

ASIA BRANDS

ASIA BRANDS BERHAD

GROUP SUSTAINABILITY POLICY

Revision History

Version	Effective Date
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1. INTRODUCTION

- 1.1 The Group Sustainability Policy ("Policy") sets out the approach to sustainability, which encompasses all aspects of ethical business practices, addressing relevant environment, social and governance ("ESG") issues responsibly and profitably. This Policy applies to Asia Brand Berhad ("ABB" or "the Company") and all its subsidiary companies within the ABB Group.
- 1.2 ABB Board of Directors ("Board") has oversight responsibility to deliver sustainable value to stakeholders through principles, policies, objectives and strategies of the Group, whereby a sustainability working team has been established to assist the Board in its responsibilities.

2. OBJECTIVES

- 2.1 This Policy serves as a guide on how to conduct our business responsibly so that we create long-term value for our stakeholders and improve our long-term performance and resilience. The primary objectives of this Policy are for the Company to:
- (i) integrate the principles of sustainability into the Group's strategies, policies and procedures;
 - (ii) promote sustainable practices;
 - (iii) facilitate the involvement, cooperation and oversight of the Company's Board of Directors ("Board"), the executive committees and sustainability working teams in the implementation of this Policy, as well as the setting and monitoring of ESG performance targets;
 - (iv) create a culture of sustainability within the Group, and the community, with an emphasis on integrating the ESG considerations into decision making and the delivery of outcomes; and
 - (v) engage with the Company's key stakeholders to ascertain their expectations, issues and concerns to facilitate the identification, analysis and prioritisation of the Company's ESG material matters, risks, opportunities and strategies for the continued enhancement of ABB's business model towards generating sustainable long-term returns.

3. ENVIRONMENTAL SUSTAINABILITY

3.1 The Group recognises the importance of environmental protection for the sustainability of its businesses and is committed to identify, manage and minimise the environmental impact of business operations.

3.2 The approach:

- (i) Encourage mindful usage of electricity and water among employees when using office equipment, amenities and other facilities in the workplace; and pursue and encourage the use of renewable resources.
- (ii) Reduce the consumption of paper and other materials through the digitalisation of processes and encourage the practice of reduce, reuse and recycle.
- (iii) Integrate practices that embrace responsible energy and resource management in daily operations, including prioritising the use of green technologies, adopting carbon reduction strategies and promoting good environmental practices across the supply chain, where practicable.
- (iv) Consider sustainability risks and opportunities, including climate-related risks and opportunities as part of our governance, risk management and strategic and financial planning framework.
- (v) To sustain a programme of continual improvement in environmental performance by incorporating suitable monitoring mechanisms and improvement targets on aspects which are material to our operations.
- (vi) To integrate the consideration of environmental and biodiversity concerns and impacts into its decision making and activities.
- (vii) To inculcate behaviour that supports the building of environmentally sustainable practices among our employees and customers.

4. SOCIAL SUSTAINABILITY

4.1 Social sustainability is focused on the development of programs and processes that promote social interaction and cultural enrichment. It emphasizes protecting the vulnerable, respecting social diversity and ensuring that the Group put priority on social capital.

4.2 Community

4.2.1 As a responsible corporate entity, ABB is committed to ensuring the wellbeing of the society it serves. This includes minimising any potential negative societal impacts from activities of its subsidiary companies while participating actively in Corporate Social Responsibility ("CSR") activities.

4.2.2 The approach:

- (i) Identify relevant Corporate Social Responsibility ("CSR") initiatives for ABB to be engaged with in order to cultivate stronger community relationship and enhance organisational reputation.
- (ii) Encourage employees to volunteer and participate in ABB's CSR activities and charitable efforts.
- (iii) Provide an open communication channel for the community to connect with ABB about the Company's CSR and ESG efforts.

4.3 Workplace

4.3.1 As a responsible, caring and respectful employer, ABB is committed to ensuring an inclusive and non-discriminatory work environment that provides equal opportunities for all.

4.3.2 We strive to create the ideal workplace where people from diverse ethnicities, cultures, religion and socio-economic standing with multiple talents and differences in skills and abilities, irrespective of age or gender, come together to work successfully as a team.

4.3.3 We advocate safe, healthy, equitable, inclusive and professional workplace with opportunities for personal growth and career progression.

4.3.4 The approach:

- (i) Provide and maintain a safe and healthy work environment for our employees. We will not tolerate any threats or acts of violence towards any of our employees, whether it is from another employee, customer, regulated person or any other person.
- (ii) Implement policies and programmes to attract and retain talents.
- (iii) Plan and organise training programmes and relevant job skills training as a strategic investment and a way to address competency gaps in the workforce, shaping culture and behaviour in the Group.

- (iv) Develop deep sustainability know-how and competency across the organisation to expedite our progress and strengthen our processes and practices as well as our sustainability reporting journey.
- (v) Cultivate workplace harmony through the prevention of discriminatory or prejudicial behaviours among all employees regardless of gender, ethnicity, age, religions, sexual orientation, disability, nationality, social status and education background.
- (vi) Practise merit-based recruitment, retention and promotion of employees as part of the Company's human resource management strategy that is supported by fair and frequent performance appraisals.
- (vii) Promote integrity and the protection of human rights across the supply chain.

5. GOVERNANCE SUSTAINABILITY

5.1 Governance sustainability is becoming more essential in gaining the confidence of investors, other stakeholders and the public. The Group recognises the importance of governance sustainability and incorporating it into all functions and processes which include strategic planning, accountability, sustainable planning and development.

5.2 The approach:

- (i) Establish and maintain the sustainability policy, framework and governance structure that are robust and aligned to the business and operational agenda of ABB to guide the management of its ESG material matters.
- (ii) Incorporate ESG considerations into the strategic planning, investment decisions and management to better anticipate risks, improve returns and contribute to the betterment of society and the planet.
- (iii) Enhance sustainability through regular updates of strategies, policies, procedures and provide relevant training.
- (iv) Establish and continue to improve appropriate governance structures and processes.
- (v) Assess the impacts and outcomes of sustainability.
- (vi) Ensure the business model sustainability of the operating assets of ABB Group by strengthening brand integrity, continuous enhancement of system efficiency and maintaining the necessary operational licenses and approvals to carry out its business activities.

- (vii) Abide by all government-sanctioned and industry-relevant legislation, regulations and standards of the ABB Group's business and operations.
- (viii) Enforce and strengthen the anti-corruption and anti-bribery protocols across the ABB Group and its stakeholders to prevent malpractices from occurring within ABB.

6. REVIEW

- 6.1 The Company will have a set of long term and short term targets for our sustainability efforts. These targets must be along with metrics for measurement which will be integrated into the Company's performance management, tracking and reporting as part of the sustainability strategy.
- 6.2 The sustainability working team is responsible for regular reviews of this Policy and making any recommended changes as and when it deemed necessary. The terms of this Policy shall be assessed, reviewed, updated and continually improved where necessary.