

UNITED NATIONS GLOBAL COMPACT (UNGC) - COMMUNICATION ON PROGRESS (COP)

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LETTER OF COMMITMENT FROM CEO

Max Energy embarks the 5th year of our successful incorporation with United Nations Global Compact (UNGC) this year. We are humble that Max Energy has been making significant improvements and progress with our commitment for sustainable development of the society during the past five years. Max Energy has developed to become one of the most progressive and respected organizations in Myanmar with our strong culture identity of sustainable growth and various contributions.

Since we incorporated United Nations Global Compact (UNGC) 5 years ago, we have embedded all aspects of the UNGC's Ten Principles; human rights, labor standards, environment and anti-corruption into our strategies, our growth initiatives, establishing policies and procedures and CSR activities. Every employees at Max Energy has been practicing and adapting those principles in our decision making process, the way we conduct our business and engagement with our stakeholders in daily basis. We are also collectively proud that UNGC's Ten Principles is becoming important part of our organizational culture and value at Max Energy.

We believe no business and organization can sustain their growth without a healthy planet, a healthy environment and a healthy society where everyone has equal rights, equal opportunity and pursue of happiness while fair way or conducting and competing business activities. Max Energy always strives to be the best in the industry for sustainable development and growth in alignment with the UNGC's Ten Principles. We are fully committed to work hard with our utmost efforts to improve the quality of lives and betterment of our customers and consumers, our employees and the communities we serve and the societies as a whole.

On behalf of all employees at Max Energy, I would like to express our fullest commitment to always find better ways to fulfill the Ten Principles of the United Nations Global Compact by protecting our environment, conducting business with ethical and legal way and sharing benefit and working towards sharing economic benefit and betterment of our employees and stakeholders.

Sincerely Yours

Zaw Htoo Aung
Chief Executive Officer
Max Energy Co., Ltd.

UNGC Principles	Max Energy's Implementation	Max Energy's Activities and Outcomes
<p>HUMAN RIGHTS</p> <p>1. Business should support and respect the protection of internationally proclaimed human rights.</p> <p>2. Make sure Businesses are not complicit in human right abuses.</p>	<p>Max Energy value and respect the equal rights of human beings and set the highest priority and ensure well being of individuals.</p> <p>Max Energy's HR policy strives to assure there is zero tolerance for any form of abuse or harassment within the company.</p> <p>Max Energy's Occupational Health and Safety and Environment policy ensure to provide a safe and healthy workplace at all time.</p> <p>Max Energy seeks to maintain workplace with harmony, diversity, high employee morale and productivity by handling grievances and counseling support if needed.</p>	<p>On Max Energy website, www.maxenergy.com.mm, Human Rights Policy both in English Version and Myanmar Version, Equality and Diversity Management Policy, Grievance Policy and Code of Conduct are publicly uploaded.</p> <p>Related important sections of human right policies are delivered in the staff orientation and trainings.</p> <p>Suggestion boxes are placed at every filling station or work places and there is also a hotline for human rights grievances.</p> <p>Updated the employee handbook and policies annually as required.</p>
<p>LABOUR STANDARDS</p> <p>3. Business should uphold freedom of association and effective recognition of the right to collective bargaining.</p> <p>4. The elimination of all forms of forced and compulsory labor.</p> <p>5. The effective abolition of child labor.</p> <p>6. Eliminate discrimination in respect of employment and occupation.</p>	<p>Max Energy HR policy encourages diversity and ensures zero tolerance for any form discriminatory behavior due to difference of religion, race and gender or political belief and ideology. Business is conducted with freedom of association.</p> <p>Max Energy strictly follows local labor law ILP guidelines and international best labor and HR practices to ensure fair treatment to all employees.</p> <p>Max Energy ensure there is zero form of forced labor and child labor within organization, at our suppliers or contractors.</p> <p>Max Energy is always finding better way to upgrade the employees' standard by</p>	<p>Max Energy has Workplace Coordination Committee (WCC) with representatives from senior management team and junior employees for continuous improvement of workplace, employees well being or to resolve any personal/professional issues if arises.</p> <p>Max Energy employ HR policy design for youth development by providing part-time job opportunities for the distance-education university students aiming to improve quality of life by earning while learning.</p> <p>Gender equality and gender balance is high priority at Max Energy. As of 2017, 70% of total employees are</p>

	<p>creating a conducive and advantages training and rewarding work environment. Max Energy is always implementing the upgrading training to promote the human capacity.</p> <p>Max Energy is running the business with mutual respect between employee and employer. The company is always taking care not to discriminate in respect of employment and occupation. Max Energy accept freedom of expression of employees' opinions, needs, sharing their problems, and giving suggestions.</p>	<p>male and 30% are female. 30% of women hold senior executives and management positions.</p> <p>Individuals with different ethnic background ; Chin, Kayin, Shan, Mon, Myanmar, Rakhine, etc. and religious background and different age group are also being employed at Max Energy.</p> <p>Max Energy strictly follows and monitors the wages, working hours and leave allowances.</p> <p>Provide career development trainings; operation, management, sale & marketing, finance, human resources have been delivered 19 times, orientation training for new employees have been delivered 6 times and 2 more times of ISO awareness and Internal Audit Training in 2017.</p> <p>There is no child labor under the age of 18 within the organization and only work with suppliers and contractors who follow similar rules.</p> <p>On Max Energy website, www.maxenergy.com.mm, Whistle Blowing Policy, Occupational Health and Safety Policy, Grievance Handling Policy, are publicly uploaded.</p>
<p>ENVIRONMENT</p> <p>7. Business should support a precautionary approach to environmental challenges.</p> <p>8. Undertake initiatives to promote greater environmental responsibility.</p>	<p>Max Energy always seeks to lead by example in taking care of environment and to love nature. Max Energy is actively participating in the environmentally sustainable activities annually.</p> <p>Max Energy has applied the rules and regulations to be environmental responsible organization.</p> <p>Max Energy is not only raising</p>	<p>Max Energy follows the mother company's environmental policy, Max Myanmar Holding Co., Ltd, which is uploaded on http://www.maxmyanmargroup.com/en/content/environmental-policy .</p> <p>During 2017, Max Energy did trash cleaning at the street, market, public area which is nearby working place at every township where Max Energy</p>

<p>9. Encourage the development and diffusion of environmentally friendly technologies.</p>	<p>environmental saving culture internally but also seeking the ways to promote the awareness by sharing the information on social media about environmental impact.</p>	<p>Filling Stations are located.</p> <p>Max Energy is continuously doing tree planting activities every year and this year, Max Energy has planted teak, kind of ornamental shade tree for 20 acres.</p> <p>There is no environmental incidents or complaints has been occurred during 2017.</p> <p>Max Energy has implemented to reduce the use of paper internally by printing double sided and to keep only soft copy in computer instead of printing hard copy for most of the documents. Gradually, Max Energy is planning to reduce more paperwork.</p>
<p>ANTI-CORRUPTION</p> <p>10. Businesses should work against all forms of corruption, including extortion and bribery.</p>	<p>Max Energy is always conducting to be a transparency and ethical organization by committing integrity in doing business. Max Energy set a high ethical standard and endorse a zero-tolerance principle to corruption and bribery.</p>	<p>Max Energy has publicly announced Whistle Blowing Policy and Anti-corruption Policy on the website, www.maxenergy.com.mm , which are being applied within the stakeholders of Max Energy.</p> <p>Max Energy has been checked by the Internal Audit Team, ISO Audit Team and External Audit Team (Deloitte) by quarterly and annually in order to avoid any forms of corruption and fraud case at any touch point. There is no corruption has been reported in 2017.</p> <p>Max Energy has been listed number 50 for Income Tax and number 12 for Commercial Tax for the Fiscal Year of 15-16 at the Assessment Year of 16-17 which is uploaded in the government website, https://www.irdmyanmar.gov.mm/Download.aspx.</p>