

MAX ENERGY

COMMUNICATOIN ON PROGRESS (2019)



WE SUPPORT

 HUMAN RIGHTS

 LABOUR STANDARDS

 ENVIRONMENT

 ANTI-CORRUPTION

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

LETTER OF COMMITMENT FROM CHIEF EXECUTIVE OFFICER, MAX ENERGY

Throughout 2019, Max Energy had lived as a responsible business organization by implementing and following ten principles of UNGC even when the business was encountering the down time and struggling with the volatile oil business.

In 2019, we proactively conducted a contribution in education sector, health sector, religious and social affairs, and also environmental factors for the sake of building excellent and trust corporate identity.

According to mother company's direction, Max Myanmar Holding Co., Ltd, we are developing an effective management framework for sustainable development of Max Energy requires addressing both decision-making and governance. Therefore, Max Energy will not only strengthen its own business practices but also will help to build the foundation for responsible business practice in Myanmar.

We will promote environmental sustainability by saving energy initiatives, increasing renewable energy, planting more trees, encouraging washable water bottle instead of disposable one. Also, we will contribute education sector development not only for our staff but also for communities. Moreover, we will ensure employee's health and safety as a priority.

Last but not least, we will do our best for economic growth as a socially responsible company so as to maximize the Myanmar Potential by developing the local industries and economies through the expansion of their business operations.

Yours Sincerely,



Managing Director
Max Energy Co., Ltd.

HUMAN RIGHTS

Principle 1: Business should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.

Assessments, Policy and Goals	<p>For the sake of human right, Max Energy Co., Ltd has been developing numerous profitable policies in accordance with the updated issues. To have a clear picture of those policies in implementation process, management has been simultaneously posting updated policies and affairs regarding to human right on the company website, too. In setting up the human right policies, Max Energy is always cautious not to sway away from the enacted laws by the Ministry of Labour, Immigration and Population as well as to be in line with the Universal Declaration of Human Right (UDHR) for better outcomes and impact of the policies. As a pride, Max Energy is trying its best for acquiring the basic rights and freedoms that belong to every person not only in our surroundings but also across the nation.</p> <p>Striving for dignity, fairness, equality, respect and independence among its staff, Max Energy is taking its emphasis on its human right activities to be implemented productively. Hoping for the safest and healthiest working zones, it is undeniable that Max Energy is always doing the best.</p>
Implementation	<p>In terms of implementation for disciplined and well-organized business environment, Employee Handbooks including code of conducts are published by Max Energy, and distributed them to its staff for the sake of sharing the profound set of rules and regulations to be followed. This Employee Handbook covers not only procedures and benefits but also expectations of the employment relationship and professional behavioral expectations. Policies related to environmental issues, equality and diversity management, grievance handling, land acquisition, anti-corruption and most importantly human rights activities are also publicly stated on company website.</p> <p>When employees feel pressured at their workplace, it can have an impact on their mental wellbeing. Hence, to have a clear mind from worries at work among the stakeholders and employees, Max Energy has been practicing Whistleblowing policy for a very long time to show that each and every individual perspective of their opinions are highly respected by the organization.</p> <p>Moreover, Max Energy has been giving part-time job opportunities to the distance education students since the very beginning of the company's establishment, and offering internship programs to support human capital development in effective ways.</p> <p>There is also an appreciated activity implementing by the organization for safety issue that all the employees are supposed to be trained and given safety related education and practices by OHSE team.</p>

Activities and Outcomes

According to the uploaded activities and data with regards to Human Right Policy uploaded both in English and Myanmar versions on Max Energy Website of www.maxenergy.com.mm, it is found out that Max Energy had no case of violation against human rights in 2019. This is mainly due to the consequences of the given trainings and sharing information of Human Right Policies among the staff.

Concurrently in 2019, Max Energy employed 92 university students as part-timers, and offered internship programs to two students in supporting their decision-making for future career selection based upon the experiences they received from those opportunities.

Concerned with the safety issues, Max Energy conducted 88 times of giving workplace safety briefing, one PPE awareness training and 21 times of inspections at every fuel filling station. Moreover, notice boards for lost time incidents or on the job accidents are formed in every working place to monitor the number of accidents. According to the monitoring results in 2019, there was almost no lost time incident apart from one minor first aid treatment given to the company staff.

In order to receive the comments and feedback from the employees, suggestion boxes are arranged to be placed at every working site after the Whistleblowing Committee has been established. As a further matter of handling the complaint on human rights violation and anti-corruption, grievance hotlines have also been introduced. To match with the current necessities and be in line with the emergent situation, annual handbook are also updated as a living document. As contributions to education and charity, Max Energy has done financial supporting to the Basic Education Primary School in Nyaungdon and Blind School in Yangon, and participated in blood donation to National Blood Bank, and conducted supporting fuel supplies to ditching drain in Shwe Pyi Thar Township, financial help and required funds donation at Chaung Tha Hospital and so on.

LABOR PRINCIPLES

Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Business should support the elimination of all forms of forced or compulsory labor.

Principle 5: Business should support the effective abolition of child labor

Principle 6: Business should support the elimination of discrimination in respect of employment and occupation.

Assessments, Policy and Goals

The rights and freedom deserved to the employees can be regarded as first priorities for Max Energy so that the organization are fully against the use of forced labour and child labour. In order to protect unnecessary and careless violation of the labour rights and responsibilities described in the Employee Handbook, the committee also has been formed particularly for the rights and freedom of the employee and stakeholders. In accordance with the Chairman's guidance over the human resource development, Max Energy is implementing the capacity development programs for the employee's motivation by laying out the incentive policies as well. In the capacity development programs, the goals are set up for developing additional skills, knowledge, competencies, better action plans and effective training programs.

Implementation

In order to comply with the laws and regulations enacted by the Ministry of Labour, Immigration and Population and ILO, Max Energy gives extra care not to hire child labour and to give the righteous benefits for the employees such as offering legal leave, allowances, minimum working hours and minimum wages. It is certain that Max Energy is trying to enhance human capacity for the better outcomes and results of the company by offering opportunities to access with the capacity building programs. To highlight this encouragement upon human capacity development, Max Energy assists in terms of financially for those who want to continue further studies. In designing policies for Human Resource and career development, Max Energy emphasizes not only upon clear understanding of the policies but also upon accessible practices, implementation and evaluation process of these policies. Moreover, the Transfer Policy and Procedure has been conducted by the company in helping to monitor the employee's potentials, to create effective job rotation, job attachment, internal transfer opportunities and special-job-assignment in accord with the employee's interests, capabilities and willingness to work.



Activities and Outcomes

As the activities and outcomes regarding labour rights, several trainings for Fire Safety, Orientation, Basic Sales and Marketing, New Manager Skills Development, Advanced Customer Service, Fundamental of Customer Services, Petroleum Products Handling Process Basics, Basic HR Management and Advanced Excel have been organized by the human resource training team and functional line managers of Max Energy for almost 800 employees in 2019. As a result, for complying with the labour rights, Max Energy currently possess the 66:34 ratio of male to female, and is also lack of child labour use in the working environment. To have a fair distribution system of staff benefits, allowances and rewards, gender discrimination and ethnic discrimination are severely prohibited among the staff with a variety of differences, who come and work from different areas across the nation. To highlight the quantitative outcomes from paying respect to labour rights, financial supports were given 119 students in 2019, who are the children of the company staff. For the sake of employee's basic necessities and requirements, uniform, meal allowance, ferry, day-off and gazette holidays are provided by the company, and memorial contribution and birthday activities are also celebrated as well. Since Max Energy has widespread its filling stations all over the country, there are 28 employees who have to go and work at the designated work station while staying away from home. For those employees, Max Energy has been providing non-native allowance. Moreover, for 253 employees who have served the company at least 5 years and above are also given Long Service rewards.

For transparency of the company's founded policies, Whistle Blowing Policy, Occupational Health and Safety Policy and Grievance Handling Policies are officially uploaded on www.maxenergy.com.mm. Last, the latest outcome is the Representative Team of Employee which had been energetically initiated last year.



ENVIRONMENTAL PRINCIPLES

Principle 7: Business should support a precautionary approach to environmental challenges.

Principle 8: Business should undertake initiatives to promote greater environmental responsibility.

Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies.

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Assessments, Policy and Goals</p>	<p>Max Energy focus on providing high-quality fuel products in a socially responsible and environmentally sustainable manner. We pride ourselves in being an environmentally responsible organization for future growth and development of community and environment.</p> <p>One of the organization's aims has always been protecting the environment by reducing energy consumption and usage of paper, encouraging recycle initiatives and selling lower Sulphur content products. Therefore, Max Energy always comply with all respective Myanmar environment protection legislations and strive to use pollution prevention and environmental best practices in everything organization do. The company is committed to provide a safe and healthy workplace for all the Max Energy's employees and stakeholders, as well as minimizing the potential impact on the environment.</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Implementation</p>	<p>As providing the very best quality product to the consumers is the heart of what Max Energy's family do, the government performs regular checks on the fuel import from Max Energy. Third party also involve in the process to make sure the standards and expectations are met.</p> <p>Max Energy promotes environmental awareness among the employees and encourage them to work sustainably. Managements have taken actions to dramatically reduce the use of paper unnecessarily in the office and primarily utilize the digital format to display and present the data. We have also planted trees with the help of volunteers from High and Middle school students in Yangon.</p> <p>Max Energy continually strive to improve the environmental performance and periodically review company's environmental policy.</p>

Activities and Outcomes

In 2019, all the products sale from Max Energy were quality checked and passed in accordance with Myanmar Government Lab, Mobile Lab by Myanmar Petroleum Product Enterprise, and quantity checked by Third party surveyor, SGS or UGI.

No environmental impact incidents were occurred or complaints has received in 2019. Information related to OHSE alerts and bulletins, audit results, OHSE initiatives/ awareness information, policy and health and well-being information are readily available and displayed on the notice boards in the main administration building and common areas.

In order to promote sustainable future, Team Max Energy planted more than 100 trees along with help from students and teachers at the Basic Education High School in Thuwanna and Shwe Pyi Thar Township. This provided an opportunity for youngsters to learn to nurture the environment and the importance of tree planting. They will also benefit from the green scenery and shades around the school that the trees will provide in the future.

As part of the Reduce Paper Project, staffs are thinking before print and as a result, there are less paper every year. Furthermore, the ultimate aim is to have paperless working environment in the future.

ANTI-CORRUPTION PRINCIPLES

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

Assessments, Policy & Goals	<p>When it comes to corruption and bribery, organization has zero-tolerance policy and is proud to conduct all of the related business in an honest and ethical manner. Employees are committed to act professionally, fairly and with integrity at all times in doing business or engaging with all stakeholders.</p> <p>Max Energy set a high ethical standard and comply with all relevant and prevailing laws of Myanmar including Anti-Corruption Law 2013 in respect of our conduct to all stakeholders.</p> <p>Transparency and good corporate governance are embedded in our values to sustain the policy strictly, to increase prevention, and to monitor for continuous improvement.</p>
Implementation	<p>Organization has a clear principle on how company stands against corruption and bribery and the anti-corruption policy is in alignment with Max Myanmar Holding Co., Ltd where all employees must comply with this policy.</p> <p>The Finance Team and internal audit team are regularly checking and monitoring the internal transactions and payments related to all stakeholders to make sure corruption and bribery are not taking place. Furthermore, external audit teams fully inspect the transaction of all payment annually to make sure there is 100% policy compliance.</p>

Activities and Outcomes

Max Energy has Whistle Blowing Policy and Anti-corruption Policy publicly declared on the website, www.maxenergy.com.mm. The policy is applicable to all the stakeholders of Max Energy. Management team is monitoring the policies to make sure it is up to date. Suggestion boxes are located each and every place of Max Energy office, if anyone has any concern or wants to report anonymously.

Organization has stringent measures in place to make sure to continue to set a high standard. All the departments in Max Energy has been inspected by the internal audit team, mother company audit team, ISO audit team, government auditors and external audit team (Deloitte) by quarterly or annually to investigate any fraud and corruption case. Max Energy is pleased to announce that no corruption was reported in 2019.

Moreover, Max Energy has been rewarded as one of the top 11 commercial tax payers and top 80 income tax payers in Myanmar by the Government for 2017~18 in 2019.