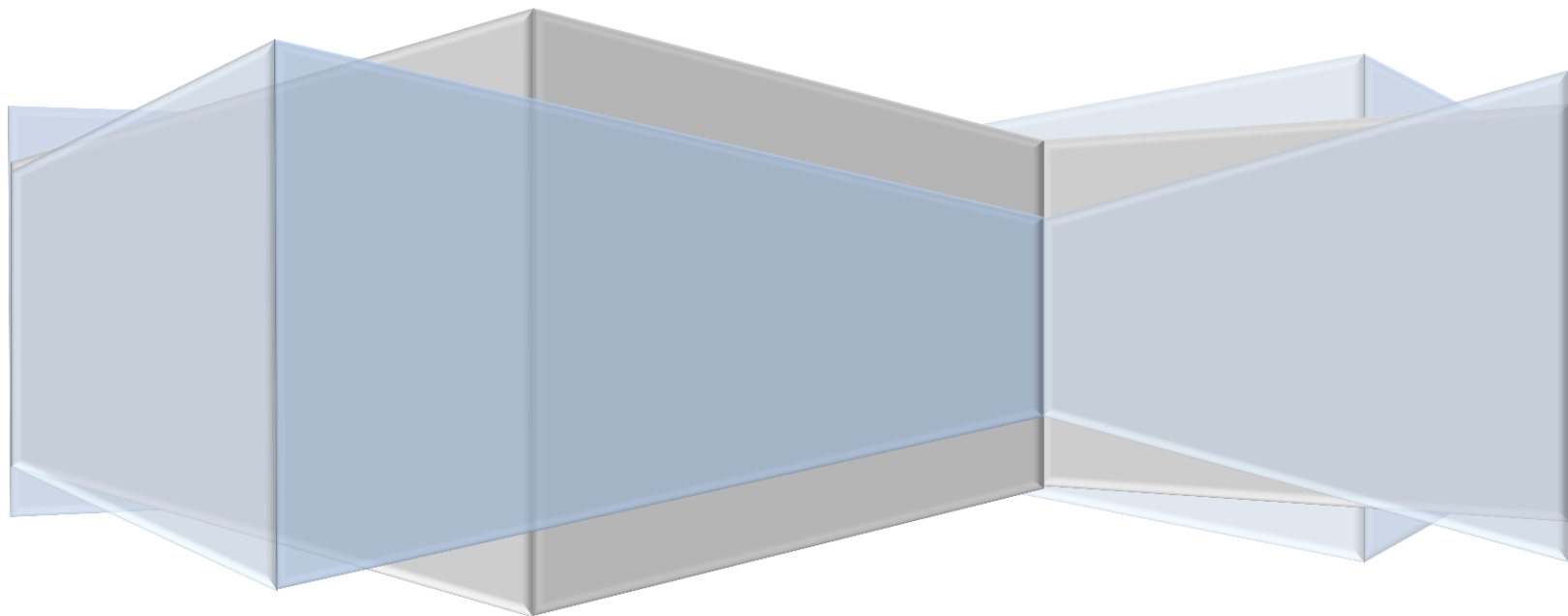


AYA MYANMAR INSURANCE

**Communication on
Progress of AMI**

2017-2018



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STATEMENT OF COMMITMENT

AYA Myanmar Insurance (AMI) has been a member of United Nations Global Compact (UNGC) since (1st September, 2015) with a key objective of playing a pivotal role in driving social and economic development in Myanmar. Since inception in 2013, we have committed contribute to the society that we operate in. This commitment was further strengthen by becoming a member of the UNGC, committing to the Ten Principles as part of our long term strategy and it is in our DNA to fulfill Corporate Social Responsibility to the community we serve.

As the company's slogan "Partner for Life" states, we aim to be the positive force in protecting the people and communities in Myanmar against all uncertainties of tomorrow in a sustainable manner. AMI believes in fair and ethical business dealings and focus on 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).

We will at all times observe the highest principles of ethical behavior, respect for society, the law and environment. We would like to express our appreciation to our shareholders for their confidence in the direction we are taking, their on-going support and encouragement and our gratitude to the management and employees for their efforts that have contributed to the healthy growth in our performance. We will continue to strive to uphold our core principles that enable us to protect our community, at the same time to drive growth in a sustainable manner.

AMI has adhered to the 10 principle of UN Global Compact in its strategic management and has shown strong commitment in implementing the UN Global Compact Principles. We invest significant amount of time and funds into the social initiatives with the focus on contributing to the society that we operate in the long run.

Sincerely Yours,



Myo Min Thu
Managing Director
AYA Myanmar Insurance

A Brief Profile of AMI

We are committed to helping individuals and families in Myanmar to live in healthier and happier lives. Granted a license in June 2013, AMI is a leading insurer in Myanmar for both Life and General Insurance. We aim to deliver high quality service and innovative products through internal and external distribution channels to assist both individual and corporate customers to protect their assets from the uncertainties of tomorrow. We also engage in talented workforce with both domestic and international exposure, and maintain human capital development as our utmost priority in order to ensure long term sustainable growth of the company and the industry for the benefit of all stakeholders. As your Partner for Life, AMI aims to ensure the country's key lifelines by providing professional and reliable service, footed on a rock-solid financial background. Through our experience, we understand the needs of our clients and aim to play an integral role in assuring their futures. We are beyond an insurance company; we form a part of shaping Myanmar's future.







HUMAN RIGHTS PRINCIPLES

Principle 1

Business should support and respect the protection of international proclaimed human rights.

Principle 2

Make sure Businesses are not complicit in human right abuses.

AYA Myanmar Insurance Company Ltd (AMI) acknowledges and respects the principles contained in the International Bill of Human Rights, and the International Labor Organization’s Declaration on Fundamental Principles and Rights at work. We are fully committed to observing, supporting and respecting the protection of international proclaimed human rights. AMI is in full compliance with the labor laws and regulations applicable to our activities.

AMI make sure there is no discrimination within the organization. We will be resolute in upholding human rights in everything we do and will not tolerate such discrimination within the employees. We provide equity of opportunity and treatment in employment procedures for the purpose of eliminating discrimination on the basis of ethnicity, gender, religion, nationality, age, social status, martial status and skin colors.

We seek to create an inclusive work environment where employees regardless of their backgrounds can contribute to their potential. We appreciate the diversity and individuality of each employee and provide fair and competitive wages based on performance and ethical conduct. We protect from unfair or unethical working conditions, including bonded, forced or child labor, or any unsafe working conditions.

Ever since becoming a member of UNGC, AMI have been embedding the principles of human rights in all our operational procedures and processes. We come up with a set of fundamental practices and guidelines leading towards a sound compliance. We train our employees, and rotate them in all areas of our business to focus on providing best customer services and innovative solutions while adhering to the respective laws governing those activities. We strive for the highest customer satisfaction. We listen to our customers and provide solutions that add value and create mutual benefit for both parties.

We are also aware of the importance of the CSR. As we are centered towards a socially responsible and environmentally conscious business, AMI is committed to be a good corporate citizen in the communities we serve. Our community and corporate social responsibility efforts are aligned with the group and engagements taken by Ayeyarwady Foundation in terms of people, environment, governance and communities.

AMI focuses primarily on the community and volunteerism aspects of CSR. We were instrumental in providing aid for flood victims in Ayeyarwady Divisions. On 28 August, 2016, AMI donated cash and other household necessities to Ayeyarwady Foundation to help the flood victims. Besides, AMI has also initiated the disaster management program and created emergency shelters at Zalun Town in order to help flood victims in Ayeyarwady divisions. AMI will continue to lead and involve in recovery and reconstruction work throughout the Ayeyarwady Division.





As AMI purpose is to give back to the community through employee volunteerism and resources, AMI celebrated its Anniversary at Yankin Children Hospital every year on July by providing both physically and financially support. AMI staffs are also actively involved in various activities such as blood donation, cleaning of hospital compound and providing lunchboxes to patients and their families. We also get involved in our local communities by organizing events and donation projects.

Another one of our CSR activities is that we have been giving opportunities to those who are seeking to improve themselves through internship programs prior to full employment. They can get on-job-training for the further improvement in their career.

Currently, we are providing the society in all possible ways and intend to provide more in future to the areas as needed.

Labor Principles

Principle 3

Business 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 labor;

Principle 5

The effective abolition of child labor; and

Principle 6

The elimination of discrimination in respect of employment and occupation.

As a member of UNGC, AMI upholds the principles of labor in all respects including freedom of association and the recognition of the right to collective bargaining not only with employment but also with social and personal requirements. AMI makes sure to create the ‘Discrimination-free’ working environment. We protect from unfair or unethical working conditions, including bonded, forced or child labor, or any unsafe working conditions. We embodied all of these principles in our AMI’s Employee Handbook. Once a year, we revise the rules and regulations and update it according to National Labor Legislation.

AMI employment is voluntary. We do not use forced, bonded or indentured labor. All employees have a written contract of employment, with agreed terms and conditions, including notice periods on both sides. All employees are entitled to reasonable rest breaks, access to toilets, rest facilities and clean &

fresh drinking water at their place of work, and paid holiday leave in accordance with Myanmar Labor Law. All employees are provided with appropriate job skills and career development learning programs. Employee training is the responsibility of the organization. Employee development is a shared responsibility of management and the individual employee. The responsibility of management is to provide the right resources and an environment that supports the growth and development needs of the individual employee. AMI offers internal and external training programs for the individual development of the employees. At AMI, we have regular training plans all year around not only for new employees but also for the continuous development of existing employees occasionally. We are providing our employees with different types of training courses according to the organization needs.

Training Courses include;

1. Training Programs for New Employees

- HR Orientations
- Risk & Insurance Knowledge Course
- Fire Insurance Training Course
- Marine Cargo Insurance Training Course
- Motor Insurance Training Course
- Life Insurance Training Course
- Claims Handling Training Course
- Customer Service Training Course
- Basic Marketing Training Course

2. Training Programs for Existing Employees

- Quarterly Products Training Course
- New Products Training Course
- Communications Skills Training Course
- IT Software Training Course
- Other Career Development Training Courses which cater towards professional and personal development.





AMI takes a long term view in nurturing employees and has regular programs to help with development for our workforce. AMI pays its employees at least the minimum wage required by Myanmar industry law and provides legally mandated benefits including gazette Myanmar holidays and leaves. Our working hours are 8 hours per day including one hour for lunch and 40 hours per week. The employees receive his/ her basic monthly salary in Kyats. Overtime pay, which is applicable every employee for the amount of time that exceeds 8 working in a day or 44 hours a week. Overtime work is permitted only with the consent of the employee concerned. If it becomes necessary to work overtime due to the unavoidable requirements, an employee may work overtime but the overtime period does not exceed 12 hours in a week. Other labor welfare and benefits provided by AMI are clean and air-conditioned rooms, providing uniforms annually and bus ferries to and from workplace. We plan trips annually with the purpose of relaxation and to improve the relationships between staffs.





We also provide financial assistance to school children of our staffs and to staff who have gone through bereavement in the family or oneself. AMI employees have the rights to express their views and options in matters relating either to work or work environment, or to speak out their grievances freely and openly (whistle blowing policy). We choose the candidates according to the criteria fairly and equitably in employment procedures without prejudice or bias. We provide equity of opportunity and treatment in employment procedures for the purpose of eliminating discrimination on the basis of ethnicity, gender, religion, nationality, age, social status, marital status and skin colors. AMI does not use or employ child labor under any circumstance, as defined in the international Labor Organization Convention 182, Article 3 (Worst Forms of Child Labor).

Environment Principles

Principle 7

Businesses should support a precautionary approach to environmental challenges

Principle 8

Undertake initiatives to promote greater environmental responsibilities; and

Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

AMI works towards being a responsible business entity, we strive to achieve business success in ways that reveal respect for people and the planet that we live in, and uphold the values and high standards of ethics. We have always taken into consideration long and short term impacts to the environmental and community when we making business decisions. As AMI operations are office-based, it doesn't directly impact the environment as much as the manufacturing sector dose. However, there are ways where we can possibly cause environmental degradation indirectly. So, we try our best in all possible ways to help protect the environment in places. We follow the environmental requirements such as conserving energy, water, raw materials and other natural resources and comply with health and safety requirements. These are also communicated regularly to all employees of the organization through seminars,

awareness campaigns and printed materials. We make efficient use of natural resources and minimize the environmental impact of our activities. AMI believes that as a responsible corporate citizen, it is our duty to minimize the impact of our operations on the environment using risk management strategies based on valid data and sound science and to protect and enhance the quality of the environment in areas where we operate.

We have embarked on digital platform leveraging on the advancement of technology to create a paperless office. At present, it's a matter of embracing the new technology and providing training and encouragement for new business word flows and practices. Reduce paper flow with customers communicate goals to customers and enlist their support in switching to more productive and accurate electronic solutions such as:

- Elimination of paper usage in underwriting processes.
- Paperless invoices and statements for customers.

- Electronic invoicing from and payment.
- Online banking
- Internal online routing of documents for approval.
- Sharing electronic documents and publications

We have also engage dashboards consisting of business intelligence software that combines system data and offer tools to more effectively analyze data, manage risk on our underwriting portfolios and online reports.

Paperless Collaboration implement ways to minimize paper shared on projects and between departments: Email documents, Share server folders. Environmentally-friendly printing saves energy, reduces paper use, cuts down on waste, and improves bottom line. Educate all employees about new practices and create an easy-to-access, online paperless practices reference document explaining all practices. Environmental awareness training are incorporated into employee learning programs, to ensure all employees carry out their daily operation in environmentally conscious manner and are able to fulfill their environmental responsibilities.

ANTI-CORRUPTION

Principle 10

Business should work against corruption in all its forms, including extortion and bribery.

At AMI, we are fully committed to act professionally, fairly and with integrity in doing business or engaging with all stakeholders and customers. We will uphold with highest honor to all relevant and prevailing laws of Myanmar including Anti- corruption law in respect of our conduct to all stakeholders. Corruption is a crime not only punishable with imprisonment but also can destroy our company's integrity and as such we take our legal responsibility seriously. Our Management 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. In case of any corruption occurred in organization we have internal policies in place to carry out thorough investigation and never hesitate to take appropriate action accordingly regardless of any level of stakeholder involvement.

AMI has implemented its policy on 'Anti-Bribery' in support of wide Corporate Governance framework in preventing bribery and corruption. 'Code of Conduct' and 'Conflicts of Interest' Policies commits us never to engage in bribery, any form of unethical payment including facilitation payments and 'kickbacks'. Any employees who suspects or becomes aware of any violation of applicable law must report to the Designated Person, or Board Members who shall in turn report the matter to the Board.

If there is any case of customer complaint about corruption, our management 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, the management makes careful review of the case and takes necessary actions accordingly.

