

BETTER BUSINESS PRACTICES P.36 - 51



Better Business Practices

At MAG, we believe that sustainable and responsible business practices are more important than ever, especially now, as Myanmar continues to face the impacts of natural disasters and remains highly vulnerable to climate change. That’s why we are committed not only to reducing our own operational footprint but also to raising awareness and driving action across our entire supply chain.

Initiatives to promote sustainable business practices

We launched the Better MAG Award programme to celebrate the contributions of individuals and organisations across our operations who are driving sustainable development, responsible business practices. The programme features four award categories:

Better Farming Award

This award recognises farmers who adopt sustainable waste and water management practices while protecting vital natural resources, such as soil health and pollinators. It celebrates those who implement efficient waste-reduction and recycling strategies, conserve water through smart irrigation, and embrace innovative approaches such as contract farming, technology-driven solutions, and biodiversity-friendly methods to enhance agricultural productivity and resilience.

Better Distributor Award

This award recognises Myanma Awba Group’s distributors who actively support MAG’s sustainability mission, provide valuable suggestions for responsible and sustainable practices, and demonstrate care for farmers while contributing to the local community beyond MAG’s support.

Better Innovation Award

This award recognises MAG’s business entities that demonstrate innovation and creativity in procurement development, systems, policies, product design, marketing, and communication. It celebrates ideas that minimise environmental impact, promote sustainability, and ensure consumer and environmental safety.

Better Employee Award

This award recognises individuals at all levels who actively engage in environmental initiatives, advocate for an inclusive workplace, and contribute to the community through their work or individual efforts.

We launched our programme online, on our social media channels. We received almost 100 applications, which were screened by an independent committee, and our sustainability team engaged with all applicants to gather the information needed to assess their practices. During the process, various teams across our organisation worked closely together to engage with farmers and distributors. We selected 16 finalists and, based on our final evaluation, chose the winners: 2 for the Farming Award, 1 for the Distributor Award, 1 for the Innovation Award, and 1 for the Employee Award. We are grateful for the participation of the candidates, and we look forward to the next edition of our awards!





Dr. Aye Myat Mon
Ywa Ngan Township,
Southern Shan State

I am Dr. Aye Myat Mon from Ywa Ngan Township in southern Shan State. On my 30–40-acre farm, I grow a variety of crops, including tomatoes, chillies, various fruits, and around 30,000 coffee plants. As a public health specialist, I place greater importance on food and environmental safety than on simply increasing production.

Since 2022, I have shifted my entire approach towards sustainability rather than profit alone, because I believe sustainable farming directly improves my workers’ livelihoods and protects the environment for future generations. I currently employ around 60 to 80 workers, most of whom are women, and I ensure they receive proper benefits, including medical care, accommodation, and financial support when needed.

At present, I use a combination of products from Myanmar Awba Group and cow manure, but my long-term goal is to fully transition to organic farming. I am aware that this comes with challenges, especially in finding skilled labour and securing investment, but I remain committed to this direction.

I learned about the Better MAG Awards on social media and chose to participate because it reflects the kind of work I already do. I am truly grateful to have received this recognition, as it feels like an appreciation of small-scale farmers like myself. I also deeply value the support that Myanmar Awba Group provides to communities, especially during difficult times such as natural disasters.

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Zaw Tun Oo
Mai Lin Village,
Hsipaw Township,
Northern Shan State

My name is Zaw Tun Oo, founder of Kyoe Kyar Pyan Agricultural Service and Farming Group Co., Ltd., based in Mai Lin Village, Hsipaw Township, northern Shan State, Myanmar.

I manage a model farm that functions as both a production site and a learning centre for local farmers. My work focuses on year-round vegetable cultivation, including tomatoes and chilli, using crop rotation to promote soil health and sustainability. I employ around 30 local workers each year, with a strong emphasis on women’s empowerment through prioritised hiring. For over two years, I have also produced and used natural fertilisers such as vermicompost, helping to reduce chemical inputs and support environmentally friendly farming practices.

My goal is to improve direct market access for agricultural products while strengthening collaboration among farmers through knowledge sharing and cooperative approaches.

I applied for the Better MAG Award after seeing it on social media, believing my work contributes to sustainable agriculture. Receiving the Award in the Better Farming category is a great honour, and I am grateful that my efforts have been recognised.

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Win Tun

Yay Tar Shay,
Taung Ngu District
Eastern Bago

My name is Win Tun, and I am based in Yay Tar Shay, Taung Ngu District, eastern Bago, where I have operated my shop for about five years, focusing mainly on selling Wisarra products.

We provide essential training for our community, teaching farmers about natural disaster recovery, the safe disposal of used products, product hazards, and vital protective measures. Over the years, I have personally trained around 20 to 30 farmers and even assisted them with soil pH measurements a few years ago. While I am training the farmers, I also attend agricultural training myself, read technical books, and learn agricultural techniques online so I can stay updated on the changing climate and advancing agricultural technologies. I always advise the use of cow dung as a natural fertiliser before cultivation to improve soil health.

Safety is a priority for me, so I make sure to store chemical fertilisers separately from other products and carefully follow the occasional safety guidance provided by Myanmar Awba Group. Through farmer education, safety awareness, and responsible product use, I am actively aligning my business with Myanmar Awba Group’s broader sustainability mission.

I am very happy to have won the Award in the Better Distributor category through these efforts, and I recommend that fellow farmers and distributors participate in the events so we can showcase our efforts, too.

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Soe Thiha Zaw

Village Link Co.,Ltd

My name is Soe Thiha Zaw, and I participated in the Better MAG Awards for the Better Innovation category, representing Village Link, and I am deeply honoured to receive the award.

In my role, I work to strengthen the sustainability of aquaculture in the Ayeyarwady and Yangon Regions through modern, eco-friendly fish-farming techniques. I provide practical training and empower women by promoting alternative income sources. Furthermore, I offer digital tools to our community via the “Htwet Toe” app, which includes a feed calculator, market prices, advisories, and knowledge-sharing forums.

I also facilitate financial access for farmers through partnerships with lending institutions. To ensure high standards, I use solar IoT devices to monitor water quality in real time and provide continuous support through app-based help centres.

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Kyaw Moe
MAHA Agriculture Private Co.,Ltd

My name is Kyaw Moe, and I participated in the Better MAG Awards for the Better Employee Award category, representing Maha Agricultural Microfinance, where I have worked for over seven years.

Currently, I serve as an Assistant ESG Manager in the ESG Department. Starting in January 2025, I successfully led the ‘End of Single-Use Plastic’ initiative at our company. My focus was on raising awareness, providing reusable alternatives, and enforcing policies to reduce plastic use. Through these efforts, I helped significantly reduce our plastic waste, strengthened our team’s commitment to sustainability, and built a lasting eco-friendly workplace culture.

I am highly enthusiastic about sustainability and knowledgeable about environmental responsibility. By fostering an inclusive, eco-conscious workplace, I am driving tangible positive change in our daily operations, aligning perfectly with Myanma Awba Group’s broader objectives. I am deeply honoured to receive the Award in the Better Employee category for these efforts.

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Collaborating with our business partners

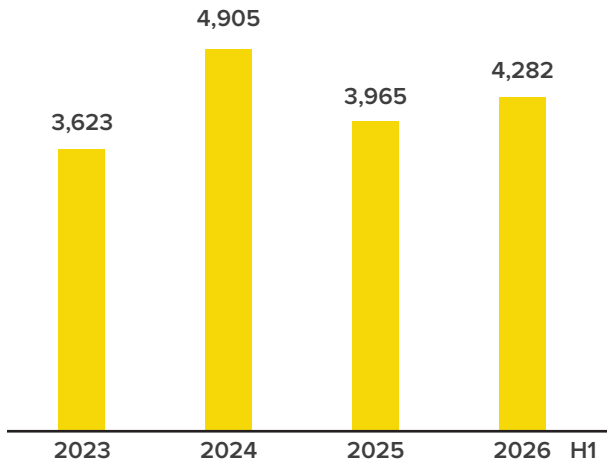
At MAG, we rely heavily on our business partners, especially our distributors and suppliers, to sustain and grow our business. Our distributors play a pivotal role, acting as a vital link between the farming communities and us. Being part of these communities themselves, they have a deep understanding of farmers’ needs, including region-specific product requirements. They work closely with farmers on the ground, helping us assess their needs and communicating how we can better support them. Through their insights and collaboration, we have strengthened our market position and emerged as a leader in the industry. In the first half of 2026, we worked with over 4,280+ distributors across various regions, a 12% decrease from 2024.

Due to the current conflict situation, we are unable to distribute our products directly in certain regions. In addition, we have already collected payments from some distributors operating in these areas. To support them, we maintain close engagement and, where necessary, adjust our payment collection terms to help ease their financial burden.



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Evolution of our distributors



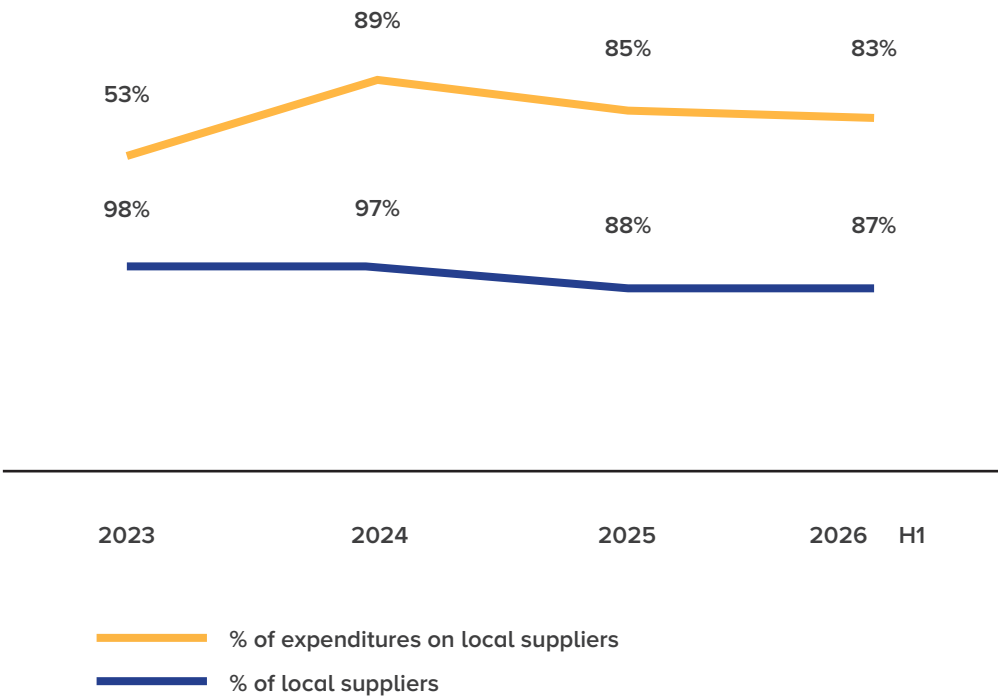
Our suppliers play a critical role in enabling the continuity of our business. At the same time, we support them in sustaining their operations and creating positive impacts for the stakeholders who depend on their businesses.

Across our supply chain, we worked with 437 suppliers in 2025 and 412 suppliers in the first half of 2026. Of these, 85% were local suppliers in 2025 and 83% in 2026 H1. Reflecting our strong commitment to local sourcing, 88% of our total expenditures were directed towards local suppliers in 2025, and 87% in 2026 H1.

Currently, we work with over 4,200 distributors and 412 suppliers. Given the scale and complexity of our supply chain, we are not yet in a position to roll out innovative initiatives to fully embed responsible and sustainable business practices across all partners.

However, we recognise that sustainability within our supply chain remains essential. As a next step, we aim to establish clear targets that incorporate both our distributors and suppliers into our broader sustainability commitments.

Evolution of our expenditure on local suppliers



Limiting our environmental footprint

At MAG, our business depends heavily on natural resources, particularly in our production operations. At the same time, climate change directly impacts the livelihoods of our customers, especially farmers and local communities, as we are among the countries most affected globally. Therefore, managing our environmental impact is a key priority.

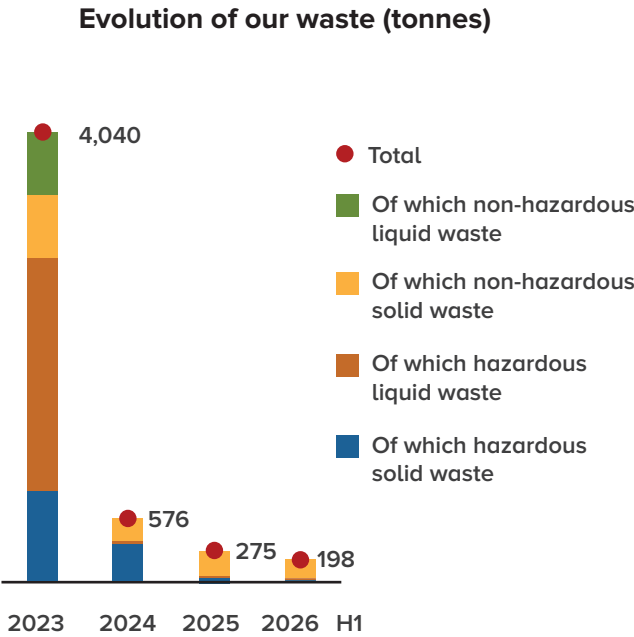
That said, improving our practices to fully align with international standards remains a challenge, as we have faced challenges in waste reduction and energy consumption. Waste management remains a critical component of our industry, especially in Myanmar, where the waste collection system is still weak nationwide. Moreover, to reduce energy consumption, due to limited electricity supply, we rely mostly on generators to address short-term electricity shortages.

Nonetheless, our operations comply with established operational and local requirements, including ISO 14001:2015 and the guidelines set by the Environmental Conservation Department (ECD). For us, adhering to local standards is not just about regulatory compliance; it reflects our commitment to protecting the environment and minimising the impact of our activities.

We have continuously reduced our waste generation since 2024. Through our wastewater treatment facility, we have eliminated non-hazardous liquid waste and ensured that 100% of the hazardous liquid waste generated during production is properly treated.

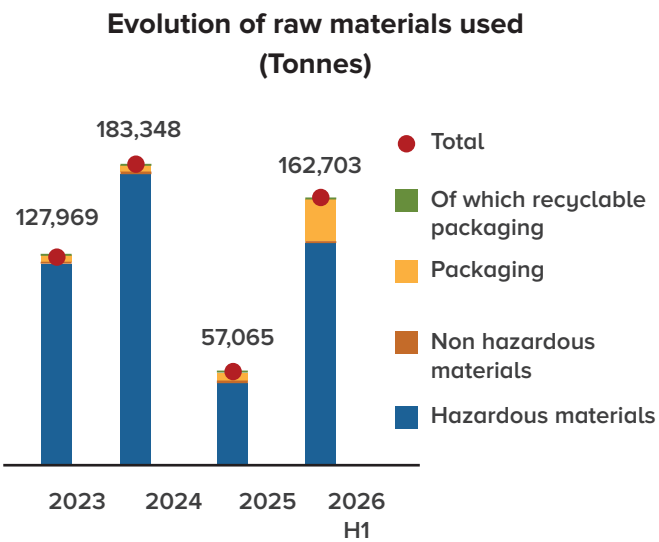
In 2025, total waste amounted to 275 tonnes, a 52% reduction from 2024. Furthermore, 53% of our waste was recycled, primarily packaging materials, while 44% was disposed of in landfills and 3% was recovered. In the first half of 2026, we generated 198 tonnes of waste.

As a result, our waste intensity improved to 0.1 in both 2025 and the first half of 2026, down from 0.2 in 2024.



On the other hand, we consumed 57,065 tonnes of raw materials in 2025 and 162,703 tonnes in the first half of 2026. More than 80% of these materials were hazardous and imported.

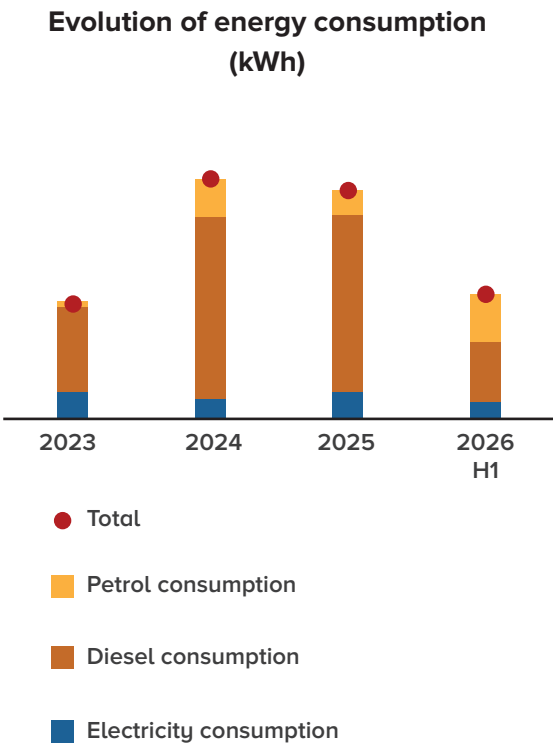
Since 2022, we have faced ongoing challenges with imports, which continue to affect our operations. As a result, we were unable to import sufficient quantities in 2025. To address this, we increased procurement in the first half of 2026 to build up stock, leading to a significant rise in raw material purchases during this period.



Our energy consumption has risen significantly since 2024, reaching 24.3 GWh.⁵ In 2025, consumption decreased by a 4% to 23.3 GWh compared to the previous year.

- Of this, 54% was derived from diesel and 7% from petrol, largely due to the resumption of farm visits.
- Electricity accounted for 39% of total consumption, with 8% supplied by the grid and 31% generated on site. Owing to limited grid electricity availability, we have recently relied heavily on generators to maintain continuous operations.

We plan to conduct comprehensive energy assessments in the coming years to reduce our reliance on generators by transitioning to renewable energy sources, such as solar power.



⁵ Note: in our previous year's report, the total energy consumption for 2024 was reported as 25,616,764 kWh. The revised and accurate total energy consumption for 2024 is 24,355,325 kWh.

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- At the Hmawbi production site, we installed a 150-unit solar system, while at other sites, solar power is currently used only to support factory security systems. Expanding solar to fully cover operations remains challenging due to ongoing landlord negotiations and limitations on the structural capacity of building roofs.
- At the GEOS operational site, we utilise a mix of energy sources to generate electricity, including grid power and biomass in the form of rice husks for heat production. We also plan to implement a solar system to further reduce our reliance on grid electricity.

While limitations remain, and solar energy alone is not yet sufficient to fully meet our operational needs, we will closely monitor and evaluate our energy consumption to minimise our reliance on diesel.

