



2023

**Environmental, Social
and Governance Report**

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MBV International Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1957

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Environmental, Social and Governance Report

ABOUT THIS REPORT

MBV International Limited (the “**Company**” together with its subsidiaries, hereinafter referred to as the “**Group**” or “**MBV**” or “**we**” or “**us**”) is pleased to present our annual Environmental, Social and Governance Report for year ended 31 December 2023 (the “**ESG Report**”) to provide an overview of the Group’s management of significant issues affecting the operation, including environmental, social and governance (“**ESG**”) matters.

The Group puts the sustainable development of its business as the top priority of its long-term development goals, and incorporate climate-related issues and environmental, social and governance elements into its long-term business strategic planning. As the most important leading role of the Group, the board of directors (the “**Board**”) has the sole responsibility to oversee, manage and monitor the Group’s environmental, social and governance issues and progress directly. The Board is committed to integrating ESG principles into our business management practices.

The Group has set short-term and long-term sustainable development vision and goals to achieve ongoing emission reduction according to governmental requirements of different countries and regions gradually. Relevant emission reduction targets and corresponding strategies are established and sustainable development factors have been incorporated into the Group’s strategic planning, business model and other decision-making processes. The Board regularly monitors and reviews the effectiveness of management approach, including reviewing the Group’s environmental, social and governance performance and adjusting corresponding action plans.

Looking ahead, the Board will continue to review and monitor the environmental, social and corporate governance performance of the Group and provide material, reliable, consistent and comparable environmental, social and corporate governance information to its stakeholders for making contributions to create a better environment.

Both English and Chinese versions of this report are available on MBV’s website at www.orensport.com and website of the Stock Exchange of Hong Kong at www.hkexnews.hk. If there is any conflict or inconsistency, the English version shall prevail. Corporate governance section can be found in the Group’s 2023 Annual Report on pages 16 therein.

REPORTING PERIOD

The ESG Report illustrates the Group’s initiative and performance regarding the environmental and social aspects during the reporting period from 1 January 2023 to 31 December 2023 (the “**Reporting Period**”).

REPORTING SCOPE

This ESG Report covers major subsidiaries of the Group in Malaysia and Singapore with core business principally engaged in sourcing, wholesaling, supplying and marketing imprintable apparel and gift products all across Malaysia and Singapore. The Group will continue to assess the impacts of its business on the major ESG aspects and to include in the ESG Report.

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REPORTING BASIS

The ESG Report is prepared in accordance to the ESG Reporting Guide set out by Appendix C2 (formerly known as Appendix 27) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Group has complied with the disclosure requirements of the “comply or explain” provisions set out in the ESG Reporting Guide. Looking forward, the Group will continue to optimize and improve the disclosure of key performance indicators (“**KPIs**”) which are considered material by the Group. The ESG Report is prepared and published in both English and Chinese. In the event of contradiction or inconsistency, the English version shall prevail.

During its preparation, the Group adheres to the reporting principles of materiality, quantitative, balance and consistency by:

Reporting Principles	The Group's Application
Materiality	The Group conducts questionnaire to understand stakeholders' expectations. Based on the results of the questionnaire, the Group identifies and reports the Group's material sustainability issues.
Quantitative	The Group collects and discloses quantifiable KPIs where feasible with comparative data and information on the standards, methodologies and assumptions adopted for the calculation.
Balance	The Group follows the principles of accuracy, objectivity and fairness to report its achievements and challenges in sustainable development.
Consistency	The Group ensures consistency in preparing the report and manage its ESG data for future comparison. If there are any changes to the methodologies, calculations, or any other factors that affect meaningful comparison, the Group will make a clear explanation.



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THE ESG GOVERNANCE STRUCTURE

Effective implementation of environmental, social and governance policies relies on the collaboration of different departments. In order to endeavour to achieve the objective of sustainability development, the Group has established the ESG Committee during the Reporting Period so as to coordinate different departments and enhance their mutual co-operations for ensuring consistent work performance which could be aligned with the stakeholders' expectations. The ESG Committee comprises core members from Finance Department, Human Resource Department and Purchasing Department, and is responsible for collecting relevant information on our ESG aspects for the preparation of the ESG Report. The ESG Committee reports to the Board at least annually, assists in identifying and assessing the Group's ESG risks and opportunities, and assesses the effectiveness of the Group's ESG internal control mechanism for ensuring that the Group has taken reasonable measures to manage significant risks. For day-to-day ESG governance, the Board authorizes senior management to organize and coordinate the ESG work of each subsidiary to ensure that its strategic decisions are implemented. The Board is committed to maintaining good communications with our senior management and making timely decisions on important ESG issues, supported by regular reporting of annual ESG updates by senior management, in order to gain an understanding of the ESG performance of the Group's business. The Board understands that the establishment of ESG targets aids in the Group's ESG governance. Therefore, the Board sets ESG targets related to the Group's business where appropriate, and reviews progress made toward improving the Group's ESG performance by keeping track of the ESG KPI on a regular basis, in the environmental and social aspects, which are vital and closely related to the business of the Group. The Board will, if necessary, engage independent third parties to evaluate the Group's ESG risks and review existing strategies, targets and internal control measures. During the Reporting Period, the ESG Committee and the management reviewed the ESG governance and different ESG issues.

The Board has overall responsibility for the Group's ESG strategy and reporting. The Group identifies and manages ESG risks in order to achieve its business objectives and ensure its stable development. We adopt a risk management system under a top-down risk management structure. The Board has the overall responsibility of maintaining sound ESG risk management and internal control systems within the Group. Through exercising oversight on the Group's management and active and conducive communication with management personnels and employees who are involved in the day-to-day operation of the Group's business, the Board is able to identify material ESG risks in the aspects of emissions, consumption of resources, impact on natural resources and climate change, as well as other social aspects pertaining to our Group. As part of this, the Board is responsible for identifying and assessing the Group's significant ESG risks, determining related risk levels, and formulating counter measures for which management is implemented by relevant departments and business units. The Group believes that ESG risks have gradually becoming an important factor in its business, and has taken the approach to incorporate ESG risks into its routine risk management process as a means of enhancing its overall risk evaluation, prioritizing and management and control capabilities.

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CONTACT INFORMATION

The Group welcomes your feedback on the ESG Report for our sustainability initiatives. Please contact us through our Company website <http://www.orensport.com>.

STAKEHOLDERS ENGAGEMENT

We identified the key stakeholders of our business operations and interacted with our stakeholders regularly through various communication channels. The following table illustrates the issues of concern of our major stakeholders and the ways we communicate with them:

Stakeholder	Expectation	Engagement channel	Measures
Government	<ul style="list-style-type: none"> – Abide by laws and regulations – Fulfil duty to pay tax – Promote regional economic development and employment 	<ul style="list-style-type: none"> – On-site inspections and checks – Company website 	<ul style="list-style-type: none"> – Operated, managed and paid taxes according to laws and regulations, strengthened safety management – Accepted the government's supervision, inspection and evaluation
Shareholders and Investors	<ul style="list-style-type: none"> – Provide high transparency for information disclosure – Protect shareholder's rights and interest 	<ul style="list-style-type: none"> – Annual general meeting and other shareholder meetings – Annual report, interim report and announcements – Company website 	<ul style="list-style-type: none"> – Issued notices of general meeting and proposed resolutions according to regulations – Disclosed Company's information by publishing annual reports, interim reports and announcements – Disclosed company contact details on website and in reports and ensured all communication channels available and effective



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STAKEHOLDERS ENGAGEMENT (CONTINUED)

Stakeholder	Expectation	Engagement channel	Measures
Employees	<ul style="list-style-type: none"> – Education and training – Career development opportunities – Health and safety working environment – Safeguard the rights and interests of employees 	<ul style="list-style-type: none"> – Employee communication – Training, seminars and briefing sessions – Intranet and emails 	<ul style="list-style-type: none"> – Provided a healthy and safe working conditions and environment – Provided training to employee – Provided attractive remuneration packages
Customers	<ul style="list-style-type: none"> – Provide safe, high-quality products – Stable relationship – Business ethics 	<ul style="list-style-type: none"> – Website, brochures and annual report – Email and customer service hotline – Complaint handling mechanism – Regular meetings – Sale representatives' visits 	<ul style="list-style-type: none"> – Provided prompt quality, customized products
Suppliers	<ul style="list-style-type: none"> – Honest cooperation – Strong relationship 	<ul style="list-style-type: none"> – Suppliers review and assessment – Regular meetings 	<ul style="list-style-type: none"> – Performed contracts according to agreements – Enhanced daily communication, and established long-term cooperation with quality suppliers and contractors

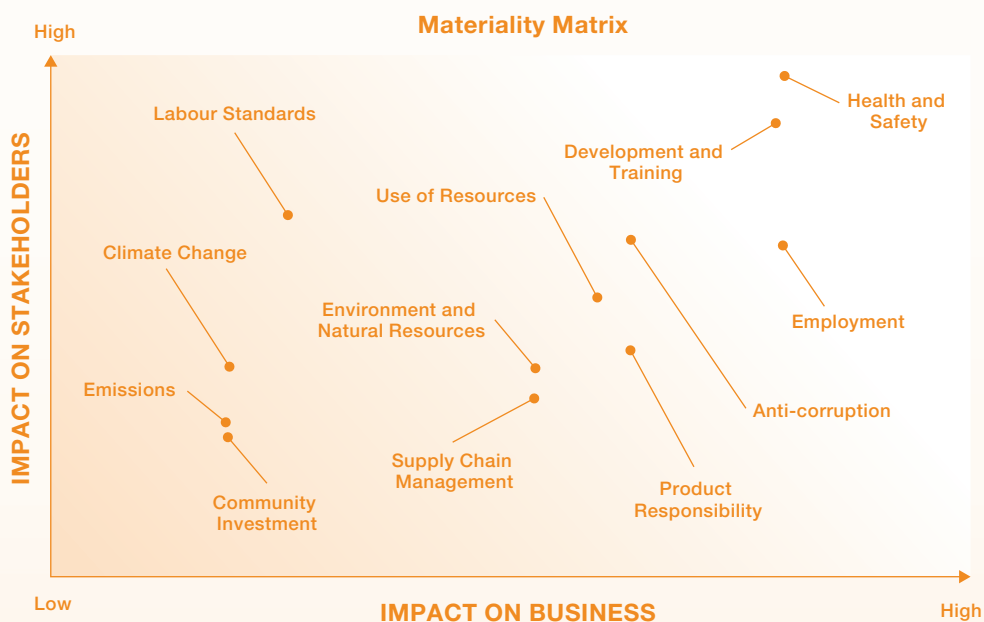
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STAKEHOLDERS ENGAGEMENT (CONTINUED)

Stakeholder	Expectation	Engagement channel	Measures
Public and communities	<ul style="list-style-type: none"> Discharge social responsibilities Community involvement 	<ul style="list-style-type: none"> Volunteering Charity and social investment Annual report Donation 	<ul style="list-style-type: none"> Carried out charitable activities Provided volunteer service, kept communication channels open between the Company and the communities

Materiality Assessment

With a growing population, challenges such as climate change, energy supply and security, raw material scarcity, human health and safety, and employment must be addressed to ensure that people can lead healthy and fulfilling lives. Faced with a wide range of issues, the Group is keen to identify those which have a great impact on its stakeholders and business, and then to develop its strategic priorities. This is why materiality assessment is an essential part of the Group's ESG management and reporting.



The Group has established a stakeholder-driven approach to analysing the importance of ESG and identified 12 issues most relevant to the Group's business. A questionnaire was then conducted, in which stakeholders were invited to rate the issues based on their importance to the Group's business and to the stakeholders themselves.



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A. ENVIRONMENTAL ASPECTS

Aspect A1: Emissions

Due to the nature of our business, our Group's operations do not directly generate significant industrial pollutants, and as such our Group did not incur direct costs of compliance with applicable environmental protection rules and regulations in past years. Our Board expects that our Group will not directly incur significant costs for compliance with applicable environmental protection rules and regulations in the future.

The Group is committed to reducing its impact on the environment and its carbon footprint whilst pursuing our quest to deliver quality and reasonable price products to our customers. Consumption of fuel and energy has been a significant contributor to greenhouse gas (“GHG”) as well as other environmental concerns. The Group believes that green logistics brings benefits, which include reduction of transportation costs and reduction of energy consumption and pollution. As such, the Group requires that trucks used for long-distance transportation are loaded to the optimal capacity. In particular, the Group encourages optimizing transportation routes and is committed to integrating existing storage spaces to enhance logistics efficiency and reduce the environmental impact of transportation. The Group has adopted various practical measures to reduce the use of natural resources (thus in turn reduce emissions) as mentioned in aspects “A2: Use of Resources” in this ESG Report.

Regarding waste, no material hazardous waste was produced during the Reporting Period. Non-hazardous waste mainly includes commercial waste. The Group promotes “reduce, reuse and recycle” to minimise waste and protect environment. Employees are encouraged to purchase supplies or equipment with an option to be upgraded and longer lifespan and to install recycling bins to collect recyclables. In order to properly control the disposal of our production wastes, we have formulated detailed environmental protection rules and guidance for our staff to follow during operation. The Human Resource Department will record and monitor the disposal of production waste on a monthly basis. In case of any abnormality, the Human Resource Department will investigate take actions to follow up. We also engaged approved disposal contractors to facilitate waste disposal and treatment, so as to minimize the impact on nature.

Thus, in light of the above mentioned, we believe that our operation does not generate hazardous waste with any significant adverse effect on the environment, and our environmental protection measures are adequate to comply with all applicable current regulations in Malaysia and Singapore.

In addition, the Group advocates emission reduction, and is committed to achieving sustainable operations. The Group had set quantitative environmental goals for reducing emissions based on the average intensity of latest two reporting years to nurture the environment and cherish natural resources. The Group will actively implement the material-saving plan and measures to maintain or reduce the intensity of waste production and emissions. The Group will review the progress and explore more opportunities for various environmental protection goals. Moreover, we are investing more resources in recycling to help the development of circular economy.

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A. ENVIRONMENTAL ASPECTS (CONTINUED)

Aspect A1: Emissions (Continued)

Environmental aspects	Targets	Steps taken to achieve the targets
Air Pollutants Emissions	The Group aims to maintain or reduce the intensity of air pollutants emissions based on the average intensity of the two preceding reporting periods, i.e. lower or equal to 0.003 (kg/Revenue RM'000)	<ul style="list-style-type: none"> – Carrying out regular maintenance of vehicles with good condition for operational efficiency – Encouraging carpooling to reduce individual vehicle usage and promoting the use of shared transportation
Greenhouse Gas Emissions	The Group aims to maintain or reduce the intensity of greenhouse gas emissions based on the average intensity of the two preceding reporting periods, i.e. lower or equal to 0.006 (tons/Revenue RM'000)	<ul style="list-style-type: none"> – Adopting LED lighting in some offices – Setting the temperature of air-conditioning system in 24°C – Switching off lights and unnecessary energy-consuming devices when they are not in use – Promoting environmental protection such as saving water and electricity by means of slogan or poster in office
Waste Production	The Group aims to maintain or reduce the intensity of waste production based on the average intensity of the two preceding reporting periods, i.e. lower or equal to 0.150 (kg/Revenue RM'000)	<ul style="list-style-type: none"> – Collecting and monitoring waste-related data – Screening suppliers for negative waste-related impacts – Re-using or recycling scrapped textiles and clothes, papers, bags, and containers for the reduction of quantity of waste – Adopting waste diversion so that different types of materials like papers, recyclable plastic and organic waste are first be sorted from general waste for reuse and recycling, and finally the non-recyclable waste has been handed over to waste disposal contractors

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A. ENVIRONMENTAL ASPECTS (CONTINUED)

Aspect A1: Emissions (Continued)

The 2023 environmental targets for air pollutants emissions, GHG emissions and waste production, and the results as at the end of Reporting Period are as follow:

Environmental KPI	Targets	Results as at the end of Reporting Period
The intensity of air pollutants emissions	Lower or equal to 0.003 (kg/Revenue RM'000)	Target achieved
The intensity of GHG emissions	Lower or equal to 0.006 (tons/Revenue RM'000)	Target achieved
The intensity of waste production	Lower or equal to 0.150 (kg/Revenue RM'000)	Target achieved

Note:

The 2023 emission targets for each environmental KPIs are set based on the average intensity of the year 2021 and 2022.

During the Reporting Period, there was no material breach of or non-compliance with the applicable laws and regulations related to environmental protection, air and greenhouse gas emissions, discharges into water and land which have a significant impact to the Group.

Major air pollutants emissions from vehicles during the Reporting Period and the corresponding period in 2022 are as follows:

Air Pollutant Emission

Type of Air Pollutants	Air Pollutant Emission (kg)	
	2023	2022
Nitrogen Oxides	469.37	444.47
Sulphur Dioxide	3.20	3.02
Particulate Matter	32.86	31.90
Air Pollutant Intensity (kg/Revenue RM'000)	0.002	0.002

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A. ENVIRONMENTAL ASPECTS (CONTINUED)

Aspect A1: Emissions (Continued)

The GHG emission from the operation during the Reporting Period and the corresponding period in 2022 are set out below:

GHG Emission

Type of GHG emissions	Equivalent CO ₂ emission (tons)	
	2023	2022
Scope 1 Direct emissions	562.26	525.64
Scope 2 Indirect emissions	411.62	381.47
Total	973.88	907.11
Intensity (tons/Revenue RM'000)	0.005	0.005

Note:

GHG emission data are presented in terms of carbon dioxide equivalent, with reference to, including but not limited to, the reporting requirements of "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange of Hong Kong, "A Corporate Accounting and Reporting Standard" from The GHG Protocol, and GHG emission factors from "IGES List of Grid Emission Factors" published by Institute for Global Environmental Strategies in 2023.

Scope 1: Direct emissions are mainly sources from vehicles owned by the Group

Scope 2: Indirect emissions are mainly sources from the generation of purchased electricity consumed by the Group

Hazardous and non-hazardous waste

During the Reporting Period, no significant non-hazardous waste is generated other than the scrapped textiles, clothes and paper amounting to approximately 24,588 kg (0.12 kg/Revenue RM'000) during the course of production (2022: 25,817 kg (0.13 kg/Revenue RM'000)). The Group has engaged collectors to handle and collect the non-hazardous waste produced so as to minimize the environmental impact.

During the Reporting Period, the Group has no significant hazardous waste generated due to our business nature, and there was no material breach of or non-compliance with the applicable laws and regulations related to generation of hazardous and non-hazardous wastes that have a significant impact to the Group. The Group will actively implement material-saving plan and measures to maintain or reduce the intensity of waste production.



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A. ENVIRONMENTAL ASPECTS (CONTINUED)

Aspect A2: Use of Resources

The Group places high priority on the efficient use of resources. The major resources used by the Group are fuels, electricity, water, and packaging materials. The Group strives to improve the efficient use of natural resources, such as minimising waste/emissions and implementing effective recycling program.

Electricity saving measures are encouraged that electrical appliances are required to be set at energy saving mode where possible. For computers, the idle mode is configured to commence upon 10 minutes or less without inputs. The room temperature should be set in 23-25° C. Also, power supply would be switched off when they are not in use. Preference will be given to office equipment with relatively high energy efficiency. We are committed to strictly following the procurement plan in order to avoid duplication of purchase and idle resources and focusing on quality management so as to reduce wastage and scrap for less pollution resulted.

Water is one of the most important natural resources for the daily operation. Although the Group did not encounter any issue in sourcing water that is fit for purpose, we strive to reduce water consumption and improve the efficiency of water use in our operations. During the Reporting Period, the increase in water consumption compared to the previous year is due to the increase of foreign employees hired, as we have provided hostels for these employees. The Group has displayed “Saving Water Resource” posters office premises, warehouses and hostels to raise employees’ awareness of water conservation. In addition, the Group also regularly inspects and repairs the water supply system, including water taps, water pipelines and water storage tanks. Once the water supply equipment is found to be dripping or leaking, professional parties will be arranged to repair the water supply equipment immediately to reduce waste caused by leakage of the water supply system.

The main packaging materials we use is made of plastic. We try our best to keep packaging to minimum, and are continuously looking for opportunities to further reduce packaging while maintaining sufficient protection of our products during their transportation from the manufacturing point to our end-consumers.

In addition, the Group advocates energy and resources saving, and is committed to achieving sustainable operations. The Group had set quantitative goals in terms of energy use efficiency and water efficiency based on the intensity of latest two reporting years, in order to perform better energy conservation and water conservation. The Group will actively implement the electricity-saving plan, water-saving plan and measures to maintain or reduce the intensity of electricity consumption and water consumption. The Group will review the progress and explore more opportunities for various environmental protection goals. Moreover, we are investing more resources in recycling to help the development of circular economy.

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A. ENVIRONMENTAL ASPECTS (CONTINUED)

Aspect A2: Use of Resources (Continued)

Environmental aspects	Targets	Steps taken to achieve the targets
Energy Conservation	The Group aims to maintain or reduce the intensity of energy conservation based on the average intensity of the two preceding reporting periods, i.e. lower or equal to 14.41 (kWh/Revenue RM'000)	<ul style="list-style-type: none"> – Adopting LED lighting in some manufacturing facilities, warehouses, and others – Setting the temperature of air-conditioning system in 24°C – Switching off lights and unnecessary energy-consuming devices when they are not in use – Using efficient electrical appliances and fuel-efficient vehicles – Tracking and reporting energy usage, reduction and intensity over time
Water Conservation	The Group aims to maintain or reduce the intensity of water conservation based on the average intensity of the two preceding reporting periods, i.e. lower or equal to 0.10 (m ³ /Revenue RM'000)	<ul style="list-style-type: none"> – Promoting environmental protection such as saving water and electricity by slogan or poster in office and factories – Reducing water usage in the value chain

The 2023 environmental targets for energy conservation and water conservation, and the results as at the end of Reporting Period are as follow:

Environmental KPI	Targets	Results as at the end of Reporting Period
The intensity of energy consumption	Lower or equal to 14.41 (kWh/Revenue RM'000)	Target achieved
The intensity of water consumption	Lower or equal to 0.10 (m ³ /Revenue RM'000)	Target achieved

Note:

The 2023 emission targets for each environmental KPIs are set based on the average intensity of the year 2021 and 2022.

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A. ENVIRONMENTAL ASPECTS (CONTINUED)

Aspect A2: Use of Resources (Continued)

Energy, water and packaging materials consumption by the Group during the Reporting Period and the corresponding period in 2022 are set out below:

Energy Consumption

Type of energy	Energy consumed (kWh)	
	2023	2022
Unleaded petrol	1,004,370.74	973,526.86
Diesel	1,115,150.32	1,022,820.89
Purchased electricity	638,374.00	591,617.00
Total	2,757,895.06	2,587,964.75
Energy intensity (kWh/Revenue RM'000)	13.07	13.01

Water Consumption

	Water consumed (m ³)	
	2023	2022
Running water consumed	21,838.00	16,119.00
Intensity (m³/Revenue RM'000)	0.10	0.08

Packaging materials

Type of packaging materials	Packaging materials (tons)	
	2023	2022
Plastic	37.35	54.08
Intensity (tons/Revenue RM'000)	0.00018	0.00027

Aspect A3: The Environment and Natural Resources

The Group raises staff's awareness on environmental issues through education and training and enlist employees' support in improving the Group's performance, promote environmental awareness amongst the customers, business partners and shareholders and support community activities in relation to environmental protection and sustainability and evaluate regularly and monitor past and present business activities impacting upon health, safety and environmental matters. With the integration of policies mentioned in sections "Emissions" and "Use of Resource", the Group strives to minimise the impacts to the environment and natural resources. The principal business activities of the Group do not have a significant impact on the environment and natural resources during the Reporting Period.

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A. ENVIRONMENTAL ASPECTS (CONTINUED)

Aspect A4: Climate Change

Climate change is among the most pressing global challenges of our time. We are committed to mitigating climate-related risks to ensure the long-term success and sustainability of our business operations. A list of potential climate-related risks and opportunities pertinent to our business operations has been identified. Regarding the potential risks identified, the Group organizes and develops prevention and control measures. The operating departments would then organize the supervision of material risks prevention and control, and report the material risks to the management. Relevant operating departments arrange the implementation of the material risks prevention and control measures, continuously monitor the implementation, and timely report the progress or any issues encountered to the management. At the same time, we would adjust the use of resources and energy. Steps taken to manage climate-related risks and opportunities are as follows:

Type	Climate-Related Risks/Opportunities	Actual or Potential Impacts	Steps Taken to Manage the Risks/Opportunities
Physical Risks	Acute	<ul style="list-style-type: none"> • Temporary business suspension • Extreme weather events can disrupt supply chains, leading to production delays 	<ul style="list-style-type: none"> • Rescheduling the delivery time of products to customers • Relocating some of the affected staff of the Group to another district which is not affected by extreme weather to mitigate the impacts to their work and life
	Chronic	<ul style="list-style-type: none"> • Changes in precipitation patterns and extreme variability in weather patterns • Rising sea levels • Rising average temperature 	<ul style="list-style-type: none"> • Delivery schedule to the customer's location is delayed • Increase of capital costs • Increased operating costs • Increase of insurance premiums and potential for reduced availability of insurance on assets in "high-risk" locations • Flexible working arrangement have been taken by the Group under flooding or other extreme weather • Reducing carbon footprint • Closely monitoring assets or business activities vulnerable to material climate-related physical risks • The rise in average temperature caused by climate change may affect the yield of agricultural products, which may lead to a reduction in production of natural fibers such as cotton in the long term, pushing up the purchase price and eventually affecting corporate income



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A. ENVIRONMENTAL ASPECTS (CONTINUED)

Aspect A4: Climate Change (Continued)

Type	Climate-Related Risks/Opportunities	Actual or Potential Impacts	Steps Taken to Manage the Risks/Opportunities
Transition Risks	<p><u>Policy and Legal</u></p> <ul style="list-style-type: none"> Higher costs for GHG emissions Tightened regulation and inspections on existing products and services Enhanced emissions-reporting obligations 	<ul style="list-style-type: none"> Increased operating costs, such as higher compliance costs, increase of insurance premiums A carbon price could set the direction for the market, and encourage low-carbon energy consumption and innovation in low-carbon technologies. If the Group emits more GHG emissions than it is allowed to, it will have to incur extra operating costs Write-offs, asset impairment, and early retirement of existing assets due to policy changes Government or industry associations may impose increasingly stringent requirements on the energy consumption standards of the products and the carbon intensity of the industry, including possible requirement for the carbon footprint label of products or carbon intensity per unit weight of product 	<ul style="list-style-type: none"> Setting up a target to reduce GHG emission Procure products or purchase services from suppliers that adopt sustainable operating practices Identify relevant material climate-related risks and improve disclosure

Environmental, Social and Governance Report



A. ENVIRONMENTAL ASPECTS (CONTINUED)

Aspect A4: Climate Change (Continued)

Type	Climate-Related Risks/Opportunities	Actual or Potential Impacts	Steps Taken to Manage the Risks/Opportunities
Transition Risks (continued)	<u>Technology</u>		
	<ul style="list-style-type: none"> • Substitution of existing products or services with lower emissions options • Inefficient investment in new technologies • Costs to transition to lower emissions technology 	<ul style="list-style-type: none"> • Capital investments in technology development • Write-offs and early retirement of existing assets • Possibly reducing future demand for products and services • Research and development (R&D) expenditures in new and alternative technologies • Costs to adopt or deploy new practices and processes 	<ul style="list-style-type: none"> • Conducting financial planning • Preparing budgets for R&D expenditures and capital investments in new and alternative technologies
	<u>Market</u>		
	<ul style="list-style-type: none"> • Changing customer behavior • Uncertainty in market signals 	<ul style="list-style-type: none"> • Possibly reducing future demand for goods and services due to shift in consumer preferences • Increased production costs due to changing input prices, such as energy, water, and output requirements such as, waste treatment 	<ul style="list-style-type: none"> • Responding to market signals • Prioritize the climate change as a high concern in the market decisions to show to the clients that the company is concerned about the problem of climate change
	<u>Reputation</u>		
	<ul style="list-style-type: none"> • Shifts in consumer preferences • Increasing of stakeholder concerns 	<ul style="list-style-type: none"> • Possibly reducing future demand for goods or services • Reduction in capital availability 	<ul style="list-style-type: none"> • Seeking for alternative products or services with low emission • Addressing stakeholders' concerns or feedback

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A. ENVIRONMENTAL ASPECTS (CONTINUED)

Aspect A4: Climate Change (Continued)

Type	Climate-Related Risks/Opportunities	Actual or Potential Impacts	Steps Taken to Manage the Risks/Opportunities
Opportunities	Use of low carbon energy sources	<ul style="list-style-type: none"> Investment in renewable energy is critical to lowering GHG emissions in our value chain, which may reduce operating costs in long run 	<ul style="list-style-type: none"> Adopting environmentally-friendly and eco-friendly practices to the supply chain and emphasis our green procurement requirement
	Implementing circular business models	<ul style="list-style-type: none"> Circular business models create opportunities for the group to generate new revenue streams while reducing its environmental impact 	<ul style="list-style-type: none"> Reducing waste stream at source
	Adopting sustainable procurement	<ul style="list-style-type: none"> By collaborating with suppliers and adopting sustainable procurement, choosing natural and biodegradable ingredients, not only reduces environmental impact but also attracts environmentally conscious consumers, increasing market share and revenue growth 	<ul style="list-style-type: none"> Implementing measures of energy efficiency
	Solar energy utilization	<ul style="list-style-type: none"> Reducing greenhouse gas emissions while lowering operational costs, or complying with the government's Net Metering Scheme (a renewable energy scheme launched by the Malaysian government with the aim of encouraging households and businesses to install solar power systems, while the energy produced from the solar PV installation will be consumed first, and any excess energy will be exported to TNB (Tenaga Nasional Berhad) at the prevailing displaced cost) may potentially generate revenue 	

We will continue to monitor the climate-related risks and implement relevant measures to minimize the potential impact of climate change.



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B. SOCIAL ASPECTS

Aspect B1: Employment

The Group believes that a key to our success is our ability to recruit, retain, motivate and develop talented and experienced staff members. We endeavour to attract and retain appropriate and suitable personnel to serve our Group. Our Group assesses the available human resources on a continuous basis and will determine whether additional personnel are required to cope with the business development of our Group. The Group strictly complies with relevant laws and regulations (and their latest amendments) regarding employment and labour protection which have a significant impact on the Group, including but not limited to the Employment Act 1955, the Employees Provident Fund Act 1991, the Employees' Social Security Act 1969, the Employment Insurance System Act 2017 in Malaysia and the Employment Act and the Employment of Foreign Manpower Act in Singapore. The Group's human resources manual sets out our standards for compensation and dismissal, recruitment and promotion, working hours, rest periods, confidentiality, and other benefits and welfare.

We have a recruitment policy in place to maintain a fair and effective recruitment procedure. Under such policy, we normally recruit employees with the appropriate skills, both technical and personal, in order to meet our current and future needs and to ensure that the employees appointed are qualified and competent to carry out the duties. We have always maintained a good working relationship with our employees.

We entered into individual labour contracts with each of our employees in accordance with the applicable labour laws of Malaysia and Singapore, which cover matters such as wages, employee benefits and grounds for termination. The remuneration package our Group offers to our employees includes salary, bonuses, allowances and medical benefits. In general, we determine an employee's salary based on each employee's qualifications, experience and capability as well as the prevailing market remuneration rate.

The Group recognizes the value of a diverse and skilled workforce and is committed to creating and maintaining an inclusive and collaborative workplace culture in which all employees can thrive. The Group advocates the principles of equal employment opportunities and diversity without any forms of discrimination. Discrimination, including unjust or prejudicial treatment of anyone due to certain personal characteristics, such as race, gender, ethnicity, religion, disability, age and marital status, is strictly forbidden. We have a policy of Prohibition of Discrimination to protect the legitimate rights and interests of employees.

Our Group considers that our employees play a pivotal role in our continuous growth. It is our policy to maximise the potential of our employees through training and development. Our Group provides both internal and external training related to marketing knowledge, good customer service, safety and quality management and other useful topics. For new hires, our Group provides an induction training programme followed by on-the-job training during their probation period, and continually monitors their progress throughout the probation period. Our employee training and development aim at equipping our employees with the knowledge and skills necessary to perform their job functions and enhance their capability. We believe this will also increase the overall competitiveness of our workforce and can maintain good relationship with our employee as we believe that our employees are valuable assets to our Group.

During the Reporting Period, there were no material non-compliance regarding employment brought against the Group or its employees, and relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination, and other benefits and welfare.

Environmental, Social and Governance Report

B. SOCIAL ASPECTS (CONTINUED)

Aspect B1: Employment (Continued)

Below is a detailed breakdown of our employees employed under our major subsidiaries of the Group in Malaysia and Singapore by gender, age group, employment category and location as at 31 December 2023 and 2022:

	2023		2022	
	Number of staff	% of total	Number of staff	% of total
By gender				
Male	222	51.0	219	49.0
Female	215	49.0	228	51.0
Total	437	100.0	447	100.0
By age group				
30 or below	206	47.1	212	47.4
31–40	118	27.0	122	27.3
41–50	68	15.6	66	14.8
51 or above	45	10.3	47	10.5
Total	437	100.0	447	100.0
By employment category				
Contract or short term	–	–	–	–
General	360	82.4	368	82.3
Middle and Senior	77	17.6	79	17.7
Total	437	100.0	447	100.0
By location				
Malaysia	424	97.0	435	97.3
Singapore	13	3.0	12	2.7
Total	437	100.0	447	100.0

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B. SOCIAL ASPECTS (CONTINUED)

Aspect B1: Employment (Continued)

Below is a detailed breakdown of turnover rate of our employees employed under our major subsidiaries of the Group in Malaysia and Singapore by gender, age group and location as at 31 December 2023 and 2022. They are defined by the categories of employees leaving employment divided by the average number of employees in those specified categories.

	2023		2022	
	Number of staff	% of total	Number of staff	% of total
Turnover rate by gender				
Male	55	24.9	31	16.8
Female	77	34.8	61	26.0
Total	132	29.9	92	22.0
Turnover rate by age group				
30 or below	80	38.3	61	31.6
31–40	25	20.8	17	14.5
41–50	13	19.4	11	17.6
51 or above	14	30.4	3	6.6
Total	132	29.9	92	22.0
Turnover rate by location				
Malaysia	129	30.0	92	22.0
Singapore	3	24.0	–	–
Total	132	29.9	92	22.0

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B. SOCIAL ASPECTS (CONTINUED)

Aspect B2: Health and Safety

The Group places a strong emphasis on occupational safety of our staff. The Group strictly complies with the Occupation Safety & Health policy and relevant laws and regulations (and their latest amendments) regarding safe working environment and labour protection from occupational hazards that have a significant impact on the Group, including but not limited to the Occupational Safety and Health Act 1994 in Malaysia, the Workplace Health and Safety Act (“**WSH**”), Work Injury Compensation Act (“**WICA**”) in Singapore. During the course of our business operations, our staff working at our warehouses are required to lift heavy objects racks and handle heavy mechanical equipment and our staff performing cutting and sewing operating are required to handle cutting and pattern machines, sewing machines and machinery for specific tasks. They are provided with staff instructions manuals and supervision on-site to ensure their safety and health at work. We also provide regular internal and external trainings to our employees regarding operational and work safety.

The Group is committed to maintain a safe working environment which poses no threat to health under the Group’s control and inspect any unsafe condition and fixing it immediately. The management of the Group will continuously monitor the implementation of the aforementioned policy.

The Group maintains fire insurance, motor vehicles insurances, burglary insurances, glass insurance, money insurance, public liability insurance, surgical scheme policy and foreign workers compensation scheme policy for foreign workers.

We maintain an internal record of our work injuries, there were 2 injury cases with 21 lost working days due to work injuries during the Reporting Period. No official record of any fatal accident and major work-related fatalities in the Reporting Period, and there was no record of work-related fatality for at least three consecutive reporting years.

During the year ended 31 December 2023, the data of the Group’s work-related injuries and fatalities of the past three reporting years (including the Reporting Period) are listed as below:

	2023	2022	2021
Number of Work-related Fatalities:	–	–	–
– Rate of work-related fatalities:	–	–	–
Number of Work Injuries:	2	2	–
– Lost days due to work injury	21	12	–

In view of the outbreak of novel coronavirus (“**COVID-19**”) since the beginning of 2020, the Group has established COVID-19 Workplace Guidelines Policy for taking appropriate action to help containing the spread of the disease and ensure maximum protection to safeguard our employees.

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B. SOCIAL ASPECTS (CONTINUED)

Aspect B3: Development and Training

The Group recognizes the importance of training for the development of our employees as well as our Group. We provide various types of trainings to our employees as mentioned in aspects “B1: Employment” and “B2: Health and Safety” in this ESG Report. We believe it is a win-win approach for achieving both employee and corporate goals as a whole.

Below is a detailed breakdown of the percentage of employees trained by gender and employment category during the Reporting Period and the corresponding period in 2022:

	2023	2022
Employee trained by gender		
Male	31%	12%
Female	69%	88%
Total	100%	100%
Employee trained by employment category		
Senior management	9%	47%
Middle management	60%	18%
General staff	31%	35%
Total	100%	100%

Note:

The calculated percentage represents the proportion of employees in specified category who have participated in training, out of the total employees who have received training.

The average training hours for employees by gender and employment category during the Reporting Period and the corresponding period in 2022 are as follows:

	2023 Hours per employee	2022 Hours per employee
By gender		
Male	3.4	0.1
Female	3.2	0.7
By employment category		
Senior management	3.3	3.6
Middle management	13.9	0.7
General staff	1.8	0.1



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B. SOCIAL ASPECTS (CONTINUED)

Aspect B4: Labour Standards

The Group is fully aware that child labour and forced labour violate fundamental human rights and also pose threat to sustainable social and economic development. The Group strictly complies with relevant labour laws in Malaysia and Singapore and prohibits the use of child labour and forced labour. The Group has established the recruitment policy and stipulated that child labour and forced labour were prohibited. The Group also complies with relevant laws and regulations (and their latest amendments) regarding employment and labour protection including but not limited to the Minimum Wages Order 2022, the Children and Young Persons (Employment) Act, the Employment Act 1955 in Malaysia and the Employment (Children and Young Persons) Regulations in Singapore. Employment contracts and other records, documenting all relevant details of the employees (including age) are properly maintained for verification by relevant statutory body upon request. During the recruitment process, the Group would verify the actual age of the applicants by checking their identity documentations and other records to avoid hiring any child labour. Terms and condition are stated in employment contract for employee to review before signing into contract, while duties and responsibilities are identified before recruitment.

If any violation is discovered, it will handle it in a serious manner, depending on the actual situation, it will be handled in accordance with national and local laws and regulations.

During the Reporting Period, we did not identify any issue related to child labour or forced labour within the Group.

Aspect B5: Supply Chain Management

The Group works closely with its customer, suppliers and subcontractors who are committed to high quality, environmental, health and safety standards. The Group has measures to ensure that the products and services provided meet its standards. The Group also monitors the environmental and social performance of its suppliers and subcontractors to ensure that its requirements are met, and to reduce the environmental and social risks caused by procurement and subcontracting.

Suppliers

Our suppliers primarily include our Original Equipment Manufacturers (“**OEMs**”) for ready-made products and suppliers of raw materials including yarn, fabric and accessories such as buttons, zippers, packing materials, labels and other materials mainly in the People’s Republic of China (“**PRC**”), Bangladesh, Malaysia and other Asian countries. We had over 17 (2022:22) major OEMs and over 17 (2022:14) major raw material suppliers. The majority of our products are ready-made products we sourced and procured from OEMs primarily located in the PRC and Bangladesh. We usually place production orders with our OEMs weekly based on our daily inventory report for ready-made products. To determine whether to assign our production orders to suppliers in the PRC, Bangladesh or other countries, we typically take their prices, business relationship with us, technical capabilities, production capacities, delivery schedules and their respective strength and expertise into consideration.



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B. SOCIAL ASPECTS (CONTINUED)

Aspect B5: Supply Chain Management (Continued)

Suppliers (Continued)

Policies and procedures for selection and evaluation of suppliers are established for staff to follow. We have a careful selection process for our suppliers, including OEMs and raw material suppliers. We evaluate our prospective suppliers based on a number of factors, including their financial performance, technical strengths, product quality, quality control effectiveness, pricing, core management team, credit rating, size, reputation, production capacity and ability to meet our delivery timeline. Apart from product quality, delivery time and service quality, we evaluate if the suppliers consider the environmental and social criteria including the prohibition on the recruitment of child and forced labour, eliminating discrimination to employees, providing a safe working environment, considering if the products and services provided are beneficial to environmental protection and fulfilling the Group's internal environmental requirement while minimizing the negative impact to natural environment, and strictly obeying the law. We will select suppliers that meet the following product criteria for environmentally friendly procurement: more suitable for reuse; using high recycled content; with less packing and greater durability; meeting higher energy efficiency requirements; utilizing clean technology or clean fuels; resulting in reduced water consumption; emitting fewer irritating or toxic substances during installation or use; or resulting in smaller production of toxic substances, or of less toxic substance, upon disposal. Our procurement personnel will conduct on-site investigations if necessary. We also conduct annual evaluations on our suppliers, including OEMs and raw material suppliers and cease to procure from those suppliers who (i) deliver off-standard products for a continuous period; (ii) refuse to replace or refund defective products; (iii) fail to meet our requisite standards, such as production capacity, environmental, health and safety standards, under our annual evaluation; and (iv) perform any actions which significantly affect our business interests.

Subcontractors

When our Johor Facilities are working in full capacity, our Group may subcontract the production to subcontractors. We generally provide the subcontractors with the fabrics to be used and the specification and design of the products. In addition, we engage subcontractors for services such as silkscreen printing and embroidery. During the Reporting Period, we had approximately 7 (2022:11) major subcontractors mainly in Malaysia. We monitor the quality of the outsourced products as well as the service provided by our subcontractors closely to ensure that products manufactured or processed externally meet our requirements including but not limited to environmental, health and safety standards, including the prohibition on the recruitment of the child and forced labour, eliminating discrimination to employees, providing a safe working environment, considering if the services provided are beneficial to environmental protection and fulfilling the Group's internal environmental requirement. We will review the performance of our subcontractors on an annual basis. Our Directors believe that our Group had a stable working relationship with our subcontractors during the Reporting Period.

Our Group evaluate the subcontractors taking into account of their technical capability, track records, services, prices, production capabilities, ability to complete the manufacturing procedures in a timely manner and product quality. Based on these factors, our Group selects and maintains a list of subcontractors approved by our Directors.

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B. SOCIAL ASPECTS (CONTINUED)

Aspect B5: Supply Chain Management (Continued)

Subcontractors (Continued)

Our Group will generally obtain a number of quotations from the list of approved subcontractors and select the most suitable one based on fee quotes and track records, before placing subcontracting orders with the respective subcontractors. Apart from subcontracting fee, our Group also set out other terms of subcontracting service including terms of payment, method and time of delivery in the order form with the subcontractors. Our Group had not entered into any long-term agreements with our subcontractors during the Reporting Period. In order to ensure that the products meet the required quality standard, our Group performs quality inspection on the finished products provided by the subcontractors.

The Group supervises and inspects the suppliers and subcontractors which are providing processes, subcontracting works and services to the organization. The Group regularly reviews the updates of policies and laws related to the supply chain, and communicates with internal and external stakeholders to understand and identify potential environmental and social risks within its supply chain. We believe there are no significant environmental and social risks for our management decision on supply chain management during the Reporting Period.

The following is an analysis of the Group's number of suppliers, OEMs and subcontractors by geographical location during the Reporting Period and the corresponding period in 2022:

Number of major suppliers, OEMs and subcontractors by

	2023	2022
Bangladesh	2	3
Malaysia	26	24
PRC	11	17
Others	2	3

Aspect B6: Product Responsibility

Quality Control

We monitor the quality of the finished products by performing quality inspection to ensure that products manufactured meet our quality control standards. We maintain quality control procedures for our products produced by our OEMs and subcontractors, and as well as those produced in facilities in Johor, we also inspect the raw materials with the view to ensuring the overall quality of our products. We generally follow up with our suppliers and/or our production department on production and delivery schedules in order to ensure that the finished products can be delivered or produced in accordance with our requirements. Our staff members who are responsible for quality control perform inspections on the products to ensure they meet the relevant specifications. During warehouse picking activities, if we found any discrepancy in terms of item, sizes or colors, the responsible personnel will issue a Picker Capture Form and feedback to the related departments for further action. A Defects Form will be issued to related department for further action once any products quality issue raised.



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B. SOCIAL ASPECTS (CONTINUED)

Aspect B6: Product Responsibility (Continued)

Quality Control (Continued)

Other than engaging in a number of OEMs and subcontractors in the PRC, Bangladesh and other countries to produce major imprintable apparel and gift product, the Group also leverage on its own facilities to manufacture imprintable apparel with special designs, requirements or specifications. We select raw materials based on health and safety considerations and adhere to health, safety, and environmental standards during the fabric dyeing process to minimize any negative impacts on the environment. We always ensure that our in-stock products are dyed in the most environmentally friendly manner by our subcontractors when subcontracting such processes, without the use of chemical dyes, for a healthier experience for consumers. Our products will therefore not irritate the skin or cause skin sensitivity issues, thus providing our customers the best consumer experience.

During the Reporting Period, there are no product sold or shipped subject to recall for safety and health reasons. Customers are always encouraged to give their feedback and opinions via service hotline and social media platforms, we did not receive any material claims or complaints by our customers in respect of the quality of our products and there was no incident of failure of our quality control procedures which had a material and adverse impact on our business operations.

Product Labelling and Advertising

The Group regularly attends and participates in exhibitions and promotional events in Malaysia and Singapore, such as the Malaysia Gifts Fair organized by the Malaysian Gifts & Premium Association. These events serve as platforms for us to showcase our new products and help promote brand awareness and broaden our customer base. For any marketing and promotional activities, the Group ensures that relevant activities observe applicable laws and regulations. No false nor misleading contents shall be contained in any advertisement and labels. The Group requires careful review of advertising material and also regulate product labeling to ensure that information presented on labels is accurate and not misleading.

Product Return Policy

Our products are subject to final inspections before delivery to the customers' designated locations to ensure that they conform with our specifications and quality requirements. We do not have any return policy in respect of our products. However, we may accept a return of products due to quality issues or require our OEMs to rectify any defects our customers identified after delivery of the products to them. In the event that issues relating to product return arise, we follow up closely with our customers on any claims or requests for product return, payment refund, rectification or price discount, and may enter into negotiations with our customers to resolve the issue on a case by case basis. During the Reporting Period, there had been no material claims against us in relation to defective products and there had not been any material product returns from customers.



Environmental, Social and Governance Report

B. SOCIAL ASPECTS (CONTINUED)

Aspect B6: Product Responsibility (Continued)

Compliance with Relevant Laws and Regulations

The Group is not aware of any material non-compliance with relevant laws and regulations that have a significant impact relating to health and safety, advertising, labelling and privacy matters regard to products and services provided by the Group during the Reporting Period.

Protection of Intellectual Property Rights

In order to maximize the protection of our intellectual property, the Group has registered trademarks in certain countries and regions. The Group understands and complies with the intellectual property (“IP”) rights regulations. During the Reporting Period, there was no material infringement of the IP rights and the Group is confident that all reasonable measures have been taken to prevent any infringement of its IP rights and the IP rights of third parties. We retain the legal ownership of all designs, inventions or ideas developed by our employees during the course of their employment.

Customer Information and Privacy Protection

Subject to compliance with the relevant privacy protection regime, the Group will strive to protect and monitor the privacy of customer information. Any organizations or personnel are prohibited to access customer information without relevant approval by the Group. Practical measures are implemented as follows:

- Only related staff can access to customers’ data
- External drives or USB are not allowed to access to computers in order to reduce the risks of customer data leakage
- Update software periodically to avoid malicious attacks

Aspect B7: Anti-Corruption

To ensure operation efficiency and employees’ development in a fair and honest working environment, the Group has formulated whistleblowing policy in the corporate governance manual in order to promote business ethics and integrity so as to avoid suspected corruption, extortion and money laundering channel such as by letter and email for employees to report suspected corruption are provided. If there are any suspected case related to corruption, employees are encouraged to report the related cases through the mentioned channels. All these practical actions not only win the trust of customers, but also enhance the sense of belonging and fair play among our employees.



Environmental, Social and Governance Report

B. SOCIAL ASPECTS (CONTINUED)

Aspect B7: Anti-Corruption (Continued)

Familiarising directors and employees with all aspects of anti-corruption and helping them identify and mitigate associated risks is integral, and we are committed to providing regular online anti-corruption and fraud training courses for directors and employees as a supplement to training and development on regulatory compliance. During the Reporting Period, the Group organized training sessions on anti-corruption for directors and staff to strengthen the relevant management on the prevention, implementation and oversight of anti-corruption measures in the Group. During the Reporting Period, a total of 187 (2022:8) individuals participated in the training for a combined total of 94 (2022:36) hours.

The Group has been in strict compliance with law and regulation related to anti-corruption. During the Reporting Period, there was no legal case regarding corrupt practices, extortion and money laundering brought against the Group or its employees.

Aspect B8: Community Investment

As a socially responsible company, the Group is committed to understanding the needs of the communities in which we operate. The Group strives to develop long-term relationship with our stakeholders and seek to make contributions to programmes that have a positive impact on community development. Apparel and other in-kind donations based on community needed will be at the core of the Group's community investment strategy.

During the Reporting Period, the Group actively organized and participated in various public welfare activities, continuously invested public welfare resources in the fields of education development, giving donations with a total value of approximately RM30,000 (2022: RM15,000). In the future, the Group will continue to participate in community development, actively fulfill its social responsibilities and contribute to the construction of a harmonious society.

Donating funds to promote educational development

The Group focuses on education development and strongly supports local educational activities. During the Reporting Period, we have donated a total of approximately RM30,000 to assist SJK (Cina) Chong Hwa Rengit (“龍引中華國民型華文學校”) in improving their education facilities. This contribution aims to create a comfortable, safe, and healthy learning environment for students, thereby supporting the development of local education.

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C. REFERENCES TO THE ESG REPORTING GUIDE

Subject areas, aspects, general disclosures and KPIs	Chapter/Disclosure	Page
A. Environmental		
Aspect A1: Emissions		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer,</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p>	<p>Emissions</p> <p>8</p>
KPI A1.1	The types of emissions and respective emissions data.	<p>Emissions</p> <p>10</p>
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<p>Emissions</p> <p>11</p>
KPI A1.3	Total hazardous waste produced and, where appropriate, intensity.	<p>Emissions</p> <p>11</p>
KPI A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	<p>Emissions</p> <p>11</p>
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	<p>Emissions</p> <p>8-10</p>
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	<p>Emissions</p> <p>8-10</p>

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Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Use of Resources 12
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Use of Resources 14
KPI A2.2	Water consumption in total and intensity.	Use of Resources 14
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources 12-13
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Use of Resources 12-13
KPI A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced.	Use of Resources 14
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Emissions and Use of Resources 14
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Emissions, Use of Resources and The Environment and Natural Resources 14

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Aspect A4: Climate Change			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change	15-18
KPI A4.1	Description of the significant climate related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change	15-18

B. Social

Employment and Labour Practices

Aspect B1: Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination and other benefits and welfare.	Employment	19
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Employment	20
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment	21

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Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety 22
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety 22
KPI B2.2	Lost days due to work injury.	Health and Safety 22
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety 22
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training 23
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training 23
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training 23



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Subject areas, aspects, general disclosures and KPIs	Chapter/Disclosure	Page
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to preventing child and forced labour.	Labour Standards 24
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards 24
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards 24

Operating Practices

Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management 25-26
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management 26
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management 24-26
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management 26
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management 25

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Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility 26-28
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility 27
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibility 27
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility 28
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility 26-27
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility 28

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Subject areas, aspects, general disclosures and KPIs	Chapter/Disclosure	Page
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to bribery, extortion, fraud and money laundering.	Anti-Corruption 28-29
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-Corruption 29
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-Corruption 28-29
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-Corruption 29

Community

Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment 29
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment 29
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment 29