

Letter of Commitment from Managing Director, MAPCO

As Managing Director, I am pleased to reaffirm that Myanmar Agribusiness Public Co Limited (MAPCO) continuously supports the Ten Principles of the United Nations Global Compact, in areas of Human Right, Labour, Environment and Anti-Corruption. In 3 years of joining the UN Global Compact, MAPCO has been working consistently to raise the governance standards internally so as to become a role model for the rest of the agriculture industry of Myanmar

MAPCO is currently utilizing market-based approaches and strategies, as well as working in partnership with stakeholders, from the farmers to the exporters, MAPCO promises and promotes sustainability and profitability, as well as Good Corporate Governance.

As one of fully public owned companies, the ten UNGC principles have been embedded and implemented in MAPCO's business plans and operations. In our 3rd communication on Progress, I am pleased to describe summary of the plans for implementation of the ten principles of UNGC to our practices and operations. Additionally, on behalf of the board, I hereby reaffirm our steadfast commitment to share this information with our stakeholders using our primary channels of communication.

Yours Sincerely,



Ye Min Aung

Managing Director

Myanmar Agribusiness Public Co Limited

HUMAN RIGHTS

- 1** - Businesses should support and respect the protection of internationally proclaimed human rights.
- 2** - Make sure Businesses are not complicit in human right abuses.

Assessment, Policy and Goals

MAPCO strongly restricts in committing any forms Human right violation and will not tolerate in any act of violation and abuse.

Organization's policies and procedures adhere to all applicable laws and are consistent with Myanmar laws and principles concerning with freedom of expression and non- discrimination, forced labour and underage workers in the workplace. We ensure that there is no discrimination in hiring, remuneration and access to training, promotion, termination and retirement of all the personnel. MAPCO has head office in Yangon, office in Nay Pyi Taw and working outlets in 10 locations throughout the country and (7) Subsidiaries which practice same policies and procedures with head office.

MAPCO aims to advocate Human Right Practices not only within the organization but also to educate along the supply chain, to protect the Human rights and give equal opportunities to all of our employees.

Implementation

We incorporate Human Right Policy Awareness in our orientation and refreshment training.

We also have publicly publish all our organization's policies on ours website and any stakeholders of our organization are able to download for their reference. Every new policy set up by head office is distributed to all branches by communication channel.

(Grievance Hotline Mechanism is a work in progress to form a proper way of notifying the violation of Human Rights within the organization)

We have established Grievance Hotline Mechanism along with Whistle Blowing policy last year to be able to effectively address any human right violation more widely.

We are designing the awareness programs to educate not only the employees but also all the actors in supply chains to be aware of our Human Right Practices.

Measurement of Outcomes

All of our employees are aware of and familiar with Human right Policy and Practices according to our orientation programs.

We have and will continue to encourage our stakeholders to follow suit.

Our Human Resource Committee prepares monthly Grievance Hotline Mechanism report and include in the Committee Report to the management. If there is any human rights violation

report, HR committee will process to report immediately to management and take action according to our SOP of Human right Violation without compromise.

LABOUR STANDARDS

- 3** - Businesses should uphold freedom of association and effective recognition of the right to collective bargaining.
- 4** - The elimination of all forms of forced and compulsory labor.
- 5** - The effective abolition of child labor.
- 6** - Eliminate discrimination in respect of employment and occupation.

Assessment, Policy and Goals

MAPCO's labor policies are designed to be in line with Myanmar Labour Laws and ILO Labour Standards.

We value our relationship with employees and, understand that success of business depends on every employee. The employee handbook of MAPCO outlines the clear duty and responsibility of each employee including their working hours, wages and benefits.

As per the National Labor Regulation, MAPCO strictly prohibits child labor, any form of Discrimination against disability, gender, marital status, age, religion, sexual orientation and political status and this policies are extended to all subsidiaries of MAPCO.

Implementation

MAPCO is a fully private owned public company and one of leading agri-business company in Myanmar. MAPCO has about 1100 employees, with its head office in Yangon, office in Nay Pyi Taw and working outlets in 10 locations throughout Myanmar. Our employees also come from diverse cultural and religious backgrounds and we do not subject our employee to any form of discrimination against disability, gender, marital status, age, religion, sexual orientation and political status with equal opportunity and fair treatment in our recruiting process and every welfare activities.

MAPCO makes sure that employees are paid decent wages, with overtime paid at a premium rate in accordance with Minimum Wages Law Act and Rules, 2013.

In mid-2018, our company adopted a new flexible working hour policy for each and every employee depending on their tasks and relative departments, to optimize productivity and increase staff motivation.

Any individual can lodge a complaint of any violation of our Labour and discrimination policies and practices.

We are also designing the awareness program to educate stakeholders from supply chain and encourage to follow the Myanmar Labour Law, Human rights, and ILO Labour Standards.

Measurement of Outcomes

We are also continuously reviewing the Policies to ensure that we have update and transparent guidelines and ensure all our staffs from the head office and subsidiaries are fully aware of their rights and obligations.

Along with the Grievance Report, Labour Rights violations shall be reported to Human Resource committee, if any such case happen, for taking action without compromise.

ENVIRONMENTAL PRINCIPALS

7 - Businesses should support a precautionary approach to environmental challenges.

8 - Undertake initiatives to promote greater environmental responsibility.

9 - Encourage the development and diffusion of environmentally friendly technologies.

Assessment, Policy and Goals

One of our vision is “Taking Responsibility for Conserving and Sustaining the Environment & Mother Earth”.

MAPCO is an agriculture based modern agri-food company, we focus on sustainable development of agriculture industry and on the other hand, ensuring to find a balance and preserve the environment. MAPCO sets the theme for the internal initiative environment policy starting from 2017 which is reducing paper consumption not only in Head Office but also in all of our subsidiaries.

In 2018, we plan to conduct workshops to train employees on reduce/reuse/recycle.

Our policy aims to:

- Ensure we reliably deliver clean, safe products and services to our customers, remove the industrial waste and return cleanly to the environment without causing harm.
- Continue to reduce and prevent pollution through innovative technology, effective management control systems, and through targeted efficient investment, shared throughout the Group.
- Help to ensure energy security for Myanmar and our business by being efficient and by optimizing the use.
- Play our part in mitigating future climate change by managing the greenhouse gas emissions produced in our operations and embedded in our supply chain, and also by managing the emission of pollutants.

Implementation

As one of the top leading agri-business organization, the paper usage is significantly different to the normal size company. We have created digital platform and continue expanding all our work flows, procedures, processes and reporting systems to become paperless office. Average usage of 1.2 tons of paper a year and we are planning cutting down eventually.

We also care about plastic usage in our organization. We start our “no Plastic bottle” Campaign Last year. We officially ban all one-time package plastic bottle usage, installed water stations within departments and request our staffs to bring personal refillable water bottle.

We have engaged with third party EIA/SIA consultant to undertake assessments on the suitability of our projects.

We also have refine energy project on process to have better energy source with less harmful residuals.

Measurement of Outcomes

We are closely monitoring the usage of paper, energy, fuel and plastic in head office and our subsidiaries.

We cut down to zero small plastic water bottles and only supplying 20 Litre (refill) bottle to install in our water Station.

We will soon be able to issue our EIA/SIA assessments report on our project.

ANTI-CORRUPTION

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

Assessment, Policy and Goals

MAPCO is committed to abiding the Myanmar Anti-Corruption Law 2013 and Regulation. According to good corporate governance of MAPCO, employees are strictly prohibited from corruption, bribery and extortion and this policy was extended to all of our subsidiaries.

Implementation

We have established an audit committee for the purpose of financial statement as well as cases for anti-corruption. Company sets a policy for anti-corruption and that applies for all employees and subsidiaries.

We attached this policy to our employee handbook which is distributed to each of our employees as well as to subsidiaries. Whistle blowing Policy and Internal Anti-Corruption Directives are circulated to all employees, as well as those documents are being made available in MAPCO's website.

The anti-corruption practices are included in our orientation and refreshment program.

Measurement of Outcomes

Grievance Hotline is open for any type of corruption complaint. Complaints are lodged to the grievance report and management is taking a serious action against corruption and bribery without tolerance.

