



LOGICARE
PRIVATE LIMITED

UN Global Compact

Communication on Progress

April 2020 – March 2021

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CEO's Message

7th April 2021

To our stakeholders:

I am pleased to confirm that Logicare Private Limited reaffirms its support for the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

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

We put our effort to operate in a way that creates long-term value by balancing the needs of the organisation with the needs of future generations. Our company's sustainability approach provides the foundation for incorporating the three pillars of sustainability: environmental, economic and social considerations into our decision-making processes.

Being a socially responsible corporate citizen is part of our mission and therefore, we ensure that our business activities positively impact on economic, social and environmental sustainability.

Yours faithfully,

Logicare Private Limited



Saminda Deshapriya

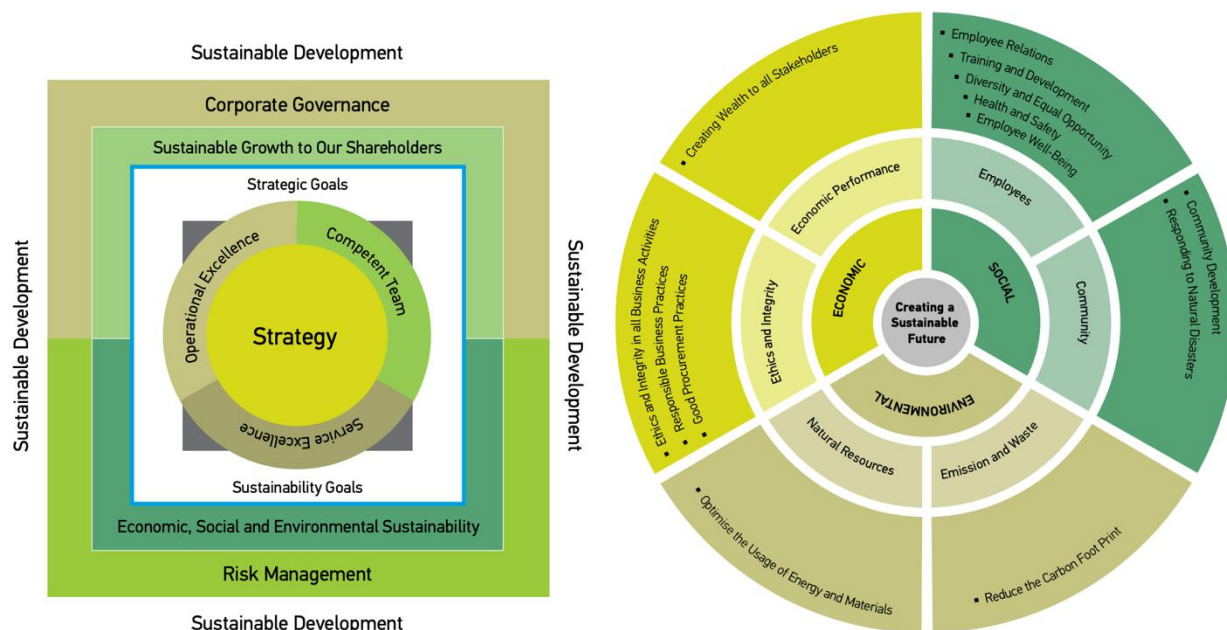
Director / CEO

Our Approach to Sustainability

Our strategic direction to sustainability - Sustainable Development

Being a socially responsible corporate citizen is part of our mission and we believe that our company cannot sustain in isolation. Logicare's long-term sustainability depends on positive impact of our business activities to our economy, our society and our environment. Therefore, ultimate objective of our corporate strategy is to create value to all our stakeholders, and we will continue to monitor impact of our actions on economy, society and environment.

Following diagrams elaborates our strategic direction to sustainability and our sustainability goals which are in line with our business strategy.



Corporate Governance

Everything we do to drive growth and profitability are done with the highest standards of ethics, honesty and integrity. Therefore, our aim is to achieve high standards of corporate governance and ensure compliance with regulations and best practices to enhance the sustainability of the business. The company is directed and controlled by our comprehensive corporate governance framework in the best interest of all our stakeholders. Corporate Governance framework is regularly reviewed to align with regulatory changes and to reflect best practice.

Sustainability Reporting

Ceylon Tea Brokers PLC is the parent company of Logicare Private Limited and at group level we disclose our economic, social and environmental performances annually complying with the following standards;

- GRI Sustainability Reporting Standards 2016 (Core Option)
- UNGC Principles and UN Sustainable Development Goals

Our contribution towards the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption

A. Human Rights

Principle 1: *Businesses should support and respect the protection of internationally proclaimed human rights.*

Principle 2: *Make sure that they are not complicit in human rights abuses.*

Our Contribution

Logicare is a responsible logistics and supply chain solutions provider in Sri Lanka, and we acknowledge and respect the principles contained in the Universal Declaration of Human Rights and The International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

According to our "**Employee Code of Conduct**" unfair practice, such as harassment, intimidation or discrimination against customers or employees based on their economic status, race, gender, age, religion or other reasons is prohibited.

We make reasonable accommodations for all our employees' religious observances and practices at all times.

Our approach to Human Rights is made aware to our employees through our orientation programme and to suppliers/customers through agreements, to ensure that all parties are conscious of the company's commitment towards safeguarding human rights.

We actively promote gender diversity in our workforce as well as in the logistics industry as a whole. During the year under review, we have successfully conducted video campaigns to promote gender diversity in collaboration with "Women in Logistics and

Transport-WILAT, Sri Lanka” which is the Women’s Forum of The Chartered Institute of Logistics and Transport (CILT) Sri Lanka.

We believe every child has a right to education and we continuously support education of under privileged children as a part of our CSR initiatives.

Measurement of outcomes

Our Group HR Department and Risk and Compliance Department continuously review objectives and goals pertaining to Human Rights and no incidents related to bribery and corruption were reported during the year under review.

B. Labour

Principle 3: *Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.*

Principle 4: *The elimination of all forms of forced and compulsory labour.*

Principle 5: *The effective abolition of child labour.*

Principle 6: *The elimination of discrimination in respect of employment and occupation.*

Our Contribution

We are proud to actively promote diversity in our workforce and we respect and value individuals for their diverse backgrounds, experiences, styles, approaches and ideas. We rely upon diversity to inspire innovation that drives our business and enhance our competitive advantage.

We are an “**Equal Opportunity Employer**” We believe in treating each other with respect and dignity. We judge all applicants and employees by their qualifications, demonstrated skills and achievements, excluding race, color, religion, gender, gender identity or expression, national origin, ethnicity, sexual orientation, age, disability, veteran status, marital status or any other characteristics. Where necessary, we provide reasonable accommodations for employees with disabilities or those with special religious requirements.

Use of forced, compulsory or child labour in our business operations are strictly prohibited and we have strict agreements with our third-party labour providers which prohibits the use of forced, compulsory or child labour.

We conducted comprehensive safety training during the year under review to safeguard health and safety of our employees.

During the year 2020 we took strict control measures to reduce further spread of COVID-19 such as shifting to 'work from home' concept, splitting of operations and randomly conducting PCR checks to create a safer, less congested work environment for our employees with the increase health and safety concerns.

Way-forward

We expect to obtain "Great Place to Work" certification during the year 2021/22.

Measurement of outcomes

We have one on one feedback sessions with employees to understand their grievances and any incidents relating to harassment or discrimination.

We conduct annual employee satisfaction surveys to understand the satisfaction of our employees.

We conduct annual performance reviews to all our employees to discuss their performance, identify the training needs and make informed decisions with regard to employee rewards, compensation and promotions.

The Internal and External auditors regularly review the HR policies and practices to find any deviations.

We haven't laid off any employees during the COVID-19 pandemic and we haven't reduced the compensations of any of our employees during the year under review.

C. 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 Contribution

As a responsible will continue to monitor impact of our actions to the environment and we always operate in a way that balance the needs of the organization with the needs for the future generations.

We successfully initiated a Rainwater Harvesting System and a Sewage Treatment Plant (STP) in our state-of-the-art warehousing complex which was an important milestone of our journey towards environmental sustainability.

As a socially responsible logistics and supply chain provider we are continuously working on introducing *environmentally friendly technologies to create sustainable supply chains for all our customers and partners.*

During the year under review, we successfully implemented following new environmentally friendly technologies;

- Warehouse Management System (WMS) supported with RFID technology to create a paperless process within our warehouses
- Transport Management System (TMS) with features such as Capacity Planning, Route-planning and Optimisation to minimize GHG Emission and reduce logistics costs
- DocuSign – e-Signature Platform to create a paperless environment (approvals, procurement and agreements)

We have started to conduct Research and Development (R&D) on reducing Polyethene and Plastics within the warehouses and on the usage of environmentally friendly vehicles in last-mile logistics to promote sustainable logistics practices.

Way-forward

We are in the process of building a rooftop solar powerplant which can generate 950KW of energy per month which will be sufficient to cover the total power consumption of our warehousing complex. This project will be completed during the year 2021/22.

We expect to obtain ISO 14001: Environmental Management System certification during the year 2021/22 as a part of our journey towards environmental sustainability.

Measurement of outcomes

At our group level we monitor our carbon footprint annually in accordance with **“GRI Sustainability Reporting Standards 2016”**

Since we are a service organisation, there is no significant impact from our business activities, products and services on biodiversity.

No incidents were reported pertaining to non-compliance with environmental laws and regulations during the year under review.

D. Anti- Corruption

Principle 10: *Businesses should work against corruption in all its forms, including extortion and bribery.*

Our Contribution

Integrity is one of the core values of Logicare and we take a zero-tolerance approach to bribery and corruption. According to our “**Employee Code of Conduct**” the Board of Directors, Management and Employees are committed to acting professionally, fairly and with integrity in all our business dealings and relationships to counter bribery and corruption. Our vendor and customer agreements include relevant clauses to prevent any form of bribery and corruption. The company carryout a completely transparent procurement process as per the company's Standard Operating Procedures (SOP) which prohibits any form of bribery and corruption.

Measurement of outcomes

The Group HR Department, Risk and Compliance Department, and the Internal and External auditors regularly review the business practices of the company against the policies pertaining to Anti- Bribery and Corruption to find any deviations.

No incidents related to bribery and corruption were reported during the year under review.