



Communication on Progress 2019



Human Right

Labor Standards

Environment

Training Programs

MAX HIGHWAY AND UNITED NATIONS GLOBAL COMPACT

Max Highway Co., Ltd; established in 2008 is a subsidiary of Max Myanmar Holding Co., Ltd. We have committed ourselves through Corporate Social Responsibility (CSR) to bring positive impact to our organization, community and country. One of our missions is to be an environmentally responsible organization while developing transportation services and servicing the community within our areas of operation.

We contribute and are involved in events that promote education, health, sports and religious affairs through Ayeyarwady Foundation, a non-profit organization, founded by Max Myanmar Group in 2010.

In our CSR activities with Ayeyarwady Foundation, we learned about the United Nations Global Compact (UNGC) and registered as a member in 2015. This was a corporate milestone for Max Highway, as it is one of the pioneer in Myanmar road construction industry to participate in UNGC. We are confident that we will be able to incorporate the Ten Principles of the Global Compact progressively into our business practice.

STATEMENT OF CONTINUED SUPPORT BY EXECUTIVE DIRECTOR

Max Highway Co., Ltd has committed to fulfill our corporate social responsibilities (CSR) by implementing the ten principles in the areas of human rights, labor standards, environment and anti-corruption advocated by United Nations Global Compact (UNGC) to achieve sustainable development of our society. Our CSR initiatives seek to collaborate with all of our stakeholders, government and civil communities to create a better future for everybody.

We understand that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the ten principles.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact principles into our business strategy, culture and daily operations. We are also committed to share this information with our stakeholders.

In 2019, our company public relation and human resources were enhanced through recruitment of professional staffs, engineers on project planning, upgrading work and new plaza construction. Career development and skill management training for Toll collection staff and management, Advanced Excel Training were implemented. We upgraded network interface for public surveillance, work safety environment and awareness. In the future, our toll plaza will be planned under green building concept for efficient use of natural light and energy. Our business will be geared to road users, public and communities in term of Safety, Time and Comfortable journey.

Sincerely Yours,

Sun Lin Wynn

Executive Director

Max Highway Co., Ltd

Human Rights

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

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

Our Human Resource policies, programs and practices are aligned with the Universal Declaration of Human Rights (UDHR), which requires us to treat one another fairly with respect, regardless of our race, gender, nationality and religion.

In Max Highway, we ensure that no employees are discriminated due to their race, gender or nationality and all employees are allowed to practice their own religious belief. Management, through human resource department pays close attention and randomly checked that all employees enjoyed equal working benefits and social welfare programs as per HR Policy.

Max Highway does not support child labor (under 18 years old) and is in full compliance with the labor laws and regulations in the area that we operate in. We strongly condemn human trafficking and support / contribute to anti-human trafficking non-profit organizations.

In education, we contribute by building basic education schools and high schools. In the health sector, we continue to support Yankin Children's hospital by cash contribution and volunteering regular maintenance activities of the hospital buildings and compound.



Figure: Yankin Hospital Environmental Cleaning Activity



Figure: Donation activity for the flood in Mon State



Figure: Food Supplies for Mon State Flood

Labor Standards

- 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.

Max Highway is in full compliance with the Labor Laws, Standard and Regulations in our areas of operation, fair employment (employees are hired on the basis of their merit) and do not support any form of discrimination against employees.

We do not allow child labor (under 18 years old).

Employee's performance will be grade, monitored and up skilled through periodic trainings in technical, management modules and planned career development. All employees understand about the company's vision, mission, and objectives; effective communication between Management and Staff on working together and achieving our goals through monthly meetings where every employee has freedom of speech.

Human resource department takes care of all employees' social welfare and to encourage proactive participation, monthly award for the best service employee were implemented. Monthly group birthdays our employees were celebrated at all local offices.

Max Highway provides ferry transportation, lunch for every employee to create more convenient and happy working environment. Employees' children who meet the requirements are provided with scholarships in the academic year. Study and staff bonding trips are arrange yearly for our employees to expand their general knowledge and experience.

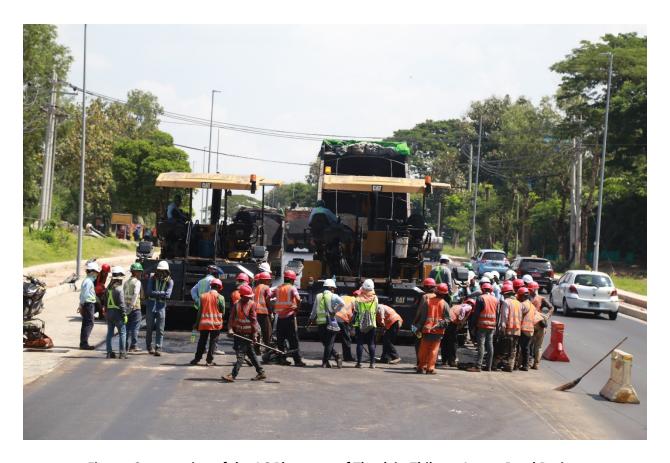


Figure: Construction of the AC Plasterers of Thanlyin-Thilawa Access Road Project

The activity of the construction of AC plasterers and the remaining constructions works of Thanlyin-Thilawa Access Road Projects was continued working both day and night shifts using large amount of man power during the opening season of the year. The activity was carried out after the construction of upgrading the 8.7 kilometers long, 7 meters wide two-lane concrete road to the 8.7 kilometers long, 14 meters wide four-lane concrete road under design and management by Nippon Koei Co,Ltd.

Environment

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

Principle 8 - Undertake initiatives to promote greater environmental responsibility.

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



Figure: Planting ceremony in Taikkyi Township

In environmental challenges, Max Highway contribute with the various types of activities every year. As an environmental activity for this year, we held the planting ceremony at Taikkyi Township, Yangon Region in June 2019.

Anti-corruption

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

We are fully committed to integrity and fair dealing and adopt corporate good governance practices with zero tolerance for corruption and bribery. Management sets stringent policies and procedures that do not allow any corruption and bribery regardless of the level of management positions. All employees has to strictly adhere to the company's policies and procedure and any gifts or present must be reported.

Our Management team always emphasizes on transparency and openness in communication with customers, suppliers and encourages information sharing between employees. Monthly meeting between management and staff to build a culture based on trust, honesty and openness and explain about company's direction.

In case of any incidents of corruptions, our in-house inspection team will investigate, deliberate on the evidences collected before coming to any conclusion and action will be taken accordingly on the individuals concern.

Training Program for Skill and Career Development



Figure: Advanced Excel Training