



HUMAN RESOURCES POLICY

Human Resources Policy

Contents

		Page
I.	Introduction	2
II.	Purpose, Mission and Values	2
III.	Human Resources Principles	
	Principle 01 Application and Authority	3
	Principle 02 Flexible and Dynamic Organisation	3
	Principle 03 General Obligations of the Bank	4
	Principle 04 General Obligations of Staff Members	4
	Principle 05 Human Resources Management	5
	Principle 06 Entering Employment	6
	Principle 07 Compensation	6
	Principle 08 Ending Employment	7
	Principle 09 Reporting misconduct	8
	Principle 10 Disciplinary measure and appeals	8
	Principle 11 Training and Learning	9
	Principle 12 General Provisions	9

Human Resources Policy

I. Introduction

These Human Resources policies are **principles** which uab bank Limited ('Bank') will use in managing its people. They serve as a reference point when human resources management practices are being developed or when decisions are being made about the Bank's workforce.

II. Purpose, Mission and Values

The Human Resources Policies will be consistent to the Vision, Mission and Values of the Bank:

Our Purpose

Our Purpose is to lead the way towards a better Myanmar, humanising banking, connecting people, creating opportunities and changing lives.

Our Mission

1. We lead changes in financial services. We are an institution of strength built on sound principles and good governance.
2. We deliver banking with a heart; we care for our people and communities we are in.
3. We connect people and build relationships to foster a stronger community spirit.
4. We create opportunities and a better future for our staffs and our customers.
5. We are the change that will empower the communities around us, and together enrich the lives of those we touch.

Our Values

Connect. Create. Change.

- **A desire to connect**

Amidst the diversity of our work-force, we connect and communicate with each other, fostering a spirit that will enable us to in-turn connect to our customers and our community. Success is a team effort and we value each other's contribution and feedback.

- **A passion to create**

We value creativity that constantly seek practical ways to bring improvements, solve problems and simplify banking. We look to innovate and redefine banking in Myanmar, generating new ideas and opportunities for the market and our customers.

Human Resources Policy

- **The courage to lead change**

Recognising that change is disruptive yet inevitable, we take the courage to lead change. We want people who will stand up to their ideas, look forward to the future and challenge the present. We work towards a performance driven culture, yet always having in mind the importance of integrity and never forgetting the interest of our customers, shareholders and the nation of Myanmar.

Above all, our values embody our commitment towards **#LeadingChange #HumanisingBanking**

Talented, committed and responsible people are important to us and they are in whom our values dwell. They are essential in fulfilling our **purpose** and completing our **mission**. Our values are an integral part of how we recruit, develop, assess and reward our people.

III. Human Resources Principles

The following are the principles ('**Principles**') on which the Policy of the Bank shall rest:

Principle 01 - Application and Authority

This Policy apply to all staff members, that is, all persons appointed by the Chief Executive Officer (**CEO**) to perform services for **uab bank Limited**, except that, considering the particular characteristics of their appointments, the CEO may vary the application of this Policy to persons on Part Time, Temporary, Trainee or Consultant appointments, or to any new types of appointment that may be established. The CEO shall ensure the observance of this Policy and shall develop, provide, and maintain such programs and Staff Rules consistent with this Policy, as he/she considers necessary to the efficient conduct of the Bank's business.

Principle 02 – Flexible and dynamic organization

- 2.1 The Bank is committed to establishing flat and flexible structures with minimal levels of management and broad spans of control, which enable people development and increase efficiency. Less hierarchical layers call for increased cooperation between colleagues and will make the organisation more flexible and more accountable.
- 2.2 The Bank understands that in an environment with competitive intensity, an agile and innovative organisation is required. As such, flexibility and constant changes will require staff members to adapt, innovate and collaborate
- 2.3 Human resources management is a share responsibility. Whilst Human Resources personnel administrate these Principles, line managers have an equally important responsibility in exercising leadership on building a sustainable environment where staff members have a sense of personal commitment to their work and give their best to ensure that the Bank is successful in fulfilling its Purpose and Mission

Human Resources Policy

Principle 03 -General Obligations of the Bank

The Bank shall at all times act with fairness and impartiality and shall follow a proper process in their relations with staff members. They shall not differentiate in an unjustifiable manner between individuals or groups within the staff and shall encourage diversity in staffing consistent with the nature and objectives of the Bank.

Furthermore, the Bank shall:

- a. establish and maintain appropriate safeguards to respect the personal privacy of staff members and protect the confidentiality of personal information about them;
- b. make all reasonable efforts to ensure appropriate protection and safety for staff members in the performance of their duties;
- c. refrain from any action that would deprive staff members retroactively of compensation in any form for services already rendered;
- d. provide staff members security in their employment consistent with the terms of their appointments, their satisfactory performance and conduct, and the efficient administration of the Bank;
- e. develop and maintain compensation and personnel management policies and practices designed to help create an environment conducive to the high standards of performance required by the Bank in the interests of shareholders; and
- f. take such measures as may be necessary to protect the staff in discharging their duties.

Principle 04 - General Obligations of Staff Members

4.1 The sensitive and confidential nature of much of their work requires of staff a high degree of integrity and concern for the interests of the Bank. Moreover, as employees of a financial institution licensed by the Central Bank of Myanmar, staff members have a special responsibility to avoid situations and activities that might reflect adversely on the Bank, compromise their operations, or lead to real or apparent conflicts of interest.

Therefore, staff members shall:

- a. discharge their duties solely with the interest and objectives of the Bank in view and in so doing shall be subject to the authority of the CEO and responsible to him/her;
- b. Staff members shall not accept in connection with their appointment or service with the Bank any remuneration, nor any benefit, favor or gift of significant value from entities or persons as stated in the Gift Guidelines of the Bank
- c. conduct themselves at all times in a manner befitting their status as employees of the Bank. They shall not engage in any activity that is incompatible with the proper discharge of their duties with the Bank. They shall avoid any action and, in particular, any public pronouncement

Human Resources Policy

or personal gainful activity that would adversely or unfavorably reflect on their status or on the integrity, independence and impartiality that are required by that status; and

- d. observe the utmost discretion in regard to all matters relating to the Bank both while they are staff members and after their service has ended. In particular they shall refrain from the improper disclosure, whether direct or indirect, of information related to the business of the Bank.

4.2 All rights in any work produced by staff members as part of their official duties shall belong to the Bank unless such rights are explicitly relinquished.

4.3 Privileges: Staff members shall enjoy, privileges and facilities to which the Bank, their officers and employees are entitled. Such privileges are not to be mis-used and where such privileges are for the personal benefit of staff members, it shall not be transferred to any other persons or entities.

Principle 05 - Human Resources Management

5.1 The efficient administration of the Bank requires that work be conducted within certain generally applicable standards and conditions. At the same time, it is recognized that the changing demands on the Bank require that they adapt to meet evolving needs and circumstances. To enable the Bank to respond effectively in such circumstances, and at the same time in a manner considerate of the needs and aspirations of their staff, the Bank shall:

- a. organise, rotate, assign and transfer staff to meet the needs of uab bank in its branches, head office departments, subsidiary and associated companies, and determine the terms and conditions under which staff members may be assigned, stationed or transferred;
- b. establish types of appointment and determine their characteristics, including whether they shall be for a definite or indefinite term or full-time or part-time;
- c. establish procedures for the periodic review of staff members' work performance in order to promote the most effective use of their expertise, to determine the quality of their service, to recognize their achievements, and to identify training and development needs of staff members in the interests of the Bank;
- d. establish programs and arrangements for staff training and development for the purpose of updating and improving staff skills to meet the needs of the Bank;
- e. establish procedures for the promotion of staff members without prejudice to external recruitment at all levels;
- f. establish procedures and conditions under which staff members may be assigned to positions graded at various levels, while providing reasonable measures to alleviate adverse effects on staff members assigned to positions graded or regraded at a lower level;
- g. establish the conditions and limits under which staff members may be required to travel, at the Bank's expense, on official business; and

Human Resources Policy

- h. establish rules and procedures regarding working hours, including conditions and limits for overtime work, and official holidays.

Principle 06 Entering Employment

6.1 The Bank's recruitment policy shall be to seek to attract staff members of the highest caliber appropriate to job requirements under employment terms and conditions that are responsive both to the Bank's needs and the staff member's well-being. To that end, the Bank shall:

- a. give paramount importance to securing the highest standards of efficiency and technical competence in appointing staff members. To this end, rules shall be established under which positions may be filled;
- b. establish rules and conditions regarding medical standards and age limits for appointments to the staff and for continued employment, and rules governing employment of close relatives, whether by blood or marriage; and
- c. appoint staff members by letter of appointment, which shall specify the type of the appointment. The appointment shall be subject to those Principles and Staff Rules applicable to the staff member's type of appointment. An appointment for more than a year shall normally commence with a probationary period to allow the Bank and the staff member to assess their suitability to each other.

Principle 07 - Compensation

7.1 The basic objectives of the Bank's compensation policy shall be to:

- a. enable the Bank to recruit staff members of the highest caliber appropriate to job requirements and to retain them so long as there is reasonable coherence between their career interests and the evolving mission and circumstances of the Bank;
- b. help, motivate staff members to perform to the best of their abilities;
- c. provide levels of compensation that are equitable internally;
- d. achieve above objectives with due regard to cost, bearing in mind the responsibility of the Bank to its Shareholders; and
- e. recognize that total rewards involve Fixed pay, Variable pay, Benefits, Personal Growth & Development and Work-Life balance

7.2 With these objectives in view, the Bank shall:

- a. establish and periodically review the general levels of staff compensation and adjust such levels, as appropriate;

Human Resources Policy

- b. institute and maintain programs of systematic job evaluation, the purpose of which is to grade jobs according to their purpose, function, and level of responsibility so as to provide a sound and equitable basis for the remuneration of staff members;
- c. institute and maintain programs which permit the Bank to reward staff members according to their performance and contribution to the Bank's objectives;
- d. establish and maintain programs to promote the health and wellbeing of staff members and to provide financial protection and assistance for staff members and their families, including but not limited to annual, maternity and sick leave, coverage for accidents, and mandatory payments for social security programs administered by the Social Security Board;
- e. in view of the importance to the Bank of attracting international staff in positions that require foreign expertise, establish programs for expatriate staff members and determine the eligibility for and duration of such programs; with a longer-term objective of developing local talent to eventually fill these positions; and
- f. provide reasonable assistance, depending on the type of recruitment, to staff members required to relocate to take up their appointments or new assignments.

Principle 08 - Ending Employment

8.1 The Bank's separation policy shall seek to maintain their vitality and integrity while paying due regard to the special circumstances faced by staff members.

Accordingly:

- a. Separation from service may occur by resignation, with due notice; expiration of an appointment in accordance with the terms of that appointment; retirement; mutual agreement; or upon reaching the upper age limit for employment, unless this limit has been waived in the interests of the Bank.
- b. Separations may also be initiated by the Bank. They shall be based on the needs for efficient administration and for upholding the standards of the Bank. Staff members separated at the initiative of the Bank have the right to be notified in writing of the decision, which shall be based on the following:
 - i. a decision not to confirm a staff member's appointment at the end of or during probation; or
 - ii. grounds of health; or
 - iii. when the Bank determines that a position or positions are no longer necessary, or that the responsibilities of a position have changed so that the staff member is not qualified to fill it, provided that no vacant position in the same type of appointment exists for which the Bank determine that the staff member is eligible and has the required qualifications or for which he or she can be retrained in a reasonable period of time; or
 - iv. unsatisfactory service, personal or professional misconduct, abandonment of duties, or action adversely reflecting upon the reputation and integrity of the Bank or their staff.

Principle 09 - Reporting Misconduct

- 9.1 It is expected that all staff members must report on all misconduct and the Bank will establish various channels to facilitate this Principle
- 9.2 The Bank's policy on protections and procedures for reporting misconduct shall set out the rights and responsibilities of staff with respect to reporting misconduct that may threaten the operations or governance of the Bank, so as to encourage staff to raise concerns and enable the Bank to effectively address such cases, manage risks, and uphold standards of good governance. The policy shall provide protections to staff who report such misconduct or who cooperate or provide information during an ensuing review or investigation. These protections shall include:
- a. the prohibition of retaliation by managers or other staff against any person for reporting misconduct, or for cooperating or providing information during an ensuing review or investigation;
 - b. with the consent of the staff member involved, the provision of interim protections during the course of review or investigation as necessary to safeguard the interests of a staff member who has reported misconduct or cooperated or provided information in that review or investigation; and

Principle 10 Disciplinary Measures and appeals

- 10.1 A staff member who fails to observe the standards of conduct established pursuant to these Principles, who engages in misconduct, or who neglects to perform assigned tasks without reasonable excuse, may be subject to disciplinary measures. Depending on the seriousness of the offense and other relevant factors, the disciplinary measures taken in a particular case may be censure, suspension from duty with or without pay or with reduced pay, demotion, reduction in pay, or separation of the staff member from the service of the Bank as provided in Principle 07 above. A staff member may also be suspended from duty with pay, without prejudice, pending investigation of a charge under this paragraph.
- 10.2 Staff members have the right to be notified in writing of the grounds for disciplinary action.
- 10.3 Staff members have the right to fair treatment in matters relating to their employment. Where disputes arise, staff members shall have full opportunity to present their case without fear of reprisal and to this end:
- a. the CEO shall establish mechanisms, to assist in the resolution of such disputes; and
 - b. the Bank's Disciplinary Committee shall, hear and pass judgment upon applications from staff members alleging non-observance of their contracts of employment or terms of appointment, including these Principles and all pertinent Staff Rules of the Bank.
 - c. The Bank's Management Committee or a special committee appointed by the CEO shall hear appeals on matters heard by the Disciplinary Committee.

Human Resources Policy

Principle 11 – Training and Learning

11.1 Learning is part of the Bank's culture. Staff at all levels are systematically encouraged to consider how they upgrade their knowledge and skills.

11.2 Experience and on-the-job training are the primary source of learning. The responsibility is shared between, line managers and the Human Resources. Managers are responsible for guiding and coaching employees to succeed in their current positions.

11.3 The Bank will offer a comprehensive range of training activities and methodologies to support employees leaning and growth.

Principle 12 - General Provisions

12.1 The CEO may delegate to any staff member, committee or unit of the Bank the authority to perform any of the functions referred to in these Principles.

12.2 Procedures, Guidelines, Manuals, Handbooks and Directives will be issued and these remain valid to the extent they are not inconsistent with these Principles.