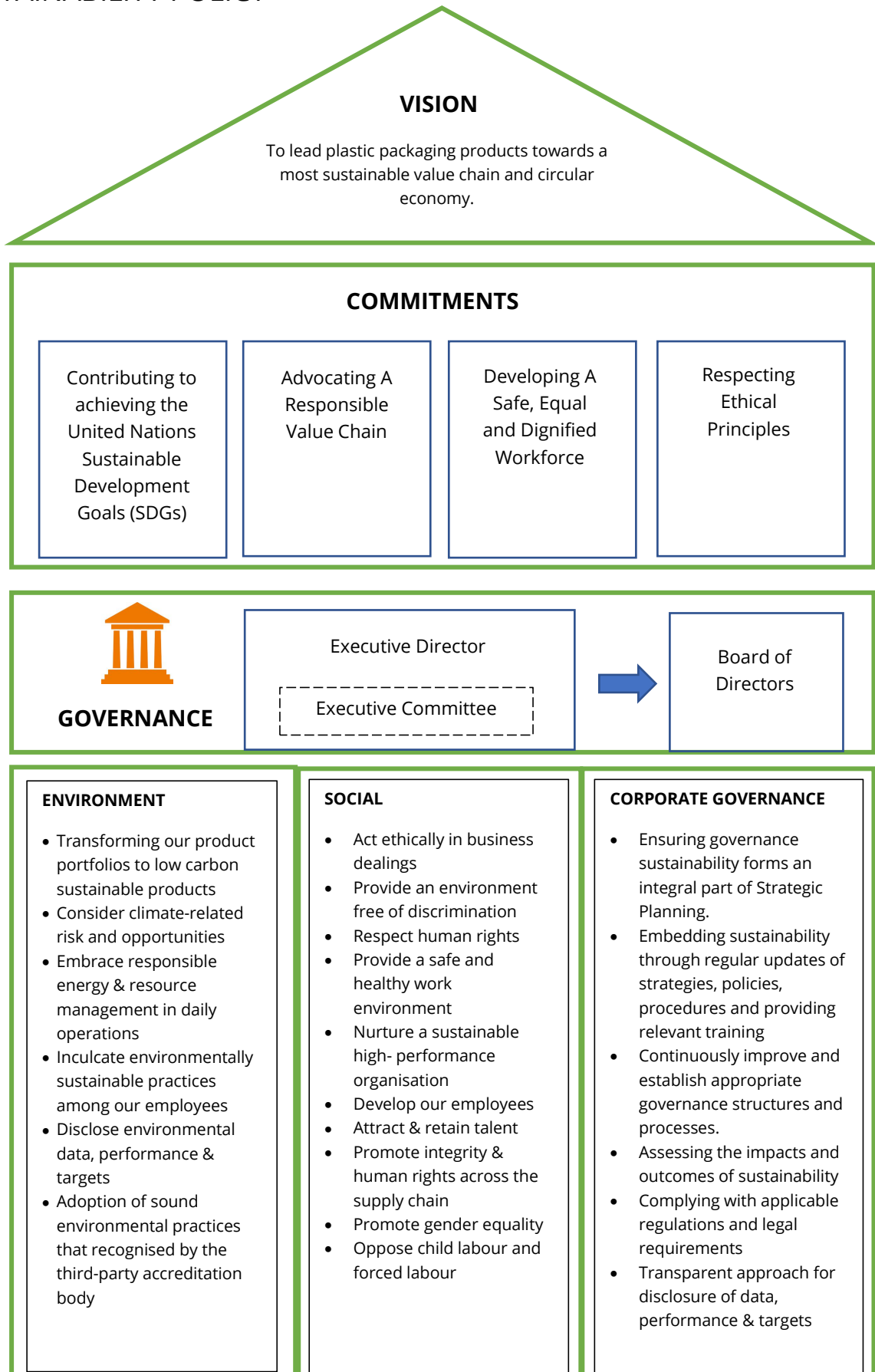




Thong Guan Industries Berhad (324203-K)

SUSTAINABILITY POLICY





1.0 INTRODUCTION

Thong Guan Industries Berhad ("TGIB") recognises the importance of sustainability to the organisation and its stakeholders. TGIB Board of Directors has the authority to design, assess and continuously revise the sustainability strategies, specifically to approve and update the corporate policies within the guidelines governing the conduct of the Company and the companies belonging to the Group.

2.0 OBJECTIVE

The main objective of the Policy is to establish guidelines on TGIB's sustainability activities and how these activities are to be conducted. The work should contribute to the sustainable development of our business operation and reflect the Company's commitment to the Sustainable Development Goals ("SGDs") of the United Nations. This will allow us to create long-term value for our stakeholders and improve our long-term performance and resilience to become a leading, sustainable plastic packaging product manufacturer.

3.0 PRINCIPLES

This Policy reinforces our commitments:

- As a responsible organisation contributing to achieving the United Nations Sustainable Development Goals (SDGs).
- As a responsible manufacturer advocating an accountable value chain.
- As a responsible employer developing a safe, equal and dignified workforce.
- As an honest organisation respecting ethical principles.

The general principles and foundations outlined in this Policy are further developed and specified in specific environmental, social and corporate governance policies that address particular needs and expectations of the Stakeholders of TGIB.

4.0 GOVERNANCE

This Policy is a matter reserved for the Board of Directors, with the Executive Director being responsible for overall compliance. The Executive Committee chaired by the Executive Director will oversee this Policy's implementation, compliance, and review.



5.0 ENVIRONMENTAL RESPONSIBILITY

5.1 Approach

- a) The Group's environmental responsibility is to protect the environment by actively endeavouring to reduce our own and our customers' environmental impact and reduce the resource we use.
- b) To achieve this, the Group aims for improved environmental performance by seeking avenues to reduce our environmental impact, whether energy usage, waste management, chemical usage, carbon emissions from daily activities and resource efficiency.

5.2 Principles

Within the environmental area, the Group focuses on the following:

- Transforming our product portfolios to low carbon sustainable products
- Embrace responsible energy & resource management in daily operations
- Inculcate environmentally sustainable practices among our employees
- Disclose environmental data, performance & targets
- Adoption of sound environmental practices that recognised by the third-party accreditation body
- Consider climate-related risk and opportunities

6.0 SOCIAL RESPONSIBILITY

6.1 Approach

- a) The overall ambition within the social area is to strive for a better society by acting as a responsible and respectful employer and contributing to improving social progress within the geographies we are operating.
- b) This will be achieved by the Group taking all people's equal value and rights into account and providing all staff with a good, safe, fair and non-discriminatory work environment. In addition to this, employee development is a priority. We also make a difference by organising/participating in numerous local corporate social responsibility (CSR) projects.
- c) The Group also focuses on the employees' occupational health and safety.



6.2 Principles

Within the environmental area, the Group focuses on the following:

- Act ethically in business dealings
- Provide free of discrimination working environment
- Respect human rights
- Provide a safe and healthy work environment
- Nurture a sustainable high- performance organisation
- Develop our employees
- Attract & retain talent
- Promote integrity & human rights across the supply chain
- Promote gender equality
- Oppose child labour and forced labour

7.0 GOVERNANCE RESPONSIBILITY

7.1 Approach

- a) The Group strives to strengthen the trustworthiness of stakeholders and structure an avenue for continuous operations and developments by permeating good governance practice throughout our operations.

7.2 Principles

Within the governance area, the Group focuses on the following:

- Ensuring governance sustainability forms an integral part of the Strategic Planning
- Embedding sustainability through regular updates of strategies, policies, procedures and providing relevant training
- Continuously improve and establish appropriate governance structures and processes
- Assessing the impacts and outcomes of sustainability
- Complying with applicable regulations and legal requirements
- Transparent approach for disclosure of data, performance & targets and opt for independent party's verification, if required.

Adopted by Board of Directors on 18 November 2021