



STAKEHOLDER ENGAGEMENT PLAN

April 2020

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1 INTRODUCTION

1.1 Purpose

This document describes the Stakeholder Engagement Plan (SEP) for Shwe Taung Cement Co. Ltd (STC).¹ Stakeholder engagement refers to the process of sharing information and knowledge, seeking to understand and respond to the concerns of individuals potentially impacted or affected by the activities relating to cement production, and building relationships based on trust. As such, stakeholder engagement is essential for the successful ongoing operation of the cement plant as well as any future expansion or related projects.

Stakeholder engagement is undertaken by STC throughout all its planning, construction, operational and decommissioning activities. This SEP builds on previous consultation held with affected stakeholders during the Supplementary Environmental & Social Impact Assessment (ESIA) process, construction activities and early operational phases of the project and focuses on stakeholder engagement activities to be undertaken in an ongoing manner during operations and any proposed expansions to the plant.

This Plan is used by STC as a 'live' document which is updated regularly to track and record progress against the Stakeholder Engagement Action Plan (refer Section 7) and is periodically reviewed by STC management.

1.2 Objectives

The objectives of this SEP include:

- Ensure understanding of the needs of affected stakeholders through an open, inclusive and transparent process of culturally appropriate engagement and communication.
- Promote inclusiveness of stakeholders in the scoping of issues, the assessment of impacts and the development of mitigation and management measures in relation to STC operations.
- Develop relationships with affected communities so they may express their views on potential impacts and mitigation measures related to STC operations.
- Engage vulnerable persons via an open and inclusive approach to consultation and provide where necessary special measures for vulnerable stakeholder types such as elderly people, the ill or infirm, children and single-parent households.
- Manage the expectations of stakeholders through the dissemination of accurate information in an accessible and timely manner.
- Provide a useable, transparent and functional grievance process via a dedicated stakeholder grievance mechanism.
- Ensure compliance with local regulatory requirements and international standards.

1.3 Scope

The scope of the SEP includes the following:

- Existing cement plant (including 'second line' expansion);
- Associated quarries (limestone and mudstone);
- Transmission lines (located in or adjacent to Pyi Nyaung and Thazi Townships);
- Shwe Taung Mining Company (STM) coal mine in Paluzawa including coal staging areas along the Chindwin river; and
- Transport corridors for the supply of fuel to the cement kilns in Mandalay Region.

¹ STC cement trades under the 'Apache Cement' brand which was launched in 2014. STC falls under the Shwe Taung Building Materials (STBM) division of Shwe Taung Group (STG).

This SEP applies to all main and associated facilities operated and/or use by STC.

1.4 Background to this SEP

A Supplementary ESIA was prepared for the project in 2017 to meet international requirements and fill gaps in the previous local environmental assessments conducted. As part of the Supplementary ESIA, a Stakeholder Engagement Plan (SEP) was developed by STC for internal use to identify and manage stakeholder engagement and concerns relating to the cement plant, the coal mine and associated facilities. This SEP (i.e. this document) has been developed as the operational version and will be made available for public disclosure.

This document contains some background information about past consultation that has helped inform the current stakeholder engagement program at STC, but is predominantly focused on the ongoing operations phase of the project including any current and future activities.²

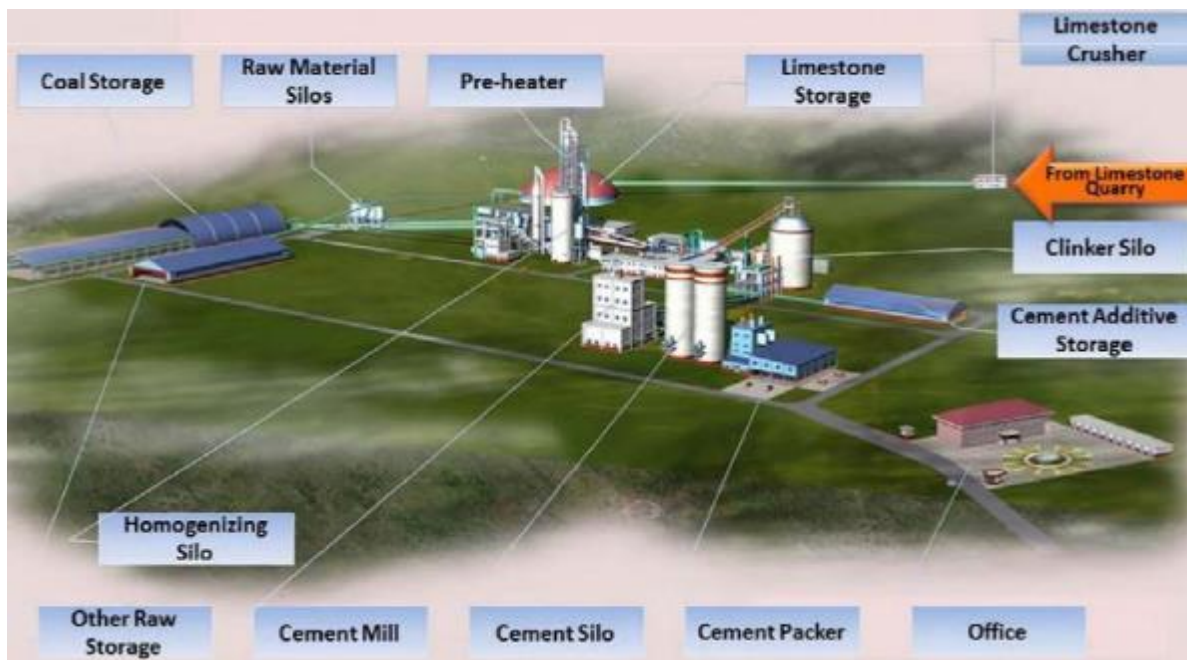
2 OPERATIONAL OVERVIEW

2.1 Cement plant

The existing STC cement plant and ancillary facilities (refer Figure 2.1) are located in a brownfield area of approximately 184 hectares in Thazi township within the Mandalay Region. It is situated in a valley which includes the STC mudstone quarry to the west and the STC limestone quarry to the east, both are situated within the Tha Pyae mountain range (refer Figure 2.3). A dry process is used for the cement production. Cement production comprises five key steps:

1. Raw material crushing;
2. Materials handling;
3. Clinker production;
4. Cement grinding; and
5. Cement packing and dispatch.

Figure 2.1. Illustration of the cement plant and layout



Source: Supplementary ESIA for STC Cement Plant and Associated Facilities in Myanmar, ERM, (April 2017)

² It is noted that as this SEP was being finalised the COVID-19 pandemic occurred. The content and timelines in this document should be considered in the context of this evolving global situation; which will impact STC operations and related activities.

Initially the clinker production was approximately 1,500 tonnes per day whilst the cement grinding capacity produced up to 2,800 tonnes per day. A brownfield expansion of the cement plant to a clinker capacity of 5,500 tpd and cement grinding capacity of 7,200 tpd was completed in 2018. The expansion also involved construction of a Waste Heat Recovery System ('WHRS') and improvement in emission control systems. Other facilities located at the cement plant include limestone storage and crusher, clinker silo, cement additive storage, coal storage sheds, packing facilities and office and administration facilities. In 2019 approximately 700 workers are employed at the cement plant and ancillary facilities including quarries (refer Section 2.2 below). There are around 1,000-1,200 family members resident in worker housing. Additionally there are around 200 truck drivers coming to and from the site on a regular basis who stay for one or two days at a time (and around 400 when Line 2 is fully operational).

2.2 Quarries

A limestone quarry is located approximately 800 metres east of the cement plant, on a concession of approximately 240 hectares (refer Figure 2.1). Limestone extraction is undertaken using a drill and blast method and is transported by conveyor to the limestone crusher where it is crushed and stored prior to use. Approximately 715,000 tonnes of limestone per year is currently required for current cement production rates cement plant.

A mudstone quarry of a total size of 67 hectares is located west of the cement plant. Mudstone excavation is currently undertaken by open excavation and is transported by truck to the cement plant. Approximately 97,500 tonnes of mudstone per annum to meet current cement production capacity.

Figure 2.2. Limestone Quarry



Source: STC ECD Presentation (2017)

2.3 Coal mining

The coal mine which is operated by Shwe Taung Mining (STM) is located on the western side of the Chindwin River in the Kalaywa township of Sagaing region. Annual production is currently approximately 100,000 tonnes with an increase around 150,000 tonnes per annum proposed. The coal mining area is approximately 1,376 hectares over an area approximately 15 kilometres long and 900 metres wide, however mining is restricted to a significantly smaller area at any one time (refer Figure 2.5). Coal extraction is opencast. Coal mining occurs during the dry season only (i.e. December to May each year). Approximately 60 workers are employed at the coal mine during this mining period.

The extracted coal is transported to Paluzawa Village, via a 15 kilometre access road to a coal staging area and barging point on the bank of the Chindwin River. Coal is stockpiled at the staging area, from where it is taken to the barging point and loaded onto barges for transport to Mandalay and Nyaung U. At Mandalay and Nyaung U, the coal is transported to the STC Plant by road.

Coal is delivered to Mandalay region using barges all year around. However, in the dry season, only small barges are able to travel up the Chindwin River.

2.4 Associated facilities

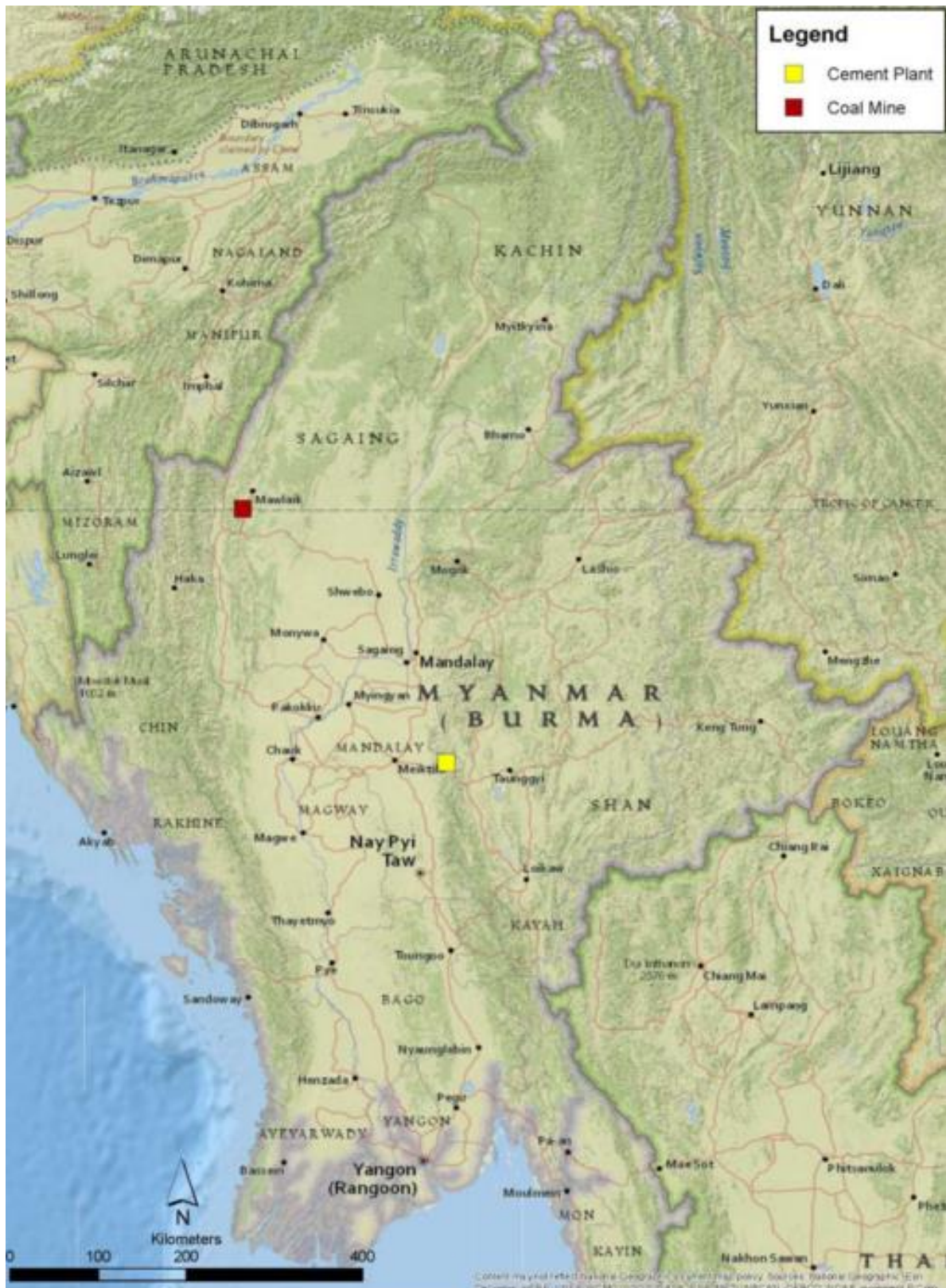
A concrete access road has been constructed by STC from Pyi Nyaung Village to the cement plant, and is considered a public road with unrestricted access. Electricity to the plant is provided by the Yay Paung Sone Power Station which is located approximately eleven kilometres from the plant. The cement plant currently requires 11 megawatts (MW) which is provided via a high voltage transmission line. In addition to this line the company constructed a new 66kV transmission line (10 km) to supply the cement plant and thus the increased supply to STC will be 36 MW in total for both production lines.

Water is currently sourced from two reservoirs situated within the plant area, with capacities of 6 million US gallons (equivalent to approximately 22,712 m³) and 45 million US gallons (equivalent to approximately 170,343 m³), respectively. Water is pumped to the reservoirs from Kubyin Stream at Kubyin Village, situated approximately four kilometres north of the cement plant during the dry seasons of 2014, 2015, and 2016. Since the 2017 dry season, water was not pumped from the Kubyin Stream as there was sufficient capacity in the reservoirs. During the wet season, the reservoirs are replenished by rain water and pumping from Kubyin Stream is not required.

2.5 Proposed facilities

As part of the second expansion line, the Project also involves construction of a Waste Heat Recovery System (WHRS) and improvement in Emission Controls. Meanwhile, two waste heat recovery (WHR) units with a total installed capacity of 8.8 MW, are being constructed respectively in both the first line and second line of the STC cement plant. There is no additional land requirement for the installation of WHR units which will be installed within the existing brownfield area of the cement plant. There will not be any direct loss of natural terrestrial habitat. For the WHRS project, STC submitted an Initial Environmental Examination (IEE) Report to the Environmental Conservation Department (ECD). A main contractor, Shanghai Conch Kawasaki Engineering Co., Ltd, is managing the construction of WHRS project. The Project started in May 2019 and will finish around June 2020.

Figure 2.3. Location of STC cement facilities and STM coal mine



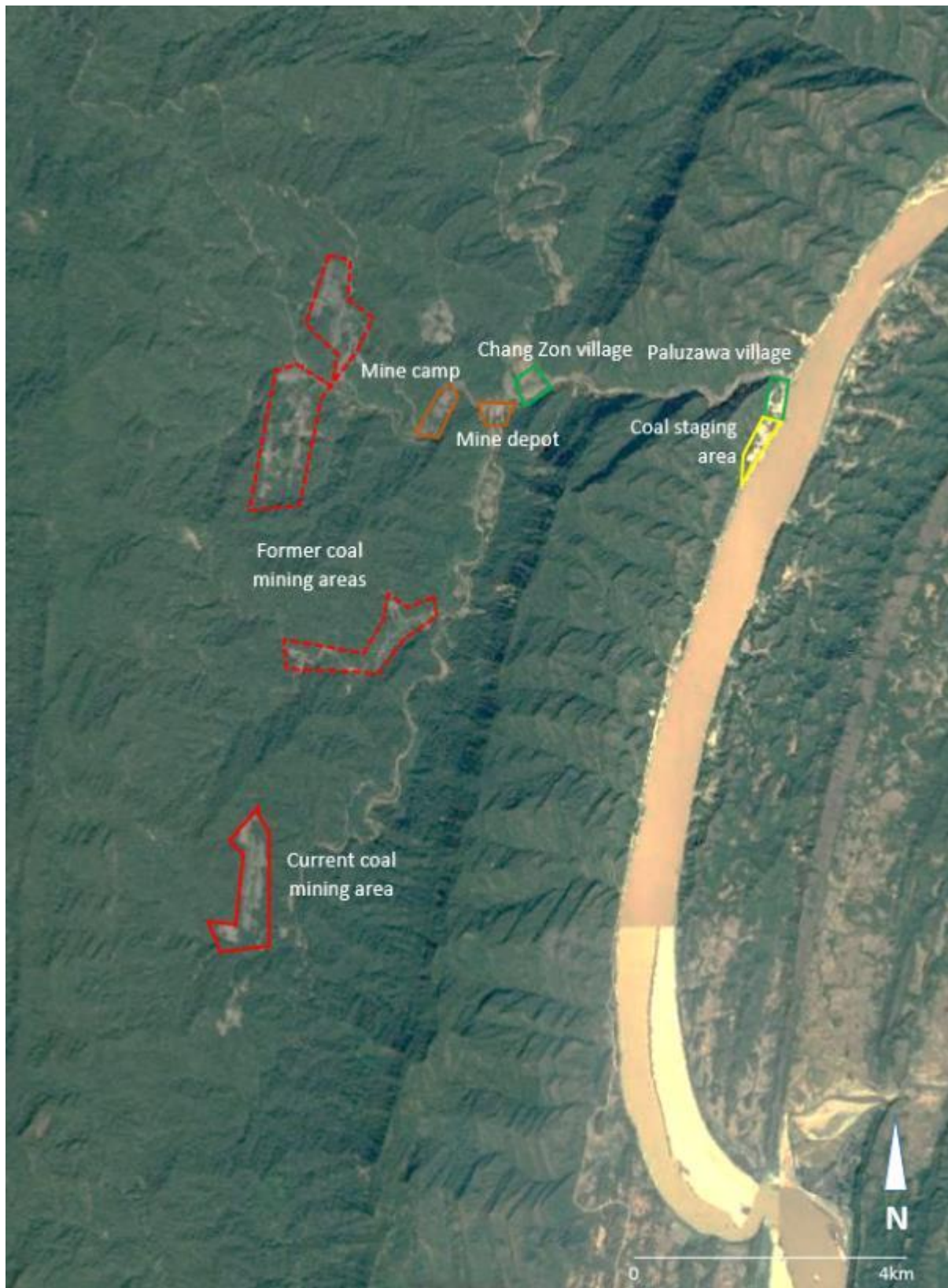
Source: Supplementary ESIA for STC Cement Plan and Associated Facilities in Myanmar, Environmental Resources management, (April 2017)

Figure 2.4. Location of STC plant, quarries and ancillary facilities



Source: Image courtesy of Google Earth, prepared by STC (November 2019)

Figure 2.5. Location of STM coal mine, camp/depot and staging area



Source: Image courtesy of Google Earth, prepared by STC (November 2019)

The Area of Influence (AOI) of the STC operation, quarries, coal mine and associated facilities is summarised in Section 4 of this document and detailed further in Attachment A.

3 REGULATORY REQUIREMENTS

3.1 Myanmar requirements

This SEP is designed to ensure that STC fulfils all of the relevant legal and regulatory commitments in Myanmar. The key regulatory requirements related to stakeholder engagement for the ongoing operation of STC are: **Myanmar EIA Procedures (2015)**; and **Public Participation Guidelines (Draft in 2017)**. The ECD approves all EIA and IEE submissions.

Other regulatory requirements would need to be considered for any future expansion and ancillary projects at STC, including the Myanmar Investment Law (2016) and new Land Acquisition Act (2019), and potentially others (e.g., Vacant Fallow Virgin Land Law).

The key agencies involved in ongoing operations including any potential new biomass and solar power facilities include the Ministry of Electricity and Energy (MOEE), Ministry of Planning, Finance and Industry (MOPFI), Ministry of Natural Resources and Environmental Conservation (MONREC) and the Myanmar Investment Commission (MIC).

The management of land falls under the mandates of Ministry of Agriculture, Livestock and Irrigation (MOALI), MONREC, and the Ministry of Home Affairs (MOHA), with varying degrees of coordination at the union, region, and district and township levels. The Forest Department of MONREC is a key agency as all land areas for STC are leased from them.

The Regional Government and the relevant Township Governments (including the General Administrative Departments (GAD)) are also involved in overseeing different aspects of day-to-day operations and managing relationships with key stakeholders including affected communities.

3.2 International Standards

The International Finance Corporation (IFC) is a lender to STC for its expansion project and as such their Performance Standards on Social and Environmental Sustainability apply to all activities including stakeholder engagement.

The IFC Sustainability Framework includes eight Performance Standards on Environmental and Social Sustainability. The key Standard of importance is *Performance Standard 1 (PS1) - Assessment and Management of Environmental and Social Risks and Impacts*, which prescribes: an integrated assessment approach to identify the environmental and social impacts, risks, and opportunities of projects; effective community engagement through disclosure of information and consultation with local communities; and, the management of environmental and social performance throughout the life of the project/operation.

Development and implementation of a Stakeholder Engagement Plan commensurate to the project aspects and impacts is a specific requirement of IFC PS1. The SEP must be tailored to the characteristics and interests of the affected communities.

In addition, the IFC has developed a series of good practice documents that are designed to help practitioners with environmental and social issues. These include: *Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets (2007)*; and *Addressing Grievances from Project-Affected Communities: Guidance for Projects and Companies on Designing Grievance Mechanisms (Good Practice Note 2009)*.

4 AREA OF INFLUENCE

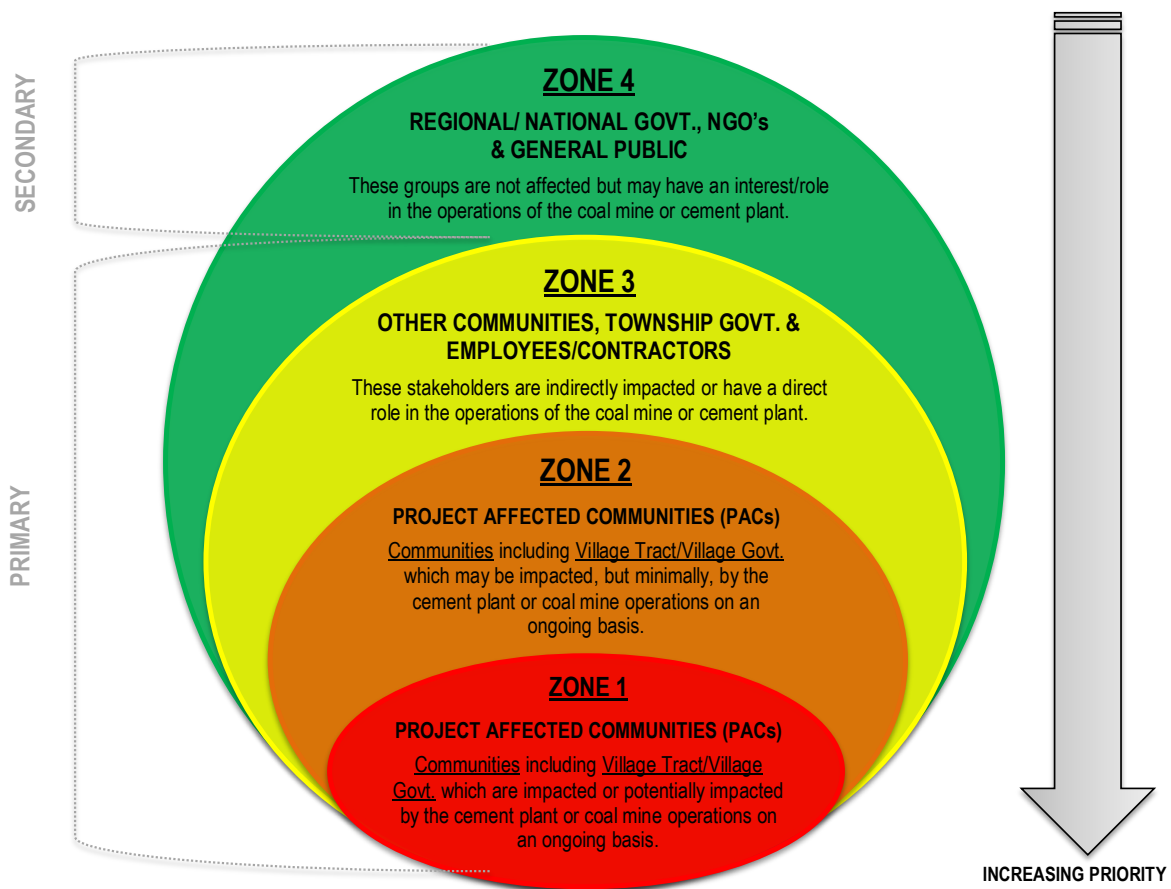
4.1 Overview

The STC Area of Influence (AOI) for stakeholder engagement has been defined using different 'zones' to categorise primary and secondary stakeholders for each of the main operating sites (Figure 4.1). The 'Zone 1' and 'Zone 2' priority stakeholders are the Project Affected Communities (PACs). These are as follows:

- Cement Plant and Quarries: **Pyi Nyaung** and **Kubyin Villages**;
- Cement Plant Transmission Line: **Kyauk Saung Gyi Kwae, Oak Kyin, Mon Pin, Yay Paung Sone** and **Poper Kone Villages**; and
- Coal Mine, Coal Staging and Transit Areas: **Chuang zon, Paluzawa, Nanmawke** and **Shwe Pyi Thar Villages**.

As the level of priority increases, so will the level of effort and resources required by STC to effectively manage stakeholder engagement and concerns. In addition to those PACs within the primary AOI, this Plan will also be used to guide and facilitate engagement with other stakeholders in 'Zone 3' (Other Communities, Township Government and Employees/Contractors and their families) and 'Zone 4' (Regional/National Government, NGOs and the General Public).

Figure 4.1. Stakeholder Groups within the Area of Influence (AOI)



Zone 1 - Project Affected Communities in Zone 1 are those villages which are impacted or potentially impacted by the cement plant or coal mine operations in an ongoing manner. Zone 1 PACs are in close proximity to the operating sites.

Zone 2 - Project Affected Communities in Zone 2 are those villages which may be impacted, but minimally, by the cement plant or coal mine operations on an ongoing basis. This includes communities affected by land acquisition for the high voltage transmission line to the cement plant and a community adjacent to the coal transit point where coal is transferred from barge to trucks. Zone 2 PACs are in proximity to the operating sites but not very close to them (e.g., more than around 5 kms).

Zone 3 – Other Communities in Zone 3 may be indirectly impacted such as along a transport corridor or have an interest in job; business; or community development opportunities with the coal mine or cement plant. Other stakeholders in this group may have a direct role in the STC operations. Zone 3 communities are not within proximity to the operating sites.

The Township Governments in Zone 3 have an ongoing host government role in overseeing the day to day operations of the different facilities and helping to maintain a sound relationship between the operations and their host communities.

Employees and Contractors have direct interaction with the operations often on a daily basis and in the case of many employees and some contractors they are resident at the facilities with their families.

Zone 4 – Stakeholder in Zone 4 including Regional/National Government, Non-Government Organisation (NGOs) and the General Public are not affected by the operations but have either an interest and/or an indirect role to play in the operations.

A detailed description and maps of the different stakeholder groups in the AOI for the cement plant and the coal mine are provided as Attachment A.

5 STAKEHOLDERS AND ANALYSIS

5.1 Stakeholder Identification

Stakeholders are any and all individuals, groups, organizations, and institutions interested in and potentially affected by the STC operation and related activities, or having the ability to influence the project. STC has identified a wide variety of stakeholders through the initial development of the plant, the Supplementary ESIA phase and the expansion works to develop the stakeholder list for engagement during ongoing operations.

The key stakeholder groups most relevant to the STC operation are shown below in Table 5.1. These are grouped by 'Zone' in alignment with the AOI and a description is provided as to why they are a key stakeholder group.

Table 5.1. Key stakeholder groups for STC operations

Stakeholder group	Type	Description
ZONE 1: Potentially Affected Communities (PACs)		
Pyin Nyaung Village	Community – Thazi township	Located in the vicinity of the access road to the cement plant.
Kubyin Village	Community – Thazi township	Located in the vicinity of the mud stone quarry and the cement plant.
Paluzawa Village	Community - Kalaywa township	Located in the vicinity of the 1st coal staging area of the coal mine.
Chaungzon Village	Community – Kalaywa township	Located near the base camp of the coal mine.
ZONE 2: Potentially Affected Communities (PACs)		
Kyauk Saung Kwae Village	Community – Thazi township	Located in the vicinity of the existing 1st power line to the cement plant. Some PAPs were affected by land acquisition from this village.
Oak Kyin Village	Community – Thazi township	Located in the vicinity of the existing 1st and 2nd power line to be constructed to the cement plant. Some PAPs were affected by land acquisition from this village.
Mon Pin Village	Community – Thazi township	Located in the vicinity of the existing 1st line to be constructed to the cement plant. Some PAPs were affected by land acquisition from this village.
Yay Paung Sone Village	Community – Thazi township	Located adjacent to the power substation and in the vicinity of the existing 1 st and the power substation, and 2 nd power line to be constructed to the cement plant. Some PAPs were affected by land acquisition from this village.
Poper Kone Village	Community – Thazi township	Located in the vicinity of the existing 1st line, and 2nd power line to be constructed to the cement plant. Some PAPs were affected by land acquisition from this village.
Nanmawke Village	Community – Kalaywa township	This community is located in the vicinity of the 2nd coal staging area of the coal mine.
Shwe Pyi Thar	Community – Nyaung U township	This community is located along the Irrawaddy river and is adjacent to the transit point where coal is loaded from barge to truck to go to the cement plant.
ZONE 3: Other Communities, Township Government and Employees & Contractors		
Ywar Thar Village	Community - Kalaywa township	These communities are located on the Chindwin River where coal barging occurs. Interested in community development opportunities. Some residents from these communities are workers at some of the STM operations.
Ma Sein Village	Community - Kalaywa township	
Nan Za Lin Village	Community - Kalaywa township	
Wal Daunt Village	Community - Kalaywa township	
Tha Bu Chaung Village	Community - Kalaywa township	
Wai Lon Village	Community - Kalaywa township	
Township General Administration Department (GAD) at Thazi	Government	Supports STC's engagement process to date at township and village levels of Thazi. Oversees relationship with host communities.
Township General Administration Department (GAD) at Kalaywa	Government	Supports STC's engagement process to date at township and village levels of Kalaywa. Oversees relationship with host communities.

Stakeholder group	Type	Description
ZONE 4: Regional/National Government, NGOs and General Public		
Ministry of Natural Resources and Environmental Conservation (MONREC) through its Environmental Conservation Department (ECD) - National	Government	Responsible for the administration of EIA Procedures (2015), approval of STC's Supplementary ESIA, and ongoing monitoring of STC operations. Responsible for monitoring the implementation of the biodiversity offset for the cement plant expansion project and rehabilitation of the coal mine/quarries.
Department of Mining under Ministry of Natural Resources and Environmental Conservation (MONREC)	Government	Oversees the development of new and existing mines/quarries in Myanmar. Communicates and coordinates with different government agencies for HSE-related issues at mines and quarries.
Forest Department - National	Government	Leaseholder of STC's cement plant area (quarries and mine). Monitors the replantation programme and implementation of the biodiversity action plan (BAP).
District General Administration Department (GAD) at Meikhtila - Regional	Government	Supports STC's engagement process to date via arrangement of meetings with stakeholders at District level of Meikhtila.
District General Administration Department (GAD) at Kale - Regional	Government	Supports STC's engagement process to date via arrangement of meetings with stakeholders at District level of Kale.
Myanmar Alliance for Transparency and Accountability (MATA) – National	National NGO	Concerns include the land / crop compensation for the cement plant expansion and other impacts. Participated in Supplementary ESIA consultation.
Myanmar Centre of Responsible Business (MCRB) – National	National NGO	Concerns include disclosure of project information, community engagement as well as ESIA related to the cement plant expansion. Participated in Supplementary ESIA consultation.
Upper Chindwin Youth Network (UCYN)	National NGO	Concerns include the coal mining process, transportation and BAP.
Earth Rights International (ERI) – National	International NGO	Concerns include coal use, land / crop compensation for the cement plant expansion and the Supplementary ESIA process including consultation. Participated in Supplementary ESIA consultation.
Fauna and Flora International (FFI) – International	International NGO	Performed the biodiversity survey for the Supplementary ESIA of the cement plant expansion project and was consulted for the development of the Biodiversity Action Plan (BAP).
Wildlife Conservation Society - International	International NGO	Consulted during Supplementary ESIA of the cement plant expansion and development of the BAP.
STC Employees	Workers	Engaged in overseeing the Project operational and other activities of STC. A number of workers are resident at the cement plant site and seasonally at the coal mine including with their families. STC staff
Contractors and subcontractors	Contractors	A number of contractors such as truck drivers periodically visit the cement plant, coal mine and other sites including sometimes with families. STC contractors need to be kept informed of key project activities and requirements.
General Public	Individual/ families/ businesses/ other organisations	Different members of the public may interact with the STC operations due to employment or business opportunities or through areas of interest, e.g., the Media may a stakeholder in this group.

5.2 Key Issues for Stakeholders

Stakeholder engagement undertaken to date has identified a number of key issues and concerns relevant to specific stakeholder groups. These are summarised in Table 5.2 along with the key stakeholder groups concerned and how STC is managing and will continue to manage these issues.

Table 5.2. Key Issues Management

Issue topic	Key stakeholder groups	Description of issue	Operational Controls and Other Measures
Air quality (including dust/coal dust)	Pyi Nyaung, Kubyin, Chuang zon, Paluzawa and Namwake villages	Residents of all villages near the cement plant, coal mine and coal staging areas are concerned about air/dust pollution on their health and crops.	<ul style="list-style-type: none"> Environmental and Social Management Plan (ESMP) including air quality management. Ambient Air quality monitoring plan Monthly and Continuous Monitoring System of Stack emission of both kiln systems Planned Participatory Environmental Monitoring (PEM) Program with communities.
Water quality (including sedimentation and related potential health issues)	Pyi Nyaung, Kubyin, Chuang zon, Paluzawa and Namwake villages	Some residents are concerned about pollution from the cement plant and coal mine on river and other water sources and potential health/skin issues including in children (e.g., at Ku Pyin River).	<ul style="list-style-type: none"> Environmental and Social Management Plan (ESMP) including water quality management. Surface Water quality management plan Sanitary Wastewater quality management plan
In-flux / in-migration	Pyi Nyaung, Kubyin, Chuang zon, Paluzawa and Namwake villages	All communities are concerned about influx of outsiders due to construction and maintenance activities, as well as improved roads. Locals worry there will be pressure on local livelihoods and local social dynamics.	<ul style="list-style-type: none"> Policy for giving preference to locals for employment. Job fairs held locally to encourage local employment. Liaise with the local government to discourage informal settlements on the road from Pyi Nyaung to the cement plant. Guards at the plant guardhouse shall discourage the setting up of settlements or businesses within the vicinity of the guardhouse.
Landslides and land clearance	Pyi Nyaung, Kubyin, Chuang zon, Paluzawa and Namwake villages	Landslides are a concern for some residents particularly in Chaung Zon	<ul style="list-style-type: none"> Land clearance procedure of Biodiversity Action Plan Mine Closure and Rehabilitation Plan Stormwater Management Plan Road Maintenance
Biodiversity management	MONREC	Loss of habitats due to clearing of areas for mud stone quarries (42ha); quarrying activities in limestone concession (244ha); Clearing of 1041ha for coal mining activities; illegal logging; Disturbance or displacement of flora/fauna due to operation of machinery and plant;	<ul style="list-style-type: none"> Biodiversity Action Plan (October 2018) Signing of Letter of Intent for Biodiversity Offset Project with MONREC (December 2018) Consultation with Myanmar Government officials and NGOs (e.g. Fauna & Flora International, Wildlife Conservation Society, Friends of Wildlife, and etc).
	Forest Department, MONREC		
	Myanmar Centre of Responsible Business (MCRB)		
	Upper Chindwin Youth Network		
	Friends of Wildlife (FOW)		

Issue topic	Key stakeholder groups	Description of issue	Operational Controls and Other Measures
	Fauna and Flora International (FFI) Wildlife Conservation Society (WCS)	induced clearing/access to forested areas by local people (hunting and poaching);	
Noise	Pyi Nyaung, Kubyin, Chuang zon, Paluzawa and Namwake villages	Some residents have concerns over noise and increased noise due to expansion at the cement plant.	<ul style="list-style-type: none"> E.g., Noise contours and monitoring program Communication of results of program to stakeholders
Land/crop compensation	Households affected by construction of transmission lines to cement plant Myanmar Alliance for Transparency and Accountability (MATA) – National EarthRights International (ERI)	Affected households and other stakeholders are interested in ensuring that any families whose land or assets are affected are properly engaged, adequately compensated and offered relevant livelihood restoration measures where required.	<ul style="list-style-type: none"> Compensation plan Resolution of grievance related to land/crop compensation including formal introduction of Stakeholder Grievance Mechanism (SGM) from March 2019.
Disclosure of information / community engagement	Residents in Project Affected Communities (PACs) District General Administration Department (GAD) (all) Myanmar Centre of Responsible Business (MCRB) – National	A range of stakeholders should be kept informed on a regular basis about the operations and also engaged on specific topics/issues that could affect them or are of interest to them.	<ul style="list-style-type: none"> This SEP including the 'Action Plan' (refer Section 7). Community Liaison Officers based locally at the cement plant and coal mine. Community Information centers in Pyi Yaung and Paluzawa Formal introduction of SGM from March 2019. Information Boards and Suggestion Boxes in all nearby communities of both cement plant and coal mine
Employment opportunities for local residents	Residents in Project Affected Communities (PACs)	Many residents regularly express interest in employment opportunities at the cement plant, coal mine or ancillary facilities.	<ul style="list-style-type: none"> Policy for giving preference to locals for employment. Creation of new jobs through cement plant expansion. Public meetings on job opportunities at STC/STM. Job fairs in Pyi Yaung and Yin Mar Pin (May 2018) and other upcoming job fairs. Registration of interested local workers in job-seeker database.

6 STAKEHOLDER ENGAGEMENT TO DATE

6.1 Previous Stakeholder Engagement by STC

STC has undertaken a range of consultation and stakeholder engagement activities over the past few year since the expansion project for the cement plant was initiated. Consultation activities undertaken by STC can be organized into the following three main phases:

- **Phase 1:** Initial consultations that fed into the scoping and preparation of the Supplementary ESIA.³ Consultations were undertaken between October 2016 and January 2017.
- **Phase 2:** Stakeholder engagement during finalisation of the Supplementary ESIA and its public disclosure between January and November 2017. This phase included a series of specific stakeholder engagement activities relating to biodiversity management during July to November 2017
- **Phase 3:** Specific consultation initiatives and actions related to the expansion works and ongoing operations from 2018 onwards. This SEP focuses on ongoing Phase 3 stakeholder engagement activities which are described in the Stakeholder Engagement 'Action Plan' (SEAP) (refer Section 7).

A summary of the key formal engagement activities conducted to date are provided in Table 6.1 below. Some photos of recent past consultation and disclosure activities are shown in Attachment B. Lessons learned from past consultations have been used to develop the ongoing (Phase 3) stakeholder engagement program.

Table 6.1. Engagement activities undertaken to date

Activities	Period	Components
Phase 1 – Initial Supplementary ESIA scoping consultations		
Supplementary ESIA scoping consultations	October 2016 to January 2017	<ul style="list-style-type: none"> ▪ Consultation with Village Tract Leaders in five villages near to cement plant and coal mine (Kyu Pin, Pyi Nyaung, Paluzawa, Nanmawke, Chaungzon). ▪ Public briefings in the five villages. ▪ 100 Household surveys in the five villages. ▪ A total of 15 focus group discussions with women and farmers in the five villages.
	January 2017	<ul style="list-style-type: none"> ▪ Consultation with Flora and Fauna International (FFI) and Wildlife Conservation Society (WCS) on biodiversity assessment and offsets.
Phase 2 – Supplementary ESIA preparation and disclosure consultations		
Disclosure of Draft Supplementary ESIA	April 2017	<ul style="list-style-type: none"> ▪ The Supplementary ESIA was disclosed on the Shwe Taung website and in key locations locally and nationally.
Consultations on Supplementary ESIA ⁴	July and September 2017	<ul style="list-style-type: none"> ▪ Public forum on 18 July 2017 in Yangon for Government, public, NGOs, businesses, others. ▪ Township meeting at Thazi held on 21 July 2017. ▪ Village meeting at Pyin Naung held on 22 July 2017. ▪ Township meeting at Kalaywa on 5 September 2017. ▪ Village meeting at Paluzawa held on 6 September 2017.
Land acquisition planning and implementation for transmission lines	July 2017	<ul style="list-style-type: none"> ▪ Consultation and negotiations with potentially affected land users and owners including verification of affected assets, appraisal of land and asset values, negotiations on compensation, and payment of compensation.

³ Further details on consultations for the Supplementary ESIA can be found at: <http://www.shwetaunggroup.com/wp-content/uploads/2017/04/Supplementary-ESIA-Report.pdf>

⁴ Further details and minutes of meetings can be found at: <https://www.apachecement.com/category/news/>

Activities	Period	Components
Biodiversity offset and biodiversity management	June to November 2017	<ul style="list-style-type: none"> Consultation with WCS Myanmar, FFI Myanmar, MCRB, Nature and Wildlife Conservation Division (NWCD) of MONREC, Township Forest Officers of Ywangan and Kalaywa, and others government authorities. Initial offset plans and biodiversity management were key topics during these consultations.
Phase 3 – Expansion works consultations and ongoing operational engagement		
Job fair in Pyi Yaung and Yin Mar Pin	May 2018	<ul style="list-style-type: none"> A 2-day job fair was held by STC in Pyi Yaung and Yin Mar Pin villages and around 80 applications were received and 22 persons appointed from local areas.
Update to villages near cement plant and transmission line	September 2017 to November 2019	<ul style="list-style-type: none"> Meetings held at Pyi Nyaung, Oakkyin, Mon Pin, Ku Pyin Pyi and Nyaung villages. Provided update on company activities and how to access opportunities for employment at STC.
Independent Livelihood Survey for transmission lines (BUSODEV)	December 2018	<ul style="list-style-type: none"> Survey held in Mon Pin, Yay Paung Sone, Kyauk Saung Kwa, South-Pyi Nyaung and Pyi Nyaung villages. Covered a range of livelihood parameters and indicators of standard of living (e.g., education, access to water, etc)
Mine blasting information session	December 2018	<ul style="list-style-type: none"> Knowledge sharing on rock blasting for mining/quarrying and information on safety concerns and requirements.
Biodiversity offset and biodiversity management	January 2018 to November 2019	<ul style="list-style-type: none"> Meetings with NWCD, FFI and others. Signing of Letter of Intent between MONREC and STC for Biodiversity Offset Project, Nay Pyi Taw. Updating of the Biodiversity Action Plan (BAP) with stakeholders' concerns Preparation of Letter of Agreement between MONREC and STC
Consultation with Shwe Pyi Thar	September 2018 To November 2019	<ul style="list-style-type: none"> Consultation with Shwe Pyi Thar community to provide an update and listen to concerns. Regular monthly meeting with Shwe Pyi Thar community to provide health care service and listen to concerns
Electricity supply information session	February 2019	<ul style="list-style-type: none"> Information session for Ku Pyin villagers on electricity charges and accessibility (to change from STC provided diesel generators to electricity grid).
Community health information sharing	February 2019	<ul style="list-style-type: none"> Meeting about community health issues and aligning STC programs with Public Health Department of Thazi (using recognized pamphlets for reproductive health, contraceptive knowledge, hygiene, TB and flu.)
Public information on Line 2 expansion	February 2019	<ul style="list-style-type: none"> Public Forum in Pyi Nyaung Monastery to provide a company/operational update and introduce SGM. Provided more detail on Line 2 expansion and more employment opportunities.
SGM Roll-out and Awareness Raising Campaign	March to October 2019	<ul style="list-style-type: none"> A formal SGM awareness campaign started on 13 March. Meetings were held in Pyi Nyaung, Ku Pyin, Oak Kyin, Poppa Kone, and Yay Paung Zone villages and with students at Pyi Yaung Primary School. SGM presentations, leaflets, information boards, vinyl sheets, and contact information cards were disseminated in 7 villages around the cement plant. Household visits were made in Kyu Pyin and Pyi Nyaung to explain SGM directly to families. A survey was conducted to assess effectiveness and make ongoing improvements to the SGM.

Note: Many consultations to implement a range of Community Development Program (CDP) activities by STC have been implemented since 2010 in Zone 1 and 2 communities.

7 STAKEHOLDER ENGAGEMENT ACTION PLAN

The STC Stakeholder Engagement Action Plan (refer Table 7.1) focuses on the engagement about ongoing operations of STC cement plant and coal mine, and related environmental management, community health and safety, community development and other initiatives, including the effective resolution of community grievances through the Stakeholder Grievance Mechanism (refer to Attachment C).

Table 7.1. STC Stakeholder Engagement Action Plan

Purpose / Action	No.	Tasks/Methods	Schedule or Frequency	Responsibility
Project Affected Communities (Zones 1 and 2)				
1. Provide periodic updates to communities	1a	<ul style="list-style-type: none"> ▪ Hold public forum/meeting to update communities and listen to their feedback and concerns at Cement Plant and Coal Mine. 	<ul style="list-style-type: none"> ▪ Bi-annual (cement) ▪ Yearly (coal mine) 	Implement: Social Manager Monitor: HSSE Head
2. Maintain regular engagement with communities	2a	<ul style="list-style-type: none"> ▪ Maintain Information Centers and regularly update disclosure materials e.g., maps, newsletters, flyers and photos, etc. 	<ul style="list-style-type: none"> ▪ Every three months 	Implementation: CLO/ HSSE Officer/Information Center Exec. Monitor: Social Manager
	2b	<ul style="list-style-type: none"> ▪ Open Information Center at Coal Mine site near Paluzawa 	<ul style="list-style-type: none"> ▪ By Q1 2020 	Monitor: Social Manager
	2c	<ul style="list-style-type: none"> ▪ Publish Community Newsletters that provides updates on: <ul style="list-style-type: none"> ➢ Operation of the plant/site ➢ Community engagement schedule ➢ Answers to Frequently Asked Questions (FAQs) ➢ Summary of complaints received and resolved ➢ Summary of CDP, CHP, SGM and other activities undertaken ➢ Upcoming events ➢ Employment & business opportunities ➢ Other relevant issues 	<ul style="list-style-type: none"> ▪ Quarterly 	Implement: CLO/ HSSE Officer Monitor: Social Manager
	2d	<ul style="list-style-type: none"> ▪ Hold semi-regular meetings with communities on key environmental & social (E&S) topics or other of interest to them, e.g., <ul style="list-style-type: none"> ➢ Transport/traffic ➢ Noise ➢ Water quality ➢ Air quality and dust ➢ Others as required 	<ul style="list-style-type: none"> ▪ As required (but at least once per year) 	Implement: Social Manager Monitor: HSSE Head

Purpose / Action	No.	Tasks/Methods	Schedule or Frequency	Responsibility
3. Implement Stakeholder Grievance Mechanism (SGM)	3a	<ul style="list-style-type: none"> Engage community leaders and selected members on development of complaints management. 	<ul style="list-style-type: none"> By Sept 2019 	Implement: CLO / HSSE Officer Monitor: Social Manager
	3b	<ul style="list-style-type: none"> Distribute "Leaflet" on the SGM to all PAC households of Cement Plant and Coal Mine (including 1st T-Line and 2nd T-Line households of Cement Plant). 	<ul style="list-style-type: none"> By end 2019 	
	3c	<ul style="list-style-type: none"> Establish Suggestion Boxes to receive complaints at multiple locations in PACs and at other locations near Cement Plant and Coal Mine. 	<ul style="list-style-type: none"> By Sept 2019 	
	3d	<ul style="list-style-type: none"> Implement roll-out of the SGM to PACs by: <ul style="list-style-type: none"> Obtaining feedback on SGM procedure Providing training in the use of SGM Providing SGM contact persons' information (e.g. noticeboards, newsletters, etc) Piloting the SGM by collecting and resolving current grievances. 	<ul style="list-style-type: none"> By end Jan 2020 Then annual refresher training 	
	3e	<ul style="list-style-type: none"> Conduct survey on SGM roll-out process to at least 20% of households of PACs to evaluate early understanding and use of SGM during pilot phase. 	<ul style="list-style-type: none"> By end 2019 	
	3f	<ul style="list-style-type: none"> Disclose SGM results regularly to communities and other stakeholders (e.g., grievance no., type, resolutions, etc) in Community Newsletter or equivalent and on website. 	<ul style="list-style-type: none"> By end 2019 Then annually 	Implement: Social Manager Monitor: HSSE Head
4. Maximise local employment opportunities for PAC residents	4a	<ul style="list-style-type: none"> Implement Job Seeker Program, and provide PACs with information about job registration services, e.g., flyers, newsletter, etc. 	<ul style="list-style-type: none"> As required when new employment opportunities arise 	Implement: CSR Executive Monitor: Social Manager
	4b	<ul style="list-style-type: none"> Regular communications to PACs on employment opportunities at Information Centers. 	<ul style="list-style-type: none"> As required 	
	4c	<ul style="list-style-type: none"> Provide CV template at Information Center and send received CVs to STC HR Department 	<ul style="list-style-type: none"> Ongoing 	Implement: Info. Center Executive Monitor: Social Manager
	4d	<ul style="list-style-type: none"> Provision of jobseeker database (with PACs as priority) to company departments and contractors 	<ul style="list-style-type: none"> Quarterly 	Implement: CSR Executive Monitor: Social Manager
	4e	<ul style="list-style-type: none"> Announce recruited PAC and existing ratio of PAC vs Total Workforce at Information Centers. 	<ul style="list-style-type: none"> At least annually 	
5a	<ul style="list-style-type: none"> Prepare and distribute CHP leaflets on relevant topics 	<ul style="list-style-type: none"> As required 		

Purpose / Action	No.	Tasks/Methods	Schedule or Frequency	Responsibility
5. Implement Community Health (& Safety) Program (CHP)	5b	<ul style="list-style-type: none"> Conduct a series of workshops or similar in each PAC to raise awareness on CHP risks from the operation (including road traffic safety, heavy machinery, equipment, communicable diseases and others as relevant) 	<ul style="list-style-type: none"> At least quarterly, but more as required 	Implement: Medical Officer/Doctor Monitoring: Social Manager
	5c	<ul style="list-style-type: none"> Conduct community health & safety awareness activities with children, e.g., at schools during summer training camp. 	<ul style="list-style-type: none"> Annually 	Implement: CSR Executive/ CLO Monitoring: Social Manager
	5d	<ul style="list-style-type: none"> Conduct emergency preparedness and response training in Zone 1 PACs (and others if required). 	<ul style="list-style-type: none"> By mid-2020 Then annually 	Implement: CLO/Safety Manager Monitor: Social Manager
6. Establish Participatory Environmental Monitor (PEM) program	6a	<ul style="list-style-type: none"> Invite selected community members to participate in regular PEM activities, e.g., water and air quality sample collection and testing, etc. Explain PEM concept and request feedback. 	<ul style="list-style-type: none"> By Q2 2020 	Implement: Enviro/Social Managers Monitor: HSSE Head
	6b	<ul style="list-style-type: none"> Provide training to PEM group members in monitoring techniques and analysis, and interpreting and reporting results 	<ul style="list-style-type: none"> By Q2 2020 	Implement: Enviro. Manager Monitor: HSSE Head
	6c	<ul style="list-style-type: none"> Prepare regular PEM reports and disclose in PACs and other relevant locations (e.g., Information Center, website). 	<ul style="list-style-type: none"> Quarterly 	Implement: Administrative and Communication Executive, and CLO Monitor: Social Manager
Project Affected Communities (Zone 2 households affected by past land acquisition for the T-Line to Cement Plant)				
7. Maintain regular engagement and monitoring of economically displaced households (status of livelihoods)	7a	<ul style="list-style-type: none"> Publish disclosure materials (e.g. flyers) on livelihood restoration opportunities (including job opportunities, small business development, other) 	<ul style="list-style-type: none"> Every three months 	Implement: CLO/Social Team Monitor: Social Manager
	7b	<ul style="list-style-type: none"> Follow-up the Supplementary Land acquisition and Involuntary Resettlement assessment of households after the compensation process to assess impacts on income impacts and permanent land loss impacts (if any) 	<ul style="list-style-type: none"> December 2018 	Implement: Independent consultant
	7c	<ul style="list-style-type: none"> Conduct follow-up survey to evaluate of households approximately one year after supplementary land acquisition. 	<ul style="list-style-type: none"> October 2020 	Implement: CLO/Social Team Monitor: Social Manager
8. Monitor and support vulnerable displaced households	8a	<ul style="list-style-type: none"> Follow-up survey of Vulnerable households to assess livelihood status following two years of compensation 	<ul style="list-style-type: none"> August 2020 	Implement: CLO/Safety Manager Monitor: Social Manager
	8b	<ul style="list-style-type: none"> Engage and implement additional support measures if needed for vulnerable households based on survey results (8a above) 	<ul style="list-style-type: none"> October 2020 	Implement: CLO/Safety Manager Monitor: Social Manager

Purpose / Action	No.	Tasks/Methods	Schedule or Frequency	Responsibility
Employees & Contractors				
9. Raise company and contractor awareness on community engagement	9a	<ul style="list-style-type: none"> Raise awareness on PACs by sharing Project Area of Influence (AOI) definition and maps at induction and refresher training sessions. 	<ul style="list-style-type: none"> As per training plan 	Implement: CLO/LLO/Social Manager Monitor: HSSE Head
	9b	<ul style="list-style-type: none"> Circulate community newsletters to STC employees and to contractors at noticeboards, and other locations. 	<ul style="list-style-type: none"> Every three months 	Implement: CLO / HSSE Officer Monitor: Social Manager
	9c	<ul style="list-style-type: none"> Prepare community profiles including environmental and social risks due to operation of cement plant and coal mine. Circulate to employees and contractors including expectations on behaviour in communities. 	<ul style="list-style-type: none"> End 2019 	Implement: Social Manager and Environmental Manager Monitor: HSSE Head
Township/ District Government (Thazi and Kalaywa Townships)				
10. Maintain regular engagement with Township/District Government	10a	<ul style="list-style-type: none"> Arrange regular meetings with Township/District Government officials (GAD and others as relevant). 	<ul style="list-style-type: none"> Every six months 	Implement: Social Manager Monitor: HSSE Head
	10b	<ul style="list-style-type: none"> Distribute Community Newsletters to Government Offices. 	<ul style="list-style-type: none"> Every two months 	Implement: CLO / HSSE Officer Monitor: Social Manager
	10c	<ul style="list-style-type: none"> Engage Township/District Government in community development launch and completion events and other activities as relevant (e.g., SGM, SEP, CHP, etc). 	<ul style="list-style-type: none"> As required 	Implement: Social Manager Monitor: HSSE Head
	10d	<ul style="list-style-type: none"> Conduct site tours for Township/District Level Government representatives. 	<ul style="list-style-type: none"> Propose once yearly 	
	10e	<ul style="list-style-type: none"> Distribute STG Sustainability Report to Government Offices. 	<ul style="list-style-type: none"> Annually 	
Regional/ National Government				
11. Maintain regular engagement with Regional/National Government	11a	<ul style="list-style-type: none"> Arrange regular meeting to Regional Government officials (GAD and others as relevant). 	<ul style="list-style-type: none"> At least annually 	Implement: Social Manager Monitor: HSSE Head
	11b	<ul style="list-style-type: none"> Engage Regional Government in community development launch and completion events and other activities as relevant (e.g., SGM, SEP, CHP, etc). 	<ul style="list-style-type: none"> As needed 	
	11c	<ul style="list-style-type: none"> Distribute Community Newsletters to Regional Government Office. 	<ul style="list-style-type: none"> Once/three months 	
	11d	<ul style="list-style-type: none"> Conduct site tours for Regional Government representatives. 	<ul style="list-style-type: none"> Propose once yearly 	
	11e	<ul style="list-style-type: none"> Distribute STG Sustainability Report to Government Offices. 	<ul style="list-style-type: none"> Annually 	

Purpose / Action	No.	Tasks/Methods	Schedule or Frequency	Responsibility
12.Engagement with Government on biodiversity management and offset management	12a	<ul style="list-style-type: none"> ▪ Consultation on implementation of the Biodiversity Offset Management Plan (BMOP), Biodiversity Management Plan (BMP) and related activities as per the Biodiversity Action Plan (BAP). ▪ Specific engagement with the Forestry Department and Wildlife Conservation Department at regional and other levels. 	<ul style="list-style-type: none"> ▪ As per the BAP. 	Implement: Environmental Manager and Social Manager Monitor: HSSE Head
Environmental Conservation Department (ECD) (Regional and National Level)				
13.Maintain regular engagement and EMP reporting with ECD	13a	<ul style="list-style-type: none"> ▪ Facilitate regular meetings for Regional/National ECD officers. 	<ul style="list-style-type: none"> ▪ Every six months 	Implement: Environmental Manager and Social Manager Monitor: HSSE Head
	13b	<ul style="list-style-type: none"> ▪ Involve Regional ECD in any significant complaint investigations. 	<ul style="list-style-type: none"> ▪ As required 	
	13c	<ul style="list-style-type: none"> ▪ Distribute Community Newsletter to Regional ECD Office. 	<ul style="list-style-type: none"> ▪ Every two months 	
	13d	<ul style="list-style-type: none"> ▪ Conduct site tours for ECD representatives. 	<ul style="list-style-type: none"> ▪ Propose once yearly 	
	13e	<ul style="list-style-type: none"> ▪ Submit EMP report to Regional ECD Office 	<ul style="list-style-type: none"> ▪ As needed 	
	13f	<ul style="list-style-type: none"> ▪ Distribute annual STG Sustainability Report to ECD. 	<ul style="list-style-type: none"> ▪ Annually 	
Non-Governmental Organisations (NGOs) (Local, national and international)				
14.Maintain a positive and open dialogue with NGOs and respond to information requests	14a	<ul style="list-style-type: none"> ▪ Respond to NGO information requests in a timely manner. 	<ul style="list-style-type: none"> ▪ As required 	Implement: Social Manager Monitor: HSSE Head
	14b	<ul style="list-style-type: none"> ▪ Provide a regular update to key NGOs interested in the STC operations 	<ul style="list-style-type: none"> ▪ At least annually 	
	14c	<ul style="list-style-type: none"> ▪ Engage NGOs in community development launch and completion events (where appropriate) 	<ul style="list-style-type: none"> ▪ As required 	
	14d	<ul style="list-style-type: none"> ▪ Engage specific NGOs as needed to address their information requests or concerns (e.g., biodiversity, land, grievances, etc) 	<ul style="list-style-type: none"> ▪ As required 	
15.Engagement on biodiversity offset management plan (e.g., with the Contracted Conservation NGO)	15a	<ul style="list-style-type: none"> ▪ Implementation of BOMP, BMP and related activities as per the BAP. ▪ Relevant disclosure activities on the BOMP and BMP implementation, progress and outcomes to interested NGOs (and other key stakeholders) as per the BAP. 	<ul style="list-style-type: none"> ▪ As per the BAP. 	Implement: Environment Manager and Social Manager Monitor: HSSE Head

Purpose / Action	No.	Tasks/Methods	Schedule or Frequency	Responsibility
General Public				
16. General engagement on key environmental & social matters	16a	<ul style="list-style-type: none"> Complete regular website updates. Provide information as relevant on operations progress; New project progress (e.g., Waste Heat Recovery); ECCs and ESAs progress; Community engagement activities; Stakeholder engagement activities; CSR/CDP and CHP activities; Environmental & social monitoring reports, as relevant.; Other activities. 	<ul style="list-style-type: none"> Regular updates at least every six months Public reporting on key topics annually 	Implement: Social Manager, Environmental Manager and Admin & Communication Executive, HSSE Officer and CLO Monitor: HSSE Head
Media (Local, regional, national)				
17. Leverage Media interest and support for the project and mitigate adverse media as required	17a	<ul style="list-style-type: none"> Provide regular press releases on key project progress/ topics on company website. 	<ul style="list-style-type: none"> Every three months (or upon major news event) 	Implement: Admin & Communication Executive and Social Manager Monitor: HSSE Head
	17b	<ul style="list-style-type: none"> Respond to media information requests in a timely manner. 	<ul style="list-style-type: none"> As required 	
	17c	<ul style="list-style-type: none"> Engage media in community development launch and completion events (where appropriate). 	<ul style="list-style-type: none"> As required 	

8 STAKEHOLDER GRIEVANCE MECHANISM (SGM)

STC has developed and implemented a Stakeholder Grievance Mechanism (SGM) to resolve stakeholder grievances that may arise as a result of their operations and related activities. The SGM operates in tandem with an effective stakeholder engagement program that allows key stakeholders to regularly discuss and address issues of concern with the company.

The SGM has been developed in accordance with international E&S standards and in keeping with good corporate policy, as well as Myanmar legal requirements.

This SGM is applicable to all concerns, complaints and grievances received by STC either directly or indirectly from external stakeholders. The SGM is open to all stakeholders who consider themselves affected by the Project's activities, but has a specific focus on PAC's and other stakeholders in 'Zone 1' and 'Zone 2' of the AOI (see Section 4). A separate Worker Grievance Mechanism (WGM) has been implemented for employees and contractors/sub-contractors. The SGM has the following six key steps:

- **STEP 1:** Complaint Lodged;
- **STEP 2:** Complaint Registered;
- **STEP 3:** Complaint Assessed;
- **STEP 4:** First Level Resolution (MINOR);
- **STEP 5:** Second Level Resolution; and
- **STEP 6:** Third Level Resolution.

The SGM procedure (flowchart) is shown in Attachment B. A detailed procedure sets out the full SGM and is managed by the HSSE Department. The detailed procedure covers the following aspects:

- Responsibilities and resources;
- Publicizing and raising awareness of the SGM;
- Monitoring and reporting including regular public reporting on SGM implementation to communities and other stakeholders;
- Periodic review of the SGM; and
- Confidentiality and Protections.

The SGM is managed by the HSSE Department. The CLO and HSSE Officer have responsibility for the day-to-day operation of the SGM with supervision of Social Manager. A Stakeholder Grievance Log and all Stakeholder Grievance Forms and other relevant records are maintained by the HSSE Department.

The investigation from HSSE Department will consider if the complaint is legitimate and/or related to the operation/project. In cases where it is found not to be legitimate/or unrelated to the operation, then the resolution will be to explain this with reasonable evidence to the complainant. Regardless of the acceptance from the complainant, a response shall be provided to all complainants from STC. STC will communicate the proposed resolution, and ask for the complainants' agreement. If the complaint is resolved to the satisfaction of the complainants, STC will get a confirmation and file it along with the case documentation. If complainants do not agree to a resolution, there is provision in the SGM for external mediation (Step 6 – Third Level Resolution) which includes community or other support for the complainant (at no cost to the complainant). At any step of the SGM process complainants are free to take their grievances to a dispute resolution mechanism outside of the STC grievance mechanism.

As described in Section 6.1, STC started rolling out and piloting the SGM with PAC's and other stakeholders in early 2019. Comprehensive awareness raising and other activities related to the SGM are ongoing. Public reporting on SGM results has commenced in early 2020.

9 SEP IMPLEMENTATION

9.1 Roles and Responsibilities

STC management has overall responsibility for effective stakeholder engagement. **The HSSE Department** has responsibility for leading the implementation of this SEP and its associated Stakeholder Grievance Mechanism (SGM), and other social plans, programmes and procedures, with actual implementation to be carried out by the **Social Division within the HSSE Department**. The key roles related to the SEP are as follows:

- **The CEO** of STBM authorises this SEP and the management team has overall responsibility for ensuring effective stakeholder engagement and resolution of stakeholder grievances.
- **The COO of Cement Business** oversees implementation of this SEP alongside the HSSE Head. The COO provides enabling conditions including budget and resources and senior management support for stakeholder engagement.
- **The HSSE Head** oversees implementation of this SEP alongside the HSSE Head. The HSSE Head also provides technical support and oversight of the Social Division including the Social Manager, CLO and HSSE Officer in the implementation of the SEP and the SGM. The HSSE Head is responsible for ensuring that any stakeholder engagement matters that require input from the CEO are raised at the management meetings and tracked until closed out.
- **Head of Mining (Coal Mine) and Plant Manager (Cement Plant)** support implementation of the SEP at the respective sites and associated facilities and ensure the HSSE Officer/CLO and other relevant staff have sufficient budget and resources to implement community engagement.
- **The Social Manager with support from the Community Liaison Officers (CLOs) and HSSE Officer (Coal Mine)** carry out the day-to-day activities related to stakeholder engagement at the community level and are responsible for grievance management.
- **Other department heads, employees, contractors** are required to provide accurate, timely and relevant information to support stakeholder engagement and to be involved in implementation of this SEP and resolution of grievances as required. This coordination across departments mainly transpires through the HSSE Committee.

Specific position descriptions with responsibilities and key performance indicators (KPIs) relevant to the implementation of the SEP are detailed in Attachment D.

9.2 Monitoring and Reporting

STC has established a stakeholder engagement management system and database that contains the following elements:

- The Stakeholder Engagement Action Plan;
- A 12 month 'look ahead' including detailed schedule;
- A Stakeholder Engagement Log; and
- Reporting framework.

The Stakeholder Engagement 'Action Plan' (refer Section 7) is reviewed and updated annually together with this SEP. The 12 month 'look ahead' is the detailed schedule that sets out the different stakeholder engagement activities planned by STC; per period in different locations and with different stakeholder groups. The 12 month 'look ahead' is reviewed at least quarterly. The key stakeholder engagement reporting undertaken by STC is shown in Table 9.1.

Table 9.1. SEP Reporting Framework

Reporting	Internal or External	Frequency	Responsible
Stakeholder Engagement Log	Internal	Monthly	CLO / HSSE Officer Report to: Social Manager
SGM Logs	Internal	Monthly	CLO / HSSE Officer Report to: Social Manager
SGM Report	Internal	Annually	CLO / HSSE Officer Report to: Social Manager
Social Report (including stakeholder engagement)	Internal	Monthly	Social Manager Report to: HSSE Head and HSSE Committee
HSSE Report (including any outstanding/important stakeholder matters)	Internal	Monthly	HSSE Head Report to: CEO of STBM and Senior management meeting
Community Newsletter (incl. update on community engagement)	External	Quarterly	CLO / HSSE Officer / HSSE Department Report to: PACs and other key stakeholders
SGM Report	External	At least annually	CLO / HSSE Officer / HSSE Department Report to: PACs and other key stakeholders
Annual E&S Report (including summary of key activities and outcomes)	External	Annually	HSSE Department Report to: key external stakeholders (e.g., PACs, Govt., NGOs, public)

9.3 Training

In order to ensure effective implementation and monitoring of the SEP, relevant staff must be trained in stakeholder engagement and grievance management, while all employees and contractors should have an appreciation of stakeholder engagement principles, and the key elements of the SEP and SGM.

The HSSE Head and the Social Manager are responsible for training in the SEP and SGM within the STC operations. Training requirements will be reviewed on an annual basis by the HSSE Head and Social Manager.

Training on key aspects of the SEP and SGM for external stakeholders (e.g. PACs) will be undertaken as part of general planned engagements, as shown in Table 7.1 above. Training to employees for 2020 is shown at Table 9.2.

Table 9.2. SEP Training (2020)

Group	Forum	Frequency
Social Division and STC management team	<ul style="list-style-type: none"> Meeting – review and identify additional training needs with HSSE Head and CEO 	Annual
Employees (STC and permanent contractors)	<ul style="list-style-type: none"> Employee Induction Employee Noticeboards Toolbox briefings 	Semi – annual and as required
Part-time Contractors / Subcontractors / Site Visitors	<ul style="list-style-type: none"> Visitor induction 	As required

10 ATTACHMENTS

- **ATTACHMENT A – Areas of Influence (AOI)**
- **ATTACHMENT B – Previous stakeholder engagement activities**
- **ATTACHMENT C – Stakeholder grievance mechanism flowchart**
- **ATTACHMENT D – STC Accountabilities, Roles and Responsibilities**

ATTACHMENT A – AREAS OF INFLUENCE (AOI)

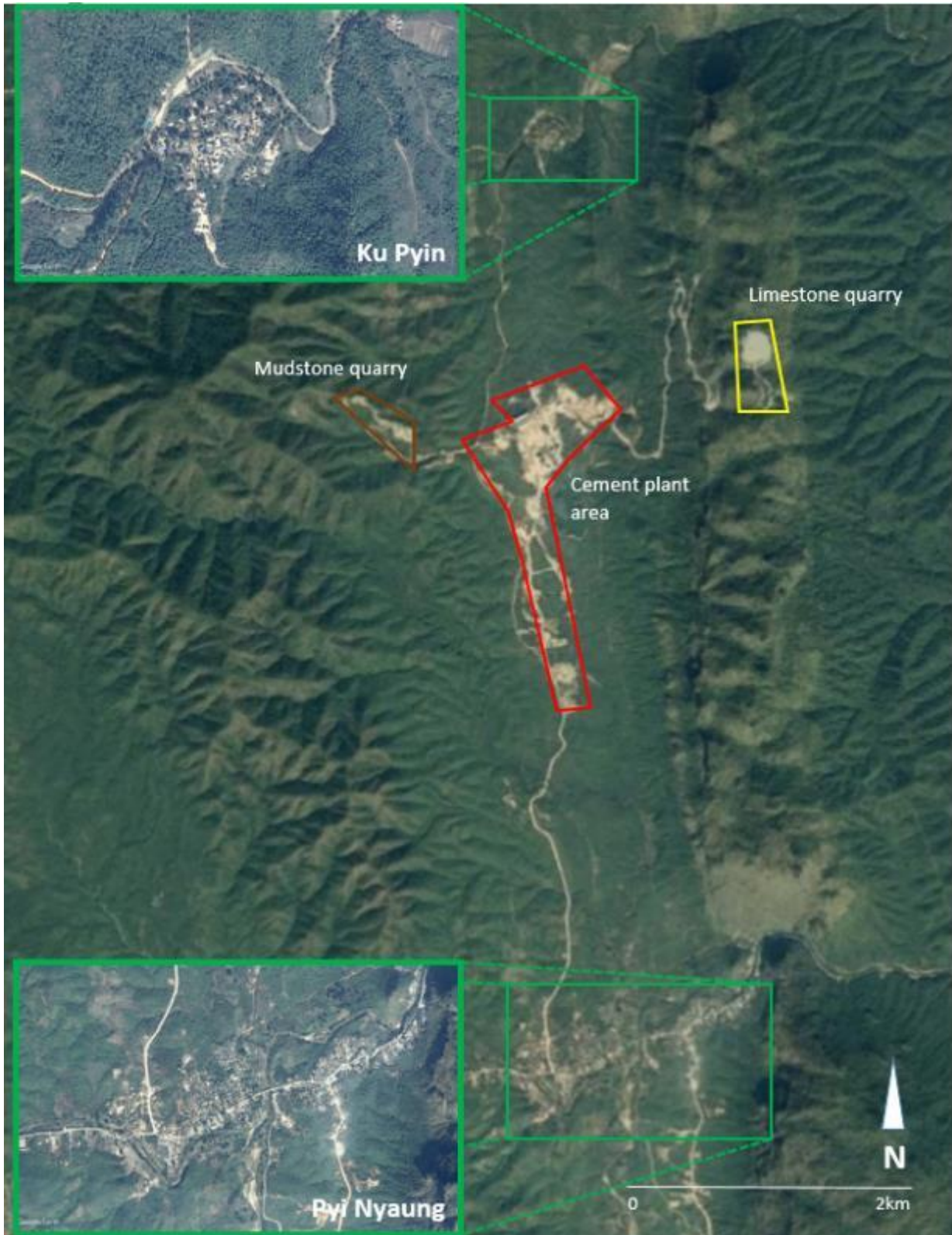
AOI 1: Shwe Taung Cement (STC)

Definition	Stakeholders
ZONE 1	
Defined as the 1st priority area as they are the most affected communities by STC operations.	<ul style="list-style-type: none"> • Ku Pyin village • Pyi Nyaung village
ZONE 2	
Defined as the 2nd priority stakeholder group as they have been affected by the project but minimally by ongoing STC operations.	<ul style="list-style-type: none"> • Oakkyin village • Mon Pin village • Kyauk Saung Kwae village • Popa Kone village • Yay Paung Sone village • Shwe Pyi Thar village⁵
ZONE 3	
Defined as the 3rd priority stakeholder group as they have an interest and/or direct role in STC operations.	<ul style="list-style-type: none"> • STC employees • STC contractors/ indirect employees • Township Govt.
ZONE 4	
Defined as the 4th priority stakeholder group as they are not directly affected but may have an interest/role in STC operations.	<ul style="list-style-type: none"> • Regional/National Govt. • NGOs (local, national, international) • General Public

⁵ Shwe Pyi Thar village is in the AOI for both the cement plant and coal mine because it is near to the ancillary facility where coal is loaded from barges to trucks.

Zone 1 Project Affected Communities - STC

Village	Population	No. of Households
Pyi Nyaung	2,293	668
Ku Pyin	260	70

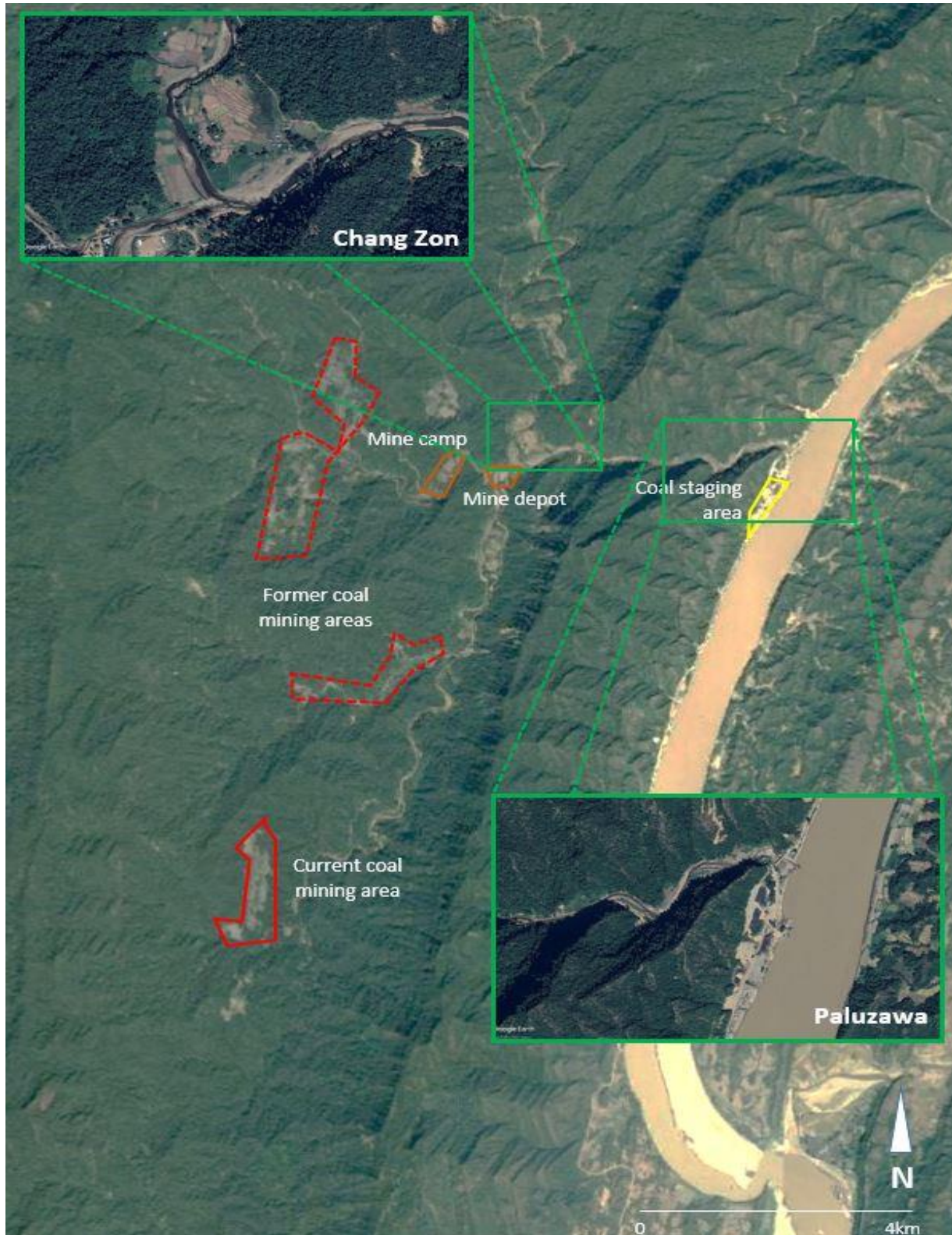


AOI 2: Shwe Taung Mining (STM)

Definition	Stakeholders
ZONE 1	
Defined as the 1st priority area as they are the most affected communities by STM operations.	<ul style="list-style-type: none"> • Paluzawa village • Chaung Zon village
ZONE 2	
Defined as the 2nd priority stakeholder group as they have been affected by the project but minimally by ongoing STM operations.	<ul style="list-style-type: none"> • Nanmawke village
ZONE 3	
Defined as the 3rd priority stakeholder group as they have an interest and/or direct role in STM operations.	<ul style="list-style-type: none"> • Tha Bu Chaung village • Wai Daunt village • Wai Lon village • Man Phar Lay village • Nan Za Lin village • Ywar Thar village • Ma Sein village • Other communities, as relevant • STM employees • STM contractors/ indirect employees • Township Govt.
ZONE 4	
Defined as the 4th priority stakeholder group as they are not directly affected but may have an interest/role in STM operations.	<ul style="list-style-type: none"> • Regional/National Govt. • NGOs (local, national, international) • General Public

Zone 1 Project Affected Communities - STM

Village	Population	No. of Households
Chang Zon	140	27
Paluzawa	125	25



ATTACHMENT B – Photos of previous stakeholder engagement

Figure B.1. SGM Awareness Raising Campaign (2019)



At Pyi Nyaung



At Ku Pyin



At Oakkyin



At Poppa Kone

Figure B.2. SGM Awareness Raising Campaign (2019)



Information Center and Library



Drinking water facility

Figure B.3. SGM pamphlet distribution at Pyi Nyaung and Ku Pyin (2019)



Figure B.4. Mine Blasting Information Sessions (2018)



At Pyi Nyaung, Oak Kyin, Yay Paung Sone and Mon Pin

Figure B.5. CSR Activities (2019)

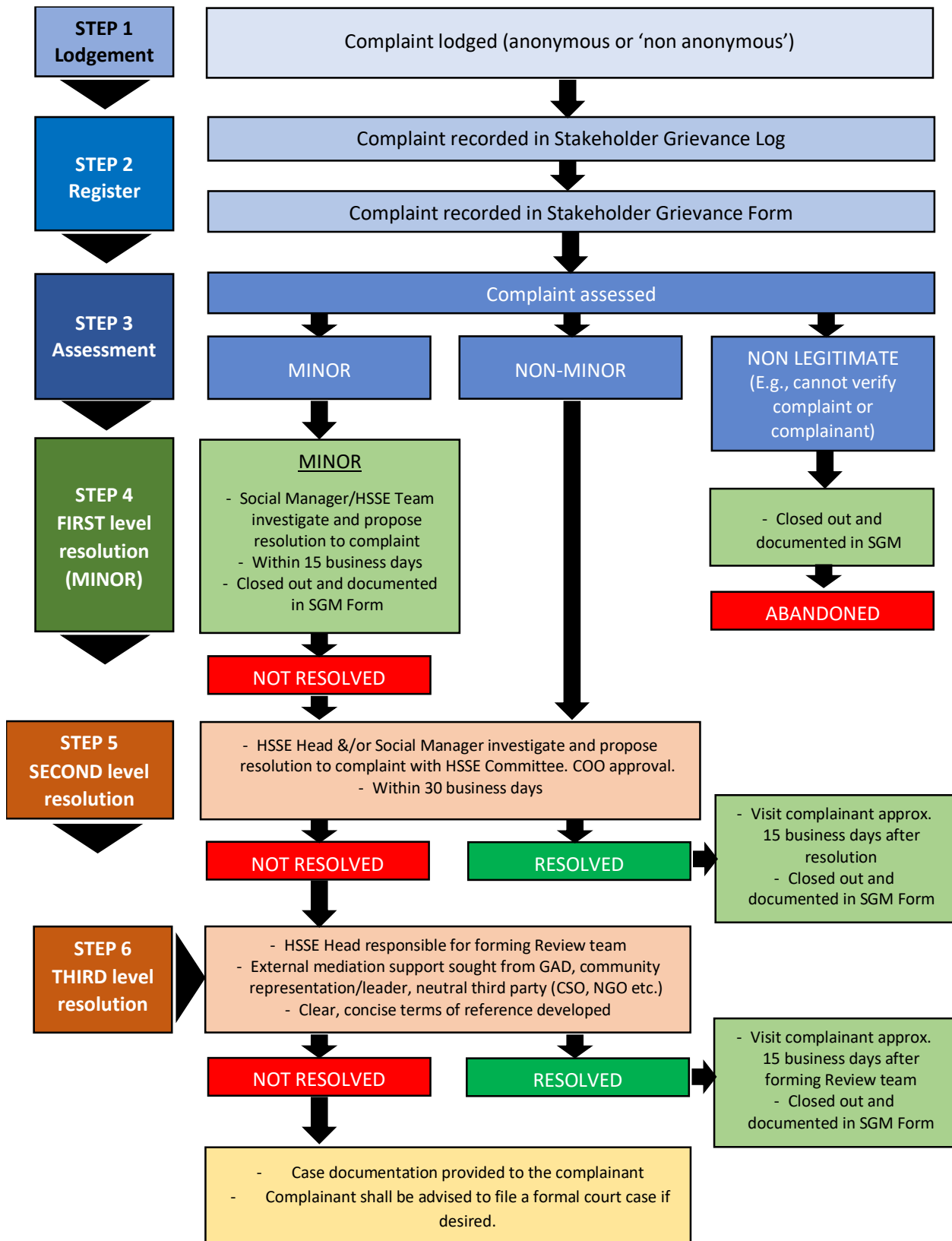


English Language & Soft Skill
Training Program (April 2019)



World Environment Day Plantation
Program (June 2019)

ATTACHMENT C – Stakeholder Grievance Mechanism – Flowchart



ATTACHMENT D – STC Accountabilities, Roles and Responsibilities

Position	Responsibilities	KPIs	Verification
CEO STBM	<ul style="list-style-type: none"> Authorise the SEP. Provide senior management support to the COO/HSSE Head to achieve effective stakeholder engagement. 	<ul style="list-style-type: none"> 100% review of monthly management meeting minutes 100% follow-up on any stakeholder engagement concerns, grievances or requests requiring a senior management decision. 	<ul style="list-style-type: none"> Minutes of monthly management meeting
COO Cement Business	<ul style="list-style-type: none"> Oversee the implementation of this SEP. Provide enabling conditions to ensure effective stakeholder engagement (including financial and manpower support and full senior management support from the STBM CEO). Review summary reports and statistics to ensure effective implementation of this SEP including the associated Stakeholder Grievance Mechanism (SGM). 	<ul style="list-style-type: none"> 100% attendance at biannual community meetings at Cement Plant. 75% attendance at monthly management meeting⁶ 100% follow-up on any stakeholder engagement concerns, grievances, or requests requiring a senior management decision. 	<ul style="list-style-type: none"> Minutes of monthly management meeting Community meeting minutes
HSSE Head	<ul style="list-style-type: none"> Oversee the implementation of this SEP. Ensure the SEP aligns with the other plans/procedures developed by STC. Facilitate communication between the various STC employees, Departments, managers, and officers in support of implementation of this SEP. Oversee stakeholder engagement activities undertaken by the CLO, HSSE Officer, Social Manager and others as relevant. Provide updates on SEP implementation at monthly management meetings Ensure all employees and contractors are familiar with stakeholder engagement requirements through induction sessions and ongoing training. Identify and report stakeholder issues to be addressed before they become a significant risk to STC operations, and capture/share lessons learned. Work with HR Department to recruit and manage required staff for the SEP. 	<ul style="list-style-type: none"> 100% attendance at biannual community meetings at Cement Plant & annual meetings at Coal Mine 75% attendance at monthly management meetings 100% review of Monthly Social Report including stakeholder engagement and grievances 100% follow-up on any stakeholder engagement concerns, grievances, or requests requiring a senior management decision. 	<ul style="list-style-type: none"> Minutes of monthly management meeting Monthly HSSE Report to CEO of STBM Community meeting minutes Monthly Social Report
Head of Mining (Coal Mine)	<ul style="list-style-type: none"> Support the implementation of this SEP at Coal Mine. Ensure HSSE Officer and other relevant staff have sufficient budget and resources to implement community engagement. Provide senior management input into SGM resolutions as required. 	<ul style="list-style-type: none"> 100% attendance at annual community meeting at Coal Mine. 	<ul style="list-style-type: none"> Monthly Report to COO of Cement Business Community meeting minutes
Plant Manager (Cement Plant)	<ul style="list-style-type: none"> Support the implementation of this SEP at Cement Plant. Ensure HSSE Officer and other relevant staff have sufficient budget and resources to implement community engagement. Provide senior management input into SGM resolutions as required. 	<ul style="list-style-type: none"> 100% attendance at biannual community meetings at Cement Plant 90% attendance at monthly HSSE Committee meetings at Cement Plant 	<ul style="list-style-type: none"> Monthly Report to COO of Cement Business Community meeting minutes

⁶ Monthly management meeting covers all HSSE topics including stakeholder engagement and grievance management.

Position	Responsibilities	KPIs	Verification
Social Manager	<ul style="list-style-type: none"> ▪ Overall responsibility for implementation of the SEP and the associated SGM. ▪ Ensure contractor organizations communicate the SEP to their employees and sub-contractors and ensure it is adhered to. ▪ Lead the CLO at the cement plant and the HSSE Officer at the coal mine in managing stakeholder relations. ▪ Oversee monitoring and reporting requirements under this SEP which are the responsibility of the CLO at the cement plant and HSSE Officer at the coal mine. 	<ul style="list-style-type: none"> ▪ 100% attendance at biannual community meetings at Cement Plant & annual meetings at Coal Mine. ▪ 100% attendance at Township and District Govt. biannual meetings. ▪ 75% attendance at monthly HSSE Committee meetings. ▪ 100% attendance at information center visits every two months at Cement Plant. ▪ 100% attendance at information center visit every year at Coal Mine. ▪ 100% provision of the Monthly Social Report and presentation to HSSE Committee. 	<ul style="list-style-type: none"> ▪ Monthly Social Report ▪ HSSE Committee meeting minutes ▪ Community meeting minutes
Community Liaison Officers (CLO) (Cement Plant)	<ul style="list-style-type: none"> ▪ Support the Social Manager to ensure the SEP is implemented. ▪ Record engagement activities (incl. grievances received) at the Cement Plant and report these in accordance with the SEP. ▪ Engage with communities and other external stakeholders in accordance with the SEP. ▪ Coordinate the management and tracking of the SGM. ▪ Prepare monitoring and evaluation reports at the frequency defined in this SEP. 	<ul style="list-style-type: none"> ▪ 100% achievement of monthly updates to the SEP and SGM Logs for each Monthly HSSE Committee meeting. ▪ 100% attendance at quarterly visits to communities at the Cement Plant. ▪ 100% achievement of preparation of quarterly Community Newsletter. ▪ 100% achievement of at least one annual awareness campaign with communities (on relevant topic, e.g., health, safety, etc). 	<ul style="list-style-type: none"> ▪ Monthly Social Report ▪ HSSE Committee meeting minutes ▪ Community meeting minutes ▪ Community newsletters ▪ SEP Log ▪ SGM Logs
HSSE Officer (Coal mine)	<ul style="list-style-type: none"> ▪ Support the Social Manager to ensure the SEP is implemented. ▪ Record engagement activities (incl. grievances received) at the Coal Mine and report these in accordance with the SEP. ▪ Engage regularly with communities and other external stakeholders in accordance with the SEP. ▪ Coordinate the management and tracking of the SGM. ▪ Prepare monitoring and evaluation reports at the frequency defined in this SEP. ▪ Manage the Information Center. 	<ul style="list-style-type: none"> ▪ 100% achievement of monthly updates to the SEP and SGM Logs for each Monthly HSSE Committee meeting. ▪ 100% attendance at two visits per year to communities at Coal Mine. ▪ 100% achievement of preparation of Community Newsletter twice per year. ▪ 100% achievement of at least one annual awareness campaign with communities (on relevant topic, e.g., health, safety, etc). 	<ul style="list-style-type: none"> ▪ Monthly Social Report ▪ HSSE Committee meeting minutes ▪ Community meeting minutes ▪ Community newsletters ▪ SEP Log ▪ SGM Logs
Information Center Executive	<ul style="list-style-type: none"> ▪ Manage the information Center at the Cement Plant. ▪ Manage day-to-day engagement activities with communities and other key stakeholders at the Cement Plant. ▪ Receive suggestions, queries and complaints. 	<ul style="list-style-type: none"> ▪ 100% achievement of quarterly update of materials at Information Center. ▪ 100% provision of received CVs to HR Department each month. 	<ul style="list-style-type: none"> ▪ Spot checks at Information Center by Social Manager. ▪ Community meeting minutes

Position	Responsibilities	KPIs	Verification
	<ul style="list-style-type: none"> Regularly update information materials at the Information Center and noticeboards. 	<ul style="list-style-type: none"> 75% Opening of Information Center on weekdays (except public holidays). 100% reporting of stakeholder grievances to CLO weekly. 	<ul style="list-style-type: none"> SGM Logs HR CV database
Environmental Manager	<ul style="list-style-type: none"> Support the Social Manager and HSSE Head to engage on environmental matters including biodiversity in accordance with this SEP. Provide subject matter expertise on environmental and biodiversity matters as required for stakeholder engagement activities, disclosure materials and grievance resolutions. 	<ul style="list-style-type: none"> 100% attendance at biannual community meetings at Cement Plant and Coal Mine. 100% attendance at Monthly HSSE Committee meetings. 100% provision of the Monthly Environmental Report and presentation to HSSE Committee. 	<ul style="list-style-type: none"> Monthly Environment Report HSSE Committee meeting minutes Community meeting minutes
Occupational Health & Safety (OHS) Manager	<ul style="list-style-type: none"> Support the Social Manager and HSSE Head to engage effectively on OHS matters in accordance with this SEP. Provide subject matter expertise on OHS matters as required for stakeholder engagement activities, disclosure materials and grievance resolutions. Act as Secretary of the HSSE Committee of the Cement Plant. 	<ul style="list-style-type: none"> 100% attendance at biannual community meetings at Cement Plant and Coal Mine. 100% attendance at Monthly HSSE Committee meetings. 100% provision of the Monthly OHS Report and presentation to HSSE Committee. 	<ul style="list-style-type: none"> Monthly OHS Report HSSE Committee meeting minutes Community meeting minutes
HSSE Committee	<ul style="list-style-type: none"> [Involves the HS Manager, Environmental Manager, Social Manager, CLO, HSSE Officer, STC Plant Manager and other managers of Cement Plant]. Discuss important stakeholder feedback including any grievances from communities, and propose actions as needed. Review documentation provided at the Monthly HSSE Committee meetings, including regular SEP reports and statistics. Provide a monthly 'look ahead' of operational activities that need to be communicated to stakeholders, e.g., blasting, planned emissions, maintenance, etc. 	<ul style="list-style-type: none"> 100% circulation of HSSE Committee meeting minutes. 100% follow-up on stakeholder engagement actions proposed at monthly committee meetings. 	<ul style="list-style-type: none"> HSSE Committee meeting minutes
Contractors (and Sub-Contractors)	<ul style="list-style-type: none"> Responsible for being aware of this SEP and communicating any relevant requirements to their employees. Adhere to rules of engagement with local communities and stakeholders. These rules are set out in contracts, environmental and social (E&S) management plans, or other documentation as relevant. Communicate and work with their staff and sub-contractors, to implement corrective actions and address stakeholder questions and grievances that are relevant to them 	<ul style="list-style-type: none"> 100% provision of quarterly HSSE progress reports to STC Social Manager including any stakeholder engagement. 100% reporting of any stakeholder grievances received to CLS/HSSE Officer/ or other HSSE staff member. 	<ul style="list-style-type: none"> Biannual 'spot-checks' of contractor documentation by the Social Manager SGM Logs