

PARAMI ENERGY GROUP OF COMPANIES

1 April 2014

Human Rights Policy for Parami Energy Group of Companies

Introduction

1. Parami is committed to building trust and values to that represent integrity, excellence and professionalism. Our Human Rights Policy establishes a framework for this commitment. Parami Energy Group of Companies was started in 2004 with the aim of providing high quality services to our corporate and government clients in Myanmar. Parami have organically grown from engineering service provider to the Parami Energy Group of Companies ("Parami Energy") with core businesses in Oil and Gas, Power, Construction, Banking and Insurance sectors. Separately, the Company takes extra steps to be green and responsible corporate citizen of Myanmar. Parami Energy is committed to plant 500,000 trees and to support one third of monastery education in needy areas by 2015. The Company also provides access to clean water and power to villages and hospitals in remote areas.

2. Our Human Rights Policy is guided by the United Nations (UN) Declaration of Human Rights (See Annex A) and the UN Compact Initiative¹. **The Company is a member of the UN Compact since 2012.** Two of the key principles of Human Rights that The Company adheres to are as follows:

- a. *"Businesses should support and respect the protection of internationally proclaimed human rights."*
- b. *"Businesses should make sure they are not complicit in human rights abuses."²*

3. In addition, the Company agrees and is committed to follow the principles set forth by the Global Dignity Organization (See Annex B), a World Economic Forum initiative to promote human dignity (See www.globaldignity.org for more details). The principles of Global Dignity includes the following five principles:

- a. *Every human being has a right to lead a dignified life.*
- b. *A dignified life means an opportunity to fulfill one's potential, which is based on having a human level of health care, education, income and security.*
- c. *Dignity means having the freedom to make decisions on one's life and to be met with respect for this right.*

¹ The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption. For more information on the Principles on Human Rights, see <http://www.unglobalcompact.org/abouttheGc/TheTenprinciples/principle1.html>

² Complicity means being implicated in a human rights abuse that another company, government, individual, group etc is causing.

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- d. *Dignity should be the basic guiding principle for all actions.*
- e. *Ultimately, our own dignity is interdependent with the dignity of others.*

4. These principles and the policy apply to all employees, officers and directors of the Company and its related subsidiaries or group of companies.³ The Company would incorporate these principles as stated above with its business partners and take appropriate measures into contracts with suppliers, business partners and distributors. It would also place emphasis on monitoring adherence by key suppliers to environmental, health and safety standards, prohibitions against forced and child labour, and local and hour wages.

5. **Redress Policy.** Redress procedures are important to ensure fairness takes place. In addition, they can help address problems in the implementation of organizational policies and provide information to company management regarding policy design. All employees in Parami have the option to seek to redress via the HR department if they feel they have been unfairly treated.

The company management empowers the Head of HR in the Company to investigate risk profiles especially to those who have or had suffered grievances with regard to matters concerning their human rights. The role of employees is to ensure that the Company respects human rights within its spheres of influence. In order to carry out this responsibility, employees should:

- a. Respect the human rights of all persons they encounter in carrying out duties as a P Parami employee.
- b. Do not be afraid to report unfair practices and/or abuses to the relevant authorities.
- c. Be alert to potential violations of human rights they may encounter within Parami, or when interacting with direct business partners or visiting their worksites.

4. **Employment Policy.** The following states the conditions of employees' rights:

- a. **Employee Remuneration.** Employee remuneration will be paid according to benchmarking and market practices. There will be provision of fair wages without any form of coercion or threats. Employees are hired, paid and otherwise subject to terms and conditions of employment based on their ability to do the job, not on the basis of their personal characteristics such as race, national origin, sex, religion, ethnicity, disability, maternity, age and other characteristics protected by the local law.
- b. **Freedom of Association and Collective Bargaining.** Employees can freely choose whether or not to join associations for the purpose of collective bargaining as provided by the local law. Employees also have the right to bargain collectively, and can gather independently to discuss work-related problems and to participate freely in discussions related to company matters.



³ From 1 April 2014, Parami requires all employees to be aware of this policy. This policy, along with the company's code of conduct, would be included and specifically told to new employees during the orientation phase.

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- c. Non-Discrimination Policy. Employees must practice a non-discrimination practice, which involves compliance to:
- Respecting all races and religions.
 - Providing a safe working environment for all personnel.
 - Prohibiting physical, sexual or psychological harassment to any person, group or nationality.
5. Health Safety and Environment Policy. The Company ensures that all its workers are afforded safe, suitable and sanitary work facilities in the office and to employees working in the field areas. Adequate, clean and suitable housing will also be provided for its employees when required to do, i.e. engineers working for a construction project. The Company also supplies its employees with relevant protective equipment and training necessary to perform their tasks safely.
6. Land Ownership Policy. In the case of land purchase, the Company will consult with all affected parties, including both legal and customary owners in order to seek their prior informed consent. It has made a strong commitment not seek to any benefit from improper forced relocations, and that the due process would be followed in accordance to local laws, and if needed, adequately compensate inhabitants respecting their dignity and rights.
9. This policy is endorsed and takes effect as of 1 April 2014. It is subject to regular review by the Company, and it may be revised periodically to reflect changes in the Company's procedures.

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Parami Energy Group of Companies

Approved by:



Pyi Wa Tun, Ken
CEO and Chairman
Parami Energy Group of Companies

Annex A: The United Nations Declaration of Human Rights
Annex B: Letter of Commitment to United Nations

Annex A

The United Nations Declaration of Human Rights

(Extract from <http://www.un.org/en/documents/udhr/index.shtml>. More details to be found in website.)

Whereas recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world,

Whereas disregard and contempt for human rights have resulted in barbarous acts which have outraged the conscience of mankind, and the advent of a world in which human beings shall enjoy freedom of speech and belief and freedom from fear and want has been proclaimed as the highest aspiration of the common people,

Whereas it is essential, if man is not to be compelled to have recourse, as a last resort, to rebellion against tyranny and oppression, that human rights should be protected by the rule of law,

Whereas it is essential to promote the development of friendly relations between nations,

Whereas the peoples of the United Nations have in the Charter reaffirmed their faith in fundamental human rights, in the dignity and worth of the human person and in the equal rights of men and women and have determined to promote social progress and better standards of life in larger freedom,

Whereas Member States have pledged themselves to achieve, in co-operation with the United Nations, the promotion of universal respect for and observance of human rights and fundamental freedoms,

Whereas a common understanding of these rights and freedoms is of the greatest importance for the full realization of this pledge,

Now, Therefore THE GENERAL ASSEMBLY proclaims THIS UNIVERSAL DECLARATION OF HUMAN RIGHTS as a common standard of achievement for all peoples and all nations, to the end that every individual and every organ of society, keeping this Declaration constantly in mind, shall strive by teaching and education to promote respect for these rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance, both among the peoples of Member States themselves and among the peoples of territories under their jurisdiction.

Article 1. All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.

Article 2. Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status. Furthermore, no distinction shall be made on the basis of the political, jurisdictional or international status of the country or territory to which a person belongs, whether it be independent, trust, non-self-governing or under any other limitation of sovereignty.

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Article 3. Everyone has the right to life, liberty and security of person.

Article 4. No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.

Article 5. No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment.

Article 6. Everyone has the right to recognition everywhere as a person before the law.

Article 7. All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of this Declaration and against any incitement to such discrimination.

Article 8. Everyone has the right to an effective remedy by the competent national tribunals for acts violating the fundamental rights granted him by the constitution or by law.

Article 9. No one shall be subjected to arbitrary arrest, detention or exile.

Article 10. Everyone is entitled in full equality to a fair and public hearing by an independent and impartial tribunal, in the determination of his rights and obligations and of any criminal charge against him.

Article 11.

(1) Everyone charged with a penal offence has the right to be presumed innocent until proved guilty according to law in a public trial at which he has had all the guarantees necessary for his defence.

(2) No one shall be held guilty of any penal offence on account of any act or omission, which did not constitute a penal offence, under national or international law, at the time when it was committed. Nor shall a heavier penalty be imposed than the one that was applicable at the time the penal offence was committed.

Article 12. No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honour and reputation. Everyone has the right to the protection of the law against such interference or attacks.

Article 13.

(1) Everyone has the right to freedom of movement and residence within the borders of each state.

(2) Everyone has the right to leave any country, including his own, and to return to his country.

Article 14.

(1) Everyone has the right to seek and to enjoy in other countries asylum from persecution.

(2) This right may not be invoked in the case of prosecutions genuinely arising from non-political crimes or from acts contrary to the purposes and principles of the United Nations.

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Article 15.

- (1) Everyone has the right to a nationality.
- (2) No one shall be arbitrarily deprived of his nationality nor denied the right to change his nationality.

Article 16.

- (1) Men and women of full age, without any limitation due to race, nationality or religion, have the right to marry and to found a family. They are entitled to equal rights as to marriage, during marriage and at its dissolution.
- (2) Marriage shall be entered into only with the free and full consent of the intending spouses.
- (3) The family is the natural and fundamental group unit of society and is entitled to protection by society and the State.

Article 17.

- (1) Everyone has the right to own property alone as well as in association with others.
- (2) No one shall be arbitrarily deprived of his property.

Article 18. Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance.

Article 19. Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.

Article 20.

- (1) Everyone has the right to freedom of peaceful assembly and association.
- (2) No one may be compelled to belong to an association.

Article 21.

- (1) Everyone has the right to take part in the government of his country, directly or through freely chosen representatives.
- (2) Everyone has the right of equal access to public service in his country.
- (3) The will of the people shall be the basis of the authority of government; this will shall be expressed in periodic and genuine elections, which shall be by universal and equal suffrage and shall be held by secret vote or by equivalent free voting procedures.

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Article 22. Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.

Article 23.

(1) Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.

(2) Everyone, without any discrimination, has the right to equal pay for equal work.

(3) Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.

(4) Everyone has the right to form and to join trade unions for the protection of his interests.

Article 24. Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay.

Article 25.

(1) Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.

(2) Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.

Article 26.

(1) Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit.

(2) Education shall be directed to the full development of the human personality and to the strengthening of respect for human rights and fundamental freedoms. It shall promote understanding, tolerance and friendship among all nations, racial or religious groups, and shall further the activities of the United Nations for the maintenance of peace.

(3) Parents have a prior right to choose the kind of education that shall be given to their children.

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Article 27.

(1) Everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits.

(2) Everyone has the right to the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author.

Article 28. Everyone is entitled to a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized.

Article 29.

(1) Everyone has duties to the community in which alone the free and full development of his personality is possible.

(2) In the exercise of his rights and freedoms, everyone shall be subject only to such limitations as are determined by law solely for the purpose of securing due recognition and respect for the rights and freedoms of others and of meeting the just requirements of morality, public order and the general welfare in a democratic society.

(3) These rights and freedoms may in no case be exercised contrary to the purposes and principles of the United Nations.

Article 30. Nothing in this Declaration may be interpreted as implying for any State, group or person any right to engage in any activity or to perform any act aimed at the destruction of any of the rights and freedoms set forth herein.

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Annex B



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Date : 28th August 2012

Our Ref. : PEGC/UN/Admin/L-1237/2012

To,
H.E. Ban Ki-moon
Secretary-General
United Nations
New York, NY 10017
USA


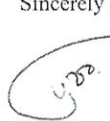
Dear Mr. Secretary-General,

I am pleased to confirm that *Parami Energy Group Of Companies* supports the ten principles of the Global Compact with respect to human rights, labour, environment and anti-corruption.

With this communication, we express our intent to advance those principles within our sphere of influence. We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Millennium Development Goals. *Parami Energy* will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the ten principles. We support public accountability and transparency, and therefore commit to report on progress within *one year* of joining the Global Compact, and *annually* thereafter according to the Global Compact COP policy.

Sincerely yours,



Pyi Wa Tun, Ken
Chief Executive Officer

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