

Policy & Procedural Manual



Policy Title : Sustainability Policy
Policy Number : 114-01
Effective Date : 22 March 2024
Approved by : Board of Directors

Sustainability Policy

1. Objective

- 1.1 TMK Chemical Bhd and its subsidiaries (the “Group”) is dedicated to achieving excellence in sustainability within our business through the incorporation of sustainable practices into our daily operations.

2. Scope

- 2.1 This Policy is applicable to the Group's business activities and operations, encompassing associated parties such as employees, customers, suppliers and business partners engaged in the Group's activities or providing products and services to the Group.

3. Principles

3.1 Environment

The Group acknowledges the significance of safeguarding the environment and is dedicated in fulfilling the following commitments:

- 3.1.1 Raise and advocate for environmental awareness within the Group and among stakeholders through this Policy and other initiatives;
- 3.1.2 Promote responsible energy and resource management in daily operations, including the implementation of carbon reduction strategies, the utilization of green technologies and the incorporation of environmentally sustainable practices whenever feasible;
- 3.1.3 Maintain an ongoing improvement program for enhancing environmental performance by integrating suitable monitoring systems and improvement objectives related to key areas of the Group's operations; and
- 3.1.4 Adhere to all relevant statutory and regulatory obligations concerning environmental matters.
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3.2 **Social**

- 3.2.1 The Group strives to uphold human rights, labour standards and legal and regulatory obligations in order to safeguard and provide assistance to the communities in which our operation centres are located.
- 3.2.2 The Group strongly advocates the following set of fundamental principles:
- (i) Embrace diversity, foster inclusivity, promote gender equality, and create an environment that is devoid of discrimination and harassment;
 - (ii) Provide and maintain a work environment that prioritizes health and safety;
 - (iii) Consistently aid the advancement and development of the social, economic and developmental aspects of local communities; and
 - (iv) Adhere to all relevant statutory and regulatory obligations concerning human rights and employment.
- 3.2.3 The Group has in place policies that support the Group's values and commitment to human rights including whistleblowing and sexual harassment policies.

3.3 **Governance and Ethics**

- 3.3.1 The Group is dedicated to carrying out business operations in an ethical, transparent and responsible manner while ensuring effective corporate governance compliance.
- 3.3.2 The Group strongly advocates the following set of fundamental principles:
- (i) Adhere to the upmost standards of business ethics, integrity and corporate governance practices;
 - (ii) Develop strong policies and continuously improve protocols to ensure the effectiveness and reliability of the Group's internal control framework;
 - (iii) Respect and value the confidentiality of personal data belonging to our stakeholders and handle all such data with care and integrity; and
 - (iv) To adhere to all relevant statutory and regulatory obligations.
- 3.3.3 The Group has in place policies and framework that support the Group's values and commitment to governance and ethics including the Business Ethics and Code of Conduct and the Anti-Bribery and Anti-Corruption Compliance and Monitoring Framework.

3.4 **Quantifiable Targets and Reporting**

- 3.4.1 The Sustainability Officer will propose for the approval of the Board of Directors (the "**Board**") short, medium and long-term quantifiable sustainability targets on an annual basis.
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3.4.2 The Sustainability Officer will present the progress to-date of the approved quantifiable sustainability targets to the Board on a bi-annual basis for their review and endorsement.

4. Policy Governance

4.1 The Board will review this Policy as necessary or if internal or external circumstances warrant more frequent assessments.

4.2 This Policy outlines general principles and guidance and does not establish any basis for any claims or liabilities against the Group by counterparts, stakeholders, third parties, etc.
