



ZANTAT HOLDINGS BERHAD
(Registration No. 202101040483 (1440783-X))

SUSTAINABILITY POLICY

Version 1	Adopted on 19 February 2024
Version 2	Adopted on 21 February 2025

1.0 INTRODUCTION

- 1.1 Zantat Holdings Berhad (“**ZHB**” or the “**Company**”) firmly believes that a robust and effective sustainability governance structure is essential for ZHB’s journey towards a more sustainable future.
- 1.2 The Company has established this sustainability policy (“**Policy**”) to communicate its initiatives and resources in addressing material environmental, social, and governance (“**ESG**”) concerns. The sustainability approach to address and manage the material ESG matters will be reported in the Company’s annual reports, accessible on the corporate website at www.zantat.com.my
- 1.3 While ZHB and our subsidiary companies (also known as the “**Group**”) share a common vision, mission and values, our sustainability priorities may vary based on activities and locations. However, ZHB emphasises the significance of every action to minimise carbon footprint in the fight against climate change. The Company is committed to environmental protection and supports ESG initiatives to achieve carbon neutrality.

2.0 OBJECTIVES

- 2.1 This Policy aims to:
- a. facilitate the involvement, cooperation and oversight of the Company’s Board of Directors (“**Board**”) and sustainability teams in implementing the Policy, as well as the setting and monitoring of ESG performance targets.
 - b. promote the integration of ESG principles into the Company’s governance agenda, including investment decisions.
 - c. engage with key stakeholders to understand their expectations, issues and concerns, prioritising ESG matters for sustained business model enhancement.
 - d. monitor and mitigate negative environmental and social impacts directly caused by operations and engage its subsidiary companies to address indirect impacts.

3.0 POLICY SCOPE

- 3.1 The Policy encompasses ZHB’s sustainability agenda.
- 3.2 Stakeholders include subsidiary companies, government regulators, lenders, investors, employees, joint venture partners, interest groups, suppliers and service providers.

4.0 GUIDELINES

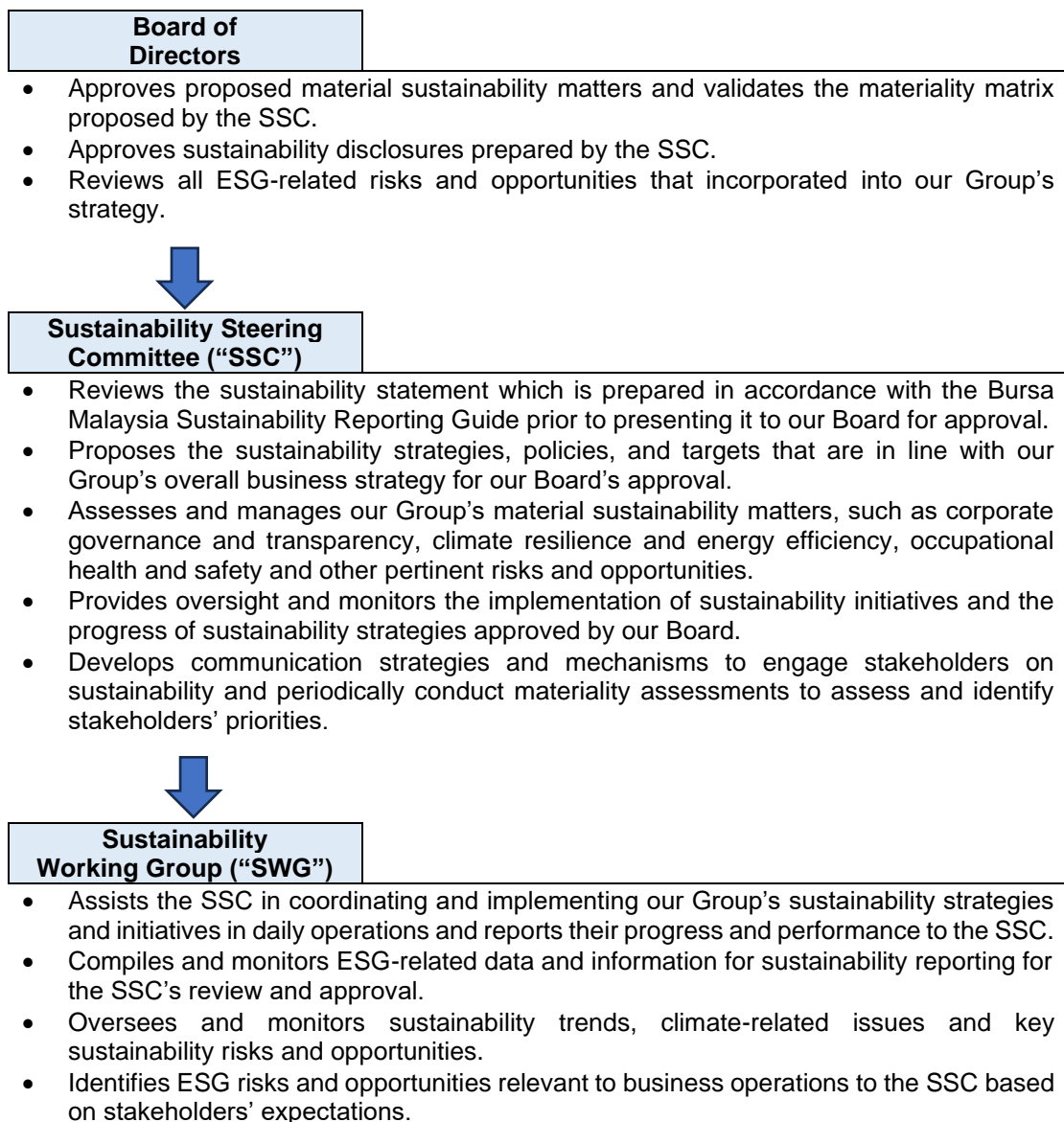
- 4.1 The Policy ensures compliance with industry recognised regulatory laws, reporting standards and codes, which include among others:
- a. Bursa Malaysia Securities Berhad Listing Requirements
 - b. Malaysian Code on Corporate Governance
 - c. Companies Act 2016
 - d. Malaysian Anti-Corruption Commission (“**MACC**”) Act 2009
 - e. MACC (Amendment) Act 2018
 - f. Malaysian Employment Act 1955
 - g. Occupational Health and Safety Act 1994
 - h. Personal Data Protection Act 2010

4.2 The Policy is to be read in connection with other internal policies, including:

- a. Anti-bribery and corruption policy
- b. Board charter
- c. Code of conduct and ethics
- d. Fit and proper policy
- e. Health and safety policy
- f. Remuneration policy
- g. Risk management framework
- h. Whistleblowing policy

5.0 ROLES AND RESPONSIBILITIES

5.1 ZHB has established a sustainability governance structure involving the Board, Board Committees, Sustainability Steering Committee ("**SSC**"), and Sustainability Working Group ("**SWG**").



6.0 POLICY STATEMENT

We set out below our commitments aimed at operationalising the creation of value and achieving the objectives outlined. These commitments serve as a foundation for our behaviour and conduct, including our planning, risk management, compliance and communication strategies, action plans and activities and are categorised under 3 pillars.

6.1 Sustainability & Environment

Sustainability is integrated into ZHB's core business strategy, with specific KPIs set for environmental, social, and governance (ESG) performance. Progress against these KPIs will be regularly monitored and disclosed to stakeholders.

ZHB's environmental management focuses on minimising resource consumption and the carbon footprint of the Company's directly managed operations. Simultaneously, it supports the environmental conservation and impact reduction efforts of its subsidiary companies. The approach includes:

- a. Promote environmental awareness within the Company and among employees and stakeholders through this Policy and other initiatives.
- b. Encourage mindful usage of electricity and water among employees in the workspace.
- c. Reduce paper and other materials consumption through the process of digitalisation and promoting the practice of reduce, reuse and recycle.
- d. Ensure responsible waste and effluent management.
- e. Prevent resource pollution from ZHB's direct business operations and engage with our subsidiary companies on pollution mitigation measures.
- f. Promote the adoption of sustainable technology solutions and renewable energy.
- g. Ensure suppliers, vendors and other business collaborators in ZHB's supply chain adhere to responsible environmental management practices.
- h. Abide by all government environmental regulations and legal standards.

6.2 Social

As a responsible corporate entity, ZHB is committed to ensuring the well-being of the society it serves. This includes minimising potential negative societal impacts from subsidiary companies' activities and actively participating in Corporate Social Responsibility ("CSR") activities. The approach involves:

- a. Identify relevant CSR initiatives to strengthen community relationships and enhance organisational reputation.
- b. Encourage employees to volunteer and participate in the Company's CSR activities and charitable efforts.
- c. Provide an open communication channel for the community to connect with ZHB about the Company's CSR and ESG efforts.
- d. Safeguard the safety, health and well-being of employees through a robust occupational health and safety culture.
- e. Foster equal opportunity, diversity and inclusivity in the Company.
- f. Cultivate workplace harmony by preventing discriminatory or prejudicial behaviours among all employees.
- g. Provide fair and market competitive employee remuneration and benefits.
- h. Practice merit-based recruitment, retention and promotion supported by fair and frequent performance appraisals.
- i. Plan and organise training programmes to address competency gaps in the workforce.
- j. Maintain high employee morale through feedback gathering and employee engagement activities.

The Company is committed to contributing 0.5% of profit before tax to CSR initiatives, including education programs and community development projects. The Company aims for an average of 8 hours of employee participation in CSR activities annually.

6.3 Governance

The Board of Directors oversees sustainability performance, ensuring ESG targets are met. Sustainability KPIs are reviewed quarterly by the SSC, and results are presented to the Board.

Governance is a fundamental aspect of ZHB's sustainability, integrated across all aspect of the Company's functions. It serves as a driver of transparency and accountability to manage risks, ensure operational and business sustainability, and retain the confidence of ZHB's stakeholders. The approach involves:

- a. Establish and maintain a robust sustainability policy, framework and governance structure aligned with ZHB's business and operational agenda.
- b. Keep material ESG matters up to date through annual materiality assessments, to identify and prioritise issues crucial to the Company and our stakeholders.
- c. Ensure adherence to the commitments of our 3 pillars and underlying material matters by stakeholders.
- d. Ensure the expectations, issues and concerns of stakeholders, in formulating the Company's business plans and strategies.
- e. Formulate appropriate sustainability strategies, initiatives and targets to address identified ESG gaps.
- f. Abide by government-sanctioned and industry-relevant legislation, regulations and standards of the Company's business and operations.
- g. Establish, maintain and fortify the Company's corporate governance and internal control measures and ensure adherence.
- h. Advocate the highest standard of integrity and ethical business conduct in financial and non-financial dealings and uphold the principles of fairness, transparency and responsibility.
- i. Enforce and strengthen the anti-bribery and anti-corruption protocols across the Company and stakeholders to prevent malpractice.
- j. Prohibit anti-competitive activities or agreements that will give ZHB an unfair advantage.
- k. Support and practice fair, transparent and responsible procurement practices in local marketplaces.

6.4 Disclosure and Reporting

The Company will disclose ESG performance annually in alignment with Bursa Malaysia's Sustainability Reporting Guide, including metrics on carbon emissions, energy usage, employee diversity, and community investments.

6.5 Training and awareness

ESG trainings will be conducted for employees and management to build awareness and competency in sustainability principles and practices.

7.0 STAKEHOLDER ENGAGEMENT

The Company conducts regular stakeholder engagement sessions and three-year interval stakeholder materiality assessment survey to identify and address material ESG matters. Feedback from stakeholders is incorporated into sustainability planning and decision-making.

8.0 POLICY REVIEW AND ACCESSIBILITY

The Policy will be reviewed and updated as and when necessary, by the SSC for approval by the Board.

The Policy will be made available on the corporate website and communicated to employees through onboarding sessions and regular updates.

The Policy sets out the general principles and guidance, and shall not constitute grounds for any counterparts, stakeholders, third parties etc. to claim against the Group for any liability.

This Sustainability Policy was approved by the Board of Directors on 21 February 2025.