



SHWE YAUNG PYA AGRO Co.,Ltd.

2026

**COMMUNICATION
ON PROGRESS**

- **HUMAN RIGHTS**
- **LABOUR STANDARDS**
- **ENVIRONMENT**
- **ANTI-CORRUPTION**

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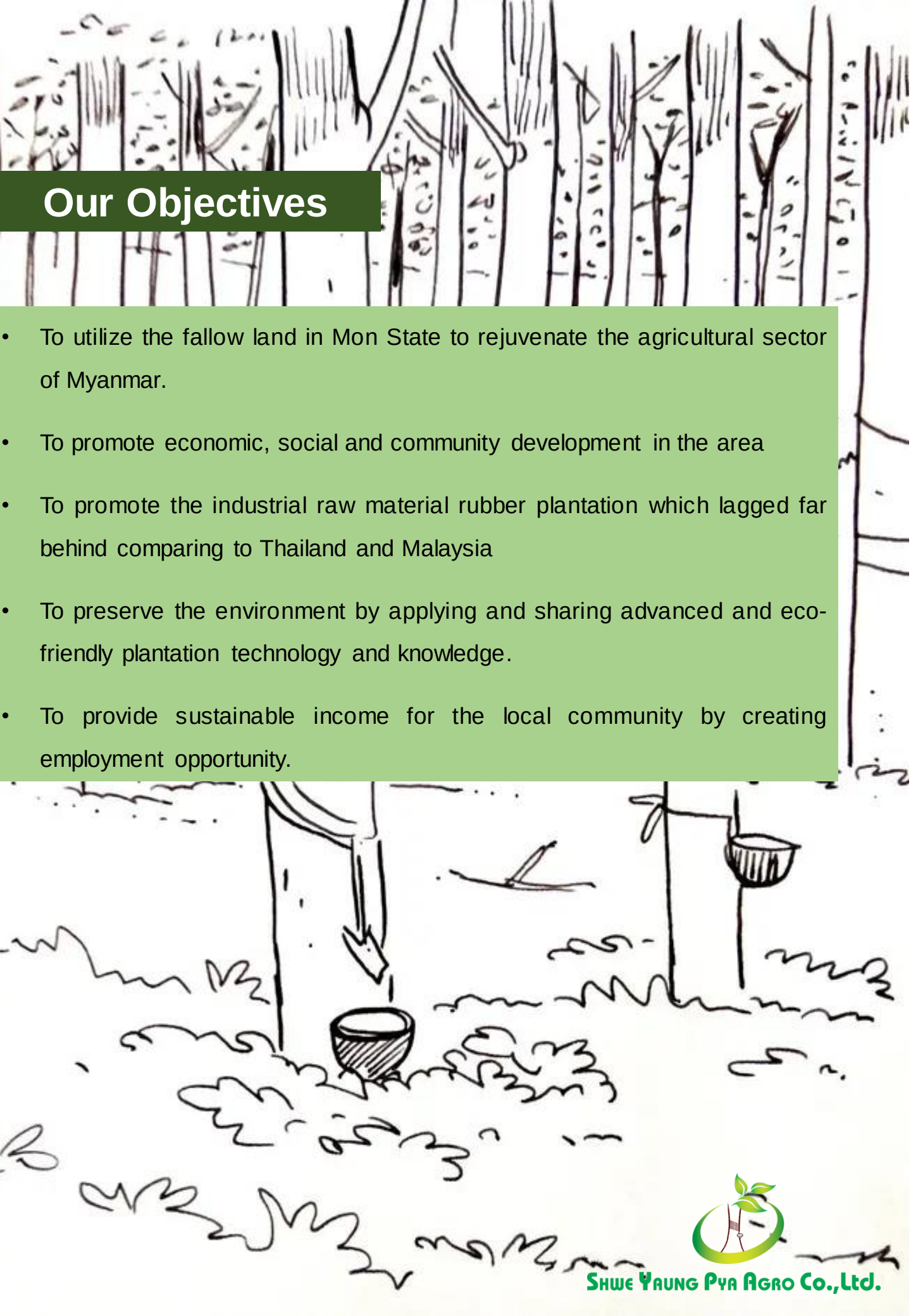


**WORKING THE LAND,
PROTECTING THE ENVIRONMENT**

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

- To utilize the fallow land in Mon State to rejuvenate the agricultural sector of Myanmar.
- To promote economic, social and community development in the area
- To promote the industrial raw material rubber plantation which lagged far behind comparing to Thailand and Malaysia
- To preserve the environment by applying and sharing advanced and eco-friendly plantation technology and knowledge.
- To provide sustainable income for the local community by creating employment opportunity.



Statement of Commitment

In our capacity as a member of the United Nations Global Compact (UNGC), we maintain an unwavering commitment to our sustainability trajectory. While ensuring our long-term strategic business objectives remain a priority, we diligently adapt our initiatives to address the shifting landscape of sustainable development. Our organization remains dedicated to embedding the UN Global Compact and its core principles within our corporate strategy, culture, and daily operational framework. Furthermore, we continue to participate in collaborative initiatives designed to advance the broader development objectives of the United Nations, with a specific emphasis on the Sustainable Development Goals (SDGs).

Commitment to Stakeholders and Governance

Through our sustained investment in human capital, the pillars of inclusion and diversity—alongside our community relations—will assume heightened significance. These priorities underscore our dedication to enhanced accountability, transparency, and stakeholder engagement.

Communication on Progress (COP)

In this annual Communication on Progress (COP), we outline the specific measures taken to further integrate the Global Compact and its principles into our business strategy, organizational culture, and day-to-day operations. We are committed to disseminating this information to our stakeholders through our primary communication channels.

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

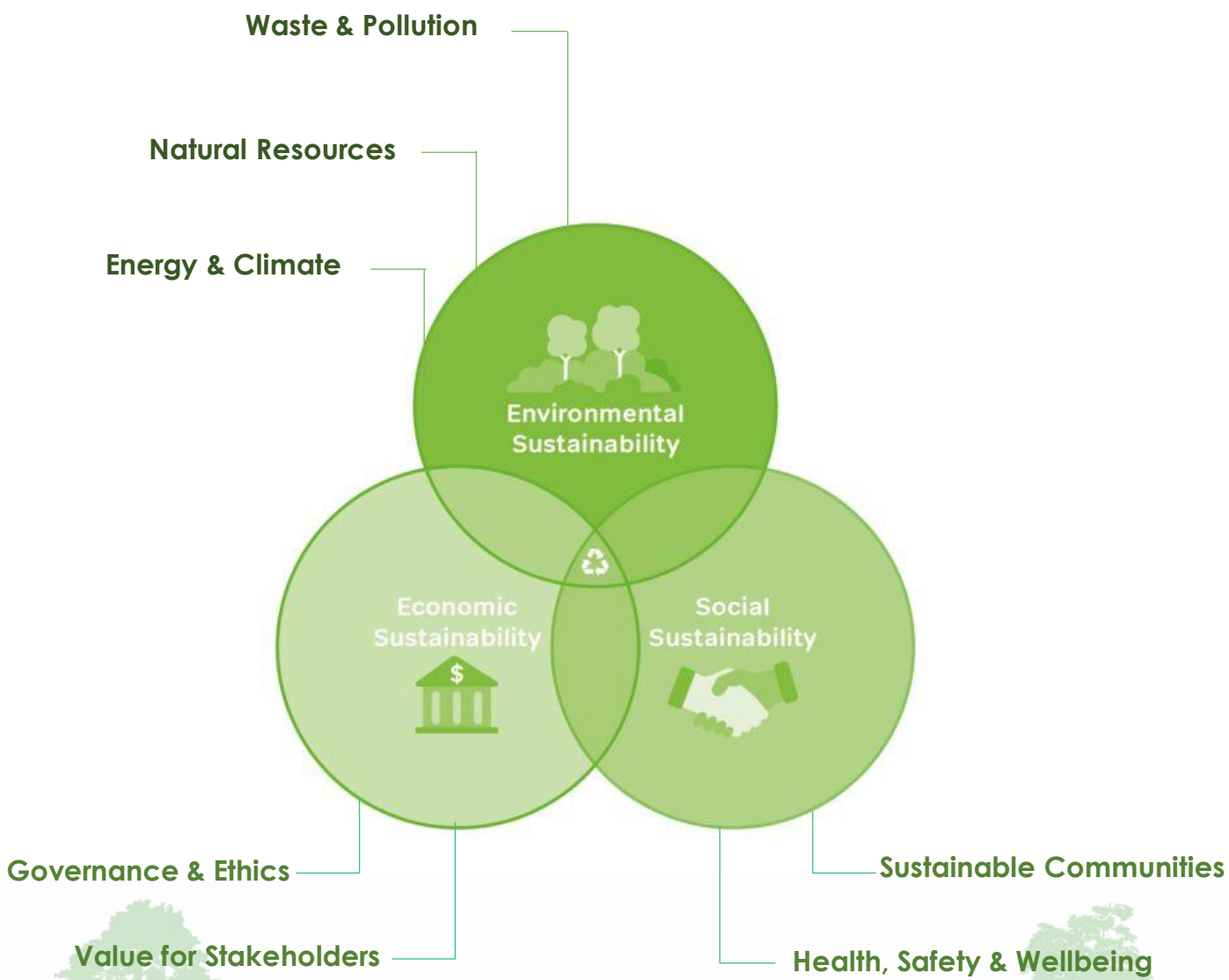
Sustainability in Business Strategy

Shwe Yaung Pya Agro Co., Ltd. was established in Shwe Yaung Pya 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.

After soon, 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.

Our 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 organizational policies, programs, and operational practices are strictly aligned with the Universal Declaration of Human Rights (UDHR). This alignment underscores our fundamental obligation to treat all individuals with equity and respect, irrespective of race, language, nationality, or color.

Policy Implementation and Compliance

In collaboration with international human rights experts, Max Myanmar Group has successfully enforced a comprehensive Human Rights Policy. Adherence to these policies is mandatory for all business units within the Group. Furthermore, to uphold our commitment to stakeholders' freedom of speech, a formal Whistle Blowing Policy was implemented in 2017.

Stakeholder Engagement and Expectations

We maintain transparency by disseminating our policies and best practices to stakeholders via our official website, social media platforms, and corporate newsletters. Consequently, we expect our business partners, suppliers, and contractors to demonstrate a reciprocal commitment to these established policies and standards of conduct.

IMPLEMENTATION

Human Rights and Ethical Labor Practices

Shwe Yaung Pya affirms its support for the Universal Declaration of Human Rights. We strictly condemn the use of forced labor, child labor, and any practices conducive to the exploitation of minors. To date, there have been zero recorded incidents of human rights violations, including instances of child labor, slavery, bonded labor, or infringements upon the rights of indigenous peoples.

Employee Development and Workplace Rights

To ensure a professional and equitable environment, we have implemented the following initiatives:

- **Leadership and Equality:** Employees have received leadership skill development and participated in the GEAR (Gender Equality) project.
- **Rights and Training:** Comprehensive training sessions regarding Human Resource and whistleblowing policies are conducted to ensure employees fully understand their workplace rights.
- **Communication Skills:** We facilitate ongoing training focused on interpersonal skills and professional communication.

Stakeholder Engagement and Feedback Mechanisms

We maintain several transparent channels for employee and stakeholder engagement:

- **Feedback Channels:** Suggestion boxes, emergency contact lists, and social media channels are available to all stakeholders.
- **Active Dialogue:** Formal discussion sessions are held to solicit and address needs and feedback.
- **Oversight:** A dedicated whistleblowing committee diligently monitors and reviews all stakeholder feedback.

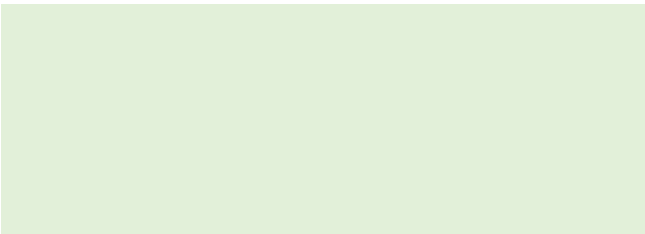
Community Support and Social Responsibility

We prioritized the creation of employment opportunities for local residents during periods of economic instability. Regular provision of comprehensive educational support and transportation arrangements is made for the children of our employees and the wider community. We provide essential support for housing and electricity to both our workforce and the surrounding local communities to enhance overall living standards.

MEASUREMENT OF OUTCOMES

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.







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 maintains a steadfast commitment to aligning its operations with the International Labour Organization (ILO) Declaration and its associated articles. Our core mandates include:

- The effective abolition of child labor.
- The elimination of all forms of forced or compulsory labor.
- The eradication of discrimination regarding employment and occupation.
- The protection of freedom of association and the right to collective bargaining.

Internal Governance and Employee Welfare

We ensure that all personnel are comprehensively informed of their professional rights, responsibilities, and the company's internal policies. To uphold freedom of expression for employees and stakeholders, as well as to facilitate standardized communication practices, the following policies are strictly enforced across all organizational levels:

- Occupational Health and Safety (OHS).
- Human Rights Policy.
- Whistleblowing Policy.

Furthermore, a formal Grievance Handling Policy has been established to safeguard the rights of our employees and ensure equitable treatment throughout the organization.

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

IMPLEMENTATION

Workplace Integrity and Labor Standards

Shwe Yaung Pya reinforces a strict policy of non-discrimination and equal opportunity within the workplace. This is achieved through the application of fair and consistent methodologies regarding recruitment, retention, professional training, and compensation. Furthermore, the organization maintains a record of zero incidents concerning child labor or forced labor.

Employee Welfare and Health & Safety

All personnel, including contract and daily employees, receive regular performance evaluations and a comprehensive benefits package. To ensure Occupational Health, Safety, and Environment (OHSE) standards, the company provides awareness training along with necessary safety apparel and equipment. Recognizing employee health as a primary priority, the following initiatives have been implemented in collaboration with the Ministry of Health and International Organization for Migration (IOM) activities:

- Regular health care programs and awareness training.
- Medical check-ups, specifically focused on the prevention and monitoring of HIV, malaria, and tuberculosis (TB).

Corporate Social Responsibility and Benefits

Shwe Yaung Pya is dedicated to supporting both its workforce and the local community through various provisions:

Education: Provision of school transportation (ferry services), stationery, and educational memberships for the children of employees and community members.

Infrastructure: Availability of housing and solar-powered electricity for all employees.

Economic Growth: Through the implementation of the International Organization for Standardization (ISO) Quality Management System (QMS), employee income levels have increased during the current year.

Community Engagement and Medical Readiness

The organization actively fosters cultural integration by hosting traditional celebrations, cultural programs, and local festivals for employees and the community. Management also organizes local excursions to enhance the general knowledge and experience of the staff. To ensure immediate medical assistance, two health volunteers remain on standby to serve employees and local residents, with additional plans to establish a connection with emergency ambulance services for urgent requirements.

MEASUREMENT OF OUTCOMES

Ethical Standards and Workplace Conduct

To date, there have been zero recorded human rights grievances, and no incidents of corruption or forced labor have been reported. Management maintains a strict prohibition against all forms of violent behavior, including:

- Physical assaults and fighting.
- Threats and intimidation.
- The intentional or reckless destruction of company, employee, or customer property.

Operational Assessments and Compliance

During the current year, Shwe Yaung Pya Agro and all associated Strategic Business Units (SBUs) underwent comprehensive assessments of their business operations and activities. External assessors reported no findings of human rights breaches. Furthermore, Shwe Yaung Pya Agro remains an active and enthusiastic participant in the events and initiatives of the UN Global Compact Myanmar Network.

Performance and Recognition

In recognition of organizational achievements during 2026, performance bonuses have been awarded to employees.



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

Environmental Mission and Socio-Ecological Commitment

Our core mission is "to conserve the environment". We ensure that our plantation operations actively nurture the natural environment and support the socio-ecological development of the surrounding region. Furthermore, we recognize the significant role our plantation plays in mitigating global warming caused by greenhouse gas emissions.

Corporate Values and Sustainable Management

Environmental protection is fundamentally ingrained in the corporate values and principles of the Max Group. To secure the sustainable growth of both the corporation and our host communities, we intend to implement the following initiatives in the near future:

- System Adoption: Adopting the ISO 14001:2004 Environmental Management System.
- Strategic Framework: Establishing a robust sustainability framework to guide future development.

IMPLEMENTATION

Environmental Sustainability and Regulatory Compliance

Our organization is dedicated to establishing a sustainable environment by integrating Good Agriculture Practices (GAP) to develop sustainable man-made forests. As part of our industrial licensing requirements, we maintain a commitment to environmental sustainability through Initial Environmental Examination (IEE) testing. We ensure that our environmental performance and management systems across all operational facets strictly adhere to local and regional laws, regulations, and associated requirements.

Resource Management and Operational Efficiency

We actively mitigate our environmental impact by optimizing process efficiencies and refining operational workflows. Key initiatives include:

- **Energy Transition:** Transitioning to solar-based energy solutions to significantly reduce fuel-wood consumption during processing.
- **Water Stewardship:** Implementing effective water management strategies across both forestry and manufacturing operations.
- **Wastewater Control:** Utilizing advanced sieving and storage systems to manage and control wastewater discharge.
- **Stakeholder Collaboration:** Recognizing that engagement with stakeholders at the landscape and catchment levels represents best practice for environmental governance.

Sustainable Forestry and Technical Leadership

Our strategic approach is underpinned by consistent investments in low-carbon energy technologies and a rigorous focus on responsible forestry. Notable recent achievements and ongoing activities include:

- **Reforestation Initiatives:** As part of our annual commitment to the local environment, we completed the reforestation of 10 acres of Acacia trees last year.
- **Technical Advisory:** We provide ongoing technical transfer and consultancy services to state government rubber enterprises, fostering industry-wide sustainability.

MEASUREMENT OF OUTCOMES

Ecosystem Stewardship and Collaboration

We advocate for landscape-scale ecosystem stewardship through established long-term collaborations and strategic partnerships. By disseminating best practices in environmental management across our industry and related sectors, we contribute to broader ecological preservation. Our rubber plantations further serve this mission by continuously supporting and maintaining air quality.

Biodiversity and Sustainable Cultivation

To optimize our ecological impact, we engage with stakeholders to exchange knowledge, identify collaborative solutions, and develop industry-wide practices for protecting biodiversity. Beyond our primary crops, we have diversified our cultivation and distributed technical expertise and cultural best practices to local communities. Key environmental achievements include:

- **Soil Enhancement:** Utilizing natural manure and fallen rubber leaves to significantly improve annual soil fertility.
- **Water Conservation:** Successfully expanding and maintaining natural springs and critical watershed areas.

Climate Change Mitigation and Energy Strategy

Our climate change strategy addresses the risks and opportunities associated with the transition to a low-carbon economy. We are focused on the following strategic pillars:

- **Energy Optimization:** Implementing rigorous energy efficiency programs.
- **Renewable Energy:** Increasing the utilization of renewable energy and biomass-based fuels.
- **Energy Independence:** Advancing toward full electricity self-sufficiency.
- **Carbon Sequestration:** Utilizing 1,500 hectares of green space to sequester significant volumes of CO₂ and mitigate greenhouse gas effects.

Training and Environmental Awareness

Furthermore, we conduct regular awareness training sessions to ensure all employees maintain a comprehensive understanding of environmental sustainability programs.



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

In alignment with the **UN Sustainable Development Goals (SDGs)**, there is a prominent global imperative for enhanced corporate governance, accountability, and responsibility. We define corporate governance as a fundamental commitment to core values and ethical business conduct. To effectively evaluate our anti-corruption initiatives, we recognize that the timely and accurate disclosure of information regarding the company's financial position, operational performance, and ownership structure is essential.

Anti-Corruption and Bribery Policy

Our organization maintains a **zero-tolerance policy** regarding corruption, bribery, and extortion. This mandate applies universally; acts of corruption or bribery are strictly prohibited regardless of an individual's management level or position.

Compliance: All employees are required to strictly adhere to established corporate policies and procedures.

Gifts and Gratuities: The acceptance of gifts or presents in exchange for professional performance or favorable treatment is strictly forbidden.

Transparency and Stakeholder Engagement

We prioritize transparency and robust corporate governance by publicly disclosing our anti-corruption policy across all primary communication channels to ensure stakeholder awareness. Our leadership remains deeply committed to the strict maintenance, effective implementation, and continuous monitoring and review of these policies.



We support Sustainable Development Goals

Our Anti-corruption Policy available to be downloaded at :

<https://maxmyanmargroup.com/corporate-policies/corporate-hr-policies/>

IMPLEMENTATION

To strengthen the ethical culture in Shwe Yaung Pya, employees and subcontractors must also have the confidence to challenge others when a breach of the code of ethical conduct is suspected. Shwe Yaung Pya has whistle-blowing policy and procedures in place to protect and support the whistle-blower to the greatest extent possible.

Key performance indicators were set that directly relate to compliance with the code. Employee and subcontractor appraisals are opportunities for embedding the code, but also for identifying weaknesses in the code.

Effective speak-up arrangements, such as anonymous helplines, through which employees, contractors and other third parties can raise concerns in confidence about unsafe, unethical or unlawful practices are an important element of good corporate governance.

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. Even in smaller organizations, managers should welcome suggestions received informally. 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.

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.



CSR Activities



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. Max Myanmar also invites local communities to participate in the company's training programs, such as fire-fighting and occupational health and safety.

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.

CSR Activities



COMMUNICATION
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



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