

2021-2022

UNGC REPORT



EXCELLENCE

QUALITY

TRUST



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Company Profile

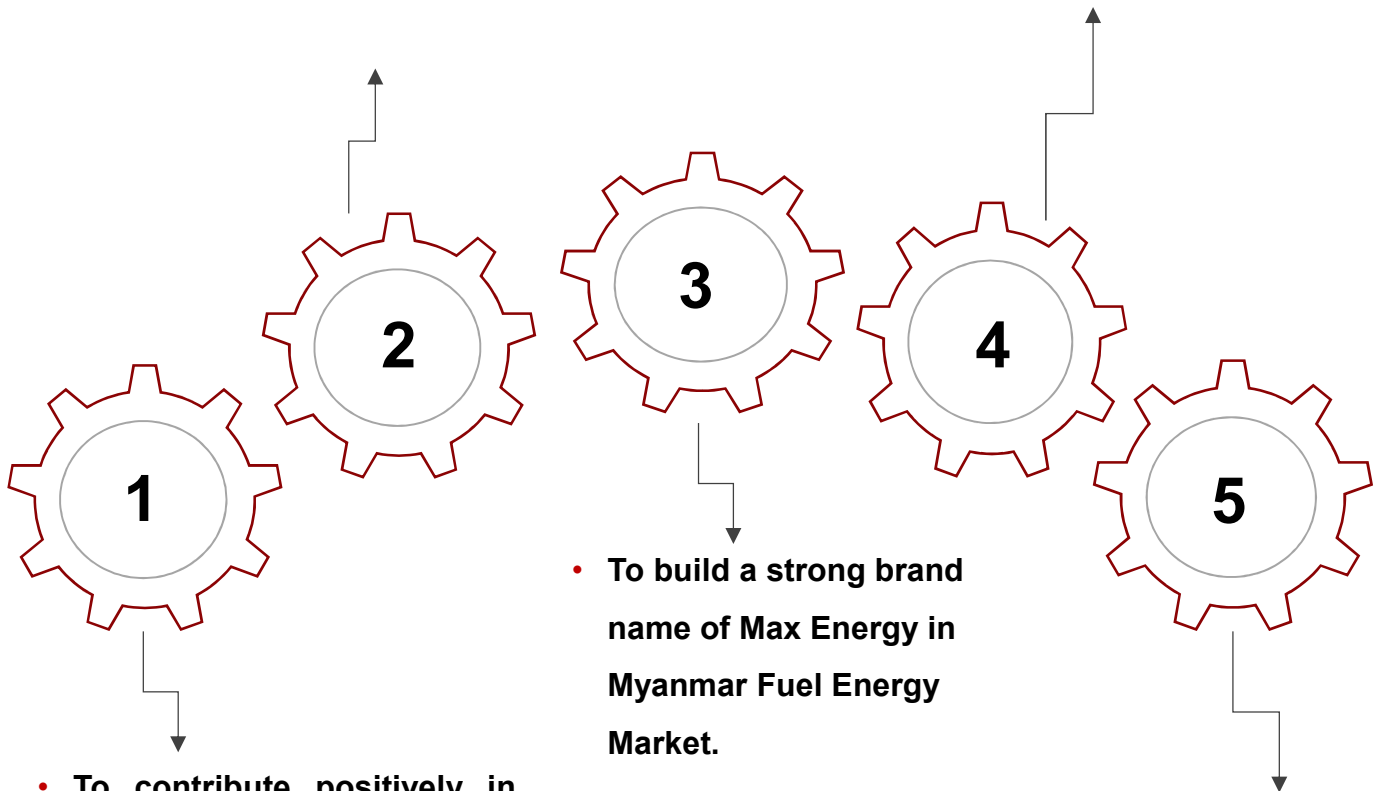
- Established in 2010 with 12 filling stations purchased from the government during a mass-privatization, Max Energy is now a strategic business unit of the Max Myanmar Group as an integrated energy supplier dealing in the retail and wholesale of imported petroleum products.
- Max Energy's petroleum products are competitively priced, and quality is assured by reputable international surveyor organizations. Utilizing advanced dispenser machines, quantities are always precise. Customer service is deemed excellent, and customer satisfaction is consistently high; brand image is of paramount importance to Max Energy.
- Its 52 filling stations are conveniently located and strategically distributed across major cities and on major automobile routes throughout the country. Operations are 24-hours a day and staff are comparatively well trained and Max Energy has non-fuel businesses like 24-hours mini mart (Fast food) and motor insurance for to fulfill the customers need of emergency use and snacks with quality products at reasonable price to traveler with good service and very premium look.



Our Objectives

- To effectively distribute high-quality fuel products imported from abroad to consumers and other users.

- To create better job opportunities for younger generation to enhance their personal lives and living standards.



- To contribute positively in social causes that would benefit company employees in particular and society in general.

- To build a strong brand name of Max Energy in Myanmar Fuel Energy Market.

- To provide valued-added service to customers in order to achieve customers' satisfaction.

Statement of Commitment

To our stakeholders,

Being a member of United Nations Global Compact (UNGC) for a decade, Max Energy is interminably adopting the Ten principles of United Nations Global Compact to build a responsible and sustainable organization for the benefit of community and organization. In this year, Max Energy has operated 52 Filling stations with over 1000 employees by committing and aligning with Ten Principles of the United Nations Global Compact. We always make sure that company is practicing and embedding all aspects of human rights, labor standards, environment and anti-corruption into the company policies, and procedures, strategies and initiatives and CSR activities.

We are always seeking the initiatives to collaborate with all the stakeholders in order to fulfill the company's mission; to be an environmentally responsible and transparent organization for future growth and development of community and organization with the company core value; commitment, integrity, teamwork and good governance.

In this annual Communication on Progress, our actions and practices are clearly described by continually improving and embedding the integration of the Global Compact principles into our business strategy and day-to-day operations to enhance the value-added services for country and people.

Sincerely Yours,



Daw Nu Nu Wai

Managing Director

Max Energy And UN Global Compact

Max Energy have been implementing our CSR activities since our establishment and in 2012 we happened to acknowledge about the United Nations Global Compact (UNGC), the corporate responsibility initiative – the world's largest with over 9,500 business participants in 160 countries.



In January 2013, Max Energy has become a proud registered participants in the United Nations Global Compact (UNGC). This was our corporate milestone for **Max Energy**, which is the first to participate in UNGC among Myanmar Fuel Oil Retail business industry. We are confident ourselves to become a responsible organization for our CSR implementation by incorporating the Ten Principles of the Global Compact into our business practices.

Since after we have committed as an initiative of UNGC, **Max Energy** has been adapting the ten principles of the UNGC as part of the strategy, culture and day-to-day operations of our company.

Max Energy has been actively supporting to Ayeyarwady Foundation which is a non-profit organization founded by Max Myanmar Group. We are contributing to the country's Education, Health and Environment sectors as well as contribution to the society together with Ayeyarwady Foundation as a responsible organization.



UN Global compact 10 principles

Human Rights

Principle 1

Businesses should support and respect the protection of Internationally Proclaimed Human Rights.

Principle 2

Make sure businesses are not complicit in Human Right Abuses.

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.

Labour Standards

Principle 3

Businesses should uphold freedom of association and 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

Eliminate discrimination in respect of employment and occupation.

Anti-corruption

Principle 10

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

Human Rights

Principle 1

Businesses should support and respect the protection of Internationally Proclaimed Human Rights.

Principle 2

Make sure businesses are not complicit in Human Right Abuses.



Assessments, Policy & Goals

Max Energy is in compliance with the principles of Universal Declaration of Human Rights (UDHR). We promote the free expression of individual identity amongst our various stakeholders regardless of gender, religious affiliation, and color. We have successfully enforced the Human Rights policy by Max Myanmar Group together with the guidance of human rights international expert and all business units of Max Myanmar group have to strictly follow these policies.

Max Energy has always up-to date human resource policy guidelines, rules, and regulations aligned with Myanmar laws to support employees in various aspects and concerns during their employment. Max Energy policy guidelines, rules, and regulations uphold basic human integrity and dignity, and protect employees from office-related human rights abuses. Max Energy does not tolerate discrimination based on gender, skin color, religion, ethnicity, nationality, age, and civil status.

We do share our policies and practices with our valuable stakeholders through website, social media and we sincerely expect our business partners, suppliers and contractors to respect our policies and good practices as well.

* Our Human Rights Policy available to be downloaded at :

https://www.maxenergy.com.mm/wp-content/uploads/2020/03/human_right_policy.pdf

** Our Whistle Blowing Policy available to be downloaded at :

https://www.maxenergy.com.mm/wp-content/uploads/2020/03/whistle_blowing_policy.pdf

Implementation

Max Energy supports the Universal Declaration of Human Rights. We condemn forced labour, child labour and all practices that are conducive to exploiting children. Management prohibit all kinds of violent behavior including physical assaults, fighting, threatening, intimidation and the intentional or reckless destruction of company, employee or customer property. We ensure all our employees benefit freedom of their rights and responsibilities arranged by giving Tackling Harassment in the Workplace training.

Awareness trainings followed by Whistle Blowing policies were conducted among employee by the management. Suggestion boxes, emergency call list, face to face transparency, social media channels and other ways were placed for both our employee and stakeholders. Discussion sessions were conducted to voice out their needs and feedbacks. These sessions allow employees to transparently share their opinions, provide feedback on workplace conditions, and other areas for improvement both personally and from within the company. Internal disputes at Max Energy are never swept under the rug and employees are encouraged to find solutions through enacted policies.

Max Energy is committed not to engage in any business activities that lead directly or indirectly to human rights abuses. Our commitment to zero tolerance for human rights violations is expressly provided, adhered to and lived. The management of Max Energy strives to protect the identity of any whistleblower, however, guarantees on anonymity will not be given during investigations.

For the sake of customers and employees' health, OHSE team has disinfected the stations, offices and public area whenever needed. Besides, as the Energy staff are essential workers in the market and in the organization, management team has supported to vaccinate the employee for the sake of healthy environment and society.

Measurement Outcomes

In 2021-22, there have been zero human right grievances and zero incidents of human rights violations, including child labour, slavery or bonded labour, or violations of the rights of indigenous people. As a result of the respecting gender equality, even though overall gender ratio is 66-34 percentage, male and female respectively but management gender equality is 44-56 ratio and in addition Max Energy's Managing Director is female.

As health and safety are main focus areas at Max Energy, standard procedures and guidelines regarding Covid-19 are implemented to ensure our employees are able to work safely from their homes. During the peak of the 3rd and 4th wave of covid-19 pandemic in Myanmar, max energy is always taking care of our customer's and staff member's health and safety through the implementation of temperature checks at Head Office and all of filling stations, antiseptic dispensers, provision of face masks, and face shields. Front line service staff from filling stations were also fully provided personal protection equipment (PPE).

Our employees healthier and happier lives for work, Max Energy making the register with Covid-19 preventive medicine vaccination program (1st, 2nd dose and booster) - free of charge vaccination program in 2021-22 for approximately 90% of employees.



Labour Standard



Principle 3 Businesses should uphold freedom of association and 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 Eliminate discrimination in respect of employment and occupation.

Assessments, Policy & Goals

Max Energy fully supports to the International Labour Organization's (ILO) Core Conventions and Principles. We comply with national labour laws and regulations and actively work towards the elimination of all forms of illegal compulsory and child labour in Myanmar. We maintain to achieve a focus on our human capital development for a national labour policies and will continue to develop tools to measure the outcomes of our policies and practices for greater advancement in this area.

We aspire to ensure that employees are treated justly and fairly by providing a straightforward process for dealing with complaints and grievances. We are committed to developing and maintaining an effective, timely, fair and equitable grievance handling system which is easily accessible to all complainants. We do not employ child labour and we strictly condemn forced labour. We expect our business partners, contractors, suppliers and other stakeholders to uphold an equal standard of labour rights and principles.



* Our Grievance Handling Policy available to be downloaded at :

https://www.maxenergy.com.mm/wp-content/uploads/2020/03/grievance_handling_policy.pdf

Implementation

Max Energy follows the rules and regulations promulgated by Myanmar's Ministry of Labour. A strong area of compliance is the prohibition of recruitment of child labour, which on its own is stipulated under Myanmar's local labour law. We do not employ staff aged under 18 years. We are strongly against forced labour. The recruitment of employees is based on merit, skills, experience and ability, regardless of age, race, gender, physical condition, religion or family status. We believe the place of work should also be a place for personal development. Max Energy supports all employees to be trained and given safety related education and practices by OHSE team.

As employees are our valuable assets, we maintain a focus on our human capital development for sustainable growth of the company and to also create a safe, healthy, and professional work environment. We offer a safe and healthy working environment for our employees regardless of their designation or gender. In addition, we have equipped our offices with first aid kits and emergency toolkits in case of any emergency. Our employees are trained by the Myanmar on basic Fire Safety should a fire break out in the office. The Safety Department of Myanmar organized an awareness programmed on how to tackle emergency situations should a fire break out. The participants in turn, shared their knowledge to their respective branches. During pandemic period, for the sake of employee's health, company has conducted rules and regulations, strictly guidance that staffs need to follow before, during and after works and run the business according to Business Contingency Plan.

Management helps to monitoring the employees' potentials, to create effective job rotation, job attachments, internal transfer opportunities and special job assignment in accordance with the employees' interests, capabilities and willingness to work. We also support the employees who are learning via online during the pandemic period.



Measurement Outcomes

We treat everyone including all our employees and contractors whether part-time, full-time in fairly and with respect. We have various races and religions, and they all fully have equal opportunities, information and working environment. We are committed to practice good corporate governance and to responsibly operate our business in fully compliance with our country labour laws and ILO regulations. As a result, there is no Child labor since the company started.

We ensure that the communication channels between employee and management to be well organized through suggestion boxes, email, phone number and social media.

All feedbacks, suggestions, claims and complaints were carefully handled and managed by whistle blowing committee. By following HR policies and labour rules, we constantly review opportunities to ensure the long-term sustainability and growth of our business. In order to broaden the employees' knowledge orientation training to 44 staff during this period. Moreover, in this year, our HR team has implemented Capacity Development Program for Filling Attendant, Leadership Development Program for Supervisor level and Management Development Program for Head of the Filling Stations. Furthermore, petroleum product handline process are also done in Ayeyarwaddy Division. What's more, in order to improve the company culture, to boost the employee productivity and to build a better organization, mother company has organized an online training for HR and Management Team trained by Dr. Aung Tun Thet.

With the ongoing unforeseen crisis, Max Energy has focused on customers and staff member's health and safety through implementation of task force group so as our employees work safely according to risk management plan. Front line service staff from Max Energy filling stations are also provided with nutrient and multivitamin supply, emergency fast aid kits, etc. We issued instructions, guidelines of preventive precautions and shared the required information timely in both English and Burmese. What is more, when staff are suffered corona virus, we organize them to stay at quarantine center or at home, contribute them not only basic foods but also financial support and also make sure to feel them safe and company is together with them.

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.



Assessments, Policy & Goals

Max Energy focus providing high quality fuel products in a socially responsible and environmentally sustainable manner. We value the natural diversity that is found in our country. Through our corporate actions, we have instituted various interventions to ensure and uphold our commitment on the environmental principles set forth by the **UNGC**.

We avoid environmental damage via regular maintenance processes and environmental protection (air pollution control, waste management, electricity usage, etc.) and ensure emergency procedures to prevent and address accidents affecting the environment and human health and also minimize the use and ensure safe handling, storage and other dangerous substances.

Company is committed to provide safe and healthy workplace for all the Max Energy's employees and stakeholders, as well as minimizes the potential impact on the environment.

* Our Occupational Health And Safety Policy available to be downloaded at :

https://www.maxenergy.com.mm/wp-content/uploads/2020/03/occupational_health_and_safety.pdf

Implementation

We encourage that all of our employees are coordinate and comply with policies, rules & regulations and procedures of occupational health, safety and environment.

We have instituted dedicated waste disposal systems to segregate recyclable, non-recyclable, disposable/general waste, and oil spill accordingly. Besides, there is an instruction to use material which is less impact on environment according to management.

Max Energy strive to continually improve the environmental performance and minimize the social impact and damage of activities by periodically reviewing company's environmental policy in light of current and planned future activities.

Measurement Outcomes

Environmental awareness training has been incorporated into the standard employee training of our mid and high-level staff, to ensure all employees are operating with an environmental conscious and are able to fulfill their environmental responsibilities.

All the products sale from Max Energy were quality checked and passed in accordance with Myanmar Government Lab, Mobile Lab by PPRD, and quantity checked by Third party surveyor, SGS.

Information related to OHSE alerts and bulletins, audit results, OHSE initiatives awareness information, policy and health and well-being information are readily available and displayed on the notice boards in the main administration building and common areas. The hard-work in making our offices, filling stations clean and green has resulted in cleaner surrounding, in and around the offices and helps to promote awareness to the customers as well.

We feel pleased to show that how much we care about our environment by comply with UNGC's environmental principles. As a result, there is no severe damage caused by our business operations and we are creating to be more sustainable and greener environment for all of our Nation, society and shareholders as well.

Anti-Corruption

Principle 10

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



Assessments, Policy & Goals

We believe that business excellence is underpinned by an unwavering focus on strong corporate governance and prudent financial management. Transparency and accountability are core features of our approach and we remain focused on the highest standards of governance and ethics in all our business practices and dealings. We believe high standards of corporate governance and transparency ensure sustainability and success for our activities as well as the safeguard of our shareholders' interests.

By inscribing corporate responsibility into our agenda, we want to send the strong signal that we recognize the private sector shares responsibility to address and counter corruption.

We have ZERO tolerance policy for corruption, bribery and extortion. Any corruption and bribery regardless of any level of management positions are not accepted. All level of employees have to strictly adhere the company's policies and procedure. Any gifts or present shall not be accepted in favor of the performance of work either.

We aim to contribute positively to public policy making process by raising awareness amongst our teams and our stakeholders. We want to build trust with our stakeholders, and make sure that they will be complying with the same principles of ethic, transparency and accountability.

* Our Anti-corruption Policy available to be downloaded at :

https://www.maxenergy.com.mm/wp-content/uploads/2020/03/anti-corruption_policy.pdf

Implementation

Our measures on anti-corruption are fully embedded into our Governance Policy. Our implementation scheme is aims to ensure the respect of these values for the sustainable success of our company, clients and stakeholders.

The orientation training organized for newly recruited employees contains our company's "Code of Conduct" on how to fight corruption at all levels. The Finance and internal audit regular checking and monitoring the internal transactions and payment related to all stakeholder to make sure corruption and bribery are not taking place. External audit teams fully inspect the transaction of all payment annually and any other committee of Procurement(Fuel), Procurement (Non-Fuel), Reselling, New station expansion and project management, Information, OHSE, Retails and Wholesales and Tender committee are part of control and interrogate to company.

Our ZERO tolerance policy on corruption was distributed and all our employee are fully encouraged without any hesitation to report if any corruption case noticed through suggestion boxes as well as social media and emergency calls.

Measurement Outcomes

We aim to gradually comply with international benchmarks in order to better assess our governance practices. Anti-corruption policies are still being drafted at a national level and we have committed to behave pro-actively to help reach the highest levels of transparency.

The policy is applicable to all the stakeholders of Max Energy. Managements are monitoring the policies to make it is updated. Max Energy suggestion boxes are located each and every place, if anyone has any concern or wants to report anonymously.

We allowed discussion with freely for their complaints by direct or facing or their representative team leaders or supervisors to management team. Also, we allow them to communicate via phone call or online platforms to Corporate Team. Moreover, Max Energy and its employees have a clean record of paying tax to the Government. To date there has been no record of any breach in payment.



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.



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