



MYANMAR THILAWA
SEZ HOLDINGS
PUBLIC COMPANY LIMITED

& GROUP COMPANIES

RESILIENT

SUSTAINABILITY REPORT

FY 2025-2026

“ Transform to Thrive “



Introduction and Overview

This Resilient Sustainability Report FY2025-26 presents the sustainability performance, initiatives, and forward commitments of MTSH Group. For the purposes of this report, MTSH Group comprises:

MTSH – Parent company

MJTD – Affiliated entity

TPD– Subsidiary

Unless expressly stated otherwise, all references to “MTSH,” “MTSH Group,” “the Group,” “we,” “our,” “us,” and phrases such as “at MTSH” are used interchangeably and refer collectively to these entities. The Thilawa Special Economic Zone (TSEZ) is referenced as the operational and geographic context in which Group activities take place, rather than as a separate reporting entity. Any entity-specific reference will be identified as such.

This report is therefore a collective measure of the activities, performance, and impacts of MTSH Group. The data, case examples, and outcomes described are drawn from across the Group and should not be attributed to MTSH alone. This group-wide scope reflects the integrated nature of our operations and the collective efforts of the parent company, affiliated entity, subsidiary, employees, partners, and communities.

During FY2025-26, MTSH Group continued to evolve its sustainability approach from a three-pillar ESG framework to four interconnected Resilience Pillars: Economic Resilience, Social Resilience, Institutional Resilience, and Environmental Resilience. These pillars guide the Group’s pursuit of long-term value creation that harmonizes economic prosperity, social equity, institutional integrity, and environmental stewardship.

Across these pillars, the Group achieved stable performance and meaningful outcomes. Economic Resilience was demonstrated through uninterrupted critical infrastructure operations, continuous centralized wastewater treatment, compliant waste management, zero sludge requiring disposal, zero environmental incidents, zero environmental complaints, and zero community health and safety incidents related to environmental operations.

Looking ahead, MTSH Group aims to establish a third-party verified GHG inventory, progress toward its 2030 emission reduction target, increase renewable energy contribution, strengthen water resilience measurement, maintain strong female leadership representation, formalize workforce capability indicators, complete a Board skills matrix and succession policy, operationalize an enterprise resilience programme, improve IFRS S1/S2 readiness, and prepare a sustainability data assurance roadmap. These future directions reflect the Group’s commitment to credibility, accountability, and long-term resilience.

FY2025-26 has been a year of resilience, inclusion, and governance strengthening across MTSH Group. The achievements described in this report are the result of collective action across MTSH, MJTD, and TPD. We invite stakeholders to read this report as a group-wide account of our sustainability journey and to hold us accountable to the standards we have set.

MTSH GROUP

SUSTAINABILITY AT MTSH

Sustainability, for MTSH, is not merely a compliance exercise or a collection of metrics. It is the foundational philosophy that guides every decision we make as an infrastructure developer, investment company, and the developer of the Thilawa Special Economic Zone (TSEZ). We define sustainability as the deliberate and continuous pursuit of long-term value creation that harmonizes economic prosperity, social equity, institutional integrity, and environmental stewardship —ensuring that the infrastructure we build today strengthens the communities of tomorrow.

As a public listed holding company on the Yangon Stock Exchange (YSX), we recognize that our responsibilities extend far beyond shareholder returns. We are custodians of critical national infrastructure, stewards of natural resources, and partners to the communities that host our operations. Our sustainability philosophy is rooted in the understanding that resilient infrastructure requires resilient systems—economic, social, institutional, and environmental—working in concert.

For FY2025–26, we have evolved our sustainability framework from three traditional ESG pillars into four Resilience Pillars. This evolution reflects a maturing understanding that sustainability is not static; it demands adaptability, foresight, and an unwavering commitment to continuous improvement.

Economic Resilience: The capacity to maintain financial stability, operational continuity, and long-term value creation while fostering inclusive economic growth across our value chain. Operational excellence, workforce capability, SME inclusion, business continuity.

Social Resilience: The strength of our relationships with communities, employees, and stakeholders, ensuring that our operations enhance well-being, safety, and opportunity for all. Community health, education, workforce equity, stakeholder engagement.

Institutional Resilience: The integrity, transparency, and accountability of our governance systems, ensuring ethical conduct, risk management, and regulatory compliance. Board oversight, ethics, anti-corruption, due diligence, reporting accountability.

Environmental Resilience: The robustness of our environmental management systems, climate action, and resource stewardship, ensuring we operate within planetary boundaries. Climate action, resource efficiency, pollution prevention, ecological stewardship.

These four pillars are not silos, they are deeply interconnected. A thriving community depends on a healthy environment. A strong economy depends on good governance. Institutional integrity underpins every aspect of our operations. This report tells the story of how MTSH is strengthening each of these pillars to build a future-ready organization.

ECONOMIC RESILIENCE

Ensuring Financial Strength, Operational Continuity, and Inclusive Growth

Economic Resilience is the foundation upon which all other pillars rest. For MTSH, it means maintaining the financial stability, operational continuity, and long-term value creation capacity necessary to fulfil our commitments to shareholders, employees, communities, and partners. As an infrastructure developer and investment company, our economic resilience directly influences our ability to deliver sustainable infrastructure, create jobs, and contribute to Myanmar's economic development.

Economic resilience, however, is not solely about financial metrics. It encompasses the operational systems that keep our infrastructure running, the workforce capabilities that drive innovation, and the inclusive economic ecosystems that ensure prosperity is shared. A resilient economy is one that can withstand shocks—whether they are market fluctuations, supply chain disruptions, or global crises—and continue to create value.

At TSEZ, our economic resilience is demonstrated through the operational effectiveness of our shared infrastructure, the employment opportunities we generate, and the SME partnerships we foster. Every system that functions reliably, every job that is sustained, and every local business that grows strengthens the economic fabric of the communities we serve.

Performance Highlights

Operational Continuity: Throughout FY2025–26, MTSH maintained uninterrupted operations of critical infrastructure systems.

KPI	FY2025–26 Performance	
Centralized Wastewater Treatment Plant (WWTP)		The WWTP operated continuously and effectively throughout the reporting period, treating all wastewater generated within the zone. This is a cornerstone of our environmental compliance and operational reliability. The consistent performance of the WWTP ensures that our operations do not compromise the surrounding environment or community health.
Waste Management System		Our waste management system operated in full accordance with operational procedures, maintaining regulatory compliance and preventing any significant environmental issues. This reflects the robustness of our operational protocols and the diligence of our teams.
Zero Sludge Disposal		A particularly noteworthy achievement is the generation of zero sludge requiring disposal. This outcome demonstrates the efficiency of our treatment processes and our commitment to waste minimisation—a principle that reduces both environmental impact and operational costs.

Zero Incidents: The reporting period recorded

KPI	FY2025–26 Result
Environmental incidents	Zero — a testament to the effectiveness of our monitoring, prevention, and response systems.
Environmental complaints	Zero — reflecting our positive relationship with surrounding communities and our responsiveness to stakeholder concerns.
Community health and safety incidents related to environmental operations	Zero — underscoring our commitment to protecting the well-being of those who live and work near our sites.

Employment and Economic Inclusion:

KPI	FY2025–26 Performance
Employment opportunities disseminated	~90 employment opportunities were disseminated through our employment support initiatives, connecting job seekers with meaningful work within the TSEZ ecosystem. Each job represents not only a livelihood but also a contribution to household income, community stability, and economic mobility.
Workforce development programmes	Continuous workforce development programmes were maintained to enhance the skills and capabilities of our workforce. Investing in human capital is investing in economic resilience—a skilled workforce is more adaptable, innovative, and productive.
SME engagement initiatives	SME engagement initiatives continued to foster inclusive economic growth. By supporting small and medium enterprises, we contribute to a diversified and resilient local economy that is less vulnerable to the failure of any single large employer.

Challenges and Mitigation

Economic resilience is not achieved without challenges. FY2025–26 presented several external factors that tested our systems:

Challenge Mitigation Strategy

External emission sources affecting air quality Continuous monitoring to distinguish operational impacts from external influences; engagement with relevant authorities on regional air quality management
 Natural conditions influencing surface and groundwater quality Enhanced monitoring protocols to identify and isolate operational vs. natural contributions; adaptive management responses

Workforce capability gaps in emerging technical areas Ongoing vocational training programmes; partnerships with educational institutions; internal knowledge transfer initiatives

Future Direction

Our economic resilience strategy looks ahead to emerging challenges and opportunities:

- **Formalize Workforce Capability Indicators:** We will develop and implement formal metrics to track workforce development, skill acquisition, and career progression. This will enable more targeted investments in human capital and better reporting to stakeholders.
- **Operationalize an Enterprise Resilience Programme:** We are developing a comprehensive enterprise resilience programme that addresses business continuity, crisis management, and adaptive capacity. This programme will ensure that MTSH can respond effectively to future disruptions—whether they are economic, environmental, or geopolitical.
- **Strengthen SME Partnerships:** We will deepen our engagement with SMEs to build a more resilient and inclusive economic ecosystem within and around TSEZ. This includes enhanced supplier due diligence, mentorship programmes, and access to business development resources.



SOCIAL RESILIENCE

Strengthening Communities, Empowering People, and Advancing Equity

Social Resilience reflects the strength and health of the relationships between MTSH and the communities, employees, and stakeholders we touch. It is about ensuring that our operations enhance the well-being, safety, and opportunity of all people—not incidentally, but intentionally and systemically.

For MTSH, social resilience is built on a foundation of trust. Trust is earned through consistent, genuine engagement; through tangible contributions to community development; and through a steadfast commitment to the health, safety, and dignity of every person affected by our operations. A socially resilient organisation does not merely avoid harm—it actively creates positive social value.

Our approach to social resilience is comprehensive, encompassing education, health, community safety, workforce equity, and stakeholder engagement. Each of these dimensions is interconnected: a healthier community is more economically productive; a better-educated workforce is more innovative; a safer community is more stable. By investing across these dimensions, we build communities that are stronger, more adaptable, and more prosperous.

Education and Youth Development

Education is the cornerstone of social resilience. It equips individuals with the skills and knowledge they need to participate fully in economic and social life, and it creates the human capital that drives long-term development.

Stationery Programme

KPI	FY2025–26 Performance
Students receiving stationery support	4,861+ students received stationery support during FY2025–26.
Communities covered	Support was delivered across 7 villages and wards surrounding our operations.

The stationery programme is more than a charitable gesture—it is an investment in the future. By ensuring that students have the basic tools they need to learn, we remove a barrier to educational participation and signal to families that their children's education matters. The beneficiaries of this programme are young people who will grow up to become the workforce, entrepreneurs, and community leaders of tomorrow.

Scholarship Programme

KPI	FY2025–26 Performance
High school scholarship students supported	24

GTI (Government Technical Institute) scholarship students supported	4
Medical scholarship students supported	1
Total scholarship recipients	29

Scholarships are targeted interventions that enable talented young people to pursue educational pathways that might otherwise be inaccessible. By supporting high school, technical, and medical education, we are developing a pipeline of skilled professionals who will contribute to Myanmar's development. The medical scholarship, in particular, addresses critical healthcare workforce needs in our communities.

Vocational Training

KPI	FY2025–26 Performance
Basic Computer Skills graduates	39
House Wiring graduates	28
Total vocational training graduates	67

Vocational training bridges the gap between education and employment. Our programmes are designed in consultation with local employers to ensure that graduates acquire skills that are in demand. This approach creates a virtuous cycle: trained individuals find employment, employers gain skilled workers, and the local economy becomes more productive and resilient.

Teacher Support

KPI	FY2025–26 Performance
Non-service teachers supported	2

Teachers are the backbone of educational quality. By supporting teachers—even in modest ways—we reinforce the educational infrastructure that serves thousands of students. This support recognises the vital role that educators play in shaping future generations.

Health and Community Wellbeing

Healthy communities are resilient communities. MTSH's health initiatives are designed to address both immediate health needs and long-term health system strengthening.

Mental Wellbeing Workshop

KPI	FY2025–26 Performance
Participants attended	75
Locator companies represented	31

Mental wellbeing has emerged as a critical dimension of community health, particularly in the wake of global and local challenges. Our workshop provided participants with tools and strategies to manage stress, build resilience, and support others. The strong participation from locator companies indicates a growing recognition of the importance of mental health in workplace and community settings.

First Aid Training

KPI	FY2025–26 Performance
Participants from locator companies trained	50
Organisations represented in locator training	47
Community school teachers trained	32
Total first aid trainees	82

First aid training is a practical intervention with life-saving potential. By training both corporate employees and community teachers, we build a distributed network of emergency responders who can act quickly in the event of injury or medical emergency. This is particularly important in communities where access to formal healthcare may be limited.

Rabies Prevention

KPI	FY2025–26 Performance
Vaccine vials donated	150
Estimated patients covered	~70

Rabies is a preventable but often fatal disease that poses a significant public health risk in many communities. Our vaccine donations directly protect vulnerable populations, reducing the incidence of rabies and the burden on healthcare systems. This intervention is a model of targeted, high-impact community health support.

Hospital Support

KPI	FY2025–26 Performance
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Surgical operating lights donated	27
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Surgical infrastructure is critical to the functioning of hospitals. By donating surgical lights, we support the capacity of local hospitals to perform safe, effective surgical procedures. This improves health outcomes for the entire community and strengthens the broader healthcare system.

Women's Empowerment

KPI	FY2025–26 Performance
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Participants engaged in International Women's Day activities	65
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Gender equality is both a social goal and an economic imperative. Our International Women's Day activities celebrate the contributions of women, raise awareness of gender issues, and promote a culture of inclusion and respect. These events are part of our broader commitment to ensuring that our operations support, rather than undermine, gender equity.

Workforce and Social Equity

The resilience of our workforce is fundamental to the resilience of our organisation. MTSH is committed to creating a workplace that is equitable, safe, and empowering.

KPI	FY2025–26 Performance
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Female workforce ratio	47.5% female workforce ratio: Women constitute nearly half of our workforce, reflecting our commitment to gender balance. This is particularly significant in the infrastructure and investment sectors, where female representation has historically been lower.
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Female managerial ratio	76.5% female managerial ratio: Our female managerial ratio is a standout achievement, demonstrating that women are not only present in our workforce but are advancing into leadership roles. This reflects our commitment to merit-based advancement and our recognition that diverse leadership strengthens decision-making and organisational performance.
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Human rights and labour rights impacts	No adverse human rights or labour rights impacts identified: We have conducted assessments to identify any risks to human rights or labour rights and have confirmed that our operations are free from such impacts. This is a baseline expectation of responsible business conduct and a foundation for social resilience.
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Community Health and Safety

Protecting the health and safety of surrounding communities is a non-negotiable priority for MTSH.

KPI	FY2025–26 Performance
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Environmental complaints received	Zero environmental complaints received: This indicates that our community engagement and environmental management systems are effective in preventing and addressing concerns. It also reflects the trust that communities have in our willingness to listen and respond.
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Community health and safety incidents related to environmental operations	Zero community health and safety incidents related to environmental operations: This demonstrates that our operations are not posing unacceptable risks to neighbouring populations. It is the result of rigorous risk assessment, robust controls, and continuous monitoring.
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**Compliance with Myanmar
noise standards**

All monitoring locations complied with Myanmar noise standards (100%): Noise is a common source of community concern. Our 100% compliance rate demonstrates that we are managing noise effectively, preventing negative impacts on quality of life and community well-being.

Future Direction

- **Maintain Strong Female Leadership Representation:** We are committed to sustaining and enhancing our strong performance on gender diversity in leadership, recognising that this is a competitive advantage and a measure of institutional health.
- **Formalise Workforce Capability Indicators:** We will develop structured indicators to track workforce development, training effectiveness, and career progression. This will enable us to better understand our human capital and invest more strategically in its development.
- **Deepen Community Engagement:** We will continue to strengthen our dialogue with communities, ensuring that our social investments are aligned with community priorities and that community members have a voice in our decision-making.



INSTITUTIONAL RESILIENCE

Governance Integrity, Ethical Conduct, and Accountability

Institutional Resilience is the bedrock of organisational integrity. It encompasses the governance structures, ethical frameworks, risk management systems, and accountability mechanisms that ensure MTSH operates with transparency, responsibility, and long-term institutional strength. Without strong institutions, economic prosperity can become corrupt, social progress can be exploited, and environmental stewardship can be undermined.

At MTSH, institutional resilience is not an afterthought—it is embedded in the way we make decisions, manage risks, and hold ourselves accountable. Our commitment to governance excellence is rooted in our recognition that as a public listed company on the YSX, we are accountable not only to shareholders but to a broader set of stakeholders: employees, communities, regulators, business partners, and the public.

Institutional resilience is particularly important for an infrastructure developer and investment company. Our decisions have long-term, large-scale implications. They shape landscapes, influence economies, and affect countless lives. The governance systems we have in place ensure that those decisions are made with rigour, integrity, and foresight.

Governance and Oversight

Sustainability oversight is embedded at the highest level of our organisation. A Board-level director or senior executive has explicit responsibility for sustainability-related matters. This ensures that sustainability is not delegated to a peripheral department but is central to strategic decision-making. The Board receives regular reports on sustainability performance and provides guidance on strategic priorities.

KPI	FY2025–26 Performance
Board oversight of sustainability	A Board-level director or senior executive has explicit responsibility for sustainability-related matters. Sustainability performance is regularly reported to the Board.
Sustainability target approval	Sustainability targets are formally integrated into the governance approval process, ensuring they receive the same level of scrutiny as financial and operational objectives.
ESG reporting oversight	ESG reporting is supervised by the governance body, ensuring disclosed information is accurate, complete, and reliable.
Sustainability responsibility assignment	Responsible persons and groups have been assigned to specific sustainability topics, creating clear accountability and ownership across the organisation.

Ethics and Anti-Corruption

Code of Conduct Coverage

Coverage Area	Status
Human rights	Covered
Labour rights	Covered
Environmental protection	Covered
Anti-corruption	Covered

The Code applies to all employees, directors, and business partners. It establishes clear expectations for behaviour and provides guidance on ethical decision-making. The comprehensiveness of the Code reflects our commitment to responsible business conduct across all dimensions of our operations.

Corruption Prevention

KPI	FY2025–26 Result
Material corruption incidents identified	0
Corruption-related disciplinary cases	0
Contract terminations due to corruption	0

These results indicate that our anti-corruption controls are effective. However, we do not take this for granted. We maintain ongoing vigilance through training, monitoring, and continuous improvement of our anti-corruption systems. We recognise that corruption is a persistent risk and that maintaining a clean record requires sustained effort.

Ethics Awareness and Training

KPI	FY2025–26 Status
Enhanced ethics awareness and training programmes	Under development
Quantifiable ethics programme indicators	Planned for future reporting cycles

We are developing enhanced ethics awareness and training programmes to further strengthen our ethical culture. This is an area where we aim to quantify our performance in future reporting cycles, ensuring that we have measurable indicators of ethics programme effectiveness.

Risk and Due Diligence

Sustainability Risk Review

KPI	FY2025–26 Performance
Sustainability risk review	Business model sustainability risks are reviewed as part of governance processes to identify and address emerging environmental, social, and governance risks.

Our business model sustainability risks are reviewed as part of governance processes. This ensures that emerging risks—whether environmental, social, or governance-related—are identified and addressed in a timely manner. The risk review process is dynamic, adapting to changing circumstances and new information.

Due Diligence Process Coverage

Due Diligence Area	Coverage
Human rights risks	Covered
Labour risks	Covered
Environmental risks	Covered
Corruption risks	Covered

These processes are applied to new projects, investments, and business relationships. By conducting thorough due diligence, we reduce the likelihood of adverse impacts and ensure that our business practices are responsible and sustainable.

Stakeholder Risk Identification

KPI	FY2025–26 Performance
High-risk stakeholders and business relationships identified	Processes established to manage identified risks through enhanced monitoring, more frequent engagement, and tailored risk mitigation measures.

Our stakeholder risk identification is informed by both quantitative analysis and qualitative engagement.

Transparency and Accountability

Our commitment to transparency is demonstrated through:

Transparency Practice	FY2025–26 Status
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Regular sustainability reporting	Implemented
Clear accountability structures	Implemented
Open dialogue with stakeholders	Implemented
Disclosure of both successes and challenges	Implemented

We believe that transparency is not only an ethical obligation but also a strategic advantage. By being open about our performance, we build trust, attract investment, and position ourselves as a responsible corporate citizen.

Future Direction

- **Complete Board Skills Matrix and Succession Policy:** We will develop and implement a Board skills matrix to ensure that our Board has the expertise needed to guide sustainability and resilience. This will be complemented by a formal succession policy to ensure continuity and institutional memory.
- **Improve IFRS S1/S2 Readiness:** We are actively preparing for alignment with IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures). This will enhance the quality and comparability of our sustainability reporting and meet the expectations of international investors.
- **Prepare Sustainability Data Assurance Roadmap:** We are developing a roadmap for external sustainability data assurance. This will enhance the credibility of our reporting and demonstrate our commitment to the highest standards of accountability.
- **Strengthen Supplier Due Diligence:** We will enhance our due diligence processes for suppliers, extending our responsible business practices throughout our value chain. This will include more rigorous screening, monitoring, and capacity-building for suppliers.



ENVIRONMENTAL RESILIENCE

Climate Action, Resource Stewardship, and Ecological Integrity

Environmental Resilience is the capacity of our operations and the ecosystems that surround them to withstand and adapt to environmental pressures—whether from climate change, pollution, natural resource depletion, or biodiversity loss. For MTSH, environmental resilience is both a moral imperative and a strategic necessity. Our business depends on healthy ecosystems: clean water for industrial processes, stable climates for infrastructure integrity, and healthy environments for workforce and community well-being.

As an infrastructure developer, we have a particularly significant environmental footprint and, consequently, a particularly significant opportunity to lead in environmental stewardship. Our approach is grounded in the recognition that environmental health and human prosperity are inseparable. An investment in environmental resilience is an investment in long-term business viability.

Our environmental management philosophy is comprehensive, covering air quality, water resources, waste management, noise, climate action, and biodiversity. We do not view these as separate issues but as interconnected dimensions of a single system. By managing them holistically, we achieve better outcomes for the environment and for our business.

Environmental Monitoring and Compliance

During FY2025–26, we monitored 8 environmental aspects across our operational footprint.

Environmental Aspect Monitored	FY2025–26 Status
Ambient air quality	Monitored
Surface water quality	Monitored
Groundwater quality	Monitored
Wastewater quality	Monitored
Environmental noise	Monitored
Waste management	Monitored
Community health and safety	Monitored
Corporate social responsibility activities	Monitored

This comprehensive monitoring framework ensures that we have a complete understanding of our environmental performance and can detect any emerging issues early. It is the foundation of our environmental management and the basis for continuous improvement.

Air Quality Monitoring

Monitoring was conducted across both dry and rainy seasons, covering five parameters.

Parameter	FY2025–26 Performance	Assessment
Carbon Monoxide (CO)	Complied with applicable standard	✓
Nitrogen Dioxide (NO₂)	Generally complied	✓
Sulphur Dioxide (SO₂)	Complied with applicable standard	✓
Particulate Matter (PM_{2.5})	Generally complied	✓
Particulate Matter (PM₁₀)	Generally complied	✓

Overall Air Quality Trend: Stable, with no persistent operational impact.

Short-term Exceedances: Isolated exceedances were observed during specific monitoring periods. These were attributed primarily to low wind speeds and external emission sources—not to MTSH operations. This is an important finding, as it indicates that our direct operational emissions are well-controlled. Our monitoring data allows us to distinguish between operational and external contributions, enabling targeted mitigation measures where needed.

Surface and Groundwater Quality

KPI	FY2025–26 Performance
Monitoring coverage	Covered both surface water and groundwater locations.
Selected parameters	Exceeded reference values at some locations.
Primary causes	Tidal influence; Natural geology; External runoff.
E. coli	Low concentrations recorded.
Heavy metals	Generally complied with applicable standards.
SEZ-related sewage contamination	None.

Importantly, these exceedances were non-operational in origin. Our analysis demonstrates that the elevated parameters are the result of natural conditions and external factors, not our industrial activities. This finding is supported by the low concentrations of *E. coli* recorded, which showed no evidence of SEZ-related sewage contamination.

Wastewater Management

KPI	FY2025–26 Performance
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Centralized WWTP operation	Operated continuously and effectively throughout the reporting period.
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Sludge requiring disposal	Zero
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Regulatory compliance	Maintained throughout the reporting period.
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The WWTP is one of our most critical environmental assets. Its consistent, effective operation ensures that our wastewater is treated to a high standard before release, protecting both human health and ecosystems. The zero sludge outcome is particularly noteworthy, reflecting the efficiency of our treatment processes and our commitment to waste minimisation.

Environmental Noise

KPI	FY2025–26 Performance
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Monitoring locations surveyed	All designated monitoring locations
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Compliance with Myanmar noise standards	100%
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Significant community noise impact	None identified
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Noise is a common concern for communities near industrial sites. Our 100% compliance rate demonstrates that we are effectively managing noise emissions, preventing negative impacts on quality of life. The absence of significant community noise impact confirms that our noise controls are adequate and that our monitoring is reliable.

Waste Management

KPI	FY2025–26 Performance
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Waste management system	Operated in accordance with established procedures
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Regulatory compliance	Maintained throughout
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Significant environmental issues	None identified
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Waste management is a fundamental aspect of operational responsibility. Our systems are designed to ensure that waste is handled, stored, and disposed of in a manner that protects human health and the environment. The absence of significant issues reflects the robustness of our systems and the diligence of our teams.

Climate Action and Energy Transition

Greenhouse Gas Measurement

KPI	FY2025–26 Status
GHG measurement system	Active

MTSH has established active GHG measurement systems. This is the first step toward effective climate management—you cannot manage what you do not measure. Our measurement systems provide baseline data against which we can track progress and identify reduction opportunities.

Carbon Reduction Targets

KPI	FY2025–26 Status
Carbon reduction targets	Established
Emission coverage	Scope 1 and Scope 2, with consideration for Scope 3 as measurement capabilities advance

We have established carbon reduction targets for our operations. These targets are ambitious but achievable, reflecting our commitment to do our part in addressing the global climate crisis.

Renewable Energy Capacity

KPI	FY2025–26 Performance
TPD (Thilawa Port Development)	Solar project implemented
MJTD (Myanmar Japan Thilawa Development)	Solar project implemented
TSEZ (Thilawa Special Economic Zone)	Solar project implemented
Total renewable energy project sites	3

These projects are contributing to our clean energy transition and reducing our dependence on fossil fuels. Solar energy is a particularly attractive option for our operations, given Myanmar's abundant solar resources. As we expand our renewable energy capacity, we will further reduce our carbon footprint and enhance our energy security.

Renewable Energy Contribution

KPI	FY2025–26 Status
Renewable energy contribution	Measurable progress achieved
Overall trajectory	Positive

Our renewable energy projects represent measurable progress in the energy transition. While we are still in the early stages, the trajectory is positive. We are committed to increasing the share of renewable energy in our total energy mix.

Climate Action Initiatives

Initiative	FY2025–26 Status
Solar deployment at multiple sites	Implemented
Energy-saving practices across operations	Implemented
Tree plantation activities for local carbon sequestration	Implemented

Tree plantation is an important nature-based solution. By planting trees, we not only sequester carbon but also enhance biodiversity, improve soil health, and provide other ecosystem benefits. Our tree plantation initiatives are designed to support local communities and environmental objectives simultaneously.

Environmental Performance Summary

Category	KPI	FY2025–26 Result	Status
Monitoring	Environmental aspects monitored	8 categories	✓
Air Quality	CO compliance	Complied	✓
Air Quality	NO ₂ compliance	Generally complied	✓
Air Quality	SO ₂ compliance	Complied	✓
Air Quality	PM _{2.5} compliance	Generally complied	✓
Air Quality	PM ₁₀ compliance	Generally complied	✓
Noise	Monitoring compliance	100%	✓
Wastewater	WWTP operational	Yes	✓
Wastewater	Sludge requiring disposal	0	✓
Water	<i>E. coli</i>	Low concentrations	✓
Water	Evidence of SEZ-related sewage	None	✓
Incidents	Environmental incidents	0	✓
Community	Environmental complaints	0	✓
Safety	Community H&S incidents	0	✓
Climate	GHG measurement	Active	✓
Climate	Carbon reduction targets	Established	✓
Climate	Renewable energy projects	3 sites	✓

Future Direction

- **Establish Third-Party Verified GHG Inventory:** We are committed to obtaining third-party verification of our GHG inventory. This will enhance the credibility of our climate data and provide a reliable baseline for reduction efforts.
- **Progress Toward 2030 Emission Reduction Target:** We will continue to implement measures to achieve our 2030 emission reduction targets. This includes energy efficiency improvements, renewable energy expansion, and operational optimisation.
- **Increase Renewable Energy Contribution:** We will seek opportunities to expand our renewable energy capacity, both through our own projects and through procurement of renewable energy from external sources.
- **Strengthen Water Resilience Measurement:** We will enhance our water measurement and management systems, recognising the growing importance of water resilience in a changing climate. This includes improved monitoring, more robust risk assessment, and targeted efficiency measures.



INTEGRATED RESILIENCE PERFORMANCE DASHBOARD

The interconnectedness of our four resilience pillars is evident in our integrated performance. A strong environmental performance supports social resilience by protecting community health. Strong institutional governance ensures that economic resources are allocated responsibly. Social resilience creates the workforce that drives economic performance. The dashboard below captures our performance across all four pillars.

Pillar	Key Metric	FY2025–26 Result	Assessment
Economic	Environmental incidents	0	✓
	Operational systems functioning	100%	✓
	Employment opportunities	~90 posts	✓
Social	Students supported	4,861+	✓
	Scholarship recipients	29	✓
	Community complaints	0	✓
	Female workforce ratio	47.5%	✓
	Female managerial ratio	76.5%	✓
Institutional	Corruption incidents	0	✓
	ESG reporting oversight	Active	✓
	Code of Conduct coverage	Comprehensive	✓
Environmental	Noise compliance	100%	✓
	Sludge requiring disposal	0	✓
	Renewable energy projects	3 sites	✓
	Environmental complaints	0	✓

9. FUTURE SUSTAINABILITY TARGETS

The targets outlined below represent our suggested future direction. They are not formal commitments unless approved by our governance bodies. They are presented to provide stakeholders with a transparent view of our aspirations and the trajectory of our sustainability journey.

Area	Targeted KPI	Rationale
Climate	Establish third-party verified GHG inventory	Enhances credibility and provides reliable baseline
Climate	Progress toward 2030 emission reduction target	Demonstrates commitment to climate action

Renewable Energy	Increase renewable energy contribution	Reduces carbon footprint and enhances energy security
Water	Strengthen water resilience measurement	Addresses growing water risks in a changing climate
Gender	Maintain strong female leadership representation	Sustains competitive advantage in diversity
Human Capital	Formalise workforce capability indicators	Enables strategic investment in human capital
Governance	Complete Board skills matrix and succession policy	Enhances governance effectiveness
Risk	Operationalise enterprise resilience programme	Strengthens business continuity and adaptability
Reporting	Improve IFRS S1/S2 readiness	Meets international investor expectations
Assurance	Prepare sustainability data assurance roadmap	Enhances reporting credibility

These future directions are already reflected in MTSH's sustainability planning: renewable energy advancement, verified GHG inventory, DEI metrics, resilience programme development, IFRS S1/S2 alignment, and external assurance preparation.

10. ASSURANCE STATEMENT

This report is based on data collected and verified through internal governance processes. MTSH is committed to strengthening its assurance framework and is actively preparing for external sustainability data assurance in accordance with international best practices.

During FY2025–26, our sustainability data was subject to internal review and validation by responsible business functions and oversight by our governance body. We recognize that external assurance is the next step in enhancing reporting credibility and are developing a roadmap to achieve this.

11. CONCLUSION

FY2025–26 has been a year of stable performance, meaningful community engagement, and strategic evolution. Our transition from a three-pillar ESG framework to a four-pillar Resilience Framework reflects

our deepening understanding of sustainability and our commitment to building an organization that is not only responsible but truly resilient.

Our achievements are significant:

- Zero environmental incidents, complaints, and community safety issues
- 4,861+ students supported and 29 scholarships awarded
- 100% noise compliance and zero sludge requiring disposal
- Active GHG measurement and established carbon reduction targets
- Solar energy projects across three locations
- 47.5% female workforce and 76.5% female managerial ratio
- Zero corruption incidents and comprehensive Code of Conduct coverage

Our commitments are clear:

- Establish third-party verified GHG inventory
- Progress toward 2030 emission reduction targets
- Strengthen water resilience measurement
- Maintain strong female leadership representation
- Formalize workforce capability indicators
- Complete Board skills matrix and succession policy
- Improve IFRS S1/S2 readiness
- Prepare sustainability data assurance roadmap

MTSH is building resilience, economic, social, institutional, and environmental. We are building it for ourselves, for our stakeholders, and for the communities we serve. We invite you to join us on this journey and to hold us accountable to the high standards we have set for ourselves.

MTSH Group

Building Resilience, Sustaining Tomorrow

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS ALIGNMENT

MTSH's Resilience Framework contributes to the achievement of the United Nations Sustainable Development Goals through responsible infrastructure development, inclusive economic growth, environmental stewardship, and strong institutional governance.

The table below highlights the SDGs to which our FY2025–26 initiatives make a direct and measurable contribution.



SDG	How MTSH Contributes	Key FY2025–26 Evidence
3 GOOD HEALTH AND WELL-BEING 	SDG 3 Good Health & Well-being Promoting health, safety and wellbeing for employees and communities.	• Mental wellbeing workshop (75 participants) • First Aid Training (82 participants) • 150 rabies vaccine vials donated • 27 surgical lights donated • Zero community health & safety incidents
4 QUALITY EDUCATION 	SDG 4 Quality Education Expanding access to quality education and supporting skills development.	• 4,861+ students supported • 29 scholarships • 67 vocational training graduates • Teacher support
5 GENDER EQUALITY 	SDG 5 Gender Equality Promoting gender equality and empowering women in the workplace and community.	• 47.5% female workforce • 76.5% female managers • International Women's Day programme
6 CLEAN WATER AND SANITATION 	SDG 6 Clean Water & Sanitation Ensuring responsible water management and sanitation within the SEZ.	• Continuous WWTP operation • Zero sludge disposal • Groundwater and surface water monitoring • No SEZ-related sewage contamination
7 AFFORDABLE AND CLEAN ENERGY 	SDG 7 Affordable & Clean Energy Transitioning to clean and renewable energy for a sustainable future.	• Three solar project sites implemented • Renewable energy expansion • Active clean energy transition
8 DECENT WORK AND ECONOMIC GROWTH 	SDG 8 Decent Work & Economic Growth Creating employment opportunities and supporting inclusive economic growth.	• ~90 employment opportunities • SME engagement • Workforce development programmes
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	SDG 9 Industry, Innovation & Infrastructure Building resilient infrastructure and fostering innovation for long-term value creation.	• Reliable infrastructure operations • Enterprise resilience programme • Environmental infrastructure including WWTP and renewable energy
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	SDG 12 Responsible Consumption & Production Managing resources responsibly and minimizing environmental impact.	• Waste management • Zero sludge disposal • Zero environmental incidents • Continuous environmental monitoring
13 CLIMATE ACTION 	SDG 13 Climate Action Taking proactive action on climate change and building resilience.	• Active GHG measurement • Carbon reduction targets • Solar deployment • Tree plantation initiatives
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	SDG 16 Peace, Justice & Strong Institutions Upholding strong governance, ethics and transparency.	• Board oversight • Code of Conduct • Zero corruption incidents • Sustainability governance and due diligence

OUR RESILIENCE PILLARS AND PRIMARY SDGs



ECONOMIC RESILIENCE
Driving sustainable economic growth, innovation and job creation.

PRIMARY SDGs



SOCIAL RESILIENCE
Enhancing quality of life, education, health and gender equality.

PRIMARY SDGs



INSTITUTIONAL RESILIENCE
Strengthening governance, ethics, transparency and accountability.

PRIMARY SDGs



ENVIRONMENTAL RESILIENCE
Protecting the environment, promoting clean energy and climate action.

PRIMARY SDGs

