The amount of plastics and paper bags increased proportionally with the amount of production.

At the water based production plant, waste bags disposal room was constructed separately to prevent the spreading of powders to the ambient air and flowing down the drain leading to the public drain. The waste paper bags are compacted and put into long plastic bags.





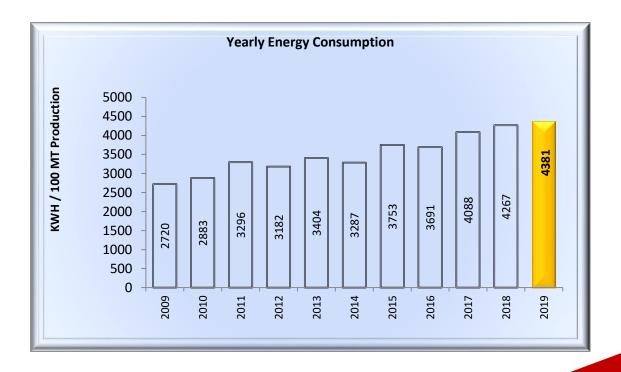
## **Water Consumption**



Water is used in UPG P&C in two ways. It is used in water based paint production after being treated and also for general use. General use includes the utilization for cleaning, bathing, washing, gardening toilets. UPG P&C has been practicing this natural resource to save preserve the environment. The guidelines for water saving was the employees conducted to and mottos are displayed at water taps. Individual water meters were installed at 11 locations for actual record of water consumption up to date.



# **Electrical Energy Consumption**



Frequency inverters (Energy saving type) are installed at electric motors. Frequency inverter drives can save energy about 40% of ordinary motors. Electrical utilization depends on the machines utilization at production plant.

The new water based plant started production in July 2010. Due to the operation of new added machineries, the electrical energy consumption increased from July 2010. Similarly, solvent based production line was also transferred to the new plant in July 2011 and electrical energy consumption increased because of some new addition of equipment and facilities.

In mid of 2018, UPG P&C is aiming to start the implementation of industrial energy efficiency project targeting to achieve the ISO50001 certification.

# Implementation on Industrial Energy Efficiency

After getting the training for industrial energy efficiency improvement conducted by UNIDO, UPG P&C has being introduced to set up SEUs and EnPOs. The statistical analysis was taken and the target for next two years was established as the following.

"The objective and target for CY 2017 to 2019 is that energy intensity will be reduced by 5% according to the model of baseline data of CY 2017."

Data and Model

Baseline Data = Year 2017

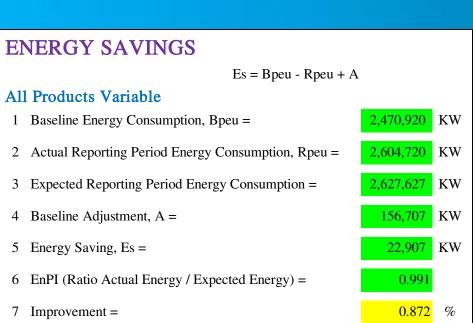
Reported Data = January to December for 2018 and 2019

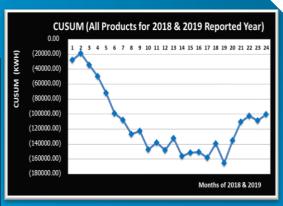
CUSUM = January to December for 2018

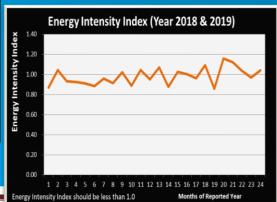
Model = Baseline Data Year 2017 and All Product Variable including CDD, and

At 2nd step, P value of Emulsion Product and Solvent & NC are satisfied and model is taken as below;

The followings are CUSUM graph and improvement for energy saving for January to December for 2018. CUSUM trend shows the decreasing energy consumption and energy intensity but not gradually decreasing trend. Energy intensity EnPI ratio is 0.991 and energy saving units are 22907 KW according to the model with baseline data CY 2017. Improvement is 0.872% for this reported period.









# SAVING ENERGY IN OFFICE

In order to help cut GHG emissions, temperature of our office except for training rooms is set above 28 degree Celsius in the summer. Considering our working environment conditions, we start with small and easy steps such as putting office and electronic devices into low power mode, turning off computers and printers when not in use, and turning off the light during lunch time.

With unprecedented high oil prices today, UPG P&C is saving energy: its office temperature is maintained at appropriate levels, air conditioning facilities are managed in an efficient manner and cooling /heating facilities in the summer and winter season are operated and maintained efficiently.

These efforts enable UPG P&C to reduce its oil consumption and contribute to cutting GHG emissions.

# Eco-friendly Interior at UPG P&C

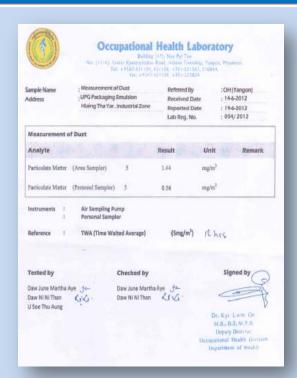
UPG P&C used eco-friendly interior materials for environmental considerations. The building also used water paints instead of oil paints on the wall.

# **Air Quality Monitoring**

Monitoring of air quality at the water based paint production plant, was carried out in 2012 by the methods of *Area Sampler and Personal Sampler*. Area sampler testing method shows how much particulate matter is spreading in the air at workplace environment. Personal sampler testing method shows how much the worker may inhale the particulate matter from the ambient air.

Measurement of	Re	sult	Unit	Reference Value
Dust Analyst	13.6.2012	14.6.2012	Omt	Reference value
Particulate Matter (Area Sampler)	2.77	1.44	mg/m <sup>3</sup>	TWA (Time Waited Average) =
Particulate Matter (Personal Sampler)	2.77	0.56	mg/m³	5 mg./m <sup>3</sup>





# **Air Quality Monitoring**

Dust measurement was conducted at the powder transferring area on 13/6/12 and at the packaging area on 14/06/2012. The results reveal that the particulate matter was higher at the powder transferring area but in both places, it was significantly lesser than the reference values.

In fact, UPG P&C has been utilizing closed vessel types and dust collectors for the filling process of chemicals in powder form into the mixing vessels.



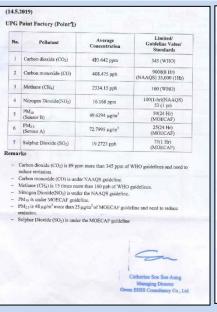


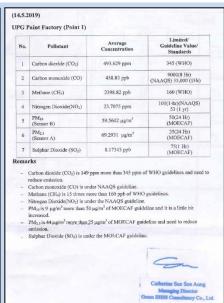
In April 2014, ambient air quality measures were performed at near Factory Canteen area and outside the production plant using the HIGH VOLUME SAMPLER with the aid of the Occupational Health Division, Ministry of Health. All the result meet with WHO air quality Guideline.

Name	Unit	Result-1 (Near Canteen)	Result-2 (Outside Production Plant)	WHO Guideline
TSPM	$\mu g$ / $m^3$	98.3	79.56	
PM <sub>10</sub> (24 Hr mean)	$\mu g$ / $m^3$	37.04	33.29	50
SO <sub>2</sub> (24 Hr mean)	$\mu g$ / $m^3$	0.46	0.6	20
NO <sub>2</sub> (Annual mean)	$\mu g$ / $m^3$	10.02	9.39	40
NO <sub>2</sub> (1 Hr mean)	$\mu g$ / $m^3$	41.75	30.93	200

# **Air Quality Monitoring**

Ambient air quality test result certificate is as shown below issued by Environmental Division, Yangon City Development Committee in 2019.





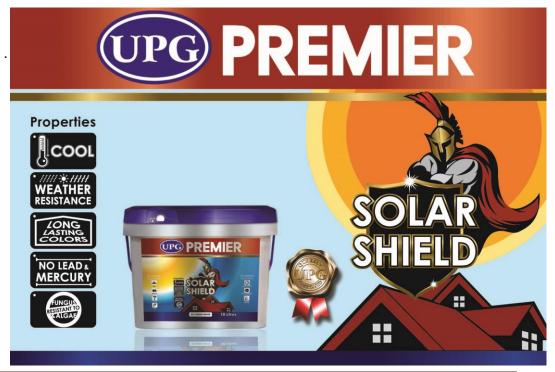


#### **PREMIER Solarshield Paint**

PREMIER Solarshield Paint was conferred "ASEAN Outstanding Engineering Achievement Award 2018" for its properties of energy saving and environmental friendliness.

#### **Properties**

- Heat Barrier
- Heat Insulation
- Soundproofing
- Deodorization and more .



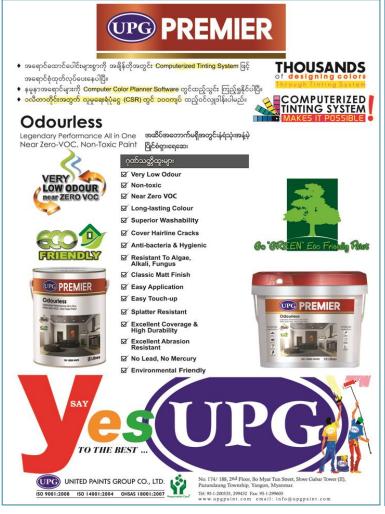


# **ENVIRONMENT**

UPG P&C has been taking effort to develop and diffuse the environmental friendly technologies over the UPG P&C paint products such as lead free and odourless paint.

The product has very low odour, near zero VOC and non-toxic.









# WORLD ENVIRONMENT DAYACTIVITIES

In Jun 5<sup>th</sup> 2019, the WED celebration was undertaken at Hlaing Thayar Factory of UPG P&C Co., Ltd. The employees participated eagerly at the celebration of World Environment Day. Firstly, PDD Director addressed at the ceremony regarding the 2019 WED slogan "Air Pollution". The following activities were taken;

- Collecting the plastic waste along the factory-front road
- ❖ Tree planting in front and beside of solvent based production plant
- ❖ Fixing the leaks in the manufacturing plant





## Principle 10:

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

# **ANTI - CORRUPTION**

## Policy and Activities on Anti-Corruption

UPG P&C have signed as a member of UN Global Compact in May 2014. As a member we are obliged to implement anti-corruption as a guiding principle. Anti-corruption policy and actions required are established in personnel regulation of the company which are to be followed by the stake holders including company employees, officers, directors and others.

#### Policy and Regulations on Anti-Corruption

It is stated in the Employment contract of UPG P&C that any act on bribery and corruption is strictly prohibited in this company for any workers and that any for incompliances shall be treated as a major offence beside it is a criminal act which warrant to be taken action by due process of the court of Law.

All company employees are prohibited from attempting persuading and accepting any presents on cash or financial benefits in performing official duties. The other party may be agents, represent actives, brokers, contractors suppliers as employees.

Complaints or suggestions or leads received through these sources shall be verified and primarily investigated by respective manager. Departmental enquiry shall be followed after directors comment. Necessary actions including legal action shall be followed as necessary.

Any employees who is funnel to take bribe with valid evidence, he/she be liable to face official enquiry and disciplinary action.

Surprise checks and discrete observation are used to ensure compliance of anti-corruption policy of the company review meetings are held by concerned department managers and director to assess degree of compliance of anti-corruption policy in the company.

Company employee shall report to superior concerned whenever any presents was given by a business associate. Any things worth less than Kyat 25000 can be accepted with the permission of head of Department to the giver if it is not permitted.

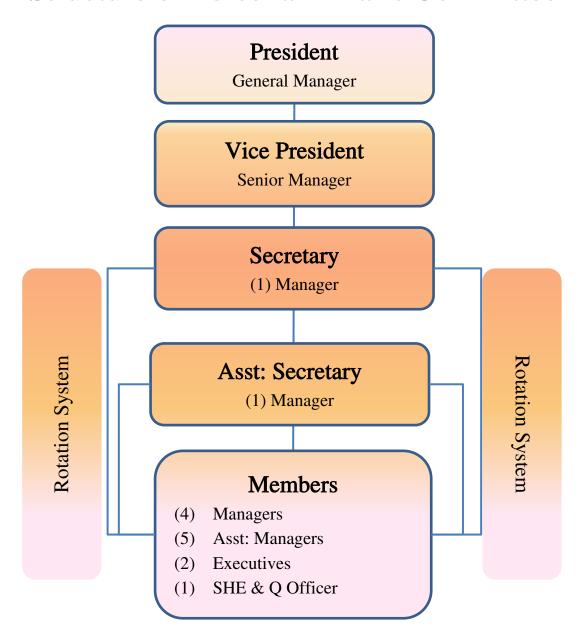
Prior Sanction shall be sought for accepting an offer on entertainment from the business associates. Disregard of this regulation is prohibited.

Prior sanction shall be sought from respective director for offering any things or cash worth less than Kyat 25000 as present to business associates.

Personnel of UPG P&C shall abide by the Anti-corruption Law.



## Structure of Personal Affairs Committee



#### **Implementing Anti-Corruption Programme**

UPG P&C has a discrete information system gathering system on bribery and corruption. Contact phone number and email address to report on this matter are put on company notice boards. Suggestion boxes are placed at factory and branch offices to solicit comments. UPG P&C has a personal affairs committee which held a meeting once a month. Corruption cases have not been reported as yet.



## Overall Activities Contributing to SDGs

UPG P&C is strongly committed to take part in the business contributions to broader UN goals and issues, and trying to get the best practices. The below table shows the list of our overall activities and practices contributing to the relevant goals of 17 SDGs.

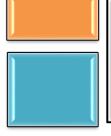
#### Table Showing Overall Activities Contributing to SDGs

NO	SDGs	ACTIVITIES						
		1) Sofa Settee & Aircon Charity 2019	2019					
		2) Renovation of Government School	2019					
		3) OSHAS ISO 18001: 2007	2008-now					
		4) Blood donation of employees	Yearly					
	GOAL 3: Good	5) Fire Extinguishers & Accessries donation to Mandalay Township Fire Department	2019					
1	Health & Well	6) Cash donation to Hlaing Tharyar Industrial Zone Management Committee for OSH programs						
	Being	7) Cash offering to flood victim employees						
		8) Donated and gave to UPG P&C employees' students and kahtain.	Yearly					
		9) Book donation of Myanmar Police Force	2019					
		10) Donation of oxygen pots and equipment to Auxiliary Association	2019					
		11) Painting Donation for Basic Education Primary School(Dala)	2019					
2	GOAL 4: Quality	1) School & playground for poor community	2019					
2	<b>Education</b>	2) Cash and kind to employees with school children						
3	GOAL 5: Gender	Gender ratio of managerial staff in the factory is 5:6 (man and woman respectively)						
	Equality							
	GOAL 6: Clean Water and	1) Stock portable water purification system (Pure2O)	2019					
4	Sanitation	2) Drinking water donation to shortage area in summer	Every year					
	GOAL 8: Decent							
5	Work and	As per Human Rights and Labor of this report	Ongoing					
	Economic Growth							
	GOAL 12:	1) EMS ISO 14001:2015	2008-now					
6	Responsible Consumption and							
	Production	2) Responsible Care Management System (RCMS)	2009-now					
7	GOAL 13: Climate Activities on World Environment Day		Every year					
,	Action	The True of The Divinence Day	Livery year					
	GOAL 17:	INICOM	2012					
8	Partnerships to achieve the Goal	UNGC Member	2013-now					
	acmove the Goal							









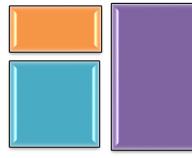




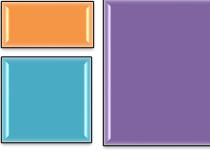




















# **COMPANY'S CSR COMMITMENTS**

UPG P&C takes the definition of Corporate Social Responsibility (CSR) from World Business Council for Sustainable Development (WBCSD), set below Company's CSR Commitments in line with the SDGs and formed a CSR Task Force in 2018.

#### • Commitment to Occupational Safety and Health

We will maintain and continually improve our occupational safety & health conditions for our workforce.

[Tools: UP-CM05 Electrical Safety Manual, UP-CM06 Fire Management Plan Manual, UP-CM07 Waste Management Manual, UP-CM09 Safe Handling Chemicals Manual and other OSH related procedures &work instructions]

#### • Commitment to Environment

We will minimize the environmental impact of our business operations and take voluntary efforts to support the environmental conservation.

[Tools: UP-CM07 Waste Management Manual, UNGC Principle 7, 8 & 9, RC Guiding Principle, other environmental procedures & work instructions]

#### Commitment to Community Education

We will support in improving educational facilities of the communities and will also contribute learning aids and workplace learning opportunities to our new generations.

#### • Commitment to Community Health

We will support in improving health facilities of the communities and will also contribute health supplies as needed.

#### Commitment to Disaster Relief and Social Welfare

We will provide relief assistance in disaster emergency situation and also support in improving social welfare for the communities.

#### • Commitment to Legal Compliance

We will always respect and comply with the laws of Myanmar.

## Table Showing Company's CSR Activities (2019)

Date	Company's CSR Activities
02/01/2019	Sofa Settee & air con donation to Department of Industrial Supervision and Inspection
28/03/2019	Donation to fire hazard Employee
03/04/2019	Paint & Stationery donation to Basic Education Primary School(Dala)
17/06/2019	Blood donation of UPG P&C's employees
09/04/2019	Fire Extinguishers & Accessories donation to Mandalay Township Fire Department
29/07/2019	Trees fertilize donation for tree planting
26/08/2019	Fire Extinguishers & Accessories donation to Plate Township Fire Department
26/08/2019	Donation to 500 household of Kyaikmayaw Township for water flooding
06/09/2019	Cash donation to flood victim employees from Mawlamyine Township
06/09/2019	Stationery & Book donation to Myanmar police force
09/10/2019	Blood donation of UPG P&C's employees
25/10/2019	Donation of oxygen pots and equipment to Auxiliary Association
05/11/2019	Donation to Shwe Yaung Hnin Si Cancer Foundation
28/12/2019	Painting Donation for Basic Education Primary School(Dala)





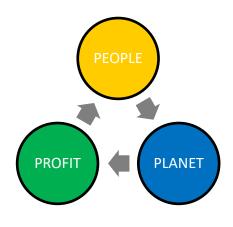




## Social investments and philanthropy:

In order to get win-win-win situation with our customer, UPG P&C's marketing system is leading to social responsibility marketing. Just buying our product you can participate in the activities of our social service. Now our business trend is based on Socially Responsible Business. So our customers can be a donor by buying just a liter of our product because a portion of the earnings will be donated to the Corporate Social Responsibility Fund.







- 🗣 အရောင်ထောင်ပေါင်းများစွာကို အချိန်တို့အတွင်း Computerized Tinting System ဖြင့် အရောင်စုံထုတ်လုပ်ပေးနေပါပြီ။
- 🕈 နမူနာအရောင်များကို Computer Color Planner Software တွင်ထည့်သွင်း ကြည့်ရှုနိုင်ပါပြီ။
- ၁လီတာတိုင်းအတွက် လူမှုရေးရံပုံငွေ (CSR) တွင် ၁၀၀ကျပ် ထည့်ဝင်လှူဒါန်းပါမည်း





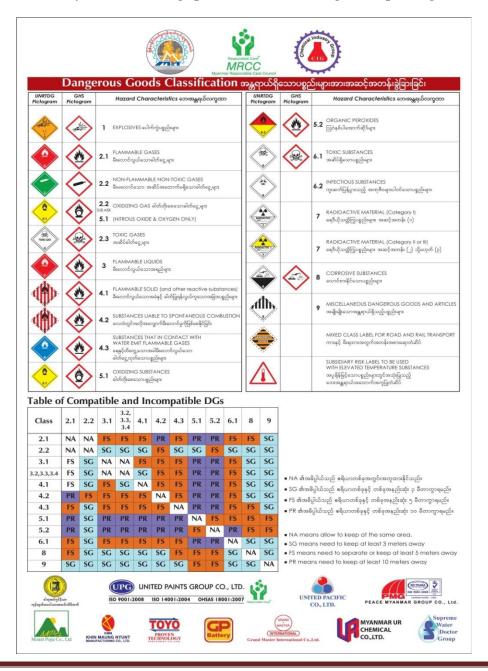
- 🔹 အရောင်ထောင်ပေါင်းများစွာကို အချိန်တိုအတွင်<mark>း Computerized Tinting Sys</mark>tem ဖြင့် အရောင်စုံထုတ်လုပ်ပေးနေပါပြီး
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- 💠 <mark>၁လီတာတိုင်းအတွက် လူမှုရေးရံပုံငွေ (CSR) တွင် ၁</mark>၀၀ကျပ် ထည့်ဝင်လှုဒါန်းပါမည်။





# Advocacy and public policy engagement & partnerships and collective action:

UPG P&C has committed to take part in the advocacy and public policy engagement and joined industry peers. Especially, UPG P&C has been implementing the Responsible Care under the guidelines of Myanmar Responsible Care Council (MRCC) which is a member of RCLG. Therefore, UPG P&C led initiatives contributions to solving common challenges among the industry peers, as well as for chemical safety whilst storing, production, handling, transporting and distribution.





# Advocacy and public policy engagement & partnerships and collective action:

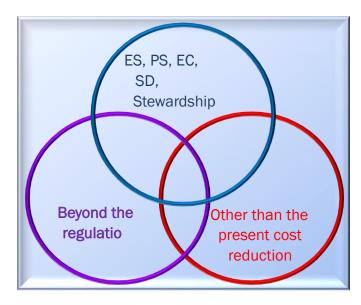
MRCC (under the Myanmar Chemical Industry Group, CIG) organized and published the booklet version-1 of "Information on Dangerous Chemicals". These booklets will be donated to students at schools and MRCC members will explain the information and knowledge about the dangerous chemicals at schools. In this activity, UPG P&C participated actively and led the preparation of this booklet in order to achieve the objective of MRCC.





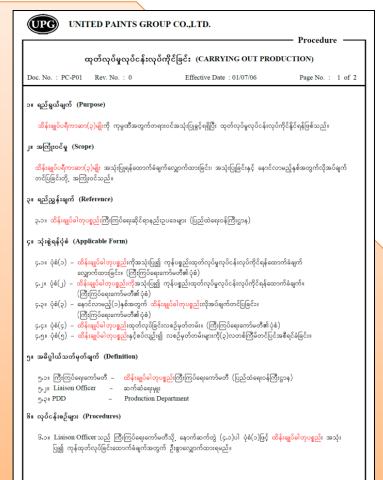
# Advocacy and public policy engagement & partnerships and collective action:

UPG P&C has been carrying out the responsible care activities for employee safety, process safety and environmental conservation in line with yearly policy established implementing three codes out of six codes. Year by year, UPG P&C is implementing the RC codes deeper and wider with continual improvement. UPG P&C is undertaking responsible care activities beyond the regulations without looking only for profit and benefit.



# CONTROLLED PRECURSOR CHEMICALS

Controlled precursor chemicals are used in the production of narcotic drugs and psychotropic substances, and thus UPG P&C is taking its responsibility to protect right way utilization of these chemicals. And after being established the code of content (Procedure PC-P01 to PC-P08) regarding the controlled precursor chemicals imported for our production use, we are complying rules and regulations, and our procedures for the whole process of importation, storage, carrying out production, transportation, reselling.





# **CERTIFICATES**

## Quality Management System (ISO – 9001:2015)





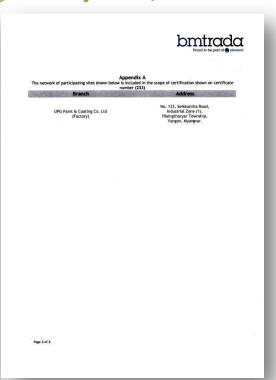
## Environment Management System (ISO – 14001:2015)



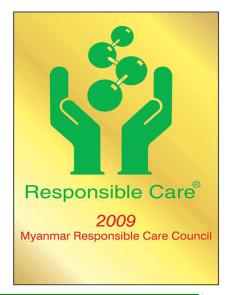


## Occupational Health & Safety Management System (ISO – 18001:2007)









Responsible Care Management System 8.12.2009



## **ASEAN – OSHNET EXCELLENT AWARD**





Recently UPG P&C achieved the award of "THE 2 ASEAN-OSHNET EXCELLENCE AWARD 2017" for the performance of occupational safety and health with sound OSH management system.

# ASEAN OUTSTANDING ENGINEERING ACHIEVEMENT AWARD





Recently UPG P&C achieved the award of "ASEAN OUSTANDING ENGINEERING ACHIEVEMENT AWARD 2018" for Innovation on Environmental Friendly & Energy Saving Quality Products to Protect Building and infrastructures in Myanmar.

The certificate was received at 14<sup>th</sup> November 2018 at the Sentosa Expo Convention Center, Singapore.



## **UPG PAINT & COATING CO.,LTD.**

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