

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL

MPGB Sustainability Targets	Target	Results
	80% local job employment	78%
	Employment to women >25%	28%

Workforce Overview

Gender Group by Employee Category		Percentage %		
		2022	2023	2024
Male	Management	58	58	59
Female	Management	42	42	41
Male	Executive	58	56	55
Female	Executive	42	44	45
Male	Non-exempt	52	55	51
Female	Non-exempt	48	45	49
Male	General Worker	86	88	88
Female	General Worker	14	12	12
Age Group by Employee Category		Percentage %		
		2022	2023	2024
Management	Under 30 years	0	0	0
	Between 30-50	46	41	41
	Above 50 years	54	59	59
Executive	Under 30 years	2	5	4
	Between 30-50	68	67	64
	Above 50 years	30	28	32
Non-exempt	Under 30 years	5	4	6
	Between 30-50	73	69	67
	Above 50 years	22	27	27
General Worker	Under 30 years	46	46	42
	Between 30-50	43	44	47
	Above 50 years	11	10	11
Employment Type By Gender		Percentage %		
		2022	2023	2024
Male	Permanent	47	45	43
	Contractual	16	19	21
	above 60 years on contract	2	3	3
	Sub-contractor	7	6	6
Female	Permanent	25	22	23
	Contractual	0	0	0
	above 60 years on contract	2	3	3
	Sub-contractor	1	1	1

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Total number of employee turnover by employee category	Headcount Number		
	2022	2023	2024
Management	0	0	1
Executive	1	1	0
Non-exempt	4	8	10
General Worker	62	44	17
Total	67	53	28
Male	54	47	21
Female	13	6	7

During the year 2024, no migrant worker returned to their country on completing their 2 years contract resulting in a drop in male employee turnover.

Board Overview

Directors by gender and Age Group	FY2022 %	FY2023 %	FY 2024 %
Male	83	67	67
Female	17	33	33
Under 30 years	0	0	0
Between 30-50	0	33	17
Above 50 years	100	66	83

Target	2024
30% of women on board	Achieved 33% of women on board
Majority of the board consists of Independent Director	Achieved 4/6 board members consists of Independent Directors
Tenure of Independent Directors does not exceed 9 years tenure	In compliance as Independent Directors tenure did not exceed 9 years

Employee Welfare

We believe human capital is fundamental for us and we are guided by a high-performance culture based on mentoring, performance and delivery, subscribing to our values of innovation, unity, loyalty, integrity and professionalism as well as teamwork, which are reflected in our daily work practices.

Succession planning is being practiced and in the pipeline are women executives who are being groomed to be promoted as department heads in their respective functional departments as we move on.

We adopt a general policy of fairness and non-discrimination. We believe in providing equal opportunity in recruitment, career development, promotion, training and reward for all employees regardless of age, gender, race, religion, sexual orientation or disability. Equal Pay for equal work is practice for new recruits, fresh school leavers or graduates who are entering to work for the first time.

The outsource internal audit did an audit on the welfare and benefits for Master-Pack Vietnam in 2023 and reported directly to the Audit Committee that Master-Pack Vietnam complied with all the authorities' requirement on employee rights, welfare and benefits. The Master-Pack Vietnam employees enjoyed extra benefits aligned with the Group policy such as 5-year service award, bonus exceeding the 1-month contractual bonus per year, annual company trip and gifts for employees' newborn baby. During the year 2024, Master-Pack Sarawak was audited by an accredited independent firm SEDEX on the areas pertaining to environment, social and governance bench-mark to international standards and was found to be in compliance.

Master-Pack pays wages and salaries adhering to legal minimum wages at all times. The wages of all workers were duly adjusted to RM1700 or more in compliance with the Minimum Wage Order 2024 which came to effect 1 February 2025. Master-Pack pays employee bonus annually.

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Employee Welfare

Employees are entitled to medical benefits, insurance coverage for personal accident and group hospitalization, birthday gifts, uniform and personal protective equipment, annual and special leaves such as hospitalization, compassionate, maternity, paternity and others. As part of empowering working parents, all eligible female and male employees are entitled to paid maternity and paternity leave according to the Employment Act. Master-Pack observed 17 days Public Holidays in FY2024 in Malaysia and 11 days Public Holidays in Vietnam

For some of our employees who are foreign workers from countries like Bangladesh, Nepal and Indonesia, we ensure that they enjoy the same privileges such as the same public holidays, salary scale and company benefit e.g. service awards, company annual dinners in which all employees are treated just like ordinary workers who are local citizens.

Working days for office employees in Malaysia were revised to a 5 days' work week effective November 2024 from 5.5-day work week previously. The working hours remains in compliance with Employment Act 2022 of 45-hour work week. Office employees welcomed this small change as it enhances work life balance. The companies in Malaysia adapts to religious norms and had always adjusted working hours for our Muslim workers during the month of Ramadan.

Employees who are deserving shall be promoted because they have acquired the correct skills and performed well consistently. Career progression or promotion is recognised regardless of their service tenure, gender, race, nationality, disability and shall not be based on seniority.

The tradition to recognize employee's loyalty and contribution to company by employee service awards every 5th year of service continued for the year 2024 and was presented during Annual Dinner. Amongst those receiving the service awards for the year 2024 are migrant workers with service awards for the 5th and 10th years. For the year 2024, we continued with the tradition of hosting an employee annual dinner in a hotel banquet hall for the plants in Malaysia and a restaurant for the plant in Vietnam. Photos of these events are made available in the company website.

Employee Engagement

We believe that having a highly engaged workforce is an important contributor to the Group's success. During the year, "town hall" sessions as well as activities were held in all the three operational plants to foster closer relationships and build team spirit amongst employees.

These are among some of the events organized and held during the year 2024 in the 3 business operations (event photos are available at www.master.net.my) :-

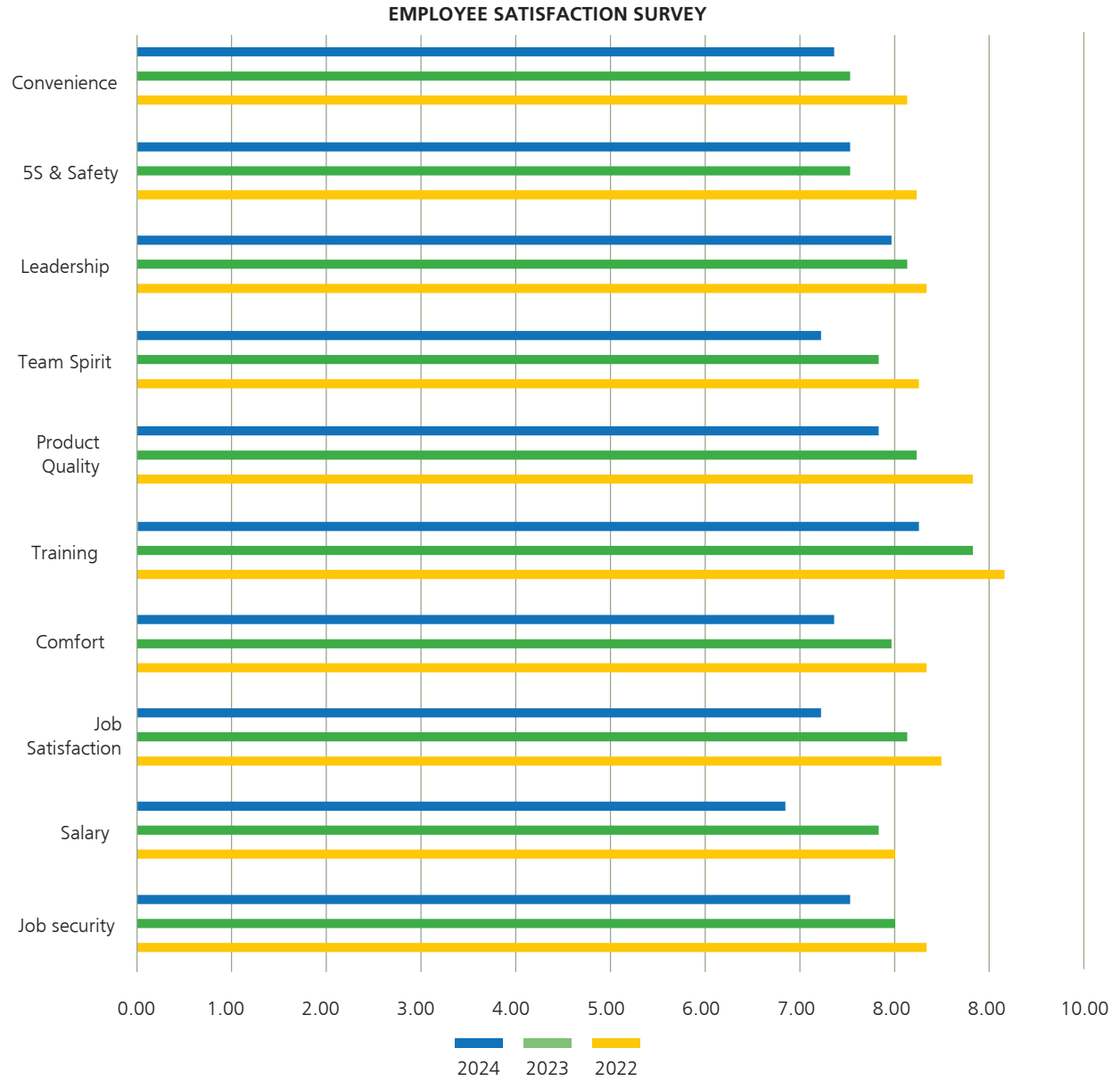
Date	Event	Activity
30 January 2024	Town Hall	2-way communication with employees. Distribution of birthday gifts together with pack food and beverage in celebration of Chinese New Year.
2 April 2024	Town Hall	2-way communication with employees. Distribution of birthday gifts together with pack food and beverage in celebrating Hari Raya
21 May 2024	Health Screening	Employees participated in free health screening
28 May 2024	Town Hall	2-way communication with employees – explaining Green House Gas Emission. Distribution of birthday gifts together with pack food and beverage.
30 May 2024	Selamat Hari Gawai	Celebrating the Gawai festival together with employees
13 Jun 2024	Badminton Tournament	The tournament was open to all employees. Participants were from different departments including foreign workers
21 & 22 July	Fun Trip to Damai Lagoon Resort	Team Building for MPS
24 August	Annual Dinner	Celebrated 40th Anniversary Annual Dinner with employees, customer and board members
24 October 2024	Town Hall	2-way communication with employees. Distribution of birthday gifts together with pack food and beverage in celebrating Deepavali
28 October 2024	Celebrating Deepavali	Creating the "kolam" artwork together by office employees at the lobby of the MP

SOCIAL (CONT'D)

Employee Engagement (Cont'd)

We continue to conduct employee satisfaction survey on an annual basis to analyse the employee’s responses as well as to make improvements in our efforts to retain a highly committed and productive workforce.

The employee satisfaction survey for year 2024 was conducted in January 2025, prior to the implementation to increase the wage to RM1700 in accordance with the 2024 Minimum Wage Order.



SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Respect of Labour and Human Rights








Master-Pack is committed to uphold the human rights of workers, and to treat them with dignity and respect as understood by the international community with Responsible Business Alliance ("RBA"), which we are a member.

The Master-Pack group's policy in labour and human rights is in compliance with the Employment Act 1955, Amendment 2022, Sarawak Labour Ordinance which follows the International Labour Convention. In Vietnam, the Labor Code is applied. This will apply to all direct employees, migrant workers, contract workers as well as suppliers and subcontractors acting on our behalf.

The Group is committed to fostering an inclusive environment where everyone is treated with respect, trust and dignity. As such the management promotes a conducive working cultural environment; all employees are treated with equal conduct and values and not subject to any harsh or inhumane treatment. We have zero tolerance for discrimination, workplace bullying and harassment and are committed to creating a respectful and harmonious workplace for everyone.

The recruitment practices adopted by the group ensures that all newly recruited employees must be of age 18 years or above. The Group practices a "No Recruitment Fee" in recruiting migrant workers and the company policy are made known at the initial stage of pre-employment. Any other costs such as recruiting fees and related fees incurred at any stage of recruitment process whether by us or our agents in the receiving and sending countries shall not be charged to workers.

We are committed to respecting the labour and human rights of our employees through the following principles, which are clearly stated in the Company's Business Code of Conduct.

<p>FREELY CHOSEN EMPLOYMENT</p> 	<p>The Group does not use forced, bonded (including debt bondage), indentured or involuntary prison labour. All employees shall be provided a written employment letter, where applicable in their native language, comprising the terms and conditions of employment. All employees are free to leave work or terminate their contract of service by giving the standard termination notice according to their terms of employment. There are no unreasonable restrictions on workers freedom to enter or exit company premises including workers living quarters. We only hire foreign workers with legal work permits and they have free access to their passports at all times. Employees are free to associate themselves with any group to communicate and share ideas and concerns with management without fear of discrimination, reprisal, intimidation or harassment. Open communication and direct engagements between workers and management are practice during "Town Hall" meetings</p>
<p>YOUNG WORKERS</p> 	<p>The Group prohibits the hiring of child labour in all of its company sites. Recruitment procedure requires age verification prior to hiring adhering strictly to the minimum age of eighteen (18) years of age as imposed by local and international regulations.</p>
<p>EQUAL OPPORTUNITIES AND NON-DISCRIMINATION</p> 	<p>The group provides equal opportunities to all and endeavours to ensure employment related decisions are based on relevant qualifications, merit, performance, and other job-related factors and in compliance with applicable laws and regulations. We do not discriminate on the basis of gender, race, nationality or ethnicity, religion, age, disability or sexual orientation or marital status unless specific laws or regulations expressly provide for selection according to specific criteria.</p>
<p>WORKING HOURS</p> 	<p>Working hours are in accordance with the Employment Act, Labour Ordinance and Labor Law of the state or country in which the business operations reside. Overtime is on voluntary basis. At the end of each wage period, employees are provided with a payslip or statement of wages</p>
<p>WAGES AND BENEFITS</p> 	<p>Compensation and benefits paid to employees comply with applicable laws including minimum wages, overtime hours and mandated regulatory contributions. We do not impose wage deduction as a disciplinary measure.</p>
<p>HUMANE TREATMENT</p> 	<p>Any type of harassment and violence is prohibited. These actions or behaviours include derogatory comments based on gender, racial or ethnic characteristics, unwelcomed sexual advances, spreading of malicious rumours or by use of emails, voicemails and other forms of communications channels to transmit derogatory, defamatory or discriminatory materials. This applies not only to our own co-workers but also to customers and suppliers as well.</p>
<p>FREEDOM OF ASSOCIATION</p> 	<p>It is in our culture to adopt open communication and direct engagement between workers and management as we believe that any issues can be resolved amicably between parties in our environment of respect and trust. Our doors are always open for employees to communicate and share grievances with management regarding working conditions without the fear of reprisal, intimidation or harassment. We also respect the rights of workers to associate freely, seek representation and join workers' council in accordance with the local laws.</p>

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Respect of Labour and Human Rights (Cont'd)

Number of substantiated complaints concerning human rights violations	2022	2023	2024
Discrimination and harassment incidents reported	0	0	0
Grievance related incidents reported	0	0	0
Child labour incidents	0	0	0
Forced or compulsory labour incidents	0	0	0
Full time employees identify as differently abled employee	3#*	2 #	2

The Group employs 2 full time employees identified as differently abled with 28 years and 8 years employment service respectively. These employees have been able to assimilate well into the working environment and culture. The company policy which does not discriminate on the basis of gender, race, nationality or ethnicity, religion, age and disability is evident as these 2 differently abled employees currently hold supervisory positions.

* During the year 2022, a differently abled employee was hired from the PERKESO employment database. Light duties were allocated and slight adjustments were made to the workstation and walkways to make the environment conducive, however the employee decided not to continue working after a three-month duration.
#Reinstated

Safety and Health

The Board together with the top management takes responsibility for the safe and healthy work environment of the Group. At Master-Pack the individual subsidiaries have their own Safety, Health and Environment committee to safeguard, manage, discuss and report areas related to Master-Pack's safety, health and environment performance. These Committee's comprise department heads and workers representative of both office and production departments.

The Board reviews the reports from the Safety, Health and Environment Committee of each subsidiary implementing a safe, healthy and environmentally friendly work practices on a yearly basis.

It is essential that employees at all levels commit to put into practice as part of their daily work routine safety and health steps put in place.

Some of the ongoing activities during the year are as follows:

- Conduct hazard identification, risk assessment and risk control on a yearly basis and take actions to remedy as necessary (HIRARC) for existing and potential operations;
- Conducting health surveillance and audiometric test;
- Blood test for eligible employees under the PERKESO health benefit
- PERKESO gave educational briefing on the scope and benefits entitled in the contribution scheme
- Equip employees with the necessary Personal Protective Equipment and providing training to ensure employees used it correctly;
- Provide information, instruction, and trainings on safety and health workplace hazards and the preventive controls of those hazards.
- Training on the usage of firefighting equipment and emergency evacuation drills
- Safety awareness week with quiz, gameplay and briefings on safety measures
- Maintain and inspect firefighting system and equipment as per schedule to ensure in good working condition;
- Fire drill is conducted yearly.
- Investigate occupational accidents to determine root cause and ensure preventive and corrective actions are implemented to prevent reoccurrence.

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Safety and Health (Cont'd)

		2022	2023	2024
Number of injury incidents	Number	5	8	2
Work related number of fatalities	Number	0	0	0
Number of work-related illnesses	Number	0	0	0
Number of work days loss	Days	56	237	17
Incident rate ¹	Rate	19.46	32.65	7.09
Lost Time Injury Rate (LTIF) ²	Rate	138	528	40
Lost Time Injury Frequency only on site ³	Rate	688	2642	201
Employees undergoing health surveillance*		39%	22%	48%

* Only employees who are expose to a long duration of high decibel noise level shall have to undergo health surveillance or audio metric test.

Notes :

Rates are calculated based on the formulas as follows:

¹ Incident Rate	No. of accidents/average no. of employee x1000
² Lost time Injury Rate refers to the number of lost time incident during the reporting period express per total number of hours worked as at the end of the reporting period times a standardized value of 200,000.	No. of lose time injuries / total man-hours x 200,000
³ Lost Time Injury Frequency (refers to the loss of productivity associated with accidents or injury arising out of or in the course of work.)	No. lost time injuries/total man-hours x 1,000,000

The incident rate is decreasing with continuous employee briefings and reminders on precautionary measures while working. We remain committed to implementing preventive and corrective actions to improve our safety performance across our operations.

In the unfortunate event of an incident occurring at our site, all employees and contractors have a duty to ensure the incident is investigated and in certain circumstances depending on its severity and type of hazard, reported to the Regulator. Our incident reporting and investigation process is not merely meant to meet regulatory reporting but to provide us with the information to analyze the facts relating to the incident. This will then enable the Safety Coordinator to identify the "contributing factors" that lead up to the incident and finally to identify controls to prevent the incident from reoccurring.

The workplace injuries reported in FY2024 are summarized as follows:-

Severity Injury	Root Cause	Corrective / Preventive Action
Deep cut on his right thumb finger upon falling	Standing on roller conveyor while moving heavy loads	Briefing and safety precautions on moving heavy loads. Warning signage posted -not to stand or walk on the roller conveyor.
Cut on the third finger on the right	Did not switch off the fan when performing maintenance of cleaning the fan blades with air pressure gun	To properly switch off the fan and ensure it is not operating before performing maintenance.

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Safety and Health (Cont'd)

Number of employees trained on health and safety	Number of employees		
	2022	2023	2024
Management	4	16	7
Executive	41	52	49
Non-executive/Technical staff	40	47	50
General Worker	130	157	140
Total	215	272	246

Trainings

We believe in investing in training and developing initiatives which give us competitive advantage for growth and success. On a yearly basis, department heads are required to review the training needs of their departments' employees and identify the required training needs to groom and grow our internal talents by setting high standards of expectation and we encourage employees to take personal ownership of their career at Master-Pack.

Our training and development strategies are result-driven and hands-on, in order to meet the needs of business.

The types of training programmes conducted are summarised as follows:-

Types of training	Description
Induction/ Orientation	Induction is conducted by Human Resources personnel by new employee batch and completed within the 1st week of work. Basically, it covers new employee's responsibilities, organization overview, compensation benefits, attendance, leave system application and various quality & environment, anti-corruption and anti-bribery policies, Master-Pack Code of Conduct in place. Orientation for executive level and above is conducted on a one-to-one basis.
On-job training	This is the training prepared by the section supervisors to help the employees learn and gain hands-on knowledge at the work station of that specific production section. The employees are to grasp the technics to handle the machines and perform their allocated daily work routine. Department heads are usually required to conduct internal training for their individual section on the standard operating procedures relating to Quality Management System and Environment Management System.
Technical skills	Technical skills refer to knowledge required to accomplished complex actions, tasks relating to the employee's work function and usually is identified in the Training Needs Analysis.
Mandatory training	Relates to training required to gain the knowledge or update the employee's knowledge on the latest regulations or the changes in the procedures enforced by government authorities.

Total hours of training by employee category	Number of Hours		
	2022	2023	2024
Management	588	740	591
Executive	577	656	376
Non-executive/Technical staff	270	568	446
General Worker	516	1078	943
Total	1,952	3,043	2,356

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Safety and Health (Cont'd)

Average hours of training per employee category	Number of Hours		
	2022	2023	2024
Management	27	12	11
Executive	4	5	3
Non-executive/Technical staff	3	7	4
General Worker	3	4	4
Total average hours of training per employee	4	5	4

Our training and development programs consists both internal and external trainings, each with its distinct knowledge. Internal training or On-Job training sessions leverage real-life examples, problems, and challenges that participants commonly face in their daily work. These sessions are often shorter in duration, focusing on the daily job or task and are presented in language and terms that participants easily understand and relate to.

External training programs were arranged for employees to enhance the skills essential for their career progression and personal growth. Some of the external trainings attended are :

- Occupational Safety & Health Coordinator (OSH-C)
- Shipping Documents , procedure and incoterms 2020
- First Aid training
- Asas Keselamatan & Bakaran
- E-invoicing Implementation
- Safe Forklift Driving and Attitude Training
- Panduan Lengkap Audit Pemburuhan Terkini
- Sustainability Risks & Opportunities Emerging Regulatory Reporting Requirements & Implications to the Board and Management
- Perception and Interpretation of Requirements – Environment Management System Standards according to ISO 14001:2015

Community

The Group is very conscious of the need to contribute to the Community at large. As our manufacturing sites are located amongst low-medium income people, we are aware of our social responsibility to contribute to the community in which we operate. Our policy is to offer the local community living within 10km from our plants the first right of refusal to work for our production facilities. This practice has resulted in the stability of the local workforce as well as contributing to the reduction in local employee turnover. We also offer part time jobs to the local community around us when available.

We are aware of our social responsibility to the community and is committed to assisting the community surrounding our operation sites. For an initial start, we shall focus on children’s education and welfare. In 2024, Master-Pack Group Bhd. sponsored a University Intraschool Chem E-Car Competition 2024 where a small group of Chemical Engineering students took up the challenge to showcase their abilities. Additionally, the Master-Pack Group Berhad also sponsored school writing books to benefit 13,000 primary and secondary students.

Total Amount invested in the community where the target beneficiaries are external to the listed issuer	2022	2023	2024
Children with slow learning disabilities, autism, cerebral palsy and orphanage	RM40,000	RM40,000	RM53,800