



SHWE TAUNG

Code of Conduct - August 2020 Issue

Extract - Policies

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INTRODUCTION

This document is an extract from the Code of Conduct, August 2020 Issue, which applies to all employees of the Shwe Taung Group and all its related entities and subsidiaries including:

- Permanent, project based, flat paid employees (whether part time or full time staff), service contract labors, service contract workers;
- Board members;
- Any associated persons such as secondees, service contractors, or consultants contracted under different contract types;
- Intern or volunteers, vocational and work experience placements and apprentices.

This extract includes policies and sets out standards that should guide our behaviour and our relationships with our stakeholders including our customers, suppliers, partners, and government agencies.

I. POLICIES

I.1. Organisational Conduct

I.1.1. Human Rights and Labour Rights Policy

Introduction

Shwe Taung Group (the Group) is committed to being a good corporate citizen and contributing to the society of Myanmar within which we operate. We fully support the United Nations' Universal Declaration of Human Rights, to which every human being is entitled. As a company, we utilise the 30 articles from within the Universal Declaration of Human Rights as a common standard of achievement across all facets of our work. We acknowledge that the common understanding and compliance to these rights and freedoms are of the greatest importance.

We also understand and give full support to the principles of the International Labour Organisation's (ILO) Core Conventions and Principles. These cover the areas of freedom of association and common bargaining, the elimination of all forms of forced or compulsory labour, the effective abolition of child labour and the elimination of discrimination in respect of employment and occupation.

Purpose

We strive to achieve an international standard on labour policies and will continue to develop tools to measure the outcomes of our policies and practices for greater advancement in this area. This leads us to adopt and operate a human resource strategy that goes beyond the national regulations.

Key Policy Areas

- a. All our policies and practices comply with the fundamental principles described in the Universal Declaration of Human Rights. This includes equal chance, right to life, liberty, security of person, as well as the freedom of thought, conscience, religion, opinion and expression.
- b. We are committed to addressing human rights risk, discovering incidents of human rights abuse within the Group and acting upon human rights related issues.
- c. We are an equal opportunity employer and have a policy of non-discrimination.
- d. We do not employ child labour and we strictly condemn forced labour.

- e. We respect our employee' rights to freedom of association and collective bargaining. We do not forbid the creation and the commitment to any trade union, and recognize the right to collective bargaining as long as it is done in accordance with the law.
- f. We operate in full compliance with applicable work hours, overtime and benefits prescribed by laws in Myanmar. We comply with minimum wage laws in Myanmar. In addition, we provide extra allowances for employees based in certain locations of operations.
- g. We are committed to providing a healthy and safe working environment for our employees. Our employees attend health and safety training and awareness seminars on a regular basis. We provide Personal Protective Equipment (PPE) to employees to ensure their safety during operations. Rules and regulations specific to different operations and projects by the Group are clearly laid out in the workplace in order to effectively communicate our safety measures and precautions to all employees.
- h. We prioritise equitable access to healthcare for all our employees. We employ Doctors (or) Medical Officers to work on remote sites to ensure that medical attention is received promptly. Depending on the requirements of the operations, we make sure our on-site clinics are fully equipped to suit the medical needs of our employees.
- i. We view talent as a key asset of our Group and we offer a comprehensive and competitive remuneration and welfare package for our employees.
- j. Further development of the workforce is our priority. The Group provides employees with on-going skills development and training opportunities, and conducts both internal and external training programmes. We invest in our employees as we understand that their development is the key to our country's success.

Compliance with the Policy

Our commitments are fully supported by our Board of Directors, with a detailed management system stating ongoing objectives and targets which provides the framework of delivery of this Policy. We expect our business partners, suppliers, contractors and stakeholders to respect the same principles.

I.1.2. Non-Discrimination Policy

Introduction

We are an equal opportunity employer and have a policy of non-discrimination across all facets of employment from the hiring phase to on-going employment, training and development, right through to termination or retirement. The Group operates in a fair manner and does not consider race, religion, gender, disability, parental status or age in any matter related to employment. All employees are given the same opportunities to be hired and to career progression, and are paid an equal salary for an equal job.

Discrimination occurs when a person is treated less favorably than others because of characteristics that are not related to the person's competencies or the inherent requirements of the job. All workers and job seekers have the right to be treated equally, regardless of any attributes other than their ability to do the job. (Source: ILO - Business, Non-Discrimination and Equality).

STG recognizes it is the right of every employee to be able to attend work and to perform their duties without being subjected to any forms of discrimination.

STG does not tolerate any forms of discrimination, or victimization of employees or third parties who do work on STG's behalf.

Victimization involves treating someone unfairly or badly and subjected to detriment, because they have made, or intend to make or raised a grievance or suspect they are doing so a discrimination complaint. This also includes those who have supported another person in making a complaint. Immediate action will be taken against any employees who retaliates or victimizes a complainant.

Purpose

STG is committed to provide a safe and productive working environment in which the diversity of individuals is recognized and respected. Any forms of discrimination will not be tolerated under any circumstances and disciplinary action will be taken against any personnel who breach this policy.

Through this policy, STG aims to:

- a. create a working environment which is free from any forms of discrimination where all personnel are treated with dignity, courtesy and respect;
- b. provide an effective response procedure for complaints based on the principles

- c. treat all complaints in a sensitive, fair, timely and confidential manner;
- d. guarantee protection from any forms of victimization or reprisals;
- e. encourage to report any behavior which breaches this Non-Discriminatory Policy.

Key Policy Areas

- a. Every employee is entitled to a working environment that promotes dignity, equality and respect for all. STG does not tolerate any acts of unfair discrimination committed against an employee, contractor, job applicant or other types of associates because of a following protected characteristic:
 - (i) age;
 - (ii) carer status / family responsibilities;
 - (iii) disability/ impairment;
 - (iv) gender (or sex);
 - (v) gender identity;
 - (vi) health;
 - (vii) marital status;
 - (viii) parental status;
 - (ix) physical appearance;
 - (x) political beliefs and activity;
 - (xi) pregnancy; maternity and paternity; breastfeeding responsibilities;
 - (xii) race (including ethnic origin, color, nationality and national origin);
 - (xiii) relationship status;
 - (xiv) religious beliefs and activity;
 - (xv) sexual orientation/preference; (including homosexuality, lesbianism, bisexuality and heterosexuality, transgender);
 - (xvi) social origin;
 - (xvii) association with any person with any of the above characteristics.
 - (xviii) discrimination on the basis of work pattern (part-time working, fixed term contract, flexible working) which is unjustifiable will also not be tolerated.

- b. The following behaviors do not constitute discrimination:
 - (i) reasonable management practices, including performance management and disciplinary procedures;
 - (ii) a direction to carry out reasonable duties and instructions;
 - (iii) a direction to comply with STG' policies, procedures or guidelines.

Compliance with the Policy

Our commitments are fully supported by our Board of Directors, with a detailed management system stating ongoing objectives and targets which provides the framework of delivery of this Policy. We expect our business partners, suppliers, contractors and stakeholders to respect the same principles.

I.1.3. Respectful Workplace Policy

I.1.3.1. No form of bullying or sexual harassment is condoned, tolerated or allowed within the Group whether engaged in by fellow employee, supervisors, managers, clients or other non-employee who conduct business with STG.

I.1.3.2. Workplace bullying

Workplace bullying is repeated and unreasonable behavior directed towards a worker or a group of workers that creates a risk to health and safety.

- a. Repeated behaviour refers to the persistent nature of the behaviour and can involve a range of behaviours over time. A single incident of unreasonable behaviour is not normally bullying, but may create a risk to health and safety or have the potential to escalate into bullying and therefore should not be ignored.
- b. Unreasonable behaviour means behavior that a reasonable person, having considered the circumstances, would see as unreasonable, including behaviour that is victimizing, humiliating, intimidating or threatening.
- c. Examples of behaviours, whether intentional or unintentional, that may be workplace bullying if they are repeated, unreasonable and create a risk to health and safety include, but are not limited to:
 - (i) Abusive, insulting or offensive language or comments
 - (ii) Aggressive and intimidating conduct
 - (iii) Constant ridicule and being put down
 - (iv) Repeated threats of dismissal or other severe punishment for no reason
 - (v) Humiliating a person through gestures, sarcasm, criticism and insults often in front of customers, management or other workers
 - (vi) Practical jokes or initiation
 - (vii) Unjustified criticism or complaints
 - (viii) Sabotaging a person's work, for example by denying access to supervision, consultation or other resources; withholding or supplying incorrect information; hiding or sabotaging documents or equipment; not passing on messages; and getting a person into trouble in other ways

- (ix) Setting tasks that are unreasonably below or beyond a person's skill level
 - (x) Setting unreasonable timelines or constantly changing deadlines
 - (xi) Deliberately changing work arrangements, such as rosters and leave, to inconvenience a particular worker or workers
 - (xii) Spreading gossip or malicious rumours about a person
 - (xiii) Deliberately excluding someone from work-related activities
 - (xiv) Interfering with someone's personal property.
- d. Not all behaviour that makes a person feel upset or undervalued at work is workplace bullying.
- e. Differences of opinion and disagreements are generally not workplace bullying. People can have differences and disagreements in the workplace without engaging in repeated, unreasonable behaviour that creates a risk to health and safety. However, in some cases, conflict that is not managed may escalate to the point where it becomes workplace bullying.
- f. Workplace bullying does not include reasonable management action taken in a reasonable way by the person's employer in connection with the person's employment.
- g. Reasonable management actions include, but are not limited to:
- (i) Setting realistic and achievable performance goals, standards and deadlines
 - (ii) Fair and appropriate rostering and allocation of working hours
 - (iii) Transferring a worker to another area or role for operational reasons
 - (iv) Deciding not to select a worker for a promotion where a fair and transparent process is followed
 - (v) Informing a worker about unsatisfactory work performance in an honest, fair and constructive way
 - (vi) Informing a worker about unreasonable behaviour in an objective and confidential way

- (vii) Implementing organizational change or restructuring, and
 - (viii) Taking disciplinary action including suspension or termination of employment where appropriate or justified in the circumstances.
- h. The question of whether management action is conducted in a reasonable way is determined by considering the actual management action rather than a worker's perception of it, and where management action involves a significant departure from established policies or procedures, whether the departure was reasonable in the circumstances.

1.1.3.3. Sexual harassment

Sexual harassment is unwelcome conduct of a sexual nature, which makes a person feel offended, humiliated and/or intimidated.

- a. Sexual harassment can take various forms. It can involve conduct such as:
- (i) Suggestive comments or jokes
 - (ii) Insults or taunts of a sexual nature
 - (iii) Inappropriate advances on social networking sites
 - (iv) Sexually explicit pictures, posters, screensavers, emails, tweets, social networking posts, SMS or instant messages
 - (v) Intrusive contact or conduct of a suggestive nature via phone, text, email, social media, or in-person outside of working hours
 - (vi) Staring or leering
 - (vii) Intrusive questions about another person's private life or body
 - (viii) Unwanted invitations for sex
 - (ix) Persistent requests to go out on dates
 - (x) Unnecessary familiarity, such as deliberately brushing up against someone
 - (xi) Unwelcome touching, hugging or kissing
 - (xii) Accessing sexually explicit internet sites at work; and

- (xiii) Behavior which would also be an offence under the criminal law, such as physical assault, indecent exposure, sexual assault, stalking or obscene communications.

- b. A single incident is enough to constitute sexual harassment – it doesn't have to be repeated. Both men and women can experience sexual harassment at work, however, it is most commonly experienced by women.

- c. There are two types of sexual harassment in the workplace:
 - (i) Quid pro quo sexual harassment reflects inappropriate use of power and occurs when some type of employment benefit is made or perceived to be contingent on sexual favours in some capacity.

It includes requests for sexual favours, unwelcome advances, or other verbal or physical conduct of a sexual nature when either of the following conditions is met:

- Agreeing to such request or conduct is made or perceived to be a term or condition of an individual's employment; or
 - The request or conduct is explicitly or implicitly used as the basis for employment decisions affecting that individual.
 - Usually this type of sexual harassment occurs between someone in a position of power and a subordinate.
- (ii) Intimidating, hostile or offensive environment sexual harassment occurs when there are frequent or pervasive unwanted sexual comments, advances, requests for sexual favours or other verbal or physical conduct of a sexual nature that has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

If an employee initiates an honest attempt to start a sexual or romantic relationship with another employee, this is not usually considered harassment, provided the attempt is not repeated. However, if the other employee feels humiliated, offended or intimidated by the attempt, then this behavior is considered harassment.

I.1.3.4. Employee Rights and responsibilities

- a. All employee are entitled to:
 - (i) Work free from bullying and sexual harassment
 - (ii) The right to make an enquiry or complaint under the Code of Conduct (COD) in a reasonable and respectful manner without being victimized.

- b. All employee must:
 - (i) Follow the standards of behaviour outlined in the COC
 - (ii) Offer support to people who experience workplace bullying or sexual harassment, including providing information about how to make a complaint
 - (iii) Avoid gossip and respect the confidentiality of complaint resolution procedures
 - (iv) Treat others with dignity, courtesy and respect.

- c. Managers and supervisors must also:
 - (i) Model appropriate standards of behavior.
 - (ii) Take steps to educate and make staff aware of their obligations under the COC.
 - (iii) Intervene quickly and appropriately when they become aware of inappropriate behaviour - All incidents of workplace bullying and sexual harassment – no matter how large or small or who is involved – require managers and supervisors to respond quickly and appropriately.
 - (iv) Act fairly to resolve issues and enforce workplace behavioural standards, making sure relevant parties are heard.
 - (v) Help staff resolve complaints informally.
 - (vi) Refer formal complaints about breaches of the COC to HR department, to the worker Grievance committee or the Code of Conduct Compliance Committee for investigation

- (vii) Ensure staff who raise an issue or make a complaint are not victimised
- d. An employee who believes that he or she has been the subject of sexual harassment or bullying is encouraged to report the alleged act(s) to his or her supervisor, department head, the HR department or the COC Committee; regardless of who the offender may be or what position they may hold in the company.
- e. To formally raise an allegation of bullying or sexual harassment an employee must provide a written statement of allegations (Grievance Letter, Appendix – GLI). The written details should include:
 - (i) The name of the harasser;
 - (ii) As much detail as possible about the nature of harassment;
 - (iii) The dates and times when harassment occurred;
 - (iv) The names of any witnesses to any incidents of harassment

1.1.3.5. Informal Resolution

- a. After reporting the behavior to a supervisor, department head, the HR department, the respective Workers Grievance Committee or the Code of Conduct Compliance Committee, the complainant will be given the opportunity to tell the person responsible that they find his/her behavior offensive and ask him/her to stop. The complainant may wish to ask a colleague or employee representative to be present.
- b. If the complainant does not feel comfortable confronting the harasser, or if the matter cannot be resolved informally, a formal investigation should be undertaken in accordance with Sections below.

1.1.3.6. Formal Investigation

- a. Any complaint brought to the attention of the company's designees (supervisor, department head, the HR department, the Workers Grievance Committee or the Code of Conduct Compliance Committee) will be investigated within (30) days after receipt of the complaint by the Workers Grievance Committee or by the Code of Conduct Compliance Committee in a confidential manner which will protect the privacy of the persons involved, to the utmost extent possible.
- b. The investigation shall be fair and impartial for both complainants and alleged harasser.
- c. This investigation will include the following:

- (i) Interview with the complainant as to the alleged event(s)
 - (ii) The complainant should be given an opportunity to express their preferred outcome from the complaints process, with the understanding that an alternative outcome may be deemed more suitable by the investigative team
 - (iii) Interview with the alleged harasser as to the alleged event(s)
 - (iv) Interview with any witnesses or anyone else who may have any information regarding the complaint.
- d. Confidentiality must be maintained throughout the investigatory process to the fullest extent practical and no information regarding the complaint or the parties involved shall be provided to anyone outside of the investigatory process unless there is a criminal action or without the approval of all parties involved in so far as possible.
 - e. Any employee involved in the investigation must treat the proceedings as confidential and failure to do so shall be considered a disciplinary offence.
 - f. Victimization of the complainant or witnesses shall lead to automatic disciplinary action.

1.1.3.7. Determining Whether Workplace Bullying or Sexual Harassment Occurred and Assessing the Severity of the Harassment

- a. The following factors can help determine whether workplace bullying or sexual harassment occurred:
 - (i) Whether the conduct included any of the actions listed in 1.1.3.2 (Workplace Bullying) and/or 1.1.3.3 (Sexual Harassment);
 - (ii) Whether the conduct was patently offensive;
 - (iii) Whether the conduct would have breached the dignity or respect of a reasonable person in the circumstances.
- b. The following factors can help determine the severity of the harassment:
 - (i) Whether the conduct was verbal or physical or both;

- (ii) How frequently the conduct was repeated;
 - (iii) Whether the alleged harasser was a co-worker, a client, third party or supervisor;
 - (iv) Whether others joined in perpetrating the harassment; and
 - (v) Whether the harassment was directed at more than one individual.
- c. Whether or not any given behavior qualifies as workplace bullying or sexual harassment will be assessed on a case-by-case basis. In addition to the impact on the harassed individual, consideration will also be given to whether the conduct created an intimidating, hostile or offensive environment for co-workers of the victim.
 - d. STG recognizes that comments and behavior that do not offend one person can offend another. This policy requires all staff and volunteers to respect other people's limits.
 - e. In relation to sexual harassment, the intent of the harasser is not relevant. Statements like "I didn't mean to harass" are not considered. It is the impact of the harasser's behaviour, which is mainly considered.
 - f. When confronting conflicting evidence as to whether conduct was welcome or unwelcome, STG will look at the totality of the circumstances, evaluating each situation on a case-by-case basis.
 - g. Just because someone does not object to inappropriate behavior in the workplace at the time, it does not mean that they are consenting to the behavior.

1.1.3.8. Harassment is Found to Have Occurred

- a. Where harassment has been found to have occurred, the appropriate outcome should be focused on getting the harasser to cease the harassing behavior and providing support to the complainant.
- b. Outcomes include:
 - (i) Remediation between the complainant and the harasser and support for their reintegration into their respective roles within the workplace

- (ii) Disciplinary procedures as deemed appropriate given the severity of the harassing behavior, which may include, from less severe to most severe: verbal warning/mediation/apology, referral to training, written warning, withholding of salary increase, transfer, minor financial penalty, temporary suspension without pay, demotion, major financial penalty (e.g. withholding of bonus), final warning, termination, referral to police
 - (iii) The finding of any Quid Pro Quo sexual harassment should automatically result in termination of the harasser, suspension without pay, final warning, or a financial penalty of the harasser
 - (iv) If the behavior involves violence, for example physical or sexual assault or the threat of physical or sexual assault, it should be reported to the police.
 - c. In all cases where harassment has been found to have occurred, support services or counselling should be made available to the complainant.
- I.1.3.9. If the investigation determines that no workplace bullying or sexual harassment has occurred, this finding will be communicated to the complainant in an appropriately sensitive manner.
- I.1.3.10. STG recognizes that false accusations of workplace bullying and sexual harassment can have serious effects on innocent persons. If, after the investigation, it is found that the complainant has maliciously or recklessly made a false accusation, the complainant will be subject to appropriate sanctions. In such an event, STG will also take appropriate action to restore the reputation of the accused.
- I.1.3.11. Upon completing the investigation of a sexual harassment complaint, the company will communicate its findings and intended actions to the complainant and alleged harasser.
- I.1.3.12. In all cases and whatever the outcome following a formal investigation, a record of the complaint and the outcome will be recorded and stored in a secure centralized filing system. These files will be kept separate from employee files, however where any employee has been found to have committed workplace bullying or sexual harassment and breached the Code of Conduct, a notation of that finding should be included in their personnel file.

1.1.4. Anti-Corruption and Anti-Bribery

Introduction

The Group has always been rigorous in setting and enforcing anti-bribery and anti-corruption policies, both internally (in respect to the relationships between the companies and the employee) and externally (in respect to the relationships with suppliers, customers, partners, the different levels of Government and the community in general).

Bribery is the action of giving money, property, gift, service fee, entertainment and other benefits to somebody in exchange for a benefit that otherwise would not occur or to influence the action or decision of a person in an official or public capacity. Bribery contributes to Corruption, which is a form of dishonest or unethical conduct by a person in a position of authority, often to acquire personal benefit.

Favoritism, Nepotism and Clientelism involve favoring someone related, such as a friend, family member or member of an association. Examples would include hiring or promoting a family member or staff member to a role they are not qualified for, regardless of merit.

Purpose

The spirit with which we have embraced these policies is not only that of fairness and integrity, but also of a bigger awareness that certain business practices need to be eradicated in order for the Country to develop to its full potential; and that the Group, as a leading business, has a responsibility of setting the example from within the Myanmar business landscape.

Key Policy Areas

- a. The Group conducts its business in compliance with all applicable laws and regulations. The Group is firmly and unequivocally committed to prevent and fight episodes of bribery and corruption. The Group has a **zero tolerance** for any behaviour, by individuals or organizations that act on behalf of the Group or represent it (such as agents, representatives or intermediaries), that can be interpreted as either committing or allowing, directly or indirectly, bribery.
- b. No gifts (financial or otherwise, such as gadgets, hospitality, meals, invitations to events and so on) can be accepted by employees or directors when dealing on behalf of the Group. If gifts are received, regardless of their value, they cannot be retained and must be dealt with according to the instructions provided in the *Instructions* part of this Code of Conduct.
- c. Accepting gifts, or failing to declare them, will result in disciplinary action, including dismissal and legal proceedings.

- d. We prohibit facilitation payments, which are payments made to expedite or secure the performance of a routine governmental action, by an official, political party or party official.
- e. We do not provide any contribution of cash or in-kind support to any political party or political organization in Myanmar or overseas aimed at obtaining any improper benefit or advantage or any favorable treatment.
- f. Any political and social contribution made must be approved by the Group's Code of Conduct Compliance Committee and must adhere to the following;
 - i. it must comply with Myanmar's laws and regulations;
 - ii. it must clearly identify recipient, organization, purpose, and reason for contribution;
 - iii. if it's a social contribution, it must clearly be aligned with the purpose of the Shwe Taung Foundation.
- g. Anonymous donations and donations to individuals instead of organizations are not allowed.
- h. Employees are obliged to disclose to the Company any possible conflict of interests (such as relationships of kinship or partnership with existing or potential suppliers).
- i. Employees are strongly discouraged from behaviors that can be interpreted as clientelism, nepotism or favoritism. No episode where individuals are hired, promoted or rewarded for reasons other than skills and merits is acceptable.

Compliance with the Policy

Our commitments are fully supported by our Board of Directors, with a detailed management system stating on-going objectives and targets which provides the framework of delivery of this Policy. We expect our employees (permanent or casual), business partners, suppliers, contractors and stakeholders to respect the same principles.

Employees and directors are also required to attend a mandatory internal anti-corruption and anti-bribery training program. Suppliers, contractors and subcontractors need to sign a statement of acceptance of this Policy or Code of Business Conduct for Suppliers before dealing with the Group. These statements will be integral part of the contracts between the parties.

The books and records of the Group and each company controlled shall contain full and accurate information about all expenditures and transactions incurred. This allows for proper financial audits and prevents improper payments being made.

The Group will monitor the effectiveness of this anti-corruption and anti-bribery Policy and will review and update when needed.

1.1.5. Conflict of interests

Introduction

A conflict of interests is a situation in which a person related to the Group, such as employee, contractors, consultants and so on, is involved in external interests, which could possibly be not aligned with the Group's interests. Examples would include appointing a friend or family member as supplier, when more qualified or more convenient suppliers are available, thereby causing a loss to the company.

Purpose

A conflict of interests arises when there is a conflict between the official responsibilities of an employee and any other interests that the employee may have which prevents the employee from acting in the best interest of the Group.

Key Policy Areas

- a. Employees must declare any conflict of interests to their supervisors.
- b. It is not possible to comprehensively define circumstances that will lead to conflicts of interests. Employees are expected to consult their supervisors if they are unsure if they face any potential conflict of interest.

Compliance with the policy

Undeclared conflict of interests can be investigated and punished with disciplinary measures.

1.1.6. Transparency

Introduction

We believe that open and transparent communication and feedback are essential elements of enhancing our relationship with our stakeholders, reducing risk, sustaining development and improving the management of our operational impact on others. We endeavour to provide a transparent, relevant and fair report on our activities. We dedicate time and manpower to provide accurate assessments of our procedures and actions, so that any disclosure reflects as accurately as possible the performance/contributions of the Group. We communicate proactively to provide relevant and meaningful information to our stakeholders.

Purpose

The information that we provide improves the choices of customers, suppliers, employees, partners, investors, and citizens. Those choices improve our markets' accountability, encourage us to reduce risks associated with our businesses and help us earn the trust of our key stakeholders.

Key Policy Areas

We practice the principle of transparency in our interactions with our stakeholders. We issue press releases for key announcements concerning the Group. We publish an annual Sustainability Report to communicate our sustainability performances.

Compliance with the policy

Our commitments are fully supported by our Board of Directors, with a detailed management system stating ongoing objectives and targets which provides the framework of delivery of this Policy. Our Communications and Sustainability Development department is responsible for ensuring that STG's website is always updated timely and that each Business Sector sets up and maintains relevant, consistent, credible websites and communication channels.

1.1.7. Occupational Health and Safety Policy

Introduction

Our philosophy is that the well-being of our company and clients is dependent on the health and safety of our workforce. Every precaution reasonable and practicable shall be taken for the protection of all employees. The welfare of the individual is our greatest concern.

We are committed to providing a healthy and safe working environment for our employees and any visitors to our workplaces, in accordance with industry standards and in compliance with legislative requirements.

Purpose

We recognise that the responsibility for health and safety is shared. All employees at all levels are empowered to contribute to prevent accidents within our facilities and on our workplaces, together with contractors, suppliers and customers. Management encourages every employee to act as a safety leader.

Everybody in Shwe Taung Group is expected to participate actively in the implementation of sound Occupational Health and Safety procedures and for taking actions to prevent injuries and ill-health while at work.

Key Policy Areas

- a. No job is to be regarded so urgent that time cannot be taken to do it in a safe manner.
- b. The Management pledges to accord the highest priority to the health and safety of our employees by providing a healthy and safe work environment, and is committed to at least comply with, and when possible exceed, any applicable legal requirements and other requirements to which the Group subscribes related to its hazards.
- c. The Management shall provide and allocate sufficient resources and training to support a healthy and safe workplace.
- d. The Management shall provide a framework for setting and reviewing the health and safety objectives as defined in the occupational health and safety manual.
- e. For every work activity, we will assess the risk, eliminate the associated hazards and ensure that the risks are reduced to as low as reasonably practicable. All management activities shall comply with company Occupational Health and Safety requirements such as identifying health and safety roles and structure within the organization, issuing safety rules and instructions, performing inspections, displaying proper signage, keeping records of incidents, as they relate to planning, operation and maintenance of facilities and

equipment. All employees shall perform their jobs properly in accordance with established procedures and safe work practices.

- f. We are committed to continual improvement toward an accident-free workplace through effective monitoring and evaluating our Occupational Health and Safety performance, education and training; and through a continuously improving Occupational Health and Safety Management System. All supervisors and workers must be dedicated to the continuing objectives of eliminating the workplace hazards which will greatly reduce the risk of injuries.
- g. The Management of Shwe Taung Group is committed to consultation and participation of its employees and, where applicable, employees' representatives in its Occupational Health and Safety efforts.
- h. Rules and regulations specific to different operations and projects by Shwe Taung Group are clearly laid out in the workplace in order to effectively communicate our Occupational Health and Safety measures and precautions to all employees.
- i. All managers are responsible to communicate the Occupational Health and Safety policy to all employees, as well as to other stakeholders and to make the Occupational Health and Safety policy available to interested parties.

Compliance with the policy

Our commitments are fully supported by our Board of Directors, with a detailed management system stating ongoing objectives and targets which provides the framework of delivery of this Policy. We expect our business partners, suppliers, contractors and stakeholders to respect the same principles.

This version of the Occupational Health and Safety policy prevails over previous versions and shall be reviewed regularly and whenever needed.

1.1.8. Land and Property Acquisition

Introduction

The Group respects people's rights to land and resources and we are committed to recognizing and protecting those rights, particularly the rights of those located near our operations.

Our land resources will be managed, administered and used with the long-term objectives of livelihood improvement of Myanmar citizens and sustainable development of Myanmar.

Purpose

We are committed to be consistent with our objectives; the group applies the following fundamental goals:

- a. To ensure a fair and transparent process for project-related land management.
- b. To promote sustainable land use management and protection of cultural heritage areas, environment, and natural resources for the interests of all people in the country;
- c. To promote people centered development, participatory decision making, responsible investment in land resources and accountable land use administration in order to support the equitable economic development of the country;
- d. To identify manage and avoid the negative impacts from land acquisition for our business activities;

Key Policy Areas

We are committed to the following when acquiring land for our businesses to avoid negatively affecting the communities located on or near the land:

- a. Conduct due diligence on the ownership of the land
- b. Identify environmental and social risks and impact to communities
- c. Engage with affected communities and stakeholders
- d. Obtain independent advice prior to land acquisition, and ensure that affected communities' rights are protected and respected
- e. Compensation for affected communities will be just and fair, with the objective of improving or restoring their standards of living or livelihoods

- f. If resettlement is required, we will publicity communicate the resettlement sites, the number of affected persons, and the mitigation measures to restore livelihood of displaced people
- g. Introduce a grievance mechanism to provide opportunities for affected communities to give feedback

Compliance with the policy

This Policy is in full compliance with the land acquisition law in Myanmar. Our commitments are fully supported by our Board of Directors, with a detailed management system stating ongoing objectives and targets which provides the framework of delivery of this Policy. We expect our business partners, suppliers, contractors and stakeholders to respect the same principles.

I.1.9. Intellectual Property

Introduction

Intellectual property protection is critical to fostering innovation. Without protection of ideas, businesses and individuals would not reap the full benefits of their inventions and would focus less on research and development. The investment in our infrastructure reinforces our continued commitment to adopting international business practices and respecting intellectual property rights.

Purpose

Our intellectual property policy is intended to protect assets that may be integral to the core services and overall long-term viability of our business as well as others' businesses.

Key Policy

We respect intellectual property rights and will not infringe or violate any company's intellectual property.

Compliance with the policy

Our commitments are fully supported by our Board of Directors, with a detailed management system stating ongoing objectives and targets which provides the framework of delivery of this Policy.

I.1.10. Competition and Fair Dealing

Introduction

Fair competition laws are intended to promote vigorous and fair competition in a free market. It is Shwe Taung's best interest to encourage free, open and honest competition: the Group must make its own business decisions, free from understandings or agreements with competitors or suppliers that restrict competition. We consider compliance with these laws of vital importance for the future of Shwe Taung.

Purpose

At Shwe Taung Group, we aim to outperform our competitors fairly and honestly by seeking competitive advantage through superior performance, better management and stronger corporate values.

We consider that competing fairly is essential for continually innovating and bringing more value to our stakeholders by delivering better products and services on the market, which will benefit our clients, the society and Myanmar as a whole.

Key Policies Areas

Shwe Taung Group does not engage in illegal or unethical business practices. Likewise, our Board of Directors (BOD) members, managers and employees should endeavour to respect the rights of, and deal fairly with, our clients, partners and competitors.

When conducting Shwe Tang business, we must:

- a. ALWAYS present our products and services in a manner consistent with our core values.
- b. NOT participate in any agreement with our competitors which improperly interferes with free-market forces in any market.
- c. NOT discuss pricing with our competitors if the effect of such discussion is to limit competition.
- d. NOT attempt to obtain our competitors' trade secrets or other confidential information through the use of inappropriate means.
- e. NOT enter discussion to divide or allocate customers, suppliers, territories or products with a competitor.
- f. NOT involve a third party to breach an existing agreement.

Compliance with the Policy

Our commitments are fully supported by our Board of Directors (BOD), with a detailed management system stating ongoing objectives and targets which provides the framework of delivery of this Policy. We expect our business partners, suppliers, contractors and stakeholders to respect the same principles.

1.2. Employee Conduct

1.2.1. Media Relations and Disclosure

Introduction

These guidelines cover our communications with the media and the public. They apply to all employees, in both formal and informal disclosure of company information to external parties.

Purpose

Effective communication with the media and the public allows us to raise the profile of Shwe Taung and provide accurate and consistent information to the public. Our commitment is to ensure that information is disclosed in a timely, consistent, and appropriate manner.

Key Policy Areas

- a. All media queries and requests shall be referred to the Communications and Sustainability Department (CSD). *Media* refers to the main means of mass communications comprising television, radio, print and the internet.
- b. Only authorized representatives of the Group are allowed to speak to the media on behalf of the Group.
- c. Employees who participate in social media should not claim to represent the Group or set up social media accounts for the Group.
- d. Employees should refer to media and social media communication instruction for more information about use of social media.

Compliance with the policy

Our commitments are fully supported by our Board of Directors, with a detailed management system stating ongoing objectives and targets which provides the framework of delivery of this Policy.

I.2.2. Privacy and Confidentiality

Introduction

Employees are required to respect and safeguard confidential information about the Group. Confidential information is information that is not publicly available.

Purpose

This policy is intended to regulate to what extent employees can handle and disclose information about the Group and its businesses.

Key Policy Areas

- a. Employees shall not divulge to any person or otherwise make use of any confidential information concerning the business, finance or operations of the Company or any such confidential information concerning any of its investors, contractors, suppliers and customers.
- b. The business affairs and the financial information of the Company, its affiliates and subsidiaries, shall not be discussed with any individuals outside of our organization, particularly, not with any direct competitors.
- c. In the event that an employee is approached to disclose any such information, the employee must immediately inform his/her superior.
- d. We always make sure that we enter into a Non-Disclosure Agreement before starting collaborations with any party in order to protect our confidential information.
- e. We comply with all laws, rules, regulations, and terms and conditions of respective agreements in regard to protecting information of business dealings or engagements with other parties.
- f. Employees should respect proper channels of communication for information, including confidential information, and should check with their supervisors if they are not sure.

In case of doubt, employees can seek guidance with the Code of Conduct Compliance Committee.

Compliance with the policy

Our commitments are fully supported by our Board of Directors, with a detailed management system stating ongoing objectives and targets which provides the framework of delivery of this Policy. We expect our business partners, suppliers, contractors and stakeholders to respect the same principles.

I.2.3. Whistleblowing

Introduction

Employees and stakeholders are encouraged to make good faith reports of suspected cases of bribery and corruption, or health and safety concerns, or any other breaches of the Code of Conduct within the Group.

Purpose

We are committed to conducting our business with accountability and we expect all staff to maintain high standards. The purpose of the policy is to eradicate unethical and unwanted behaviours by facilitating reports and by protecting the reporter from negative consequences (retaliation, etc.)

Key Policy Areas

- a. We encourage our employee who have knowledge of
 - i. violations or intent of violations of an applicable law by the employee,
 - ii. a hazard or potential danger to the health and safety of an employee or the public, including any bullying and sexual harassment, injury, illness or fraud,
 - iii. breaches or non-compliances of the Code of Conduct within the Group,to report to the Code of Conduct Compliance Committee or Respective Worker Grievance Committee (WGC) without fear of victimization, demotion, penalty or dismissal.
- b. We ensure full confidentiality of the whistleblower and conduct independent investigation of any reported incidents. We will maintain two-way communication with the whistleblower to follow up on the investigation.
- c. Employees who would like to report any incidents should contact their immediate supervisor if appropriate. In the event of any conflict of interests, employees can reach out to the Code of Conduct Compliance Committee or respective Worker Grievance Committee (WGC).

Compliance with the policy

Our commitments are fully supported by our Board of Directors, with a detailed management system stating ongoing objectives and targets which provides the framework of delivery of this Policy. We expect our business partners, suppliers, contractors and stakeholders to respect the same principles.

I.3. Community and Environment

I.3.1. Sustainability Policy

Introduction

At Shwe Taung we thrive on earning and safeguarding the trust of our stakeholders in everything we do, because we aim to shape a better future for Myanmar. Sustainability has always been at the core of the Group's strategy. Our activities should:

- be guided by our corporate vision "Inspiring Lives. Sustaining Progress."
- contribute to our sustainability strategy.

Purpose

We are a purpose-driven organisation: the latest version of our purpose can be found at the beginning of this Code of Conduct, and on our website.

The following principles guide our approach to sustainability:

- a. We opt for a long-term plan when we are investing in and developing our business. We appreciate all the consequences of our activities and strive to have a net positive impact on the society, the environment and all people affected. Indeed, our business shall benefit all our stakeholders, and not just us;
- b. We are responsible for engaging our stakeholders: this helps us to focus our efforts on the most material aspects that will shape and inform the sustainability of our business;
- c. We champion accountability and business ethics: embracing demanding business standards is critical for shaping a better tomorrow and for earning the trust of our stakeholders to safeguard our social license to operate.

Key Policy Area

- a. Our sustainability strategy shall be aligned with our business strategy and create the conditions for operating Shwe Taung for the long-term.

- b. The Sustainability Team is responsible for:
 - (i) ensuring the relevance and consistency of its approach.
 - (ii) managing and implementing the Sustainability roadmap Group-wide.
 - (iii) reporting the progress and results to the Organization and Sustainability Committee.
 - (iv) ensuring the compliance of the Group's disclosure with the relevant frameworks.

- c. The non-financial performance of Shwe Taung Group will affect the remuneration of top executives, managers and employees.

- d. The Group has identified 18 issues and structure is approached around 4 pillars: committed company, respectful workplace, responsible industrial player and good corporate citizen.

(1) Company transformation

The Group is committed to transforming the way it conducts its business to seize new market opportunities and mitigate adverse risks, to select the right partners, to finance this transformation and to create socio-economic value with and for all its stakeholders.

(2) Customer satisfaction

As the Group operates various kinds of business, it is essential to identify, for each business sector, the most important factors of success to (i) shape sound customer experience and (ii) anticipate market trends and (iii) the evolution of consumers/customers/clients' behavior.

(3) Innovation

The Group invests in fostering innovation across the organization either to acquire new technology or new management approaches.

(4) Shared value

Through its activities, the Group can support creating a vibrant economic ecosystem as the company creates economic value which contributes to: jobs, income and commercial taxes, value for the investors and shareholders, positive impacts for the local communities

(5) Supply chain management

The Group and all its business sectors have to manage their supply chain carefully to:

- Manage the risks across the various value chains of its business sectors;
- Deliver safe, sound, and superior products and solutions to all its clients.

(6) Safety

Providing safe working conditions is fundamental, and the Group is committed to safeguarding the security and integrity of its employees.

(7) Talent management

The Group is committed to investing in the development of employees' skills and expertise and to retaining talented employees by offering them rewarding career paths.

(8) Working conditions

The Group aims to be a responsible employer and does not tolerate any form of discrimination.

(9) HR productivity

The Group is committed to enhancing the efficiency of its workforce.

(10) Energy management

The Group selects and promotes energy-efficient solutions and renewable energies for its operations, and its clients as well.

(11) Carbon management

The Group is committed to limiting the emissions of CO₂ to protect the environment and to secure the funding of its future projects.

(12) Waste management

The Group targets not to generate any waste from its operations and/or to be able to recycle/upcycle all its waste by developing a circular economy with its partners.

(13) Water management

The Group manages the water resource carefully to avoid any pollution and safeguards the acceptability of its operations wherever it needs water for its operations.

(14) Business ethics

Being ethical is key to build the Group's reputation, and to be able to partner with the right entities.

(15) Compliance

The Group aims to operate in compliance with all applicable laws.

(16) Corporate Governance

To transform its organization, the Group has to structure an effective decision-making process to

- (i) get the right inputs to enhance the quality of the decision made,
- (ii) allocate the resources of the company swiftly, and
- (iii) manage risks effectively. Moreover, like many family-owned companies, the Group has to plan carefully the succession of its key management people to safeguard its core assets.

(17) Human rights

The Group is committed to upholding human rights across its operations, by engaging transparently with local communities and by mitigating all potential impacts of its projects.

(18) Stakeholders engagement

The Group strives to build respectful and balanced relationships with local communities and public authorities.

Compliance with the Policy

The Group will disclose its progress annually in the Sustainability Report that will be accessible on its website. The Organization and Sustainability Committee will regularly review the results and outcomes of this policy.

I.3.2. Stakeholders' Grievance and Dispute Resolution Policy

Introduction

The Group's Stakeholders' Grievance and Dispute Resolution Policy is a structured process that can be used by individuals, employees (including temporary and contract employees), communities and civil society organisations that are negatively affected by our business activities and operations.

We believe that open and transparent communication and feedback are essential elements of enhancing our relationship with our stakeholders, reducing risk, and improving management of our operational impact on others.

Purpose

We are committed to working together with our stakeholders to resolve their concerns in a prompt, equitable and satisfactory manner.

Key Policy Areas

- a. People have the right to have their grievances receive careful consideration through established processes that are timely and based on fairness and respect.
- b. The best resolution is one that is reached cooperatively and informally where possible prior to a formal complaint being lodged in writing.
- c. Any aggrieved party can submit a grievance by letter or email or by using the online form available at <https://www.shwetaunggroup.com/commitment/reports/#modal> to the Code of Conduct Compliance Committee which is responsible for hearing, processing and resolving grievances.
- d. Any grievance received will be considered in a timely and confidential manner, and documented together with the steps towards resolution.
- e. The Code of Conduct Compliance Committee will respond to all grievances received, taking into account the relevant circumstances and the needs of all affected parties.
- f. If the outcome of the dispute resolution proposed by Code of Conduct Compliance Committee is not acceptable to the complainant, the complainant can submit an appeal letter to the Code of Conduct Compliance Committee.

- g. The Code of Conduct Compliance Committee will form an Appeals Committee jointly with (a) the complainant, and (b) an independent, respected member of the community, to reach a resolution acceptable to all parties.
- h. We believe that our stakeholders, including our employee, should be able to raise any grievance without fear of victimization, demotion, penalty or dismissal. We will endeavour to maintain full confidentiality of the complainant and investigation process. In circumstances where full confidentiality cannot be maintained if the grievance is to be fully investigated, we will first inform the complainant.

Compliance with the Policy

Our commitments are fully supported by our Board of Directors, with a detailed management system stating ongoing objectives and targets which provides the framework of delivery of this Policy.

I.4. Legal and Compliance

We are dedicated to conducting our businesses consistently with the highest standards of business ethics and in accordance with applicable laws, rules and regulations in Myanmar at all times.

We expect our suppliers and partners, including all their employee, agents and subcontractors, to embrace the Group's commitment to integrity and responsibility in upholding the law at all times while conducting business with, for or on behalf of the Group.