



SMART Technical Services Co., Ltd
Communication on Progress
Year-2021



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Statement of CEO

Dear Stakeholders, SMART is committed to the UN Global Compact and upholding its ten principles covering Human Rights, Labor, the Environment and Anti-corruption. We signed up to the UNGC in April, 2016 and have been continuously implementing these principles in our starting and operative work. It is imperative that these principles become embedded in the way we conduct our business and thus our corporate culture.

As the UN Global Compact is a voluntary initiative, it is a call to companies to align strategies and operations with universal principles on Human Rights, Labor, Environment and Anticorruption, and take actions that advance societal goals.

In this annual Communication on Progress, we describe our actions to continual improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Kyaw Kyaw Hlaing
CEO
SMART Technical Services Co., Ltd



INTRODUCTION

Our SMART Technical Services has been one stop services provider for customers from the oil & gas, marine & offshore, engineering and other industries. Our vision is “**The Leading Services Company with excellent operation technique and international best standards**”. To become the international best standards company we always try not only using professional technique to our business regional but also adhere Local and international Law & regulations. When SMART become a signatory of the UNGC since April 2016, we strives to implement UNGC’s all 10 principles in every aspects of our business process.

One of our Mission statements is “**To create safe, healthy, environment friendly and fun work space for our customer, vendor and for us**”. This statement is showing our origination respects every relevance person(s) (or) third party(s) with our organization. Therefore SMART realizes Human Rights, Labor, Environment and Anti-corruption areas. SMART always continue to do sustainable Vision and Missions. And also SMART value “**Highly trained and motivated employees**”, “**Dedicated to achieve excellence**” and “**Providing Solution**”. These statements are showing SMART’s treasurable is their employee and SMART always encourage and improve employees’ ability.

SMART respect 4P (People, Planet, Principle and Partner).

- People :** To protect the health and safety of our people working in SMART. By giving the opportunity for all employees to respect human rights.
- Planet :** To care for our working environment and the community we are working for.
To reduce recycle, reuse and do proper waste management in all our work activities.
- Principle:** To perform day to day operation by following our company rules and guidelines including company’s ethical code of conduct, company policies and ISO statements.
Good governance must be practiced from top to bottom management.
- Partner:** To take care for the wellbeing of our stakeholders including partners, clients and All partners must achieve manual wins, economic goals and shared value.



HUMAN RIGHTS

Principle1: Businesses should support and respect the protection of internationally proclaimed human right.

Principle2: Make sure that they are not complicit human rights abuses

ASSESSMENT, POLICY and GOALS

SMART is committed to conduct truthfully, lawfully and with integrity to human right. Health, Environment, Safety and Social Responsibility are our first priority. SMART's Code of Ethics mentions how to treating our employees, partners and vendors with professionalism, mutual respect, honesty and sensitivity and to encourage and practice team work. At our human rights policy, in Our Commitments mention "We have a responsibility to respect human right and can also play a positive role in the communication where we work. We treat all our employee with respect, dignity and promote diversity in work place". Equal Opportunity, No Harassment and No Discriminate in work place are SMART values and all of SMART employee respects and do action this facts ether between employee or our clients and suppliers. In SMART's Code of Conduct for Supplier policy includes respectful Human Right between employees and suppliers is one of category.

IMPLEMENTATION

As SMART's Code of Ethic policy is one of the policy and rules and regulations of our employees. This policy is promote to human right, all employee must understand and realize all do and don't facts of this policy. SMART always do the activity as new employee orientation training program introduction the Code of Ethic policy, Human Right Policy, Labor policy, Anti-bribery and Corruption, Grievance Mechanism for Workplace and Communities policy when new employee join to SMART. Current situation is Covid -19 period so, conduct the training with zoom application.

MEASUREMENT OUTCOME

We measure our Human right compliance by morning and following

Training Program, Training Plan and Training Attendance record of the whole year and employees participate and employees' awareness about human right. -In this reporting year SMART gave 4 trainings and we have a plan to give next 2 training for employees concern with Human Right. There are following:



| No | Date | Title | Trainer Name |
|----|----------------------------|-----------------------------|--|
| 1 | 14 th Jan ,2021 | Importance of Adaptability | Ms Tin Moe Khing (Secretary ,MD Office) |
| 2 | 25 th Mar,2021 | Gender Equality | Ms.Khwar Pyar Thin (Document and Compliance Manager) |
| 3 | 17 th Jun,2021 | Transformational Leadership | Ms. Yadana Su Hlaing (Managing Director) |
| 4 | 9 th July,2021 | Emotional Intelligence | Ms.Aye Aye Myo (Liaison Officer, MD Office) |
| 5 | October,2021 | Diversity in Work Place | Ms. Thet Thet Mar (Document and Compliance Officer) |
| 6 | December ,2021 | Business Ethics | Ms.Khwar Pyar Thin (Document and Compliance Manager) |

About the training results employees have more awareness the company's policies, and company's value and they also mutual respect each other and they have building good relationship either client or suppliers(vendors).

LABOR

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.

ASSESSMENT, POLICY and GOALS

SMART is looking forward to have rapidly in human resources who work with professional skill in every aspect of operation process. To sustain qualitative, skillful manpower, SMART always conducts training within internal and sending external or oversea training annually. SMART is dedicated to empowering SMART human resources to become a highly skilled and competitive workforce. SMART is committed to uphold the protection of labor under the human rights in all workers where it is possible through our sphere of influence. SMART ensure that we are not complicit in any violations on labors or suppliers and partners to this same high standard. We support and respect the principles proclaimed in the Universal Declaration of Human Right, the International Labor Organization's Principles and Myanmar Labor Laws believe businesses should ensure that they are not complicit in human rights abuses.



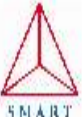
We focus the freedom of choice of employment and fullest opportunity for each worker depending their qualification and skill. All SMART employees have the right to equal treatment and employment without discrimination. SMART already mentioned in SMART Labor policy that the categories such as Humane Treatment and Nondiscrimination, No Underage Worker (We prohibit the employing of child labor and forcing labor where we operate) and SMART has a procedure of Remediation Plan for Child Labor. Minimum a Wages, Hours and Benefits, Leave and Holidays, Dealing with Management, Freedom of Association and Collective Bargaining, Workplace Health and Safety and Policy Implementation, Measurement Outcomes, Violation of Labor Policy those categories are mention SMART labor policy. SMART gives equal opportunity for all SMART employees.

The company has a medical fit to work policy for all its employees. New employees can only be recruited if they have passed the medical test and are fit to work. Employee medical test are renewed annually for further employment. All employees when required must wear proper uniform and correct personal protective equipment for work. All operating vehicles in our work environment are ensured with safety belts and all passengers must wear a safety belt for protection, while riding the vehicle. There is a stop work policy in which we stop work when we believe is unsafe and immediate report must be made to the line management. It's everyone's responsibility to report any accident, injury, unsafe acts and conditions. HESS audit lead by the HESS Manager is conducted quarterly every year and is reported to line management for safety improvement and corrective action. And also SMART cares our employees Safety. Our Health, Environment, Safety and Social Responsibilities Guidelines are following:

- All accidents can be prevented
- All occupational illness can be prevented
- Preventing accidents and condition of employment
- Safety and protecting environment is line management responsibility.
- Line management has a responsibility to train all employees for safety.
- No economic policy shall over rule the health and safety at work.
- All employees have authority to stop work if the Environmental area and condition is unsafe to wok.

IMPLEMENTATION

As SMART Code of Ethic 's Equal Opportunity section mention We are our Company's most valuable resources and are essential to its success. All of our employees are expected to treat each other professionally, based on mutual respect, trust and individual value". SMART does yearly medical checkup and personal accidence insurance for their employee. SMART Human Resource Department and Compliance team always give the training such as Employee rules and regulations, Employee benefited (such as Working Hour, Leaves, Medical benefit , Tax etc comply with Local Law and International Law). Gender Equality and Respect for diversity in a work place etc. To develop the employees training and coaching representative from each Departments Heads and Senior Officers are compulsory trainers. And also the employee who wants to involve about the training programs as a trainer .The internal training program is aiming that to improve employees' Presentation Skill, Emotional Quotient Level and Respectful in workplace. Compliance section is the main section for delivering training dealing with the majority title of the whole organization. In 2021 we arrangement 21 titles gave to SMART Technical Services staff (Head Office). In this year we implement the new training programs such as Knowledge for English Learning Training and Using Computer Awareness Training. Those trainings are more effective for employee. Our 2021 training program are following

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Period: For the year 2021

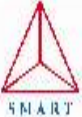
| No | Designation/Section/Group | Type of Training | Trainer | Date/Month |
|----|----------------------------|---|---------------------|---|
| 1 | Managing Director | Knowledge for English Learning Training | Ma Yadana Su Hlaing | Every Friday (alternative Computer Training) |
| 2 | Operation Director | Using Computer Awareness Training | Ko Pyin Sa | Every Friday (alternative English Training) |
| 3 | Account Department | Budgeting | Ko Phyo | December,2020 |
| 4 | Business Development Dept | Digital Economy | Ko Zune Min Htwe | January,2021 |
| 5 | MD Office | Importance of Adaptability | Ma Tin Moe Khing | January ,2021 |
| 6 | HESS Dept | Workplace Safety Mistakes | Ko Eain Si Hein | January ,2021 |
| 7 | Business Development Dept | Value of Client Service | Ma Suzan Ngwe Lwin | February,2021 |
| 8 | Document & Compliance Dept | Gender Equality | Ma Khwar Pyar Thin | March,2021 |
| 9 | Guest Speaker | Public Speaking | Dr.Win Win Myint | March,2021 |
| 10 | HESS Dept | Fire Safety & Fire Extinguisher Usage | Ko Eain Si Hein | April,2021 |
| 11 | Agency and Logistic Dept | Automation/AI | Ko Nay Lynn Maung | April,2021 |



Think Big, Aim High, WORK SMART





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|----|----------------------------|---|---------------------|----------------|
| 12 | Business Development | Cyber Security | Ma May Barany Aung | May,2021 |
| 13 | Agency and Logistic Dept | 5G Technology | Ma Thinzar Moe | May,2021 |
| 14 | Managing Director | Transformational Leadership | Ma Yadana Su Hlaing | June,2021 |
| 15 | MD Office Dept | Emotional Intelligence | Ma Aye Aye Myo | July,2021 |
| 16 | HESS Dept | From Safety Culture to Healthy Lifestyles | Ko Eain Si Heine | July ,2021 |
| 17 | Document & Compliance Dept | Occupied ISO certificates awareness | Ma Khwar Pyar Thin | August ,2021 |
| 18 | Managing Director | Corporate Governance | Ma Yadana Su Hlaing | September,2021 |
| 19 | Catering Dept | Internet of Things (IOT) | Ko Saw Pyi Soe Moe | October,2021 |
| 20 | Document & Compliance Dept | Diversity in Work Place | Ma Thet Thet Mar | October,2021 |
| 21 | HESS Dept | Ergonomic & Workplace stress | Ko Eain Si Heine | November,2021 |
| 22 | Project HR | Human Capacity Development | Ma Hnin Oo Wai | November,2021 |
| 23 | Document & Compliance Dept | Business Ethics | Ma Khwar Pyar Thin | December,2021 |

| | | |
|-----------------------------|--------------------------------|--------------------------------------|
| Prepared By : | Reviewed By : | Approved By : |
| D&C Officer : Thet Thet Mar | Section Head : Khwar Pyar Thin | Managing Director : Yadana Su Hlaing |
| Date : 18.12.2020 | Date : 18.12.2020 | Date : 18.12.2020 |



Think Big, Aim High, WORK SMART





MEASUREMENT OUTCOME

We measure our Human right compliance by morning and following

-All employees must have related Job Description and yearly Objective and do KPI upon their Job Description. Every end of the year SMART Management Team always checks their performances and evaluates promoting (without illegal bias).

-SMART describe Violation of Labor principal is mention in SMART Labor policy as SMART labor policy shall be controlled and watched under SMART Ethical Committee. It is the responsibility of everyone to ensure that standards of conduct are implemented responsibility of everyone to ensure that standards of conduct are implemented and maintained, and any employee or other person who wishes to report a violation of policy should report such violation to the SMART Ethical Committee. Violation result will be confirmed under the decision of SMART Ethical Committee. In certain circumstances, the final decision will be confirmed by regional Labor Offices or the Court.

-About the Labor Social Compliance ,SMART Senior Management Review (with zoom meeting) in December 2020 as the areas of Health, Environment, Safety & Social Responsibilities work place and Equal Opportunity (Humane Treatment, Nondiscrimination) and Employees Awareness Trainings and Minimum Wages and Employees Salary and Employees benefits (Leave, Overtimes, other allowance, SSB (Social Security Board), Insurance, Uniform issue and Medical Checkup)and Employee Contracts.

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environment 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

As the ISO 14001:2015 certificate occupies company, SMART commit to developing a positive Health, Environment, Safety & Social Responsibilities culture throughout the organization. Protecting the environment and environment responsibility is the core value of SMART. In our Health, Environment, Safety & Social Responsibilities Policy statement, We are committed that:

- Developing a positive Health, Environment, Safety & Social Responsibilities culture throughout the organization.
- Constantly seeking the requirement of social responsibilities and fulfilling in accordance with the company goals.
- Developing organizational structures appropriate to meeting those objectives in each section of our business.
- The systematic identification and control of risks to Health, Environment & Safety.
- Providing the information, instruction, supervision and consultation with staffs and clients as necessary to implement and maintain high standards of Health, Environment & Safety.

We continually work in partnership with our clients and suppliers to provide and maintain safe and safety working practices. We also work to promote positive policies regarding Health & Environment Concerns at work. Each employee is responsible for ensuring strict adherence to the company's policies.



SMART supplier shall develop, implement and maintain environmentally responsible business practice. Suppliers are responsible for managing, measuring and minimizing the environmental impact of their facilities. Specific focus areas include air emissions, waste reduction, recovery and management; water use and disposal by practicing Reduce, Reuse and Recycle. And also for the social responsibility business, supplier shall take responsible of what impacts to their society.

SMART release waste management procedure to protect the our environment .One of our company providing services is Catering Services. We need to control food waste and need to do waste management. The waste management procedure is concern not only catering service but also all services of employees. All employees must understand this waste management procedure.

IMPLEMENTATION

Conduct by SMART HESS team give awareness Environment trainings, Safety Orientation and Quarterly Safety Trainings such as Waste Management, Live Green Policy. Do the activities of reduce the paper in office and habit to reduce the plastic to all employee including Head office employee and operation site employees. In this year 2021 SMART emphasize concern with social distancing in work place environmental and give awareness training, wall poster and monitoring to employees about Covid -19 period.

SMART publishes Safety Awareness videos a campaign of education short safety movies, which was filmed for training public schools local communities and corporate organization, the movies include public awareness about good the movies include public awareness about good safety work practices in an operational working environment as well as personal habits of safety practice.

SMART Continual measurement, monitoring and corrective action will be taken

1. Reduction of office electricity consumption
2. Reduction of office water usage consumption
3. Reduction of paper usage
4. Reuse the draft paper
5. Recycle of office paper waste
6. Use the solar power (renewable energy)
7. To reduce elevator usage
8. To reduce noise pollution by generator
9. Plastic free office environment
10. Live Green Policy
11. Waste Disposal management

The goal of environmental sustainability is to conserve natural resources and to develop alternate sources of power while reducing power while reducing pollution and harm to the environment.

MEASUREMENT OUTCOME

We measure the outcome by analyzing and monitoring

-In this reporting year SMART gave 4th trainings for employees concern with Safety and Environment Safety training such as Workplace Safety Mistakes, Fire Safety & Fire Extinguisher Usage, From Safety Culture to Healthy Lifestyles and Ergonomic & Workplace stress etc.

-The SMART safety movies scripts are directed and played actors by SMART employees. The movie include public awareness about good safety work practices in an operational working environment as



well as personal habits of safety practice. Now we publishing 7 videos in our website, Youtube Channel and Facebook page.

ANTI-CORRUPTION

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

ASSESSMENT, POLICY and GOALS

SMART is emphasizing that the clean business and good business. To create the good business organization shall clean Bribery and Corruption cases. SMART released Ant bribery and Corruption policy since 2013 and also SMART is an active participant of TRACE. international. All SMART employees must comply SMART Anti-bribery policy. This policy which creates an ethical culture promotes compliance and integrity where we operate. We take a zero-tolerance approach to bribery and corruption and create more sustainable platform for future growth. We have responsible to communicate our company commitment to ensure our employee and third parties representative fully understand this scope and application of Anti-Bribery and Corruption Policy. In SMART Anti-bribery and Corruption are description that which action take bribery and corruption cases.

All SMART's Employee cannot offer, pay, make, seek or accept a personal payment, gift, entertainment, meal and travel more than nominal value (defined as USD 25 or any lower limit specified by the location) that might directly or indirectly influence the employees' business judgments or advantage. Beyond above defined limit, which means more than 25 USD or local equivalent, we need to obtain approval from the line management. We only encourage corporate gift with SMART Logo of no more than USD 25 value. This statement is also mention at SMART Code of Ethic policy. The categories mention at SMART Code of Ethic policy as Conflicts of Interest, Inside Trading and work with Government Official are control to employee not infraction for Bribery and corruption case. SMART control the bribery cases not only employees but also supplier or third parties who work with SMART. As a mutation at SMART Code of Conduct for Supplier, SMART personnel are prohibited from receiving the travel tickets, frequent meals or expensive gifts, gifts of cash or cash equivalents, such as gifts card and others specials gift are never allowed.

IMPLEMENTATION

Compliance team has responsibility to give the training about Anti-Bribery and Corruption and also to mortaring and assess employee knowledge the policy, rule and regulation and their action to their operation if need more effective awareness training make again. In November 2020, Document and Compliance Department sent our new 20 Suppliers (vendors) that one of company policy as " Code of conduct

for supplier" procedure to our suppliers (vendors) to protect Conflict of Interest between SMART employees and Suppliers (vendors).

Cost Controller, Financial Controller and Audit team check and interrogate the documents as Cash Advance, Rechargeable and Expense Account record from employees. Employees must show accuracy financial documents to Company finance team.



MEASUREMENT OUTCOME

We measure the outcome by analyzing and monitoring

SMART compliance team issued Compliance Risk Assessment which assess the internal based research from all department by individually.

Finance team must be awareness anti-bribery and corruption cases and know the way how to control and investigate if the case occurs. During this year, no cases concern with bribery and corruption.

CONTACT DETAILS

SMART Technical Services Co.,Ltd

Address : 4th Floor, 38th Plaza (YCDC) Building, Seikkantha Street (UpperBlock),
Kyauktada Township, Yangon, Myanmar

Contact Person: Ms.Khwar Pyar Thin

Position : Document & Compliance Manager

Tel : (+) 95 9 861 6730, 861 6731,(+) 95 9 797006230

Fax : (+) 95 1299 622

Hot Line : (+) 95 1 700 660

E mail : compliance.smartech@gmail.com

Website : www.smart-technical.com