



SHWE TAUNG
CEMENT CO.,LTD.

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PRESS RELEASE

**Public Forum by Shwe Taung Cement on the Expansion of
Cement Plant in Pyi Nyaung Village, Thazi Township, Mandalay**

YANGON, Myanmar, 18 July 2017 – Shwe Taung Cement, part of Shwe Taung Group, held a public forum to disseminate information and exchange views on the draft environmental and social impact assessment (ESIA) report for the expansion of Shwe Taung Cement's cement plant and associated facilities in Mandalay.

The public forum, held today at the Novotel Yangon Max Hotel, was attended by representatives from a wide spectrum of governmental, non-governmental organisations as well as from the Myanmar public and private sectors. International consultancy firm Environmental Resources Management (ERM), a leading global provider of environmental, health and safety consulting services, facilitated the consultation. ERM is the appointed ESIA consultant for the proposed project. Representatives from Shwe Taung Cement and the International Finance Corporation (IFC) were present. IFC is considering financing the proposed project.

The proposed project is a brownfield expansion of cement production at Shwe Taung Cement's existing cement plant Pyi Nyaung Village, Thazi Township, Mandalay. The project aims to expand the plant's clinker production and cement grinding capacities. The total project cost is estimated at USD110 million, with the proposed IFC investment in Shwe Taung Cement comprising of investment in common equity of up to USD15 million and a loan of up to USD20 million.

At the public forum, Shwe Taung Cement presented an overview of the project, including details of how the proposed project is expected to create 200 direct jobs and 4,000 indirect jobs. ERM presented the findings of the comprehensive ESIA study, including the biodiversity and social impact assessments, as well as mitigation measures. ERM also introduced the Environmental and Social Management Plan (ESMP) prepared for the proposed project. This defines procedures and processes to be applied to the project activities in order to check and monitor compliance and effectiveness of the mitigation measures during the construction and operation of the project. So as to ensure the project aligns with the IFC's Performance Standards, specific actions have been defined in an Environmental and Social Action Plan (ESAP) with which the

project will need to comply with. With implementation of the ESMP and ESAP, the proposed project will be constructed and operated in accordance with global industry best practice.

Participants shared their views on the environmental and social impact of the proposed project which will be taken into account in finalisation of the ESIA report.

Mr Aung Zaw Naing, Shwe Taung Group CEO, said "This public forum is testament to Shwe Taung's commitment to transparency and accountability. We welcome the opportunity to hear from the community and from all our stakeholders. Our project's detailed environmental and social action plan will allow ourselves to be benchmarked against global industry best practice. It is a learning journey for us and we hope to be able to provide a positive demonstration effect for the cement industry in Myanmar."

Shwe Taung Cement will be holding two other public forums - in Thazi township in Mandalay and in Kalewa township in Sagaing later this month. Interested parties are invited to attend the forums.

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