



SHWE YAUNG PYA AGRO Co.,Ltd.

2021

Communication
On Progress

HUMAN RIGHTS










LABOUR STANDARDS

ENVIRONMENT

ANTI-CORRUPTION



Contents

-  Company Overview
-  Statement of Commitment
-  Approach to Sustainable and Responsible Business
-  UN Global Compact 10 Principles
-  Human Rights
-  Labour Standards
-  Environment
-  Anti-corruption
-  CSR Activities



SHWE YAUNG PYA AGRO Co.,Ltd.

**WORKING THE LAND,
PROTECTING THE ENVIRONMENT**

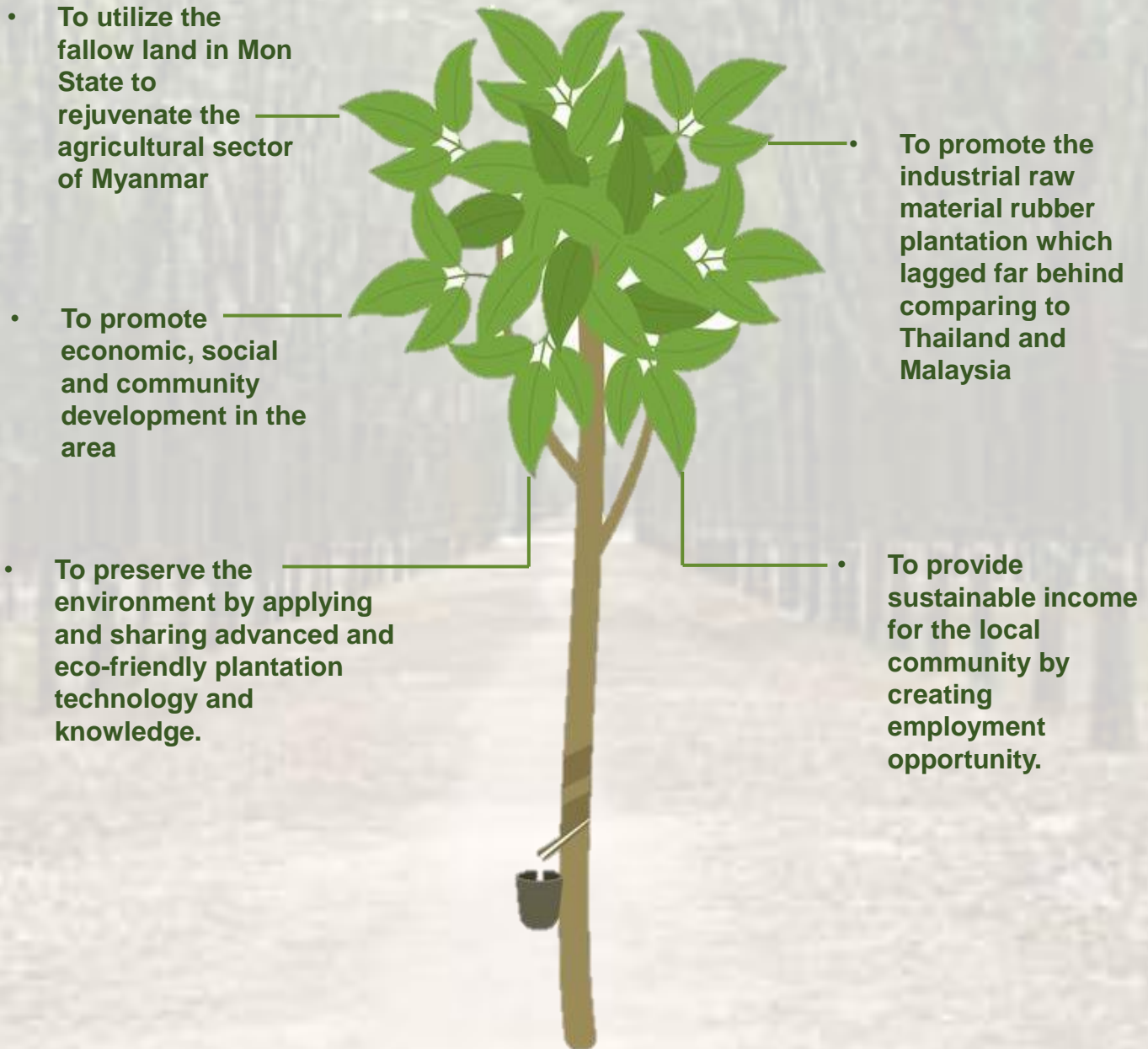


Company Overview



- Shwe Yaung Pya Agro Co., Ltd. was established in 2005, operating a Rubber Plantation in Belin Myanmar. It has over 600 employees and 5,000 acres, of which two-thirds are cultivated, and the remainder set aside for community use.
- The company focuses on rubber plantation and related downstream business while creating new opportunities for the local community and conserving the natural environment.
- While conditions in the rubber market have been challenging, we have created conditions for stable and dependable sources of income for our employees. We also support small local rubber plantations and the Industrial Crops Department in accessing advanced knowledge in rubber plantation management, in order to have productivity gains.

Our Objectives



Statement of Commitment

During the covid-19 pandemic period, we have consistently committed to fulfil our corporate social responsibilities (CSR) and corporate obligation to our stakeholders through transparent growth through transparent and responsible practices. I am pleased to reaffirm Shwe Yaung Pya's support of the Ten Principles of the United Nations Global Compact (UNGC) in the areas of Human Rights, Labour, Environment and Ant-corruption.

As a member of UNGC, we are committed to sustainable journey and while retaining a focus on our long-term strategic business objectives, we constantly adjust our response to the evolving sustainable development landscape. Also, in the interests of new levels of reporting, we're determined to contribute the UN Sustainable Development Goals (SDGs) by linking each of our action areas to the relevant SDGs and their respective targets.

To continue to prosper commercially and responsibly, we always enhance integrating sustainability initiatives in our daily operations by improving our business focus from volume to value. These initiatives are important steps in ensuring not only for our environmental commitments but also for providing livelihood opportunities for local community.

With our ongoing engagement in people, inclusion and diversity will become increasingly important, as will our relationships with communities. All of this adds up to greater responsibility, greater transparency and greater collaboration with our stakeholders. In this annual COP report, we describe our actions to continually improve the integration of Global Compact and its principles.

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

Sincerely Yours,

MAUNG MAUNG THET

(Managing Director)

Shwe Yaung Pya Agro Co., Ltd.



SHWE YAUNG PYA AGRO Co.,Ltd.

Approach to Sustainable and Responsible Business

Sustainability in Business Strategy

Shwe Yaung Pya Agro Co., Ltd. has been actively supporting to Ayeyarwady Foundation which is a nonprofit organization founded by Max Myanmar Group in 2010.

We are contributing to the country's Education sector, Health sector, Sports and Religious affairs together with Ayeyarwady Foundation.

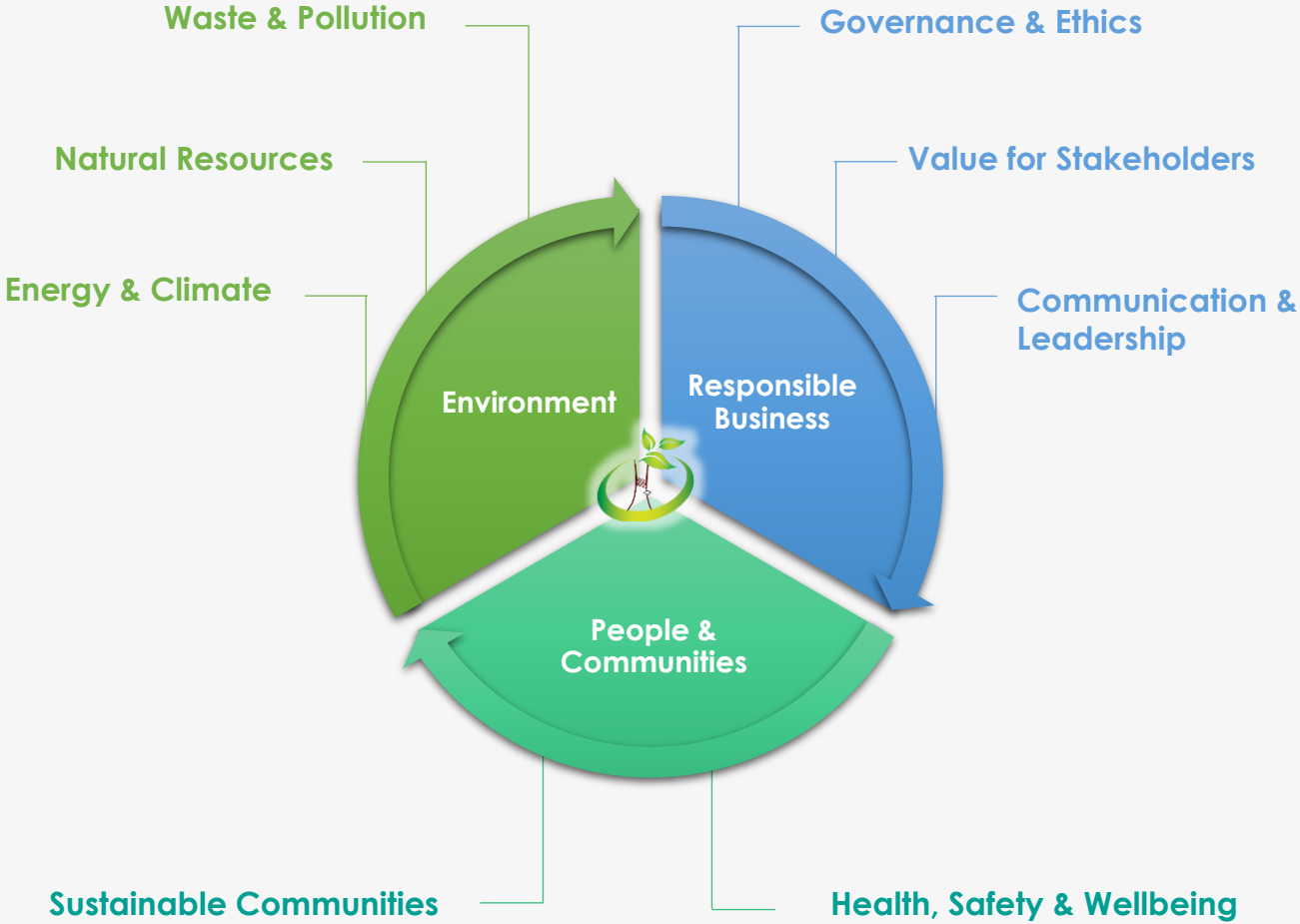


Our CSR activities are not just limited to the contribution to the Ayeyarwady Foundation but also for the benefits of all our stakeholders. In January 2014, we happened to acknowledge about the United Nations Global Compact (UNGC), the corporate responsibility initiative – the world's largest with over 12,000 business and non-business participants in 145 countries.

Shwe Yaung Pya has become a proud registered participants in the United Nations Global Compact (UNGC) in January 2014. This was one of the corporate milestones since Shwe Yaung Pya is the first to participate in UNGC among Rubber Plantation industry in Myanmar. We are confident ourselves to become a responsible organization for our CSR implementation by incorporating Ten Principles of the Global Compact into our business practices as part of the strategy, culture and day-to-day operations of our company.



Sustainable Approach



UN Global Compact 10 Principles

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

LABOUR STANDARDS

- Principle 3 - Businesses should uphold freedom of association and effective recognition of the right to collective bargaining
- Principle 4 - The elimination of all forms of forced and compulsory labour
- Principle 5 - The effective abolition of child labour
- Principle 6 - Eliminate discrimination in respect of employment and occupation

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

ANTI-CORRUPTION

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



SHWE YAUNG PYA AGRO Co.,Ltd.

Human Rights

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 |

ASSESSMENTS, POLICY AND GOALS

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

We have successfully enforced the Human Rights Policy* by Max Myanmar Group together with the guidance of Human Rights international expert and all business units of Max Myanmar Group have to strictly follow these policies. Moreover, in align with Human Rights Policy as to show that we respect the freedom of speech of our stakeholders, Whistle Blowing Policy* have been implemented during the year 2017.

We do share our policies and practices with our valuable stakeholders through website, social media, newsletter and we sincerely expect our business partners, suppliers and contractors to respect our policies and good practices as well.

*Our Human Rights Policy and Whistle Blowing Policy available to be downloaded at :
<https://maxmyanmargroup.com/corporate-policies/corporate-hr-policies/>

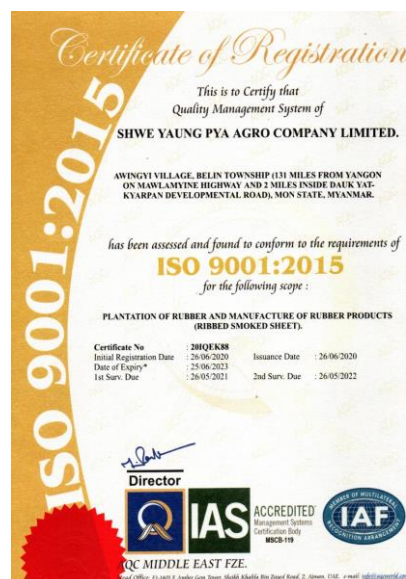


IMPLEMENTATION

During the Covid-19 pandemic, Shwe Yaung Pya was able to generate daily income through social distancing and isolation workplace without losing the jobs of employee. Shwe Yaung Pya supports the Universal Declaration of Human Rights. We condemn forced labour, child labour and all practices that are conducive to exploiting children. There have been zero incidents of human rights violations, including child labour, slavery or bonded labour, or violations of the rights of indigenous people.

Awareness trainings followed by Whistle Blowing policies were conducted among employee by the management. Suggestion boxes, emergency call list, face to face discussion, social media channels and other ways were placed for both our employee and stakeholders for transparency. Discussion sessions were conducted to voice out their needs and feedbacks. Whistle blowing committee closely paid attention to all the feedbacks of our stakeholders. Besides, sharing and trainings of the interpersonal skills and communication are constantly conducted to our employees.

In collaboration with local community, we support and participate in social activities such as logistics of Medicine, Covid-19 Test kits and other necessary. We ensure all our employees benefit freedom of their rights. Our operations procedures are conducted with ISO 9001: 2015, working with QMS and upgrading recertification.



MEASUREMENT OF OUTCOMES

There is no child labor and women's safety has always been a priority during business operation. There have been zero human right grievances and zero incidents were reported for corruption or forced labour. Management prohibit all kinds of violent behavior including physical assaults, fighting, threatening, intimidation and the intentional or reckless destruction of company, employee or customer property.

In this year, there were no Human Rights breach found or reported by any external reports. Moreover, Shwe Yaung Pya Agro enthusiastically involved in UN Global Compact Myanmar Network events and activities too.





SHWE YAUNG PYA AGRO Co.,Ltd.

Labour Standard

Labour Standard

Principle 3	Businesses should uphold freedom of association and effective recognition of the right to collective bargaining
Principle 4	The elimination of all forms of forced and compulsory labour
Principle 5	The effective abolition of child labour
Principle 6	Eliminate discrimination in respect of employment and occupation

ASSESSMENTS, POLICY AND GOALS

Shwe Yaung Pya Agro fully committed to align with ILO declaration and its articles on effective abolition of child labour, the elimination of all forms of forced or compulsory labour, the elimination of discrimination in respect of employment and freedom of association and common bargaining.

We ensure that employee are duly aware of their rights and responsibilities and company's policies. To ensure the freedom of speech of the employee and stakeholders and proper communication practice, OHS (Occupational Health and Safety), Human Rights Policy and Whistle Blowing Policy are fully enforced across all levels. Moreover, Grievance Handling Policy* was developed for the rights and fairness of the employee.

Our Grievance Handling Policy available to be downloaded at :
<https://maxmyanmargroup.com/corporate-policies/corporate-hr-policies/>



IMPLEMENTATION

Shwe Yaung Pya institutes a non-discrimination and equal opportunity policy within our Code of Business Conduct. We support equal opportunities through fair and consistent methods of recruitment, retention, training and compensation.

We provided social distancing training for individuals to work professionally in the workplace. Also, some online learning & sharing for operational training such as tapping and soft-skill trainings were provided during pandemic. The rubber cultivation techniques were shared through social media for public and by inviting the surrounding farmers to visit. By doing so, we were able to improve social relations of local people and enhanced their civilization.

With the purpose of creating work-place happiness, we provided regular welfare to employees as in bonus and awards. For clean and healthy lifestyle of employee, we have done annual renovation of housing for staff living conditions and building new houses, toilets, as necessary. To meet the water needs of community during summer, extension of water pipes were installed to provide drinking water for convenience and to provide water everywhere needed. Schools and monasteries within three villages were fully supported for wiring by Shwe Yaung Pya for electricity.

We always involve in parent-teacher associations and promote children's educational progress. Shwe Yaung Pya Agro supported school ferry, stationaries and membership for employee's children and communities. Cultural skills training were disseminated during school holidays. Internet networks were provided for children to study online. Grocery store by Shwe Yaung Pya has always been able to supply and sell food cheaply for villagers. We work together closely with community organizations on local Security. Collaborating with township fire department, regular inspections were conducted.



Electricity



Grocery Store



Religion



Workplace Training



Extension of Water pipes



During Covid-19 First and Second wave in Myanmar, systematic task force was formed to carry out necessary preventive measures and Covid-19 vaccine injection for employee. During Covid-19 Third-wave, we collaborated with community and local health organizations to support medical supplies, health check-up and made sure for Zero-waste during operations.

In collaboration with WHO, IOM, IMGO, testing for Malaria was carried out for local community and mosquito nets were also distributed, as necessary. In addition, screening for HIV and TB were also provided. We participated in the routine of immunization activities of the Department of Health for mothers and children. Blood Donation and financial donations were made to township organizations and the Department of Health.

Two health volunteers were recruited by Shwe Yaung Pya to provide on-site and outpatient health support. We also provided proportional medical expenses for employees and some villagers, as necessary.

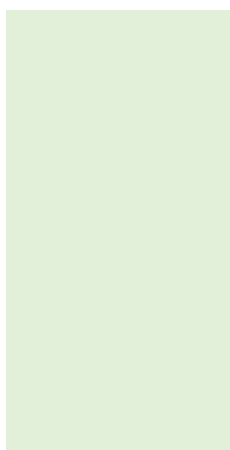


MEASUREMENT OF OUTCOMES

We are committed to practice good corporate governance and to responsibly operate our daily business in fully compliance with our country labour laws and ILO regulations.

We always set strict policies and ensure to be implemented effectively. We have various races and religions and they all fully have equal opportunities, information and working environment.

We make sure that the communication channels between employee and management to be well organized through suggestion boxes, email, phone number and social media. All feedbacks, suggestions, claims and complaints were carefully handled and managed by whistle blowing committee.





SHWE YAUNG PYA AGRO Co.,Ltd.

Environment

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

ASSESSMENTS, POLICY AND GOALS

Our core mission statement is “to conserve the environment” and we ensure our plantation nurtures the green environment and supports the development of the socio-ecology of the surrounding area. We believe our plantation plays a significant role in reducing the global warming due to greenhouse effects.

Protecting the environment is ingrained in the Shwe Yaung Pya’s corporate values and principles. We are planning to adopt the ISO 14001:2004 Environmental Management System based on a solid sustainability framework in near future in order to secure the future growth of both the corporation and the communities we operate in.

Our Environmental policy and plan are available to be downloaded at :
<https://maxmyanmargroup.com/reducing-environmental-impact/>



IMPLEMENTATION

We are creating Sustainable Environment with Good Agriculture Practices (GAP) into Sustainable Man-made forest. We engaged the environmental sustainability as IEE testing for industrial license. Our environmental performance and management across all our operations must meet local and regional environmental laws, regulations, and other requirements.

To maximize our positive impact, we share knowledge and learning with other stakeholders, seek joint solutions, and participate in developing good practices across sectors and value chains to protect ecosystems and biodiversity. We have been growing not only the main crop but also some other crops and distributing technologies and good cultural practices to the communities.

Our approach to climate change addresses both the risks and opportunities in transitioning to a low carbon economy. Focus areas include energy optimization programs, increasing the ratio of renewable energy and biomass-based fuels, and moving towards electricity self-sufficiency. Areas of 1500 hectare green sources shall absorb the numerous amount of CO₂ which can produce green house effect. The fallen rubber leaves could significantly improve soil fertility annually.

Moreover, awareness trainings were also conducted in regular basis to make sure all the employee fully understand the company's sustainable program for the environment.



MEASUREMENT OF OUTCOMES

We promote ecosystem stewardship at a landscape scale through our long-term collaboration and partnerships and by sharing best practices in ecosystem stewardship across our own industry sector and beyond.

Fertilizers are used more or less in rubber production but are used effectively and systematically to prevent damage to soil and other natural vegetation. Annual erosion increases soil organic matter and improves ecosystems and the environment. The green plains plantation has helped to clean the air a lot. For the local people, waste from rubber trees can be provided as without destroying the forest. Natural and man-made wildfires were prevented as well as springs and wetlands were conserved.

We were able to meet the agricultural and technical needs of the surrounding areas by liaising with township departments. We created good job opportunities and local socio-economic development without leaving the country.

This approach is supported by ongoing investments in low carbon energy technologies, and continued focus on responsible, sustainable forestry. We planted 10 acres of Acacia tree for reforestation and motivation to local environment as annually. We also conduct either technical transferring or consultant to state government's rubber firms.





SHWE YAUNG PYA AGRO Co.,Ltd.

Anti-Corruption

Anti-corruption

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

ASSESSMENTS, POLICY AND GOALS

With the guideline from UN Sustainable Development Goals (SDGs), there has been an increasing global trend and need towards improved corporate government practices, accountability and responsibility. Corporate Governance is about commitment to values and about ethical business conduct. Timely and accurate disclosure of information regarding the financial situation, performance and ownership of the company is essential to measure anti-corruption practices of company.

We have ZERO tolerance policy for corruption, bribery and extortion. Any corruption and bribery regardless of any level of management positions are not accepted. All level of employees have to strictly adhere the company's policies and procedure. Any gifts or present shall not be accepted in favor of the performance of work either.

We value transparency and good corporate governance so that we publicly state our anti-corruption policy* on our communication channels for the awareness of all of our stake holders. We are deeply committed to maintain our policy strictly, to implement effectively and to review/monitor continuously.

Our anti-corruption policies and statements are available to be downloaded at :
<https://maxmyanmargroup.com/corporate-policies/corporate-hr-policies/#1598554280534-5d67528f-83fc>

**UNITED
AGAINST
CORRUPTION**



IMPLEMENTATION

With the evolutionary governance and close supervision, advocacy and transparency were encouraged in the workplace. Shwe Yaung Pya has whistle-blowing policy and procedures in place to protect and support the whistle-blower to the greatest extent possible. Employees and subcontractors must also have the confidence to challenge others when a breach of the code of ethical conduct is suspected.

We always ensure for full and timely payment of employees' salaries. We believe that suggestions from users of the code should be welcomed and treated with respect. These are a valuable source of information, and the organization may even choose to introduce a rewards mechanism related to valuable suggestions.

Our ZERO tolerance policy on corruption was distributed and all our employees are fully encouraged without any hesitation to report if any corruption case noticed through suggestion boxes as well as social media and emergency calls. For open discussion, phone numbers of corporate team are distributed to make complaints from employees any time. Knowledge sharing sessions for workplace precaution and zero-tolerance for corruption were conducted by HR Department.

MEASUREMENT OF OUTCOMES

According to the audited reports of Internal and external teams, no corruption cases were reported nor found throughout the years since debar meeting, awareness trainings and knowledge sharing were conducted regularly between management and all employees.

In case of any corruptions occur in our organization, our management will take very careful investigation into detail scenario and take immediate action by interviewing all respective personnel and by detail checking of all documents.



CORPORATE SOCIAL
RESPONSIBILITY 

CSR Activities

Creating numerous job opportunities for local people and enhancing their income is our priority. Since the establishment of Shwe Yaung Pya Agro, conserving the environment, transferring the advance technologies have been performed, and have been committed to Corporate Social Responsibilities.

Together with Ayeyarwady Foundation, we also actively involve in community engagement as in social programs and disaster management activities as well as tree planting program.

With a corporate mission of Sharing and Contributing to the Community, Shwe Yaung Pya is committed to the community development in areas of educational, sports, social, cultural, and environmental causes. Community engagement also comprises the provision of structures that facilitate career development and create job opportunities for young people. Shwe Yaung Pya also invites local communities to participate in the company's training programs, such as fire-fighting and occupational health and safety.





This is our **Communication on Progress**
in implementing the principles of the
United Nations Global Compact.

We welcome feedback on its contents.



SHWE YAUNG PYA AGRO Co.,Ltd.

No.123, Alanpya Pagoda Road, Dagon Township,
Yangon, Myanmar.

Tel: (95-1) 255819-38, Fax: (95-1) 255839-44

E-mail : mgmgethet@maxmyanmargroup.com

Website : www.maxmyanmargroup.com