

# SUSTAINABILITY AT POH KONG

## ABOUT THIS STATEMENT

POH KONG HOLDINGS BERHAD (“**POH KONG**” OR “**THE COMPANY**”) IS PROUD TO PRESENT ITS SUSTAINABILITY STATEMENT (“**STATEMENT**”) FOR THE FINANCIAL YEAR ENDED 31 JULY 2024 (“**FYE 2024**”).

This Statement presents our continued commitment towards sustainability and the impact on economics, environment, social and governance. It presents information and developments related to our practices and performances concerning sustainability matters during the financial year under review.

In this report, we will highlight and discuss Economics, Environmental, Social and Governance (“**EESG**”) related matters and our approach and efforts in issues concerning sustainability, particularly, improving and integrating sustainability into our day-to-day operations and business planning.

As a result, this Statement provides a clear and concise account of what sustainability means to us, and how Poh Kong will strive to deliver long-term value to our shareholders and stakeholders, especially our customers, suppliers, regulatory authorities, employees, and communities around us.

We encourage and welcome feedback from stakeholders in relation to our Statement by contacting us at [ir@pohkong.com.my](mailto:ir@pohkong.com.my).

### Assurance Statement

The information presented in the Sustainability Statement has not undergone assurance by our internal audit function or any other independent sustainability or Environmental, social & Governance (“**ESG**”) assurance provider. The Board has reviewed the information provided herein and is satisfied that the information is supported with underlying records and arrived at based on management’s judgement.

### Limitations

Poh Kong acknowledges that ongoing challenges in collecting certain data indicators and is actively working towards improving data collection and performance monitoring in relation to our sustainability matters.



# SUSTAINABILITY AT POH KONG

## SUSTAINABILITY FRAMEWORK AND STANDARDS

At Poh Kong, we recognize the importance of integrating sustainable practices into our operations as a leading player in Malaysia's jewellery industry. As a company that has been serving communities for nearly five decades, we are committed to responsible sourcing, ethical business practices, and reducing our environmental footprint.

As such, sustainability is integral to our business strategy, reflecting our commitment to environmental responsibility, social inclusion, and sound governance. In order to ensure a balanced and holistic approach to sustainability, we developed the Statement according to best practices in sustainability framework, standards, and guidelines, such as –



- (i) Main Market Listing Requirements, issued by the Bursa Malaysia Securities Berhad ("**Bursa Malaysia**"),
- (ii) Sustainability Reporting Guidelines issued by Bursa Malaysia,
- (iii) Bursa Malaysia's Enhanced Reporting Framework, and



- (iv) The United Nation's Sustainable Development Goals ("**UNSDG**").

Compliance with all relevant regulations and legislation and being sustainable is a core part of our business decision-making process, especially in our risk management planning.

## SUSTAINABILITY APPROACH

The goal of our approach in sustainability is to contribute to a sustainable future while ensuring our business operations positively impact all stakeholders. Poh Kong stresses the importance of embedding sustainability into our business and approach towards our shareholders and stakeholders, such as our customers, suppliers, regulatory authorities, employees, and communities around us.

The sustainability approach of Poh Kong is based on the pillars of EESG which form the main pillars of sustainability, to incorporate economic, environmental, social and governance factors into our day-to-day operations and decision-making in our business planning.

The negative impact from the Covid-19 pandemic, natural disasters and economic turmoil arising from global political instability over the last few years reminded Poh Kong and its subsidiaries ("**Group**") of the importance of being sustainable in ensuring our survival during a crisis, enhancing our risk management outlook and the importance of our stakeholders especially in taking care of our employees and communities around us, which will provide us the platform to plan on a sustainable basis.

We create awareness among our internal stakeholders of our commitment to sustainability, in terms of the approaches and initiatives. Hence, we continue to encourage our directors and employees, especially our Head of Divisions and departments to attend seminars, workshops and talks related to sustainability or ESG matters that are relevant to our business planning, risk management and business operations.

By embedding sustainability at the heart of our operations, Poh Kong strives to balance economic growth with social and environmental responsibility, ensuring a prosperous future for all our stakeholders.

# SUSTAINABILITY

## AT POH KONG (CONT'D)



### REPORTING SCOPE

This Statement covers the sustainability performance of Poh Kong and all its active ongoing business within Malaysia during FYE 2024, unless stated otherwise.

The core business segments of Poh Kong are as follows:



#### Investment holding division

Involved in investment holding activities



#### Manufacturing division

Involved in the manufacturing of gold jewellery and related gold investment products.



#### Retailing division

Involved in the retailing of gold jewellery and related gold investment products.

### SUSTAINABILITY GOVERNANCE STRUCTURE

Poh Kong believes in the importance of having a proper and functional governance structure. Most importantly, we recognize and conduct our business in a sustainable manner and in accordance with the applicable laws and principles of good governance and highest standards of integrity. The governance structure has transparency and accountability in executing its approach and strategies in sustainability, with clearly defined roles and responsibilities for effective decision-making and implementation.

Poh Kong is establishing a Sustainability Framework and Policy to guide the Group in its business decision-making process with a focus on sustainability matters and developments.

The Board of Directors ("**Board**") of Poh Kong has the overall responsibility for overseeing the Group's strategic direction and risk tolerance, and guiding and supervising its affairs, ensuring high-level corporate governance and risk management in compliance with applicable laws and regulations, including sustainability matters.

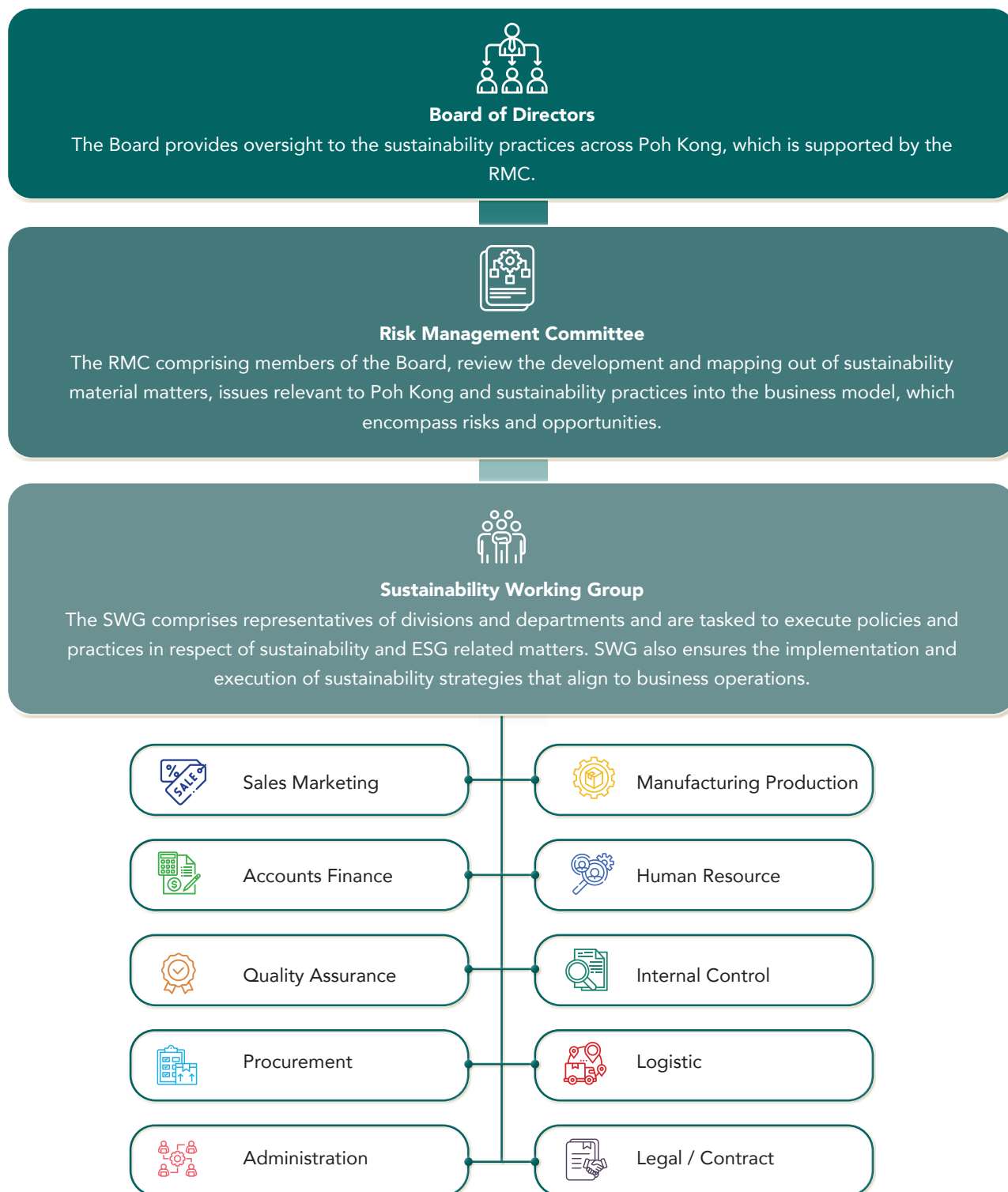
During FYE 2024, the Risk Management Committee ("**RMC**") reviewed and reported to the Board in the development and mapping out of sustainability practices. The RMC is also responsible to review all sustainability -related matters across Poh Kong, including decision-making process, implementation of actions and strategies, and ESG-related performance and measurements.

Poh Kong formed the Sustainability Working Group ("**SWG**") to assist the RMC in the implementation and execution of sustainability initiatives and matters.



# SUSTAINABILITY AT POH KONG (CONT'D)

## SUSTAINABILITY GOVERNANCE STRUCTURE (CONT'D)



# SUSTAINABILITY AT POH KONG (CONT'D)



## SUSTAINABILITY GOVERNANCE STRUCTURE (CONT'D)

As Poh Kong ensures sustainability is embedded across all aspects of its organization, the responsibilities of our Board and its Committees will be broadened to encompass elements of sustainability. The Board is ultimately responsible for the strategic direction of Poh Kong on sustainability while being supported by the respective Committees, by virtue of delegation.

The Board strives to continuously be equipped with the necessary knowledge regarding the management of sustainability to drive informed decision-making by attending periodic training and events on the latest development on sustainability. The Board is also cognizant of ensuring that the required competencies in relation to sustainability are periodically assessed to strengthen board leadership and oversight of sustainability matters.

## STAKEHOLDER ENGAGEMENT

Poh Kong believes in engaging with various groups of stakeholders regularly to provide updates to them on our latest sustainability initiatives and address areas of concern, as well as ensuring our Group conducts sustainable practices and create long-term value for our stakeholders. Most importantly, we aim to achieve a mutually beneficial outcome for our Group and stakeholders.

Our stakeholders are our business partners and play a key role in providing solutions to our day-to-day business operations and growth amid the challenges in the local and global economy. As such, all legitimate concerns and expectations from our stakeholders are taken into consideration through established measures and processes.

Poh Kong has a broad range of stakeholder groups that influence or are affected by our activities. Our key stakeholder groups include -








# SUSTAINABILITY

## AT POH KONG (CONT'D)

### STAKEHOLDER ENGAGEMENT (CONT'D)

The stakeholder groups were identified on their different levels of influence over and dependence on our business. Poh Kong aims to maintain constructive channels of communication with all our key stakeholder groups. As a result, we conduct regular engagements through formal and informal channels, and through these interactions, we identify relevant material issues and provide insights into emerging opportunities and risks whilst responding to their needs effectively.

Apart from that an open and transparent communication manner is always our key priority to maintaining our stakeholder trust. We operate our business especially in risk management, forcing us to be innovative in the way we conduct our business operations, especially in safeguarding the welfare of our employees.



Key Stakeholder	Engagement Channels	Area of Concerns	Our Response
Shareholders / Investors 	<ul style="list-style-type: none"> <li>Annual general meetings</li> <li>Annual reports, quarterly report &amp; announcement</li> <li>Audited financial statement</li> <li>Investor relation sessions with media, fund houses, bankers and investors</li> </ul>	<ul style="list-style-type: none"> <li>Current and projected growth opportunities and threats</li> <li>Funding needs</li> <li>Risk management</li> <li>Corporate governance</li> <li>Sustainability/ESG-compliant and initiatives</li> <li>Board representation and diversity</li> <li>Succession plan</li> </ul>	<ul style="list-style-type: none"> <li>Timeliness in information updates</li> <li>Sound investor relation</li> <li>Uphold good corporate governance</li> <li>Clear outline on sustainability strategies</li> </ul>
Board of Directors 	<ul style="list-style-type: none"> <li>Board and committees meetings</li> <li>Company organized events</li> <li>Annual general meetings</li> </ul>	<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Company strategy &amp; direction</li> </ul>	<ul style="list-style-type: none"> <li>Economic sustainability</li> <li>Corporate governance and ethics</li> </ul>
Customers 	<ul style="list-style-type: none"> <li>Customer Satisfaction Survey ("CSS")</li> <li>Customer Service Channel</li> <li>Regular visits &amp; meetings</li> <li>Exhibitions</li> </ul>	<ul style="list-style-type: none"> <li>Products and services quality</li> <li>On time delivery</li> <li>Stock availability</li> <li>Customer relations management</li> </ul>	<ul style="list-style-type: none"> <li>Quality of product and services</li> <li>Response to customer service</li> <li>Update on customer request</li> <li>Innovative and ESG driven design without comprising quality and value</li> </ul>

# SUSTAINABILITY

## AT POH KONG (CONT'D)



### STAKEHOLDER ENGAGEMENT (CONT'D)




Key Stakeholder	Engagement Channels	Area of Concerns	Our Response
Suppliers / Vendors / Contractors 	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Feedback survey and annual assessments</li> <li>• Ongoing meetings and interactions</li> <li>• Suppliers/subcontractors' performance evaluation</li> </ul>	<ul style="list-style-type: none"> <li>• Enhancing ethical, and fair procurement system</li> <li>• Pricing of services</li> </ul>	<ul style="list-style-type: none"> <li>• Improvement in procurement process and payment</li> <li>• Transparent procurement processes</li> <li>• Clear communication with suppliers</li> </ul>
Employees / Management 	<ul style="list-style-type: none"> <li>• Workshop discussions</li> <li>• Induction training</li> <li>• Learning and development programs</li> <li>• Employee performance appraisal</li> <li>• Corporate memos, letters, and emails</li> <li>• Employee meetings</li> <li>• Employee engagement surveys</li> <li>• Computer screensaver</li> <li>• Monthly operation meeting</li> <li>• Weekly coordinating meeting</li> <li>• Ongoing meetings and interactions</li> <li>• Board and Board Committee meetings</li> <li>• Site visits</li> <li>• Job training</li> </ul>	<ul style="list-style-type: none"> <li>• Business growth and strategic direction</li> <li>• Health and safety at workplace</li> <li>• Inclusive work environment</li> <li>• Rewards and recognition for performance</li> <li>• Remuneration and benefits</li> <li>• Career development and upskilling opportunities</li> <li>• Employee satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• Promote transparent communication</li> <li>• Equal employment opportunities</li> <li>• Promote Diversity, Equity and Inclusion ("DEI")</li> <li>• Offer industry-competitive remuneration and compensation package</li> <li>• Compliance with Occupational Safety and Health Act ("OSHA") 1994 &amp; FMA 1967</li> </ul>



# SUSTAINABILITY

## AT POH KONG (CONT'D)

### STAKEHOLDER ENGAGEMENT (CONT'D)

Key Stakeholder	Engagement Channels	Area of Concerns	Our Response
Community 	<ul style="list-style-type: none"> <li>Corporate volunteering programs</li> <li>Contributions and donations</li> <li>Public community events</li> </ul>	<ul style="list-style-type: none"> <li>Corporate social responsibility</li> <li>Impact on community</li> </ul>	<ul style="list-style-type: none"> <li>Budget and annual plan for CSR programs</li> <li>Adoption of welfare programs</li> </ul>
Government Agencies / Regulators 	<ul style="list-style-type: none"> <li>Participation in government and regulatory events/ briefings/ dialogues</li> <li>Inspections by local authorities and regulators</li> <li>Audit and verification</li> <li>Approvals and permits</li> <li>Occupational safety and health</li> <li>Environmental management and compliance</li> <li>Training programs for employees</li> <li>Meetings with employees</li> <li>Meetings with management team responsible for compliance</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory compliance</li> <li>Approvals and permits</li> <li>Occupational safety and health</li> <li>Environmental management and compliance</li> <li>Tax transparency</li> <li>Anti-Bribery &amp; Anti-Corruption</li> </ul>	<ul style="list-style-type: none"> <li>Regular review and monitoring of compliance requirements</li> <li>Adoption of practices outlined in the Malaysian Code of Corporate Governance ("MCCG")</li> <li>Show of support for government initiatives</li> </ul>
Media 	<ul style="list-style-type: none"> <li>Press releases</li> <li>Press conferences</li> <li>Media center official website</li> </ul>	<ul style="list-style-type: none"> <li>Company's reputation</li> <li>Business continuity</li> <li>Transparency of the business</li> </ul>	<ul style="list-style-type: none"> <li>Transparent and timeliness reporting</li> <li>Strong rapport</li> </ul>



# SUSTAINABILITY AT POH KONG (CONT'D)



## SUSTAINABILITY THEMES

In our efforts to achieve sustainable growth, we constantly monitor and deliberate on the industry trends, challenges faced in our business operations and stakeholder expectations, to produce sustainable long-term value to shareholders and stakeholders, especially the community around us.

We segmented sustainability management into three themes:





# SUSTAINABILITY

## AT POH KONG (CONT'D)

### MATERIALITY ASSESSMENT

Poh Kong is cognizant of the fact that our material issues can directly and indirectly impact on our ability to create long-term value for our stakeholders. We believe that conducting a full-scale materiality assessment during the financial year involving our key internal and external stakeholders will ensure that their interests and concerns are addressed. Our material matters influence our business strategy and decisions on allocation of our resources to sustainability issues.

The materiality assessment is to ensure that material matters are relevant and will remain relevant until the next materiality assessment. This will help in our approach to managing the sustainability risks and opportunities posed to our businesses and help us in ensuring that we prioritise the issues that have the greatest impact on our sustainability strategies and operation.

In the materiality assessment, we concluded that all our identified 15 material matters are aligned with our strategic priorities and stakeholder expectations. These matters were further categorized into sustainability themes, providing us with a focused approach to achieving our sustainability objectives. These were also benchmarked against our local and regional peers as well as considered emerging risks and relevant frameworks.

The result from the materiality assessment is presented in this Sustainability Statement.

Our top 15 material matters are as follow:



# SUSTAINABILITY AT POH KONG (CONT'D)






## MATERIALITY ASSESSMENT (CONT'D)

We strongly support the United Nation's Sustainable Development Goals ("UNSDG")'s 2030 Global Goals where the 17 identified Goals are to lead communities, corporations, and governments into creating a better world for all of us.

During FYE 2024, we selected the top three relevant UNSDG by taking into consideration our material matters, business strategies, principal risks, stakeholder influence and effects on our community.



## Poh Kong's Top Three relevant UNSDGs

Sustainable Development Goals	Definition	Key Stakeholders Impacted
	Ensure healthy lives and promote wellbeing for all at all ages	<ul style="list-style-type: none"> <li>Employees/ Management/ Directors</li> <li>Community</li> <li>Customers</li> </ul>
	Promote sustainable economic growth, full and productive employment, and decent work for all	<ul style="list-style-type: none"> <li>Customers</li> <li>Investors and shareholders</li> <li>Employees/ Management/ Directors</li> <li>Community</li> </ul>
	Ensure sustainable consumption and production patterns	<ul style="list-style-type: none"> <li>Customers</li> <li>Community</li> <li>Vendors/suppliers/ Contractors</li> </ul>



# SUSTAINABILITY

## AT POH KONG (CONT'D)

### SUSTAINABILITY RISK MANAGEMENT

Poh Kong aligns its risk management process to build readiness and resilience through the identification and management of potential risks encountered by the Group. We have integrated our Enterprise Risk Management ("ERM") framework with sustainability risks, in addition to our corporate, operational and financial risks. The Group ensures all identified risks remain within our capacity, capability and risk appetite through constant revision and monitoring by our designated risk owners.

We plan to improve the understanding of significant issues concerning environmental, social and governance matters among our stakeholders. The implications and impact of ESG issues across our value chain, would lead to an alignment in sustainability goals setting and implementing sustainability-related practices, which would allow us to achieve our sustainability targets.

We plan to improve our sustainability awareness with trainings and workshops for both our internal and external stakeholders. Topics to be covered will be on sustainability trends, ESG-related risks and their impact on our business strategies and performance.

Material Matters

Risks

Opportunities



#### Our Business Performance

##### Supply Chain Management



Non-compliance by suppliers, vendors and contractors affects our ethical principles, and safety culture which could expose business to operational disruptions.

Sound procurement governance attracts and retains credible suppliers, vendors and contractors. Regular assessment includes ESG assessment to uphold our commitment towards ESG aspects.

##### Business Conduct, Ethics & Compliance



Poor corporate governance practices tarnish reputation, credibility, and image.

Effective corporate governance practices enhance our reputation as a trustworthy group amongst stakeholders.

##### Financial Performance



Poor financial performance threatens credit worthiness and business continuity, and loss of investment opportunity.

Sustainable financial performance attracts investors and delivers long-term value for all stakeholders.

##### Product & Service Quality



Poor product and service quality lead to erosion of customers' confidence and long-term prospects. Reputation risk.

Excellent product and service quality attract long-term business prospects and enhanced performance.

##### Customer Satisfaction & Relationship



Inability to meet customers' expectations impacts on customers' confidence and loyalty that leads to lower revenue.

Regular and consistent customer engagements facilitate continuous improvement to meet customers' expectations.



# SUSTAINABILITY AT POH KONG (CONT'D)



## SUSTAINABILITY RISK MANAGEMENT (CONT'D)

Material Matters

Risks

Opportunities



### Our Business Performance (Cont'd)

Technology, Innovation & Development



Cyber threats including loss of sensitive information such as intellectual property designs and breach of customers' data may lead to loss of customer trust and reputational harm.

Stringent cybersecurity and improved data management to protect critical information and data within the Group.



### Our Environmental Management

Environmental Issue



Non-compliance with environmental/ climate-related regulations leads to potential financial and trade penalties especially in export markets.

Effective mitigation and adaptation of strategies to ensure business continuity and potential trade barriers.

Material Management



Failure to meet stakeholders' demand for the use of sustainable materials may result in a loss of sales and/or market share.

Opting for sustainable materials enhances brand image and confidence of stakeholders especially sustainable-minded customers and investors.

Energy Management



Poor energy management leads to inefficiency, higher costs and potential scarcity of energy resources.

Efficient energy management may reduce operational costs and promote energy conservation behaviors.

Waste Management



Non-compliance with environmental regulations results in consequences from authorities and activists, and ultimately reputation risk.

Effective waste management and effective utilization of resources can result in cost savings for operations and mitigate reputation risk.



# SUSTAINABILITY

## AT POH KONG (CONT'D)

### SUSTAINABILITY RISK MANAGEMENT (CONT'D)

Material Matters

Risks

Opportunities



#### Our People

Employees



Disengaged and underdeveloped employees contribute to lower productivity and performance. Unattractive remuneration and compensation packages affect employees' motivation.

Effective talent development and upskilling programs with attractive benefits packages enhance employee retention and attract top-quality talent to cultivate a high-performance culture.

Labour Practices &amp; Human Rights



Breaches in labour practices and human rights practices lead to regulatory penalties, damage in reputation, and impact employee retention and culture.

Good labour practices and human rights practices reinforce reputation as a responsible employer.

Employee Well Being, Health &amp; Safety



Accidents and injuries lead to productivity loss, legal repercussions, and reputational damage

Safety culture with conducive working environment improves employees' well-being and productivity and maintains reputation.

Diversity, Equity &amp; Inclusion



Discriminatory employment practices damage reputation.

Inclusive, diverse, and empowering work culture attracts talents and brings a range of viewpoints that enhances the quality of decision-making.



#### Our Outreach

Local Community and Social Impact



Business activities that negatively impact communities affect our social license to operate.

Regular engagements through community impact programs strengthen our relationship with local communities.

# SUSTAINABILITY

## AT POH KONG (CONT'D)



### BUSINESS CONTINUITY PLANNING

Poh Kong has a Business Continuity Plan ("BCP") outlining a comprehensive crisis management plan and framework, and a Disaster Recovery Plan ("DRP"). The BCP clearly specify the definition of crisis, roles and responsibilities of relevant team and personnel, and the reporting and response processes in the event of a crisis, to ensure business resiliency and a sustainable growth can be achieved.

We have been investing in resources that will help us to cope with various challenges created by market and social changes. The Covid-19 pandemic is a good reminder on the importance of BCP to attain sustainability.

Going forward, we will be emphasizing on the following -

#### Reinforcing the roles and responsibilities of the Crisis Management Committee ("CMC") and its team members.

We have defined the roles and responsibilities of designated personnel from functional to outlet leads, within the CMC.

#### Enhancing crisis escalation and reporting process.

The CMC will be tasked to assist the Group to manage and recover from crisis. Our BCP includes a Crisis Management Framework and Plan, enforced by personnel across the businesses.

#### Creating and building awareness of BCP.

We will continue to conduct regular training, as well as conducting periodic BCP simulations regarding risks that may result in significant impacts on the Group, to strengthen management's readiness to address various crisis.

### MATERIALITY MATRIX

Poh Kong views materiality as a critical part of our corporate sustainability strategy especially when we are in an environment that is volatile and unpredictable. We need to ensure that we can provide our stakeholders with the sustainability information most relevant to them and applicable to our business operations.

During FYE 2024, we conducted a systematic materiality assessment process, which was guided principally by the Bursa Malaysia Sustainability Reporting Guide and their toolkits, EESG indicators.

Our SWG identified all relevant sustainability aspects for our business, in conjunction with our operating context that was discussed earlier. We considered the following:

- i. issues that matter to Poh Kong's business performance;
- ii. issues that matter to Poh Kong's stakeholders; and
- iii. issues that presently have or could potentially have an impact on Poh Kong.



# SUSTAINABILITY

## AT POH KONG (CONT'D)

### MATERIALITY MATRIX (CONT'D)

This initial analysis was then refined to identify 'material' sustainability aspects, based on:

- i. The significance of stakeholders' impact on our economic, environmental, and social matters; or
- ii. The extent of our influence on stakeholders' assessments and decisions on sustainability matters.

Our materiality matrix for FYE 2024 is shown below -



- |  |  |   |
|--|--|---|
| 1. Climate Change & Environmental Issues | 6. Business Conduct, Ethics & Compliance | 11. Attracting, Developing, Rewarding and Retaining Employees |
| 2. Material Management                   | 7. Financial performance                 | 12. Labour Practices, Rights and Safety                       |
| 3. Energy Management                     | 8. Product & Service Quality             | 13. Work Condition - Safe and Conducive                       |
| 4. Waste Management                      | 9. Customer Satisfaction & Relationship  | 14. Community and Social Impact                               |
| 5. Protecting Biodiversity               | 10. Technology, Innovation & Development | 15. Diversity, Equity and Inclusion                           |



# SUSTAINABILITY AT POH KONG (CONT'D)



## OUR BUSINESS PERFORMANCE



**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**



**Ensure responsible Consumption and Production**

### Economic Performance

Poh Kong is steadfast with its primary objective in maintaining ourselves as a market leader in the business segments that we are involved in. We continue to strive to maintain this goal by constantly delivering innovative and cutting-edge solutions in all our business segments.

The financial performance of Poh Kong reflects its commitment to creating long-term value while supporting the sustainability agenda of the Group. We strive to promote economic development within our local communities while providing employment opportunities. As a responsible corporate citizen, Poh Kong wants to ensure long-term sustainable resilience among its stakeholders and itself.

Our approach to sustaining and registering robust economic performance is by ensuring our business strategy stays relevant to the current and foreseeable future trend, supported by the latest in technology advancement and a talented team of human resources, and funded by healthy cash flow and a robust balance sheet. We are also mindful of the identifiable and inherent risks faced by our businesses and take strategic steps in mitigating such risks.

### Financial Performance

FYE	1 Aug 2023 – 31 July 2024 (12 months) RM'000	1 Aug 2022 – 31 July 2023 (12 months) RM'000	1 Aug 2021 – 31 July 2022 (12 months) RM'000
Revenue	1,641,878	1,470,569	1,362,609
Profit Before Tax	156,573	108,214	116,609
Profit After Tax	116,924	78,441	92,191
Total Equity	871,834	761,932	686,550
Total Assets	1,093,052	1,001,142	882,798



# SUSTAINABILITY

## AT POH KONG (CONT'D)

### OUR BUSINESS PERFORMANCE (CONT'D)

#### Financial Performance

Poh Kong continued to record growth in its revenue over the last three financial years as consumers increased their purchases and investment in gold jewellery and gold investment products. Demand was also boosted by the gradual rising gold prices amid global uncertainties in many regions.

Bottom line was boosted with improving margin, largely due to the increase in revenue and overall uptrend in gold prices, as well as the implementation of prudent cost control measures.


#### Product And Service Quality

Poh Kong emphasises on customer satisfaction by placing top priority in its product and service quality to attract new customers and to maintain long term relationship with its existing customers.

As a result, we ensure high quality standards in our products, from our procurement of raw material to inspection, production and after-sales service. The production hub of Poh Kong adopts Quality Control, Inspection Procedures, coupled with other policies and guidelines. This is to assure our customers that we will always provide them with exquisite jewellery products with the finest quality in workmanship.

In the event of any complaints on products and services, we will conduct a comprehensive investigation into the complaint received through an established Standard of Procedures ("SOP") within a stipulated timeframe. This is our commitment to ensure that our customer's complaint is resolved in a timely and effective manne.

**The production hub of Poh Kong adopts the highest Quality Control and Inspection Procedures, coupled with other policies and guidelines.**



#### Technology, Innovation & Development

Poh Kong strives to utilize technology and innovation in its operations, in spite of its business being customer-centric and operating on a personal basis.

We observed that most of our customers preferred face-to-face interaction and are eager to listen to the recommendation of our experienced sales personnel. Even though we have an online platform to conduct online purchases, there are customers who still prefer to view and feel the actual products before committing their purchases.

We are gradually applying technology and digitalization in our manufacturing hub to improve the efficiency and effectiveness of our design and manufacturing process, especially in energy, water and waste management.

# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR BUSINESS PERFORMANCE (CONT'D)

#### Marketing & Promotions

Poh Kong ensures the marketing, promotion and advertising of our products and services adheres to the highest ethical standards. We are committed to abiding to all relevant laws and regulations including encouraging responsible retail consumption and empowering our customers to make well-informed and decisive purchase decisions.

We make sure that our products and services are marketed, promoted and advertised with accurate and balanced information. In addition, we avoid commenting and misinforming our customers on products and services offered by our peers and competitors.

#### Protecting and Respecting Intellectual Property Rights

Poh Kong is a leading jeweller in Malaysia, which produces fine craftsmanship and design in jewellery. We are home to Malaysia and probably the region's top jewellery masters and craftsmen, who put their years of experience and passion creating exquisite designs in jewellery that set global trends and standards. We meticulously safeguard our intellectual property ("IP") by registering our IP rights.

Our designs do not contravene existing registered IP designs not owned by us. This prudent move includes names proposed for our designs as certain names may have been registered as trademarks by external parties.



#### Customer Satisfaction

Poh Kong acknowledges our customers' value is paramount, and we pay top priority to our customers' experiences and feedback. Therefore, customer satisfaction is our highest priority.

In ensuring our valued customers' satisfaction, we believe listening to valuable feedback from our customers is the best way to continuous improvement in our service quality. Basically, we collect customer satisfaction feedback daily through direct interactions at our retail outlets. We treat this as real-time feedback which allows us to address concerns promptly and be able to make immediate improvements.

# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR BUSINESS PERFORMANCE (CONT'D)

#### Customer Satisfaction (Cont'd)

We also listen to the feedback from them by conducting periodic customer satisfaction surveys and feedback via social media platforms, messengers, customer service hotline and website or Jeweland App. The Jeweland App incorporates a service rating system after each purchase is concluded, providing invaluable insights into our customers' experience. We can analyze these ratings to identify areas for further enhancement in customer satisfaction.

We understand the importance of these engagements where we strengthen areas in which we receive praise while we strive to rectify areas receiving negative feedback and work on constructive suggestions. We ensure our customers' complaints are tracked, monitored and reviewed. During the financial year under review, we had put in time and effort to maintain and improve customers' relationship to enhance customer satisfaction.

The ten (10) major criteria to improve customer satisfaction are:



**Criteria 1**  
Product Quality



**Criteria 2**  
Product Features



**Criteria 3**  
Product Range



**Criteria 4**  
Product Warranty



**Criteria 5**  
Flexibility with Customer



**Criteria 6**  
Frequency of New Product Development



**Criteria 7**  
Price Competitiveness



**Criteria 8**  
Understanding of Customer Need



**Criteria 9**  
Delivery Lead Time



**Criteria 10**  
After Sales Service

# SUSTAINABILITY AT POH KONG (CONT'D)



## OUR BUSINESS PERFORMANCE (CONT'D)

### Supply Chain Management

Our suppliers are critical partners in our business success, and any disruption to our supply chain is a key risk for our business. As a result, Poh Kong always stresses the importance of managing a sustainable and responsible supply chain. We strongly believe that these sustainable practices will enable us to secure a stable sourcing of raw materials and services, enjoy cost competitiveness, and efficient and effective delivery of quality products and services.

The Covid-19 pandemic has strengthened the value of having an effective BCP, including measures to ensure continuity of supply of our key inputs. We also extended our risk mitigation plan of our supply chain management for critical materials to multiple source and service providers to minimise the negative impact of possible disruption in supply.

Sound supply chain management and solid procurement practices ensure our business grows on a solid platform. Suppliers are our valued business partners, and we always stress the importance of collaborating with them especially in project and product developments. This is to ensure we form a good understanding of our needs and their abilities to meet our product quality expectations.

We constantly review and improve our supply chain management for all business segments, to ensure that we are cost efficient and effective, and sustainable in our operations.







# SUSTAINABILITY AT POH KONG (CONT'D)

## OUR ENVIRONMENTAL MANAGEMENT



**Ensure responsible Consumption and Production**



**Take Urgent Action to Combat Climate Change and its Impact**

Poh Kong is aligned with UNSDG 12 and UNSDG 13 as we are committed to sustainable production practices that ensure long-term environmental sustainability. As part of our environmental responsibility, we recognize the importance of environmental stewardship in our industry and are committed to minimizing our environmental impact through responsible sourcing, efficient resource use, and waste reduction.

By integrating these environmental initiatives into our operations, we can significantly enhance our environmental performance within the ESG framework while reducing our long-term impact on the environment.

### Sustainable Sourcing

We ensure that our gold, precious stones and other precious materials are ethically sourced, and we prioritize the use of recycled metals and work with suppliers who implement ethical production practices.



#### Support for Recycled Gold

We offer trade-in services to our customers for their gold. The traded in items will then undergo a refining process in our production hub, and subsequently converted into raw material for production. This initiative would reduce the negative impact of mining to the environment.



# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR ENVIRONMENTAL MANAGEMENT (CONT'D)



#### Environmental Stewardship - Energy Efficiency

Understanding the environmental impacts of the gold and jewellery industries, we actively strive to minimize waste and reduce carbon emissions in our activities. Poh Kong continuously promotes the importance of energy efficiency in activities & processes, as well as to reduce resource consumption, from production to our retail operations.



##### **Implement Energy-Efficient Manufacturing Processes**

Poh Kong continuously invest in energy-efficient processes & activities across our operations, including in our manufacturing facilities, with a goal to reduce greenhouse gas emissions. We adopt energy-efficient processes in our manufacturing facilities to reduce energy consumption. We are actively exploring renewable energy options to further reduce our carbon footprint.



##### **Renewable Energy Use**

We are exploring in the utilisation of renewable energy sources, like solar power for our manufacturing plants, which will further reduce their carbon footprint.

#### Waste Reduction & Recycling

Poh Kong promotes responsible waste management in our manufacturing processes and in our retail operations, aiming to minimize environmental harm through recycling programs and reducing material waste.



##### **Reduce Waste**

We implement government compliance procedure for scheduled waste & industrial wastewater management.



##### **Circular Economy Practices**

We promote recycling programs for old jewellery, offering customers incentives to return or repurpose items. This not only reduces waste but also decreases the demand for newly mined materials.

We offer trade-in services to our customers for their gold. The traded in items will then undergo a refining process in our production hub.



##### **Eco-friendly Packaging - Sustainable Packaging Materials**

We are gradually switching to recyclable, or reusable packaging that can help reduce the environmental impact of Poh Kong's retail operations.



##### **This Annual Report is printed on recycled material**

As part of our efforts in recycling and reduce the need to cut down trees for paper pulp, we printed our Annual Report with recycled material and encourage our shareholders to use digital copy of Annual Report.





# SUSTAINABILITY AT POH KONG (CONT'D)

## OUR ENVIRONMENTAL MANAGEMENT (CONT'D)



### Water Management

We may not be heavy user of water but at Poh Kong, we strive to be responsible in our water usage.



#### Water-efficient Manufacturing Processes

Given that jewellery manufacturing involves water usage, we are exploring water recycling techniques and ways to reduce water usage.

### Employee and Customer Education

We believe that important stakeholders, namely our employees and customers are the pillars in ensuring our achievement in sustainability.

### Other Environmental Initiatives



#### Green Outlets - Sustainable Store Design

We continue to explore green initiatives for our retail outlets, focusing on energy efficiency and sustainable materials. We utilize energy efficient LED lightings for all our retail outlets and offices.



#### Carbon Footprint Monitoring

We place importance in our carbon footprint measurement tools across our supply chain.



### Carbon Footprint

In the 12<sup>th</sup> Malaysia Plan ("12MP") 2021 – 2025, Malaysia is committed to achieving net-zero GHG emissions by as early as year 2050. The commitment is guided by the pillars of sustainability, i.e. Economic, Environment, Social & Governance.

Poh Kong acknowledges that our business involves energy consumption and greenhouse gases emissions that will contribute to climate change impact. We are aware that as a global corporate citizen, we must play a role and take on the responsibility to reduce our carbon footprint, in our effort to create a sustainable economy in a sustainable environment.

As a result, we are committed to support Malaysia's aspiration to achieve carbon neutrality and be net zero by year 2050.

We aim to reduce our environmental footprints and establish operational resilience to deliver long-term value to our group, stakeholders and communities around us. We are guided by our **Sustainable Framework and Policy**, which outlines Poh Kong's objective to effectively manage and minimize the negative impacts arising from our day-to-day business operations.

As a result, we will continue to explore initiatives to mitigate the negative environmental impacts generated by our business nature. Our priority will be to use sustainable materials and processes during our production process with as many eco-features and techniques as possible. schedule waste management, water consumption, electricity consumption and usage of petrol and diesel are given emphasis, as well as ensuring compliance with the regulatory requirements and standards.





# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR ENVIRONMENTAL MANAGEMENT (CONT'D)



#### Energy Management

	FYE2022		FYE2023		FYE2024	
<b>Revenue (RM'000)</b>	1,362,609		1,470,569		1,641,878	
<b>Energy Consumption (kWh)</b>						
Outlets	2,036,218	55%	2,192,530	57%	2,328,987	57%
Factory	925,840	25%	903,939	24%	914,810	23%
Corporate Office	529,995	14%	548,422	14%	613,174	15%
Hostel	202,016	5%	182,260	5%	193,813	5%
Total	3,694,069	100%	3,827,151	100%	4,050,784	100%
<b>Carbon Emission (t CO<sub>2</sub>e)</b>	<b>2,800</b>		<b>2,901</b>		<b>3,071</b>	
<b>Carbon Emission per Revenue (t CO<sub>2</sub>e/RM)</b>	<b>0.0021</b>		<b>0.0020</b>		<b>0.0019</b>	
Revenue Growth			8%		12%	
Energy Consumption Growth						
Outlets			8%		6%	
Factory			-2%		1%	
Corporate Office			3%		12%	
Hostel			-10%		6%	
Total			4%		6%	

The energy consumption of Poh Kong is mainly derived from electricity used during the utilization of machinery and precision tools in the manufacturing of jewellery items, and lightings and air-conditioning system in operating our retail outlets. Our report on energy management is based on the consumption of electricity by our outlets, factory, corporate office and hostel. We do not take into consideration the consumption of fuel (petrol and diesel) as part of our calculations due to low usage of such energy.

The rise in energy consumption is in line with the increase in revenue. Based on the calculation above, our total carbon emission (t CO<sub>2</sub>e) has been steadily increasing since FYE2022, due to the increase in outlets and manufacturing activities over the period. The opening of new outlets and increase in manufacturing activities continued to see our outlets and factory consuming about 80% of our total energy consumption. This has led to an increase in carbon emission to 3,071 t CO<sub>2</sub>e in FYE2024 from 2,901 t CO<sub>2</sub>e a year ago.

# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR ENVIRONMENTAL MANAGEMENT (CONT'D)

#### Energy Management (Cont'd)

Even though we are producing a higher amount of carbon emission into the atmosphere, we are improving our carbon emission efficiency (CO<sub>2</sub>er). We improved our carbon emission efficiency by achieving a total of 0.0019 CO<sub>2</sub>er in FYE 2024 compared to 0.020 CO<sub>2</sub>er from the previous financial year. This is largely due to our continued efforts in enhancing the efficiency and effectiveness of our energy management as part of our sustainability drive.

Apart from the above, we are continuing to put more effort into reducing our carbon emission by intensifying moves in our production hub going forward.

#### Water Management

	FYE2022	FYE2023	FYE2024
<b>Revenue (RM'000)</b>	1,362,609	1,470,569	1,641,878
<b>Water Consumption (m<sup>3</sup>)</b>			
Factory	5,617	15,340	9,579
<b>Water Consumption (m<sup>3</sup>) per Revenue (m<sup>3</sup>/RM)</b>	0.0041	0.0104	<b>0.0058</b>

The water consumption of Poh Kong is primarily derived from water utilized during the manufacturing of jewellery items.

Poh Kong continued to explore ways to improve its efficiency in water management. This is reflected in the improvement in our water consumption recorded against our rising revenue achieved from 0.0104 m<sup>3</sup>/RM in FYE2023 to 0.0058 m<sup>3</sup>/RM in FYE2024.



# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR ENVIRONMENTAL MANAGEMENT (CONT'D)



#### Waste Management

Poh Kong believes in recycle, reuse and reduce (“RRR”) the materials we utilize in our production process and day-to-day operations. For example, customers can trade in used gold for new products and the used gold traded in can be refined to be raw materials. We make a point to recycle our used materials and paper, particularly in packaging and wrapping. Most importantly, we are diligent in minimizing the waste generated from our production processes.

We adopt the following steps in our waste management -



#### Appropriate Waste Storage On-Site

All hazardous waste is stored and labelled accordingly on-site to prevent waste contamination and leakage.



#### On-Site Inspections

We conduct regular inspections on waste storage and other facilities to ensure handling of scheduled waste is performed accordingly.



#### Licensed Waste Contractors

Only licensed waste contractors are engaged for collection and disposal of hazardous waste, as authorised by regulators.



#### Trained and Experienced Personnel

Our facility team is experienced and skilled.

Poh Kong manages its schedule waste by utilizing the Electronic Scheduled Waste Information System (“eSWIS”), which is one of the environmental mainstreaming tools maintained by the Ministry of Natural Resources and Environmental Sustainability Malaysia. eSWIS is an online portal which allows users to file any scheduled waste consignment and inventory details, review of submitted consignment notes for transfer and receiving, in an efficient and secure environment.

Waste generators and waste contractors are properly recorded, tracked, and monitored in their waste movement, consignment in compliance to Environmental Quality (Scheduled Waste) Regulation 2005 and Environmental Quality (Prescribed Premises) (Scheduled Waste Treatment and Disposal Facilities) Regulation 1989). All the new schedule waste generated shall be fully recorded into the eSWIS, the details including production information, waste code, waste name, waste component, waste type, and packaging type. While for recurring schedule waste, we shall update the waste code, waste name and quantity.





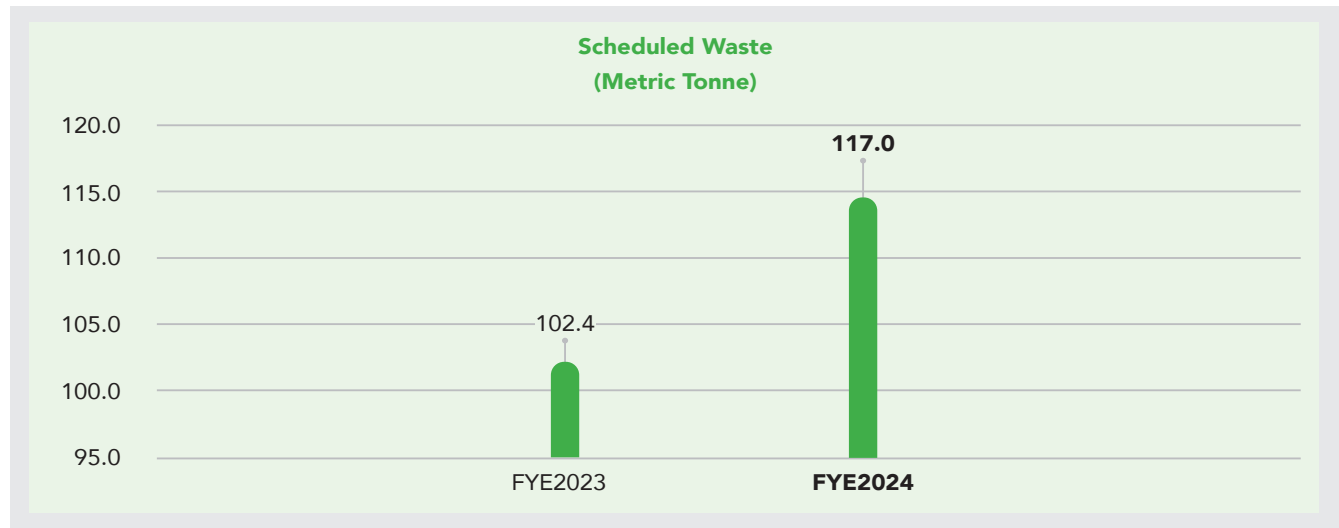
# SUSTAINABILITY

## AT POH KONG (CONT'D)

### OUR ENVIRONMENTAL MANAGEMENT (CONT'D)



#### Waste Management (Cont'd)



During the FYE2024, the total amount of scheduled waste was 117.0 metric tonne as compared to 102.4 metric tonne a year ago. The increase of 14.6 metric tonne was mainly due to higher manufacturing activities in the factory which was reflected in the rise in demand for products and directly proportionally to the product manufacturing process. The scheduled waste is managed and disposed of by our Safety & Health Department. The disposal is based on the period and quantity allowed to be stored by the Department of Environmental ("DOE"), and the availability of storage area in Poh Kong.



# SUSTAINABILITY AT POH KONG (CONT'D)



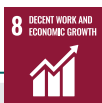
## OUR PEOPLE



**Ensure healthy lives and promote well-being for all at all ages**



**Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all**



**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**



**Reduce inequality within and among countries**

The success of Poh Kong is built on the well-being of our employees, communities, and customers. We aim to create positive social impact through inclusive business practices and community engagement. Poh Kong enhances its social responsibility, contributing positively to the well-being of its employees, customers, suppliers, and the broader community.

As a result, Poh Kong continues to view its employees as an asset to the Group. We continuously invest in our people as they will drive us towards achieving long-term sustainable growth in the future. As part of our stakeholder engagement practice, we continue and constantly engage with our employees to ensure that they understand our mission, culture, best practices and most importantly, our commitment to sustainability and EESG matters.

Through our stakeholder engagement, we learned that employees place top priority in achieving work satisfaction and work balance in their workplace. This is in addition to having a structured career development path with opportunities to gain experience with our group of companies. Hence, Poh Kong strives to meet the expectations of its employees by emphasizing a holistic approach in developing our employee's development program.

In developing our business strategy, we continue to emphasize human rights and will never tolerate any forms of discrimination and practices. We remain operating our business ethically, responsibly and take initiatives to prevent incidents of sexual harassment, child labour and forced labour.





# SUSTAINABILITY

## AT POH KONG (CONT'D)

### OUR PEOPLE (CONT'D)

#### Employee Welfare and Development

We invest in our employees by offering comprehensive training programs, promoting safe working environments, and ensuring fair compensation and benefits. We are dedicated to fostering a diverse and inclusive workplace where every employee can thrive.

#### Fair Wages and Benefits

We ensure that all employees, including those in manufacturing and retail, receive fair and competitive wages, comprehensive benefits, and a safe working environment. This includes compliance with labour laws and industry standards.

#### Attracting Developing, Rewarding & Retaining Employees

As an organization that recognizes its human capital as the most important asset of the group, Poh Kong always values its employees' contributions to the group's continued success. We implement and adhere to the best practices of employment engagement, which include attractive remuneration, competitive compensation and benefits program, continuous training, and development programs, assurance for employees' wellness, and talent retention.

For our workers that require accommodation, we provide clean and safe accommodation, and we adhere to the Standards of Housing and Amenities (Amendment) Act 2019. We also provide meal subsidy to our employees.



#### Benefits-In-Kind

- Accommodation (Hostel)
- Bereavement Benefit
- Club Membership
- Company Car (Managerial Level)
- CSR Programme
  - Natural Disaster Financial Assistance
  - Critical Illness affecting staff's immediate family
- Director / Staff Purchase Price
- Education / Training Fund
- Festive Celebration
- Flexi Working Hours
- Long Service Award
- Local Travel (for Managers)
- Local & Oversea Travel (for Senior Managers)
- Meal Subsidy
- Performance Incentive
- Phone Allowance
- Staff Wellness Reward
- Team Building
- Company Trip
- Uniform
- Wedding gift



#### Statutory Contribution

- Employees' Provident Fund ("EPF")
- Social Security Organization ("SOCSO")
- Employment Insurance System ("EIS")



# SUSTAINABILITY AT POH KONG (CONT'D)



## OUR PEOPLE (CONT'D)

### Attracting, Developing, Rewarding & Retaining Employees (Cont'd)



#### Insurance & Medical Funds

- Clinical Claim
- Critical Illness & Non-Critical Illness Medical Assistance
- Health Screening (for Drivers & Goldsmiths)
- Health Screening (for Assistant Managers and Managers)
- Life Insurance



#### Leave Entitlement

- Annual Leave
- Compassionate Leave
- Hospitalization Leave
- Marriage Leave
- Maternity Leave
- Paternity Leave
- Sick Leave
- Untaken Annual Leave (Allow to be carried forward or exchange for jewellery)

In addition to the above-mentioned benefits, Poh Kong also organizes departmental and company trips and celebrate various festivals such as, Chinese New Year celebration to strengthen bonding relationship between employees and create a healthy working environment.





# SUSTAINABILITY AT POH KONG (CONT'D)

## OUR PEOPLE (CONT'D)

### Diversity and Inclusion

We promote diversity across all levels of the organization, ensuring equal opportunities for women, minorities, and differently abled individuals.

### Training and Professional Development

We provide ongoing education and training programs for employees to enhance their skills in areas such as craftsmanship, customer service, and sustainability. This not only improves employee's satisfaction but also contributes to business growth.

Poh Kong has a collaboration with Saito University where we provide scholarship up to 30% of the fee, to deserving students.





# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR PEOPLE (CONT'D)



#### Health and Safety

Poh Kong puts top priority on matters concerning the health and safety of our most important assets, employees in our business operations and workplaces. We aim to minimize injuries and illnesses among those working within our premises by emphasizing a safe, healthy, and conducive environment. Our priority includes customers, suppliers, contractors, and visitors to our premises. We strongly believe that such a priority will lead to improvement in efficiency and output.

We implement robust occupational health and safety policies, especially in our manufacturing facilities where workers may face physical risks. We believe regular safety training and audits can ensure a safer working environment. Our Safety and Health Policy outlines how our business operations are conducted in a safe manner, through the implementation of various measures and controls by all levels of our workforce. Poh Kong has a Occupational Safety and Health (OSH) Committee to ensure that our Safety and Health Policy is adhered to, concerns raised are attended to promptly, and updated periodically.

Poh Kong offers medical care to all its employees including periodic health screening and annual health surveillance. Medical supplies such as First-Aid Boxes are strategically located to facilitate easy access to it, in the event of medical emergencies.

We also arrange health and safety training for our staff to deal with medical emergencies, such as performing cardiopulmonary resuscitation ("CPR"), by inviting medical professionals to conduct such training. We constantly review the relevancy of such training, especially on emergency response, hazard and risk management, as well as health and safety awareness. The Covid-19 pandemic is a good example of how important and relevant such training in dealing with crisis.

#### Labour Practices & Rights

Poh Kong emphasizes and upholds the labour rights of our staff force. Our Code of Conduct and other labour policies protect labour rights and is based on local employment regulations, such as the Malaysian Employment Act 1955, and relevant industry standards. Our Code of Conduct and other human resource and labour policies protect labour rights and is based on local employment regulations, such as the Malaysian Employment Act 1955, and relevant industry standards.

#### Labour Rights of our Employees





# SUSTAINABILITY

## AT POH KONG (CONT'D)

### OUR PEOPLE (CONT'D)



#### Seminars & Trainings

Poh Kong continued to send its employees to attend seminars and training on the Employment (amendment) Act 2022 during FYE2024. Poh Kong understands and emphasizes the importance of labour rights and we continue to update ourselves on the latest development on the Employment Act.

#### Ensuring in line with the Labour Law

We had on 1 January 2024, implemented amendments made by the Government of Malaysia to the Employment Act 1955. The latest measures involve extending maternity leave to 98 days and offering married male employees 7 days of paternity leave, as well as a reducing maximum working hours from 48 hours to 45 hours per week. Hospitalization and medical leave are accounted for separately.

##### Maternity leave

**98 days**



##### Married male employees

**7 days of paternity leave**



##### Reducing working hours

**48 hours to 45 hours**



#### Grievances Mechanism

Employees need to have an avenue to vent their dissatisfaction or grievances so that issues can surface and be addressed accordingly before they are able to spread and affect morale. At Poh Kong, we have put in place a grievance mechanism for this purpose.

When grievance is received, the Human Resource ("HR") Department will proceed in accordance with the Poh Kong's Standard Operating Procedures ("SOP") for handling grievances. The grievances will be handled by an Independent Integrity Team which is led by a legally trained and qualified Integrity Advisor. Depending on the complexity and seriousness of grievance, we aim to close all grievance cases within a month.

Poh Kong always encourages its staff to share their challenges, and based on past experiences and events, we found that our staff is willing to share and speak with our HR team on any doubts or grievances. The HR team will then discuss with their immediate superior or head of divisions to find a solution to the matter raised.



# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR PEOPLE (CONT'D)



#### Grievances Mechanism (Cont'd)

##### How to manage grievance

1

##### QUICK ACTION

As soon as the grievance arises, it should be identified and resolved.

2

##### ACKNOWLEDGING GRIEVANCE

The manager must acknowledge the grievance put forward by the employee as a manifestation of true and real feelings of the employees.

3

##### GATHERING FACTS

The manager should gather appropriate and sufficient facts explaining the grievance's nature.

4

##### EXAMING THE CAUSES OF GRIEVANCES

The actual cause of grievance should be identified.

5

##### TAKING DECISION

After identifying the causes of grievance, alternative cause of actions should be thought of to manage the grievance.

6

##### EXECUTING AND REVIEW

The manager should execute the decision quickly, ignoring the fact, that it may or may not hurt the employees concerned

Sometimes all a person wants is an empathetic ear, all he or she needs is talk it out. Just offering a listening ear and an understanding heart for his or her suffering can be a big comfort.

Listening, holding space, withholding judgment, emotionally connecting, and communicating that incredibly healing message of you're not alone



# SUSTAINABILITY

## AT POH KONG (CONT'D)

### OUR PEOPLE (CONT'D)





#### Ethics & Compliance

Poh Kong is committed to ensuring the highest standards of corporate governance throughout the Group so that the affairs of the Group are conducted with integrity and professionalism with the objective of safeguarding shareholders' investment and enhancing shareholders' value, while reinforcing confidence of our stakeholders in the group. As a result, the high standards of business ethics and compliance across the group reflect our core values, which are **Honesty, Integrity and Operational Excellence**.

We require all our employees to maintain the highest standards of conduct and integrity when conducting business with customers, suppliers, and other stakeholders. In addition, we do not tolerate any breach of the Group's Code of Ethics and Conduct ("**Code**") and encourage our employees to highlight any instances of malpractice and non-compliance.

Our corporate governance practices include the following –

	<b>Code of Ethics and Conduct</b>		<b>Risk Management</b>
	<b>Internal Audits and Controls</b>		<b>External Audit</b>
	<b>Anti-Bribery and Corruption Policy</b>		<b>Whistle-Blowing Policy</b>
	<b>AML Policy</b>		<b>PDPA Policy</b>
	<b>Housing and Occupational and Safety Policy</b>		

#### Corporate Governance

Poh Kong believes that good Corporate Governance is a pre-requisite for the Group to build sustainable long-term value for its shareholders. We are therefore guided by legislative and regulatory requirements, including corporate governance, best practices published by the relevant authorities. Our Corporate Governance Overview Statement forms part of our Annual Report.

# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR PEOPLE (CONT'D)

#### Standards of Code of Ethics and Employees' Discipline & Conduct

Our Corporate Code comprises policies on Standards of Conduct, Business Ethics and Conflicts of Interest.

All employees of Poh Kong are expected to comply with the Code which is adopted at all levels within the group. It covers the principles by which behaviours are assessed and guides an employee's direct and indirect roles and responsibilities inside and outside the group. These principles are shared with all employees and emphasized during training sessions. Upon employment in Poh Kong, employees undertake to comply with the Code when signing their letter of offer.

The Code encompasses the following policies -

 <b>Declaration of Interests</b>	 <b>Human Rights</b>
 <b>Health &amp; Safety</b>	 <b>Environment</b>
 <b>Gifts &amp; Business Courtesies</b>	 <b>Company Records &amp; internal Controls</b>
 <b>Company Assets</b>	 <b>Exclusive Service</b>
 <b>Integrity &amp; Professionalism</b>	 <b>Confidential Information</b>
 <b>Compliance Obligations</b>	 <b>Anti-Bribery &amp; Anti-Corruption</b>
 <b>Insider Trading</b>	 <b>Money Laundering</b>
 <b>Abuse of Power</b>	



# SUSTAINABILITY

## AT POH KONG (CONT'D)

### OUR PEOPLE (CONT'D)



#### Anti-Bribery Corruption Policy

In Poh Kong, we call our Anti-Bribery Corruption Policy as Integrity Policy. We are fully committed to ensuring the highest business conduct, upholding integrity, and good corporate governance. We adopt zero-tolerance towards corruption and bribery.

**We are glad to announce that there are no reported incidents of corruption and bribery during the financial year under review.**

The Anti-Corruption Amendments requires Public Listed Companies ("PLCs") on Bursa Malaysia to establish and implement policies and procedures on anti-corruption and whistleblowing to prevent corrupt practices, which will enable PLCs to have a measure of defence against corporate liability for corruption under Section 17A of the MACC Act. In addition, the Anti-Corruption Amendments require PLCs and their board of directors to review the policies and procedures periodically or at least once every three years to assess their effectiveness. The Anti-Corruption Amendments also require PLCs to ensure that corruption risks are included in the annual risk assessment of PLCs and their group of companies.

We are glad to announce that there are no reported incidents of corruption and bribery during the financial year under review.

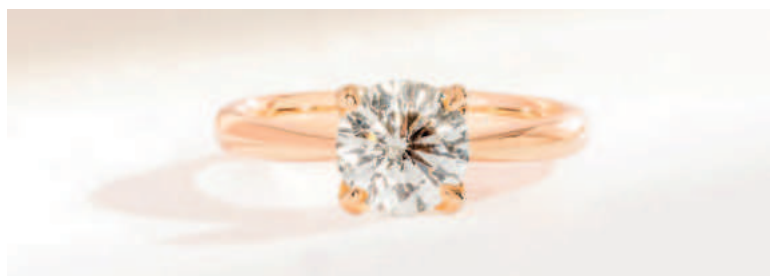
#### Whistle Blowing Policy

The Whistle Blower Protection Act 2010 provides the guide in formulating the Whistleblowing Policy ("WBP") of Poh Kong. This WBP provides the assurance and confidence to our employees and external parties that we have an effective channel to report on any activity that breaches our Code and/or any breach of ethics or omission by an employee of Poh Kong.

**As at to date, Poh Kong confirms that there were minor complaints received during the period of reporting and all complaints are attended to.**

Our WBP can be accessed from our website at [www.pohkong.com.my](http://www.pohkong.com.my). Whistle blowers can write to [Whistleblower@pohkong.com.my](mailto:Whistleblower@pohkong.com.my) and the report will go directly to our Integrity Advisor.

As at to date, Poh Kong confirms that there were minor complaints received during the period of reporting and all complaints are attended to.



# SUSTAINABILITY AT POH KONG (CONT'D)



## OUR PEOPLE (CONT'D)

### Ethical Sourcing

We ensure that our gold, precious stones and other precious materials are sourced responsibly. Poh Kong adheres to international best practices, ensuring that the raw materials we use are conflict-free and come from suppliers that follow ethical labour practices. This commitment safeguards both human rights and environmental sustainability across our supply chain.

### Community Engagement & Social Responsibility

Poh Kong actively engages with local communities through philanthropic initiatives, focusing on education, healthcare, and skill development. Our CSR initiatives are designed to uplift the communities where we operate, creating shared value for all stakeholders. Through these efforts, we aim to contribute to the sustainable development of the communities that we serve and operate in.



#### Corporate Social Responsibility ("CSR")

We engage in meaningful community projects, such as supporting welfare societies and fund-raising activities especially for the under privileged communities.



#### Philanthropy

As part of our CSR initiatives, Poh Kong contributes to charitable causes, particularly those aligned with education, healthcare, and social welfare. This can involve donating a portion of profits or organizing fundraising events in partnership with local NGOs.



#### Local Economic Development

By supporting local suppliers and vendors, Poh Kong can help boost local economies and create sustainable livelihoods. This also aligns with promoting responsible sourcing and reducing environmental impact.

# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR PEOPLE (CONT'D)



#### Ethical Customer Relations

We prioritize transparency and ethical practices in our customer interactions.



##### Customer Engagement and Education - Ethical Marketing

Transparency is of utmost importance to customers. Our brand name and practices are stamped with integrity whenever we communicate with customers.



##### Customer Feedback and Satisfaction

We establish strong channels for customer feedback and continuously improve our customers' experience via Poh Kong's loyalty programs, such as "Jeweland", which also reward customers for their continuous support while encouraging long-term, positive engagement.



##### Product Quality and Safety

We ensure that all products meet high industry safety standards.



##### Ethical Customer Service

We ensure that customer interactions reflect ethical practices, promoting honesty, fairness, and transparency in all business dealings.

#### Commitment to Continuous Improvement

Sustainability is an ongoing journey, and Poh Kong is dedicated to continuously improving our ESG performance. As a result, we are committed to monitoring and transparently reporting our progress in these areas, ensuring that we contribute positively to the environment, economy, and society.



##### Stakeholder Engagement - Investor and Stakeholder Dialogue

We maintain open and transparent communication with stakeholders, including investors, customers, and employees, about their social impact initiatives. We seek to gradually improve our sustainability reporting and updates on our ESG performance, to foster trust and long-term partnerships.





# SUSTAINABILITY AT POH KONG (CONT'D)



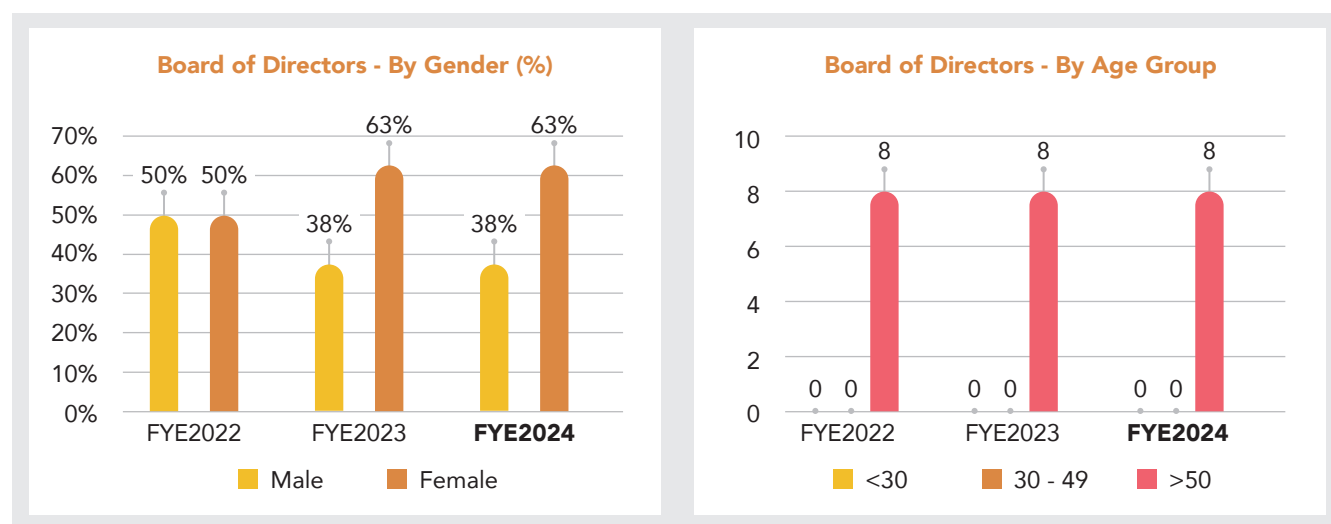
## OUR PEOPLE (CONT'D)



### Diversity, Equity & Inclusion ("DEI")

#### Board of Directors ("BOD")

We prioritize transparency and ethical practices in our customer interactions.



BOD - By Gender	FYE2022	FYE2023	FYE2024
Male	4	3	3
Female	4	5	5
Total	8	8	8

BOD - By Age Group	FYE2022	FYE2023	FYE2024
<30	-	-	-
30 - 49	-	-	-
>50	8	8	8
	8	8	8

Poh Kong is cognizant of the need for a balanced group of individuals to form its Board of Directors ("BOD"), to lead its journey in sustainability. As a result, the BOD of Poh Kong comprises members who are qualified and highly experienced in their own expertise and field. In addition, female members made up of 62.5% of the BOD, which is well above the minimum 30% requirement set by Bursa Malaysia. Presently, all the members of the BOD are above 50 years of age where their invaluable experience and expertise are an asset to Poh Kong.





# SUSTAINABILITY

## AT POH KONG (CONT'D)

### OUR PEOPLE (CONT'D)

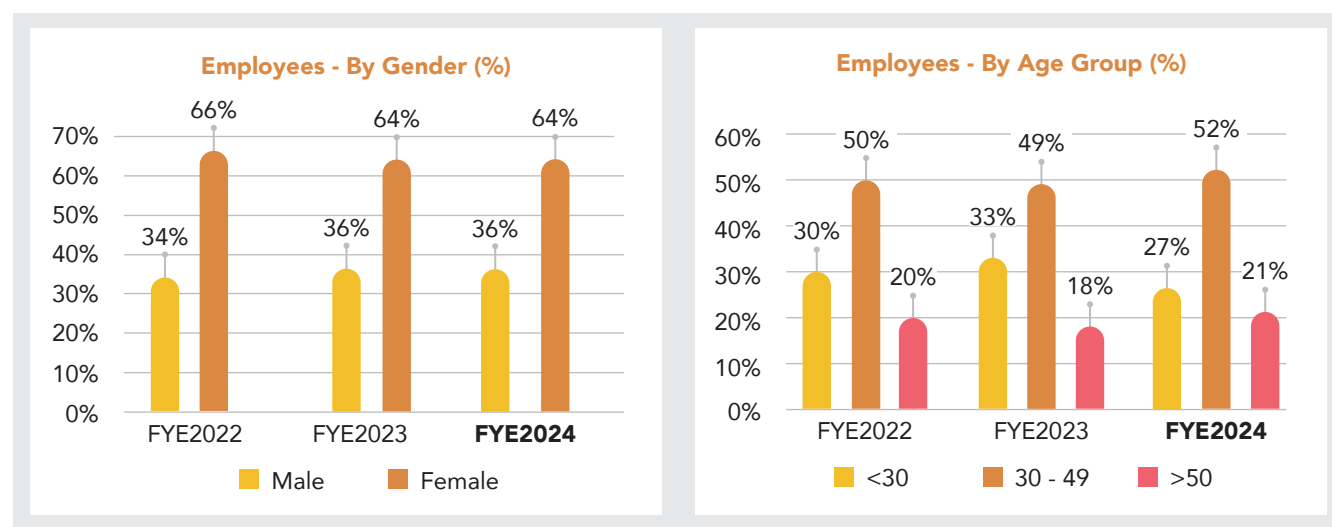


#### Employees

In Poh Kong, we do not set any gender target, however, we strive to achieve a balance of genders at the departmental and Group level. As at financial year 2024, we have a total of 1,079 employees and the breakdown of our employees by age and gender are as follow –

By Gender	FYE2022	FYE2023	FYE2024
Male	396	388	389
Female	770	684	690
Total	1,166	1,072	1,079

By Age Group	FYE2022	FYE2023	FYE2024
<30	350	353	287
30 - 49	583	525	561
>50	233	194	231
	1,166	1,072	1,079



Poh Kong remains committed to ensuring that the talent acquisitions are made based on their capability and qualifications of the candidates. We are constantly grooming young talent to take on future leadership roles. Staff aged 49 years old and below comprise 79% of our total staff force in FYE2024. Meanwhile, Poh Kong has more than 60% of its staff force comprising female members where many of them are frontline staff in the outlets.

# SUSTAINABILITY AT POH KONG (CONT'D)



## OUR PEOPLE (CONT'D)



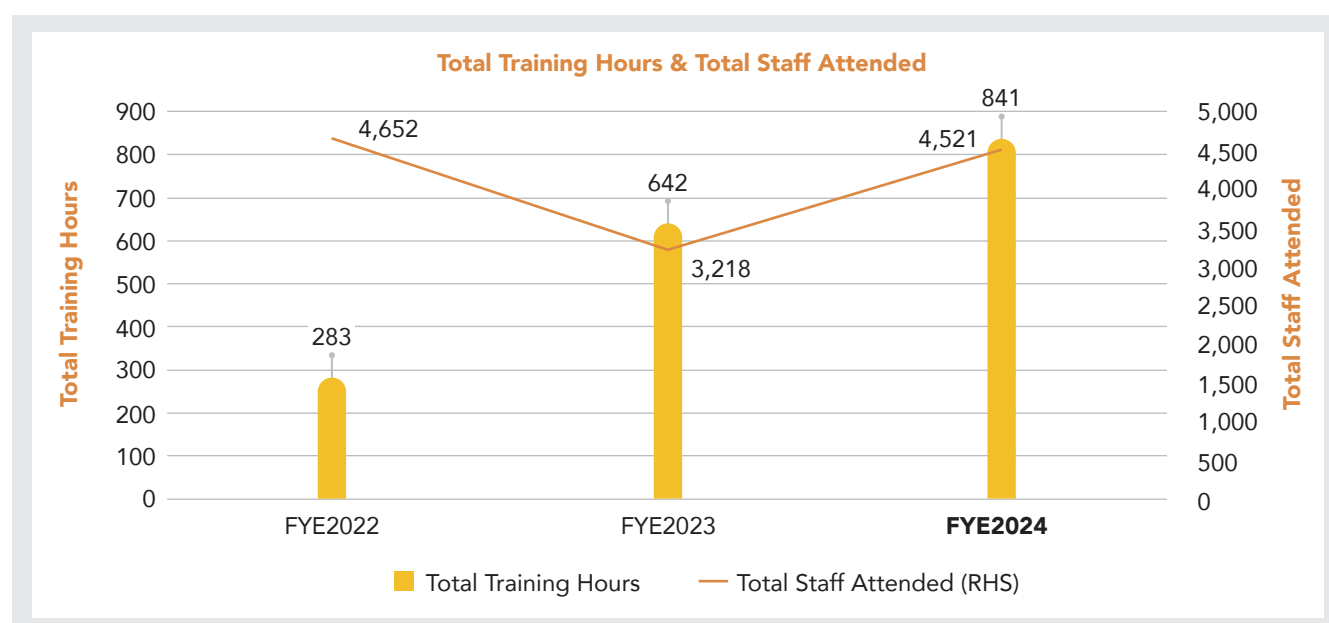
### Turnover Rate

During the FYE2024, Poh Kong experienced a total of 58 staff and 21 staff resigned from the Corporate, Retail and Manufacturing Division respectively and Poh Kong has never retrench our employees since the date of establishment, in 1976.

Attrition (Staff)	FYE2024
Corporate Division	3
Retail Division	55
Manufacturing Division	21
Total	79

### Employee Learning & Developments

Poh Kong believes that human resources within the group is our most important asset. As a result, we place great importance on employee learning and development through on-the-job, internal and external training. Competent staff will contribute significantly towards the efficiency and effectiveness of our business operations.





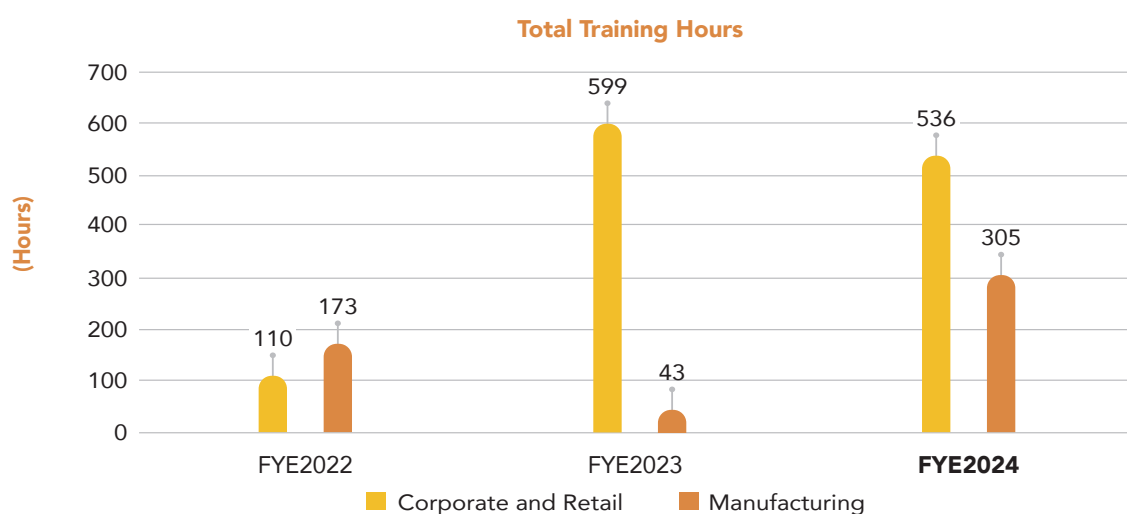
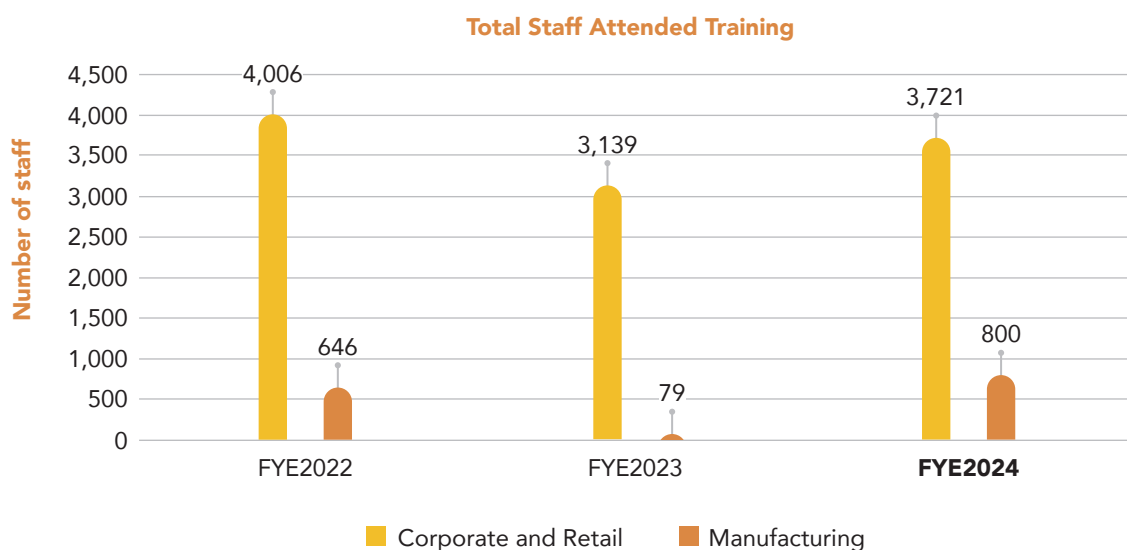
# SUSTAINABILITY

## AT POH KONG (CONT'D)

### OUR PEOPLE (CONT'D)



#### Employee Learning & Developments (Cont'd)



During FYE2024, Poh Kong recorded an increase in the number of staff attending training courses by 40.5% to 4,521 staff, as compared to 3,218 staff a year ago. The increase is mainly due to the jump in the number of staff from the Corporate and Retail Division attending training, by 18.5% or 582 staff, to 3,721 staff during the financial year under review. The number of staff from the Manufacturing Division increased significantly by 912.6% or 721 staff, to 800 staff.

Total training hours increased by 31.0% to 841 hours during FYE2024, from 642 hours recorded in FYE2023.



# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR PEOPLE (CONT'D)



#### Employee Learning & Developments (Cont'd)

Our staff training programs are identified based on business strategies and operational needs, meeting regulatory requirements, and ensuring the development of our people's technical, interpersonal, business and management skills. Please find below are the trainings conducted for our various divisions –

#### Corporate Office Training

 <b>Types of training</b>	 <b>Key areas covered in the training</b>	 <b>Target Attendees</b>
<b>AML Compliance Training (New Update)</b>	<p>This program is widely used in the industry to help companies comply with anti-money laundering act and the required procedures.</p>	<p>Branch Managers &amp; Sub Branch Managers, Cashier, Executives Level</p>
<b>Employment Act</b>	<p>The Employment Act is a fundamental statute that specifies the minimum terms of work for persons who are recognized as employees under this Act. This course will cover all essential provisions, emphasizing the most recent modifications and amendments. Upon completion, participants will be able to appropriately identify an employer's responsibilities under this law.</p>	<p>Branch Managers &amp; Sub Branch Managers</p>
<b>Manager Calibre and HR Related Matter Training</b>	<p>Ensure that the company's policies and practices are in accordance with labour laws, employment act and support their specific areas of work as well as the organization's overall goals and objective.</p>	<p>Branch Managers &amp; Sub Branch Managers, Cashier</p>
<b>OSHA &amp; House Amenities Meeting</b>	<p>The aim of our Safety and Health management is to ensure the wellbeing of our employees and others that may be affected by unsafe work places condition and to resolved noncompliance issue (if any) to legal requirement.</p>	<p>Branch Managers &amp; Sub Branch Managers, HOD, Representatives</p>
<b>Poh Kong SOP and Statutory Compliances Training</b>	<p>Statutory compliance training to ensure employees are kept abreast of the latest updates and amendments on Statutory requirements and obligations</p>	<p>Branch Managers &amp; Sub Branch Managers, Cashier, Executive Level</p>



# SUSTAINABILITY

## AT POH KONG (CONT'D)

### OUR PEOPLE (CONT'D)



#### Employee Learning & Developments (Cont'd)

##### Corporate Office Training (Cont'd)

Types of training	Key areas covered in the training	Target Attendees
High Profit Talent System (Intensive)	Analytical training on how to monitor branch performance and ways to enhance profitability and ways to conduct effective recruitment.	HOD

##### On-the-Job Training

Types of training	Key areas covered in the training	Target Attendees
Customer Focused Selling Workshop	This training emphasise on the correct technique to greet our customers, the courteous way to address customers' needs and the appropriate selling skills used to effectively sell your products	Branch Managers & Sub Branch Managers, HOD, Sales Executives
Poh Kong Staff Orientation & Sales Training	This is a brief walk thru with all new employees on company's history, culture, vision and mission statements, company core value and basic product training coupled with basic selling skills.	All New Recruits
Store Appearance, Staff Appearance and Security Measures Training	Training on the store appearance and staff appearance to ensure proper corporate image is being maintained at all times. Security measures awareness training and all the dos and don'ts	Branch Managers & Sub Branch Managers

# SUSTAINABILITY

## AT POH KONG (CONT'D)










### OUR PEOPLE (CONT'D)



#### Employee Learning & Developments (Cont'd)

##### On-the-Job Training (Cont'd)

 Types of training	 Key areas covered in the training	 Target Attendees
<b>Store Performance-Sales, Profitability and Cyber-security Training</b>	 Analytical training on how to monitor branch performance and ways to enhance profitability of the branch. Cyber-security covers all the security measures undertaken by the Group's IT team to protect data security.	 Branch Managers & Sub Branch Managers
<b>Visual Merchandising and Inventory Display Training</b>	 This training covers the correct and required techniques on merchandise display.	 Branch Managers & Sub Branch Managers

##### Board of Directors Training

 Types of training	 Key areas covered in the training	 Target Attendees
<b>Bursa Malaysia Mandatory Accreditation Programme (MAP) I</b>	 MAP consists of globally benchmarked competency development modules that are designed to equip directors with critical knowledge and skills to lead effectively in a highly accountable manner.	 Independent & Non-Executive Director and New Directors on Board
<b>Mandatory Accreditation Programme Part II Leading For Impact (LIP)</b>	 LIP is an initiative which aims to provide directors with foundation to address sustainability risks and opportunities and better oversight of their company's material sustainability matters.	 Existing Directors namely Independent Non-Executive and Executive Directors





# SUSTAINABILITY

## AT POH KONG (CONT'D)

### OUR PEOPLE (CONT'D)



#### Employee Learning & Developments (Cont'd)

##### Technical Training

 <b>Types of training</b>	 <b>Key areas covered in the training</b>	 <b>Target Attendees</b>
<b>Comprehensive Risk Application Techniques For Internal Auditors</b>	 The latest updates on the techniques on comprehensive risk base auditing for Internal Auditors.	 Internal Audit Manager and Assistant Manager.
<b>Diamond And Pearl Product Knowledge &amp; Selling Skill</b>	 An advance class for employees on diamond identification and assessment courses coupled with the selling techniques for our in-house diamond brands.	 Branch Managers & Sub Branch Managers, Senior Sales Executive
<b>E-Invoicing Implementation Training</b>	 Involved in understanding the fundamentals and significance of e-invoicing as well as the implementation procedures.	 Branch Managers & Sub Branch Managers, Cashier & Executive Level
<b>Jewellery Repair Workshop</b>	 Jewellery Repair classes for skilled craftsmen on the correct technique used for jewellery repairing services.	 Goldsmith
<b>Post Pandemic Retail Challenges &amp; Transformation</b>	 All the mitigating measures on health and safety of our customers and employees. The current challenges and ways to mitigate these challenges. Also the update on the latest innovative measures and transformation from pandemic to endemic.	 HOD, Branch Managers and Sub-branch Managers
<b>Recent Developments with the Listing Requirement Including COI Amendments</b>	 To update and keeping abreast with the latest development with Listing Requirements including Conflict of Interest compliances	 Director & HOD

# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR PEOPLE (CONT'D)









#### Employee Learning & Developments (Cont'd)

##### Technical Training (Cont'd)

 <b>Types of training</b>	 <b>Key areas covered in the training</b>	 <b>Target Attendees</b>
<b>Revised Business Processes on Gold Investment Products Training</b>	 To streamline business processes to prepare for future online gold trading, improve performance and efficiencies.	 Branch Managers & Sub Branch Managers, Cashier, Executive Levels
<b>Tools For New Auditors</b>	 The latest updates on the techniques and tools used for new internal auditors on compliance and risk base auditing.	 Manager and Assistant Manager

##### Manufacturing Training Courses

 <b>Types of training</b>	 <b>Key areas covered in the training</b>	 <b>Target Attendees</b>
<b>Basic Engineering &amp; Technical Knowledge for Troubleshooting of Industrial Machine Circuit Faulty - for technician staff</b>	 <ul style="list-style-type: none"> <li>• Basic know ledge for engineering system - electrical, electronic and electro-mechanical system.</li> <li>• Basic block diagram of electrical machine.</li> <li>• Basic wiring diagram of electrical system single &amp; 3 phase.</li> </ul>  <ul style="list-style-type: none"> <li>• Basic component specification and Circuit function - Power Devices, Sensor , Control Devices and Output Devices.</li> <li>• Safety Precaution &amp; Guideline for Troubleshooting of Electrical machine</li> </ul>	 Operator & Supervisor





# SUSTAINABILITY














## AT POH KONG (CONT'D)

### OUR PEOPLE (CONT'D)



#### Employee Learning & Developments (Cont'd)

#### Manufacturing Training Courses (Cont'd)

 <b>Types of training</b>	 <b>Key areas covered in the training</b>	 <b>Target Attendees</b>
<b>Budget 2024 : Complete Annual Tax Planning With E-Invoicing &amp; SVPD 20</b>	 THE VARIOUS TAX PROPOSALS HIGHLIGHTED IN BUDGET 2024 WITH THE IMPLICATIONS AND THIER APPLICATIONS	 Accountant and HOD
<b>Certified Environmental Professional in Scheduled Waste Management (CePSWAM) - Theory &amp; Practical Exam are passed</b>	 <ul style="list-style-type: none"> <li>• Scheduled Waste Management ("SW").</li> <li>• Identification, Classification &amp; Properties of SW.</li> <li>• Introduction to SW regulation &amp; policies.</li> <li>• Record keeping &amp; Reporting.</li> <li>• Facilities &amp; licensing procedure.</li> <li>• Practical handling</li> <li>• Exam</li> </ul>	 Officer
<b>Conference &amp; exhibition on Occupational Safety &amp; Health 2024 (COSH 2024)</b>	 <ul style="list-style-type: none"> <li>• Communicating the safety message</li> <li>• Incorporating OSHA into sustainability agenda</li> <li>• How collaboration can make work safer</li> <li>• Innovation: New Ways Of Working</li> <li>• Communicating Wellbeing</li> </ul>	 Officer
<b>E-Invoicing : Overview, Issues, &amp; Implementation Strategies</b>	 Involved in understanding the fundamentals and significance of e-invoicing as well as the implementation procedures.	 Executive Level
<b>Evacuation Drill with BOMBA to all staff</b>	 <ul style="list-style-type: none"> <li>• To practice the SOP for evacuation during emergency.</li> <li>• BOMBA to monitor the effectiveness of SOP &amp; post mortem with BOMBA.</li> </ul>	 All Employees (PKJM)



# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR PEOPLE (CONT'D)



#### Employee Learning & Developments (Cont'd)

##### Manufacturing Training Courses (Cont'd)

 <b>Types of training</b>	 <b>Key areas covered in the training</b>	 <b>Target Attendees</b>
<b>Fire Prevention Training with BOMBA for Emergency Response Team ("ERT") member</b>	<ul style="list-style-type: none"> <li>• Keselamatan kebakaran (3E &amp; Akta).</li> <li>• Sistem aktif &amp; pasif.</li> <li>• Peranan ERT.</li> <li>• Fire extinguisher.</li> <li>• Simulasi dalaman pelan tindakan kecemasan.</li> <li>• Kawad hos.</li> </ul>	<b>All Employees (ERT Team)</b>
<b>MTD Calculation and Employee Benefits</b>	PCB/MTD calculation Understand impact of TP1/TP3/Tax Relief/Tax exemptions	<b>Accountant &amp; HR Manager</b>
<b>New staff safety briefing by Safety &amp; Health Officer (Internal)</b>	Employees are trained about employees responsibility as stated in OSHA 1994, Emergency evacuation route in PKJM, basic info fire protection equipment in PKJM, assembly point, type of alarm in PKJM, Do & Don't related to safety & health	<b>New Recruits</b>
<b>Radiation Safety Refresher Course - RPO</b>	<ul style="list-style-type: none"> <li>• Basic Information on Ionising Radiation.</li> <li>• Biological Effects of Ionizing Radiation.</li> <li>• Radiation Protection System.</li> <li>• Atomic Energy Licensing Act 1984 (ACT 304) &amp; Radiation Protection Regulations.</li> <li>• Safety and Security.</li> <li>• Radiation Safety Management System.</li> <li>• Transportation of Radioactive Materials</li> </ul>	<b>Officer</b>
<b>RS201 Radiation Safety Refresher Course</b>	The Atomic Energy Licensing Act (Act 304) & Related Regulations.	<b>Executive Level</b>
<b>Staff Morale</b>	Team building, Company Vision & Mission	<b>All Employees</b>



# SUSTAINABILITY













## AT POH KONG (CONT'D)

### OUR PEOPLE (CONT'D)



#### Employee Learning & Developments (Cont'd)

#### Manufacturing Training Courses (Cont'd)

 <b>Types of training</b>	 <b>Key areas covered in the training</b>	 <b>Target Attendees</b>
<b>Seminar Pengurusan Buangan Terjadual Dan Pematuhan Akta Kualiti Alam Sekeliling 1974</b>	 Peraturan-Peraturan Kualiti Alam Sekeliling 2009 dan 2014	 Safety and Health Officer
<b>Seminar pengurusan buangan terjadual dan pematuhan akta kualiti alam sekeliling 1974</b>	 Seminar ini bertujuan untuk menyediakan satu platform kepada pihak industri untuk mendapatkan maklumat terkini mengenai keperluan perundangan yang berkaitan, perkongsian isu-isu semasa serta memberi peluang kepada pihak industri untuk mengemukakan persoalan yang berkaitan.	 Officer
<b>Seminar pematuhan peraturan-peraturan kualiti alam sekeliling (Efluen Perindustrian) 2009 Dan peraturan-peraturan kualiti alam sekeliling (Udara Bersih) 2014</b>	 Involves learning and developing essential leadership skills. This program may help you learn the precise skills and tactics that managers use to effectively assist their employees.	 All Manufacturing Employee
<b>Recent Developments with the Listing Requirement Including COI Amendments</b>	 To update and keeping abreast with the latest development with Listing Requirements including Conflict of Interest compliances	 Director
<b>Navigating Regulatory Compliance 2024 Outlook and E-Invoice Implementation in the Gold and Jewellery Industry Malaysia</b>	 Involved in understanding the fundamentals and significance of e-invoicing as well as the implementation procedures.	 Director



# SUSTAINABILITY AT POH KONG (CONT'D)



## OUR GOVERNANCE



**Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions for all levels**

Poh Kong focuses on ensuring transparency, ethical leadership, and robust risk management practices. We are committed to upholding the highest standards of corporate governance, transparency, and accountability. This approach is in line with **UNSDG 16 (Peace, Justice, and Strong Institutions)**, promoting transparent, effective, and accountable governance. By implementing these governance practices, we ensure long-term sustainability and build trust among our stakeholders, aligning our group's operations with global best practices in corporate governance.

### Ethical Governance

Our governance structure ensures strong oversight of our sustainability strategy, with clearly defined roles for the Board of Directors in overseeing environmental, social, and governance (ESG) matters. We enforce a Code of Ethics that governs business conduct, ensuring compliance with anti-corruption laws and upholding ethical practices throughout our supply chain.

### Board Composition and Leadership - Diverse and Independent Board

The Board of Poh Kong is diverse in terms of gender, experience, and expertise. A higher percentage of independent directors will promote objectivity in decision-making.

In recognizing the role of women in the decision-making process and to strengthen the governance and effectiveness of the Board, Bursa Malaysia made it mandatory to have at least 1 woman director sitting in the Board for all public listed companies from 1<sup>st</sup> June 2023.

The Board of Poh Kong has maintained at 62.5% of its composition comprising female representatives. They are experienced and accomplished female board members. Our Independent Non-Executive Directors ("INED") namely, Dato Esther Tan, has been our board member since the year 2012 while Datin Amy Ooi and Rohaiza Binti Tan Sri Basir joined our Board since 2023.

### Clear Governance Structure

Establish clear roles and responsibilities for the board, committees, and senior management. A well-defined governance structure ensures accountability and proper oversight of operations, including sustainability initiatives.

### Ethical Business Practices - Code of Ethics and Conduct

Poh Kong had established and enforcing a robust Code of Ethics that covers areas like anti-bribery, corruption, conflict of interest, and fair dealing. This ensures ethical behaviour throughout the organization.





# SUSTAINABILITY

## AT POH KONG (CONT'D)

### OUR GOVERNANCE (CONT'D)

#### Whistleblower Policy

A whistleblower policy allows stakeholders to report unethical behaviour without fear of retaliation. This policy is regularly communicated to all levels of the organization.

#### Transparency & Reporting

We provide transparent reporting on our sustainability performance, covering key areas such as environmental impact, labour practices, and governance structures.



##### Sustainability Reporting

We publish an annual sustainability report in line with global standards. This report includes measurable goals and KPIs related to our environmental, social, and governance performance. Transparent reporting builds trust with stakeholders.



##### Disclosure of Risks

We disclose business risks, including environmental, social, and financial risks, to shareholders and the public. This includes proactive risk management strategies to mitigate issues related to supply chain vulnerabilities, and regulatory changes.

#### Stakeholder Engagement and Shareholder Rights



##### Stakeholder Dialogue

We engage with key stakeholders, including shareholders, customers, employees, and suppliers, on important issues like sustainability, ethics, and governance. We conduct such dialogue through annual general meeting ("AGM") and direct consultations.



##### Shareholder Rights

We protect and uphold shareholders' rights by ensuring fair treatment and transparency in communications. We provide shareholders with opportunities to participate in major decisions, such as voting on key resolutions during AGM.

#### Risk Management and Compliance



##### Robust Risk Management

We implement a formal risk management framework that identifies, assesses, and mitigates operational, environmental, financial, and reputational risks. This framework is overseen and regularly by Risk Management Committee



##### Compliance with Regulations

We ensure strict adherence to local and international regulations, including those related to environmental standards, labour laws, anti-money laundering, and corporate governance.



# SUSTAINABILITY

## AT POH KONG (CONT'D)



### OUR GOVERNANCE (CONT'D)

#### CYBERSECURITY AND IT MANAGEMENT

With increasing digital transactions, Poh Kong had implemented strong cybersecurity measures and data privacy protocols to protect sensitive information. Regular audits and compliance with international data protection standards (such as GDPR) are essential.

We have seen the acceleration of various trends involving around remote working, e-commerce and automation, which has propelled to the adoption of digital technologies and infrastructure. However, it has also made data more susceptible to cybersecurity risks. As a result, Poh Kong has a responsibility to manage the growing threat of cyber-attacks including external hacking or cyber penetration, protecting the sensitive information of our group and customers, and to prevent any leaks, threats or loss of our group and customer information.

Poh Kong will continue to remain cautious and vigilant to the growing potential cybersecurity risks that are ever present. As a result, we continue to place great importance on our internal control framework to protect the privacy and security of data, information and intellectual properties belonging to us and our stakeholders. We have established a range of policies related to cybersecurity and IT management and we constantly review, upgrade and improvise to ensure that they are up-to-date, and our employees are aware of the latest threats.

The policies are as follows:

- **Acceptable Use Policy**
- **Identity and Access Management Policy**
- **IT Cybersecurity and Incident Response Policy**
- **Network Security Policy**
- **Personal Data Protection Policy**
- **Data Classification and Protection Policy**

Poh Kong periodically review and upgrade the computer and server protection from conventional anti-virus software to next-generation endpoint protection software.

For our day-to-day operations, we continue to emphasize on the importance of implementing internal mitigative measures such as antivirus, endpoint protection and firewall protection and 24-hour real time monitoring and detection of malicious network traffic. Our IT team constantly test the effectiveness of our IT processes and systems, while they also conduct regular IT asset management and audits of our systems.

During the FYE 2024, Poh Kong increased its investment in anti-virus and firewall program as part of its efforts to strengthen its cybersecurity defence.

We conducted an internal Cybersecurity Gap Assessment for our factories in Malaysia to help us identify any potential and existing risks and gaps in our cybersecurity measures. The gap identified from our assessment has been closed, for instance, upgrade all firewalls to the latest stable version and improve USB blocking with new endpoint protection software.

We make cybersecurity training mandatory for all employees at our operations to ensure they are aware of the imminent existing and potential cybersecurity risks, precautions implemented and our Standard Operating Procedures ("SOP") in dealing with such risks. All new hires are also required to be briefed on our IT Policy, procedures and the appropriate use of IT services during their orientation.

To prevent data loss, we follow the 3-2-1 Backup Rule – to keep at least 3 copies of data, to have 2 copies on different storage platforms and 1 copy offsite. We also ensure that all our systems require identity access to keep our information secure.

# SUSTAINABILITY

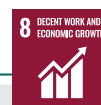
## AT POH KONG (CONT'D)



### COMMUNITY



**Ensure healthy lives and promote well-being for all at all ages**



**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

Poh Kong believes in giving back to society, in this case, the communities in which we are located, while investing in the future of our next generations. The communities around us form a significant pillar in our growth, especially when many of our employees come from these same communities. As we perform our social responsibilities, we encourage our employees to volunteer for the causes we believe in as they develop their compassion and empathy towards society.

#### Promoting Employment of Local Youth

We believe in contributing to the development of the next generation of graduates and business leaders through our sought-after internship programme.

Intern	FYE2022	FYE2023	FYE2024
Intern Headcount	2	11	5
Intern Transfer to Permanent	2	2	0

#### Supporting government, public and private organizations

During FYE2024, we supported various government agencies, public, and private organizations through monetary contributions as a way to give back to our community.

#### CSR Activities

- Yayasan Sultanah Bahiyah
- Yayasan Munarah
- Universiti Malaya Medical Centre (Breast Cancer Diagnostic Fund)
- Malaysian AEON Foundation (AEON Charity Run)
- Malaysia Retail Chain Association (Charity Golf Hole-In-One)
- Rumah Charis
- Charity Carnival - KL Club Bukit Damansara



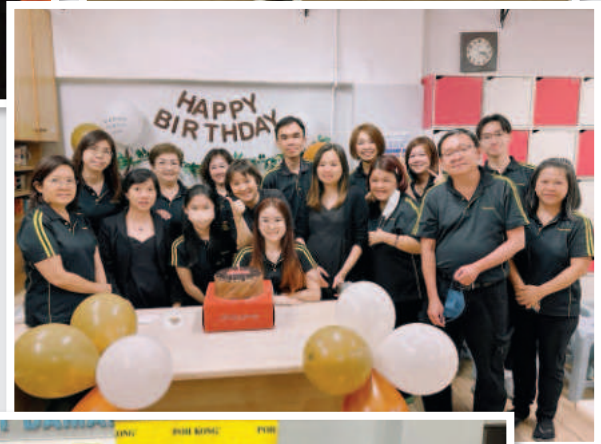
# SUSTAINABILITY AT POH KONG (CONT'D)



## COMMUNITY (CONT'D)



Poh Kong believes in giving back to society, in this case, the communities in which we are located, while investing in the future of our next generations. The communities around us form a significant pillar in our growth, especially when many of our employees come from these same communities.





# SUSTAINABILITY

## AT POH KONG (CONT'D)

### PERFORMANCE DATA TABLE FROM BURSA MALAYSIA ESG REPORTING PLATFORM

This ESG Performance Data Table was generated from Bursa Malaysia's ESG Reporting Platform and is included in this Sustainability Statement as mandated by Bursa Malaysia's enhanced sustainability requirements within the Main Market Listing Requirements.

Indicator	Measurement Unit	2024
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	93.80
Executive	Percentage	27.00
Non-executive/Technical Staff	Percentage	33.50
General Workers	Percentage	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	88,600.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	7
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	4.40
Management Between 30-50	Percentage	52.70
Management Above 50	Percentage	42.90
Executive Under 30	Percentage	20.50
Executive Between 30-50	Percentage	63.80
Executive Above 50	Percentage	15.70
Non-executive/Technical Staff Under 30	Percentage	55.75
Non-executive/Technical Staff Between 30-50	Percentage	30.75
Non-executive/Technical Staff Above 50	Percentage	13.50
(*) Restated		
Internal assurance	External assurance	No assurance

# SUSTAINABILITY

## AT POH KONG (CONT'D)



PERFORMANCE DATA TABLE FROM BURSA MALAYSIA ESG REPORTING PLATFORM (CONT'D)

Indicator	Measurement Unit	2024
General Workers Under 30	Percentage	39.10
General Workers Between 30-50	Percentage	39.10
General Workers Above 50	Percentage	21.80
Gender Group by Employee Category		
Management Male	Percentage	36.70
Management Female	Percentage	63.30
Executive Male	Percentage	26.20
Executive Female	Percentage	73.80
Non-executive/Technical Staff Male	Percentage	40.20
Non-executive/Technical Staff Female	Percentage	59.80
General Workers Male	Percentage	81.60
General Workers Female	Percentage	18.40
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	37.50
Female	Percentage	62.50
Under 30	Percentage	0.00
Between 30-50	Percentage	0.00
Above 50	Percentage	100.00
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	4,051.23
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Internal assurance	External assurance	(*)Restated
No assurance		



# SUSTAINABILITY

## AT POH KONG (CONT'D)

### PERFORMANCE DATA TABLE FROM BURSA MALAYSIA ESG REPORTING PLATFORM (CONT'D)

Indicator	Measurement Unit	2024
Bursa C5(c) Number of employees trained on health and safety standards	Number	103
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	347
Executive	Hours	342
Non-executive/Technical Staff	Hours	152
General Workers	Hours	0
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	4.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	4
Executive	Number	23
Non-executive/Technical Staff	Number	46
General Workers	Number	6
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	93.00
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megallitres	9.594500

(\*) Restated

No assurance

External assurance

Internal assurance