

United Nations Global Compact
Communication in Progress Report 2020

Statement of Continued Support

We, Myanmar Japan Thilawa Development Limited have been dedicating and putting best effort to be a responsible and sustainable business. It is honored to us being a member of UNGC since 2015 and we would like to reaffirm that our existing rules and regulations, policy and practices are standing to be responsible business for the community and we never slipped out of guidelines and principles which UNGC had guided.

For MJTD, this is our 5th time submission of Communication in Progress Report and we assure that we do business responsibly by aligning with our strategies and operations with Ten Principles on human rights, labour, environment and anti-corruption.

We strongly agree to “by committing to sustainability, business can take shared responsibility for achieving a better world” and we would like to make commitments to reaffirm our continued support by acting in accordance with the ten principles and guidelines of UNGC. As well, we will promise to share this information with our locators (Stakeholders) using our communication charter.

Yours Sincerely,



Tomoyasu Shimizu
President & CEO
Myanmar Japan Thilawa Development Limited

Human Rights Principles

Principle 1 - Businesses should support and respect the protection of International proclaimed human rights.

Principle 2 - Make sure Businesses are not complicit in human right abuses.

MJTD supports and respects the protection of international proclaimed human rights with the aim of building a better community for our human beings. To be in line with the UN Guiding Principles on Business and Human Rights, we base our human right commitments and policies on the International Bill of Human Rights including Universal Declaration of Human Rights and the principles concerning the fundamental rights that must be followed by nations, companies, organizations and individual as well.

We agree to take the responsibilities of applying the fundamental human rights in our business activities and thus, we adopt the UN Guiding Principles Reporting Framework to fulfill our goals and disclose the information transparently about our operations and activities.

We can declare with assurance that we are not complicit in human rights abuses. Any form of human rights mistreatments such as discrimination and harassment based on gender, religion, color and ethnicity is intolerable in our organization and MJTD always keeps and improves its image by sidestepping improper performance and manners that will be harmful to our society as well.

As we are trying to be a safe and happy working environment, our employees have been protected by rules and regulations of human rights and also they have been well educated not to break those fundamental policies by themselves. We encourage them to have mutual respect, trust and understanding between each other.

For those practices, MJTD has its own employee hand book and applied policies and SOP with the aim of building a better community for our employees. Accordingly, MJTD has no tolerance for any inappropriate manners that will be hazardous conditions for our working community

MJTD commit to promoting working environment free from discrimination or unfair treatment and all employees are worth having the equal opportunity in respect of their performance and capabilities.

On behalf of all locators in Thilawa Special Economic Zone and as a developer company, we always pay attention and initiates to Social Responsibility Programs that are tools for our social and community welfare. Therefore, our community relation department is performing social responsible activities to our neighboring communities by focusing under Five Main branches: Education, Social welfare, Health Care,

Infrastructure Development, and Stakeholders Engagements and in addition, we also contributes in Community Environmental Supports, with intention to fulfill our community needs and the requirements.

Apart from this, we also contributes to donate USD 35,000 for supporting to our front line heroes (Medical Officers and Staffs) in combating Covid-19 to Yangon Region Government Medical Staffs Support Committee.

To sum up, MJTD has made a lot of effort to complying with Human Rights Policies always attempt to bring welfares and benefits to our society, stakeholders and employees as well.

Measurement of outcomes

There is no complaint and violation concerning with Human Rights Policy. We do not accept Human Rights abuse in our daily performance. We respect the protection of international proclaimed human rights and local human rights.

We are pleased to declare that MJTD has no grievance and unusual case of Human Rights breaches and abuse occurred not only within our organization but also in our community. We will upload the Human right Principles guided by UNGC with the aim of being a more and more responsible and sustainable business. MJTD hereby reaffirms our commitment to support and respect the protection of the international proclaimed human rights and avoid involving in any abuse.

Labor Principles

Principle 3 - Businesses 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

Principle 6 - The elimination of discrimination in respect of employment and occupation

Since MJTD is the very first leading Special Economic Zone Developer Company, Code of Conduct, Corporate Governance and internal policies should be effective and transparent. We recognize that the success of the Company is primarily based on their employees and thus HR policies and procedures are always updated in line with Myanmar Labor Law and other applied rules and regulations. Moreover, MJTD is committed to respecting labor rights in all of its activities and support for International Labor Organization's ("ILO") eight fundamental core conventions and ensure that all forms of forced labors and child labor are utterly forbidden in the organization.

In MJTD, all employees have their Employment Contracts that are registered in the Labor Office and they are protected from any compulsory labor and they also have the right to collective bargaining. To prevent the child labor in the workplace, we make inquiries about their profile and background history carefully before we offer the job to them. We are also guided by conventions such as the UNICEF Convention on the Rights of the Child.

In keeping with the related international and national labor laws and regulations, our employee hand book has been created with the intention of protecting all our staff against any form of situations in which there is not any fairness and equality. Moreover, MJTD interviews and offers the suitable job for the people who come from different background and knowledge without any kind of discrimination regarding their race, age, gender, religion, and ethnic origin, but mainly depends on their qualification and abilities.

It is certain that we provide the reasonable working hours, overtime package, travel allowance, ferry service, phone bill allowance and other necessary offices stuffs are well-deserved allowances for all employees. Furthermore, bonus, increment and promotion have been equally determined by the senior management through KPI without any discrimination. To support such kind of commitments, we have well-organized structure of each position, related job descriptions and SOP. Starting from April, 2020, we use our own specified SOP software system, which features to reflect,

organize and promote their performances and their job assigns and also, it includes proper reporting systems for accomplished jobs.

Our organization emphasizes that how important gender equality is for the company to be successful. We endeavor to close the gender gap and boost the empowerment of women by giving the equal pay, equal benefits and equal job opportunity. According to our Human Resources Team with their monthly report for May, 2020, 55% of our GRADE A CLASS workforce is female employees.

As a social welfare benefits, all staff are the members of Social Security Board and they are entitled for sickness, maternity, parental and work-related injury allowance. According to our internal working policy, we additionally provide to employees for annual medical check-up program, annual medical allowance for any forms of sickness – hospitalization/non-hospitalization, vaccination programs, electrolytes and immune boosters to our operators (Class B employees), Wedding Supports, Funeral Supports, Annual Staff Party and Annual Company Trip for all employees.

MJTD value our employees and invests in human capital in an attempt to transform it into the financial capital, the manufacturing capital, the intellectual capital and the social and relationship capital in the long term. As we are aiming to improve our Operational Capabilities, we trained our staff to be more skillful and qualified and so let them get a chance to have the required trainings on their related job nature by organizing in local and overseas training programs.

During the Covid-19 pandemic period, MJTD really care and consider for the safety of staffs and workplace. We developed the Business Continuity Plan and we reduced our numbers of staffs coming to office to one-third and rotated with shift-assign to work from home plan. Although we are facing the effect of economic hardship due to Covid-19, we do not reduce our staffs and then advance one-month pay is also provided for all staffs as financial supports and we support some additional pay for internet-use of employee for their working from home. For our employees' health and safety to working at office, we strictly follow the rules and regulations for safety workplace by our Ministry of Health and Sports and we provide Masks, Face shield, Hand-sanitizers to all employees, daily disinfection procedures, social distancing procedures, and notices for prevention measures to Corona Virus transmissions and temperature assessment to all staffs.

Since MJTD has developed our company grievance procedure, the company strives to hear and resolve Employee complaints in a timely manner. Employees are encouraged to discuss problems or complaints with their Officers or representative of the HR Department. Employees are entitled to the right to raise concern of misconduct

of the Human Resources Policies and Procedures Manual to the senior management without any fear or threat.

We can hereby mention that MJTD take fully responsible for the safety of our staffs from every aspect and follow the instructions of the labour rights not to deviate any single point. MJTD leads to be more pleasant and productive working environment for all staff by complying with the labour rights.

Measurement of Outcomes

As we always put emphasis on the matters of workforce, we are pleased to declare that MJTD has no grievance of employees and zero case of labour abuses caused in the organization. Both the organization and each employee obey and being aware of the rules and regulations of Labour rights and we always pay attention to be on the right path. MJTD will retain our good reputation through creating better pleasant workplace for employees by building up engagement between employees and organization.

Environment principles

Principle 7 – Businesses should 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 technology.

MJTD applies the precautionary principle through its risk management toward potential environmental and social impact. Our sustainable framework and related policies govern our approach toward environmental concerns. As a responsible and sustainable business, protecting and taking care of our environment from the harmful effects is one of our commitments.

Environmental aspects are considered in our client and supplier assessments and risk management process. This helps to ensure well informed decision-making and that our client interactions do not harm society or the environment.

The nature of our business activities are focused on Special Economic Zone, which is protected systematically by setting up its own sewage treatment plant, water treatment plant and other high-tech protection systems with the goods purpose of taking the necessary precaution against negative side effects upon the environment. And so, the environmental impacts will be from energy consumptions such as electricity and water and waste management. Before the project started, Environmental Impact Assessments were conducted and act in accordance with the SEZ Law and its related regulations without fail.

In the Thilawa SEZ, the consumption of underground water is forbidden and the water resources come from only nearby reservoir. In keeping with international standard and environmental friendly technology, sewage treatment plant, water treatment and waste water disposal management are systematically built up and now operate effectively in TSEZ. The quality of air and other impacts of operations have been monitored cautiously to protect our environment. In addition, online weather monitoring system also created in TSEZ as a precautionary approach to the environmental challenges.

To be a clean and green environment, we always concern to mitigate any harmful effects on our environment and community with the serious intention of being sustainable development, MJTD pays fully attention to take care of our environment in every stage of our operation.

Measurement of Outcomes

It is a great pleasure to announce that MJTD comply with UNGC's Environmental principles and other National SEZ Law and regulations. As a result, there is no severe impact caused by our business operations and we are creating to be more sustainable and greener environment to our society and community.

Anti-Corruption Principle

Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery.

MJTD has responsibilities for setting up good corporate governance including corporate governance missions and goals that lead towards a sustainable business model. MJTD also possesses its own Code of Conduct and Audit Charter to apply them in management and operation. Compliance officer, external and internal auditor are appointed in our organization in order to watch out for unusual transactions.

MJTD has a zero-tolerance approach to bribery in any form: it is committed to being a no-bribe business and eradicating any practices or behaviors in this regard. This zero-tolerance policy extends to MJTD employees, contractors, third parties, new acquisitions and joint-ventures, through which or with whom we do business, irrespective of financial values involved, We operate with a broad definition of corruption which includes fraud and financial misrepresentation, conflicts of interest, bribery, anti-trust activity, misuse of information and misrepresentation of the company or its assets.

We continue to deploy mandated interactive trainings across the business to all employees such as Gifts and Hospitality, Conflicts of interests and Anti-Money Laundering. All of the employees, officers and directors starting from lower to higher positions from MJTD are strictly prohibited that "giving or accepting gifts or bribes to anyone or from anyone, in direct or indirect way".

Any suspected breach is subject to an accelerated review procedure that involves experts from legal Group. Confirmed breaches will be resulted in disciplinary action in line with our standard.

MJTD is committed to working with others who share our values and seek to operate to the same standards as we do. Both our partners and clients are prohibited through mandatory compliance from all forms of bribery, corruption, extortion or embezzlement.

Measurement of outcomes

Since MJTD has an effective internal and external control system against corruption, there is no record or report of corruption in all its forms starting from the establishment of the company. We assure that our commitments to constant prompt actions for any forms of corruption within the company are according to our internal financial rules and regulations, National Anti-Corruption Policies, and applicable

international anti-corruption policies and regulations and the ten principles of UNGC in our business operation.

We are stepping forwards for the better and sustainable development of our company including our employees, stakeholders, community and environment. MJTD keep the value of corporate structure and create good value for the Company and our shareholders and so, we attempt to stand as the most transparent and responsible business and especially, free from any form of corruption.