Pwint Thit Sa / Transparency in Myanmar Enterprises (TiME)
Launch of the 2020 Report research phase
2 February 2020, Novotel, Yangon
The Myanmar Centre for Responsible Business (MCRB) was set up in 2013 by the Institute for Human Rights and Business (IHRB) and the Danish Institute for Human Rights (DIHR) with funding from several donor governments.

Based in Yangon, it aims to provide a trusted and impartial platform for the creation of knowledge, building of capacity, undertaking of advocacy and promotion of dialogue amongst businesses, civil society, governments, experts and other stakeholders with the objective of encouraging responsible business conduct throughout Myanmar.

Responsible business means business conduct that works for the long-term interests of Myanmar and its people, based on responsible social and environmental performance within the context of international standards.
Bonjour!

We are a Myanmar consultancy. Our goal? Transforming Myanmar’s private sector and making it more responsible, transparent and sustainable.

Yever အကြံပြုချက်များကို ကန့်သတ်ရန် အဖြေဆောက်မှုကို ပြုလုပ်ရန် Yeverသော စိတ်တန်းစိတ်ဖြစ်သော စိတ်တန်းကို အဖြေဆောက်မှုကို ပြုလုပ်ရန် အဖြေဆောက်မှုကို ပြုလုပ်ရန် အဖြေဆောက်မှုကို ပြုလုပ်ရန် အဖြေဆောက်မှုကို ပြုလုပ်ရန် အဖြေဆောက်မှုကို ပြုလုပ်ရန် 

FOR PROFIT

- Corporate governance
- Business strategy
- Business transformation
- Corporate communication

FOR PROFIT

- ကြံခောင်ချောင်းစိတ်တန်းကို ပြုလုပ်ရန်
- စိတ်တန်းကို ပြုလုပ်ရန်
- စိတ်တန်းကို ပြုလုပ်ရန်
- စိတ်တန်းကို ပြုလုပ်ရန်

PRO BONO

- Capacity building
- Research
- Advocacy

PRO BONO

- အဖြေဆောက်မှုကို ပြုလုပ်ရန်
- သော့ချင်ပစ်
- သော့ချင်ပစ်
2020 Pwint Thit Sa

The research phase of the 2020 report on Transparency in Myanmar Enterprises (TiME), also known as Pwint Thit Sa, is now underway.

The assessment will be made in partnership with Yever, a Myanmar business consultancy, which will work for the third time pro bono on the assessments of Myanmar companies' online disclosure.

The 2020 report will cover disclosure of the same four types of information as the April 2019 report:

- corporate profile
- corporate governance
- sustainability management
- reporting.

Updates on Pwint Thit Sa, including this presentation, are available at

Recent regulatory developments in corporate governance and disclosure in Myanmar

- Myanmar Companies Law including MyCo
- Anti-money laundering and beneficial ownership (BO):
  - Central Bank Notification 18/2019 on customer due diligence
  - DICA Directive 17/2019 on beneficial ownership
  - Extractives Industries Transparency Initiative/DICA BO disclosure
- Environmental Impact Assessment
- Other initiatives in corporate governance
  - draft Corporate Governance Code
  - Myanmar Institute of Directors
- UN Fact-Finding Mission report on corporate donations
Anti-Corruption Commission

Notification 14/2018: Eight principles for company anti-corruption codes of conduct
a) Strong, effective policy and support from top-level management to fight corruption
b) Risk assessment to effectively identify and evaluate exposure to corruption
c) Enhanced and detailed measures for high-risk and vulnerable areas
d) Application of anti-Myanmar Government ‘s notification
  corruption measures to business partners
e) Accurate books and accounting records
f) Human resource management policies complementary to anti-corruption measures
g) Establish trustworthy reporting mechanisms to report suspected corrupt behavior.
h) Periodic review and evaluation of anticorruption prevention measures.
The objective of the *Pwint Thit Sa* report is to incentivize better corporate disclosure of corporate governance and non-financial information by Myanmar companies through publicly recognising them for their transparency.
Our scorecard is a tool to assess the quality of the corporate disclosure of Myanmar companies

We incorporated various frameworks which are aligned with the Myanmar economy and developed a scorecard which is achievable for Myanmar enterprises.
Pwint Thit Sa 2019 result

248 companies: Average/below average/No website

- No disclosure: 44%
- Score < average: 38%
- Score > average: 18%

- CMHL: 70%
- FMI: 61%
- SHWETALING: 55%
- MAX & MIGHTY: 55%
- uab: 53%
- GGI: 51%
- MTS: 48%
- MGP: 40%
- MSP: 39%
- AYA Bank: 38%
If we take the average score for Myanmar companies as the benchmark, then...
• Listed companies are outperforming the average 6 times
• Companies with IFC as their investor are outperforming almost 8 times
• Our top 10 is outperforming 10 times
• One Myanmar company scores above 70% which indicates that our scorecard is achievable for Myanmar companies.
Agenda

1. A renewed approach for the next *Pwint Thit Sa* survey

2. Focus on the main changes

3. Project Planning
A renewed approach for the next *Pwint Thit Sa* survey

သြားလိုသည့်အချက်များအားပေးထားသော ပြည်သူလွတ်လပ်ရေး နိုင်ငံသား လေ့လာချက်များ
How do we select the companies?

The following criteria were used to define the companies which are included in our sample this year. The detailed list is available on our respective websites.

- Listed companies
- Large public companies with 100+ shareholders
- Banks
- State Owned Enterprises
- Top 100 Income & Commercial Taxpayers (FY18/19)
- Influential companies
- Volunteer companies

* denotes companies which are automatically included.
We will review more documents

As usual, we will assess the information publicly available on the companies’ websites and social media.

Additionally this year, we will check information that is freely available on MyCo (Directors, company address) to see if this is consistent with the website.
The scorecard structure remains similar

We will use 143 criteria and 97 questions.

Compared to last year?
• We removed 3 criteria
• We added 4 new criteria
• We updated 42 criteria
Our system encourages better disclosure

In Myanmar, public companies and banks nowadays have to comply with more rules and regulations concerning disclosure.

We encourage other companies to disclose this too. Since this disclosure is voluntary, those privately-owned companies who disclose more information will get bonus points.
The main changes since 2019 Pwint Thit Sa

ရွေး ပြီးနောက် အဓိကသဖပောင်း ော်း

Myanmar Centre for Responsible Business
New criteria

Q75 Corporate policies
We will check if companies have a specific policy for their philanthropic activities.

Q90 Frameworks
We will check if companies consider also Sustainable Development Goals (SDGs).

Q94 Expenditure for philanthropic activities
We will check if companies disclose their expenditure on philanthropic activities.
Are the following areas covered by a specific policy?

*Philanthropy*

**MBL CHARITABLE DONATIONS AND VOLUNTEERING POLICY**

1. As part of MBL’s corporate citizenship programme, we support selected Myanmar civil society organisations working in the fields of education, health, sport and humanitarian disaster relief. This may take the form of financial sponsorship, gifts in the form of food or other goods, or practical assistance from our own employees sharing their time and expertise. We support projects where we know our partners well, and can clearly identify the beneficiaries.

2. We provide support only to legitimate social organisations who work in one of these areas, and who work for the benefit of all the people in their communities, regardless of ethnicity, social background or religion. We do not provide donations to individuals. Our objectives are exclusively humanitarian, and we only support projects that are politically neutral.

3. Our charitable activities are intended as an expression of goodwill and a sign of our commitment to the communities among whom we work. In the same spirit, and in accordance with local practice, our local offices may make seasonal donations to religious centres in the neighbourhoods where we work. We do not expect anything in return for any of these donations. In particular, we will not make charitable donations with a view to influencing an official or business decision, or in order to gain any advantage to which we are not entitled.

4. Our donations are always transparent, and never given in secret. We will always keep accurate records of our donations.

5. We need to know our corporate citizenship partners before we make a donation. In order to fulfil our own company regulations, we must be able to report on how our donations are used. Before approving a donation, we will need to understand who runs the partnership organisation, and how it is managed. We expect our partners to keep accurate records of how they use our donations and, if requested, to share those records with us. We also expect that, if our partners use our donations to engage third parties to carry out services, they will require those third parties to behave in a compliant and ethical manner, to ensure that our donations are not applied for corrupt or improper purposes.
Is the company engaging with the following frameworks?...

*Sustainable Development Goals (SDGs)*
Updated criteria (1/5)
အဆငာ့်မမငာ့်တင်ထားရသာ စြံနှုန်ီးများ (၁/၅)

New sliding scale for points to encourage companies to enhance their management practices related to sustainability.

cိုးယားဖော်ပွားရေး အထူးသဖ်တင်ဖော်ပွားကဲ့ စီမံကိန်း မိုင်းရင်းနှာတွင် တည်ဆောက်ရေးသားတွင် အဆငာ့်မငာ့်တင်ထားရသာ စြံနှုန်ီးများကို အထောက်အထားထားသည်ကို တခြားရှာဖွေစွာကို စီမံကိန်းတင်ထားရာတွင် အသက်ရှိသည်။

Q68 Does the company have a sustainability strategy?

• No (0)
• Yes, but not aligned with the business objectives (1)
• Yes, and it is obviously aligned/connected with the business strategy (2)
Example Q68

Does the company have a sustainability strategy? Yes, but not aligned with the business objectives.

**Governance & Sustainability**

**SUSTAINABILITY STRATEGY**

The Yoma Group's sustainability strategy is centred around building capacity and giving back to the communities in which it operates. The Yoma Group is committed to creating long-term economic value and growth for its stakeholders. This is achieved through the management of its operations and projects in a way that ensures commercial viability without compromising the environment in the longer term. The Yoma Group's role in shaping the long-term viability of its strategy includes providing guidance on matters relating to stakeholders and incorporating sustainable practices into its business operations. The Yoma Group's sustainability strategy targets the 3Ps -- People, Planet and Profit.

The Yoma Group cares and is committed to:

**People**
By creating a good workforce, conducting labour management, respecting human rights, and implementing good governance.

**Planet**
By respecting the environment, reducing greenhouse gas emissions as well as energy, water consumption and managing solid waste.

**Profit**
By improving economic performance, consumer satisfaction and shared values.
Example
Q68

Does the company have a sustainability strategy?
Yes, and it is obviously aligned/connected with the business strategy.
Updated criteria (2/5)

Q71 Does the company clearly explain how the materiality analysis is relevant for business issues?

- No (0)
- Yes, but the process to get the results is not clearly explained (1)
- Yes and the results to establish the results is clear and compliant with the AA 1000 standards (2)
Example

Q71

Does the company clearly explain how the materiality analysis is relevant for business issues?

Yes, but the process to get the results is not clearly explained.
Example Q71

Does the company clearly explain how the materiality analysis is relevant for business issues? Yes, and the process to get the results is clearly explained.

To prioritize the different topics, at Group level, our sustainability manager met 9 executives from various organizations (NGOs, business partners, experts etc) to discuss their views regarding CMHL social, economic and environmental challenges. Through this process, we identified 23 topics. Then, we asked CMHL top managers to assess the impacts of these challenges on our own operations.
Updated criteria (3/5)
အဆငာ့်မမ ငာ့်တင်ထာီးရသာ စြံနှုန်ီးမျာီး (၃/၅)

Q75 Are the following areas covered by a specific policy?
- No (0)
- Yes but the scope AND the monitoring system are vague (0.5)
- Yes but the scope OR the monitoring system are vague (1)
- Yes, the scope and monitoring system are clear (2)
Updated criteria (4/5)
အဓိပ္ပါယ်အမှတ် (၄/၅)

Q95 Does the company disclose the activities that it has undertaken to implement the following policies?

- No (0)
- The company has a statement related to the topics (0.5)
- The company has a policy, and states clear principles but does not explain how it implements and/ manage the policy (1)
- The company has a policy, and states clear principles AND does explain how it implements and/ manage the policy (2)
Are the following areas covered by a specific policy?

Yes but the scope AND the monitoring system are vague.

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**MTSH**

**MYANMAR THILAWA SEZ HOLDINGS PUBLIC CO. LTD.**

Rooftop Floor, UMFCGI Office Tower, No.29, Min Ye Kyaw Swar Street, Lanmadaw Township, Yangon, Myanmar.

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**Anti-Bribery Policy**

**Objective**

To identify values and ethical standards that is in line with the MTSH’s vision and mission.

**Commitment**

(1) Prohibition on Awarding Gifts, Bribes

Employees of MTSH are not allowed to give or promise to give, either directly or indirectly, a gift, bribe or the like, to any government official, business partner or any other party connected to the Company, when such award is known to be or allegedly used to influence or encourage the party concerned to do or not do something in his/her position that would be contradict to his/her responsibilities.

(2) Prohibition on Accepting Illegal Fees

Employees are prohibited from collecting any illegal fees from stakeholders for his/her own personal benefit and to the disadvantage of the Company, requesting any gift or entertainment or the like.
Are the following area covered by a specific policy?
Yes but the scope OR the monitoring system are vague (1)

Safety, Health and Environment Policy

Objective

To identify values and ethical standards that is in line with the MTSH’s vision and mission.

Commitment

- MTSH guarantees a safe and healthy working environment for each employee, and provides sufficient infrastructures and facilities, and make available a workplace free of any discriminatory acts and sexual harassment.
- The Company also provides and guarantees legal protection and a comfortable working environment.
- MTSH seeks to guarantee its personnel’s safety and health while working for the Company.
- MTSH develops occupational health and safety management programs and provide necessary infrastructure (protective equipment and tools and warning sign boards).
- MTSH prohibits any use, sale, purchase, transfer, possession or intake of illegal drugs by any individual on the Company’s premises. This prohibition does not apply for prescribed or legally-consumed drugs.
Example Q75

Are the following area covered by a specific policy?
Yes, the scope and monitoring system are clear.
Are the following areas covered by a specific policy?
Yes, the scope and monitoring system are clear

5. How does UAB ensure the effectiveness of this Code?

Once the UAB’s Compliance & Risk Office has established this Code after obtaining approval from the Board of Directors, Head Office HR is responsible for monitoring the effectiveness of it by delivering the Code to the UAB’s employees at all levels & ensuring each employee is aware of the principles in the Code, and Compliance & Risk Office is also jointly responsible for ongoing review and enhancement of the Code on a periodic basis.

On commencement of employment and every twelve months after that, everyone who is employed by or works at UAB must complete the Code of Conduct and Ethics Declaration, to show that they fully understand the principles of the Code, confirm that they have complied with them in the previous 12 months and agree to comply with them going forward for another 12 months. All breaches of the Code of Conduct and Ethics are required to be recorded and reported in line with UAB’s Disciplinary policies and procedures.
Example Q75

Are the following areas covered by a specific policy?
Yes, the scope and monitoring system are clear

9.3 Points of Contact as per the Nature of your Claim/ Request/ Query

<table>
<thead>
<tr>
<th>Department/ Individual</th>
<th>Email</th>
<th>Contact Number/ SMS</th>
</tr>
</thead>
</table>
| H.R. Representatives/ People’s Officers | sallylov@unitedamarrabank.com | + 95 1 8603009 – 10  
  (ext: 706)                  |
| Compliance & Risk Officer              | compliance@unitedamarrabank.com | + 95 1 8603009 – 10  
  (ext: 417)                  |
| Whistleblower Hotline                  | wb@unitedamarrabank.com        | 08 44 44 36 309  
  (whs reporting)           |
| Business Conduct & Whistleblower Protection Officer | george@unitedamarrabank.com | + 95 1 8603009 – 10  
  (ext: 415)                  |
Q96 Does the company disclose some quantitative KPIs on the following topics?

- No (0)
- Yes but data is covering a limited scope AND is older than 18 months (0.5)
- Yes but data is either older than 18 months OR is covering a limited scope clearly explained by the company (1)
- Yes, data are recent and consistent with the business perimeter (2)
Example

Q96

Does the company disclose some quantitative KPIs on the following topics?

*Yes but data is either older than 18 months OR is covering a limited scope clearly explained by the company*

<table>
<thead>
<tr>
<th>Environment</th>
<th>Energy</th>
<th>Quantity of energy consumed</th>
<th>Junction City</th>
<th>L</th>
<th>18,235,429</th>
<th>7,8,9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment</td>
<td>Energy</td>
<td>Quantity of renewables energy produced</td>
<td>Junction City</td>
<td>KWh</td>
<td>130,800</td>
<td>7,8,9</td>
</tr>
<tr>
<td>Environment</td>
<td>Carbon</td>
<td>Carbon emissions</td>
<td>Junction City</td>
<td>kg.eq.CO2</td>
<td>5,835,337</td>
<td>7,8,9</td>
</tr>
<tr>
<td>Society</td>
<td>Philanthropy</td>
<td>Donations</td>
<td>Group</td>
<td>million USD</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td>Society</td>
<td>Tax paid</td>
<td></td>
<td>Group</td>
<td>million MMK</td>
<td>30,186</td>
<td></td>
</tr>
<tr>
<td>Society</td>
<td>Business ethics</td>
<td>Number of complaints received by the Code of Conduct Compliance</td>
<td>Group</td>
<td>Number</td>
<td>17</td>
<td>1.2.10</td>
</tr>
</tbody>
</table>
Yes, data are recent and consistent with the business perimeter.

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<thead>
<tr>
<th>Environment</th>
<th>Energy</th>
<th>Junction City</th>
<th>Quantity of energy consumed</th>
<th>1</th>
<th>18,235,429</th>
<th>7,8,9</th>
</tr>
</thead>
<tbody>
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<td></td>
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Project Planning

စီမံကိန်း အစီအစဥ်
Planning for better engagement

1. **February - April**
   - 1st Assessment by Yever

2. **February – May**
   - Engagement with companies

3. **June - July**
   - 2nd Assessment by Yever

4. **July - September**
   - Developing Report
   - Launching Report

- We will assess 260+ companies and share first results just after Thingyan 2020.
- From February onwards, companies can engage our Pwint Thit Sa team. Companies interested can receive one free discussion to enhance the quality of their disclosure. Please contact us if you are interested.
- We aim to publish report in November 2020, just after end FY 19/20.
Q&A and Contact Details

Please contact:

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For Yever, Nicolas Delange
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Yever သတ်မှတ်ချက်
Nicolas Delange - transparency@yever.org
Thank you!
စိန်မှတင်ပါ