



**MEGROU LTD.**

(Incorporated in the Republic of Singapore on 7 February 2018)

(Company Registration Number: 201804996H)

**SUSTAINABILITY REPORT 2022**

## CORPORATE PROFILE

MeGroup Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") is a Malaysian-based automotive company involved in the manufacturing of noise, vibration and harshness ("**NVH**") and non-NVH components for the automotive industry, and the operation of automobile dealerships in Malaysia. The Company was listed on the Official List of SGX-Catalist on 31 October 2018.

Established in 30 March 1995, the Manufacturing Business segment specialises in manufacturing NVH components such as headliners and engine outers which are incorporated into various parts of automobiles, including the ceiling, dashboard, hood and boot, as well as non-NVH components such as parcel trays and board assembly decks. On the other hand, the Dealership Business comprises several 3S and 4S automobile dealerships for the sale of new automobiles with brands such as Ford, Honda, Hyundai, Mazda, Mitsubishi, Peugeot and Proton. These Dealerships are owned and operated by MeGroup.

## ABOUT THIS REPORT

The Group's Sustainability Report ("GSR") covers the sustainability approach, initiatives, performance and material environmental, social and governance ("ESG") factors with regards to the Group's upstream manufacturing operations in Balakong, Malaysia throughout the 12-month period, from 1 April 2021 to 31 March 2022 ("FY2022").

## FRAMEWORK

The GSR has been prepared with reference to the guidelines of the Global Reporting Initiatives ("GRI") Standards: Core option. The Group has elected to use the GRI Standards as they are most widely used standards for sustainability reporting. This GSR has also been prepared in accordance with Rule 711A and 711B of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist (the "Catalist Rules"). It also makes references to the guideline set out in SGX-ST's Sustainability Reporting Guide under Practice Note 7F of the Catalist Rules.

## CONTENT AND QUALITY

This GSR is prepared with reference to the guidelines of the Global Reporting Initiatives ("GRI") Standards – Core Option and GRI's principles of stakeholder, inclusiveness, sustainability context, materiality, and completeness have been applied to determine the content of the report.

GRI's principles of accuracy, balance, clarity, comparability, reliability and timeliness have been used to help stakeholders assess our sustainability performance. The ESG data provided in the report has been extracted from internal information systems and records to make certain that they are accurate and consistent.

## ASSURANCE

No external assistance and assurance were sought in the preparation of the GSR. The board of directors of the Company (the "Board") has relied on internal verification to ensure the accuracy of data. The ESG performance was reported in good faith and to the best of our knowledge. The Board may commission an independent external assurance in the foreseeable future, although no specific deadline has been set for now.

## FEEDBACK

We welcome the feedback, suggestions and input of stakeholders on this report. You may contact us through our investor relations email at [admin@mnsb.me-grp.com](mailto:admin@mnsb.me-grp.com).

## BOARD STATEMENT

The Group has considered sustainability as part of its strategic formulation and determined the material ESG factors most applicable to the Group. The Board oversees the management and monitoring of these factors, through internal reviews of the Group's sustainability performance. Sustainability and corporate social responsibility are at the core of our corporate strategy and adhering to these twin tenets would allow the Group to create lasting and positive change on the communities we operate in.

In anticipation of the greater disclosure aligned with the Task Force on Climate-related Financial Disclosures ("TCFD") framework, the Board is cognisant of the need to perform assessment on climate related risk and impact that may be identified upon the launch of the TCFD disclosures. The Group would consider addressing these disclosures by working with professionals to understand these processes better for FY2023.

We are committed to our stakeholders, particularly, our employees, business partners and customers who purchase our products and services. This is why one of the key strategies of the Group is to maintain stringent and unwavering standards of quality control for the products produced and sold by us, whether through our supply chain of upstream manufacturing of automotive parts or downstream automotive retail dealerships.

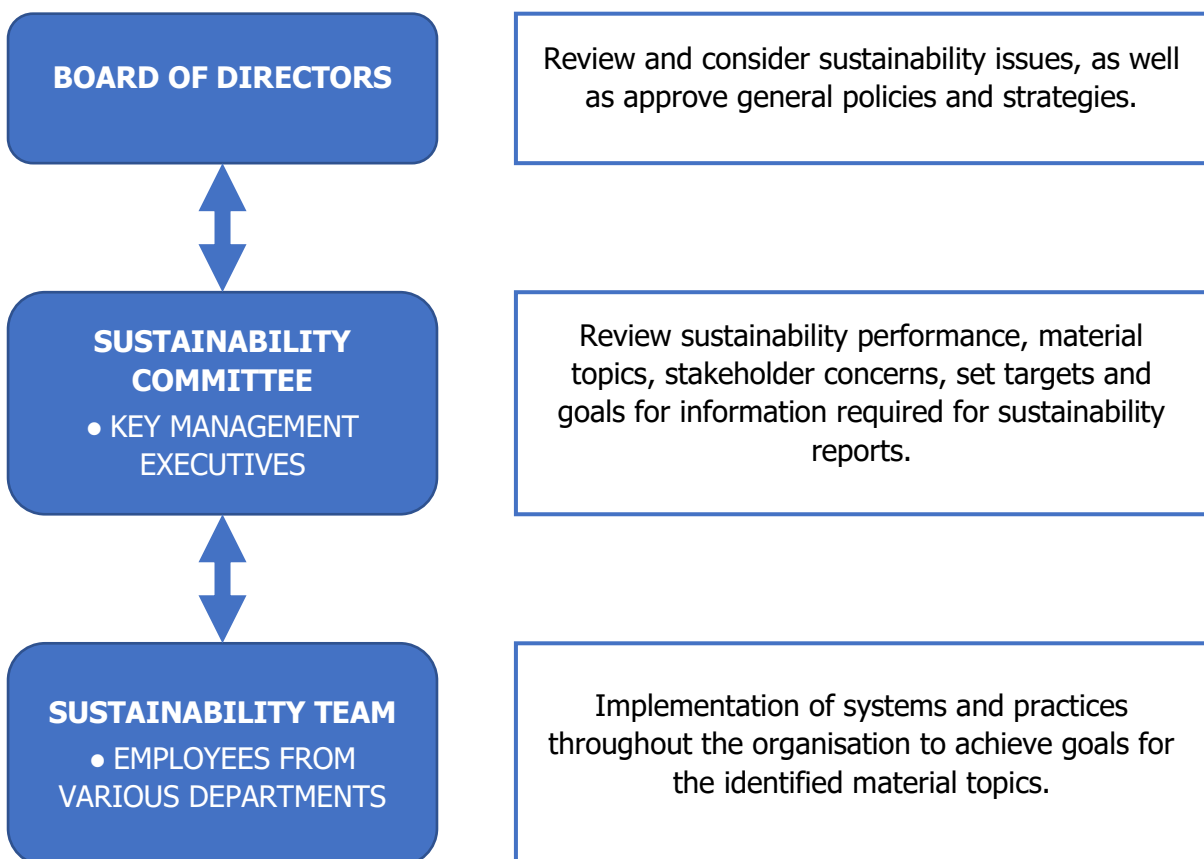
Our upstream manufacturing is certified to internationally recognised standards of ISO 9001 Quality Management and IATF 16946 Automotive Management. The intention behind starting upstream manufacturing and downstream retail dealership business segments concurrently was to be able to provide a wider range of quality products and services across different areas. In order to align ourselves with our initial objectives, we continue to hold our products to the same high standard and provide bespoke products with specialised industry applications through research and development and close collaboration with our technical partners.

In order to support long-term value creation for our stakeholders and shareholders, the Group adopts the precautionary principle to minimise negative effects of conducting its business whenever possible. The precautionary principle is a strategy for approaching issues of potential harm when extensive scientific knowledge on the matter is lacking. It emphasises caution, pausing and review before leaping into new innovations that may prove disastrous.

## SUSTAINABILITY FRAMEWORK

The Group acknowledges the importance of putting in place an effective ESG strategy and management across the different facets of the business operations. To this end, the Group has established a Sustainability Committee, led by key management executives of the Group and supported by representatives from various departments in the Group, with principal charge of the Group's ESG strategy. The Sustainability Committee reports to the Board and is responsible for reviewing the Group's sustainability performance, material topics, stakeholder concerns, the setting of targets for material topics, and establishing systems to collect, verify, and monitor information required for the sustainability reports.

We are aware of the risks and impact associated with the industry we operate in and endeavour to identify, evaluate and prevent these risks whenever possible. The Board approves the Group's general policies and strategies including those relating to sustainability and are satisfied that the framework in place is sufficient to ensure that the Group's sustainability risks and issues are managed and mitigated effectively.



## KEY STAKEHOLDERS ENGAGEMENT

We recognise that engagement with all of our stakeholder groups (including the receiving of feedback) forms an integral part of our sustainability strategy and initiatives. As such the Group takes steps to proactively engage our stakeholders through a variety of channels as shown in the table below.

Through such engagement, our stakeholders are updated on the Group's developments; in addition, the Group is able to receive feedback which would in turn allow us to tailor our sustainability strategy and initiatives. Moving on, the Group would also consider sending out survey forms to external stakeholders to understand their expectation and concerns.

We recognise that continual engagement and communication with these key stakeholders are vital to the longevity of our business and being open to their feedback would allow us to identify and prioritise the sustainability issues that matter to them the most. We have identified stakeholders as groups that have an impact, or have the potential to be impacted by our business, as well as external organisations that have expertise in aspects that we consider material. We would also be continually refreshing our list of key stakeholders to ensure that the people most crucial to our materiality assessment process will be involved.

Our significant stakeholders, mode of engagement and our initiatives in relation to them are set out below:

| Stakeholders | Expectation and Concerns   | Mode of Engagement  | Our Initiatives   |
|--------------|--|---|---|
| Employees    | <ul style="list-style-type: none"> <li>• Career advancement</li> <li>• Benefits and remuneration</li> <li>• Health and safety</li> </ul> | <ul style="list-style-type: none"> <li>• Annual performance appraisal</li> <li>• Training</li> <li>• Dialogues</li> </ul> | <ul style="list-style-type: none"> <li>• Regular internal meetings to review health and safety issues</li> <li>• Regular voluntary Covid-19 self-testing to all employees</li> <li>• Sponsor employees to attend courses, seminars and conferences</li> <li>• Implementing fair employment policies and practices</li> <li>• Organising team building activities outside plants and corporate office</li> </ul> |

| Stakeholders               | Expectation and Concerns  | Mode of Engagement  | Our Initiatives   |
|----------------------------|---|---|---|
|                            |   |   | <ul style="list-style-type: none"> <li>Benchmarking salary with market rate</li> </ul>  |
| Customers                  | <ul style="list-style-type: none"> <li>Quality control</li> <li>On-time delivery and services</li> <li>Competitive pricing</li> <li>Technical expertise</li> <li>Workplace health and safety</li> </ul> | <ul style="list-style-type: none"> <li>Feedback and engagement sessions</li> <li>Dialogues, consultations and meetings</li> <li>Annual reports</li> </ul> | <ul style="list-style-type: none"> <li>ISO 9001 and IATF 16949 certification to assure consistent level of quality in products and services</li> <li>Regular internal meetings to review customers' fulfilment and requirements</li> <li>Ensuring adherence to Work Health and Safety ("WHS") policies</li> </ul> |
| Government and Regulators  | <ul style="list-style-type: none"> <li>Compliance</li> <li>Occupational health and safety</li> <li>Environmental matters</li> </ul>   | <ul style="list-style-type: none"> <li>Scheduled and ad-hoc site visits</li> <li>Meetings</li> <li>Seminars</li> </ul>                                    | <ul style="list-style-type: none"> <li>Ensure compliance with applicable laws and regulations</li> <li>Constantly getting update on relevant law and regulations through various channels</li> <li>Meeting the relevant authorities as and when necessary</li> </ul>  |
| Shareholders and Investors | <ul style="list-style-type: none"> <li>Financial returns and long-term shareholders value</li> <li>Business growth and sustainability</li> <li>Transparency and corporate governance</li> </ul>         | <ul style="list-style-type: none"> <li>Annual Meeting General</li> <li>Annual reports</li> <li>Company website</li> <li>Announcement on SGXNET</li> </ul> | <ul style="list-style-type: none"> <li>Providing relevant and prompt disclosure on Group's financial announcements and corporate developments</li> <li>Ensuring robust risk management and corporate governance</li> </ul>  |

| Stakeholders | Expectation and Concerns | Mode of Engagement | Our Initiatives  |
|--------------|--------------------------|--------------------|--|
|              |                          |                    | <ul style="list-style-type: none"> <li>• Half-yearly meetings with analysts and investment community to update corporate developments</li> </ul> |

Aspiring to widen the Group’s exposure to industry standards and collaborate within and beyond the industry to improve on current sustainable practices, the Group has joined as an active member in the Singapore Business Federation since its listing in Singapore in 2018.

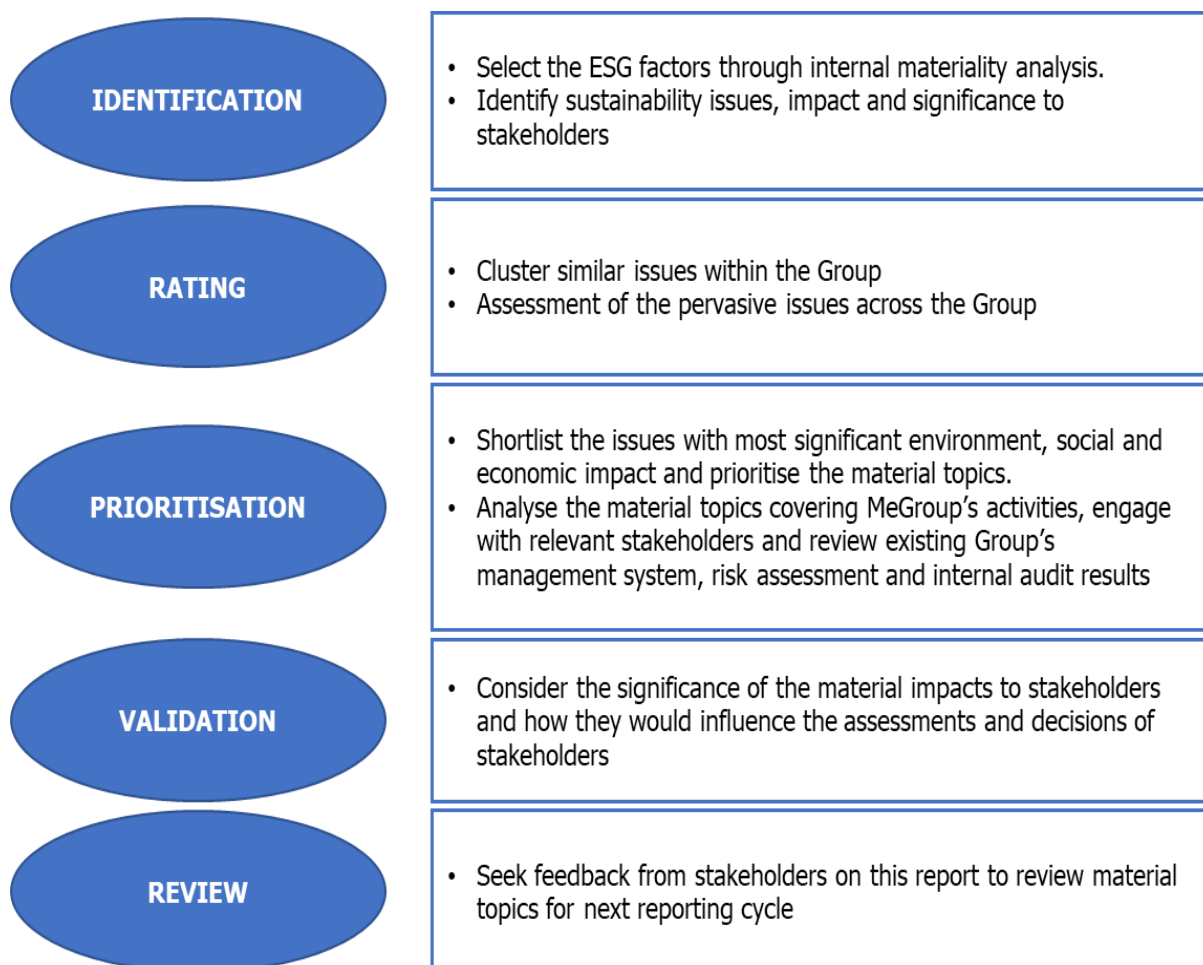


## MATERIALITY ASSESSMENT

The Group has applied the relevant GRI Standards to identify and prioritise sustainability topics to tailor its approach taken in relation to sustainability centres on the management of the ESG impacts of its business operations on its stakeholders. MeGroup’s strategy is to manage its most significant sustainability impacts, risks and opportunities while keeping in mind the aim of creating long-term value for all its stakeholders.

The Group had identified the material ESG factors using the GRI Standards for Sustainability reporting and through internal sessions with internal stakeholders to understand their concerns and emerging priorities. Each material issue was discussed in detail, taking into account both the internal and external perspectives in relation to our sustainable development performance. Such discussions would allow us to constantly evolve and provides us with the opportunity to collaborate with these different stakeholders in order to resolve or facilitate the resolution of any problem efficiently. We will, from time to time, be updating our materiality analysis to ensure that the material issues stay relevant.

The Group undertook the following steps to arrive at the list of material factors for reporting:



Following the findings of the internal materiality analysis, the most relevant concerns for the Group that were identified are:

- (1) Corporate Governance
- (2) Data Privacy
- (3) Economic Performance
- (4) Occupational Health and Safety
- (5) Diversity and Equal Opportunity
- (6) Environment

The Board has, after assessing ESG related business risks and opportunities and ESG related issues in the automotive sector, subsequently reviewed, determined and approved these material topics for reporting. The ESG related matters will be reassessed annually or when the circumstances required.

### **CORPORATE GOVERNANCE**

The Group recognises the importance of observing a high standard of corporate governance and transparency in ensuring the sustainability of our businesses and safeguarding our stakeholders’ interests and value for the long term. We are committed to complying with all industry requirements and legislation relating to trading, accounting, financial reporting, internal controls and auditing.

We are committed to upholding best practices in corporate transparency and disclosures, and have in place a set of procedures and policies to ensure adherence to our risk management guidelines and compliance with applicable legislation. We are also committed to operating with utmost integrity and to the highest standard of ethical principles. We maintain a zero-tolerance policy for any form of bribery, fraud or corruption in accordance with the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

If any of our employees are found to be non-compliant with anti-corruption and anti-bribery principles, they may face disciplinary action or termination. We regularly apprise our employees on the need to conduct business at the highest ethical standards and the need to exhibit honesty, integrity and respect in our dealings and interactions within and outside the Group. The Group had set a target of zero incident of regulatory non-compliance by all employees, officers and directors of the Group for this reporting period.

| <b>Objectives</b>   | <b>Target set for FY2022</b> | <b>Goal for FY2023</b> |
|---|------------------------------|------------------------|
| Zero incident of regulatory non-compliance by all employees, officers and directors | √ Met                        | Zero (0) Cases         |

Our Board has established stringent standards for employees, officers and directors. In carrying out one of the principal functions of the Board, which is to oversee the formulation of and approve the Group's overall long-term strategic objectives and direction, the Board would consider issues of sustainability, review the management of the Group's business affairs, performance, resource allocation and also establish a framework to manage risks and prioritise shareholder's interests and the Group's assets. We continue to comply with the principles and provisions set out in the Code of Corporate Governance 2018, where appropriate. We hereby confirm that there was no incident of regulatory non-compliance by the Group and no incident pertaining to whistle-blowing for this reporting period under review.

**DATA PRIVACY**

We are committed to complying with all applicable data privacy laws, (including the Personal Data Protection Act 2012 in Singapore, Personal Data Protection Act 2010 in Malaysia and all relevant legislation). We have various systems and procedures in place to protect information related to our employees and customers. Customers can trust that their personal data is being collected, handled, and protected in a responsible and secure manner.

Moving forward, we will continue to stay vigilant and observe compliance with all applicable laws and regulations and target to maintain our record of nil incidents of non-compliance. The Group is pleased to report that there was no incident of non-compliance with the applicable data privacy laws in FY2022.

| Objectives   | Target set for FY2022 | Goal for FY2023 |
|--|-----------------------|-----------------|
| No incidents of non-compliance with the applicable data privacy laws | √ Met                 | Zero (0) Cases  |

**ECONOMIC PERFORMANCE**

The Group's economic performance is crucial for shareholders and employees as it is considered a material issue at MeGroup and is one of the primary ways we create value for all stakeholders. Our business growth and economic performance would have a positive impact on our employees and stakeholders as this would allow us to generate economic value and provide continued stable employment for our employees.

On 30 January 2020, the World Health Organisation (“**WHO**”) declared the outbreak of Covid-19 a Public Health Emergency of International Concern. The WHO had subsequently recognised the spread of Covid-19 as a pandemic on 11 March 2020. During two years of Covid-19 pandemic, the Government of Malaysia had implemented lots of anti-pandemic measures such as imposing various stages of movement control, strengthening the Industry Covid-19 Standard Operating Procedure (SOP) and advocating various types of economic recovery plan to support the sustainability of all types of business entity during this critical period.

As Malaysia continues to open up its borders to international tourists and business travellers, it is expected that the spread of Covid-19 to remain high with newer discovery of variants. Since 1 June 2021, after the second full lockdown resultant from the Movement Control Order 3.0, it had impacted the Group’s business operation for two and half months where our business was halted. Since then, recovery has been gradual with the opening up of our car showrooms and employees coming back to work physically.

Fortunately in FY2022, the Group had taken some actions and continues to minimise these Covid-19 impacts to our business, in particularly, on our capital and cash flows management where we implemented cost-cutting measures, actively reviewing our financing facilities and tap onto government assistance programs to equip the Group with sufficient cash flows, and ensure that the Group has enough financial resources to meet its obligations as and when they fall due. By having these contingency plans in place, the Group has managed to recover operationally and financially during the second-half of FY2022. Stakeholders can see our financial performance in our FY2022 Annual Report at: <https://me-grp.com/annual-reports>

Nevertheless, the Group targets to achieve sustainable growth in the coming years through strengthening our two core business segments:

- a) upstream manufacturing, and
- b) downstream retail dealerships

while the Group continues to raise market awareness for our broad range of products under distinguished proprietary brand names, particularly in its downstream retail dealerships with a total of 11 dealerships under 7 brand names i.e. Ford, Honda, Hyundai, Mazda, Mitsubishi, Peugeot and Proton.

The Group's brand partners supply the vehicles and automotive parts sold in its downstream retail dealerships business while the upstream manufacturing business significant purchases from suppliers mainly raw materials are sourced locally and internationally to ensure procurement efficiency and nurturing a reliable supply chain.

The Group's policy is to conduct its business with integrity and by adhering to ethical business principles. The Group maintains zero tolerance for bribery, fraud and corruption. There was no incident of corruption, bribery or fraud found or reported in FY2022.

## **OCCUPATIONAL HEALTH AND SAFETY**

As a responsible employer, the Group aims to address and prevent the variety of health and safety risks that employees are exposed to, wherever possible. Health and safety hazards can arise over the use of unsafe equipment, machinery, processes and practices. They can also arise with the use of dangerous substances such as chemical. Therefore, we are continuously working towards the minimisation of the risk of accidents, injuries and illnesses to our employees, contractors and place health and safety as top priority in our operations.

MeGroup is committed to achieving Workplace Safety and Health ("**WSH**") excellence through:

- ✓ compliance with applicable WSH legislations and regulations as well as other requirements to which we subscribe;
- ✓ consistently establishing and maintaining WSH management performance;
- ✓ operating and maintaining our facilities to prevent and minimise risks to the health and safety of our employees and surrounding communities; and
- ✓ ongoing communication of our WSH policy to all parties.

The Group constantly monitors the working conditions of its employees to ensure that they comply with national standards issued by government agencies or associations such as Department of Occupational Safety and Health ("**DOSH**"). The Management is wholly committed to complying with the local occupational health and safety and all other relevant regulations. The Group implements a comprehensive safety management system to ensure the health, safety and welfare of all its employees and people in the community who may be affected by its operations.

The Group prioritises process safety, especially in relation to the Group's upstream manufacturing, and is committed to maintaining a safe and healthy workforce. Management actively ensures that the Group's Standard Operating Procedures are complied with, including the provision of Personal Protection Equipment, as may be necessary, to its employees. Our Employee Health and Safety and Fire Safety Committees, which comprise staff from each relevant department of the Group and which are advised by the Group's registered safety officers, oversee the implementation of the WSH management plan, and reviews such WSH management plans on a monthly basis.

Due in part to the Group's prioritising safety and the health of our workers, the Group is pleased to report that it has achieved its goal of zero cases of WSH complaints in FY2022, and fully complied with WSH and environmental inspections conducted by the authorities. The Group has no recorded cases of work-related ill health and industrial accident. Continuous risk control monitoring such as safety operating procedure, training and daily briefing to all members of operations team will be taken place to continue to maintain the Group's goal of zero cases.

The Group's achievement of the target set for FY2022 and the goals set for FY2023 are as follows:

| <b>Objectives</b>                                   | <b>Target set for FY2022</b> | <b>Goal for FY2023</b> |
|---|------------------------------|------------------------|
| Zero cases of Workplace Safety and Health Complaint | √ Met                        | Zero (0) Cases         |
| Zero cases of Industrial Accident                   | √ Met                        | Zero (0) Cases         |

In respect of workplace safety and insurances, certain of our employees fall under the ambit of the Social Security Organisation ("**SOCSO**") of Malaysia. SOCSO oversees the administration, implementation and enforcement of the Employees' Social Security Act 1969 and the Employees' Social Security (General) Regulations 1971 in Malaysia, and provides employees with security protection social insurance through various schemes, including the Employment Injury Scheme and the Invalidity Scheme. The Employment Injury Scheme provides coverage to employees who are victims of industrial accidents, commuting accidents, accidents during emergency and occupational diseases. The Invalidity Scheme provides 24-hour protection to employees against invalidity or death which is caused outside working hours, even if the cause is not related to their employment. Both schemes provide cash benefits to employees and their dependants in the event of unforeseen incidents.

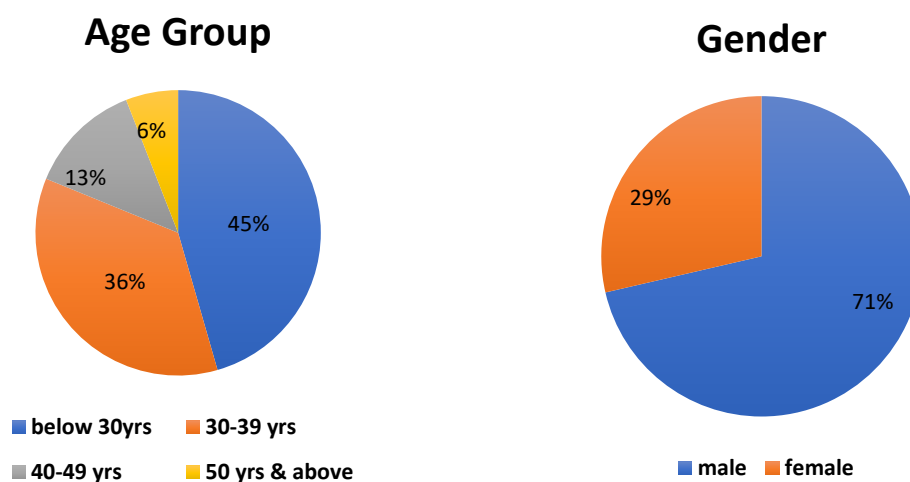
## STAFF WELLBEING AND COVID-19

During FY2022, one of the Group’s key priorities was to keep our employees safe from the Covid-19 pandemic. The Group had conducted regular voluntary Covid-19 self-testing twice a week to ensure our employees were not infected and are fit to work at our plants and offices. The Group has strictly complied with Covid-19 Standard Operation Procedures to ensure all employees were checked in digitally, using “Mysejahtera” mobile application when coming into our facilities or office. Internal spot checks were carried out where verbal warning was given should any employee is found to violates these rules.

The Group is pleased to report that there was no recorded incident of such violation being found during FY2022.

## DIVERSITY AND EQUAL OPPORTUNITY

Employee information of the Group as at 31 March 2022:



At MeGroup, the Group believes in upholding the principles of equality and non-discrimination, and endeavour to employ based on merit as we understand that the success of our Group turns upon the quality and dedication of our employees. The Group does not discriminate our employees or potential recruits according to their race, age, gender, religion, ethnicity, facial attractiveness, physical impairments, sexual orientations, political viewpoints or nationality. We strive to provide a fair, performance-based working environment that is diverse, inclusive and collegiate.

Employees with questions or concerns about discrimination in the workplace are encouraged to bring these issues to the attention to their supervisor and are able to raise such concerns without any fear of reprisal.



In FY2022, the Group has about 131 employees in its upstream manufacturing and 159 employees in its downstream retail dealerships. In the assessment of people's performance within the Group, the Group practises meritocracy and believe in providing due recognition for their excellence. The Group also implements remuneration packages that are competitive within the market and are internally fair in order to attract external talents.

The Group also provides learning and development resources so as to make available ample opportunities for its people to better themselves through internal courses or on-the-job training in the areas of technical and functional competencies. The Group targets to increase the competence of our employees through the internal training programs such as leadership and personality training so that they are able to contribute effectively to the Group.

Performance and career development review of employees are performed during the performance appraisal process. This process is conducted on an annual basis whereby there will be two-way communication and engagement between supervisors and subordinates to assess the performance of the employee. Upon completion of the appraisal process, consideration of career advancement such as promotion, quantum of salary adjustments, and annual performance bonus will be determined based on the appraisal results. Employees are assessed and remunerated fairly based on their experience, qualifications and performance. All employees (those with more than one year service) had received their performance and career development review in FY2022.

The Group has consistently organised events, both internally such as major festivals celebrations and monthly birthday babies get together and externally such as team building activities, recreational sports activities and annual dinners. These events were aim to provide a conducive work environment for its employees which is vital for driving people to work hard and stay together despite unforeseen conditions.



*Bollywood Night*



*Festival Celebration*



## ENVIRONMENT

The reduction of our environmental footprint impact is one of the key objectives of the Group in relation to the environment. By reducing our environmental footprint, this would achieve a twofold benefit where we would be conducting our business in a socially responsible manner and benefit from reducing operational costs for example, through the reduction in the use of electricity by utilising more energy efficient appliances.

The Group is pleased to report that the installation of solar power system was completed in our Balakong Main Manufacturing Plant ("**Balakong MMP**"), and the utilisation of such renewable solar energy has started since January 2022. The Group is pleased to report that it had achieved the FY2022 goal with more than 10% reduction in the monthly average electricity consumption from non-renewable energy for Balakong MMP. The monthly average electricity consumption from non-renewable energy decreased from 168,380 kilowatt per hour ("**KwH**") in the third quarter of FY2022 to 115,374 KwH in the fourth quarter of FY2022 resulting in a total electricity savings of approximately RM18,000 since January 2022 to the end of FY2022. The Group was enthused by this initiative. Moving forward, the Group has set another new objective and goal to be achieved in FY2023 as follows:

| Objectives  | Goal for FY2023 |
|---|-----------------|
| Renewable energy contribution over total energy usage in Balakong MMP | 10%             |

### Balakong MMP Electricity Consumption

| Month         | Grid Electricity (KwH) | Solar Electricity (KwH) | Total Electricity Consumption (KwH) |
|---------------|------------------------|-------------------------|-------------------------------------|
| October 2021  | 157,888                | -                       | 157,888                             |
| November 2021 | 171,978                | -                       | 171,978                             |
| December 2021 | 175,273                | -                       | 175,273                             |
| January 2022  | 100,432                | 24,981                  | 125,413                             |
| February 2022 | 121,421                | 27,260                  | 148,681                             |
| March 2022    | 124,270                | 32,015                  | 156,285                             |

The Group’s carbon dioxide (“CO<sub>2</sub>”) emissions are mainly discharged from electricity and use of motor fuel. As good practise, the Group remains aware and is committed to minimise its carbon emissions footprint by adopting energy-saving measures, whenever possible.

The Group is expecting the power of solar energy to generate even more green electricity within the Balakong MMP in the coming quarters where our carbon footprint can be reduced further, and that the Balakong MMP becomes more environmentally friendly too.

There were no incidents of non-compliance and penalties pertaining to environmental-related issues in this reporting period under review. The Board and Management continue to review and improve current environmental management system and practices and ensure that all our activities and operations comply with regulatory and customers’ requirements. Target for FY2023 is as follow:

| Objectives   | Target set for FY2022 | Goal for FY2023 |
|--|-----------------------|-----------------|
| Zero incident of non-compliance and penalties pertaining to environmental-related issues | √ Met                 | Zero (0) Cases  |

*An rooftop view of our solar panels installed at our Balakong MMP*



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| GRI Standard                             | Disclosure  | Page Number(s)                                |
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| <b>GRI 102: GENERAL DISCLOSURES 2016</b> |   |   |
| <b>Organisational Profile</b>            |   |   |
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| GRI 102-2                                | Activities, brands, products, and services                                    | 1   |
| GRI 102-3                                | Location of headquarters  | 1   |
| GRI 102-4                                | Location of operations  | Refer to Annual Report ("AR") 2022, Page 4, 7 |
| GRI 102-5                                | Ownership and legal form  | Refer to AR2022, Page 8                       |
| GRI 102-6                                | Markets served  | Malaysia                                      |
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| <b>GRI Standard</b>           | <b>Disclosure</b>  | <b>Page Number(s)</b>                   |
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| GRI 102-24                    | Nominating and selecting the highest governance body                     | Refer to AR2022<br>Page 23-26           |
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| GRI 102-26                    | Role of highest governance body in setting purpose, values, and strategy | Refer to AR2022,<br>Page 17-18          |
| GRI 102-27                    | Collective knowledge of highest governance body                          | Refer to AR2022,<br>Page 23-26          |
| GRI 102-28                    | Evaluating the highest governance body's performance                     | Refer to AR2022,<br>Page 26-28          |
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| GRI 102-41                    | Collective bargaining agreements   | None                                    |
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| GRI 102-43                    | Approach to stakeholder engagement                                       | 5-7                                     |
| GRI 102-44                    | Key topics and concerns raised   | 5-7                                     |
| <b>Reporting Practice</b>     |  |   |
| GRI 102-45                    | Entities included in the consolidated financial statements               | Refer to AR2022,<br>Page 88-89          |
| GRI 102-46                    | Defining report content and topic Boundaries                             | 2                                       |
| GRI 102-47                    | List of material topics  | 9                                       |
| GRI 102-48                    | Restatement of information   | None                                    |
| GRI 102-49                    | Changes in reporting   | No significant changes from previous    |

| GRI Standard                                   | Disclosure   | Page Number(s)   |
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|  |  | reporting periods in the list of material topics and topic boundaries. |
| GRI 102-50                                     | Reporting period   | 2  |
| GRI 102-51                                     | Date of most recent report                                 | 27 August 2021   |
| GRI 102-52                                     | Reporting cycle  | 2  |
| GRI 102-53                                     | Contact point for questions regarding the report           | 2  |
| GRI 102-54                                     | Claims of reporting in accordance with the GRI Standards   | 2  |
| GRI 102-55                                     | GRI content index  | 18-22  |
| GRI 102-56                                     | External assurance   | 2  |
| <b>ECONOMIC TOPICS</b>                         |  |  |
| <b>Economic Performance</b>                    |  |  |
| GRI 103:<br>Management Approach 2016           | 103-1 Explanation of the material topic and its Boundaries | 10-12  |
|  | 103-2 The management approach and its components           | 10-12  |
|  | 103-3 Evaluation of the management approach                | 10-12  |
| GRI 201:<br>Economic Performance 2016          | 205-3 Confirmed incidents of corruption and actions taken  | 10-12  |
| <b>Indirect Economic Performance</b>           |  |  |
| GRI 103:<br>Management Approach 2016           | 103-1 Explanation of the material topic and its Boundaries | 10-12  |
|  | 103-2 The management approach and its components           | 10-12  |
|  | 103-3 Evaluation of the management approach                | 10-12  |
| GRI 201:<br>Indirect Economic Performance 2016 | 203-2 Significant indirect economic impacts                | 10-12  |
| <b>Anti-Corruption</b>                         |  |  |
| GRI 103:<br>Management Approach 2016           | 103-1 Explanation of the material topic and its Boundaries | 9-10   |
|  | 103-2 The management approach and its components           | 9-10   |

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|  | 103-3 Evaluation of the management approach                              | 9-10                  |
| GRI 205:<br>Anti-corruption<br>2016              | 205-3 Confirmed incidents of corruption and actions taken                | 9-10                  |
| <b>ENVIRONMENTAL TOPICS</b>                      |  |                       |
| <b>Energy</b>                                    |  |                       |
| GRI 103:<br>Management<br>Approach 2016          | 103-1 Explanation of the material topic and its Boundaries               | 9, 16                 |
|  | 103-2 The management approach and its components                         | 9, 16                 |
|  | 103-3 Evaluation of the management approach                              | 16                    |
| GRI 302:<br>Energy 2016                          | 302-1 Energy consumption within the organisation                         | 16                    |
| <b>Emissions</b>                                 |  |                       |
| GRI 103:<br>Management<br>Approach 2016          | 103-1 Explanation of the material topic and its Boundaries               | 9, 17                 |
|  | 103-2 The management approach and its components                         | 9, 17                 |
|  | 103-3 Evaluation of the management approach                              | 17                    |
| <b>Environmental Compliance</b>                  |  |                       |
| GRI 103:<br>Management<br>Approach 2016          | 103-1 Explanation of the material topic and its Boundaries               | 9, 17                 |
|  | 103-2 The management approach and its components                         | 9, 17                 |
|  | 103-3 Evaluation of the management approach                              | 17                    |
| GRI 307:<br>Environmental<br>Compliance<br>2016  | 307-1 Non-compliance with environmental laws and regulations             | 17                    |
| <b>SOCIAL TOPICS TOPICS</b>                      |  |                       |
| <b>Occupational Health and Safety</b>            |  |                       |
| GRI 103:<br>Management<br>Approach 2016          | 103-1 Explanation of the material topic and its Boundaries               | 9, 12-13              |
|  | 103-2 The management approach and its components                         | 9, 12-13              |
|  | 103-3 Evaluation of the management approach                              | 12-13                 |
| GRI 403:<br>Occupational<br>Health and<br>Safety | 403-1 Occupational health and safety management system                   | 12-13                 |
|  | 403-2 Hazard identification, risk assessment, and incident investigation | 12-13                 |

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| 2018                                       | 403-4 Worker participation, consultation, and communication on occupational health and safety                       | 5-6                   |
|  | 403-5 Worker training on occupational health and safety   | 12-13                 |
|  | 403-6 Promotion of worker health  | 12-14                 |
|  | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 12-13                 |
|  | 403-9 Work-related injuries   | 12-13                 |
| <b>Training and Education</b>              |   |                       |
| GRI 103:<br>Management<br>Approach 2016    | 103-1 Explanation of the material topic and its Boundaries  | 9                     |
|  | 103-2 The management approach and its components  | 9                     |
|  | 103-3 Evaluation of the management approach   | 15                    |
| GRI 404:<br>Training and<br>Education 2016 | 404-1 Average hours of training per year per employee   | 15                    |
|  | 404-3 Percentage of employees receiving regular performance and career development reviews                          | 15                    |
| <b>Customer Privacy</b>                    |   |                       |
| GRI 103:<br>Management<br>Approach 2016    | 103-1 Explanation of the material topic and its Boundary  | 9-10                  |
|  | 103-2 The management approach and its components  | 9-10                  |
|  | 103-3 Evaluation of the management approach   | 10                    |
| GRI 418:<br>Customer<br>Privacy 2016       | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data                  | 10                    |