



Myanma Awba Group

CSR Policy



COMPANY BACKGROUND

Incorporated in Myanmar in 1995, Myanmar AWBA Group is a private company committed to help Myanmar farmers produce more in a sustainable manner.

Myanma AWBA endeavors to boost crop productivity through high quality agricultural inputs, best-in-class manufacturing facilities, extensive agronomic activities providing advisory services and on-farm technology development.

OUR CSR VISION STATEMENT

“Help Improve Lives by Partnering with Communities to deliver lasting Solutions.”

The Vision statement is built on the four value pillars:

1. Improving Lives
2. Sustainable Development
3. Partnerships
4. Care and Concern

OBJECTIVES

Committed to Improving Lives of farmers, farm community families, women and children of communities where we live and work.

Committed to improving lives by developing solutions that are sustainable and have long term impact.

CSR BUDGET

The Board of Directors of the Company shall ensure that in each financial year the Company spends at least 2% of the average net profit made during the three immediately preceding financial years.

In case of any surplus arising out of CSR projects the same shall not form part of business profits of the Company.

The Company may collaborate or pool resources with other companies to undertake CSR activities.

As per the Companies Act, the Company will report in its annual report to the shareholders of the Company, reasons, if any, for under spending the allocated CSR budget in any of the financial years.



VALIDITY AND MAINTENANCE OF CSR POLICY

This CSR Policy of the Company has been approved by the Board of Directors, at its meeting held on 31 March 2016 and shall remain in force until modified by the Board.

The CSR policy will be maintained by the CSR Committee of the Board of Directors and reviewed by the Board of Directors at periodic intervals.

THE FOCUS

In alignment with our vision of building lasting solution for communities in and around where we work and live, three strategic approaches will be adopted as focus areas for the Company's CSR efforts:

1. Strengthening livelihoods through sustainable agriculture
2. Improving Health and Nutrition
3. Improving learning outcomes through Education

AWBA recognizes that ensuring lasting impact will require our CSR programs to leverage our existing strengths, work with communities we have access to, focus our interventions and where possible facilitate new ways of delivering services to address the most pressing social challenges.

In line with the themes above, our target population will include farmers, farm community families, women and children. In addition, the Company recognizes that women and children are the most vulnerable groups across different societies and require special attention. Efforts in improving lives of women and children create a multiplier effect beyond these individuals, extending benefits to their families and the community.

The focus under each theme will include:

Sustainable Agriculture: AWBA is committed towards providing assistance for development and impact on livelihoods of farmers and farm community families by providing support in terms of farm infrastructure (access roads and bridges, access to water and water conservation (tube well and water storage), and efforts in improving rural productivity and market linkages (via mobile solutions and on site advisory services), thereby making the agricultural system sustainable.

Health and Nutrition: Rural health care in Myanmar faces a crisis unmatched by any other sector of the economy. Rural Myanmar has several villages with significant challenges in access and quality of health care, lack of knowledge and access to sanitation facilities, personal and community hygiene and drinking water solutions. AWBA believes there is an opportunity to lead holistic development through support in the food and nutrition space. AWBA is committed to working towards improving lives of the rural communities with its program in the health and nutrition space.



Education: AWBA believes in the power of education and the difference that it can make to the future generations of the country. AWBA is committed towards strengthening learning outcomes by enhancing school effectiveness, improving quality of teaching practices and infrastructure support.

Disaster Rehabilitation: Myanmar has been affected by natural calamities from time to time. Being an integral part of Myanmar's business ecosystem and being integrally linked to the communities, AWBA is committed to helping the communities overcome the disruption in their livelihoods caused by such calamities and return to their normal lives. The Company's disaster rehabilitation efforts provide sustained support to the people and communities affected by natural calamities and to help them rebuild their lives and recover.

IMPLEMENTATION

This CSR Policy builds on the learning and good practices of the ongoing CSR activities. To ensure the program follows the vision, a stocktaking of existing activities has been completed. Following which, it has been concluded that:

Geographic Location and Target population:

Farmers, farm families, women and children in and around communities where we live and work.

Program Execution:

AWBA has set up a dedicated CSR oversight team (as part of Corporate Affairs) to oversee management of the CSR projects.

The mode of implementation of the CSR projects can include either or a combination of any of the following:

Direct implementation by AWBA;

Implementation through a trust/foundation/society/agent set up and selected by the Company;

Implementation through partners such as NGOs, registered societies, trust(s) etc. The Company may enter partnerships with like-minded stakeholders, selected through a comprehensive due diligence process.

In alignment with the focus thematic areas projects will be designed based on the needs assessment of the target community.

Monitoring and Evaluation of Projects:

A robust monitoring and evaluation system will be put in place. The monitoring and reporting



mechanism is divided into three distinct areas:

Program Monitoring:

Evaluation:

Reporting and Documentation:

The monitoring and evaluation system will aim to ensure that every program has:

Clearly defined outcomes, outputs and indicators that are linked with, where possible, measurable targets and time lines.

A robust progress monitoring system for day to day implementation.

Undertake impact assessments as per the evaluation plan developed by the Company.

Yearly reporting of CSR expenditure as per the requirements of the Act.

PROGRAM MONITORING

Program monitoring mechanism will ensure: (a) the CSR policy is implemented as it is intended and the Rules framed thereunder (“the Rules”) and (b) The CSR policy is implemented ensuring that all projects/programs as budgeted are duly carried out.

CSR spends will be closely monitored and funds shall be released against verified utilizations as per the approved work plans. This may include monthly field visits, comprehensive documentation, and regular interaction with beneficiary communities.

CSR spends will be audited in an accountable and transparent manner.

Quarterly reporting and review by the CSR committee and six monthly reviews by the Board.

EVALUATION

A robust Impact monitoring mechanism and evaluation plan will be put in place

Expected outcomes, outputs and inputs will be clearly defined for each programme as per stated timelines.

There shall be clarity about the scope of the programme and the need before evaluations are undertaken.



Third parties may be engaged to ensure objective assessment across baseline and end line parameters.

DOCUMENTATION AND REPORTING

In preparation of the annual CSR report to the shareholders of the Company, the CSR Lead, the CSR Committee of the Board of Directors will ensure the following:

CSR projects and programs are properly reported.

An MIS is maintained on spending across sectors, geographies and beneficiaries impacted. The MIS structure will be in alignment with the prescribed reporting format

Accountability is fixed at each level of process and implementation.

Reports may include:

- Annual CSR report to the Myanmar Investment Commission, Government of Myanmar as per the format prescribed in the Rules
- Directors report to the shareholders
- Quarterly internal review reports, field visits reports and audit reports

ROLES AND RESPONSIBILITIES

Board of Directors:

- Ensure that during every financial year, funds committed by the Company for CSR activities are utilized effectively and will monitor implementation regularly.
- Disclosure in its Annual Report names of the CSR Committee members, contents of the CSR policy and ensure annual reporting of its CSR activities on the Company website and the Directors' Report.
- Ensure annual reporting of CSR policy to the Ministry of Corporate Affairs, Government of Myanmar, as per the prescribed format.

CSR Committee:

Composition of the CSR committee: to consist of three or more directors of which, at least one will be an independent director.



Responsibility of the CSR committee:

- Formulate the CSR policy and identify activities to be undertaken.
- Recommend CSR policy to the Board for its approval.
- Recommend the CSR expenditure to be incurred.
- Regularly monitor the implementation of the CSR policy.
- Change/modify the CSR policy as per requirement.

CSR Implementation Team:

- Composition of the CSR Team: will consist of members of the CSR team, Finance and Legal
- Responsibility of the CSR Team:
- Central coordinating point for the execution of CSR activities
- Oversee day to day implementation of CSR activities
- Interface with various organization units/teams to ensure effective implementation of CSR programs.
- Regularly provide feedback and updates to the CSR committee
- Plan annual budgets for CSR activities
- Identify and manage partners to implement programs as required
- Any other activities that may be required to effectively deliver the CSR programs of the Company