



**OCTAGON**

OCTAGON INTERNATIONAL SERVICES CO., LTD

# **COMMUNICATION ON PROGRESS**

JANUARY 2017 ~ DECEMBER 2017

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# CHAIRMAN'S STATEMENT

It is with a great pleasure that we are sharing with you the fifth Communication on Progress (COP) of Octagon International Services Co., Ltd (OIS), reaffirming our consistently support to strengthen the sustainability of our company by upholding the ten principles of the United Nations Global Compact (UNGC) in the areas of Human Rights, Labor, Environment and Anti-Corruption.

In this Communication on Progress, we describe our operations and actions taken to improve the integration of the Global Compact and its principles in accordance with our commitment, long- term business strategies, and daily activities in bringing the best to our society and environment providing safety and premium products and services exceeding our customer's expectations. Providing the highest level of service to our customer is part of our company culture.

We acknowledge that the respect of the Ten Principle of the Global Compact, together with a pro – active behavior to support social stability, safety and responsible economic development by sharing this information with our stakeholders through our primary channels of communication in order to reach our goal, easy to access and give a good overall impression.

OCTAGON and its employees actively strive to respect and support the UNGC Ten Principles in 2017 and beyond.

Your sincerely,



Aung Zaw Naing

Chairman

Octagon International Services Co., Ltd

# ABOUT THE REPORT

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Octagon International Services Company Limited (OIS) is committed to be a good corporate citizen, contributing to society the best position to thrive from the value of our work.

Our aims to achieve sustainable outcomes by offering leading brands an efficient and sustainable presence on the Myanmar market – providing quality of products and services and to build long term relationships with our customers and clients by pursuing business in a sustainable way.

To create value for stakeholders, while conducting sustainable business practices, caring for the community and protecting the environment. In order to achieve this goal, we are committed to identify, manage and fix sustainability-related risks including human capital risk, safety risks, environmental risks as well as fraud and corruption risks. We follow a pro-active behavior towards these areas and our actions do not only comply with Myanmar laws but also go beyond them.

This year report contains more details on our sustainability practices as our commitments has depended and our CSR expertise are improving. This report is aiming to reach the Core Global Reporting Initiatives (GRI) context to create and disseminate a global framework for sustainability reports have helped shape our own efforts. OIS will continue to report annually.

## Data Collection



The data collection for this report was overseen by our Sustainability Working Group of who work permanently within Octagon International Services Co., Ltd. This allowed for a holistic approach to gathering the relevant documents and ensures each company has a voice within the COP report. Octagon International Service Company Limited is in the process of implementing an external audit in order to allow for an objective assessment for an improved sustainable development strategy in the future.



# UNITED NATIONS 2015 SUSTAINABLE DEVELOPMENT GOALS

- ✓ End poverty in all its forms everywhere.
- ✓ End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
- ✓ Ensure healthy lives and promote wellbeing for all at all ages.
- ✓ Ensure inclusive equitable quality education and promote lifelong learning opportunities for all.
- ✓ Achieve gender equality and empower all women and girls.
- ✓ Ensure availability and sustainable management of water and sanitation for all.
- ✓ Ensure access to affordable, reliable, sustainable and modern energy for all.
- ✓ Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- ✓ Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
- ✓ Reduce inequality within and among countries.
- ✓ Make cities and human settlements inclusive, safe, resilient and sustainable.
- ✓ Ensure sustainable consumption and production patterns.
- ✓ Take urgent action to combat climate change and its impacts.
- ✓ Conserve and sustainably use the oceans, seas and marine resources for sustainable development.
- ✓ Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.
- ✓ Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
- ✓ Strengthen the means of implementation and revitalize the global partnership for sustainable development.



# SUATAINABILITY CONTEXT

Myanmar is rich in natural resources particularly forest, land and water resources. Achieving sustainable development of these resources is vital to the country. We all have the responsibility to ensure that the development process is sustainable and equitable for all stakeholders in Myanmar. Economic growth can lead to positive externalities – unemployment falls/ employment grows , government revenue increases, standard of living increases and others but also negatives ones , affecting communities and the environment – increase in property prices, rapid growth of Urban Center, welfare may not improve, etc.

It is our responsibility to adopt a set of good business practices and must to insure the sustainable success of our activities and of Myanmar. OIS is developing our sustainability strategy beyond CSR and always trying to measure its impact and the needs of its environment to adjusts its policies and practices in the scope of sustainability.

## Head Office Address:

No.37, Corner of Yangon–Patheingyi Road & WYTU Street, Hlaing Thar Yar Township, Mya Sein Yaung Industrial Zone, Yangon, Myanmar.

<http://www.octagoninternationalservices.com>

Phone: +95 9 860 9888

Fax: +95 9 730 650 28

G4-5 & G4-57



The head office of OIS is in Yangon, Myanmar, and is based in No. 42-47, Conner of Yangon Patheingyi Road and WYTU Street, Haling Thayer Township.

G4-5 & 6

### Company's Value

- Customer Centric
- Respect for the individual
- Elimination of waste
- Determination to achieve
- Integrity
- Transparency
- Self-Responsibility

G4-56

**8** ongoing operations

OIS maintains a wide portfolio of work with four operations across the country.

G4-3 SDG 8



Octagon International Services ( OIS ) has operated businesses across different locations in Myanmar since its establishment in 2005. Its activities are dedicated to the Myanmar market, continually driving economic growth in the country.

G4-3 SDG 8



Our supply chain comprises principle, suppliers, government and customers across various sectors of our work.

G4-13

**793**  
employees

Octagon International Services (OIS) employs 793 people across all companies.

G4-9



OIS has been a member of the UNGC since August 2013. This year, we align our COP report to the calendar year 2016, and future COP reports will follow future calendar years.

G4-15



Octagon International Services Company Limited (OIS) has been established since 2005 as a distributor of world's leading brands for machinery and vehicles in lower and upper Myanmar with 793 employees.

Our business model is currently based on the accomplishment to carry the business importer and distributor of Liebherr, Scania , Kone , BMW in Myanmar. We provide broad experience and comprehensive expertise of premium passenger buses, generator, heavy machineries including construction and mining equipment, cranes and vehicles as well as related spare parts for repair and maintenance.

## LIEBHERR



LIEBHERR provides Excavators, Wheel Loaders, Concrete Machinery, Mobile & Tower Cranes, Crawler Cranes to Myanmar market in 2007. Liebherr head office located at Hlaing Thar Yar Township, Yangon and another two branch offices are at Nay Pi Taw and Pha Kant

## SCANIA

Scania was incorporated since 2007 and is fully only authorized distributor in Myanmar. Scania Myanmar is present through its partners since 2008 in the mining segment. Scania Myanmar has successfully established Scania's trucks and Bus Services has developed a close partnership with customers in mining companies in 2009.

Since 2009, Scania Myanmar offers trucks, tractors, buses and genset in Myanmar. Service Centre Yangon. The service centres also opened in Mandalay and Nay Pyi Taw to insure after care service convenient for customers. Our service centres are also fully equipped with latest diagnosis equipment, tools and will be served with well-trained services technicians, engineers and services consultants to maintain your vehicles for 24-hour service.





# BMW



Located at Corner of Pyay Road and Narnattaw Street, Kamayut Township. The new facility comprises a display area along with a customer lounge area houses the sales office and meeting rooms, while the service centre is located on the third floor with four working bays that can service up to more than 200 cars per month. The aftersales facility also comes with body and paint repair services that can handle not only cosmetic repairs but also structural repairs of damaged vehicles. The facility has more than 80 visitor parking lots located both indoors and outdoors.

Opened the second showroom, BMW Pavilion Mandalay in July 2016, located Oo Boke Taw Quarter, Mandalay- Madaya Road, Aung Mye Tha Zan Township, Mandalay Myanmar.

# KONE

We (OIS) has been an exclusive distributor of KONE in Myanmar in 2013. KONE Myanmar is providing complete, innovative and eco-efficient solutions for installation, modernization and maintenance of elevators and escalators to the market. We could provide modernized products according to the design and purpose of each building type as residential, office, retails, hotels, hospitals, industrial and public transportations. KONE solutions can be found in many prominent buildings around Myanmar: Junction City, Crystal Tower , UFC Building, Gamone Pwint Shopping Center , Malikha Condo, and many others. KONE's maintenance target is to improve the eco efficiency of all phases of a building's lifecycle – designing, building, maintaining and modernizing.



# HUMAN RIGHTS

## Principle 1

Support and respect the protection of internationally proclaimed human rights

## Principle 2

Make sure that they are not complicit in human rights abuses





## ASSESSMENT, POLICY AND GOALS

Octagon is committed to being a good corporate citizen and contributing to the society of Myanmar within which we operate. We fully support the Universal Declaration of Human Rights, to which every human being is entitled. As a company we utilize the 30 articles from within the Universal Declaration of Human Rights as a common standard of achievement across all facets of our work. We acknowledge that understanding and compliance to these rights are of the utmost importance.

As a good corporate citizen, all our policies and practices comply with the fundamental principles described in the Universal Declaration of Human Rights. This includes equal chance, the right to life, freedom of speech and religious expression, and security of the person. By maintaining a high standard of human rights protection practices, we aim to support the needs of our employees, stakeholders and beneficiaries, and also set a good example for other companies in Myanmar to follow suit for the betterment of the community at large.

## IMPLEMENTATION

### Responsibility of the supply chain

OIS expects our business partners to comply and behave in accordance with the respect of Human Rights. OIS will terminate to any cooperation with a business partner who is found to breach these principles.

### Reporting

In 2017 there were no reports of human rights abuses and zero incidents occurred. This is largely due to the effectiveness of the grievance mechanism policy OIS has implemented, in addition to the extra training all management teams across each operation have received in relation to human rights abuse prevention strategies. All of OIS's suppliers and contractors are expected to maintain the same principles in relation to human rights protection, and the company is working towards making this contractually binding for future partnerships.



## IMPLEMENTATION

- From November 27<sup>th</sup> to December 2<sup>nd</sup>, OIS run an Internship programme and an excursion the 5<sup>th</sup> batch “ We are the future ” for young professional and students to gain practical workplace experience. OIS supports students from the West Yangon Technological University in Myanmar by offering the options to undertake either at the two programmes in order to help them combine their academic skills with practical experience.



- The new Yangon Bus Service (YBS), a bus transport network system which started operations on 16 January 2017, replaced 300 bus lines registered under the Yangon Motor Vehicles Supervisory Committee known as Ma Hta Tha with 70 bus lines, which downsized the bus lines to eliminate overlap in a move to avoid “races” between buses—a practice in which vehicles compete for passengers and make unscheduled stops.



## IMPLEMENTATION

Only 60 percent of the 3700 or so official YBS buses were available on the first day because of delays in applying numbered stickers to each bus displaying its route, according to bus owners and Yangon Region Transport Authority (YRTA) officials. Many good-natured drivers of private vehicles could be seen picking up weary commuters as they waited for buses to arrive. It was a good day for taxis, however, with reports of drivers charging above usual fares for frustrated commuters who gave up waiting for buses. Scania voluntarily offered transportation to commuters who were left stranded at bus stops.



- Traffic safety is one of our most important assets, both for our customers and customer's customers. An alcohol interlock requires the driver to breathe through a mouthpiece when starting the engine. If alcohol is detected in the exhaled air, the starter will be blocked. And the OIS finished 100% driving training for all new buses and coaches' customers in every year.
- We are expecting our business partners to comply and behave in accordance with the respect of Human Rights. OIS will terminate to any cooperation with a business partner who is found to breach these principles.
- We provide special driving training to all drivers of Buses and Coaches for public transportation to achieve a better road safety, greater efficiency and uptime for their vehicles.
- We provide customer waiting lounge: the opened workshop allows owners/ drivers to watch the repairs being done in a comfortable waiting room offers free hot-cold shower facilities, snacks, noodles, cold and hot drinks, paid channels and beds. They can also have clean and nutritious meals at staff canteen with very reasonable price compared to outside.
- Octagon is one of the first companies in Myanmar which provide insurance for all permanent employees, since 2013 and all of our employees have life insurance registration. The entitled employee has fully benefits according to the instructions by the provided insurance company.
- Octagon has provident fund for all employees. The entitled employee has fully rights to withdraw his/her provident fund according to company's policy.
- Octagon provide health awareness programs (HIV, Tuberculosis and Hepatitis B) to all employees and provide treatment if they are found to be infected.



# IMPLEMENTATION

- Alcohol Test



- Customers Lounge



- New Driver Training





# LABOUR

## Principle 3

Uphold the freedom of association and the effective recognition of the right to collective bargaining

## Principle 4

Eliminate all forms of forced and compulsory labour

## Principle 5

The effective abolition of child labour

## Principle 6

The elimination of discrimination in respect of employment and occupation.



## ASSESSMENT, POLICY AND GOALS

Octagon fully understands and supports the International Labor Organization's (ILO) Core Conventions and Principles. We comply with national labor laws and regulations and actively work towards the elimination of all forms of illegal compulsory labor and child labor in Myanmar. We strive to achieve an international standard on labor policies and will continue to develop tools to measure the outcomes of our policies and practices for greater advancement in this area.

We allow participation and formation of trade unions by our employees and we recognize their right to collective bargaining as long as it is done in accordance with the law. We do not employ child labor and we strictly condemn forced labor.

We expect our business partners, contractors, suppliers and other stakeholders to uphold an equal standard of labor rights and principles. We will make sure that each employee does not suffer from any kind of discrimination, feels integrated and happy within the company. As a responsible employer, we are committed to do our utmost to participate to our employees and their families.

## IMPLEMENTATION

### Universal Standards

G4-HR5

We do not employ anyone below the age of 18 ensures that child labor does not occur in any of our operation. We agree with the universal standard of strictly condemning forced labor in all circumstances. We make sure that our subcontractors and business partners respect these principles. The principles of "no child labor" and "no force labor" are mentioned in most of the contracts with our stakeholders.



### Equal opportunity employer

We are an equal opportunity employer. And have a policy of non-discrimination across all facets of employment from the hiring phase to on-going employment right through to termination or retirement. Octagon operates in a fair manner and does not consider race, religion, gender, disability, parental status or age in any matter related to employment. We follow an "equal salaries for equal job" policy as well as "equal opportunity of involvement within the company" policy.



### Collective Bargaining

G4-HR4 & G4-11

In compliance with the national laws, we respect our employees' rights to the freedom of association the right of their employees to practice collective bargaining. OIS, collective bargaining is encouraged as we believe employees should understand their value to the company and be compensated fairly.



# IMPLEMENTATION

## Work-life balance Programmes

We are convinced that the work place should also be a place for personal development. We organize series of team bonding activities to enhance their professional relationship through understanding, trust and leadership activities such as annual trips aiming to create a positive work environment in which everyone can evolve harmoniously. We also encourage the formation of sport teams, birthdays celebrations, as well as the expression of group initiatives. Caring about family cohesiveness, our initiatives also include our staff's relatives.



## Allowance

G4-LA2

All our employees are provided with food or food allowance for meals during working hours. They are also given essential clothing and equipment such as uniforms, raincoats, security hats, and sun hats.

## Health and Safety Programme

OIS is committed to providing a healthy and safe working environment for our employees. Our employees attend health and safety trainings and awareness seminars on a regular basis. Personal Protective Equipment (PPE) is distributed to employees to ensure their safety during operations. Penalty fees have been collected from employees who do not follow the rules and regulations, the penalty fees are then used to buy first aid kits and medical equipment.





# IMPLEMENTATION

## Leave

G4-LA3

All employees are granted annual leave and days in lieu for additional working hours, as well as medical, maternity/paternity and emergency needs leave. Overtime is paid out above the legal minimum in accordance with the national legislation on labor laws. % of the total parental leave taken for the year; 100% of males returned to work at OIS after their paid paternal leave and 100% of females returned after their paid maternity leave – a total return rate of 100%. This statistic reflects the welcoming attitude and adaptable environment OIS offers for employees with families.



## Transport

We bear the transportation fees for all staff who commute to and from work. Employees working in remote areas are transported to and from work.



## A clearly written policy

Our Employee Handbook describes the rights and clearly state the principles that have to be respected at OIS. Our corporate values are all mentioned, including the principles of ethic, mutual respect, team spirit, non-favoritism, etc...

## Training

We provide orientation to all new employees to ensure every employees fully understand OIS's policies and practices. In addition, we also provide them with further skills training in the area of work they are entering. This helps to develop their skill sets for growth within the company and beyond.



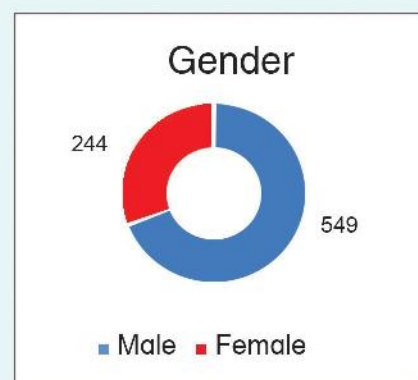
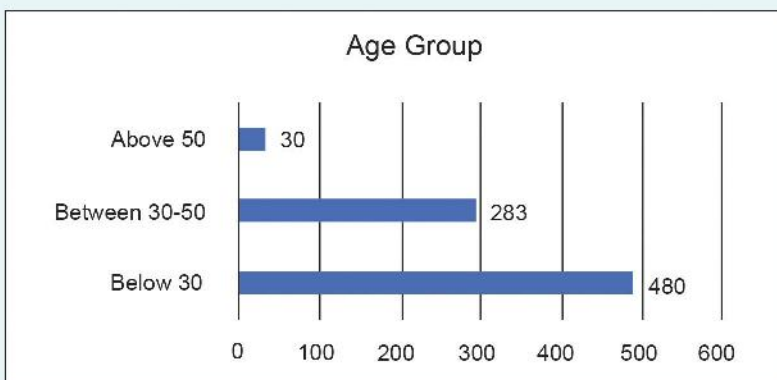
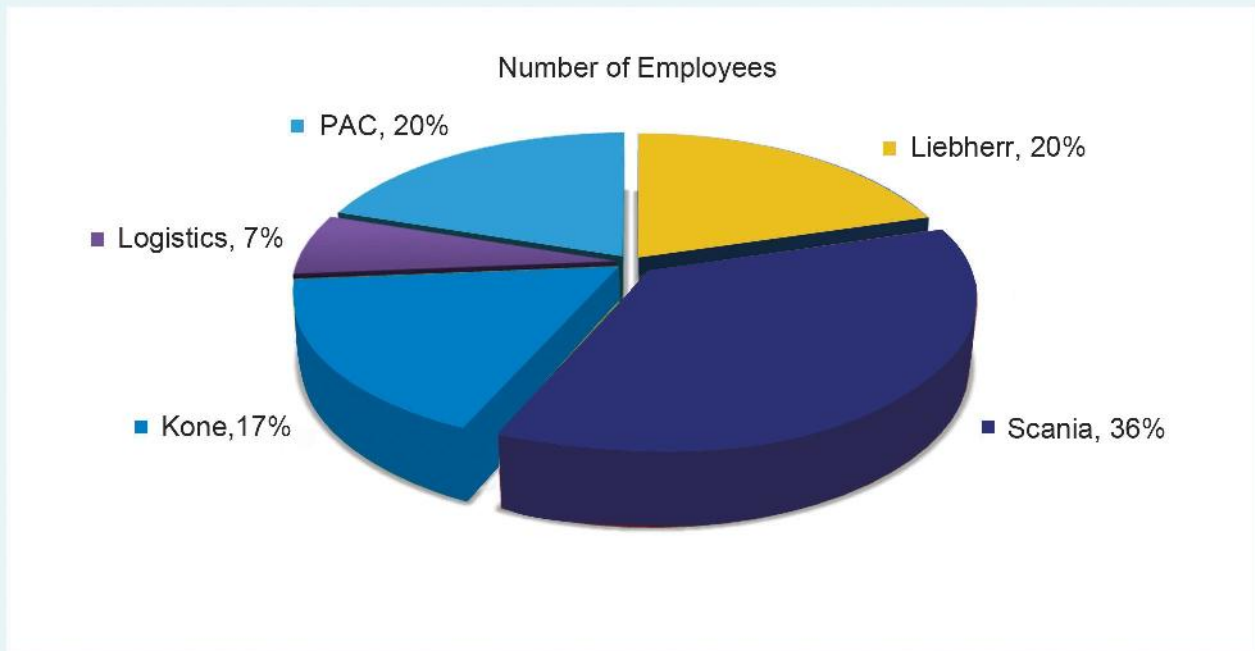
## Men/ Women equality of chances

At OIS, we make sure that men and women have the same chances of hiring, of evolution, and are paid an equal salary for an equal job.

# MEASUREMENT OF OUTCOMES

## Number of Employees

We count more than 793 co-workers across the country. According to the HR data records, there was male 549 and 243 female employees. According to HR collected data, there was (0)% of unpaid leave, ( 19%) of casual leave, (45% ) earned leave while no female employee too maternity leave in previous year. Octagon is an equal opportunity employer and do not discriminate between the genders for employment, promotion, leave and skills development.



## INSURANCE

We are one of the first companies in Myanmar to provide life insurance to our employees. insurance programs are currently in place. Total number of employees with life insurance Male (549) , Female (243) G4-LA2



## MEASUREMENT OF OUTCOMES

### TRAINING AND DEVELOPMENT COURSES

Our people are our most important resource and we believe that continuous training is the key each employee's enhancement. We are committed to providing our employees with fair and dignified employment that maximizes each employee's potential in the long term. Further development of the workforce is our priority.

OIS provides staff members with on-going skills development and training opportunities. In total (288) training programs have been delivered by OIS for the benefit of its employees. And then we are Shwe Taung Group's Employee Handbook as followed. Our company Employee Handbook is a valuable tool for education our employees on OIS's Values, Ethics, Policies and Practices. The training programs coupled with the Handbook are designed to protect the ethics of our company and also the rights of our employees. We want to ensure our employees feel safe at work and are able to maintain a healthy work –life balance.

Type	Training and course
Management	<ul style="list-style-type: none"> <li>• Code of Conduct Training</li> <li>• Culture House Training</li> <li>• Leadership Training</li> <li>• Human Resource Management</li> <li>• Diploma in Financial Reporting</li> <li>• "Corporate Training ( International Accounting Standard &amp; International Financial Reporting Standard and Myanmar Taxation )"</li> </ul>
Engineering	<ul style="list-style-type: none"> <li>• Product Knowledge &amp; Maintenance Training</li> <li>• Brake &amp; Electrical Training</li> <li>• Warranty Training</li> <li>• ICT Technician Training</li> <li>• ICT Workshop Manager</li> <li>• Basic Engine Mechanicals</li> <li>• Product Genius &amp; Workshop Controller on job training</li> <li>• Parts &amp; Accessories Sale Advisor Certification Training</li> <li>• Service Advisor Training</li> <li>• Aftersales Processes Training</li> </ul>
Marketing	<ul style="list-style-type: none"> <li>• Sales Force Training</li> <li>• ICT CRM Training</li> </ul>
Sales	<ul style="list-style-type: none"> <li>• Customer Service Training</li> <li>• Focus Training - Selling Skills</li> <li>• Market Visit-Salesforce Training</li> </ul>
Computer & IT	<ul style="list-style-type: none"> <li>• Professional Advanced Excel Training</li> </ul>
Health & Safety	<ul style="list-style-type: none"> <li>• Security Training</li> <li>• First Aid Training</li> </ul>
Workshop	<ul style="list-style-type: none"> <li>• Aftersales Technical Conference</li> <li>• Aftersales Marketing Workshop</li> <li>• ICT Workshop</li> <li>• CRM back to basic workshop</li> </ul>
Personal Development	<ul style="list-style-type: none"> <li>• Customer Service Training</li> </ul>

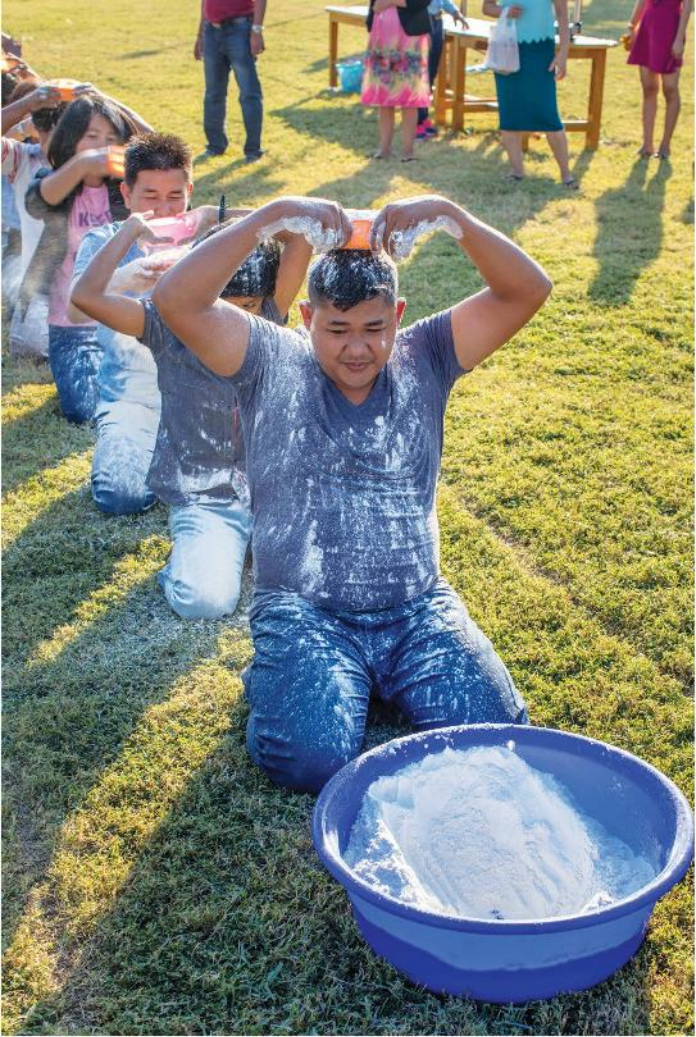


# Activities Highlights





# Activities Highlights





TEAM APPRECIATION PARTY

ember 2017





# ENVIRONMENT

Principle 7

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



## **ASSESSMENT, POLICY AND GOALS**

At OIS, we recognize the need to respect the environment and be cautious when conducting projects that may adversely harm the eco-system and bio-diversity of Myanmar.

We are fully committed to tackling the challenges brought about by climate change and actively working towards reducing our carbon footprint across all our operations and continues to develop tools to measure the outcomes of our progress in the direction of being more carbon neutral and environmentally sustainable. We support the newly elected Myanmar government in its implementation of the 2012 Environmental Law.

We strive to achieve greater environmental management and will continue to refer to the UNGC principles and the GRI indices as we continue to develop our environmental policies. OIS targets to align according to the international standards such as ISO 14001:2004 for environmental management systems and to refer notably to the UN Global Compact assessment principles and the Global Reporting Initiative to set up our environmental policy.



## IMPLEMENTATION

- ✓ Twelve ways we implement sustainable practices across our projects and operations.
- ✓ Energy efficient LED light bulbs are a company standard
- ✓ Our office only use energy efficient electrical hand dryers
- ✓ Cutting down paper usage through the digitization of internal and external documents and communications.
- ✓ Company policy is to switch off all devices when they are not to use
- ✓ Energy efficient air conditioners installed in all buildings
- ✓ When paper is needed we only purchase eco-friendly products such as FSC, SFI and PEFC
- ✓ When greener technologies are produced, we upgrade our appliances where possible
- ✓ OIS discharges water from maintenance workshop is well treated before being discharged into public drain.
- ✓ OIS designs washing bays capture all contaminates from vehicles after cleaning and therefore help to reduce environmental damages. OIS uses Water-Based Paints instead of Oil-Based Paints for car body and paint to be friendly to our environment.
- ✓ Our role also involves maximizing the positive contributions that our products and services bring to society and environment. We are proud to distribute energy efficient and low carbon emitted buses, coaches, luxury passenger cars, and other machineries that will help deliver tomorrow's sustainable transport, logistics and building solutions.
- ✓ OIS management is formed and aware of our business partner guidelines for corporate social responsibility and business ethic.
- ✓ OIS aims to align according to the international standards such as ISO 14001:2004 for environmental management systems and to refer notably to the UN Global Compact assessment principles and the Global Reporting Initiative to set up our environmental policy.

## MEASUREMENT OF OUTCOMES

Shwe Taung annually conducts tree plantation programmes across the group to promote reforestation and mitigate the effects of climate change. We celebrated the Yangon Monsoon Tree Plantation Festival in July 2017 and planted 4500 trees in collaboration with the Yangon Regional Government and Yangon City Development Committee at Hlaw Gar region.

OIS internal controller monitors and records data consumption rate monthly basis on some KPLs such as power consumption, paper usage, water and wastes have to be proper consumed in work place in order to minimize the ecological footprints to our environment. OIS's imported products including trucks, coaches, and passenger cars are maintained more sustainably thanks to greater fuel efficiency and safer user practices. Our business partners design international standard technologies to reduce CO2 emissions in order to minimize air pollution to environment. OIS seeks to identify that we consider environmental correlations in our business strategy by importing and distribution latest technologies to our customers.

OIS fully follows the guidelines and standard way with a high level of quality, SHE Legislation, safety and fire protection, health and environment, work related to the business ethics.

OIS continuously auditors have experienced in practice and what they believe should facilitate the announcement. So that OIS officially received DOS certificate for Nay Pyi Taw branch which is valid till 2018. In 2017, Yangon and Mandalay branches received DOS certificate again, which is valid till 2019 from our supplier SCANIA.





# IMPLEMENTATION





# ANTI-CORRUPTION

## Principle 10

Work against corruption in all its forms, including extortion and bribery





## **ASSESSMENT, POLICY AND GOALS**

Corporate governance is fundamental to maintaining a successful business. At OIS, we believe that transparency and accountability are necessary to ensure our company maintains a high standard of corporate governance and in turn remains a sustainable business model.

We publicly state our commitment to fight corruption at all levels, and in order to manage this commitment, we have implemented an effective system to identify the signs of corruption and eliminate them at their core. In actively working to fight corruption, OIS sends a strong message to our stakeholders that the private sector shares in the responsibility of removing corruption from Myanmar.

As a successful Myanmar business, we aim to positively contribute to policy development at the national level in this area. OIS ensures business partnerships are built on trust and that both parties operate with equal respect for ethics, transparency and accountability.

## IMPLEMENTATION

- In August 2017, we participated in the Building Business Integrity workshop. The workshop, co-hosted by the Myanmar Centre for Responsible Business (MCRB) and the United Nations Office on Drugs and Crime (UNODC), focused on the practical aspects of how businesses could combat corruption. Shwe Taung's CEO for Building Materials Mr. Han Thein Lwin participated in the Building Business Integrity workshop as a panelist. Mr. Han presented an overview of Shwe Taung's anti-corruption efforts.

He explained Shwe Taung's policies, values, code of conduct and implementation plan. These included the establishment of a reporting channel consisting of a hotline and apps for employees, as well as regular communication and training for all employees to know and understand the policies. The other panelists in the workshop were from Telenor and Coca-Cola. Funded by the Swedish government, about 60 participants attended the workshop. The participants discussed and agreed that there was potential for Myanmar businesses, especially those from certain sectors, to work together on concrete ways to reduce corruption.

- OIS measures on anti-corruption is fully embedded into our governance policy, involving transparency and ethic. Our initiative scheme is to ensure the respect of these values for the sustainable success of our company, clients and stakeholders

- The values of integrity and ethic are central in our policy. They are mentioned under Employees' Handbook and presented in the Bribery and Corruption Prevention induction training attended by all new staffs. We provide necessary training, advice, information as may be necessary to personnel at all levels.

- Employees who are working within the group as well as their relatives, do not accept any gift, cash, and benefits from third parties (incl. contractors, subcontractors, customers, partner and clients). This includes:

- (a) Cash, discounts (when directed to the individual employee, not to the company), financial commission, coupons, gift cards and the like

- (b) Expensive gifts such as jewelry, phones, tablets, entertainment tickets, vacation trip package, flight, etc.

- Employees are encouraged to report any form of corruption to management team. A continuous control from the senior management team is set up to ensure that no form of corruption is observed. If even these precautions, a present is accepted, it has to be given to the administration team that will organize a lucky draw with the complete team.

- OIS makes appropriate financial and staff resources available to progressing sustainable procurement throughout the company. We integrated ethical consideration into our design and business decision and make sure to practice fair competition, via open tenders when choosing our business partners. We have transparent reporting procedures and try to continuously improve our practices. We attach a very high importance to contracts and ensure we always honor contractual commitments made.

- OIS management sets stringent policies and procedures which do not allow any corruption and bribery regardless of any level of management position. Every employee has to strictly follow the company's policies. Any gift or present shall not be accepted in favor of the performance of work either.



## MEASUREMENT OF OUTCOMES

OIS uses internal audits and controllers to identify any payments that could be related to bribery or corrupt behavior. 100% permanent employees have received a training and Employee Handbook mentioning our zero tolerance policy towards corruption. 100% of new employees received the key speeches, setting out our guiding values and principles. OIS group has not been involved in any legal cases related to corruption and bribery.

- Top 100 Myanmar Largest Tax Players for 2015  
88<sup>th</sup> Octagon International Services Co., Ltd
- Top 100 Commercial Tax Player for 2014-2015  
63<sup>th</sup> Octagon International Services Co., Ltd
- Top 100 Commercial Tax player for 2015-16  
24<sup>th</sup> Octagon International Services Co., Ltd
- Top 100 Commercial Tax player for 2016-17  
63<sup>th</sup> Octagon International Services Co., Ltd



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.