

Statement of continued support for the UN Global Compact

Dear stakeholders,

It is my honor and great privileges to inform that CB Bank is committed to support the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

This is our first “Communication on Progress (COP)” report to lay out how we have proudly integrated our process and procedures with Global Compact Principles. We have worked rigorously to corporate its principles into our Core Mission, Vision, business strategy as well as our daily operations. Furthermore, we have focused our effort into education, training while having grievances procedures in place for every aspect of our operations.

We have made this commitment not only to ourselves at CB Bank but also try to assist and help our vendors and supplier to get onboard with UNGC initiative. We will regularly make progress report to share how we have maintained and expand our commitment to support the Ten Principles of the UNGC.

Yours sincerely,



Kyaw Lynn

Executive Vice Chairman & CEO

CB Bank

Human Rights

Assessment, Policy and Goals

CB Bank strongly believes in protecting and supporting of internationally proclaimed human right, and ensuring that we are not complicit in any form of human right abuses.

It is our policy is to influence that all our employees, business partners, vendors and suppliers respect the fundamental human rights standard. CB Bank will not be aiding and abetting or accessory to any form of Human right violations and abuses. We try to corporate responsible banking with emphasis on good corporate governance, environment and social standards.

Our Goal is –

- To protect the human rights and give equal opportunities of all our employees
- To eliminate the discrimination against Age, Gender, Race, Religious and Ethnic background
- To provide hazard free work environment and open door policy regarding workplace abuses
- To Investigate all alleged violation and take appropriate corrective action(s)

Implementation

- We have published our human rights policy on our corporate website, and it is part of employee orientation and training.
- We have strongly encouraged our supplier and partner to adapt our policy and share the best practice process and procedure with them regularly.
- The bank will create the human rights awareness program for the suppliers and conduct inspection on our supplier for their compliance.
- We will update and amend the human rights policy and whistle blower policy as necessary.
- We will establish process and procedure around human rights grievances and how to take swift against alleged violation.

Measurement of outcomes

- All CB Bank employees are required to familiarize themselves with Human right policy and report any suspected human right violations through proper channel.
- The bank will conduct inspection to our supplier regularly on how they respect and protect human right and how much they have incorporate CB Bank policy.
- Conduct regular review of Human right grievance at management meeting.

Labour

Assessment, Policy and Goals

With more than 7000 staffs as of February 2017, CB Bank ensures to comply with Myanmar Labour law and international standard. CB Bank is well positioned to create customer oriented workplace with emphasis on teamwork and collaboration by our employee. We have open door policy between management and staff while having focus on transparent policy around Hiring practice and Human Resource Management. All employees at CB Bank work toward efficient banking experience for customer by being family oriented corporation.

It is our policy

- To uphold freedom of association and respect the right to collective bargaining

- To eliminate discrimination against women, minority and people with disability in our daily operation
- To eliminate forced and compulsory labour
- To eliminate child labour
- To establish the zero tolerance policy on workplace harassment and eliminate nepotism
- To establish equal opportunity for all employee without bias toward age, gender, race and religious
- To establish comprehensive HR policy based on sound economic and best international practice including maternity leave and bereavement leave

Our most valued assets are our employee and this human capital is major driving force for our success in the business. From our senior management team is seriously focused on all aspect of employee and their work environment. We consider our employee as CB family and effectively try to create fun and rewarding work environment. Our goal is to make it hassle free work environment with respect to international labour standard and Myanmar labour law.

Implementation

CB Bank labour policies are well published and part of the employee orientation. Our employee handbook includes employee right and responsibility, compensation and benefit, and other social and welfare assistance policy.

CB Bank's comprehensive employees benefit cover much more beyond what required by Myanmar labour law. We have purchased Group Life insurance policy for all employee and they also have access to discounted insurance products. We have created fund to assist employee on need basis such as financial assistance for expecting mother and students. We have also establish venue to promote teamwork and family culture by having social fund for event such as wedding gifts and employee social events.

CB Bank heavily focuses on training and regular training are conducted for all level of CB Bank employee. We also encourage and send our staff to both internal and external training courses. Senior management team is working hard to give our staff exposure to international standard and best labour practice.

We have successfully eliminated the child employment, and strict hiring policy to avoid recruiting of underage staff. We have also educated our partner and vendor to avoid using child labour and have firm policy in place not to associate with supplier who cannot comply with our labour policy.

Measurement of outcomes

CB Bank updates our employee handbook regularly and as needed based on new trend on workplace safety as well as new requirement by law, rule and regulation. We try to continuously improve polices to better align with industry best practice and internationally accepted practice.

We conduct regular training and communication system in place to ensure all our employees are aware of existing policies. We have also conduct regular inspection to our vendor and supplier on how they comply with no child labour and anti-discrimination policies.

Environment

Assessment, Policy and Goals

As banking business is office based customer service industry, CB Bank's carbon foot print and impact on environment is relatively minimal. Nevertheless, CB Bank is keenly aware of the important of reducing our indirect effect on environmental challenges. We strongly support and promote environmental friendly approach to our daily operation while educate and encourage our customer and supplier to adapt green technologies and less wasteful use of natural resources.

CB Bank has published very strong environment friendly policy

- To strictly monitor and reduce the electricity and water usage to minimum
- To streamline the process to reduce paper usage
- To invest energy efficient technologies and products
- To execute effective waste management system along with implement recycling policy
- To promote, educate and encourage customer to use e banking system and available technology to have less impact on environment
- To monitor and conduct inspection on business partners and suppliers of their commitment to environmental friendly approach

CB Bank primary goal for environment is to have minimum carbon foot print in our daily operation by reducing the use of paper and investing into new renewal technology. We have invested heavily into e-banking, ibanking, and streamline most of our operation to handle electronically. It has been CB Bank senior leadership ambition and goal to set example and being industry leader in use of renewal energy and efficient recycling system to reduce overall daily operation expenses.

Implementation

CB Bank is first in Myanmar to have e-saving accounts which reduce the paper usage of bank passbook for its customer. We have strict policy to use double sided printing whenever it is possible. We discourage printing by having reminder posted in various places such as at the end of emails and every print station. CB Bank plan to substitute plastic bag with brown recycled paper bags wherever appropriate. We have also started using bio degradable products into our daily operation as much as possible.

We have plans to invest the use of solar power for our ATM machine and branches operation wherever possible. CB Bank employee are required to turn off all non-essential power at the end of the work day while limiting the use of power to minimal during operation hours. We have planned to invest and replace water saving appliances throughout our branches.

CB Bank promotes car pool system and implements smart transportation (Routing) system for our fleets to reduce the use of diesel and gasoline. While focusing on safety and comfort of our employee, we have adapted the best practice to reduce fuel consumption. We have policy to give incentive for employees who use public transportation system and car pool system.

CB Bank educates, encourages and incentivized our business partner and loan customer to adapt the use of electronic banking system. CB Bank regularly conducts inspection on our vendors and suppliers of their compliance to our Environmental friendly policy to reduce our indirect impact to the environment.

Measurement of outcomes

CB Bank closely monitors the usage of fuel, electricity, water and paper in all the branches and offices, and reviewed it regularly. CB has policy in place to take immediate action on wasteful use of

these monitor items. CB bank has policy in place to discuss the adaption of renewal energy where it is appropriate and plan to invest into green technology when it is economical at every CB Bank senior management meetings.

Anti corruption

Assessment, Policy and Goals

CB Bank has zero tolerance corruption policy for all CB employees, business partners and suppliers and it is strictly enforced. CB Bank closely monitors all direct and indirect activities to prevent any form of bribery, corruption and favoritism; and promptly investigate any alleged scandals however the source of the information is received.

It has been CB Bank unweaving strict policy against giving or receiving of bribe by any of CB associate. CB Bank anti-corruption policy

- To directly or indirectly involve with giving or receiving bribe for any part of business transaction
- To not accept any form of gift from anyone and have procedure to report them to appropriate management body
- To conduct all business dealing with transparent and auditable procedure
- To train and refresh all Employee regularly on anti corruption policy
- To strict enforcement of this policy apply to all of CB Bank customers, partners, supplier and vendors (direct involvement) as well as their customers, partners, suppliers and vendors (indirect involvement)

CB Bank goal is to have high level of transparency in business transaction and conduct operation ethically and have zero tolerance for corruption and extortion. CB Bank not only complies with Myanmar anti-corruption law, rule and regulation; but also adapt to higher internationally accepted standards.

Implementation

CB Bank closely monitors and audits any expense claim to prevent misuse of fund and gift giving. Internal audit team regularly examines all the business transaction to prevent any inappropriate dealing. There is a strict policy in place to prevent consultants and third party supplier from making deal involve with unfair practice.

CB Bank has comprehensive policy in selecting vendors and suppliers; and use well established tender bidding process to award the Purchase Order or service contract. Strong audit team is in place to review and accept deliverable according to contract stipulate in timely manner.

CB Bank also have well published hiring procedure which emphasis on objective review process to avoid corruption in hiring. Furthermore, standard performance review process is in place to ensure all employees receive fair and impartial review regularly.

CB Bank has whistle blower protection policy and established anonymous procedure to encourage reporting of issues involving bribery, corruption and extortion. CB Bank anti corruption team investigates any alleged incidents whether it was reported or discover through other sources such as face book post or office gossip.

Measurement of outcomes

CB Bank is strictly reviewing all expense to monitor irregular payments and have procedure in place to take action swift action against it. Internal audit teams monitor and enforce the reporting of any gifts received by employee, and review regularly to ensure that they are within acceptable guideline.