

Sustainability Statement FY2025



Environmental

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information



Social

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information



Governance

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◆ ABOUT THIS REPORT

At Malaysia Smelting Corporation Berhad (“MSC” or the “Group”), we recognise that inculcating sustainable development practices is fundamental to our long-term success and to the well-being of the communities, ecosystems, and economies where we operate. As one of the world’s leading tin producers, we operate across complex value chains and resources essential to modern life. With this, comes a responsibility to manage our environmental footprint, support social progress, and uphold the highest standards of governance.



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Our sustainability approach is driven by continual improvement, transparency, and collaboration with our stakeholders – including employees, host communities, regulators, investors, and industry partners. We are committed to minimising environmental impacts, enhancing energy and resource efficiency, reducing greenhouse gas emissions, protecting biodiversity, and advancing the health, safety, and prosperity of our people and communities. This sustainability statement outlines our goals, performance, and how we integrate sustainability into every aspect of our business.

Reporting Scope and Boundaries

This Sustainability Statement (“SS2025”) covers MSC’s financial reporting period from 1 January 2025 to 31 December 2025 (“FY2025”). This SS2025 provides insights into MSC’s sustainability initiatives and performance across our tin smelting operations in Pulau Indah, Port Klang, as well as our tin mining activities at the Rahman Hydraulic Tin (“RHT”) Mine in Klian Intan, Perak. Our Butterworth, Penang operations had been scheduled for closure in FY2025. Comparative data from previous years is included where relevant to provide a clear view of our sustainability performance over a 3-year period (2023- 2024- 2025), as required by Bursa Malaysia Securities Berhad’s (“Bursa Malaysia”) Main Market Listing Requirements (“Listing Requirements”).

Reporting Standards and Guidelines

The SS2025 has been prepared in compliance with the Bursa Malaysia Listing Requirements, and in reference to Bursa Securities’ Sustainability Reporting Guide (3rd Edition), and the Securities Commission’s National Sustainability Reporting Framework (“NSRF”). This requirement is aligned with the International Sustainability Standards Board (ISSB) guidelines. In addition, the Sustainability Standards for the Mining sector, as defined by the Global Reporting Initiative (GRI), have been included in SS2025 to provide clear evidence of MSC’s sustainability performance.

As MSC is primarily listed on the Main Market of Bursa Malaysia and secondarily listed on the Mainboard of Singapore Exchange Securities Trading Limited (“SGX”), this statement aligns with SGX’s Mainboard Listing Manual. A SGX-listed company is required to disclose information on climate-related risks and opportunities, as per IFRS S1 and S2 guidance, disclosure in paragraph 4.23 of the listing rule.

MSC’s reporting approach is consistently aligned with the principles set out in Environmental, Social and Governance performance disclosures under Listing Rule 711B(1). Accounting and Corporate Regulatory Authority (ACRA) and Singapore Exchange Regulation (SGX RegCo) have extended the timelines for implementing climate reporting [Note 1]. An SGX-listed company will be required to report ONLY Scope 1 and 2 greenhouse gas (“GHG”) emissions from the financial year commencing on or after 1 January 2025, and Scope 3 GHG emissions from FY2026 onward.

MSC understood SGX RegCo’s climate reporting announcement. In FY2025, full transparency of the GHG inventory is provided. Exact improvements are stated. (refer to page 44).

[Note 1] Extended timelines for most climate reporting requirements to support companies - SGX Group

Where applicable, this report incorporates the United Nations (“UN”) Sustainable Development Goals (“SDGs”), a universal framework aimed at fostering a sustainable future.

Statement of Assurance

This SS2025 has been reviewed and approved by MSC’s Board of Directors (the “Board”) on 15 April 2026. All data disclosed in SS2025 has been verified for accuracy by respective data owners and subsidiaries within the Group. To strengthen the credibility of this statement, selected data and indicators for this SS2025 have been subjected to external independent assurance by Crowe Governance Sdn. Bhd. with the audit scope and details on pages 74 to 75 of this statement.

Report Availability and Feedback

This SS2025 is accessible within MSC’s FY2025 Annual Report, which can be downloaded from the corporate website at www.msmelt.com. All feedback or enquiries regarding this report must be directed to misc@smelt.com.



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MSC's stewardship in the mining industry is a legacy that endures. As an adviser, providing oversight for the future business sustainability of MSC is aimed at ensuring the future of mining is transformed from a commodity to digitalised real-world assets.

Innovation matters more in commodities now than ever before. Mining is the foundation of global supply chains. The mining sector is the catalyst for new market infrastructure.

In FY2025, MSC anointed new leaders under a co-leadership model designed to strengthen operational effectiveness, reinforce the group's governance, and enhance strategic execution, while ensuring continuity and sustainable growth across operations and management, and distinctively driving responsible finance and commercial strategies.

In FY2025, MSC also welcomed leadership with experience at the United Nations' agency UN-Habitat (which promotes the sustainable urban agenda). This move reflects MSC's commitment to navigating sustainable growth in mining while preserving biodiversity.

MSC's sustainability performance mandates "comply and apply" ESG principles in business activities, embedding responsible behaviour from top management.

MSC adheres to corporate governance principles for long-term sustainability and resilience. MSC acknowledges that the adoption of corporate governance best practices promotes competitiveness and attractiveness amongst investors and regulators.

MSC operates as a listed entity within dual ASEAN capital markets with well-defined market disclosure standards. MSC is positioned to attract multi-jurisdictional projects and equity investments, including corporate bonds, for its industry-driven initiatives, as prescribed by the ASEAN Capital Markets Forum (ACMF).

In FY2025, MSC's sustainability performance navigation had a couple of course corrections to align with international standards for transparency, consistency, and accuracy. MSC's sustainability disclosures, provided on the following pages, reflect our "best-in-class" ESG performance.

In FY2026, MSC will continue to update on decarbonisation and transition projects as one of the major players in the mining sector.

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SUSTAINABILITY STANDARDS FY2025

Sustainability comprises three foundational pillars - **Environmental, Social and Governance (“ESG”)**. It is MSC’s commitment to responsible, long-term value creation. In the context of tin mining and smelting operations, sustainability goes beyond compliance with laws and regulations; it ensures that ethical standards, risk management practices, and strategic decision-making processes align with stakeholder expectations, including those of communities, customers, investors, regulators, and employees.




ESG considerations are integrated into business strategy and operations. ESG performance monitoring encompasses environmental impacts, workforce safety, and ethical conduct across all business activities.

MSC adapts ESG reporting frameworks to meet stakeholders’ requirements. These frameworks support visual decision-making and policy and performance metric review as part of the reporting process. This contributes to long-term resource planning, operational continuity, and the resilience of MSC’s supply chains.

MSC adheres to all relevant global sustainability reporting standards. Alignment with recognised frameworks further strengthens MSC’s capacity to compete in increasingly sustainability-focused markets.

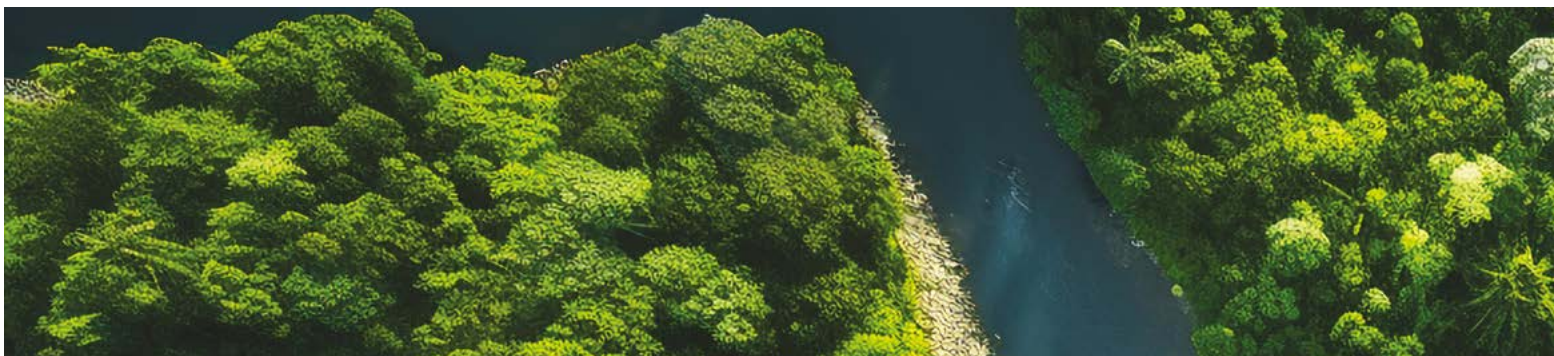
Other strategic benefits of adopting a global ESG framework include bolstering investors’ and financial institutions’ confidence in MSC, thereby enabling access to sustainable financing opportunities. MSC’s strong stakeholder engagement fosters deeper, more constructive relationships with the community.

By anchoring sustainability at the highest levels of leadership, we reinforce our commitment to responsible growth and to the industry’s sustainable practices.

ESG Pillars	Mining Sector GRI Standards	Bursa Malaysia	SGX ESG Core Metrics
 Environment	<ul style="list-style-type: none"> * Air Emissions * Climate adaptation * Greenhouse gases * Biodiversity * Mining rehabilitation * Waste * Tailings * Water & effluents 	<ul style="list-style-type: none"> * Energy * Water * Emission * Waste 	<ul style="list-style-type: none"> * Energy * Water * Emission * Waste
 Social	<ul style="list-style-type: none"> * Local community * Indigenous people * Land rights * Artisanal mining * Security * Critical incidents * OSH * Employment * Child labour * Forced labour & Modern slavery * Collective bargaining * Non – discrimination * Public policy 	<ul style="list-style-type: none"> * Diversity * Training * OSH * Community * IT Security 	<ul style="list-style-type: none"> * Workforce * New hire * Turnover * Training * OSH
 Governance	<ul style="list-style-type: none"> * Economic impacts * Anti Bribery * Payments to the government 	<ul style="list-style-type: none"> * Supply Chain * Anti Bribery 	<ul style="list-style-type: none"> * Board Composition * Women in Management * Anti Bribery

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Topic	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUITY	6 CLEAN WATER AND SANITATION
Topic 14.1 GHG emissions						
Topic 14.2 Climate adaptation and resilience	●					
Topic 14.3 Air emissions			●			
Topic 14.4 Biodiversity						●
Topic 14.5 Waste			●			●
Topic 14.6 Tailings						●
Topic 14.7 Water and effluents						●
Topic 14.8 Closure and rehabilitation				●		●
Topic 14.9 Economic impacts	●			●	●	
Topic 14.10 Local communities	●		●		●	●
Topic 14.11 Rights of Indigenous Peoples	●		●		●	
Topic 14.12 Land and resource rights	●					
Topic 14.13 Artisanal and small-scale mining (ASM)	●		●			
Topic 14.14 Security practices						
Topic 14.15 Critical incident management			●			
Topic 14.16 Occupational health and safety			●			
Topic 14.17 Employment practices	●				●	
Topic 14.18 Child labour	●			●		
Topic 14.19 Forced labour and modern slavery	●					
Topic 14.20 Freedom of association and collective bargaining						
Topic 14.21 Non-discrimination and equal opportunity				●	●	
Topic 14.22 Anti-corruption						
Topic 14.23 Payments to governments	●					
Topic 14.24 Public policy						



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MSC'S SUSTAINABILITY GOVERNANCE STRUCTURE

In compliance with Paragraph 15.02 of the Bursa Malaysia Listing Requirement, the listed issuer must ensure that at least two (2) or one-third (1/3) of its board of the directors, whichever is the higher, are independent directors; and at least one (1) director is a woman. In line with Practice 5.9 of the Malaysian Code on Corporate Governance, the Board comprises at least 30% women directors.

The appointments to the Board of Directors and Key Management are based on merit, skills, and work experience, and due regard is given to diversity in terms of skills, experience, and cultural background. The Board of Directors consists of highly experienced individuals, renowned for their integrity and domain expertise in Engineering, Accounting, Finance, Legal, Economics, and Investments.

The Company has adopted a Board Diversity Policy that serves as a guide to ensuring diversity, including the gender composition of the Board, thereby enhancing the effective contribution of all Directors.

In accordance with the Listing Requirements, a listed issuer must ensure that all directors have attended the training programmes prescribed by Bursa Malaysia Securities Berhad from time to time. It was also noted that the Board of Directors of a listed issuer must continuously evaluate and determine its directors' training needs. The subject matter of training must be one that aids the director in discharging his/her duties as a director. Details of the training programmes attended by the Directors during the financial year are disclosed in the Company's Annual Report.







Organisation Structure	Director	Domain expertise
Board Chairman	Non-Independent, Non-Executive	Law, Business, and Investments
Audit & Risk Management Committee	Independent, Non-Executive	Finance
Nominating & Remuneration Committee	Independent, Non-Executive	Economics
Environmental, Social & Governance Committee	Independent, Non-Executive	Engineering
Executive Committee	Board Chairman, Executive Director & Independent, Non-Executive	Broad strategic, financial, and leadership capabilities
Key Management	Co-Group CEO Co-Group CEO Executive Director of RHT	Legal Finance Geology

MSC SUSTAINABILITY GOVERNANCE STRUCTURE



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MSC's Industry Memberships and Influence (aligns with GRI Mining Sector 14.24)

Association	Membership type/since	Policy Influence
	Co-founder and Board member	Global tin supply chain advancing industry standards.
	Listed RMAP Conformant Smelter	Smelting best practices and assurance for conflict-free tin sourcing.
	Licensed smelter	Regulations for smelting ore.
	Member	Tantalum and niobium supply chain smelter and processor.
	Council member	Founding member of the Malaysian Chamber of Mines (MCOM).
	Licensed for Naturally Occurring Radioactive Material (NORM) under the scope of Act 304	Regulations for radioactive byproducts in smelting and processing tin.

MSC's commitment towards best practices in mining and smelting at local, regional, and international levels is exemplary. Not only does MSC maintain its license to operate by adhering to all regulations, but it also advocates for the mining sector's resilience.

MSC's Stakeholder Analysis

MSC acknowledges that its mining and smelting operation activities have significant economic, environmental, and social impacts across its value chain. Meaningful engagements with stakeholders are essential to maintain trust, manage risks, and create long-term value.

MSC determines and prioritises stakeholders according to their level of influence to enable targeted engagement. The outcomes of these engagements contribute to materiality assessments, shape sustainability strategies, guide risk mitigation measures, and support continuous operational improvement.

In FY2025, MSC continued to engage with stakeholders, fostering open, two-way dialogue through physical and digital communications announced and facilitated by the MSC Board of Directors and Management.

Stakeholders	Purposive Engagement
Regulatory stakeholders	Legal and licensing
Investors and financial institutions	Capitalisation
Industry association	Diplomacy
Supply chain partners	Raw materials supply
Customers	Network of global market advocacy
Employees	Efficiency and resilience
Local communities	Dialogue and corporate responsibility

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MSC'S MATERIALITY MATRIX

MSC is a major integrated tin business primarily listed on the Main Market of Bursa Malaysia and secondarily listed on the on the Mainboard of SGX. The Board and Executive Management are cognisant of the complex and inherent risks, as well as local regulations, associated with mining and smelting operations and licensing.

MSC has been operating in Malaysia since the 1900s. MSC realises that risks differ significantly for operations in developing economies, due to regulations, economic incentives, stability, infrastructure, and talent availability. Malaysia is considered a low-risk jurisdiction due to the relatively stable political environment. Strong economic conditions and well-developed infrastructure further support MSC's operations, enabling efficient logistics within the well-connected industrial hub of Pulau Indah.

In Malaysia, MSC's associated risks are considered low due to effective regulatory bodies that manage and monitor mining and smelting operations, reducing the risk of unchecked environmental damage and labour exploitation. MSC maintains active engagement with key regulatory authorities, including the Department of Environment ("DOE"), the Department of Occupational Safety and Health ("DOSH"), the Department of Minerals and Geoscience ("JMG"), and the Department of Atomic Energy Malaysia ("ATOM Malaysia"), to remain informed of the latest regulatory developments.

In FY2025, MSC's ESG Committee refined material topics to align with international standards. These refinements were guided by internal benchmarking against regulatory standards such as the GRI Mining Sector and IFRS S1 and S2 requirements, industry peers, and emerging ESG trends.

MSC adopted a structured and risk-informed approach to determining key sustainability matters, aligned with Bursa Securities' Sustainability Reporting Guide and insights from our internal risk assessments and the Integrated Management System ("IMS").

In FY2025, MSC synthesized mining-sector GRI standards into the general materiality matters for its operations and management. Therefore, deriving common materiality matters and mining operations' inherent materiality matters.

MSC's sustainability performance reporting will be based on mature practices across both its mining and smelting operations. Reference to quantitative and qualitative enhancements is provided where possible.




Materiality mapping is synthesized between RHT (mining operations) and Pulau Indah (smelting operations). Butterworth smelting operations shut down in FY2025.

In FY2025, common material matters (quantitative data) were reported for standardizing ESG performance across both active operations.

In FY2026, enhanced ESG reporting will be established (including qualitative data) across both active operations.



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ESG Pillars	Materiality for RHT	Materiality for PI	Common material matters (Aligned to the NSRF IFRS S1 and S2 and SGX Core Metrics) * High risk (high financial, compliance, and reputational risk) @ Low risk (low financial, compliance, and reputational risk)
 Environment	<ul style="list-style-type: none"> * Air Emissions * Climate adaptation * Greenhouse gases * Biodiversity * Mining rehabilitation * Waste * Tailings * Water & effluents 	<ul style="list-style-type: none"> * Energy * Water * Emission * Waste 	<ol style="list-style-type: none"> 1) *Natural resources use (by metric units and intensity) 2) *Discharges to air and disposals to landfill (by metric units and intensity)
 Social	<ul style="list-style-type: none"> * Local community * Indigenous people * Land rights * Artisanal mining * Security * Critical incidents * OSH * Employment * Child labour * Forced labour & Modern slavery * Collective bargaining * Non – discrimination * Public policy 	<ul style="list-style-type: none"> * Diversity * Training * OSH * Community * IT Security 	<ol style="list-style-type: none"> 3) @Workforce diversity 4) *Attrition 5) @Training 6) *OSH Wellbeing 7) *Data protection
 Governance	<ul style="list-style-type: none"> * Economic impacts * Anti Bribery * Payments to the government 	<ul style="list-style-type: none"> * Supply Chain * Anti Bribery 	<ol style="list-style-type: none"> 8) @Board Composition & Women Representation 9) @Local Senior Management 10) *Local Supply Chain 11) *Anti Bribery

MSC'S RISK MANAGEMENT

In FY2025, MSC established a basic understanding of risk and opportunities as highlighted by the National Sustainability Reporting Framework launched by the Securities Commission, according to the guidelines of the International Sustainability Standards Board (ISSB).

ISSB's IFRS S1 and S2 mapping is an extension of the Taskforce for Climate Related Financial Disclosure (TCFD) Recommendations for risk management. IFRS S1 refers to ESG Risk, and S2 refers to Climate Risk.

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IFRS S1: General Sustainability Disclosures

Objective

Information about significant sustainability-related risks and opportunities. Disclosures should be useful to the primary users of general purpose financial reporting in making decisions related to providing resources to the entity.

Key Disclosure Topics

- 1 Governance**
Processes, controls, and procedures to monitor and manage sustainability-related risks and opportunities.
- 2 Strategy**
Approach for addressing sustainability-related risks and opportunities that could affect business model and strategy over the short, medium, and long term.
- 3 Risk management**
Processes to identify, assess, and manage sustainability-related risks.
- 4 Metrics and targets**
Information used to assess, manage, and monitor performance of sustainability-related risks and opportunities.


IFRS S2: Climate-Related Disclosures

Objective




Information about climate-related risks and opportunities. Disclosures should assist users in understanding the use of resources and evaluating strategies, business model, and operational adaptation abilities.

Key Disclosure Topics

- 1 Governance**
Processes, controls, and procedures to monitor and manage climate-related risks and opportunities.
- 2 Strategy**
Approach for addressing climate-related risks and opportunities that could affect business model and strategy over the short, medium, and long term.
- 3 Risk management**
Processes to identify, assess, and manage climate-related risks.
- 4 Metrics and targets**
Cross-industry metrics, industry-based metrics, and other metrics used to measure progress toward targets.

Type of Risk	General sustainability disclosure	MSC responses
 Governance	<ol style="list-style-type: none"> a. Describe the board’s oversight of climate-related risks and opportunities. b. Describe management’s role in assessing and managing climate-related risks and opportunities. 	<ol style="list-style-type: none"> 1. Board Committee is set up for ESG to provide oversight for the ESG Committee and the ESG Working Committee at the plant level. 2. The ESG Committee holds frequent reporting discussions to review policy and procedures according to the ESG strategy and implementations.

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Type of Risk	General sustainability disclosure	MSC responses
 <p>Strategy</p>	<p>a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term.</p> <p>b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.</p> <p>c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<ol style="list-style-type: none"> 1. ESG Performance and targets are monitored periodically to identify risks and opportunities that may have a significant impact on financial performance. 2. Common ESG performance indicators are monitored for both active operations (RHT and PI)-energy, emissions, water, waste, employment, turnover, safety, health, training, IT privacy, anti-bribery, market presence, and responsible supply chain. 3. To heighten resilience in operations, ESG indicators inherent to mining operations will be highlighted in FY2026 (including climate risk and other qualitative practices that are interdependent, and help to create value over time for MSC's financials). 4. MSC continues to collaborate with government stakeholders for biofuel, renewables, human rights, and mine rehabilitation. 5. Board is kept up to date on emerging ESG issues that may have a potential impact on our financial performance (e.g., revenues, costs) and financial position (e.g., assets, liabilities).
 <p>Risk management</p>	<p>a. Describe the organisation's processes for identifying and assessing climate-related risks.</p> <p>b. Describe the organisation's processes for managing climate-related risks.</p> <p>c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</p>	<ol style="list-style-type: none"> 1. ESG Working Committee at operating sites update the IMS risk register in FY2025. 2. In FY2026, further digital enhancement to the risk hazard and opportunities dashboard for tracking risk minimisation plans within the short, medium, and long term. 3. Bi-annual reporting to the Board ESG Committee regarding ESG matters was ongoing in FY2025.
 <p>Metrics and target</p>	<p>a. Describe the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p> <p>c. Describe the targets used by the organisation to manage climate-related risks of the business.</p>	<ol style="list-style-type: none"> 1. In FY2025, MSC tracked changes in the use of resources – electricity and water, generation of waste and emissions, as well as social and governance aspects. 2. GHG inventory is updated on a digital monitoring tool in FY2025. 3. ESG targets have been reviewed in FY2025.

Other risk management strategies of MSC include maintaining management systems' risk logs - ISO 9001, 14001, 45001, 37001, and 39001 in operations. Regular surveillance audits reveal high-risk areas, which are remediated immediately.

Other than this, both PI and RHT maintain a comprehensive risk management framework in line with the IMS. Other benchmarks, such as those from the International Tin Association ("ITA") and the Responsible Minerals Initiative ("RMI"), enable real-time reporting to support quick responses to emerging risks and to maintain operational resilience.

In summary, MSC is progressively embedding sustainability risk management into its strategic vision by upholding environmental stewardship, advancing social wellbeing, ensuring robust governance, and engaging communities. These efforts reflect a comprehensive commitment to sustainable industry practices that align regulatory compliance with continuous improvement towards a greener and more equitable future.

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ENVIRONMENTAL



Environment Compliance

MSC is committed to full compliance with all applicable environmental laws, regulations, and standards in the jurisdictions where we operate. MSC has taken an active interest and is supportive of the National Mineral Industry Transformation Plan 2021-2030 (TIM 2021-2030), the National Advanced Materials Technology Roadmap 2021-2030, and the National Mineral Policy 2 (DMN2).

As an important and vital participant in Malaysia's mineral industry, MSC works closely with the Government and its agency liaison offices. These include the Department of Mineral and Geoscience Malaysia ("JMG"), the Department of Atomic Energy Malaysia ("ATOM Malaysia"), and the Ministry of Natural Resources, Environment, and Climate Change ("NRECC").

MSC adheres strictly to the requirements of the Environmental Quality Act 1974 and its revised Malaysia Ambient Air Quality Standards 2020 guidelines, as well as other relevant federal and state environmental legislation.

We maintain all required operating licences, permits, and approvals for our mining and smelting activities, including those relating to air emissions, effluent discharge, scheduled waste management, and land use. Regular monitoring and reporting are conducted to ensure that emissions, discharges, and waste handling activities remain within prescribed regulatory limits. Our facilities are equipped with pollution-control systems and continuous-monitoring mechanisms to support compliance and operational transparency.

Environmental compliance is overseen by designated management representatives for sites certified to ISO 14001. Periodic internal audits and inspections are conducted to assess compliance, identify potential risks, and implement corrective

actions where necessary. We also regularly engage qualified third-party consultants to conduct environmental impact assessments and independent compliance reviews.

The Group maintains open communication with regulators and local authorities, including the Department of Environment Malaysia ("DOE"), and cooperates fully during inspections and audits. Any incidents of non-compliance, should they occur, are promptly reported, investigated, and addressed through structured corrective and preventive action plans.

Through continuous improvement, capacity building, and investment in cleaner technologies, the Group strives not only to meet regulatory requirements but to exceed them, reinforcing our commitment to responsible tin mining and smelting operations and long-term environmental stewardship.

In FY2025, MSC invested approximately RM10.3 million in environmental initiatives. We also recorded zero (0) major incidents involving fines, penalties, or non-monetary sanctions for non-compliance with environmental laws and regulations in FY2025.

Meanwhile, 33.3% of the Group's active sites remain covered by recognised environmental management systems (e.g., ISO 14001) throughout the year.

	FY2023	FY2024	FY2025
Total investment in environmental management (RM million)	8.9	10.0	10.3
Total costs of environmental fines and penalties (RM)	0	0	0
Percentage of MSC sites covered by recognised environmental management system (e.g., ISO 14001)	33.3%	33.3%	33.3%

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MINING AND BIODIVERSITY PROTECTION

As a responsible Group operating in Malaysia's tin mining sector, we recognise that effective mine rehabilitation and biodiversity conservation are fundamental to sustainable resource development. If not properly managed, mining activities may alter landforms, degrade soil quality, and disrupt local ecosystems. Through structured rehabilitation programmes, we aim to restore mined-out areas to stable, productive, and environmentally sound conditions, ensuring that the land can be returned for beneficial post-mining uses such as agriculture, aquaculture, recreation, or ecological habitats.

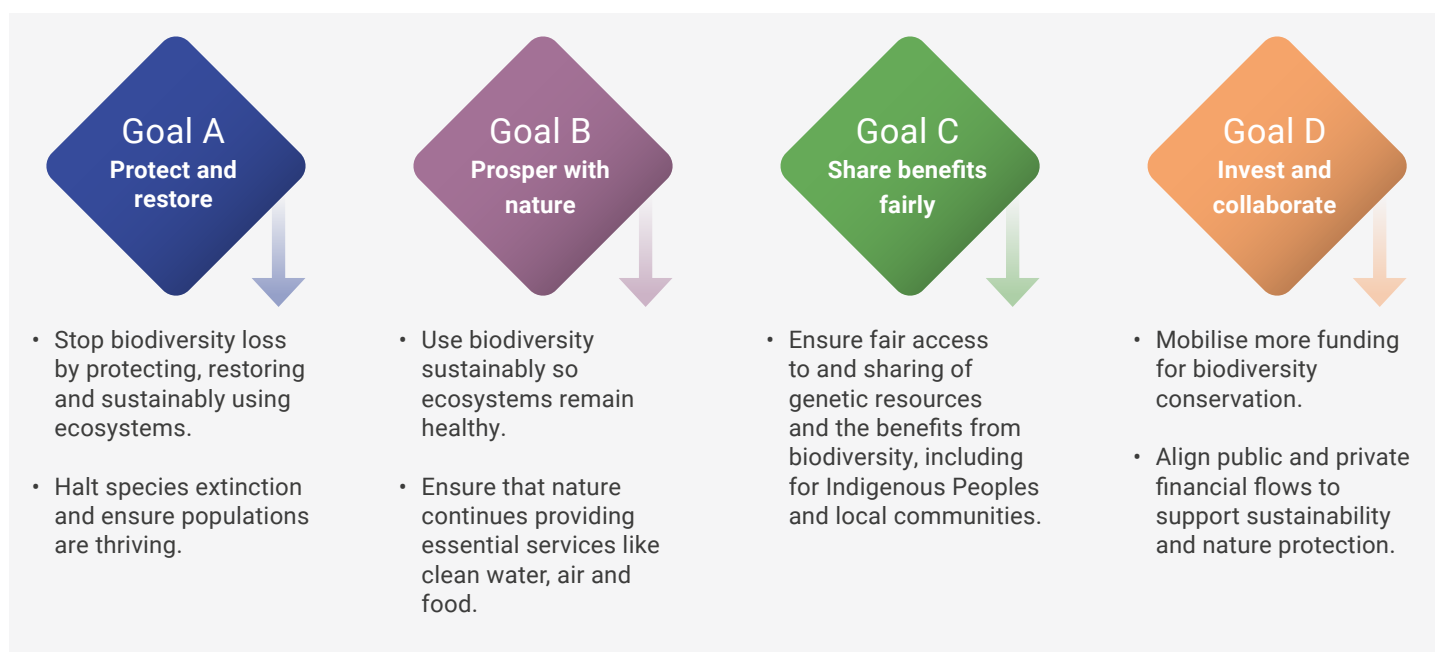
Our approach aligns with the principles and regulatory requirements set by the DOE and JMG, ensuring compliance with environmental impact assessment (EIA) approvals and closure plans.

Rehabilitation planning is integrated into our project lifecycle—from exploration and development to closure—so that progressive restoration can be carried out concurrently with mining operations. This minimises long-term environmental risks, reduces erosion and sedimentation, and supports the recovery of native vegetation.

Biodiversity conservation is equally critical, particularly in Malaysia, a country recognised for its rich tropical ecosystems. We are committed to protecting nearby habitats, maintaining ecological connectivity, and preventing the loss of native species. Our initiatives include conserving buffer zones, implementing erosion and sediment control measures, replanting native species, and collaborating with local stakeholders and environmental experts to monitor ecological recovery.

Beyond regulatory compliance, mine rehabilitation and biodiversity conservation strengthen our social licence to operate. Responsible land stewardship fosters trust with host communities, regulators, and investors, while reducing legacy liabilities and long-term environmental costs. By restoring landscapes and supporting biodiversity, we contribute to national sustainability aspirations and global frameworks such as the United Nations Sustainable Development Goals, particularly those related to life on land and responsible production.

MSC is cognisant of the 4 Goals of the Kunming Montreal Biodiversity Framework.



MSC continues to make progress in transparent reporting of measurable rehabilitation targets as we collaborate with the Forest Research Institute Malaysia ("FRIM").

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Our Approach

MSC's Mine Rehabilitation Plan ("MRP") adopts a phased approach, integrating environmental restoration efforts at every stage of the mine's lifecycle—from pre-construction to decommissioning and post-closure.

In 2024, MSC secured approval for our revised MRP from the Director of Lands and Mines Perak ("PTG"), following reviews and discussions with the Perak Menteri Besar, the Perak State Executive Council, and the State Mineral Resources Committee ("SMRC").

In parallel, RHT Tin Mine is exploring the innovative use of mining by-products to support sustainable water treatment solutions. If successfully implemented, this research could contribute to enhanced water quality and resource utilisation beyond the mine's operational life.

In addition, the RHT Tin Mine had initiated further research into passive water treatment (PWT) as part of its commitment to adopting green technologies for sustainable mine water management. Current studies focus on the development of a Successive Alkalinity Producing System (SAPS) that utilises native plant species capable of removing heavy metals through phytoremediation processes. This nature-based approach aims to enhance water quality while minimising chemical usage and operational energy. Concurrently, the mine is collaborating with FRIM to undertake an additional research and development ("R&D") initiative on passive water treatment systems, exploring the use of various organic substrates to improve treatment efficiency and long-term environmental performance.

In FY2025, MSC progressed with implementing the approved MRP, resuming restoration works at the RHT Tin Mine, actively post-planting to support long-term ecosystem recovery, and establishing procedures for afforestation and reforestation on ex-mining land.

A total of 600 new seedlings were planted across various disturbed and inactive areas to support biodiversity restoration.

These include high-value timber species such as Pokok Meranti Temak Nipis, Pokok Batai, and Pokok Kelat Paya, alongside other riparian species.

These activities are aligned with the biodiversity framework, designed to stimulate efforts in three key areas:

- reducing threats to biodiversity;
- meeting the needs of the local community through sustainable use and benefit-sharing; and
- providing tools and solutions for implementing and integrating practices that conserve and sustainably use biodiversity around the mine location.

ENERGY AND CLIMATE

Why is this important?

Climate presents material risks and opportunities to MSC as a Group, operating within the energy-intensive tin mining and smelting industry. As global efforts to limit temperature rise accelerate in line with the goals of the United Nations Framework Convention on Climate Change and the Paris Agreement 2015, MSC recognised the need to align operations to a low-carbon future.

Physical risks such as extreme weather events, flooding, and rising temperatures may disrupt mining activities and supply chains, while transition risks—including carbon pricing, regulations, and evolving market expectations—may affect operational costs and market access. Proactive climate action strengthens our resilience and long-term competitiveness in mining and smelting operations.

Energy consumption and the use of combustion materials contribute to greenhouse gas ("GHG") emissions under Scopes 1 and 2 in mining and smelting operations.

MSC has been planning to reduce the energy reliance on coal and emissions in smelting operations. Guided by internationally recognised frameworks, including the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We carried out an assessment of climate-related risks and opportunities, focusing on Scope 1 and Scope 2 emissions and operations.



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The Board of MSC closely monitors and oversees strategic actions aligned with climate, carbon, and capital expenditure decisions. Executive Management is responsible for implementing climate strategies approved by the Board. A cross-functional Sustainability Working Group, comprising representatives from mining operations, smelting facilities, procurement, and finance, coordinates emissions monitoring, energy-efficiency initiatives, and climate risk assessments. Key performance indicators related to energy intensity and emissions reduction are integrated into management performance evaluations.

As market demand for responsibly sourced minerals grows, strong climate and energy management practices have been reinforced to safeguard the company's reputation as a responsible tin producer.

Our Approach

MSC stands firm in its pledge to achieve a net-zero carbon footprint, supporting the Paris Climate Agreement and Malaysia's ambition to become a carbon-neutral nation by 2050.

During the year, we continued efforts to minimise GHG emissions across the Group. The relocation of our smelting operations to Pulau Indah enables us to replace liquefied petroleum gas ("LPG") and fuel oils with natural gas, a cleaner, more sustainable energy source readily available there. At the same facility, we harness solar power through the installation of 1.26 MWp solar photovoltaic ("PV") panels and are exploring waste-heat recovery systems to further reduce emissions. To ensure accountability, we track our Scope 1 and 2 GHG emissions monthly using the GHG Protocol framework.

MSC sources electricity from the national power grid. To lower consumption, we adopt energy-saving measures, such as real-time energy monitoring like digital power meters for blowers, upgrading to light-emitting diode (LED) lighting, and optimising processes to reduce energy intensity at the Pulau Indah smelter. These efforts are supported by our Energy Efficiency and Conservation Act 2024 (EECA), which outlines clear directives, including prioritising energy-efficient machinery in new projects, fostering energy-conscious practices, and appointing dedicated energy management personnel at each active site.

Beyond our smelting operations, RHT Tin Mine is actively working towards carbon neutrality. We conduct energy awareness programmes to educate employees on efficient energy management practices at RHT. Furthermore, we are in the initial stages of exploring solar power at the RHT Tin Mine as a viable long-term alternative to traditional energy sources.

Additionally, MSC partners with academic institutions to support research on sustainable ways to operate:

1 Universiti Tunku Abdul Rahman ("UTAR"): We incorporate the ITA's Life Cycle Assessment ("LCA") framework to gain deeper insights into the environmental impact of our

operations. The Life Cycle Perspective ("LCP") is integrated into our IMS to assess and minimise environmental risks. In collaboration with UTAR, we conducted a simulated LCA for our tin smelting process, highlighting opportunities to reduce our footprint. Moreover, we collaborate with UTAR to explore greener methods for extracting valuable metals from mining tailings and tin intermediates during the smelting stage.

2 National University of Singapore ("NUS"): Focuses on R&D to develop more efficient and environmentally friendly processes for tin and valuable metal recovery.

Our Performance

MSC is aware of the paradox arising from electricity consumption, new electricity tariffs, and the emission attributes of energy demand in its smelting operations. Total energy consumption from both renewable and non-renewable sources in FY2025 was 8% lower than in FY2024 across all 3 operations – BW, RHT, and PI. However, in FY2025, rooftop solar at the Pulau Indah plant accounted for only 3.7% of the total energy required at that location (5.9% in FY2024), indicating reduced solar radiation due to climate change. Nevertheless, the electricity cost of MSC Group has dropped from RM19.4 million (FY2024) to RM16.8 million in FY2025.

MSC is also aware of the double-counting of emissions from diesel-powered gensets and grid electricity at RHT. Genset supplied 8.8% of electricity demand in FY2025, up from 7% in FY2024, signalling rising dependence on genset power.

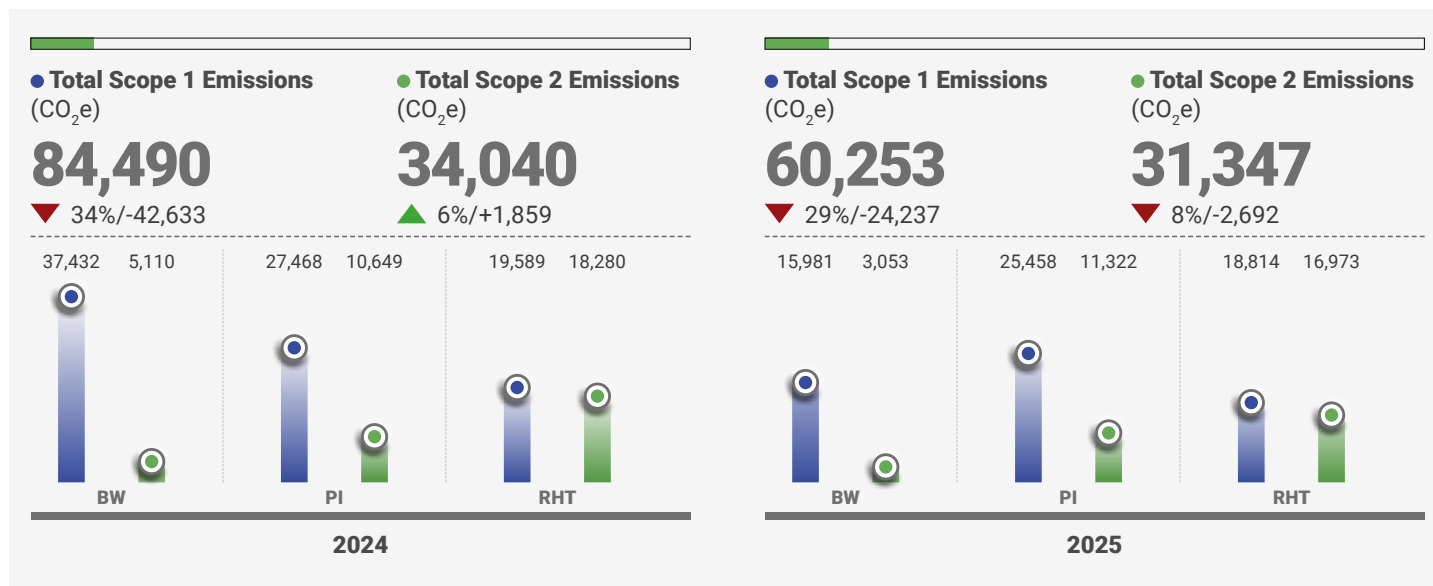
Emissions are also attributed to fuel and heating gases used for combustion in mining and smelting operations.

MSC Management and the Sustainability Working Committee embarked on a review of the emission factors and global warming potential factors by the GHG Protocol in FY2025 to maintain an accurate GHG inventory. The MSC teams had also identified emission factors that could be replaced with lower-emission alternatives in smelting and mining operations.

The Sustainability Working Group is tasked by the Board of Directors to ensure all targets set towards a Net Zero Future align with the Science Based Target Initiative's (SBTi) near-term emission target percentage for Scopes 1 and 2 (4.25% linear annual reduction).

MSC achieved 23% linear annual reduction for emissions Scope 1 and 2 in FY2025 (aligned with SBTi targets). Please refer to Corporate Near-Term Criteria. For comparison of existing mining and smelting operations (except the BW old smelter), the carbon footprint numbers are stated in brackets in the table below. The reduction in emissions between FY2025 and 2024 is recorded at 4% for the two operations – RHT (mining) and PI (smelting).

Sustainability Statement FY2025



GHG Inventory by Year	FY2023	FY2024	FY2025
Scope 1 (tonnes of CO ₂ eq) Energy from diesel, petrol, coal, LNG, and LPG	94,056	84,490 (RHT & PI 47,057)	60,253 (RHT & PI 44,272)
Scope 2 (tonnes of CO ₂ eq) Energy from grid electricity	32,181	34,040 (RHT & PI 28,929)	31,347 (RHT & PI 28,295)
Total Scope 1 + 2 (tonnes of CO ₂ eq)	126,237	118,530 (RHT & PI 75,986)	91,600 (RHT & PI 72,567)
Linear annual reduction (as per SBTi)	-	25%	23% (4% reduction)

Notes on restatement in GHG inventory:

- Scope 2 emissions are calculated from grid electricity only for all 3 sites – BW, PI and RHT.
- Scope 2 emissions are calculated based on the 0.774 grid emission factor for Peninsular Malaysia, provided by the Energy Commission for Peninsular Malaysia (<https://meih.st.gov.my/documents/10620/384e88c1-b782-49a1-8dff-74c836b3a3f7EDA>).
- Genset and land use change emissions were omitted from this GHG inventory to standardize and scale transitions in the future.
- Scope 1 emissions are attributed to combusted fuel sources and gas usage (diesel, coal, LNG, and LPG).
- Scope 1 emission factors (called Global Warming Potential) for fuel and gas combusted were taken at gross value for transparency and lack of any emissions measurement tools.
- Please refer to the guidance document as per Row 17 (Fuel) in the DEFRA UK Framework 2025 (link provided: <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2025>).
- For Scope 1 coal, diesel, and fuel oil emissions, factors are applied to the respective coefficients as per parent company guidelines.
- Scope 3 will be added in FY2026.

MSC maintains transparency in its GHG inventory to ensure consistency and accuracy in accordance with the National Sustainability Reporting Framework. MSC has established its IFRS S1 and S2 Framework and GHG inventory ahead of the deadline set by the Securities Commission. MSC will establish its GHG Roadmap upon completion of Scope 3 reporting in FY2026-2027.

Sustainability Statement FY2025

IMPLEMENTATION OF NSRF - TIMELINE

GROUP 1

Main Market Listed Issuers

with market capitalisation ≥ RM 2 billion

Start Date:	1 Jan 2025
ATR Period:	2 years
Full Adoption:	2027
External Reasonable Assurance*:	2027

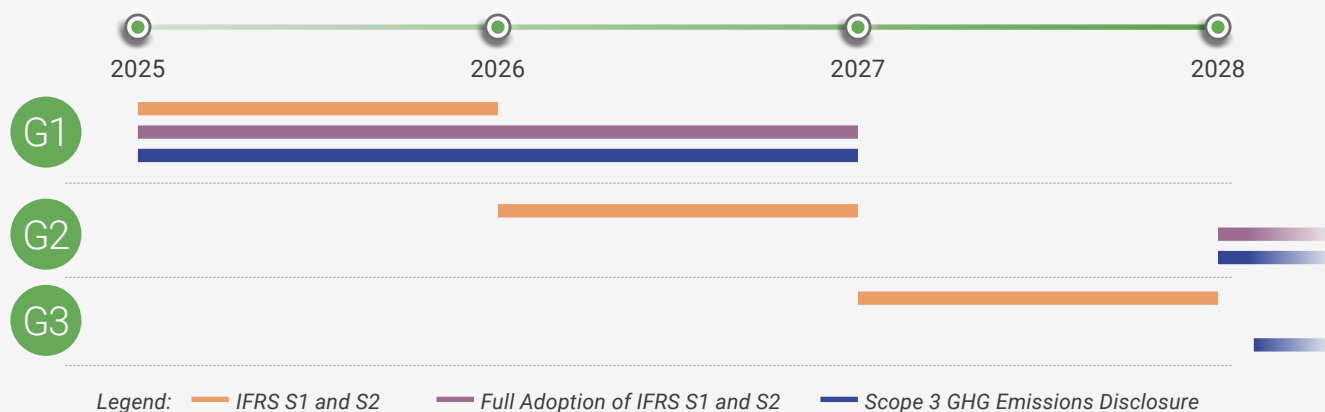
GROUP 2

Other Main Market Listed Issuers

(other than listed issuers in Group 1)

Start Date:	1 Jan 2026
ATR Period:	2 years
Full Adoption:	2028
External Reasonable Assurance*:	2028

Implementation Roadmap



MSC is currently working towards gaining a better understanding of SBTi’s “Above and Beyond” 2024. This initiative involves value chain stakeholders in emissions mitigation. It employs the principles of insetting to deliver additional near-term mitigation outcomes, achieving peak global emissions in the mid-2020s and halving global emissions by 2030. MSC’s GHG inventory reflects the potential to decarbonise Scope 2 while considering all options in Scope 1. MSC will consider scale-up of nascent technologies to deliver climate-friendly solutions. In this process, MSC operations at the mine and smelter will unlock the systemic transformation needed to achieve net-zero by mid-century.

AIR POLLUTION AUDIT

In FY2025, MSC continued to track air pollution via a third-party air emissions audit. This is in compliance with the Environmental Quality Act (EQA) 1974 and its established subsidiary legislation, Environmental Quality (Clean Air) Regulations 2014. It was found that air pollution is consistent with the allowable threshold as per audit findings.

MSC is aware of the New Ambient Air Quality Standards, which include particulate matter with a size of less than 10 microns (PM10) and 2.5 microns (PM2.5), as well as gases, sulfur dioxide (SO₂), carbon monoxide (CO), nitrogen dioxide (NO₂), and ground-level ozone.

MSC is aware that methane emissions are not inherent to tin mines; however, they could be present in low concentrations in sedimented tailings ponds. MSC is also aware that coalification produces methane when combusted.



Sustainability Statement FY2025

WATER & EFFLUENTS

MSC acknowledges water as a critical resource in tin mining and smelting operations. Water supports mineral processing, dust suppression, cooling, and refining activities. As a responsible participant in the extractive and downstream metals sector, MSC is committed to managing water resources efficiently while minimising impacts on surrounding ecosystems and communities.

MSC's Water Stewardship

The water management framework aligns with the principles of the International Council on Mining and Metals and applicable local regulatory requirements set by the JMG and DOE.

Regular water sampling is conducted to minimise environmental risks across all operational sites. MSC tracks water withdrawals from natural sources, actual consumption, treated discharges, and recycling rates.

At Pulau Indah, closed-loop water-circulation systems are in place for concentrators. At all 3 operations, water harvesting is optimised. In RHT, we have contamination prevention through lined tailings storage facilities and engineered containment systems.

Effluents generated by mineral processing and smelting are treated through sedimentation, filtration, neutralization, and chemical precipitation to remove suspended solids and residual metals before discharge. All treated effluents are tested regularly to ensure compliance with regulatory discharge standards and permit conditions.

In FY2025, RHT Management cooperated with the local authorities during the investigation of the discoloration in Sg Perak. Operations were shut down for 3 weeks. MSC is compliant with the Mineral Development (Effluent) Regulations 2016 regarding discharges and effluents. We keep records of monitoring systems installed at key discharge points. Full transparency is provided to relevant stakeholders, especially regulators and the state government, as an accountable corporate.

Water Efficiency and Continuous Improvement

Across all operations, active water-use minimisation is practiced. At the RHT Tin Mine, a closed water circuit system, where large volumes of water are retained in open reservoirs, with only minimal losses replenished by pumping freshwater from a nearby river. Lime dosing is used to neutralise the acidity of mine water and to suspend heavy metals, ensuring that all discharged effluents comply with the Mineral Development (Effluent) Regulations 2016.

MSC continued to invest in technology and process optimisation to reduce freshwater intake. Implementations include upgrading cooling systems, installing automated leak detection devices, and enhancing tailings dewatering processes. In 2025, MSC expanded its efforts through a partnership with FRIM to explore more effective, nature-based treatments to remove residual heavy metals.

Employees and local communities are engaged in discussions and dialogue on water conservation. MSC engages with local communities, water authorities, and stakeholders to better manage the watershed.

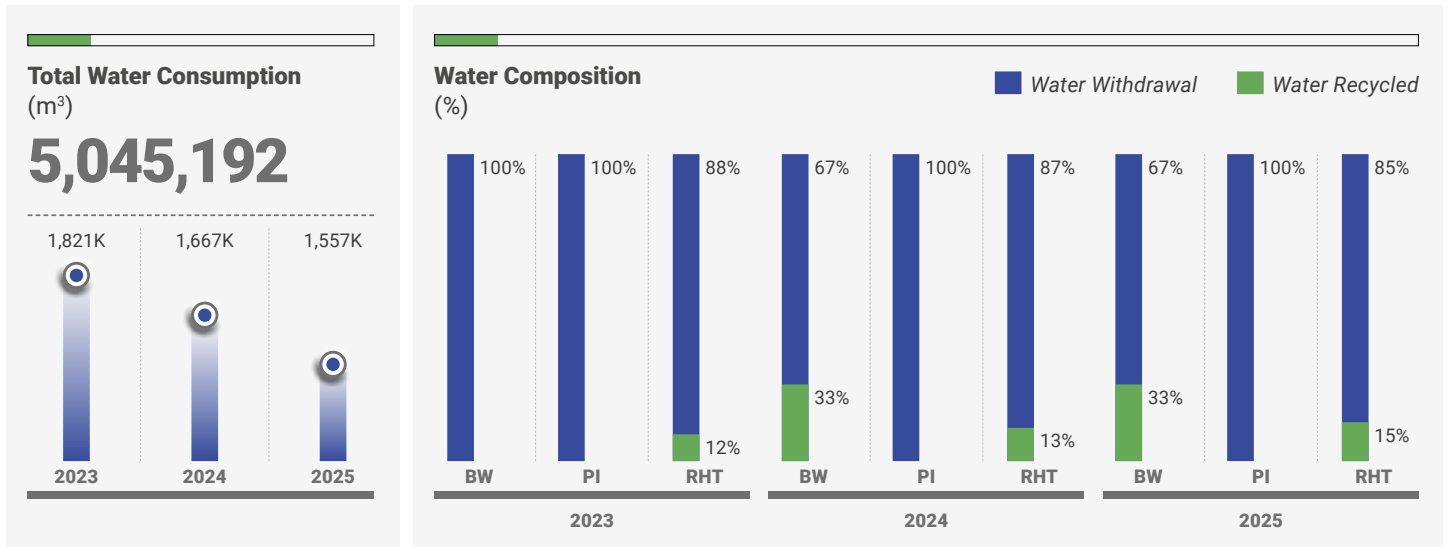
Effluent audits are conducted by DOE-appointed experts for compliance. Actions are closely monitored by the Sustainability Working Committee.

Across 3 operating sites, water consumption reduced by 7% in FY2025 compared to FY2024. However, in September 2025, Selangor Water Management company (Air Selangor) raised rates, resulting in a 1.6% increase in overall water costs in FY2025 (RM751,229) compared to FY2024 (RM739,553). No increase in water rates was reported in Perak in FY2025. However, the RHT tin mine is 99% dependent on the river watershed for its mining activity. While smelting operations recycled 100% of their water usage.



RHT Regional Water Sampling

Sustainability Statement FY2025



WASTE MANAGEMENT

MSC recognises effective waste management in responsible tin mining and smelting operations.

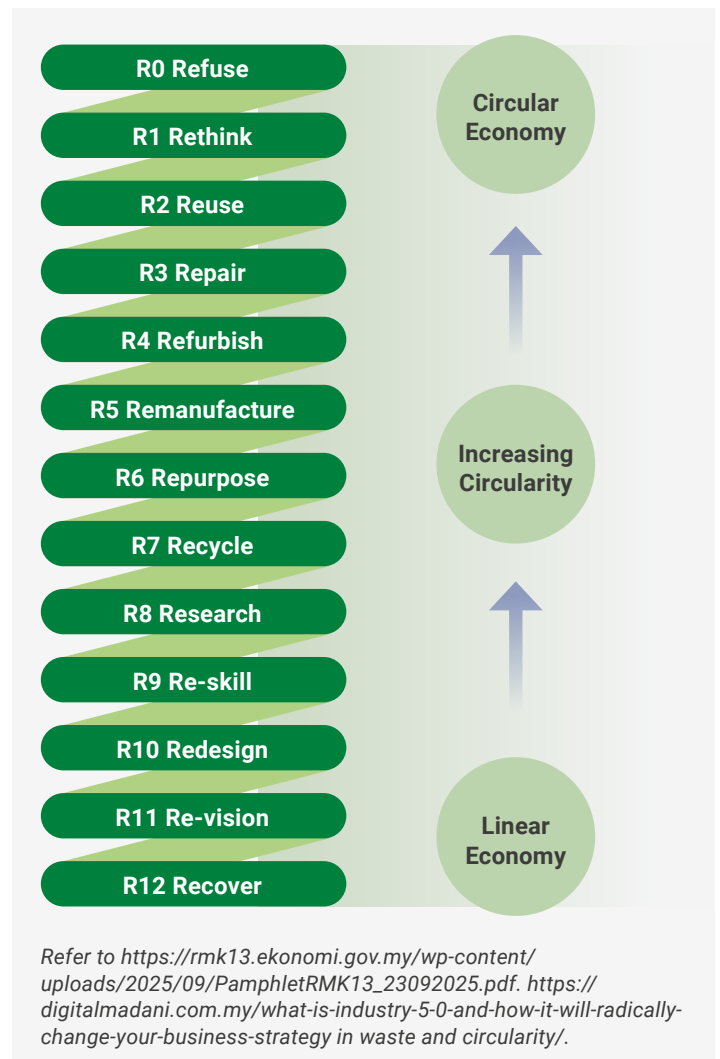
MSC acknowledges the Thirteenth Malaysia Plan (RMK13, 2026-2030), which mandates the Circular Economy Blueprint for Solid Waste (2025–2035). 3R to 9R circularity minimises waste, reduces environmental pollution, and boosts economic growth. 40% is set as a national recycling rate.

In MSC’s mining and smelting operations, applicable waste management strategies include Zero-Waste-to-Landfill Certification, which helps to improve resource efficiency.

MSC’s strategy is to better understand waste management from the 12R strategy. MSC is aware of the emerging role of technology in production and material flow loops. Industry 5.0’s integration of machines- Advanced Robotics, Additive Manufacturing, Augmented Reality, Horizontal/Vertical Integration, Industrial Internet of Things, Cloud Computing, Cybersecurity, Big Data and Analytics, keeps track of recovery opportunities. Furthermore, blockchain technology enables the development of product track records. Coupled with blockchain technology, traceability of waste by types and recycling rates.



Scheduled Waste Management



Sustainability Statement FY2025

In MSC’s mining operations, we implement structured waste segregation systems to distinguish between overburden, tailings, recyclable materials, hazardous waste, and general waste.

In RHT, tailings are managed through engineered tailings storage facilities that comply with applicable Malaysian environmental regulations and international best practices. Continuous monitoring is conducted to ensure structural integrity, prevent seepage, and mitigate potential impacts on surrounding ecosystems.

In Pulau Indah, processes are optimised to reduce slag and enhance metal recovery efficiency. Slag is a by-product with potential for reuse in the recovery of valuable metals. Similar industrial chemical by-products are being considered for use in smelting operations.

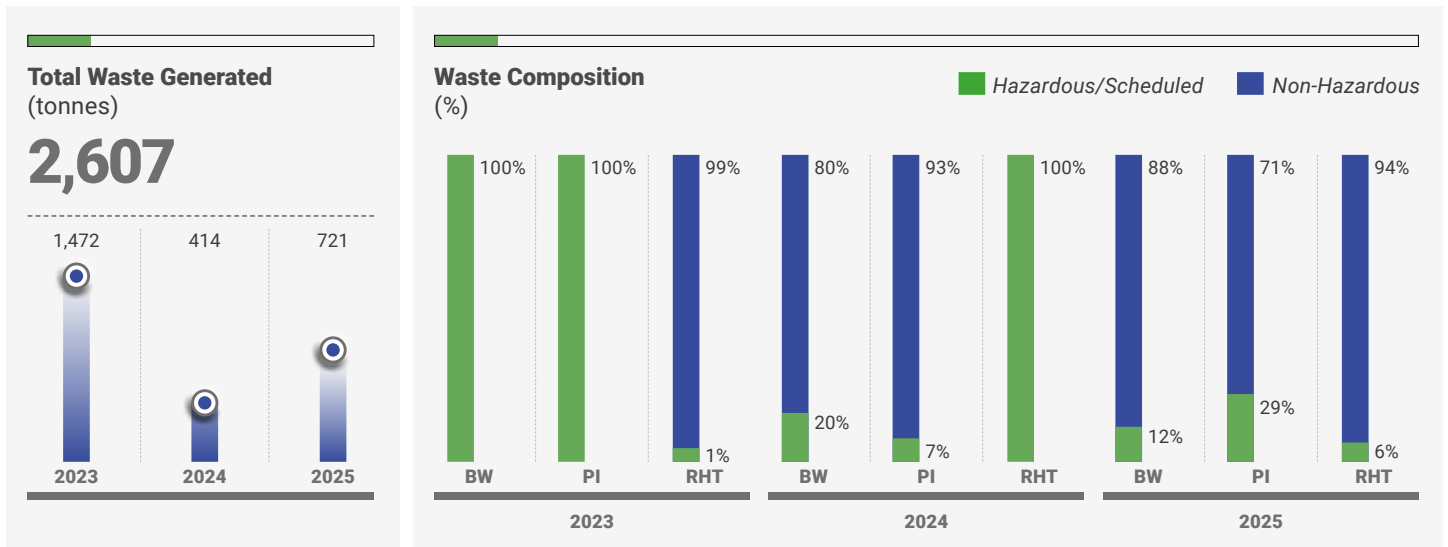
MSC complies with scheduled waste management through licensed contractors approved by the DOE. The company operates in compliance with the Environmental Quality Act 1974 and its related waste management regulations.

There are common waste types across operating entities, such as scrap, packaging materials, and paper. These are recycled, with indirect income received from waste vendors, while other types of scheduled waste are sent to landfill via appointed DOE vendors, with invoice and traceability records on the DOE portal to avoid negligence.

MSC conducts regular training to ensure that employees and contractors understand proper waste-handling procedures and emergency-response protocols.

In FY2025, waste generated from both smelting and mining operations reached 721.21 tonnes, up from 413.55 tonnes in FY2024. There were additional scheduled waste cards, included in FY2025 as compared to FY2024.

MSC recorded an increase in recycling rates by 48% in FY2025 as compared to the previous year. This is above and beyond the national recycling rate of 40%.



MSC continues to monitor waste in mining and smelting operations, in collaboration with private- and government-sector expertise, to aim for zero-waste mining and smelting in the near term, as we recognise that waste contributes to Scope 3 emissions.

Sustainability Statement FY2025

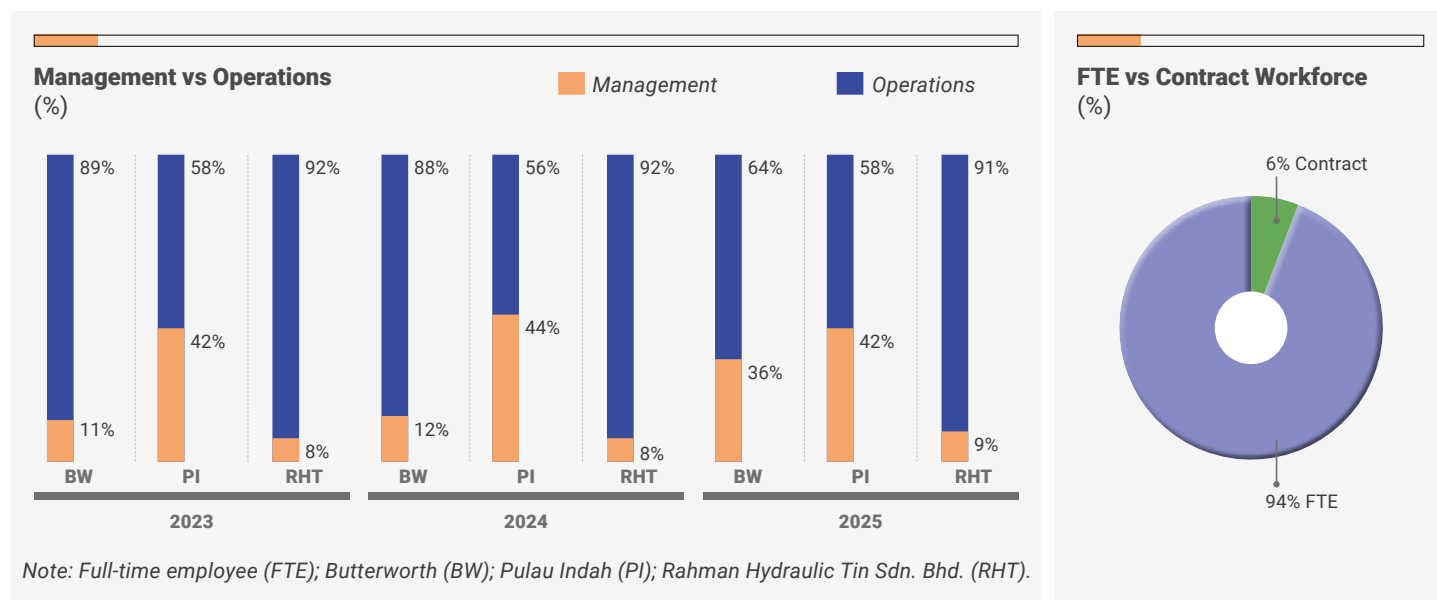
SOCIAL

People Management



At the core of MSC’s operations is a skilled and dedicated workforce that drives sustainable growth across mining and smelting activities in Malaysia. As a responsible participant in the national minerals sector, MSC’s operations is aligned with statutory regulatory requirements set in the Employment Act (1955); Occupational Safety and Health (Amendment) Act 2022 (Act 514) by the Department of Occupational Safety and Health Malaysia and Mineral Development Act 1994 (Act 525), which provides for the inspection and regulation of mining activities, and the State Mineral Enactments at Selangor and Perak, under the purview of the Department of Mineral and Geoscience Malaysia.

MSC maintains balanced workforce functionalities with a minimum balance of a 3:2 FTE ratio between Operations-Management across the 3 years.



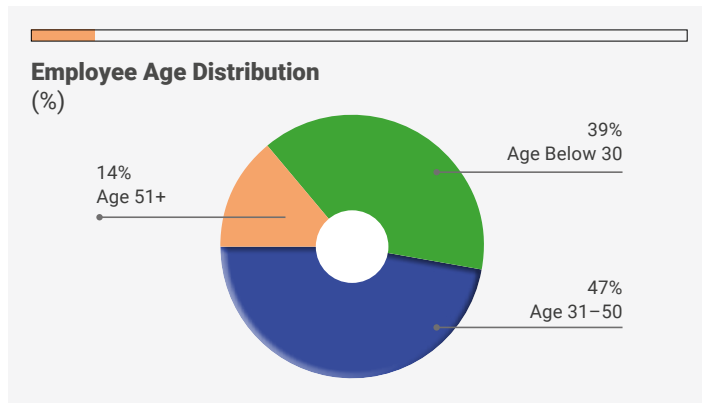
TALENT AND ATTRITION

Employee demography in MSC is inherent to its business, with a good balance between those with experience and expertise in labour-intensive roles and in management or administrative functions.

MSC is committed to fostering a safe, inclusive, and high-performing workplace. In FY2025, 94% of the workforce is under payroll, maintaining the percentage as compared to FY2024 (94%). This minimises outsourcing risks in supply chain operations. In FY2025, only 6% of labour was outsourced, maintaining the same percentage as in FY2024.

Sustainability Statement FY2025

39% are below 30 years of age, 47% are between 31 and 50, whilst those above 50 are kept below 15%. Female representation within mining and smelting operations (labour-intensive) is capped at below 15%.



In FY2025, the total number of employees remained below 1000, with an employee demographic of 86% male and 14% female. This headcount is optimised for management and non-management capabilities during the transition from Butterworth (“BW”) to Pulau Indah (“PI”) operations. Therefore, MSC reduced its headcount from 1,274 FTEs in FY2023 to 1,237 in FY2024 to 978 in FY2025.

MSC’s operations are central to an adequate talent pool. Workforce attrition is due to on-site changes. Due to BW’s scheduled shutdown, employees were transitioned down to 77 in FY2025. Headcount demand is planned as per workforce requirements.

In FY2025, MSC has set a plan to maintain attrition below 10% for all sites except BW.

FTE	FY2023	FY2024	FY2025
BW	394	339	77
PI	178	194	212
RHT	702	704	689
Total	1,274	1,237	978

Turnover	FY2024	FY2025
BW	80	287
PI	7	1
RHT	48	38

Turnover	FY2023	FY2024	FY2025
Employee voluntary turnover rate			
- Management	7.53%	6.30%	10.17%
- Non-Management	7.95%	7.03%	6.87%

MSC continues to attract talent via community engagement. In FY2025, MSC participated in platforms and roadshows.

Programmes with local communities continue to help maintain the talent pipeline. Other than this, digital communication channels are kept open for job vacancies.

WORKFORCE DEVELOPMENT AND CAPABILITY BUILDING

Operating in a technically complex industry requires continuous upskilling and professional development. In FY2025, MSC implemented structured training programmes covering occupational safety, process optimisation, environmental compliance, and leadership development.

Employees responsible for technical competencies would undergo regular certifications and assessments to ensure compliance with industry standards and strengthen operational excellence.

We collaborate with local universities and technical institutions to provide internships, industrial training placements, and graduate employment opportunities, supporting Malaysia’s aspiration to build a highly skilled workforce under initiatives such as the Human Resources Development Corporation.

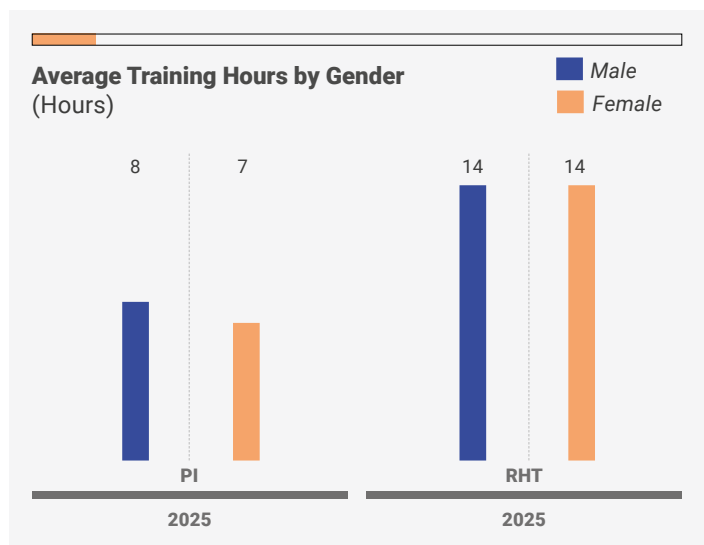
Through these partnerships, MSC builds the future talent pipeline for the mining and metallurgical sectors.

In the future, MSC aims to set targets through mandatory and non-mandatory programmes for capability development.



Study Visit Programme by ADTEC Student

Sustainability Statement FY2025



MSC conducted over 113 training programmes with an investment allocation of RM447,112 in FY2025. 63% of this amount was allocated to mandatory safety-related training, covering 66% of the mining workforce. Annually, 76% of the training sessions are mandatory and cover geology, mining, engineering, production, compliance, safety, security, and integrity.

Training	FY2023	FY2024	FY2025
Investment in Staff Development (RM)	277,304*	553,825*	447,112
Training programmes	121*	170*	121
Total training hours	78,895*	12,673*	9,363
- Management	24,867*	2,728*	4,558
- Non-Management	54,028*	3,575*	4,805

*Restated.

In FY2025, MSC expanded its learning and development efforts to include a wider range of technical and soft-skills training, sustainability- and ESG-related modules, and leadership programmes.

OTHER POLICY-LEVEL EMPLOYEE ENGAGEMENTS

Gender Diversity, Equality, and Inclusion (GDEI) Opportunity

MSC acknowledges that policy-driven practices, beyond competitive remuneration, performance-based incentives, and clear career progression pathways, also contribute to strong employee retention and organisational stability. Through strategic talent management, continuous learning, and a steadfast commitment to safety and inclusion, MSC aims to build a resilient workforce capable of supporting sustainable value creation in Malaysia's tin mining and smelting industry.

MSC's Human Resources ("HR") policy promotes fair employment practices grounded in meritocracy and equal opportunity. Recruitment, promotion, and remuneration processes are transparent and free from discrimination. MSC is committed to advancing diversity and inclusion across its operations and leadership roles.

MSC's HR Policy prohibits discriminatory practices. Regular employee engagement surveys, town halls, and performance dialogues enable open communication between management and employees. Feedback mechanisms help identify and prevent discrimination or unfair treatment of employees.

This includes compensation packages. MSC adheres to all applicable wage laws, including the Minimum Wages Order 2022. We conduct periodic reviews to ensure our remuneration practices align with industry standards.

MSC's HR Policy prohibits all forms of child labour across mining and smelting operations. No individuals under the age of 16 are employed, in line with our Labour Policy and the Children and Young Persons (Employment) Act 1966. Any detection of child labour will be reported to the Welfare and Labour Department immediately, in accordance with the company's remediation practices.



Integrity Compliance Programme

Sustainability Statement FY2025

MSC's HR Policy has a zero-tolerance approach against involuntary labour or forced labour. All employment and work are based on free will and competence. Employees are guaranteed freedom of movement and employment, with clearly defined contracts that uphold their rights and protections.

MSC's HR Policy strictly adheres to applicable labour laws and regulations on working hours and overtime, as stipulated in the Employment Act (Amendment) 2022. The mining and smelting facilities operate within the prescribed 45-hour work week limit. Overtime is tracked to prevent excessive work hours, as indicated in the MSC's Employee Handbook.

Furthermore, MSC enters into collective bargaining agreements with workers' unions to ensure fair and transparent employment terms, including working hours. Employees are free to join trade unions and engage in collective bargaining. We encourage open communication between employees and management while upholding the right to freedom of association and unionisation, as outlined in our Code of Conduct. In FY2025, 64.0% of mining operations employees are members of the National Mining Workers' Union of Peninsular Malaysia, while 70.4% of smelting operations employees are members of the National Union of Industrial Mineral Smelting Workers.

MSC prohibits any form of harassment or inhumane treatment of employees, as stipulated in the Harassment Policy in the Employee Handbook.

MSC operations are guided by the principles of the Universal Declaration of Human Rights, the core conventions of the International Labour Organization (ILO), and the labour standards set under the International Tin Supply Chain Initiative (ITSCi). Human Rights is a standard practice tested during the Responsible Minerals Assurance Process ("RMAP") audits to ensure that across mining, smelting, and supply chain activities, no human rights violations are detected.

Employees can raise workplace concerns through a formal grievance mechanism and reporting channel. This system ensures the timely resolution of workplace matters, including human rights issues, fostering a fair and transparent work environment.

Effectiveness of HR Policy Management

In FY2025, MSC complied with all labour standards, laws, and regulations and received zero (0) substantiated complaints regarding human rights violations.

Training	FY2023	FY2024	FY2025
Number of substantiated complaints concerning human rights violations	0	0	0
Total employees covered by collective agreements	44.5%	55.8%	44.5%

HEALTH, SAFETY, AND WELLBEING

Employee safety remains our highest priority, particularly given the inherent risks associated with mining and smelting operations. MSC maintains robust safety management systems, conducts routine risk assessments, and delivers ongoing safety awareness training. Our commitment extends beyond compliance to include cultivating a proactive safety culture in which every employee is empowered to identify hazards and stop unsafe work practices.

We also support employee wellbeing through medical coverage, periodic health screenings, mental health awareness initiatives, and access to wellness programmes, recognising that a healthy workforce underpins long-term productivity and sustainability.

MSC takes a proactive approach to risk prevention by assessing workplace hazards and implementing measures to minimise them. A key part of this is the Hazard Identification, Risk Assessment, and Risk Control ("HIRARC") framework, which adheres to ISO 45001:2018 standards. Risk assessments are conducted for both new and existing operations to uncover potential hazards and drive improvements.

MSC maintains Emergency Response Team ("ERT") in both mining and smelting operations. The ERT are equipped with essential safety tools, including first-aid kits, fire extinguishers, and personal protective equipment ("PPE"). Meanwhile, climate-related emergency response plans are in place, including clear evacuation procedures, maintenance of infrastructure and drainage systems, and regular simulation drills, among others. To uphold high safety standards, MSC monitors key safety performance indicators and conducts internal and external audits for ISO 45001:2018 (Occupational Health & Safety Management Systems) at RHT Tin Mine and Pulau Indah smelter, as well as for ISO 39001:2012 (Road Traffic Safety Management Systems) at RHT Tin Mine.

Safety Related Targets

MSC has established clear safety-related targets supporting our broader objective to continually strengthen workplace safety:

- 1 Zero compoundable offences under the Occupational Safety and Health Act.
- 2 Achieving 250,000 working man-hours without lost-time injuries.
- 3 Reducing forklift-related incidents by 40% compared to the previous year.

Every reported incident is treated seriously, with site-specific investigations and corrective actions taken. These included re-briefing affected teams on safe work procedures, updating risk assessments, and reinforcing the use of PPE. Additional toolbox meetings and safety briefings were held to raise awareness and embed preventive measures into daily operations.

Sustainability Statement FY2025

In FY2025, MSC has set workplace safety targets of 0 fatalities, fewer than 20 incidents per 1 million man-hours worked, and fewer than 20 loss-time injuries reportable to the Department of Occupational Safety and Health.

Between mining and smelting operations, the safety risks differ, and the controllable parameters vary widely. In a smelting environment, operational structures and equipment are placed within safe work limits. While in the mines, those safe limits are also subject to vast environmental uncertainties.

Hence, employees are trained regularly, reminded during every shift briefing, and placed in a buddy system to work together, ensuring their safety. This is how MSC promotes a safe work culture.

MSC is cognisant that awareness fosters a positive and safe work environment; thus, the company maintains close-knit employee engagement through monthly activities.

MSC managed to reduce its Lost Time Injuries (“LTIs”) to 36 and its incident rate per million hours worked to 16, with 1 fatality under investigation.

In FY2025, the Group recorded 36 LTIs with 1 fatality. Following the incidents, MSC reinforced safety controls by enhancing physical barriers around work areas, improving site communication systems, and reinforcing operator competency requirements through refresher training and supervision.

Meanwhile, the LTIs primarily involved minor incidents such as hand injuries from manual handling, slips and falls during maintenance tasks, and lacerations caused by sharp tools.

Training	FY2023	FY2024	FY2025
Percentage of MSC’s sites with ISO 45001:2018	66%	66%	66%
Total safety-related programmes and training sessions	86	65	52
Total employees trained on health and safety standards	1,274	1,498	1,327
Total workplace safety inspections	40	40	28
No. of lost-time injury (LTI)	45	43	36
– Employees	34	35	27
– Contractors	11	8	9
LTI rate per 1,000,000 man-hours worked	27.4	20.4	15.8
No. of fatalities (Employee & Contractors)	0	1	1

MSC acknowledges that safety culture is a competitive advantage in this sector. It contributes to strong employee retention and organisational stability. Through strategic talent safety management, continuous safety learning, and a steadfast commitment to safety and inclusion, MSC aims to continue building a resilient workforce capable of supporting sustainable value creation in Malaysia’s tin mining and smelting industry.

Sustainability Statement FY2025

DATA PRIVACY AND SECURITY

Why is this important?

As a group operating within Malaysia's tin mining and smelting industry, MSC recognised data privacy and cybersecurity as integral to sustainable and responsible business practices. Operations rely on digital systems for mineral traceability, production monitoring, logistics coordination, financial management, and stakeholder communication.

Protecting the confidentiality, integrity, availability, and access to information is essential to maintaining operational continuity, regulatory compliance, and stakeholder trust.

MSC adheres to the Personal Data Protection Act 2010, and other applicable regulations in jurisdictions where we operate. This includes data relating to employees, contractors, customers, suppliers, and community stakeholders. Robust governance frameworks, internal policies, and employee awareness programmes are implemented to ensure that personal information is processed lawfully, transparently, and securely.

Business continuity and disaster recovery plans are maintained and tested to strengthen resilience against potential cyber incidents.

Data integrity also supports responsible sourcing and traceability commitments, ensuring that mineral supply chains remain transparent and aligned with international expectations.

In FY2025, MSC reviewed its data privacy and protection program against the National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF) version 2.0. In FY2025, the industrial version for factory operations was launched to help organisations manage and reduce cybersecurity risks. The Information Technology ("IT") Department of MSC has reviewed and rated current practices based on principles of NIST - Govern, Identify, Protect, Detect, Respond, and Recover.

MSC's critical IT infrastructure, both operational technology and information technology, is interconnected and unique to mining and smelting operations. The review identified the target states for cybersecurity practices and opportunities to enhance security resilience in MSC.



Sustainability Statement FY2025

Our Performance	FY2023	FY2024	FY2025
Substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0

MSC AND UN SDGS IMPACT

The United Nations' Sustainable Development Goals ("SDGs") represent global efforts to advance social inclusion, environmental sustainability, and economic development.

Mining is a global industry, often located in remote, ecologically sensitive, and less-developed areas. Managed appropriately, it creates jobs and leverages infrastructure development for local artisanal communities.







The United Nations' SDGs and Targets offer guidance to corporations and mining-sector stakeholders to navigate investments for long-term value creation.

The mining industry can have a positive impact across the SDGs. Mining can foster economic development by providing opportunities for decent employment, business development, increased fiscal revenues, and infrastructure linkages. Many of the minerals produced by mining are also essential building blocks to technologies, infrastructure, energy, and agriculture.

The mining sector has also made significant advances in mitigating ESG risks by protecting workers' health, achieving energy efficiency, reporting on financial flows, and respecting and supporting human rights.

Opportunities for mining companies to contribute positively are found across all goals, and individual companies will need to conduct analysis to understand how their business can make an impact. A company's specific actions and opportunities will depend on the local social, political, and economic context, the mineral resource, the stage of mining activities (exploration, development, extraction, or closure), and input from local communities and other stakeholders through formal dialogue and engagement.

To realise the full potential to contribute to the achievement of the UN SDGs, the mining company would integrate these changes into its core business and bolster collaboration, partnerships, and meaningful dialogue with governments, civil society, communities, and other mining stakeholders worldwide.

UN SDGs Impact	ESG Activities	FY2024 RM	FY2025 RM
	Employee welfare and wellbeing	582,261	442,860
	Employee's health	62,263	71,513
 	Industry-academia collaboration	120,000	188,000
 	Environmental compliance	18,654	47,179

Sustainability Statement FY2025

CSR ENGAGEMENT



Friendly Badminton Match



Bowling Tournament



Company Annual Dinner



Disaster Relief Support for Employee



Farewell and Appreciation Ceremony for Retiring Staff



Fishing Competition



Company Kongsi Raya Celebration



Lawn Mower Donation to PDRM Pengkalan Hulu



Futsal Tournament



Study Visit Programme by UNITEN Students

Sustainability Statement FY2025

GOVERNANCE

Governance Performance



Strong governance and ethical business practices are fundamental to the long-term sustainability of a group operating in the tin mining and smelting industry. As a sector closely linked to global supply chains in electronics, automotive, and renewable energy industries, our operations are subject to heightened scrutiny from regulators, customers, investors, and local communities. Robust governance structures ensure that strategic decisions are made transparently, risks are effectively managed, and accountability is embedded at every level of the organisation.

Why is it important?

Strong governance and ethical business practices are fundamental to the long-term sustainability of a group operating in the tin mining and smelting industry. As a sector closely linked to global supply chains in electronics, automotive, and renewable energy industries, our operations are subject to heightened scrutiny from regulators, customers, investors, and local communities. Robust governance structures ensure that strategic decisions are made transparently, risks are effectively managed, and accountability is embedded at every level of the organisation.

MSC complies with the Malaysian regulatory and compliance frameworks, such as the Companies Act 2016 to maintain its license to operate a business; Bursa Malaysia Listing Requirements to ensure its continued listing status and compliance with the regulations of the Securities Commission Malaysia; the Malaysian Code on Corporate Governance for demonstrating integrity in management; and the Malaysian Anti-Corruption Commission (“MACC”) Act 2009 and the MACC (Amendment) Act 2018 to ensure internal controls on governance matters are kept in check.

MSC policies are also aligned with international standards such as the Organisation for Economic Co-operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals and guidance from the International Tin Association. It demonstrates traceability for responsible sourcing. Please see https://www.msmelt.com/global_files/docs/rmap-assessment-report-2024.pdf

Our Approach

MSC’s commitment to integrity, responsible leadership, and the protection of shareholder and stakeholder interests is reflected in its governance performance, production, responsible supply chain, and adherence to anti-corruption policies and practices.

Our commitment to integrity and transparency is reflected in the comprehensive policies and governance structures implemented at MSC.

REVENUE AND PRODUCTION PERFORMANCE

Economic Performance	FY2023	FY2024	FY2025
Revenue (RM million)	1,436	1,692	1,759
Mining: Production of tin concentrates (Tonnes)	3,832	3,814	3,749
Mining: Production of tin-in concentrates (Tonnes)	2,598	2,516	2,455
Smelting: Production of refined tin (Tonnes)	20,722	16,290	14,254

Sustainability Statement FY2025

MSC’s finished product of tin metal is a global commodity subject to price volatility, and its demand is driven by economies of scale in sectors such as electric vehicles (EVs), electronics, semiconductors, industrial manufacturing, artificial intelligence (AI) and datacentres.

Tin concentrate is MSC’s primary raw material sourced through its reliable network of suppliers, which includes Malaysian local entities, its subsidiary RHT, and international suppliers from Nigeria, Australia, Democratic Republic of the Congo (DRC), and Rwanda, ensuring continuous production at the facility.

MSC has transitioned its tin smelting operations from Butterworth, Penang, to its facility in Pulau Indah Industrial Park, next to West Port, in the state of Selangor, maintaining its annual capacity by the use of modern Top Submerged Lance (TSL) furnaces and oxygen enrichment, enabling environmentally friendly production. MSC’s Management had planned this transition well in advance, due to its legacy furnaces at the Butterworth plant, which was the country’s first smelter in 1902.

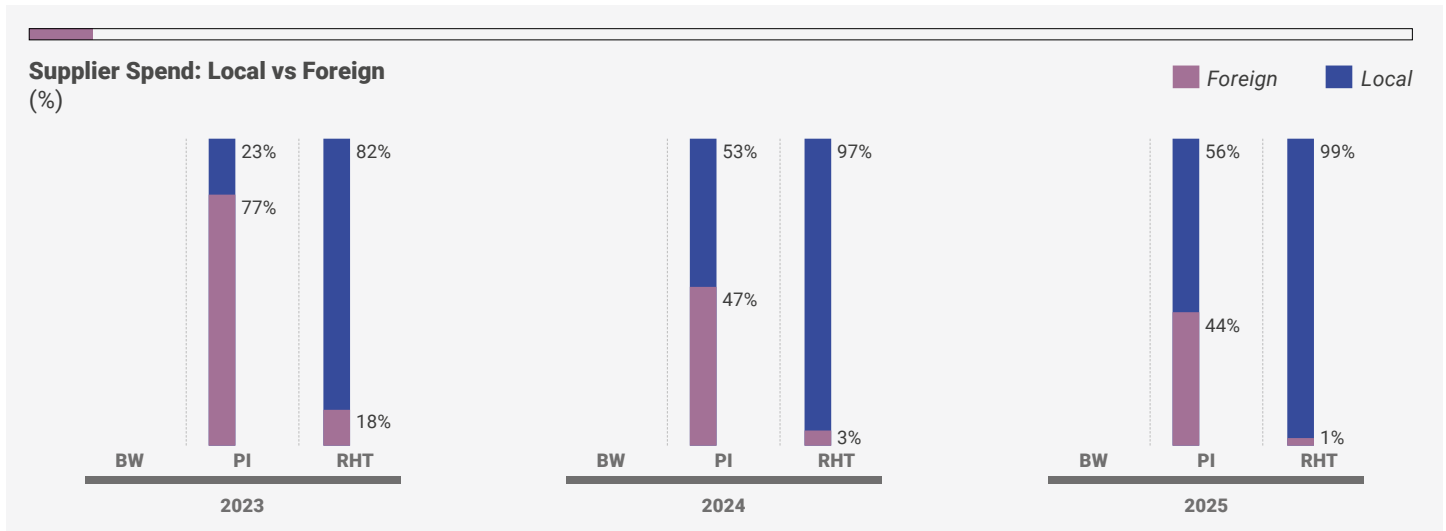
At the microscale, as an in-house best practice, MSC in FY2025 tightened internal controls to improve productivity. Zero Incident Policy comprises many safety rules and regulations, and one of the regulations is to prevent the unauthorised usage of mobile phones at the smelting factory while working.

From a macro perspective, MSC is cognisant of market volatility in tin prices; thus, its plan is to optimise tin recovery and increase tin concentrate production at the mining site by commissioning and expanding the Kota Bunyih Mill in Perak.

RESPONSIBLE SOURCING

MSC is subject to an annual audit as a conformant smelter under the Responsible Minerals Initiative (RMI). The Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance and the Responsible Minerals Assurance Process (RMAP) standards are independent third-party audits confirming that ore sourcing practices do not contribute to conflict, human rights abuses, or environmental damage. MSC ensures transparency in the tin supply chain, and more information about RMAP is available on the MSC website.

In FY2025, MSC pursued its commitment to expand its local supplier base to minimise supply chain risks. Due to external geopolitical tensions and tariffs, local suppliers ensure quality and on-time delivery within the allowable cost matrix. Keeping efficiency and margins in mind, MSC’s procurement division had reviewed its top 80% suppliers (consumables) to further optimise their supplier relations. In FY2025, MSC achieved 100% local sourcing of consumables.



In FY2025 - 2027, we have redefined our responsible sourcing policy for consumables and feed. This aligns with the National Sustainability Reporting Framework, which recommends reporting on Scope 3 emissions (within operations, the supply chain, and the product carbon footprint). MSC is developing a Scope 3 greenhouse gas inventory to ensure adequate traceability and assurance of ESG risk-minimisation practices.

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ANTI-CORRUPTION MANUAL

MSCs' commitment to being a responsible corporate citizen is underpinned by adherence to policies and practices in line with the Group's Whistleblowing Policy and Anti-Corruption Manual ("ACM"). Both are available in English and the Malay language on the company's website. Please refer to www.msmelt.com.

In FY2025, MSC updated the ACM in accordance with Section 17A of the MACC Act 2009 (Amendment 2018), which introduced the corporate liability for corruption clause in 2024. MSC is aware of the penalty and imprisonment implications in any case. The policy was reviewed for adequate procedures aligned with the T.R.U.S.T. (Top-level Commitment, Risk Assessment, Undertake Control Measures, Systematic Review, and Training/Communication) principles to prevent any corrupt behaviour.

MSC has implemented the **ISO 37001:2016 Anti-Bribery Management System ("ABMS")** within its mining subsidiary, RHT. The certification demonstrates RHT's commitment to robust internal controls, risk assessments, monitoring mechanisms, and training programmes to prevent bribery and corruption across its operations and business relationships.

In recognition of its strong governance and integrity practices, RHT was awarded the **Gold Award (Private Sector Category)** at the *Anugerah Integriti, Governans dan Antirasuah (AIGA) 2025*, organised by the Institut Integriti Malaysia and held at the Putrajaya International Convention Centre. The award recognises organisations that demonstrate exemplary commitment to strengthening integrity, governance, and anti-corruption initiatives.



Oversight of the ABMS implementation is led by the Integrity Governance Unit ("IGU") at RHT. The IGU incorporates integrity and anti-bribery awareness into induction courses for new hires, making key policies and information visible through displays to uphold the zero-tolerance approach. RHT ensures its Integrity and Anti-Corruption Manual applies to intermediaries, including contractors and agents, promoting ethical conduct across all business engagements.

In FY2025, other policy reviews included Sexual Harassment, Ethics, and Recruitment policies.

MSC, as a Group, upholds a zero-tolerance stance against corruption and bribery, ensuring that all business dealings are conducted with transparency, fairness, and integrity. To reinforce this commitment, our ACM establishes clear guidelines and procedures to prevent and combat corruption in all forms, including bribery, embezzlement, and abuse of power. The policy is communicated to employees through onboarding briefings, the Employee Handbook, and mandatory periodic training sessions conducted by the MACC.

MSC's risk management framework at the group level is cascaded through anti-bribery declarations, training, and enforcement guidelines to Directors and all other employees.

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	FY2023	FY2024	FY2025
Number of confirmed corruption incidents	1	0	1
Fines, penalties, or settlements in relation to corruption (RM)	0	0	0
Monetary contributions to political parties or candidates (RM)	0	0	0
Disciplinary cases of staff due to non-compliance with policy	13	1	6
Percentage of MSC's operations that underwent corruption risk assessment	33%	33%	33%
Anti-corruption training by employee category			
Management	18.0%*	0.5%*	35.0%
Non-Management	82.0%*	99.5%*	65.0%

MSC's Whistleblowing Policy fosters a positive culture of transparency and accountability. All stakeholders have access to the channel and are engaged annually for a refresher. Internal and external stakeholders are empowered to raise concerns regarding unethical behaviour, fraud, corruption, or violations of company policies. This policy provides for a secure, confidential, and retaliation-free mechanism for individuals to voice their concerns. Reports submitted anonymously through a secure channel are assured of confidentiality, enabling the Group to address incidents of misconduct proactively.

In FY2025, MSC incurred no fines, penalties, or settlements related to corruption. The Group also made zero (0) monetary contributions to political parties as per the table below.

Economic value distributed (in RM million)	FY2024	FY2025
Costs of tin mining and smelting	1,761.6	1,841.3
Employee wages and benefits	82	77
Payment to providers of capital (Dividend to shareholders + bank loan interest payments)	146.1	81.4
Payment to government (Taxes)	46.1	37.6
Community investment	0.2	0.2
Total	2,127.3	2,087.9

In FY2025, the company conducted a corruption risk assessment for both mining and smelting operations involving 65% of non-management and 35% of management-level employees. This assessment is in addition to the annual anti-corruption training conducted for all employees. Anti-bribery-related training is a mandatory programme to ensure compliance. All employees and business associates are also required to acknowledge and accept the Anti-Bribery Pledge.

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BURSA MALAYSIA PRESCRIBED TABLE

Malaysia Smelting Corporation Berhad BMLR Transition Period		Date & Time: 2026-04-28_10:11:16 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Energy Management	Electricity energy supplied by Tenaga Nasional Berhad (TNB)	kWh	40,500,484.00	None	External (Reasonable)
Energy Management	Electricity energy produced by genset	kWh	2,123,813.00	None	External (Reasonable)
Energy Management	Renewable energy generation (Solar Energy)	kWh	568,647.87	None	External (Reasonable)
Energy Management	Total energy consumption (Renewable & Non-renewable)	kWh	43,192,944.87	None	External (Reasonable)
Energy Management	Total non-renewable energy consumption	kWh	42,624,297.00	None	External (Reasonable)
Energy Management	Total renewable energy (Solar Energy) as opposed to non-renewable energy in percentage	Percentage	1.32	None	External (Reasonable)
Energy Management	Total cost of Electricity Bill	RM	16,758,997.09	None	External (Reasonable)
Scope 1	Total Scope 1 emissions	tCO2e	60,252.91	None	External (Reasonable)
Scope 1	Total Amount of Coking Coal (Anthracite) Used	Tonnes	5,988.28	None	External (Reasonable)
Scope 1	Total Amount of Diesel (100% mineral diesel) Used	Litres	779,190.00	None	External (Reasonable)
Scope 1	Total Amount of LPG Used	Tonnes	8012	None	External (Reasonable)
Scope 1	Total Amount of Natural Gas Used	kWh	66,106,719.55	None	External (Reasonable)
Scope 1	Total Amount of Fuel oil Used	Litres	3,085,605.27	None	External (Reasonable)
Scope 2	Total Scope 2 emissions	tCO2e	31,347.37	None	External (Reasonable)
Scope 2	Total electricity consumed	kWh	40,500,484.00	None	External (Reasonable)
Waste Management	Total waste generated	Tonne	721.21	None	External (Reasonable)

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Malaysia Smelting Corporation Berhad BMLR Transition Period		Date & Time: 2026-04-28 10:11:16 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Waste Management	Waste generated - Hazardous/- Scheduled	Tonne	103.57	None	External (Reasonable)
Waste Management	Waste generated - Non-hazardous	Tonne	61764	None	External (Reasonable)
Waste Management	Waste generated - Non-hazardous (Scrap Metal)	Tonne	531.06	None	External (Reasonable)
Waste Management	Waste generated - Non-hazardous (General Waste)	Tonne	85.71	None	External (Reasonable)
Waste Management	Waste generated - Non-hazardous (Paper)	Tonne	0.87	None	External (Reasonable)
Waste Management	Total waste diverted from disposal (recycled)	Tonne	535.91	None	External (Reasonable)
Waste Management	Total waste directed to disposal	Tonne	185.30	None	External (Reasonable)
Water Management	Total water withdrawal	m3	1,556,659.00	None	External (Reasonable)
Water Management	Water withdrawal - Surface water from rivers	m3	1,267,694.00	None	External (Reasonable)
Water Management	Water withdrawal - Municipal potable water	m3	288,965.00	None	External (Reasonable)
Water Management	Total water discharged	m3	-	None	External (Reasonable)
Water Management	Water discharged- Ocean	m3	-	None	External (Reasonable)
Water Management	Water discharged- Surface water	m3	-	None	External (Reasonable)
Water Management	Water discharged- Subsurface/well	m3	-	None	External (Reasonable)
Water Management	Water discharged- Offsite water treatment	m3	-	None	External (Reasonable)

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Malaysia Smelting Corporation Berhad
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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Water Management	Water discharged- Beneficial/other use	m3	-	None	External (Reasonable)
Water Management	Total water consumption	m3	1,556,659.00	None	External (Reasonable)
Water Management	Total water recycled	m3	306,196.50	None	External (Reasonable)
Water Management	Total volume of water used	m3	1,862,855.50	None	External (Reasonable)
Water Management	Total incidents of non-compliance with water quality or quantity permits, standards and regulations	Number	-	None	External (Reasonable)
Water Management	*Total water consumption intensity (Depends on the production figures as stated in the economic section)*	m3/mt	54.29	None	External (Reasonable)
Water Management	Total cost of Water Bill	RM	751,229.30	None	External (Reasonable)
Workforce Demographics	Total number of employees	Numbers	978	None	External (Reasonable)
Workforce Demographics	Number of employees by age - Below 30 years old	Numbers	381	None	External (Reasonable)
Workforce Demographics	Number of employees by age - 31 to 50 years old	Numbers	458	None	External (Reasonable)
Workforce Demographics	Number of employees by age - 51 years old and above	Numbers	139	None	External (Reasonable)
Workforce Demographics	Employees by gender - male	Numbers	847	None	External (Reasonable)
Workforce Demographics	Employees by gender- Female	Numbers	131	None	External (Reasonable)
Workforce Demographics	Total local employees (Malaysian)	Numbers	975	None	External (Reasonable)
Workforce Demographics	Number of local employees (Malaysian)- management	Numbers	174	None	External (Reasonable)

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Workforce Demographics	Number of local employees (Malaysian)- non-management	Numbers	801	None	External (Reasonable)
Workforce Demographics	Employees by employment type- Permanent	Numbers	923	None	External (Reasonable)
Workforce Demographics	Employees by employment type- Contractual	Numbers	55	None	External (Reasonable)
Workforce Demographics	Employees by category- Management	Numbers	177	None	External (Reasonable)
Workforce Demographics	Employees by category - Non-management	Numbers	801	None	External (Reasonable)
Workforce Demographics	Employees by department - Male	Numbers	179	None	External (Reasonable)
Workforce Demographics	Employees by department - Female	Numbers	33	None	External (Reasonable)
Workforce Demographics	Gender by category- Management: Male	Numbers	128	None	External (Reasonable)
Workforce Demographics	Gender by category- Management: Female	Numbers	49	None	External (Reasonable)
Workforce Demographics	Gender by category- Non-management: Male	Numbers	719	None	External (Reasonable)
Workforce Demographics	Gender by category- Non-management: Female	Numbers	82	None	External (Reasonable)

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Workforce Demographics	Age group by category- Management: Below 30 years old	Numbers	37	None	External (Reasonable)
Workforce Demographics	Age group by category- Management: 31 to 50 years old	Numbers	96	None	External (Reasonable)
Workforce Demographics	Age group by category- Management: 51 years old and above	Numbers	44	None	External (Reasonable)
Workforce Demographics	Age group by category- Non-management: Below 30 years old	Numbers	344	None	External (Reasonable)
Workforce Demographics	Age group by category- Non-management: 31 to 50 years old	Numbers	362	None	External (Reasonable)
Workforce Demographics	Age group by category- Non-management: 51 years old and above	Numbers	95	None	External (Reasonable)
Workforce Demographics	Worker Roles-P&L Male	Numbers	142	None	External (Reasonable)
Workforce Demographics	Worker Roles-P&L Female	Numbers	21	None	External (Reasonable)
Workforce Demographics	Worker Roles-STEM Male	Numbers	573	None	External (Reasonable)
Workforce Demographics	Worker Roles-STEM Female	Numbers	60	None	External (Reasonable)
Workforce Demographics	Total basic annual salary	RM	37316,307	None	External (Reasonable)
Workforce Demographics	Basic annual salary- Male	RM	29,935,623	None	External (Reasonable)

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Malaysia Smelting Corporation Berhad BMLR Transition Period		Date & Time: 2026-04-28_10:11:16 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Workforce Demographics	Basic annual salary- Female	RM	7,380,685	None	External (Reasonable)
New Hires Diversity	New Hires by gender- Male	Number	46	None	External (Reasonable)
New Hires Diversity	New Hires by gender- Female	Number	3	None	External (Reasonable)
New Hires Diversity	New Hires by employment type- Permanent	Number	44	None	External (Reasonable)
New Hires Diversity	New Hires by employment type- Contractual	Number	5	None	External (Reasonable)
New Hires Diversity	New Hires by category- Management	Number	4	None	External (Reasonable)
New Hires Diversity	New Hires by category- Non-management	Number	45	None	External (Reasonable)
New Hires Diversity	New Hires by age group- Below 30 years old	Number	37	None	External (Reasonable)
New Hires Diversity	New Hires by age group- 31 to 50 years old	Number	12	None	External (Reasonable)
New Hires Diversity	New Hires by age group- 51 years old and above	Number	0	None	External (Reasonable)
New Hires Diversity	Gender by category (New Hires)- Management: Male	Number	3	None	External (Reasonable)

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
New Hires Diversity	Gender by category (New Hires)- Management: Female	Number	1	None	External (Reasonable)
New Hires Diversity	Gender by category (New Hires)- Non-management: Male	Number	43	None	External (Reasonable)
New Hires Diversity	Gender by category (New Hires)- Non-management: Female	Number	2	None	External (Reasonable)
New Hires Diversity	Age group by category (New Hires)- Management: Below 30 years old	Number	1	None	External (Reasonable)
New Hires Diversity	Age group by category (New Hires)- Management: 31 to 50 years old	Number	3	None	External (Reasonable)
New Hires Diversity	Age group by category (New Hires)- Management: 51 years old and above	Number	0	None	External (Reasonable)
New Hires Diversity	Age group by category (New Hires)- Non-management: Below 30 years old	Number	36	None	External (Reasonable)
New Hires Diversity	Age group by category (New Hires)- Non-management: 31 to 50 years old	Number	9	None	External (Reasonable)
New Hires Diversity	Age group by category (New Hires)- Non-management: 51 years old and above	Number	0	None	External (Reasonable)
Turnover Diversity	Turnover by gender- Male	Number	295	None	External (Reasonable)

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Turnover Diversity	Turnover by gender- Female	Number	31	None	External (Reasonable)
Turnover Diversity	Turnover by employment type- Permanent	Number	284	None	External (Reasonable)
Turnover Diversity	Turnover by employment type- Contractual	Number	32	None	External (Reasonable)
Turnover Diversity	Turnover by category- Management	Number	18	None	External (Reasonable)
Turnover Diversity	Turnover by category- Non-management	Number	308	None	External (Reasonable)
Turnover Diversity	Turnover by age group- Below 30 years old	Number	113	None	External (Reasonable)
Turnover Diversity	Turnover by age group- 31 to 50 years old	Number	135	None	External (Reasonable)
Turnover Diversity	Turnover by age group- 51 years old and above	Number	78	None	External (Reasonable)
Turnover Diversity	Gender by category (Turnover)- Management: Male	Number	13	None	External (Reasonable)
Turnover Diversity	Gender by category (Turnover)- Management: Female	Number	5	None	External (Reasonable)
Turnover Diversity	Gender by category (Turnover)- Non-management: Male	Number	282	None	External (Reasonable)

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Turnover Diversity	Gender by category (Turnover)- Non-management: Female	Number	26	None	External (Reasonable)
Turnover Diversity	Age group by category (Turnover)- Management: Below 30 years old	Number	2	None	External (Reasonable)
Turnover Diversity	Age group by category (Turnover)- Management: 31 to 30 years old	Number	13	None	External (Reasonable)
Turnover Diversity	Age group by category (Turnover)- Management: 51 years old and above	Number	3	None	External (Reasonable)
Turnover Diversity	Age group by category (Turnover)- Non-management: Below 30 years old	Number	111	None	External (Reasonable)
Turnover Diversity	Age group by category (Turnover)- Non-management: 31 to 50 years old	Number	123	None	External (Reasonable)
Turnover Diversity	Age group by category (Turnover)- Non-management: 51 years old and above	Number	74	None	External (Reasonable)
Turnover Diversity	Turnover by Separation - Resignation	Number	73	None	External (Reasonable)
Turnover Diversity	Turnover by Separation - Retrenchment	Number	253	None	External (Reasonable)

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Turnover Diversity	Employee voluntary turnover rate - Management	Percentage	1017	None	External (Reasonable)
Turnover Diversity	Employee voluntary turnover rate - Non-management	Percentage	8.86	None	External (Reasonable)
Human Rights and Labour Practices	Number of substantiated complaints concerning human rights violations	Number	0	None	External (Reasonable)
Human Rights and Labour Practices	Total employees covered by collective agreements	percentage	69.33	None	External (Reasonable)
Human Rights and Labour Practices	Employee with disability	Number	3	None	External (Reasonable)
Talent Development and Training	Total training hours	Hours	9,363.00	None	External (Reasonable)
Talent Development and Training	Training hours- Male (Avg training hour by gender)	Hours	21.95	None	External (Reasonable)
Talent Development and Training	Training hours- Female (Avg training hour by gender)	Hours	20.78	None	External (Reasonable)
Talent Development and Training	Training hours- Management	Hours	4,558.00	None	External (Reasonable)
Talent Development and Training	Training hours- Non-management	Hours	4,805.00	None	External (Reasonable)
Talent Development and Training	Total investment in staff development	RM	44,712.20	None	External (Reasonable)
Talent Development and Training	Number of training programmes	Number	121	None	External (Reasonable)
Occupational Safety and Health	Total employees trained on health and safety standards	Number	1327	None	External (Reasonable)
Occupational Safety and Health	Total work-related fatalities	Number	* 1	None	External (Reasonable)

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Malaysia Smelting Corporation Berhad BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Footnote 2025					
Restated figure					
Occupational Safety and Health	Incident rate per 1 million manhours worked	Rate	16	None	External (Reasonable)
Occupational Safety and Health	Total Lost-time injury (LTI)	Number	36	None	External (Reasonable)
Occupational Safety and Health	Lost-time injury (LTI) - Employees	Number	27	None	External (Reasonable)
Occupational Safety and Health	Lost-time injury (LTI) - Contractors	Number	9	None	External (Reasonable)
Occupational Safety and Health	Percentage of sites certified with ISO 45001	Percentage	66.67	None	External (Reasonable)
Occupational Safety and Health	Total number of manhours	Number	5,261,260	None	External (Reasonable)
Occupational Safety and Health	Total safety-related programmes and training sessions	Number	52	None	External (Reasonable)
Occupational Safety and Health	Total workplace safety inspections	Number	28	None	External (Reasonable)
Data Privacy and Security	Total substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	None	External (Reasonable)
Board Structure	Directors by gender- Male	Number	7	None	External (Reasonable)
Board Structure	Directors by gender- Female	Number	3	None	External (Reasonable)
Board Structure	Women on the board	Percentage	33.33	None	External (Reasonable)
Board Structure	Board Independence	Percentage	66.67	None	External (Reasonable)
Board Structure	Senior Management Percentage	Percentage	18	None	External (Reasonable)

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti Corruption	Total employees received training on anti-corruption	Number	129	None	External (Reasonable)
Anti Corruption	Employees received training on anti-corruption- Management	Number	45	None	External (Reasonable)
Anti Corruption	Employees received training on anti-corruption- Non-management	Number	84	None	External (Reasonable)
Anti Corruption	Percentage of operations assessed for corruption-related risks	Percentage	33.33	None	External (Reasonable)
Anti Corruption	Disciplinary cases of staff due to non-compliance with policy	Number	6	None	External (Reasonable)
Anti Corruption	Total monetary contributions to political parties or candidates	RM	0	None	External (Reasonable)
Anti Corruption	Total fines, penalties or settlements related to corruption	RM	0	None	External (Reasonable)
Anti Corruption	Anti-Corruption disclosure or manual	Number	1	None	External (Reasonable)
Supply Chain Management	Total spending on all suppliers	RM million	1,935.67	None	External (Reasonable)
Supply Chain Management	Total spending on local suppliers	RM million	1,160.48	None	External (Reasonable)
Supply Chain Management	Local supplier spend	Percentage	60.00	None	External (Reasonable)
Supply Chain Management	Number of local suppliers (Feeds)	Number	140.00	None	External (Reasonable)
Supply Chain Management	Number of foreign suppliers (Feeds)	Number	31.00	None	External (Reasonable)
Supply Chain Management	Local suppliers (Feed)	Percentage	81.87	None	External (Reasonable)

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 BMLR Transition Period

Sustainability Mater	Metric	Measurement Unit	2025	Target	Assurance
Supply Chain Management	Number of local suppliers (Procurement)	Number	741	None	External (Reasonable)
Supply Chain Management	Number of foreign suppliers (Procurement)	Number	24	None	External (Reasonable)
Supply Chain Management	Local suppliers (Procurement)	Percentage	96.86	None	External (Reasonable)
Supply Chain Management	Local suppliers (Procurement)	RM million	216.43	None	External (Reasonable)
Economic Performance	Economic value distributed	RM million	1759.00	None	External (Reasonable)
Economic Performance	- Costs of tin mining and smelting	RM million	1,841.30	None	External (Reasonable)
Economic Performance	- Employee wages and benefits	RM million	7700	None	External (Reasonable)
Economic Performance	- Payment to providers of capital (Dividend to shareholders + interest payments)	RM million	131.90	None	External (Reasonable)
Economic Performance	- Payment to government (Taxes)	RM million	3760	None	External (Reasonable)
Economic Performance	- Community investment	RM million	0.20	None	External (Reasonable)

Sustainability Statement FY2025



Crowe Governance Sdn Bhd

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21st April 2026

Malaysia Smelting Corporation Berhad
Lot 6, 8 and 9, Jalan Perigi Nanas 6/1
Pulau Indah Industrial Park West Port
Port Klang, 42920 Pulau Indah
Selangor Darul Ehsan

Private and Confidential

Dear Sir and Madam,

Assurance undertaken

In strengthening the credibility of the Sustainability Statement Financial Year 2025 for Malaysia Smelting Corporation Berhad, selected aspects / part of the Sustainability Statement have been subjected to an internal review by Crowe Governance Sdn Bhd and approved by the Board of Directors.

The subject matters covered by the internal review in Year 2025 include the following indicators:-

No	Sustainability Matter	Sub-No	Sustainability Indicator
1	Emission Management	(i)	Total Scope 1 Emissions
		(ii)	Total Scope 2 Emissions
2	Water Management	(i)	Total Water Consumption
3	Waste Management	(i)	Total Waste Generated - Hazardous
		(ii)	Total Waste Generated – Non-hazardous

The sustainability matters above, namely Emission, Water and Waste Management and their relevant sustainability indicators were covered in the internal review for Year 2024.

For Year 2023, the sustainability matters covered by the internal review include the following indicators:-

No	Sustainability Matter	Sub-No	Sustainability Indicator
1	Anti-Corruption	(i)	% of employees who have attended awareness training on anti-corruption by employee category
		(ii)	% of operations assessed for corruption-related risks
		(iii)	Confirmed incidents of corruption and action taken
2	Health and Safety	(i)	Number of work-related fatalities
		(ii)	Lost time incident rate
		(iii)	Number of employees trained on health and safety standards
3	Supply Chain Management	(i)	Proportion of spending on local suppliers

Sustainability Statement FY2025

**Scope**

The boundary of the internal review includes the Company's operations in the following locations where stated accordingly:-

- i. MSC Pulau Indah
- ii. MSC Butterworth
- iii. Rahman Hydraulic Tin Sdn Bhd

Yours faithfully,

Crowe Governance Sdn Bhd

A handwritten signature in black ink that reads "Tan Loon Hean".

Tan Loon Hean
Executive Director

Responsible Minerals Sourcing Audit Report 2025

Malaysia Smelting Corporation Berhad (“MSC” or “the Company”) subscribes to responsible and sustainable processes and operation standards that conform to the TIN CODE by International Tin Association (“ITA”) Tin Supply Chain Initiative (“iTSCi”) and Responsible Minerals Assurance Process (“RMAP”) by Responsible Minerals Initiatives (“RMI”), that are established according to latest global responsible sourcing standards including the Organisation for Economic Cooperation and Development (“OECD”) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (“CAHRAs”), Regulation (EU) 2017/821 of the European Parliament and the U.S. Dodd-Frank Wall Street Reform.

MSC remains committed to the Company’s own Responsible Minerals Sourcing (“RMS”) programme, a systematic policy and standard operating procedures that has been established in accordance with the iTSCi and RMI standards, and it is fully aligned with the third edition of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from CAHRAs. It covers all of the risks identified in Annex II of the OECD Guidance and risk mitigation procedures in Annex III of the OECD Guidance. With the RMS policy, MSC would be able to perform its due diligence on business activities and operations in proper and systematic manner to achieve a total responsible and sustainable tin operation and industry. The successful implementation of the programme has encouraged MSC to continue sustaining its vision to promote a responsible, sustainable and best practice management strategy across the entire tin supply chain for the benefits of all stakeholders.

MSC, with the support and guidance from iTSCi, RMI and Sustainability Experts will continue to work with all stakeholders and actors in the supply chain to promote sustainable and socially responsible mineral sourcing in all stages. This is vital to avoid any involvement in conflict minerals, which directly or indirectly finance or benefit armed groups and/or involve other human right abuses and at the same time sourcing minerals responsibly and sustainably.

MSC maintains a RMS Policy, available on its website, pursuant to which the company:-

1. Prevent the extraction and trade of minerals from becoming a source of conflict, human rights abuses, and insecurity;
2. Cultivate transparent mineral supply chains and sustainable corporate engagement in the mineral sourcing activities, thereby supporting the economy of the region and the local communities that depend on the trade for their livelihood; and
3. Promote sustainable development of the tin industries in the region through investments in industrial scale exploration, mining, mineral processing and smelting of tin and associated minerals.

◆ MINE VISITS



Responsible Minerals Sourcing Audit Report 2025



MSC believes that engagement with all actors in the supply chain will promote and encourage responsible and sustainable processes in all phases of sourcing and smelting operations. MSC continued to reach out to all the stakeholders and actors in the tin supply chain this year by visiting mines for examples in Democratic Republic of Congo (DRC) and Rwanda not only to conduct responsible and sustainable audits on mining and operations but also to encourage and guide them to exercise conflict free procedures according to the OECD standards. MSC will continue to sustain its vision to promote responsible, sustainable and best practice management strategy across the Company's global supply chains. MSC will immensely continue its effort working with iTSCi and RMI on due diligence and responsible and sustainable mineral sourcing and operation.

◆ RMI AND RMI MEMBER JOINT SITE VISIT TO MSC

A joint site visit to MSC was conducted on 18 December 2025 by the RMI and its member companies, including Micron, Murata, and Western Digital. The purpose of the visit was to review MSC's operations, due diligence practices, and overall compliance with responsible sourcing requirements. The visit concluded on a positive note, with MSC demonstrating effective due diligence practices and strong alignment with RMI requirements.



Responsible Minerals Sourcing Audit Report 2025

◆ **RMAP AND TIN CODE AUDIT**

MSC has completed its RMAP Audit (14 to 17 January 2025) and TIN CODE Audit (24 to 26 September 2025), and is certified as a compliant smelter for both in 2025. The next RMAP Audit and TIN CODE Audit are scheduled to be conducted in April 2026 and September 2026 respectively. MSC is committed to sustainability and social responsibilities by only feeding from conflict free and responsible sources and exercise due diligence in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from CAHRAs, Regulation (EU) 2017/821 and the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act. MSC will continue to support such initiatives or programmes by RMI and iTSCi to reach out all stakeholders and actors in tin supply chain to promote greater transparency and due diligence. As a certified Conflict Free and Responsible Smelter, MSC will continue to subscribe to the RMAP and TIN CODE due diligence programmes. MSC will continue to improve in responsible supply chain and businesses in order to meet global expectations on social responsibility and sustainability going forward.

