



MPRL E&P Pte Ltd.



Communication on Progress
February 2020 - February 2021



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Information on the Report

Since February 2016, MPRL E&P has been a signatory member of the United Nations Global Compact. Since then, the company has submitted four Communication on Progress (CoP) reports from February 2017-2020. This document consists of MPRL E&P's fifth CoP report which communicates the organization's business operations and strategies which align with the UNGC's Ten Principles covering human rights, labour, the environment, and anti-corruption. The data and information in this report was collected bi-annually and combined into this document which acts as our annual CoP submission to show our continued support and commitment towards the United Nations Global Compact.





Statement of Commitment by the Chief Executive

MPRL E&P is an energy company involved in exploring, and producing, oil and gas in Myanmar. Founded in 1996, MPRL E&P's asset portfolio in Myanmar consists of three assets located in the onshore region, and three assets in the offshore region. MPRL E&P remains committed towards improving livelihoods by being at the forefront of providing energy to drive progress in Myanmar. The corporate culture at MPRL E&P is influenced by our commitment to uphold ethical and responsible business practices. We believe in developing a culture that promotes honesty and integrity with a strong sense of focus on results-based performance, encouraging employee development, and promoting sustainable development across the company's activities through dialogue and engagement.

At MPRL E&P we conduct business with the highest standards of ethics, legitimacy and transparency, guided by a clear sense of social and environmental responsibility. Our company is committed to addressing sustainability in a variety of fields including social and environmental issues. Therefore, we aim to ensure that our corporate social responsibility (CSR) initiatives are strategic from a medium to long-term perspective.

We believe the growth of our organization is dependent on the empowerment of our employees. We strive to develop a thriving environment, ensuring employees become involved in a process of continuous improvement. Our understanding and practice of ethical behavior towards our stakeholders is reflected in our Code of Conduct which applies to every employee in the company, and offers guidance for our decisions and expectations involving professional behavior.

I am proud that MPRL E&P became a signatory of the United Nations Global Compact in February 2016 whereby the Ten Principles of the compact have since been incorporated in our core management systems and policies. In each focus area – human rights, labor, the environment, and anti-corruption – the Ten Principles



reinforce the foundations of our organization, which are communicated to relevant stakeholders through awareness and capacity development initiatives, and are monitored as a part of our compliance framework. In addition, I am also pleased to indicate our commitment and support towards the 17 United Nations Sustainable Development Goals by aligning our strategies and initiatives with these goals where applicable.

To reaffirm and renew our support to the United Nations Global Compact, we submit our fifth CoP report for the period covering the Myanmar financial year of 2020-2021, which portrays:

- Our actions to further implement the United Nations Global Compact and its Ten Principles into our business strategy, culture, and operations.
- Our efforts to continually improve the integration of the United Nations Global Compact and its Ten Principles.
- Our performance outcomes reflecting our commitments thereafter being a signatory to the United Nations Global Compact and its Ten Principles

In this report we detail of the actions we are taking to operate safely, to respect the environment and to work closely with our local communities. We continue to showcase our commitment by sharing information indicated in our fifth CoP with all of our stakeholders by using our primary channels of communication.

U Moe Myint
Chief Executive Officer





1. Human Rights

Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2 :

Businesses make sure that they are not complicit in human rights abuses.

1.0 Our Human Rights Policy

MPRL E&P conducts business operations with the highest standards of ethics respecting and protecting internationally recognized human rights during the process. We endeavor to protect and promote human rights by coordinating with all stakeholders within our sphere of influence.

Human rights abuses are not tolerated nor encouraged in all projects undertaken by the company. Our human rights policy is applicable to all our operations and acknowledges both the rights of local communities in areas where we work and our employees.

Concerning local community rights, MPRL E&P strongly encourages employees, contractors, non-governmental organizations, and governmental bodies to address the rights of communities surrounding our operations through active engagement and dialogue. We conduct public consultation exercises focused on our local communities and also undertake needs assessments to identify the

needs and concerns of the community which then enable us to identify and develop approaches to effectively, and proactively, address such needs and concerns. MPRL E&P recognizes and respects the culture and rights of indigenous peoples and endeavors to promote the practice of their traditions and customs. MPRL E&P also recognizes communities' rights to fulfill community duties essential





to free and full development, highlighting our commitment towards promoting community empowerment and improvement through sustainable development.

With regard to employee rights, MPRL E&P commits to the following:

- Providing a safe, secure, and worker-friendly environment
- To be an equal-opportunity employer
- To positively stimulate professional and personal growth of our employees through the promotion of creativity and teamwork
- Not using any forced or compulsory labor
- Not to discriminate persons based on race, religion, gender, age, sexual orientation, nationality, or ethnicity
- Allowing employees to have a right to join trade unions where such rights are recognized by law

MPRL E&P is dedicated to respecting human rights issues through internal controls relating to contracts, the environment, ethical conduct, human resources, security, and social performance -- understanding that we should provide, or assist in providing, remedies for human rights impacts resulting from our activities. We require our operations to take a multi-stakeholder approach to establishing operational grievance mechanisms to facilitate resolutions of any grievances.

We commit ourselves to promote a sense of human rights within all stakeholders involved in our business operations. We regard ourselves to be respectful towards the communities, security, labor rights and supply chain conditions.



1.1 Management Framework and Approach

Our commitment towards human rights is reflected in the following areas of our management framework and approach:

1. Public consultation
2. Operational grievance mechanism
3. Community-based volunteers and village development committees
4. Strategic community investment
5. Monitoring and evaluation



There are a number of stakeholders that should be consulted during any onshore or offshore projects. MPRL E&P engages with diverse groups ranging from small to large landowners, fisherman, and farmers. We believe consultation is important in establishing effective communication and partnerships. Our approach to consultation is transparent, inclusive, and culturally appropriate.

Prior to initiating consultation activities, MPRL E&P takes the following into consideration:

- Community decision-making conventions and protocols
- Accessibility to information including information relating to impacts and mitigation measures
- Capturing the needs of all groups including those that are marginalized or vulnerable

MPRL E&P's consultation activities include the following:

- Information disclosure
- Two-way communication
- Community-led participatory engagement
- Development of strategic partnerships

At the start of the fiscal year 2020-2021, direct stakeholder engagement activities to be undertaken in person were suspended due to the onset of the COVID-19 pandemic. However, engagement activities had to be adjusted to limit physical engagement in accordance with the guidelines of the Ministry of Health and Sport. Also in accordance with the COVID-19 related circumstances, a series of health awareness campaigns for COVID-19 pandemic were organized for the 14 communities within Mann Field and Minbu areas.







1.1.2 Operational Grievance Mechanism

MPRL E&P acknowledges the importance of engagement and buy-in from all its stakeholders. Disclosing information and providing platforms to promote two-way communication are important factors to building a partnership.

MPRL E&P believes:

- An effective feedback mechanism is a safe and proactive process that receives complaints and/or concerns associated with the company's operations.
- Stakeholders are provided with a constructive opportunity to develop a partnership with MPRL E&P by working together to minimize risk and address concerns.
- Concerns received can be resolved in a timely manner with all primary stakeholders within a confidential space.
- The views of each complainant are respected and not discriminated.

MPRL E&P has developed a multi-stakeholder approach to designing an Operational Grievance Mechanism (OGM) in Mann Field. This is the very first mechanism of its kind (which leverages a partnership model) in Myanmar that has been facilitated and managed by MPRL E&P, the host local communities, and Myanma Oil and Gas Enterprise (MOGE)--the state-owned enterprise involved in the oil and gas sector of Myanmar. Best practices from the Mann Field OGM is intended to be leveraged and used, where applicable, across assets operated by MPRL E&P.

The objective of the Mann Field OGM is to enable local communities to have a voice and to ensure that impact associated with operations affecting the environment and surrounding communities are solicited, monitored, and effectively addressed.

MPRL E&P considers our OGM to be essential in order to maintain a social license to operate in Mann Field. The mechanism enables stakeholders to voice their concerns directly to the company first, instead of turning to third parties, and enables the company to respond to their concerns early before they escalate.

Designing a mechanism facilitated by community volunteers has proven to be successful as trust is immediately gained. In addition, strengthening the capacity of volunteers has led to improved decision making and empowerment.

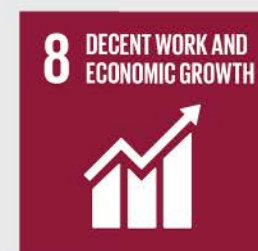


Metrics of OGM from 2016-2020 (5 years)



1.1.3 Strategic Community Investment

MPRL E&P is committed to addressing business risks and balancing community needs through long-term investment activities that provide value and meaningful impact to the business and community. Our investment focuses on projects that address the impacts of our activities as well as development issues within surrounding communities delivering lasting social, economic, and environmental returns for both host communities and business.





To achieve this objective, MPRL E&P will:

1. Support community investment projects that meet the needs of the host community and address primary business risks and impacts.
2. Engage with all stakeholders to ensure sufficient data is collected and potential investment options are identified and confirmed with the community and business partners involved.
3. Comply with all applicable laws, regulations, standards, or where internal policies require a higher standard, will comply with such higher standards.
4. Apply monitoring and evaluation frameworks to track progress and report performance, and in particular, impact of investments.
5. Use standardized tools and guidelines to measure performance and communicate progress and challenges associated with investment projects.

MPRL E&P's strategic community investment framework involves community capacity-building initiatives and community investment project initiatives. Our community investment initiatives aim to engage with, and support, local communities where we operate. We do this through:

- Conducting community needs assessments prior to implementing Community Investment and CSR Initiatives

- Investing in sustainable livelihoods (education, capacity development, and vocational training)
- Improving well-being (improve access to water, sanitation, hygiene, health, and safety culture)
- Partnerships with local groups and encourage communities to get the sense of ownership by having them contribute towards CSR Activities

As of January 2021, a total of 81 Community Investment projects, which include not only infrastructure development, but also the agricultural, animal husbandry and livestock initiatives. Community capacity buildings for Village Authorities and Village Development Committees were also organized.

The Community Investment projects mainly focus on the following areas:

- Educational Partnership for community youths of the Mann Field
- Community Infrastructure Development
- Water, Sanitation, and Hygiene (WASH)
- Community Healthcare and Health Awareness Program
- Community Livelihoods Development
- Community Waste Management Program





Educational Partnership for Community Youths of Mann Field

Educational Partnership with No. (5) Industrial Training Centre (Magway)

During the past fiscal year 2019-2020, as part of MPRL E&P's CSR Program, MPRL E&P built an educational partnership with No. (5) Industrial Training Centre (Magway) and provided financial assistance as enrollment fees and stipends to three students from the villages surrounding Mann Field for the 11-month training period in automobile maintenance and CAD/CAM courses. After the three students successfully completed their studies, it is worth noting that all three students have successfully applied for and have been employed in jobs consistent with the subject matter that they have successfully on-boarded.



**Zayar Phyo
Man Kyoe**



**Yar Zar Aung
Man Kyoe**



**Myat Thu Aung
Pauk Kone**





Educational Partnership with Ayeyarwaddy Hospital Group

As per the educational partnership program, MPRL E&P launched the Nurse Aide Training Program in coordination with the private training school "Ayeyarwaddy Hospital Group". The program is targetted for young women within the Mann Field communities to become nurse aides in private hospitals, nursing homes, and pharmacies. As a step forward in community capacity building, three young females from the surrounding villages in Mann Field have been enrolled in the training school in Minbu with the educational support of MPRL E&P.



Moe Thandar Naing
Kywe Cha Village



Za Lat Wah
Lay Eain Tan Village



Hla Yut Yee Lwin
Let Pa Taw Village

As an initial step of this Nurse Aide Training Program, three students have been awarded educational support out of the 15 applicants. The head of the training center and her assistant screened the applications and conducted the candidate interviews and selected three students who have met their requirements. In July 2020, they attended a month-long course in Minbu, and in September 2020, they went to Yangon for a month to acquire further hands-on experience. They all passed the exam and received a certificate provided by the training school after two-month training period.

Upon completion of the program, and with the further support and assistance of the MPRL E&P CSR Field Coordinator and the Ayeyarwaddy Training Center, all three trainees have successfully been employed in positions in pharmacies and clinics in the Minbu and Magway region.





Educational Partnership with Agricultural Institute (Pwint Phyu)

MPRL E&P extended its educational partnership with the Agricultural Institute in Pwint Phyu township and planned to support the students who passed the matriculations exam with the necessary marks and who are also interested to broaden their knowledge and skillsets associated with agriculture and livestock.



Community Infrastructure Development

Water, Sanitation, and Hygiene (WASH) in Schools

WASH initiatives were successfully completed by building hand washing stations at schools in Mann Field during the fiscal year 2018-2019 as part of CSR work programs, along with the hand wash practice survey to observe the handwashing practices of the school children with the assistance of community volunteers and school teachers. In July 2020, MPRL E&P continued to support the installation of clean water storage facilities for the purpose of having in place a clean water supply for the handwashing stations.





Building Culvert to Prevent Flooding during Rainy Season in Mann Field

MPRL E&P also conducted on-the-ground surveys to construct new culverts in the villages of Let Pan Ta Pin and Nan U villages with the support of the Mann Field special projects team.

During the month of December, MPRL E&P supported to construction of a culvert, costed a total of 1,540,000 Kyats, at Let Pan Ta Pin village, for which MPRL E&P contributed 1,300,000 Myanmar Kyats, and 240,000 Myanmar Kyats by the community.

Likewise, the culvert for Let Pa Taw village was constructed in January, with the financial support of 900,000 Myanmar Kyats by MPRL E&P, with the contributions of 100,000 Myanmar Kyats by the locals.



School Renovation

MPRL E&P understands and fully supports the importance of education for the younger generations within our Mann Field communities. During July 2020, MPRL E&P hired an artist from the community and had the walls of the renovated school building painted with cartoon images for the kindergarten students in the primary school of Auk Kyaung village.

The provision of Classroom Furniture in schools in Chin Taung, Pauk Kone, and Ywar Thar villages took place in the month of January. Classroom furniture are built locally with locally available materials to support local production. Priority was given to schools with high shortages of desks and chairs.





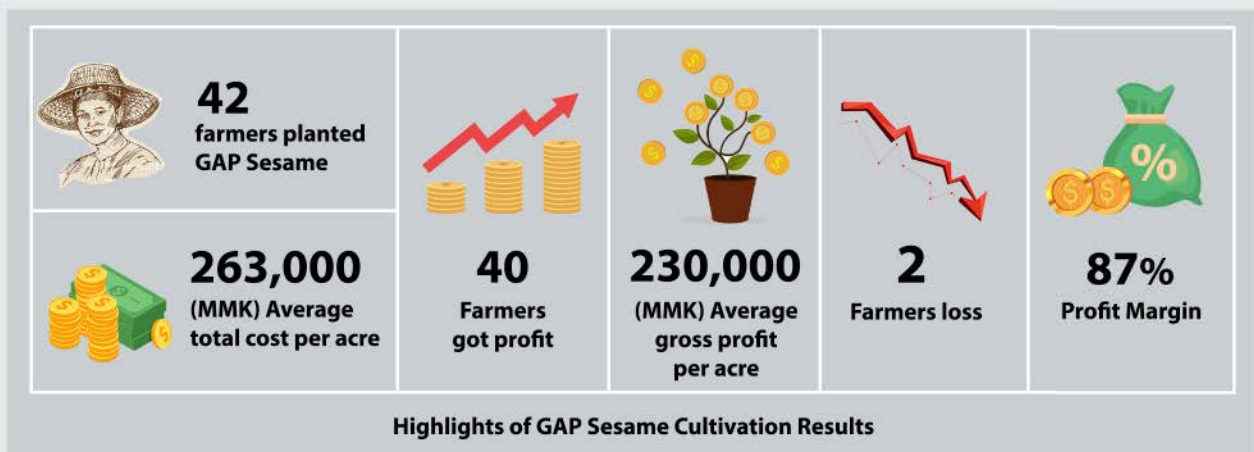
Community Livelihoods Development Program

Agricultural Initiatives: Sesame Cultivation

MPRL E&P continued to coordinate closely with the Department of Agriculture within the Magway Region Government in order to further promote and develop Good Agriculture Practices (GAP) for the farming communities in Lay Eain Tan village.

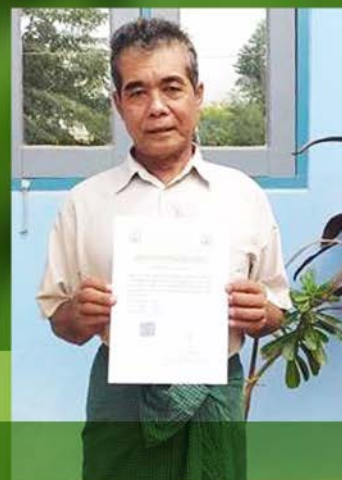
In 2020, as an initial step, 42 farmers from Lay Eain Tan village planted sesame in a total of 87 acres of farmland with high quality sesame seeds acquired through the support of MPRL E&P. MPRL E&P also arranged for knowledge and skills development opportunities associated with soil testing to further ensure the success and yield of the crop.

At the end of June 2020 and as a part of our ongoing monitoring and evaluation programs, 40 out of the 42 farmers reported that a profit was realized through this program whilst 2 of the 42 farmers reported a loss.



The success of the partnership program between MPRL E&P, the local farmers, and the Department of Agriculture was also on account of the close support and guidance provided by subject matter experts from the Department of Agriculture.







GAP Sesame Certification

The process of GAP sesame certification is conducted by the township GAP farm inspection team through field observations, checking log books, field records and having GAP related questions answered by farmers. After the inspections, the team reported the findings to district office of Minbu whom further conducted final inspection of the methods used by the farmers and the yields. If the farmers pass this inspection process, the Ministry of Agriculture will issue a GAP certificate to such farmers to attest for their improved skills and capabilities.

Local Farmers Received GAP Certification

All 42 farmers from Lay Eain Tan village have successfully received GAP certification. GAP certified farmers are able to access a wider range of markets through wholesale distributors and benefit from more profitable market prices.

Monitoring and Evaluation: GAP Sesame Reflection Workshop

In August, MPRL E&P conducted GAP Sesame Reflection Workshop and invited 12 lead farmers who have been practicing GAP Sesame cultivation. The workshop was held in the style of focused group discussions whereby a set of questionnaires were prepared for the farmers to reflect best practices and lessons learned. Reflection topics included the making of natural/organic pesticides, sourcing high quality seeds, soil testing, and maintaining proper records of GAP.



Mushroom Model Farming

MPRL E&P also introduced improved farming practices associated with mushroom farming. A model mushroom farm was first established with interested farmers from the local community within Chin Taung village. The model mushroom farm served as a pilot project to demonstrate to the wider community of the opportunity to expand their skillsets and to develop additional streams of income. The pilot was a success and have since improved the interest for other farmer to explore the opportunity further.





Tomatoes Farming by GAP Methods

The introduction of improved tomato farming using GAP methods has been a remarkable success within the Mann Field communities. MPRL E&P conducted monitoring and evaluation of the program which have continued to result in higher yields for the farmer involved.





Livestock and Animal Husbandry Initiatives

MPRL E&P also continued to promote livestock and animal husbandry skills and capacity development training for Mann Field communities in partnership with the Government Livestock, Breeding, and Veterinary Department. There was a total of (2) knowledge sharing sessions that were conducted in this regard with a focus on poultry and specifically knowledge and how to prevent and cure poultry related diseases.

Animal Husbandry and Veterinary Healthcare Training

From 2nd December to 4th December, MPRL E&P organized Animal Husbandry and Veterinary Healthcare Training to support enabling livestock breeders from the community to enhance their livelihood productivity and income. During a three-day training, the methods and techniques on animal selection, free-range chicken, goat, pig and cow farming, veterinary healthcare and artificial insemination in animal husbandry were delivered, and 26 trainees from 10 surrounding communities attended the training.



Post-training Evaluation with Animal Husbandry Trainees

Later in the months of December and January, MPRL E&P's CSR Field Team organized and conducted post-training evaluation meetings with Animal Husbandry Trainees and discussed how they implemented the knowledge they gained from the training in their daily livestock farming process.

Furthermore, the meetings between Head of Livestock Breeding and Veterinary Department (LBVD-Minbu) and former Animal Husbandry Trainees were arranged to discuss the diseases and let the trainees present the difficulties they have faced in livestock farming.



Women Empowerment: Nammadar Sewing Group in Mann Field



In accordance with the COVID-19 impact landscape, local community vocational trainees that developed skill-sets in fabric and soap making through MPRL E&P's previous programs directed their efforts towards making washable/reusable face masks and hand sanitizers which were then sold within the Magway and Yangon markets.



Community Healthcare Program - Mobile Clinics

On account of the COVID-19 impact, MPRL E&P had to temporarily suspend the mobile clinic initiative this year. However, MPRL E&P conducted a total of (2) COVID-19 health awareness raising and knowledge building campaigns for all local communities in the Mann Field area. Thermal temperature reading devices were also donated to the local community health centers for necessary monitoring.





Community Capacity Building

Community-based Volunteers

MPRL E&P's approach towards sustainable development and social management involves empowering local communities to be actively involved. We have developed and use a community volunteer framework in Mann Field whereby a volunteer from each community is recruited to act as the main liaison between the company and their respective community. The term of a community volunteer is one year whereby such community volunteers are given fit-for-purpose training with regard to communication, community mobilization, and project management skills. They are also provided with incentives for volunteering their time and efforts towards the betterment of their respective communities.

Fourteen community volunteers are appointed on an annual basis from the communities surrounding Mann Field. They all work closely through the guidance and facilitation of MPRL E&P which has resulted in the formation of a partnership and the strengthening of a robust relationship between the local communities and the company. Community volunteers are actively involved in executing community-based projects and are also responsible to encourage further community participation, decision-making and ownership.



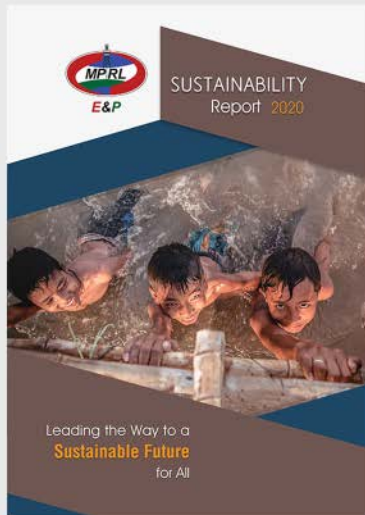
Monitoring and Evaluation of the Performances of Community Volunteers

Monthly community volunteers meeting and mentoring sessions were regularly held by the CSR Field Coordinator to keep track of their progress and listen to their voices on challenges, difficulties, and so on in implementing CSR Initiatives within their communities.



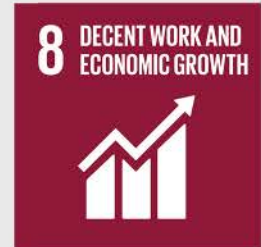


MPRL E&P's Inaugural Sustainability Report 2020



MPRL E&P published its very first inaugural Sustainability Report 2020 with the intent to capture and showcase our sustainability performance in the areas of Environment, Social and Governance (ESG) in line with the Global Reporting Initiative (GRI) Standards.

Through this publication, we believe our external stakeholders will have an opportunity to understand how we have influenced and have been influenced by expectations about sustainable development in Myanmar since our founding in 1996.



Community-led Waste Management Program



MPRL E&P launched the community-led waste management program in January 2019 as part of our CSR Program. The program enabled the collective acquisition of a three-wheeled cargo bike, worth a total of MMK 3,474,919 including installation cost, to be utilized for a full-scale waste collection program for Mann Field communities to leverage in order to properly collect and dispose of waste. Since its initiation, the program has enabled the collection and disposal of a total of 1,041 metric tons of waste to date from all 12 local communities within Mann Field.



Bi-monthly Clean-up by Trash Hero Minbu

The Trash Hero chapter of Minbu was previously initiated with the facilitation of MPRL E&P. Trash Hero is a program that raises awareness of the need for proper disposal of wastes and also involves volunteers of each chapter mobilizing local communities to become actively involved in periodical waste and trash clean-up. Trash Hero Minbu remains one of the most active chapters in Myanmar and has regularly organized weekly community clean-up activities in Minbu and Mann Field, although the onset of COVID-19 has also resulted limitations during the past year.





2. Labour

Principle 3 :

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4 :

Businesses should uphold the elimination of all forms of forced and compulsory labor.

Principle 5 :

Businesses should uphold the effective abolition of child labor.

Principle 6 :

Businesses should uphold the elimination of discrimination in respect of employment and occupation.



2.0 Our People Strategy

Employees at MPRL E&P are its greatest asset, and investing in local talent is vital for MPRL E&P's growth and success. We strengthen our business through the development of skills and knowledge within our workforce ensuring the long-term sustainability of the business and organization.

Capability development is continuously provided to foster our people's skills and advancement. Employee engagement is key in providing a satisfying work environment and maintaining good relationships with our staff, as well as being a factor in attracting new talent to MPRL E&P.

Our strategy includes the following elements:

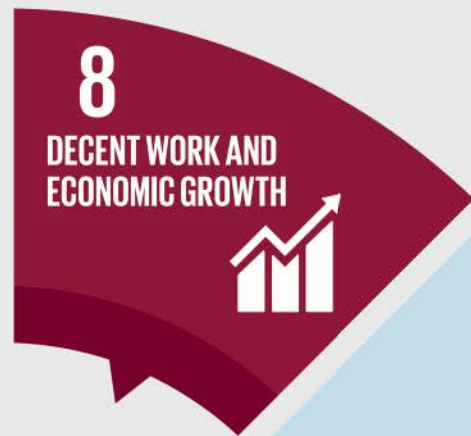
- Recognition – identifying and promoting talent from within where possible.
- Transparent communications – encouraging a transparent performance appraisal and rewards process that is clearly communicated and an open-door policy to encourage open communications.
- Capacity development – encouraging staff training opportunities across relevant fields.

At MPRL E&P, the success of our people is a measure of the success of our business. We believe in creating an environment that encourages employees to continuously learn by themselves, from each other, and by mentoring relationships.

2.1 Management Framework and Approach

Working in a safe, healthy and environmentally responsible manner comes first and foremost for MPRL E&P. MPRL E&P believes in enabling employees to develop to the extent of their abilities. We improve our skills and competencies by regular performance reviews, recognizing potential, undertaking education, training and coaching as appropriate, and offering professional development opportunities. MPRL E&P's Code of Conduct establishes sound conditions of work and disciplinary procedures and implements equitable and transparent remuneration and incentive systems.

We require safe and effective working relationships at all levels. We treat each other, and those we deal with externally, with dignity, fairness and respect, and also safeguard against harassment in the workplace.





2.1.1 Employee Engagement

We strive to build partnerships with people we work with. Our values unite us and guide our development and commitment to fostering innovation and establishing honesty and integrity. Our values shape who we are as a company and influences how we conduct business.

Corner Office Note

The “Corner Office Note” is a document distributed by one of the members of Senior Executive Management on the first day of every month to all staff in the company. The Corner Office Note provides all staff an overview of key achievements and highlights of the company during the previous month so that staff across departments and assets are aware of the ‘big picture’ and are able to better collectively deliver on results. The message cascades down to all staff and feedback is also actively solicited back from staff all the way up to leadership.



Number of Corner
Office Notes

12

Released

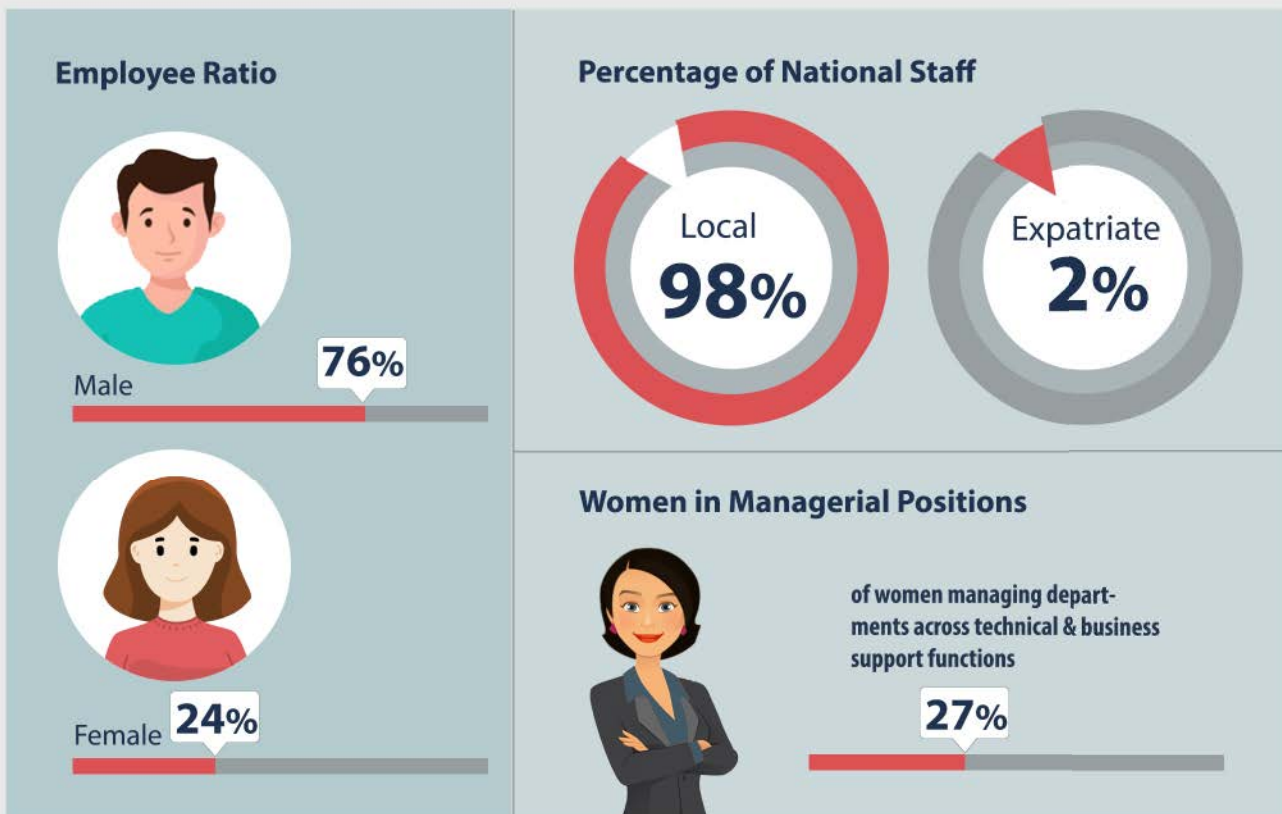
Respecting Labor Laws Prescribed by the Ministry of Labor

An employment contract is a formal and legal agreement between two parties: the employer and the employee. It is designed to give both parties security and protection. Starting from January 2020, MPRL E&P renewed all of its employment contracts till December 2022 according to the new labor directive by the Ministry of Labor. At MPRL E&P, direct employees – apart from casual ones – sign an employment contract which is aligned with the prevailing national labor laws and regulations. The employment contract is regularly renewed every two years as required by existing labor laws.



2.1.2 Workforce Diversity

As MPRL E&P is Myanmar national led Upstream Energy Company, 99% of the workforce are national staff. We offer job opportunities for talented Myanmar nationals with the objective to become driven professionals to further enable the overall success of the business and organization.



2.1.3 Reflection Workshop

Reflection workshops for the first six months of the fiscal year 2020-2021 were held with the participation of Assistant Heads of Departments (AHoDs) and Heads of Departments (HoDs). During the workshops, all HoDs and AHoDs from technical and business support units presented the accomplished work programs and progress of the respective business functions, together with challenges, lessons learned, and best practices during the first six months of the fiscal year. There were altogether 33 participants whom attended the first bi-annual reflection workshop of the year. Alongside the meeting, the quizzes and polls were included for the purpose of further promoting interactive discussions.



2.1.4 Learning Club Program

In 2019, the “Learning Club Program” kicked off with the aim of building a learning, caring and cooperative knowledge enhancing environment for employees. The program arranges for both staff and external motivational speakers to be involved in learning club events that are arranged on a periodic basis. Employees at MPRL E&P can learn and be inspired through the informative talks in the form of edutainment during the learning club program and exchange views and ideas on discussed topics with speakers and co-workers.



In 2020, the Learning Club held one event which consisted of a live debate to discuss the values and trade-offs of working from home versus working at office during the COVID-19 pandemic.





Internship Program

"Sharing opportunities for industrial training while studying"





Fostering Skills Development

MPRL E&P has continued to provide internship opportunities for the younger generations of geoscientists and petroleum engineering students predominantly from Myanmar universities.

MPRL E&P provides real-world exposure and responsibilities for interns who take away practical experiences and professional achievements. The duration of internship opportunities can be as short as a few weeks or as long as several months depending on the requirements of their course of study and business needs.

Number of University



**Total Number
of Interns**
80



**Number of
Interns (Male)**
46



**Number
of Interns (Female)**
34



3. Environment

| Principle 7 :

Businesses should support a precautionary approach to environmental challenges.

| Principle 8 :

Businesses should undertake initiatives to promote greater environmental responsibility.

| Principle 9 :

Businesses should encourage the development and diffusion of environment.



3.0 Our Environmental Policy

MPRL E&P is committed towards the conduct of business that respects the environment, particularly for the prevention of any accidental loss of resources or assets likely to have an impact on the environment, company employees and communities located in the areas where we operate.

As a result, the following commitments influence our environmental strategy:

- Protect the environment in the communities where we work and live
- Strive to prevent pollution, and seek improvement with respect to emissions, wastewater discharge, energy consumption, resource consumption and reduction of impact to the environment.
- Monitor the effects of our activities on the environment and take action to address such effects where necessary.
- Openly communicate our environmental performance with our work force, government and the host community through a variety of engagement methods that includes, but is not limited to, coordination meetings, disclosure workshops, and performance reviews.
- Comply with both national legislation and industry best practices such as the UN Global Compact on environment, and in particular, the seventh, eighth, and ninth principles of the compact.
- Foster a culture that empowers and rewards everyone to act in accordance with this policy.

MPRL E&P ensures active participation in achieving its goals and commitments by all employees and managers regardless of corporate hierarchy, contractor, and/or suppliers who individually and collectively are responsible for performance across the business value chain.

Responsibilities for environmental performance are visible throughout the organization, with clarity for line management accountability. The HSE Department and its working group are committed to embed a responsible culture instilling environmental best practices, develop management plans to monitor impacts, and minimize any adverse impacts from our operation.





3.1 Environmental Management Framework and Approach

MPRL E&P is committed to protecting the environment and respecting our neighborhoods to minimizing any adverse effects from our operations. Endorsing ISO 14001 in our management system and implementation of the internal policy in compliance with prevailing national laws and regulations, encourages MPRL E&P to achieve our commitment on protecting the environment where we work. The three environmental principles guided by the UN Global Compact are also embedded in our commitment. Committed to undertaking periodic impact assessments, analysis, audits and a monitoring system complying with international standards and guidance is not only for good results but also for better practices and performances. We ensure both positive and negative results are openly communicated through proper methods including coordination meetings, disclosure workshops, focused group discussions and public consultations.

We focus on enabling business operations to be improved in an environmentally responsible manner and commit to the following:

- Implementing environmental management plans to monitor and manage impacts as a result of our operations.
- Tracking and reducing emissions and consumption.
- Promoting access to environmentally responsible methods and information across the organization.

3.1.2 Environmental Stewardship

Environmental Compliance Certificate (ECC)

Receiving the Environmental Compliance Certificate (ECC) for Mann Field project is concrete proof of our commitment in being a responsible and professional investor – it is worth noting here that Mann Field is the first-ever onshore oil field in Myanmar to undergo such stringent environmental procedures in an effort to comply with the law at the initiative of MPRL E&P. It will reinforce all the initiatives we have already carried out in environmental and social management areas at the field level, and contribute to MPRL E&P's desire to promote and practice transparency.

MPRL E&P will continue conducting its responsible business practices related to managing environmental and social impact and creating shared-value for the host community in Mann Field in line with all applicable laws, regulations and principles as a leading oil and gas company in Myanmar.





The Environmental Management Plan and Environmental Monitoring Program in Mann Field are in place as per the Mann Field EIA report, and MPRL E&P has jointly managed Mann Field with MOGE for the Environmental Monitoring Process as per our commitment. Our partnership has strengthened over time, fostering knowledge, skill development and creativity. Together we understand the impact of our operations and have dedicated our time to repair and refurbish all operation sites to minimize any harmful impact towards the environment and our surrounding communities.

To date, MPRL E&P has published 3 Environmental Monitoring Reports which have all been submitted to the Environmental Conservation Department (ECD) .



Environmental Impact Assessments

An Environmental and Social Impact Assessment (ESIA) is the process of analyzing, monitoring and managing the intended and unintended social and environmental consequences of planned interventions. The process drives improvements to increase the value of programs and enable organizations to plan better, implement more effectively, and successfully bring initiatives to scale.

Environmental Management Plans (EMPs) and Environmental Action Plans (EAPs) have been developed to monitor and minimize environmental impacts associated with our projects. The plans provide mitigation measures required to minimize impact associated with project activities.

- Zero-discharge targets
- Fuel and energy consumption reduction
- Well-site abandonment
- Environmental Analysis and Monitoring Framework
- Environmental Incident Response Plan
- Waste Management Plan
- Spills Management Plan



Environmental Audits and Inspections

Bi-annual environmental audits are regularly done to continuously improve Health, Safety, and Environmental (HSE) performance. In addition, we strive to embed a safety-first culture consistent with our fundamental goals.

We do monitor all operational practices are in compliance with prevailing national occupational health and safety, standard and laws.

With the aim of controlling the adverse impacts on ambient air, water, noise and safe environment management, a regular monitoring and management of required parameters have been undertaken to produce the environmental monitoring report on the basis of monitoring through a third-party contractor, ALARM and the Environmental Conservation Department, Magway in the field.





Produced Water Management of Mann Field Reached ZERO DISCHARGE Achievement

A common by-product of mature oil fields such as Mann field is produced formation water that is commonly associated with oil production. Especially during late field life, managing large volumes of produced water becomes imperative and can have a significant impact towards the size of the 'environmental footprint' of an oil and gas asset. There are various approaches towards dealing with produced formation water that vary from treatment to disposal. At MPRL E&P, we focus on both with a goal to not only minimize our footprint, but to eliminate all produced water from being disposed of at the surface.

Our initiative first involves treating produced formation water to ensure that the water's qualities and properties do not vary from those of the original formation water before mixing with hydrocarbons. During this process, careful produced water disposal wells are also identified and selected through process that assesses the well's integrity as well as its ability to handle injection. At the end of the process, through an approach of mechanical injection (pumps) or gravity drainage, all of the produced formation water in Mann field is reinjected back into the subsurface through these wells. As of August 2017, MPRL E&P is proud to indicate that we have achieved and maintained our zero-discharge target for produced formation water.

Proportion of Produced Formation Water Disposed Back into the Subsurface Formation

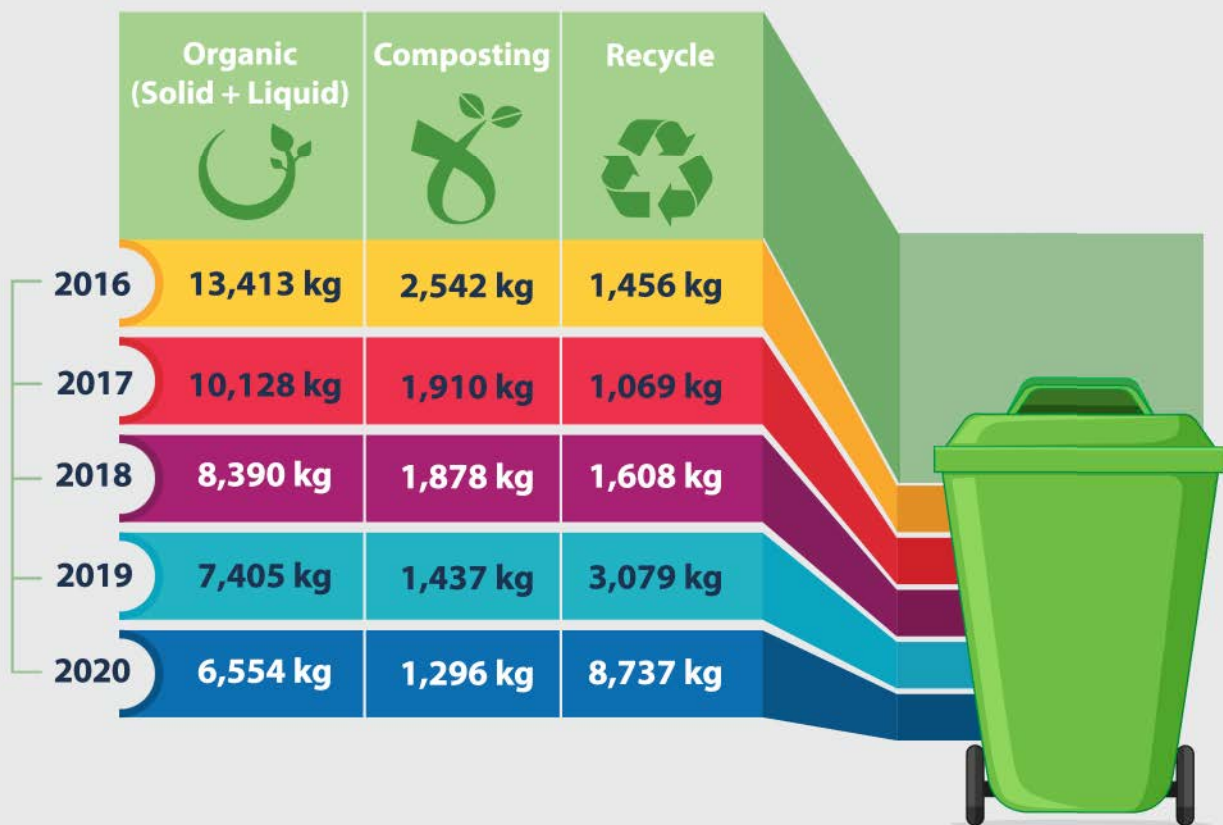


Anaerobic Composting System

MPRL E&P introduced an anaerobic composting system in 2015 with the purpose of keeping the system is to reuse the organic food wastes in tree plantation and support the kitchen in camp.

Steps for Anaerobic Composting System

- Organic waste is dumped to the categorized waste bins, which are big enough to keep moisture and heat.
- The mixture of organic materials (bacteria, fungi, insects, food wastes and leaves) will decompose in the compost pile.
- Within a few weeks, the final product of compost and crumbly can be used for planation as organic fertilizers in the camp compound.



3.2 Occupational Health and Safety Management Framework and Approach

MPRL E&P is committed to continuously improving our Occupational Health & Safety (OHS) performance. In addition, we strive to embed a “Safety First” culture consistent with our fundamental goals, which include:

- Zero Work-related Incidents
- No Harm to People
- Compliance with All Applicable OHS Legislation and Regulations





Our Management Framework and Approach

To create a safer working environment, MPRL E&P has a core management system that integrates existing and potential project activities. The structure and content of this system is based upon the guidelines of OHSAS 18001:2007 and HSE 65 Managing for Health and Safety. In order to expand the existing internal HSE practices, the following processes have been incorporated as a standard requirement of MPRL E&P's corporate culture: Accessibility to safety cards promoting Concern, Action, Reinforcement, and Encouragement (CARE Cards).

- Safety awards
- Pre-job safety meeting
- Daily toolbox talks
- Job safety analysis & risk assessment implementation
- Permit to work system/lockout & tagout/confined space entry
- Weekly safety meetings
- Monthly management meetings
- Monthly HSE committee meetings
- Emergency drill exercises
- HSE promotion
- Safety alerts
- Safety trainings

Accessibility to Safety Cards Promoting Concern, Action, Reinforcement and Encouragement (CARE Cards)

We have a 'CARE' card program for motivating and rewarding MPRL E&P and subcontractors' personnel who respect working in a safe and environmentally responsible way. The program has succeeded in substantially improving HSE performances by letting employees rate the safe and unsafe actions of the workplace based on factors such as social impact, environmental impact, tools and equipment, healthcare, welfare and other health and environmental concerns. The 'CARE' card program has been promoted and is applied at all sites/facilities managed by MPRL E&P. The tool can also be used to provide positive reinforcement where applicable and where positive behaviors or actions are observed.





Promoting Vaccinations in the Workplace

MPRL E&P continued our program of offering an onsite vaccination against influenza for all of our staff.





4. Anti-Corruption

| Principle 10 :

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





4.0 Our Anti-Bribery and Corruption Policy

MPRL E&P is committed to conducting business in accordance with all applicable laws, rules and regulations, and to the highest ethical standards.

We recognize that directors, employees and other personnel including, but not limited to, agents, contractors, consultants, and secondees who work on behalf of MPRL E&P can be subjected to corrupt behaviors that involve offers of, or requests for bribes, facilitation payments or grease payments.

To achieve this objective:

1. MPRL E&P has a zero-tolerance approach to corruption, meaning the giving or receiving of bribes in any form either directly or by those who work on behalf of MPRL E&P is prohibited and will not be tolerated.
2. MPRL E&P will not engage in corrupt business practices.
3. MPRL E&P will, at a minimum, comply with all applicable laws, regulations and standards which include, but not be limited to, the Myanmar Anti-Corruption Law, the Tenth Principle of the UN Global Compact, and the UK Bribery Act all of which are applicable to MPRL E&P, our employees and other personnel.
4. MPRL E&P is a member of the Myanmar Extractive Industries Transparency Initiative (MEITI) promoting improved governance in resource-rich countries by requiring verification and publication of company payments to, and government revenues from, oil, gas and mining.

Our anti-bribery and corruption policies are applicable to all MPRL E&P directors, employees, consultants, contractors, agents, advisors and other representatives working in operated assets and offices.

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PEACE, JUSTICE
AND STRONG
INSTITUTIONS





4.1 Our Management Framework and Approach

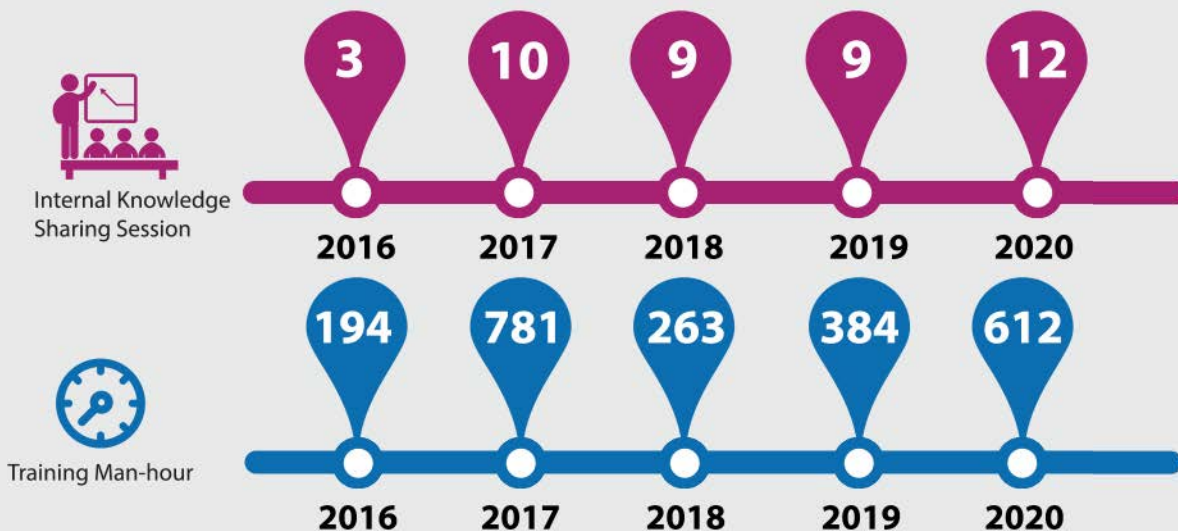
We provide trainings to MPRL E&P employees and contractors to better understand ethical practices against corruption and bribery.

Our Compliance Department is tasked with conducting due diligence to evaluate potential compliance risks to ensure that MPRL E&P only enters into business relationships with reputable and qualified individuals and firms. Our approach to work against corruption is providing awareness and refresher trainings for employees to keep in touch with current compliance policies, procedures and practices.

Compliance Awareness Training for Employees

Policy awareness reinforcement trainings on Organizational Code of Conduct were conducted this year for employees both in Yangon Head Office and Mann Field Operations Office to promote awareness on the rules and regulations set within the company.

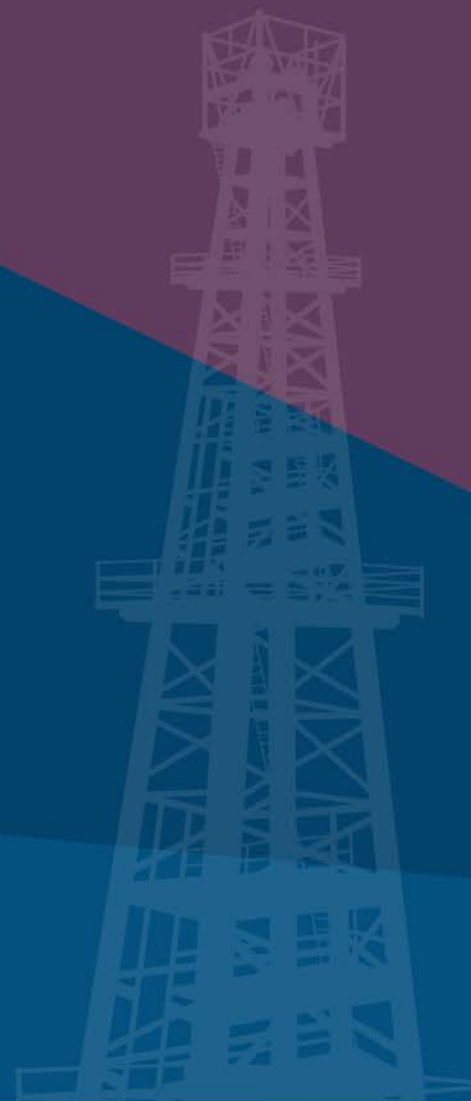
Other policies such as Whistleblowing, Human Rights Statement, Diversity and Inclusion and Employee Grievance Policy are also uploaded onto the SharePoint portal and website of MPRL E&P for the perusal of employees to raise awareness to establish peace and justice as per one of the Sustainable Development Goals (SDG)-16.



4.1.2 Affiliations & Memberships

The Extractive Industries Transparency Initiative (EITI) is the global standard to promote the open and accountable management of oil, gas and mineral resources. Since the initiation of the Myanmar EITI initiative, MPRL E&P has participated as 1 of 2 representatives in the multi-stakeholder group forum representing the upstream energy industry stakeholders in Myanmar. MPRL E&P continues to participate in this capacity and it is worth noting that the multi-stakeholder group consist of representatives from the private sector, Government, and numerous civil society organizations which regularly meet on a monthly basis.





Communication on Progress

February 2020 - February 2021

