



Communication On Progress

2016



Human Right

Labour Standards

Environment

Anti-Corruption

MAX HIGHWAY AND UNITED NATIONS GLOBAL COMPACT

Max Highway Co., Ltd is the subsidiary of Max Myanmar Holding Co., Ltd and started its operation in 2008 in Myanmar. Ever since our establishment of Max Highway, we have committed ourselves for Corporate Social Responsibilities (CSR) to our country, Myanmar. One of our missions is to be an environmentally responsible organization for future growth and development of community and organization.

We have been actively supporting to Ayeyarwady Foundation, a nonprofit organization founded by Max Myanmar Group in 2010. We are contributing to the country's Education sector, Health sector, Sports and religious affairs together with Ayeyarwady Foundation.

By continuously and enthusiastically implementing our CSR activities with Ayeyarwady Foundation, we happened to acknowledge about the United Nations Global Compact (UNGC), the corporate responsibility initiative – the world's largest with over 8,000 business and non-business participants in 135 countries.

In 2015, Max Highway has become a proud registered participants in the United Nations Global Compact (UNGC). This was our corporate milestone for Max Highway, which is the first to participate in UNGC among Road Construction 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 Highway has been adapting the ten principles of the UNGC as part of the strategy, culture and day-to-day operations of our company. Max Highway also supports to younger generations (University Students) as part-time employees in order to enhance their personal lives and living standards.

STATEMENT OF CONTINUED SUPPORT BY EXECUTIVE DIRECTOR

Max Highway Co., Ltd. has committed to fulfill our corporate social responsibilities (CSR) by implementing the ten principles in the areas of human rights, labor standards, environment and anti-corruption advocated by United Nations Global Compact (UNGC) so that we may achieve sustainable development of the society. We seek in our CSR initiatives to collaborate with all of our stakeholders, government and civil communities to create a better future for all of us.

We understand 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.

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 are also committed to share this information with our stakeholders.

Sincerely Yours,

Sun Lin Wynn

Executive Director

Max Highway Co., Ltd.

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

Our Human Resource policies, programmes and practices are aligned with Universal Declaration of Human Rights (UDHR), which requires us to treat one another fairly and with respect, regardless of our race, language, nationality and colour.

In Max Highway, we ensure all employees get freedom of religion and we make sure no discrimination upon nationality and skin colors too. Management always pays close attention on all employees getting equal working environment. All employees' social welfares are well taken care of by our human resource department.

Max Highway is in full compliance with the labour laws and regulations in the area that we operate in, including the minimum age for employment. We do not support child labour (under 18 years old).

Max Highway actively contributes to Ayeyarwady Foundation's CSR activities on the country's health sector and education sector aiming to support the sustainable growth of the country. For the education sector, we have contributed by building basic education schools and high schools. And for the health sector, we support to Yankin Children's hospital not only by cash contribution and donating ambulance but also volunteering for regular maintenance and up keeping the hospital compound.

Moreover, we strongly and seriously condemn against human trafficking issues and we support and contribute to anti-human trafficking non-profit organizations too.

Human Rights

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Donation of 550 bedded hospital and medical equipments to Yankin Paediatric Hospital

Donated to flood affected area in Aung Lan



Donated to flood affected area in Aung Lan

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

Max Highway is in full compliance with the labour laws and regulations in the areas that we operate in, including the minimum age for employment. We do not support child labour (under 18 years old). We support fair employment and do not support any form of discrimination against employees. We hire employees on the basis of their merit.

Management always arranges and provide necessary trainings for the skill development, professional development and carrier development of all our employees. To certain every employee has freedom of speech and equality and to build effective and efficient communication between Management and Employee, employee monthly meetings are being held by the Management. We always make sure all our employees understand about the company's vision, mission, and objectives and discuss about how to achieve our goals by working together and helping each other.

Human resource department takes care of all employees' social welfare and award for the best service Employee of the Month every month. We don't even forget to celebrate our employee's birthday and that's how we care for our employee down to small things.

Furthermore, Max Highway provides ferry transportation for the convenience of all our employees and we even provide lunch for every employee to create more convenient and happy working environment.

Max Highway provides for our employees' children in every academic year. Our management also care to arrange both local and foreign excursion trip yearly for our employees to expand their general knowledge and experience.

**Skill Development Training
for Engineers**



**Toll Collection system and
Basic Networking Training
for IT staff from Toll Plaza**

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

One of our mission statements is to be an environmentally responsible organization for future growth and development of community and organization. Accomplishing on our vision and mission of commitment to consumers, community and environment, we provide high-quality fuel products while conducting our business in a socially responsible and environmentally sustainable manner.

As we concern about environment issues, we are committed to reduce the environmental footprint of our operations. Max Highway always prioritise the safety not only for the safety of the people but also for the safety of the environment. Management always conducts safety training for all level of employees to be responsible for the environment and the communities. Management also takes proactive action by setting up the strict operation procedures to prevent marine pollution. Safety measurements are always thoroughly checked by our inspection team for the entire operation process and management pays serious attention to all safety matters.

Moreover, Max Highway has been adopting environmentally friendly practices such as introducing energy saving measures in our premise and encouraging recycling initiatives. We use energy-saving light and air-conditioning systems and we even started using a few solar energy lights. Through our ongoing effort, we hope to complement and support the growth and development of green practices in the wider community. There are plans to go paperless operation in our community by using central web-base management system too. Furthermore, we do have a long term plan to import lower sulphur content products to reduce greenhouse effects and global warming for the sake of the green and sustainable environment.

We are always concerned about the environmental issues and we aim to be an environmentally responsible organization by continuously implementing our CSR activities.

Environment

Moreover, we strongly contribute to Ayeyarwady foundation which carries out CSR activities more regularly representing Max Highway and Max Myanmar Group.



Max Highway actively contributes to government tree planting project at No-4 road area, Yangon.

Max Highway actively contributes to government tree planting project at No-4 road area, Yangon.



Anti-corruption

Principle 10 - Businesses should work against all forms of corruption, including extortion and bribery.

We are fully committed to integrity and fair dealing, and adopt corporate good governance practices. And we have zero tolerance for corruption and bribery. Management sets very stringent policies and procedures that do not allow any corruption and bribery regardless of any level of management positions. All level of employees have to strictly adhere the company's policies and procedure. Any gifts or present shall not be accepted in favour of the performance of work either.

Our Management team always emphasizes on transparency and openness in communication with all stakeholders such as employees, shareholders, customers, suppliers, etc. and encourages information and knowledge sharing between all stakeholders. Since we are building a learning culture which is based on honesty and openness for our employees working environment, our management holds monthly meeting with employees at all management levels to encourage integrity and explain about punishments and rewards concerned with corruption and bribes.

In case of any corruptions occurred in our organization, our management always takes very careful investigation into detail scenario and never hesitates to take serious action accordingly regardless of any level of stakeholders involvement.

Max Highway builds a strong inspection team on our own and our inspection team ensures to check there shall not be any kinds of corruption or bribery happen in our Max Highway community. This means that not only the petrol stations are being inspected regularly but also the whole operation teams are often being spot checked by our inspection team.

If any customer complaint about corruption, our inspection team takes immediate action to investigate the incident by interviewing all respective personnel, by detail checking of all documents and by reviewing the CCTV records. Based upon the result and report of our inspection team, Max Highway management makes very careful review and then we takes necessary actions accordingly.