

MAX MYANMAR

**CORPORATE GOVERNANCE
MANUAL**

CORPORATE GOVERNANCE MANUAL

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CORPORATE GOVERNANCE MANUAL OF MAX MYANMAR GROUP

INTRODUCTION

Central to corporate governance thinking and practice are the shareholders, the board of directors and the management. Max Myanmar always focus to align as nearly as possible the interests of individuals, corporations and society with holding the balance between the corporate governance and company goals. Max Myanmar strives to establish an effective board, which is collectively responsible for the long-term success of the company, including the definition of the corporate strategy.

GOVERNANCE FRAMEWORK

The group's principal decision-making body is the board. It has responsibility for setting the group's strategic direction and for ensuring the group manages risk effectively. The board is accountable to shareholders for the group's financial and operational performance. There is a clear division of responsibilities between the running of the board and the executive responsibility for the running of the business.

PART I: BOARD OF DIRECTORS

1.1 The Board's Responsibility

The Board ensures to live up Max Myanmar's commitment to responsible practices. The Board also upholds the Company's value and ensures that the management is accountable to these values. The board also focuses on adopting and reviewing a comprehensive risk management process, establishing and reviewing the system and procedures of control and risk management, adopting policies for organizational arrangements for delegating authority and responsibility and finally adopting adequate internal practices and procedures that promote ethical and professional standards.

Accountability

- Protection of shareholder rights
- Adequate transparency and disclosure – financial and non-financial information
- Time and Accurate Information
- Review and approve the annual financial statements to provide shareholders with a balanced and clear assessment

Policy Formulation

- Creating vision and values
- Developing corporate climate and culture
- Monitoring the external environment
- Approving policy framework

Oversight and Control

- Internal control and risk management
- Financial management and reporting
- Internal/External audit
- Compliance
- Oversight of management performance

Strategy and Stewardship

- Strategic thinking by setting Max Myanmar's direction and risk appetite
- CEO/Executive selection and evaluation
- Succession planning

1.2 Diversity of the Board

Max Myanmar has taken and continues to take several steps to promote diversity both at senior management level and in the boardroom. Developing policies and processes that prevent bias in relation to recruitment and promotion form the basis of this. The key to progress lies in ensuring that positive measures are taken by balancing the diversity in succession planning and talent management. Promoting gender diversity in the flexible employment policies to create family friendly working environment.

1.3 Appointments to the Board

The search for board candidates is conducted and appointments made, on merit, against objective selection criteria, having due regard for the benefits of diversity on the board, including gender. The Nomination Committee works with the Board to determine the appropriate qualification, skills and experience for the Board.

1.4 Director Induction and Development

Under MaxOne Training Program, with the title of “From Strategy to Execution”, Max Leadership Retreat program was offered to top executives of Max Myanmar in accordance with Max’s vision and mission. Our intention is that all directors have familiarity with and appropriate knowledge of Max Myanmar and gain access to operations and employees. The board ensures that the company provides the necessary resources to allow this to happen. We take various steps to ensure that all of our directors continually refresh their knowledge and skills so that they can effectively fulfil their roles on our board and its committees and so that their contributions remain informed and relevant.

1.5 Performance Evaluation of Board Members

Performance evaluation is a key means by which boards can recognize and correct corporate governance problems and add real value to their organizations. Our evaluation process is an annual exercise and the process is tailored to the requirement of the company. The results could range from relatively minor amendments to Board processes, changes in Board Composition and alternations in Committees Structures. To be a meaningful exercise, the outcomes must result in an actionable plan. For the evaluations to be successful and the process smooth, the Chairperson must be prepared to lead the exercise and the Board shoulder the responsibility of managing both the process as well as the format of the evaluation. Since trust in the process and its confidentiality are critical for success of the evaluation exercise, the results of individual assessments will be confidential between the Chairperson and the concerned party.

1.6 Conduct of Board Meetings and Quorum Requirements

During the Board Meetings, all the directors shall act only as a Board, and the individual directors shall have no power as such. A majority of the Board shall constitute a quorum for the transaction of business and the vote of a majority of the quorum of the Board shall always be needed to decide any action. It shall meet regularly to properly discharge its functions. It shall also ensure that independent views in Board meetings shall be given full consideration and all such meetings shall be duly minuted.

The board directors need to attend and actively in all meetings of the Board, Committees and shareholders in person or through video-conferencing if necessary in accordance with Max Myanmar Group's rules and regulations except when justifiable causes such as illness, death in the immediate family and serious accidents. The absence of a director in more than 50 percent of all BOD meeting will be disqualified unless the absence is due to justifiable causes.

Special meetings of the Board may be called at any time by the Chairman, or in his absence, by the Vice Chairman or pursuant to the written request of any four directors.

Annual General Meeting is an important part of effective communication with shareholders. Our annual general meeting will be held once a year at suitable locations in Yangon. Notice is normally sent to stakeholders beforehand. At the annual general meeting, we propose separate resolutions on each substantially separate issue.

1.6.1 Scheduling of meetings

The Chairman, in consultation with other members of the Board, shall determine the timing and length of the meetings of the Board. The Board expects at least five board meetings per year at appropriate intervals are generally desirable for the performance of the Board's responsibilities. In addition to regularly scheduled meetings, additional Board meetings may be called upon appropriate notice at any time to address specific needs of the Company. A special meeting of the Board may be called at any time by Chairman, CEO, and the Lead Director or by members of the Board of Directors constituting no less than a majority of the total number of independent Directors then in office.

1.6.2 Agenda

The Chairman and Chief Executive Officer, in conjunction with the Lead Director, shall establish the agenda for each Board meeting. Each Director shall be entitled to suggest the inclusion of items on the agenda, request the presence of any member of the Company's senior management, or at any Board meeting raise subjects that are not on the agenda for that meeting. Subject to reasonable exception, Directors shall be advised of significant agenda items and shall be furnished with appropriate supporting materials, including minutes of Board and Committee meetings, in advance of meetings of the Board and Committees of the Board.

1.6.3 Management Presentations

Management shall make presentations to the Board on the performance, operations, strategies, decisions to be made and significant activities of the Company.

1.6.4 Minutes of Meetings of the Board

The formal minutes of Board Meetings will be distributed to all Board members within one week of conclusion of the meeting.

PART II: DIRECTORS

2.1 Qualifications of a Director

- a) The Board directors should have the following minimum qualifications.;
- b) BOD members should have appropriate experience, integrity and personal qualities; adhere to the best industry's professional practices.
- c) Directors must act in good faith in what they believe to be the best interests of the company. Generally, the interests of the company are to be equated with the interests of its members as a whole. As between different groups of shareholders, the directors must act fairly.
- d) Director must be fit and proper for the position of a director of the Max Myanmar Group BOD. In determining whether a person is fit and proper for the position of a director, the following matters must be considered: integrity/probity; physical/mental fitness; relevant education/financial literacy; possession of competencies relevant to the job, such as knowledge and experience, skills, diligence and independence of mind and sufficiency of time to full carry out responsibilities.
- e) In the case of director's integrity, consideration shall be given to the director's reputation, observed conduct and behavior, as well as his ability to continuously comply with company policies and applicable laws and regulations, including market conduct rules and the relevant requirements and standards of Myanmar Company Laws.
- f) BOD members should always remain qualified, by means of attending training courses relevant to their duties. They should have a clear understanding of their role in corporate governance and be able to exercise sound and objective judgment about the affairs of the Max Myanmar Group.

2.2 Independent and Non-Executive Directors

The role of an independent and non-executive director has a positive contribution to making and ensuring that the board fulfils its main objectives. He can exercise an impartial influence and bring to bear experience gained from other fields; executive directors would therefore be well advised to consider the appointment of such directors to serve alongside them.

Independent and Non-executive director means a Director who has no direct or indirect material relationship with Max Myanmar Holding and its subsidiaries rather than membership on the Board.

Based on the international practices, Max Myanmar ensure Board is well structured with independent and non-executive directors who meet the following requirements.

- (a) Is not, and has not been in the past five (5) years, employed by the Company or its Affiliates;
- (b) Does not have, and has not had in the past five (5) years, a business relationship with the Company or its Affiliates, either directly or as a partner, shareholder and is not a director, officer or senior employee of a Person that has or had such a relationship;

- (c) Is not affiliated with any non-profit organization that receives significant funding from the Company or its Affiliates;
- (d) Does not receive and has not received in the past five (5) years, any additional remuneration from the Company or its Affiliates other than his or her director's fee and such director's fee does not constitute a significant portion of his or her annual income;
- (e) Does not participate in any share option plan or pension plan of the Company or any of its Affiliates;
- (f) Is not employed as an executive officer of another company where any of the Company's executives serve on that company's board of directors;
- (g) Is not, nor has been at any time during the past five (5) years, affiliated with or employed by a present or former auditor of the Company or any of its Affiliates;
- (h) Does not hold a material interest in the Company or its Affiliates (either directly or as a partner, shareholder, director, officer or senior employee of a Person that holds such an interest);
- (i) Is not a member of the immediate family (and is not the executor, administrator or personal representative of any such Person who is deceased or legally incompetent) of any individual who would not meet any of the tests set out in (a) to (h).
- (j) Is identified in the annual report of the Company distributed to the shareholders of the Company as an independent director; and
- (k) Has not served on the Board for more than ten (10) years.

2.3 ROLES AND RESPONSIBILITIES OF BOARD DIRECTOR

Directors shall discharge the duties of their positions in good faith, in a manner reasonably believed to be in the best interests of the Company and with such care, skill and diligence, including reasonable inquiry as a person of ordinary prudence would use under similar circumstances.

The responsibility of the Board of Directors is to supervise and direct the management of the Company. To that end, the role of the Board of Directors (references to the Board include the Committees of the Board, as applicable) shall include, but not be limited to:

- (1) The selection, appointment and regular evaluation of the performance, and approval of the compensation of, the Chief Executive Officer and, with the advice of the Chief Executive Officer, the principal senior executives;
- (2) The development of plans for succession with respect to the position of Chief Executive Officer, and monitoring succession planning for other key executives;

- (3) Oversight of the conduct of the Company's business and evaluation of whether the business is being properly managed;
- (4) Review and, where appropriate, approval of the Company's objectives, plans and actions, including its longer term strategic plans;
- (5) Review of the Company's financial statements;
- (6) Assessment of major risk factors relating to the Company and its performance, and review of measures taken or intended to be taken to address and mitigate such risks; and
- (7) Evaluation of whether appropriate systems and processes are in place to support the effective management of the Company in accordance with applicable legal requirements and the Company's Code of Business Conduct and Ethics.

2.4 ORIENTATION AND CONTINUING DEVELOPMENTS

2.4.1 Orientation for New Directors

A session of orientation with key senior management executives will be provided to discuss the core business activities and operations of Max Myanmar Group. New directors will be given the Board Structure and Composition, Board Committees and Charters, Code of Conduct and other relevant policies adopted by the Board, Schedule of Board Meetings and Annual Reports.

2.4.2 Continuing Developments for Board Directors

Board directors should regularly develop their skills, experience and knowledge through attending tailored training programs on financing, operations, strategic planning, governance, risk management, internal controls and audit as well as participating in conferences and MaxOne program which is internal leadership retreat program for top executives of Max Myanmar in accordance with Max's vision and mission.

Part III. CHAIRMAN OF THE BOARD

The role of the Chairman is to manage and to provide leadership to the Board of Directors of the Company. The Chairman is accountable to the Board and acts as a direct liaison between the Board and the management of Max Myanmar.

Guided by the Board's strategic objectives, the Executive Chairman will articulate the corporate direction set by the Board. The Chairman provides guidance on the strategic action plans for business development while at the same time ensuring adequate and effective risk management controls are in place.

The Executive Chairman takes a leadership to ensure implementation of corporate governance, transparency and proper delegation of duties. He is a motivator and leads the Max Myanmar Group in communicating and demonstrating the Max's corporate values.

3.1 Roles and Responsibilities of the Executive Chairman

The duties and responsibilities of the Chairman are as followings:

- a) Ensure that directors are properly informed, and that sufficient information is provided to enable the directors to form appropriate judgments;
- b) Act as chair at meetings of the Board;
- c) Review and sign minutes of Board meetings;
- d) Ensure Board members have rights to raise their view on Board matters and issues are discussed and taken for implementation;
- e) Consult with external advisers and ensure the Board has proper contact with the management team;
- f) Call special meetings of the Board where appropriate;
- g) Review and recommend to the Board annually regarding the effectiveness of the Board as a whole, the committees of the Board and individual Directors;
- h) Address internal disputes and conflicts of interest concerning individual Board members and the possible resignation of such members as a result;
- i) Encourage a high standard of good corporate governance;
- j) Review and evaluate the performance of the Board members and management team annually; and
- k) Ensure that the development of the Group's businesses and the protection of the reputation of the Company and its subsidiaries receives sufficient attention from the Board.

PART IV: CORPORATE VALUES AND GROUP STRUCTURE

4.1 Corporate Objectives, Ethics and Values

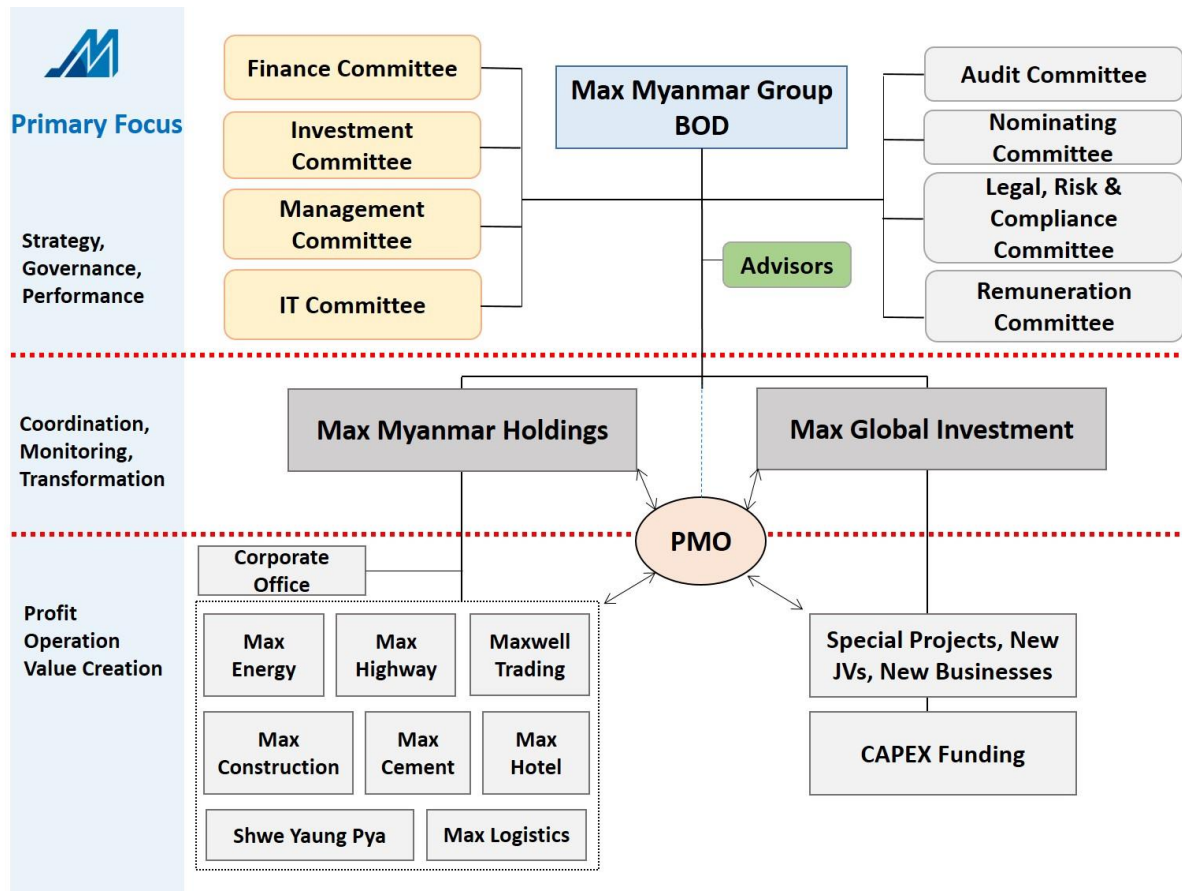
4.1.1 Corporate Objectives

- a) By thoroughly strengthening synergies across the Group, subsidiaries of Max Myanmar must strive to develop and expand their respective business operations, thereby enabling the entire Group to enjoy synergetic effects.
- b) To acquire businesses that are complementary to the Group's existing operations, in areas where the Group's management has proven expertise, and which offer prospective returns on capital in excess of the Group's weighted average cost of capital.
- c) As we continue developing our business operations in various fields, it is our mission to proactively develop initiatives to respond to environmental issues.
- d) As a socially responsible company, Max Myanmar will contribute to the development of local industries and economies through the expansion of their business operations.

4.1.2 Ethics and Values

- a) Board should define proper governance practices for Max Myanmar Group and have in place the means to ensure that such practices are followed and periodically reviewed for ongoing improvement.
- b) The policies and code of conduct should include provision for avoidance of conflict of interest and deals made based on insider information for achieving personal benefits.
- c) The Group's code of conduct should be circulated to all Max Myanmar staff and board members. Max shall also publish that code of conduct on its website in both English and Myanmar language.

4.2 Group's Structure



Max Myanmar Group BOD has the overall responsibility for adequate corporate governance across the group and ensuring that there are governance policies and mechanisms appropriate to the structure, business and risks of the group and its entities and periodically review such policies to ensure compliance of each subsidiary with applicable corporate governance requirements.

4.3 Confidentiality

- Non-disclosure of any information unless by the authorized persons and to the extent allowed by Max Myanmar's internal rules, instructions and policies.
- All BOD members and managements should ensure the importance of not utilizing any information about Max Myanmar Group and its entities for personal interests or the interests of other related parties.

Part V: BOARD COMMITTEES

5.1 Management Committee

5.1.1 Purpose

The committee defines group's strategy as well as each of its subsidiaries' direction and creates synergy among SBUs. Execution from strategy (plan) to action (work) is the primary focus of management committee. The committee standardizes operational processes to improve operational performance by lowering operational cost possible. The committee also defines Key Performance Indicators (KPIs) for each SBU and monitors as well as measures those KPIs to advice senior leadership on performance improvement.

5.1.2 Committee Authority

- The Committee may obtain advice, assistance and support from legal, accounting and finance from all subsidiaries.
- The committee shall also have authority to obtain advice and assistance from internal or external advisors.

5.1.3 Composition

- The composition of the Management Committee will be determined by top management team from Max Holding and CEO from subsidiaries.
- Other members of the management can be invited on a case basis however they will not constitute a part of the committee.

5.1.4 Responsibilities

The committee shall be responsible for;

- Determine strategic directions across group level and make recommendations on changes in existing strategies or policies
- Review, discuss and provide recommendations on monthly operational reports that are presented to the group
- Review monthly performance in contrast to the business plan and make recommendations for corrective actions to be taken
- Advice for any changes to the organization structures if necessary
- Oversee and provide guidance to the Chairman on any required transformation taking place across group level for better efficiencies and effectivities
- Review and discuss issues arising from other committees' minutes and reports
- Ensure the group is in align with good corporate governance as well as provide guidance on C Corporate Responsibility (CR) aspects that integrate social and environmental concerns into business operations and the interaction with their stakeholders.

5.1.5 Meetings

- The management committee meeting will be chaired by Group Chief Executive Officer (CEO)

- The committee shall meet monthly or as required
- The committee shall meet in person or via videoconferencing if necessary
- The committee shall keep meeting minutes which shall be circulated to members for objections and approval.

5.2 Finance Committee

5.2.1 Purpose

This committee oversees & appraises the quality of the Finance effort of the Company's internal Finance Function and its External Auditor. It is to assist the BOD in fulfilling its fiduciary responsibilities to the Company and each of its Subsidiary to act in the interest of the Company's Shareholder as a whole. It reviews the adequacy of the Internal Controls (both accounting and operation) and serves as an independent party to review the integrity of the financial information presented by the Management to the Shareholders.

5.2.2 Committee Authority

- The Committee shall have available to it the resource and authority appropriate to discharge its duties and responsibilities, including support from management personnel.

5.2.3 Composition

- The committee shall consist no fewer than three members.
- The Board shall appoint the Chair and other members of the Committee annually in the recommendation of Nominating Committee and as vacancies or newly created positions occur.

5.2.4 Responsibilities

The committee shall be responsible for;

- Formulate and oversee the group and its subsidiaries' overall financial policies and objectives including capital project review and approval of financing plans and transactions.
- Review the company's annual budget and dividend policy.
- Evaluate the performance of, and returns upon, approved capital expenditures and shall report the results of its evaluations to the Board of Directors.
- Review the group's and its subsidiaries' short-term and long-term financing plans
- Review, assess and evaluate management's recommendations for capital structure, debt and other financings and transactions for approval to the Board.

5.2.5 Meetings

- The Chair person shall be responsible for leadership of the committee, including overseeing the agenda and presiding over the meetings.

- The Committee shall meet monthly and hold such meetings from time to time as may be called by its Chairperson or requested by the Group Chief Executive Officer or a majority of the members of the Committee.
- The Committee meetings shall be held in person or via videoconferencing if necessary.

5.3 Investment Committee

5.3.1 Purpose

The primary focus is developing and maintaining committee governance documents by reviewing, evaluating and recommending the guiding principles that govern the overall approach with respect to investment risk management. Oversee investment risks by ensuring that an appropriate control environment and reporting process are in place to govern the investments' ongoing activities. The investment committee recommends to the Board for approval Board risk limits.

5.3.2 Committee Authority

- The Committee may delegate to the investment personnel or external investment managers the authority to approve such investment matters as the Committee deems appropriate.
- The Committee shall have the authority to obtain advice and assistance from internal or external legal, investment, or other advisers and to take such other action as it may deem appropriate.
- The Committee also may form, and delegate its authority under this Charter to, subcommittees, as it deems appropriate.

5.3.3 Composition

- The Committee shall consist of not fewer than three members of the Board, appointed annually by the Board, at least one of whom shall also be a member of the Finance Committee of the Board.
- The Board may appoint the Committee's Chair, but if the Board has not appointed a Chair, the Committee shall elect a Chair from among its members.
- In addition, Chief Executive Officer shall be a member of the Committee without voting rights.
- A member may be removed from the Committee at any time, with or without cause, by like vote of the Board.

5.3.4 Responsibilities

The committee shall be responsible for;

- Develop investment policy statement including an investment philosophy and investment strategy for selecting and monitoring investment options with due diligence procedures.

- Review and oversee the investment department’s activities including its key investment processes, such as manager selection, retention, and monitoring; decisions within asset classes; risk management, liquidity, and operations; manager and peer institution relationships; internal relationships with other departments of the Foundation; and other activities the Committee deems appropriate.
- Evaluate the asset allocation targets, investment guidelines and performance measurements to oversee the selection and evaluation of investors.
- Ensure the investment goals, objectives and standards are effectively communicated to investment officers, including any material changes that may subsequently occur.

5.3.5 Meetings

The Committee shall meet monthly and more frequently as circumstances require or as the Committee’s Chair or as any two committee members may request.

The Committee may request any management, trustees, officers, employee or advisers of Max Myanmar to attend any meeting of the Committee and/or provide such pertinent information as the Committee requests.

5.4 Internal Audit Committee

5.4.1 Purpose

The Committee typically reviews financial statements quarterly and annually in public companies. In addition, members will often discuss complex accounting estimates and judgments made by management and the implementation of new accounting principles or regulations. Audit committees interact regularly with senior financial management such as the CFO and Controller and are in a position to comment on the capabilities of these managers.

5.4.2 Committee Authority

- The Committee shall be empowered to investigate any matter brought to its attention with full access to all company books, records and personnel, using special counsel or outside experts when necessary or appropriate.
- The Committee shall obtain the necessary cooperation and assistance of personnel in units of the organization where they perform audits, as well as other specialized services from within or outside the organization.
- The Committee shall obtain the necessary cooperation and assistance of personnel in units of the organization where they perform audits, as well as other specialized services from within or outside the organization.

5.4.3 Composition

- The Committee shall consist of at least two members of the Board, majority of whom should be independent directors.
- The Committee shall be chaired by an independent director, who is not at the same time the Chairman of the Board of any other Board Committee.

- The Committee's members shall have adequate and competent understanding of finance, accounting and auditing processes, in addition to thorough knowledge of the Company's business and industry in which it operates.
- Members of the Committee shall be designated by the Board annually and any member of the Committee may be removed from the Committee, with or without cause, by a majority vote of the Board.

5.4.4 Responsibilities

The committee shall be responsible for;

- The Committee will take appropriate actions to monitor the overall corporate tone for quality financial reporting, sound business risk practices and ethical behavior.
- The Committee shall discuss the Company's policies on risk assessment and risk management, including the risk of fraud.
- The Committee also shall discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
- The Committee shall review with senior management the Company's overall anti-fraud programs and controls.
- The Committee shall discuss with the internal auditors and the independent auditor the overall scope and plans for their respective audits.
- The Committee shall meet to review and discuss the annual audited financial statements, including Management's discussion and analysis of financial condition and results of operations, with management and the independent auditor prior to the filing of the company's annual report.
- The Committee shall discuss the results of the annual audit and any matters required to be communicated to the annual audit and any matters required to be communicated to the committee by the independent auditor under professional standards.
- The Committee shall determine that the independent auditor has a process in place to address the rotation of the lead audit partner and other audit partners.
- At least annually, the Committee shall obtain and review a report by the independent auditor describing the firm's internal quality control procedures, any material issues raised by the most recent internal quality control review of the firm and all relationships between the independent auditor and the company to assess the auditors' independence.
- The Committee shall regularly review with the independent auditor any audit problem or difficulties encountered during the course of the audit work, including any restrictions on the scope of the independent auditor's activities or access to requested information, and management's response.

5.4.5 Meetings

- The Committee shall meet at least three times annually, or more frequently as necessary
- The Committee shall meet at least annually with the external auditor and the independent accountants in separate executive sessions to discuss any matters.

5.5 Remuneration Committee

5.5.1 Purpose

The Committee is to consider matters relating to executive reward, including policy for executive directors and top and senior managers' remuneration and their annual individual remuneration awards. The committee may also review strategic HR issues including employee retention, motivation and commitment and succession planning for top and senior manager position.

5.5.2 Committee Authority

- The Committee shall be empowered to investigate any activity within the scope of its role and responsibilities.
- The Committee may call upon the Chairman of the other board committees, any of the executive directors, officers or company secretary to provide it with information, subject to following a board approved process.
- The Committee has reasonable access to the company's records, facilities and any other resources necessary to discharge its duties and responsibilities.
- The Committee has the right to obtain independent outside professional advice to assist with the execution of its duties subject to following a board approved process.
- The Committee make the recommendations to the board that it deems appropriate on any area within the ambit of its terms of reference where action or improvement is required.

5.5.3 Composition

- The Committee shall have two to three Board members nominated annually by the Board.
- The Chairman of the Committee will be independent director and will be free from any business or other relationship.

5.5.4 Responsibilities

The committee shall be responsible for;

- Review and make recommendations to the Board in relation to Max Myanmar Group Remuneration Policy and to assess the Group Remuneration Policy's effectiveness and its compliance with international standards.
- Review and make recommendations to the Board in relation to the remuneration structures for different levels of employee.
- Review and make recommendations to the Board on corporate goals and objectives relevant to the remuneration of the CEO and the performance of the CEO in accordance with corporate objectives.
- Review and make recommendations to the Board on short-term and long-term incentive plans for Max Myanmar Group's Executives.

- Review and make recommendations to the Board in relation to approving any and all equity-based plans (Equity Plans).

5.5.5 Meetings

- The Committee shall meet at least four times annually, or more frequently as necessary
- In addition to the members of the Committee, other independent directors of the Board are entitled to attend Committee meetings upon request.
- The CEO of Max Myanmar Group will be invited to attend Committee meetings but will have no voting rights and must not be present during discussions on his or her own remuneration.
- The agenda and supporting documentation will be circulated to the Committee members within a reasonable period in advance of each meeting.

5.6 Nomination Committee

5.6.1 Purpose

The Committee is responsible for considering matters relating to the composition of the board, including the appointment of new directors, making recommendations to the Chairman as appropriate. The committee reviews succession plans for the chairperson, MD and other key board positions. This review might also review corporate governance arrangements and oversee the annual performance evaluation of the board, its committee and the individual directors.

5.6.2 Committee Authority

- The Committee shall be empowered to conduct or authorize investigations of any matter brought to its attention.
- At the company's expense, the Committee has the authority to engage, counsel, executive search firms or other advisors as it deems appropriate to carry out its duties.

5.6.3 Composition

- The Committee Chair will be appointed by the Board and the committee will comprise at least two directors who are 'independent' as such terms that each member shall be free of any relationship that would interfere with his or her individual exercise of independent judgment in carrying out the responsibilities of a member of this Committee.
- Each member of the Committee, as well as the chairperson of the Committee, shall be appointed and may be removed, by a majority of the directors then serving on the Board.

5.6.4 Responsibilities

The committee shall be responsible for;

- Identify, evaluate and recruit suitable candidates to fill any vacant or newly created positions on the Board.

- Periodically review the composition, skills and qualifications of the members of the Board, and report to the Board regarding suggested changes in size or composition of the Board and any succession planning for the Board chairperson and other Board members.
- Review and reassess tendered by any directors and make recommendations to the Board as to actions that should be taken, including whether to accept or reject the tendered resignations.

5.6.5 Meetings

- The Nominating Committee shall meet as often as its members deem necessary to perform the Nominating Committee's responsibilities, but not less frequently than annually.
- Meetings of the Committee may be held face-to-face or via videoconferencing and follow-on deliberations may be accomplished by email disclosure.

5.7 Legal, Risk and Compliance Committee

5.7.1 Purpose

The Committee's role is to provide advice and assistance to the Board in relation to the governance framework of the Company, including in relation to its risk management and internal control systems, compliance policies and legal functions. The committee is advised by Group Advisors to review the effectiveness of Max Group's risk management framework policies and initiatives to identify the company's material risks and the appropriateness of the risk management processes in place to address them. Besides, the committee also monitor the effectiveness of Max Group's policies and practices that relate to compliance with laws, regulations and accounting standards. Quarterly and Annual risk assessments are carried out and actions will be taken if necessary.

5.7.2 Committee Authority

- The Committee shall seek any required information from any employee of the company and the Company's auditors in order to perform its duties.
- The Committee obtain, at the company's expense, external professional advice on any matters within its Charter.

5.7.3 Composition

- The Committee shall consist of at least three members of the Board, each of whom is as 'independent director'.
- The members of the Committee shall be appointed by the Board based upon nominations by the Nomination Committee.

5.7.4 Responsibilities

The committee shall be responsible for;

- Review the adequacy and effectiveness of the Company's policies and procedures which relates to legal, risk and compliance management as well as updating these policies and procedures where required.
- Provide input to the Board and regarding the Company's risk profile.
- Assess and monitor appropriate risk management and internal control systems to ensure that risk is managed at levels determined to be acceptable by the Board.
- Receive and consider reports on risk management and compliance programs and performance against policy and strategic targets.
- Provide the Board with advice and recommendations regarding the appropriate material and disclosure to be included in the section of the Company's annual report which relates to the Company's risk management and compliance policies.
- Ensure that management has embedded an appropriate risk management culture in the organization and that risk management is an integral part of the Company's decision-making process.
- Ensure management takes responsibility for ensuring that business areas implement effective compliance measures.
- Ensure that there are adequate compliance resources to assist business as well as undertake independent compliance reviews.
- Receive and review copies of internal and external audit reports where risk and compliance issues have been the subject of that audit.
- Monitor legal and regulatory compliance generally, including compliance with Myanmar Companies Law.

5.7.5 Meetings

- The Committee shall meet as often as is required to undertake its role effectively, but not less than twice each year.
- Representatives of management may be invited to attend part or all of any meeting of the Legal, Risk and Compliance Committee.

PART VI: COMMUNICATION WITH SHAREHOLDERS AND STAKEHOLDERS

6.1 Shareholders' Rights and Protection of Minority Shareholders' Interests

The Board ensures protection of shareholders' rights including minority interests and stakeholders in light of New Myanmar Company Act.

6.1.1 Shareholders' Rights

- Ownership registration and transfer, voting in shareholders' meetings, sharing profits and obtaining regular information.
- Review and participation in the decisions of amending articles and memorandum of association as well as the decisions related to unordinary transactions which might affect Max Myanmar's reputation or activity.
- Encouraging shareholders' effective participation in meetings and apprising them of voting procedures and rules, including notifying them of the meeting's timing and agenda quite enough before the meeting.
- Ensuring equal treatment of shareholders, including minority and foreign shareholders and giving them the opportunity to question BOD and rectify any violations of their rights.
- Providing adequate, accurate, updated and timely information to all shareholders without discrimination at the suitable time to enable them to practice their rights to the fullest.

6.1.2 Shareholders Responsibilities

- Shareholders should ensure that BOD carries on effective oversight role.
- Shareholders should ensure being familiar of Max Group, the performance of BOD and board committees. Shareholders should not interfere directly in the Max Group's affairs.
- Shareholders should not seek insider and material information on Max Group which is disclosed at appropriate time.

6.1.3 Stakeholders' Rights

- Realize that an important aspect of good governance is to ensure funds' inflows and that their interest lies in the long term into supporting wealth creation through joint cooperation and all stakeholders' participation.
- Encompass principles that provide necessary protection to stakeholders' rights, particularly the rights of investors, borrowers and shareholders, so as to guarantee the safeguard of its financial positions and to active its role in serving the society and the economic development process.
- Ensure the rights of stakeholders to obtain effective redress for violation of their rights.
- Access to relevant information, according to the nature of their participation.

6.2 Conduct of Shareholders Meetings

- The Board shall be transparent and fair in the conduct of the annual and special shareholder' meetings of the Bank. The Bank shall encourage active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least three weeks before the meeting. If they cannot attend, they shall be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the By-Laws, the exercise of the right shall not be unduly restricted and any doubt about the validity of a proxy should be resolved in the shareholder's favor.
- The Board shall encourage active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. In addition, the Minutes of the Annual General Meeting or Annual Special Shareholder's Meeting should be available on the Max Group's website within 5 working day from the meeting.

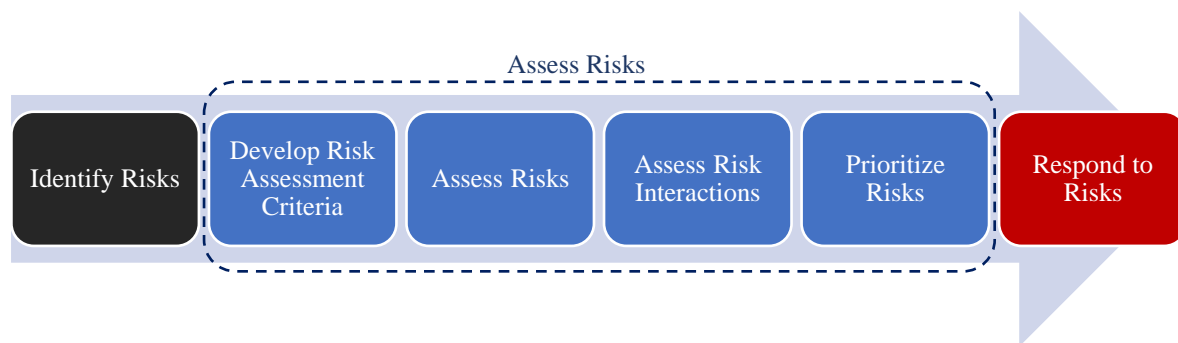
6.3 Protection of Shareholders' Rights

- Every shareholder entitled to vote a particular question or matter involved shall be entitled to one vote for each share in his/her name. Cumulative voting is allowed provided that the total votes cast by a shareholder shall not exceed the number of shares registered in his or her name as of the record date multiplied by the number of directors to be elected. Matters submitted to stockholders for the ratification shall be decided by the required vote of shareholders present in person or by proxy. Majority vote is required to approve of the minutes of the annual meeting, ratify of corporate acts and elect of external auditors.

PART VII: RISK GOVERNANCE FRAMEWORK

7.1 Risk Management Function

The Board ensure Max Myanmar Group's risk profile and is responsible for overseeing and approving risk management strategy and policies. Max Myanmar believes that risk is an inherent part of its activities and recognizes risk management as a value proposition imbued with the mission of achieving sustainable growth in profitability and shareholder value through an optimum balance of risk and return.



Max Myanmar Group's process of risk management includes;

- Risk profile of the Company contains both financial and non-financial factors including but not limited to political, social, economic and environmental risks.
- Identifying and measuring risks that might impact upon the achievement of the Group's strategy and objectives and monitoring the environment for emerging factors and trends that affect these risks.
- Formulating risk management strategies to manage identified risks and designing and implementing appropriate risk management policies.
- Monitoring the process and improving the effectiveness of risk management including regular assessment of the effectiveness of risk management.
- Monitoring risk levels to ensure timely review of risk positions and exceptions versus established limits and ensure effectiveness of risk controls using appropriate monitoring systems.
- Max Myanmar has in place a broad range of risk management policies and procedure including competent management in all discipline, an experienced Board, regular Board meetings, annual financial audit

7.2 Chief Risk Officer

The Board shall appoint a Chief Risk Officer who shall report to top management of Max Myanmar Group and he or she shall have direct access to Board and the Risk and Compliance Committee without any impediment. The Chief Risk Officer shall have authority and seniority within Max Holding and its subsidiaries. Chief Risk Officer shall have the ability, without compromising his or her independence, to engage in discussions with the Board for Max Group's exposure to risk.

The Chief Risk Officer shall meet with Board and Risk Compliance Committee on a regular basis for reporting of the results of risk assessment as well as monitoring and such meetings shall be duly minuted and adequately documented. Chief Risk Officers shall be appointed and replaced with prior approval of the Board.

PART VIII: COMPLIANCE AND INTERNAL CONTROL SYSTEM

Max Myanmar Group has an independent Compliance function which assesses the conformity of internal codes of conduct, policies or internal procedures with legal obligations and best practices applicable to its business.

Compliance and internal control system charter should be an integral part of the Max's sustainable culture. Compliance and Internal Control System is responsible for prosecuting the fight against money laundering and the financing of terrorism, for combating the risk of market abuse and for taking any action designed to ensure the integrity of Max Group towards its customers and markets. In that respect, the Compliance function helps the Board of Directors to identify, evaluate and to mount an adequate response to such risks.

8.1 Compliance Function

The compliance function shall facilitate effective management of compliances. It shall have a formal status within Max Myanmar Holding and its subsidiaries. It shall be established by a charter or other formal document approved by the Board that defines the compliance function's standing, authority and independence.

It shall have the right to obtain access to information necessary to carry out its responsibilities, conduct investigations of possible breaches of the compliance policy, and shall directly report to and have direct access to the board of directors or appropriate board-level committee.

8.2 Compliance Policy

The compliance policy is aligned with Max Myanmar Group's objectives as articulated within strategic plan and is based on best practice standards. This policy encourages and supports an effective Board and Management structure which endorses an ethical and positive compliance culture. This policy maintains an appropriate compliance program which identifies, manages, report, reviews, monitors and measures compliance obligations and compliance performance. It ensures clear accountability for and ownership of the compliance program, obligations and any compliance issues.

Max Myanmar Group takes seriously any failure by any individual to comply with its compliance obligations. Consequences may flow from an individual's actions, including in serious matters, termination of employment or contract.

Max Myanmar generally incorporates compliance management into business plans and risk management processes. The compliance policy governance policy will be rolled out across Max Myanmar Group. It needs to be embraced by Max and its related subsidiaries in daily operations.

8.3 Compliance Officer

The Board shall appoint a Compliance Officer based on qualifications, experience and professional background as well as having a sound understanding of relevant laws and regulations and their potential impact on the Max's operations.

The Compliance Officer should be up-to-date with the developments in laws, rules and standards maintained through continuous training. The Legal, Risk and Compliance Committee shall review and approve the performance and compensation of the compliance officer as well as the budget of the compliance function.

The Compliance Officer is expected to monitor, review, evaluate and ensure the compliance by the organization, its officers and directors with the relevant laws, code, rules and regulations and all governance issuances of regulatory agencies.

PART IX: CODE OF CONDUCT AND ETHICS

The Code of Conduct and Ethics outlines the principles and policies that govern the activities of the Max Group and to which our employees and others who work with us, or represent us directly or indirectly, must adhere. Our Code of Conduct reflects our commitments to meet the expectations of our stakeholders as a responsible corporate citizen, and it contains the fundamental principles and rules concerning transparent and ethical business conduct. Max Myanmar insists all employee on full compliance and will not tolerate any misconduct.

Our Five Principles

Customers	Customer benefits and satisfaction is our heart of business.
Employees	We treat our employee with dignity, fairness and respect.
Shareholders	We endeavor to outstanding and sustainable business performance with integrity and ethically.
Business Partners	We work with our business partners based on mutual trust and mutual growth.
Society	We aspire to be good corporate citizen.

9.1 Code of Conduct for Directors

This Code is intended to provide guidance to directors to help them recognize and deal with ethical issues, provide mechanisms to report possible unethical conduct, and foster a culture of honesty and accountability. Each director must comply not only with the terms, but also the spirit, of this Code.

Conflicts of Interest

Directors of Max Myanmar Group must avoid conflicts of interest. A conflict of interest occurs when an individual's private interest interferes in any way with the interests of Max Group or any of its subsidiary and affiliated companies (collectively, the "Company"). A conflict of interest may also arise when a Director, or a member of his or her immediate family, receives improper personal benefits as a result of his or her position in the Company. Directors should also be mindful of, and seek to avoid, conduct which could reasonably be construed as creating an appearance of a conflict of interest.

While the Code does not attempt to describe all possible conflicts of interest that could develop, the following are examples of conflicts of interest:

- Receiving loans or guarantees of obligations as a result of one's position as a Director;
- Engaging in conduct or activity that improperly interferes with the Company's existing or prospective business relations with a third party;

- Accepting bribes, kickbacks or any other improper payments for services relating to the conduct of the business of the Company; and
- Accepting, or having a member of a Director's immediate family accept, a gift from persons or entities that deal with the Company, in cases where the gift is being made in order to influence the Directors' actions as a member of the Board, or where acceptance of the gift could otherwise reasonably create the appearance of a conflict of interest.

Business Relationships with Directors

As a further protection to minimize the risk of conflicts of interest with any independent Director, any monetary arrangement for goods or services between, on the one hand, an independent Director, or any member of an independent Director's immediate family, and, on the other hand, either the Company or a member of the Company's senior management shall be subject to approval by the Board of Directors as a whole.

Fair and Honest Dealing

Directors from Max Group shall deal fairly and honestly with shareholders, customers, suppliers, competitors and employees. Directors shall behave in an ethical manner and shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

Confidentiality

Directors should maintain the confidentiality of information entrusted to them by the Company and any other confidential information about the company that comes to them, except when and to the extent disclosure is authorized by the Company or legally mandated. For purpose of this Code, confidential information includes all material non-public information that might be of use competitors, or harmful to the company or its customer, if disclosed.

Accountability

The Code referred to herein is mandatory and applies to all Directors, who are accountable for compliance with the Code. Directors should communicate any suspected violations of this Code promptly to the Chairman of the Board. Suspected violations will be investigated by or at the direction of the Board, and appropriate action will be taken in the event that a violation is confirmed.

Protection and Proper Use of Company's Assets

Directors should protect the company's assets and oversee their efficient and effective use. Directors should recognize that theft, carelessness and waste may have a direct impact on the Company's profitability. Company assets should be used only for business purposes.

Integrity and Accuracy of Financial Records

The preparation and maintenance of accurate books, records and accounts is required by law and essential to the proper discharge of financial legal and reporting obligations. All directors are prohibited from directly or indirectly falsifying or causing to be false or misleading any financial or accounting book, record or account. In addition, all financial data must be completely and accurately recorded in compliance with applicable law and Max's accounting policies and procedures.

Compliance with Laws, Rules and Regulations

Directors shall comply and oversee compliance by employees, officers and other directors of the Company, with laws, rules and regulations applicable to the Company, including insider trading laws. Insider trading is both unethical and illegal and should be dealt with decisively. Transactions in Max Group are governed by the Policy on Insider Training.

Compliance and Reporting of Potential Violations

Each director is expected to comply with all the provisions of this Director's Code which will be strictly enforced. Violations will be dealt with promptly. Directors should promote ethical behavior and an environment in which the Company encourages employees to talk to supervisors, managers or their appropriate personnel about illegal and unethical behavior and, when they are in doubt, about the best course of action in a particular situation.

9.2 Code of Conduct for Employees

Our Employee Code of Conduct has been created to help you understand our core values and the behaviors expected to support them. It provides guidance and support for every Max's employee, with high standards of ethical behavior and compliance with local laws and regulations being essential to protecting the reputation and long-term success of our business.

Customer Benefit and Safety

We expect our employees in all areas of our business to focus on providing best customer services and innovative solutions while adhering to the respective laws governing those

activities. We strive for the highest customer satisfaction. We listen to our customers and provide solutions that add value and create mutual benefit for both parties.

Customer Information

We will endeavor to protect the personal information of customers and everyone else with whom we engage in business, in accordance with the letter and spirit of privacy laws.

Quality and Safety

We discover, develop and manufacture high-quality products and services that meet all regulatory requirements, and pursue quality beyond compliance in both our products and processes. We protect our customer safety by identifying, assessing, managing and reporting any risks in a timely manner.

Human Rights

We respect and honor the human rights of people involved in our business and, in particular, do not use or tolerate any form of harassment, bullying and violence.

Fair Working Conditions

We commit to provide our employee fair and competitive wages based on performance and ethical conduct. We protect from unfair or unethical working conditions, including bonded, forced or child labor, or any unsafe working conditions.

Diversity

We treat our employee fairly, equally and respectfully. We expect employee to demonstrate respect toward each other and we do not tolerate any form of harassment or discrimination. We seek to create an inclusive work environment where employee regardless of their backgrounds can contribute to their potential.

We appreciate the diversity and individuality of our employee and do not discriminate based on personal characteristics such as nationality, gender, age, ethnicity, religion, sexual orientation or disability. We believe a diverse workforce is critical to our success. We there attract, develop and retain highly talented people with diverse backgrounds and inclusive mindsets.

Fair Evaluation and Development

The evaluation of an employee's performance considers both achievement on objectives as well as adherence to our values and behaviors. We offer opportunities for our associates to develop, grow and continuously improve individual skills to strengthen the competencies of Max Myanmar as a whole.

Anti-bribery and Corruption

We adopt zero tolerance to any form of bribery or corruption. We do not bribe any public official or private person and we do not accept any bribes. We always maintain honest and fair relationships with business partners, government agencies and public authorities.

Fair Competition

We are committed to fair and free competition and will not breach competition laws and regulations.

Marketing Practices

We market and sell our products and services in compliance with all applicable rules and regulations, and in line with high ethical standards. This commitment also applies to all our other activities relating to the commercialization of our products.

Commitment to All Laws and Regulations

We comply with all laws and regulations applicable to our activities. We also implement and comply with our internal policies.

Third Party Integrity

We expect third parties with whom we work to comply with the law, to adhere to ethical business practices, and to observe our standard requirements concerning labor, health, safety, environmental protection and management systems.

Financial Integrity

We do not compromise our financial integrity. Financial risks and operational measures must be appropriately reviewed and approved. We provide timely, accurate and complete financial information to our shareholders. We maintain effective controls over financial reporting to ensure a complete and accurate record of our financial transactions.

Business Continuity

We believe that business continuity management is critical for our employees, partners, customers, associates and other stakeholders, and is part of responsible management practice. In the event of an emergency or significant business disruption, we are committed to doing our utmost to ensure uninterrupted supply of key products and services.

Safeguarding Corporate Assets and Information Security

We work to protect assets of all business entities of Max Myanmar Holding Ltd. This applies to our employees, reputation, intellectual property, information, products, property and other assets. We properly use and maintain assets of Max Myanmar and ensure that they are protected from misuse, loss, theft and waste. We protect our investments in intangible assets by obtaining, enforcing and defending intellectual property (IP) rights and by maintaining confidentiality of sensitive information. We protect the confidentiality, integrity and availability of critical information, regardless of its form and location.

Conflict of Interest

Personal interests must not influence our business judgment or decision-making. Associates must disclose actual or potential conflicts of interest to their supervisor. We recognized that a conflict of interest may arise without any willful action on our part of changes in circumstances may create a conflict or appearance of a conflict in situations where previously none existed. Disclosure is mandatory; failing to disclose a conflict of interest is a violation of the code.

Corporate Citizenship

Max Myanmar has a long-standing, reputation as a responsible corporate citizen. To be responsible business entity, we strive to achieve business success in ways that reveal respect for people and planet and uphold the values and high standards of ethics. We demonstrate respect for people and planet that considering long term and short-term impacts to the environment and community when we make business decisions. We are committed to the principles of UDHR and United Nations Global Compact, the world's largest corporate citizenship initiative.

Environmental Management and Compliance

A number of environmental laws, standards, requirements and policies apply to our business operations and practices. We follow the environmental requirements such as conserving energy, water, raw materials and other natural resources, and complying with environmental

permits and health and safety requirements. We make efficient use of natural resources and minimize the environmental impact of our activities.

Transparency

We are open and transparent with respect to our business principles and practices and comply with applicable laws and regulations. We are responsible for preparing company policies, reports or contributing information, you need to ensure that the disclosures are accurate, reliable and complete.

Data Privacy

We respect the privacy rights of our employees, customers, partners and other stakeholders. We inform individuals of collection and processing of their personal data, allowing them to make informed decisions and exercise their rights. We collect and process personal data for specific and legitimate business purposes only and secure such data against unauthorized access.

PART X: MONITORING, EVALUATION AND REVIEW

- Legal, Risk and Compliance Committee shall review this manual this manual annually and make needed amendments, if any of if amendments deem necessary to reflect any new requirements by either of regulatory bodies.
- Management Committee monitors the implementation of this manual within its normal course of duties.
- Tha manual shall be published into the Max's website.
- The manual is also made available for any of the Max Group's shareholders during working hours.