



MAX ENERGY



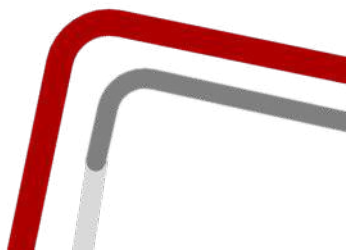
COMMUNICATION ON
PROGRESS

Communication on Progress

(2024-2025)



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Company Overview

Max Energy was founded in June 2010 with twelve filling stations following approval from Myanmar's National Privatization Commission for the private distribution of diesel and petroleum products in Myanmar. Max Energy is also one of the strategic business units of the Max Myanmar Group; **an integrated energy supplier dealing in the retail and wholesales of imported petroleum products.**

Max Energy's **petroleum products are competitively priced, and quality is assured** by reputable international surveyor organizations. Utilizing advanced dispenser machines, quantities are always precise. Customer service is deemed excellent, and **customer satisfaction is consistently high**; brand image is of paramount importance to Max Energy.

Its 73 filling stations are conveniently located and strategically distributed across major cities and on major automobile routes throughout the country. Operations are 24-hours a day and staff are comparatively well trained. New EV charging stations are constructed at the existing filling stations compound as a sustainable business development execution. Max Energy operated a convenience store and coffee shop as part of its non-fuel retail business to provide a service and product of excellence by adding value for our customers and community.



Our Objectives

- To build a strong brand name of Max Energy in Myanmar Fuel Energy Market.
- To effectively distribute high-quality fuel products imported from abroad to consumers and other users.
- To provide valued-added service to customers to achieve customers' satisfaction.
- To create better job opportunities for younger generation to enhance their personal lives and living standards.
- To contribute positively to social causes that would benefit company employees and society in general.



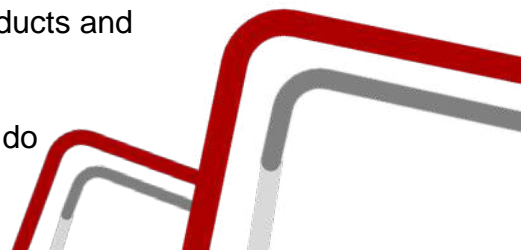
- To be a leading fuel service company and to be recognized as a reputable brand in Myanmar fuel industry for delivery on our commitments, embracing new opportunities and adding value to our customers, shareholders and community.



- To create a working environment where people are motivated to excel.
- To provide a service and product of excellence.
- To be reliable, professional, driven and highly competitive.
- To grow assets and increase productivity by leveraging on technology, creating a culture of continuous improvement.
- To be an environmentally responsible organization for future growth through good corporate governance and sustainable business practices.



- Excellence – Do things best in every aspect
- Quality – Provide best quality products and service
- Trust – Be integrity in all what we do





Statement of Commitment

To our stakeholders,

I am pleased to confirm that Max Energy has consistently upheld the Ten Principles of UNGC since becoming a member of UNGC and will continue to uphold our commitment to integrating Human Rights, Labor, Environment and Anti-Corruption into our business practices.

Throughout the reporting period, communities across Myanmar endured a range of serious challenges. Among the most impactful were natural disasters—including powerful 7.7 magnitude earthquakes in March 2025 and widespread flooding in September 2024 - that deeply disrupted people's lives. In response to these crises, Max Energy stepped in with practical, on-the-ground support for those affected. Our humanitarian response focused on delivering critical aid—such as complimentary fuel, emergency shelter, nutritious food, essential medicines, financial assistance, and other support—to the hardest-hit areas.

In this annual Communication on Progress, we summarize our efforts to integrate the UN Global Compact principles into our strategy, culture, and operations. By aligning with the Ten Principles and promoting integrity, we fulfill our responsibilities to people and the planet while advancing our commitment to sustainable, responsible growth.

To conclude, Max Energy Co., Ltd. proudly supports the ten principles of the UN Global Compact and remain committed to embedding them into our daily business practices and long-term vision.

Sincerely Yours,

Daw Nu Nu Wai

Managing Director



Max Energy And UN Global Compact



Since our establishment, Max Energy has actively implemented CSR initiatives. In 2012, we became aware of the United Nations Global Compact (UNGC), the world's largest corporate responsibility initiative, with over 20,000 corporate participants across more than 167 countries.

In January 2013, Max Energy has become a proud registered participants in the United Nations Global Compact (UNGC). This was our corporate milestone for **Max Energy**, which is the first to participate in UNGC among Myanmar Fuel Oil Retail business industry.

Our alignment with the UNGC has strengthened our commitment to ethical business practices, environmental stewardship, and community development—positively impacting lives and contributing to a more sustainable future.

Besides, **Max Energy** has been actively supporting to Ayeyarwady Foundation which is a non-profit organization founded by Max Myanmar Group. Together with the Ayeyarwady Foundation, we contribute meaningfully to Myanmar's education, health, and environmental sectors to uplift communities and create lasting, positive change in society.





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.

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.

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.

Anti-corruption

PRINCIPLE 10

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

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 & Goals

Max Energy has conducted a comprehensive review of its operations to evaluate alignment with internationally recognized human rights standards, particularly the Universal Declaration of Human Rights (UDHR). This assessment covered key areas including: employee treatment and workplace conditions, non-discrimination, occupational health and safety standards, wage structures, working hours and leave policies.

We have successfully enforced the Human Rights policy by Max Myanmar Group and strictly follow these policies in running the business. This policy is embedded in our corporate governance framework and applies to all employees, contractors, and business partners.

Max Energy maintains comprehensive and up-to-date Human Resource Policy guidelines, rules, and regulations that are fully aligned with the prevailing labor laws of the Republic of the Union of Myanmar. These policies are designed to support employees across various aspects of their employment and to address concerns in a fair, transparent, and lawful manner.

Besides, at Max Energy, our philanthropic initiatives are deeply rooted in our commitment to upholding and advancing human rights. Our philanthropic efforts focus on empowering vulnerable communities, promoting equal access to education and healthcare. In recent years, we have contributed to emergency relief efforts during natural disasters, ensuring aid reaches those most in need.

Looking ahead, Max Energy remains committed to expanding its philanthropic footprint and deepening its impact on human rights through strategic partnerships and sustainable community development programs.

* Our Human Rights Policy available to be downloaded at :

https://www.maxenergy.com.mm/wp-content/uploads/2020/03/human_right_policy.pdf

** Our Whistle Blowing Policy available to be downloaded at :

https://www.maxenergy.com.mm/wp-content/uploads/2020/03/whistle_blowing_policy.pdf



Implementation

Max Energy fully endorses the Universal Declaration of Human Rights and integrates its principles into all aspects of our operations. Management strictly prohibits the employment of child labor and enforces a zero-tolerance policy against all forms of violent or unethical behavior. This includes physical assault, discrimination based on gender or religious beliefs, forced labor, and the intentional or negligent destruction of property belonging to the company, employees, or customers. These standards are upheld through rigorous internal policies, regular compliance audits, mandatory staff training, and a confidential reporting system to ensure accountability and continuous improvement.

Max Energy is committed to ensuring that all employees are able to freely exercise their rights in a safe and supportive environment. To facilitate open communication and protect individual freedoms, we have implemented a formal Whistleblower Policy, strategically placed suggestion boxes at all work sites, an accessible emergency contact list, and opportunities for employees to voice their opinions through both face-to-face meetings and online platforms. We ensure that all employees are engaged under fair and transparent conditions, including equitable pay, regulated working hours, formal employment contracts, and respectful labor relations. Furthermore, Max Energy is firmly committed to ethical business conduct and pledges not to engage in any activities—directly or indirectly—that may result in human rights violations. This principle guides our decision-making across all levels of operation and reflects our dedication to upholding human dignity and corporate responsibility.

To safeguard the health and safety of both employees and customers, our Occupational Health, Safety, and Environment (OHSE) team has implemented comprehensive policies and procedures. These include preventive measures, regular safety training, and the provision of essential safety equipment and facilities. Through these efforts, Max Energy reinforces its commitment to human rights and responsible business conduct.

Max Energy is deeply committed to advancing human rights through its philanthropic initiatives. We collaborate with AYA Foundation to provide disaster relief and humanitarian aids.



Measurement Outcomes

Between 2024-2025, Max Energy reported zero human rights grievances and no violations, including child labor, forced labor, or infringements on indigenous or religious rights—demonstrating our commitment to ethical practices. In support of gender equality, while the overall workforce gender ratio stands at 63% male and 37% female, our management team reflects with a 50/50 and a female Managing Director leading the company.

Furthermore, from July 2024 to June 2025, we successfully recruited over 600 new employees, most of whom are local residents near our newly established stations. This initiative not only supports local employment but also strengthens community engagement and sustainable development.

At Max Energy, we place utmost importance on health and safety. Our facilities are equipped with essential items such as fire safety systems and emergency kits, and we operate in full compliance with regulations, having secured approval from the Myanmar Fire Safety Department..

As a responsible organization, Max Energy has supported various humanitarian efforts, including the Myanmar Football Federation, blood donation drives at Yankin Children's Hospital, and education stipends for employees' children. Besides, as a regular monthly donation, we provide generator fuel and raw oxygen to Yankin Children's Hospital.

After severe flooding in Naypyitaw, PyinnMaNar, Yamethin, and Pyaw Bwe in September 2024, Max Energy provided essential aid worth 3000 lakh Kyats—including water, food, clothing, hygiene kits, and cash—to displaced families, reaffirming our commitment to crisis support and community resilience.

Following the 7.7 magnitude earthquakes in March 2025, Max Energy swiftly provided relief worth 0.9 billion Kyats, including essential supplies and free fuel to support rescue operations. Working with local authorities and humanitarian groups, we ensured aid reached the most affected communities, reflecting our strong commitment to disaster response and recovery.

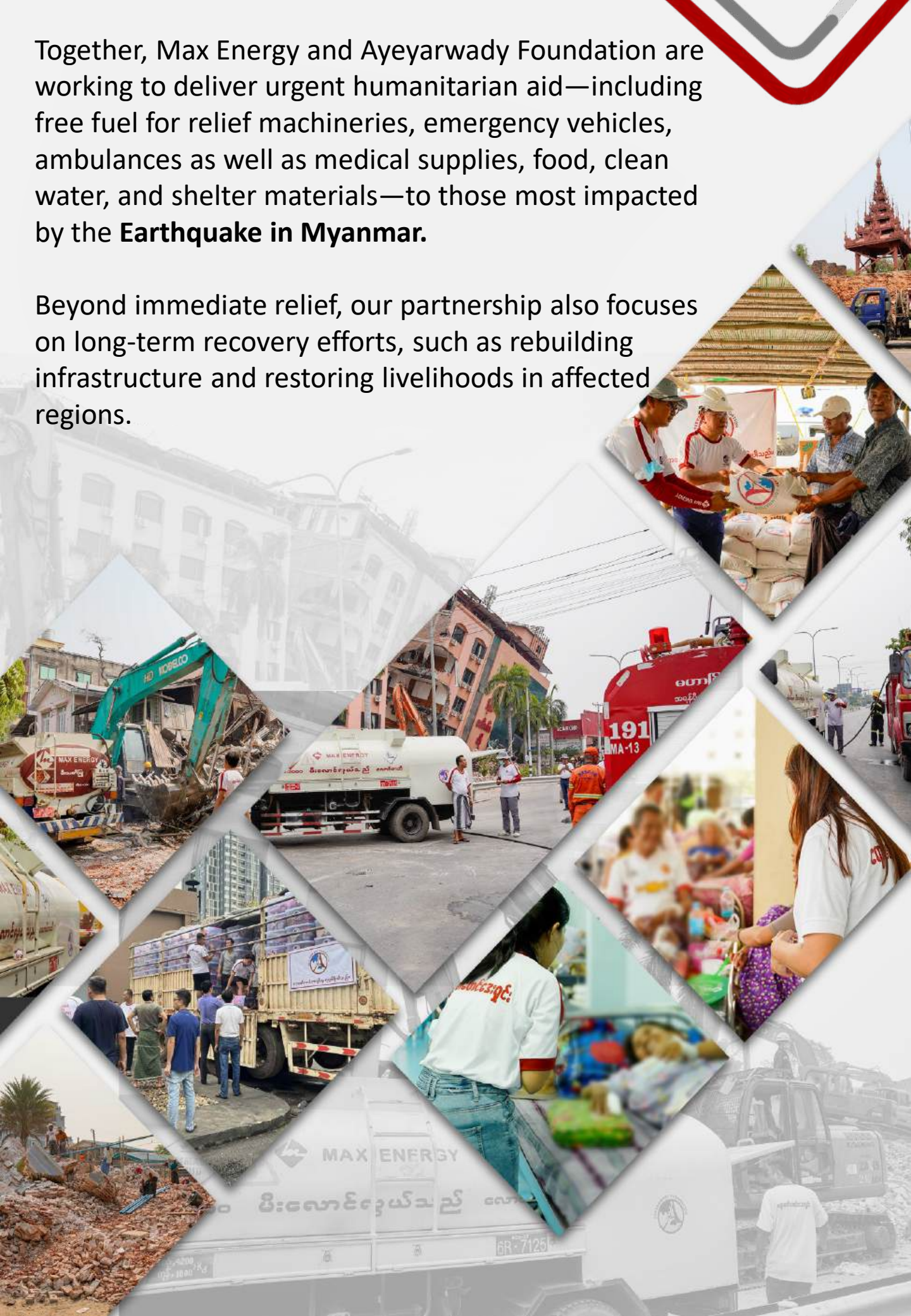




In response to the **flooding** that has severely impacted communities across Myanmar, we are honored to collaborate with the Ayeyarwady Foundation to provide much-needed relief and support to flood-affected families.

Together, Max Energy and Ayeyarwady Foundation are working to deliver urgent humanitarian aid—including free fuel for relief machineries, emergency vehicles, ambulances as well as medical supplies, food, clean water, and shelter materials—to those most impacted by the **Earthquake in Myanmar**.

Beyond immediate relief, our partnership also focuses on long-term recovery efforts, such as rebuilding infrastructure and restoring livelihoods in affected regions.



Labour Standard

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

Max Energy fully supports the Core Conventions and Principles of the International Labour Organization (ILO). We conduct internal assessments to ensure compliance with national labor laws and international labor standards. These assessments cover safe working conditions, fair wages and working hours, freedom of association and collective bargaining, prevention of child labor, forced labor, and discrimination.

Our Employee Handbook is carefully developed to reflect our values, covering key topics such as equal opportunity employment, zero tolerance for child and forced labor, and maintaining a safe and healthy work environment. It is distributed to all staff to communicate our mission and vision, and to ensure clear understanding of company policies. Additionally, we uphold fair employment practices by following appropriate recruitment principles throughout our hiring process.

We aim to maintain zero labor rights violations annually, increase awareness and training on labor rights for all employees, strengthen internal monitoring and third-party audits, promote gender equality and inclusive hiring practices, enhance employee engagement and feedback systems. Management does not tolerate any form of discrimination based on ethnic origin, color, gender, disability, age. We are committed to providing a grievance handling system that is effective, timely, fair, and accessible to all, ensuring equitable treatment for every complainant.

* Our Grievance Handling Policy available to be downloaded at :

https://www.maxenergy.com.mm/wp-content/uploads/2020/03/grievance_handling_policy.pdf



Implementation

In compliance with regulations set by Myanmar's Ministry of Labor, Max Energy does not employ individuals under the age of 18 and firmly opposes all forms of forced labor. Our recruitment process is strictly merit-based, focusing on candidates' skills, experience, and capabilities—regardless of age, race, gender, physical condition, religion, or family status. To promote sustainable company growth and human capital development, we have established a range of employee training and knowledge-sharing programs designed to enhance professional skills and foster continuous learning.

Max Energy is committed to providing a safe and healthy working environment for all employees, regardless of designation or gender. To ensure workplace safety, we obtain fire safety licenses for all filling stations nationwide from the Myanmar Fire Safety Department. Our offices are equipped with first aid kits and emergency toolkits to handle unexpected situations. Employees receive basic fire safety training conducted by the Myanmar Fire Safety Department, which also organizes awareness programs to educate staff on how to respond effectively during fire emergencies.

Max Energy's management actively monitors employee potential to facilitate effective job rotation, internal transfers, job attachments, and special assignments—aligned with each individual's interests, capabilities, and willingness to grow. We also invest in training programs that support both employee development and organizational growth, fostering a culture of continuous learning and improvement.

To uphold freedom of expression, Max Energy's management supports the formation of labor unions and has implemented a whistleblowing policy to ensure transparency and accountability. To foster effective communication between management and employees, regular meetings are held weekly, monthly, and annually, providing open platforms for staff to share their opinions. Additionally, suggestion boxes are placed at all Max Energy workplaces to encourage continuous feedback and dialogue.





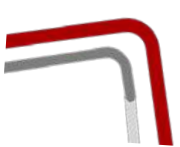
Measurement Outcomes

Max Energy regularly evaluates labor standards through internal audits, employee feedback, and compliance checks. Key outcomes include zero reported cases of child or forced labor, improved workplace safety, increased employee satisfaction, and enhanced gender balance in leadership roles. These results reflect our commitment to ethical labor practices and continuous improvement.

Max Energy prioritizes all feedback, suggestions, and complaints received through meetings, suggestion boxes, and online channels. Our whistleblowing committee and top management handle issues with care until resolved. By adhering to HR policies and labor laws, we continuously seek opportunities for sustainable growth. This led to Max Energy being recognized for its integrity, trust., and strong employee engagement.

From July 2024 to June 2025, to enhance employee knowledge, Max Energy conducted anti-harassment at workplace training for 222 employees, fire safety training for 96 staffs, orientation and policy awareness training for 84 staff members and delivered service leadership training to 94 station managers and assistant managers. Besides, we delivered an intensive Leadership Masterclass training to all Heads of Departments (HODs) to strengthen their leadership capabilities and strategic thinking. Ongoing online training sessions for the HR and Management teams, led by Prof. Dr. Aung Tun Thet, continue to enhance productivity and professional development.

We also provide welfare support to employees during significant life events, including weddings and funerals, to promote a compassionate and supportive workplace culture. Amid ongoing crises, Max Energy prioritized the health and safety of customers and staff by forming a task force and implementing a risk management plan. Preventive guidelines and timely updates were issued in both English and Burmese. In June 2025, the management conducted a review of the grievance handling policy.





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 & Goals

To fulfill one of our mission statements; **“To be an environmentally responsible organization for future growth through good corporate governance and sustainable business practices”**, we prioritize the promotion of sustainable living. The organization has conducted an evaluation of its environmental impact, focusing on areas such as energy consumption, emissions reduction, the creation of green spaces and responsible resource usage.

Max Energy is committed to providing a safe and healthy workplace for all stakeholders. In alignment with our core value of "Safety First," the OHSE (Occupational Health, Safety, and Environment) department incorporates precautionary measures into its monthly planning. Additionally, the company has developed a comprehensive OHSE policy to ensure that all employees are aware of the risks associated with their roles and are equipped with the knowledge and tools to protect themselves from potential hazards.

As part of Max Energy's commitment to promoting the development and adoption of environmentally friendly technologies, we have set goals to digitalize our business operations.

* Our Occupational Health And Safety Policy available to be downloaded at :

https://www.maxenergy.com.mm/wp-content/uploads/2020/03/occupational_health_and_safety.pdf





Implementation

Max Energy has implemented robust policies, rules, regulations, and procedures concerning occupational health, safety, and environmental management. These frameworks are designed to reinforce the company's role as a responsible and sustainable leader within the industry.

Max Energy has established an OHSE (Occupational Health, Safety, and Environment) Committee to support the implementation of a healthier and safer work environment. As a responsible organization, we ensure that all staff are well-informed about environmental and safety challenges through regular safety training sessions and fire drills. In addition, we strictly adhere to national safety standards by obtaining approval from the Myanmar Fire Safety Department and installing all required safety equipment in accordance with official procedures.

Max Energy is committed to advancing environmentally friendly practices across its operations. We actively encourage customers to choose products with lower sulfur content and reduced environmental impact. To support the transition to cleaner transportation, electric vehicle (EV) charging stations have been installed at our premises. Moreover, the management team implemented solar team to use solar electricity at kiosks to reduce generator fuel usage. Additionally, our digitalization efforts are operating effectively, significantly reducing paper usage and improving operational efficiency through the adoption of modern technologies. In our ongoing commitment to combat global warming, Max Energy continues to expand green spaces by regularly planting trees and fostering a greener environment.





Measurement Outcomes

Max Energy recognizes the importance of workplace safety and has taken proactive measures to ensure a secure environment for all employees. During the reporting period, we conducted safety training sessions a total of 10 times, equipping staff with the knowledge to prevent and respond effectively to emergency situations. As a result of these efforts, there were no lost-time incidents reported. Additionally, based on the lagging indicators from the internal OHSE department report, there was no recorded environmental impact. To further promote awareness, information related to OHSE initiatives, health, and well-being is prominently displayed on notice boards located in the main administration building and canopy areas.

In June 2025, Max Energy planted around 600 trees—including fruiter, flowering and woody species—at Yangon Mental Health Hospital. This initiative reflects our ongoing commitment to creating a greener and more sustainable environment.

With a strong commitment to reducing air pollution and promoting sustainable development, Max Energy has successfully managed five electric vehicle (EV) charging stations, reinforcing our role as a responsible and forward-thinking organization. Besides, we fully applied solar system at two filling stations for electricity usage. As a result of our sustainability efforts, Max Energy has successfully reduced generator fuel consumption by 500 liters per month.

In fostering a culture of continuous improvement, we leverage technology across our operations. A digital card system for corporate credit customers, replacing traditional paper vouchers, has reached 90% implementation to date, contributing to reduced paper usage and enhanced operational efficiency.

Overall, Max Energy's business operations have not caused any severe environmental damage. We remain committed to building a more sustainable and greener future for our nation, society, and all stakeholders





Anti-Corruption

Principle 10

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





Assessments, Policy & Goals

Max Energy fully committed that transparency and accountability are core features of our approach and we remain focused on the highest standards of governance and ethics in all our business practices and dealings. We believe high standards of corporate governance and transparency ensure sustainability and success for our activities as well as the safeguard of our shareholders' interests. Therefore, we run the operation in accordance with anti-corruption policy which is publicly stated.

We have ZERO tolerance policy for corruption, bribery and extortion. 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.

Management set a strong guidelines in terms of quality and quantity assurance as building a strong brand name in the market is one of our objective. We build trust with our stakeholders by having commitment in integrity, fair dealing and adopting good corporate governances.

* Our Anti-corruption Policy available to be downloaded at :

https://www.maxenergy.com.mm/wp-content/uploads/2020/03/anti-corruption_policy.pdf





Implementation

Our implementation scheme is aims to ensure the respect of anti-corruption policy and compliance of business ethics.

Management team always holds regular meeting with employees to encourage transparency, integrity and accountability. Besides, our company's "Code of Conduct" has been explained at the orientation training, mainly for newly recruited staffs. The management team set up whistle blower system to reduce the risk of malpractices and irregularities.

The Finance and internal audit do the regular checking and monitoring the internal transactions and payment related to all stakeholder to make sure corruption and bribery are not taking place. External audit teams fully inspect the transaction of all payment annually and any other committee of Procurement(Fuel), Procurement (Non-Fuel), Reselling, New station expansion and project management, Information, OHSE, Retails and Wholesales and Tender committee are organized to have check and balance practices at work.

Whistle Blowing Policy is implemented and enforced effectively and efficiently by placing suggesting boxes at all our working environments. All our employee are fully encouraged without any hesitation to report if any corruption case noticed through suggestion boxes as well as social media and emergency calls.



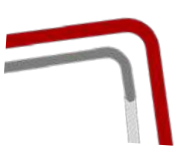


Measurement Outcomes

Max Energy is confident in quality and quantity assurance. All the products sale from Max Energy were quality checked and passed in accordance with Myanmar Government (MPPE) Lab, Mobile Lab by PPRD, and quantity checked by third party surveyor, SGS. As a result, there is no unqualified products are being sold in the market.

Max Energy has placed suggestion boxes at various workstation corners to allow employees to share concerns or report issues anonymously. This year, the Control Centre team at the head office has actively monitored operational performance across all stations to ensure compliance with procedures. Additionally, GPS tracking is used along bowser drive routes to prevent fraudulent activities. Our management team takes investigations seriously, conducting thorough interviews with relevant personnel, reviewing documentation in detail, and analyzing CCTV footage. If any suspicious activity is identified, appropriate corrective and preventive actions are promptly taken.

Max Energy and its employees maintain a clean record of tax compliance, with no breaches in payment reported to date. As part of our commitment to financial transparency and accountability, our financial status is regularly assessed by external auditors, including Myanmar Vigour & Associates Ltd. (Myanmar), the Internal Revenue Department (IRD) for tax audits, the Customs Department for customs audits, and the Ministry of Commerce for import-related evaluations.







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

We welcome feedback on its contents.



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