

**MASTER-PACK GROUP BERHAD**  
Company Registration No. 199401011341 (297020-W)

**SUSTAINABILITY COMMITTEE'S ("SC") TERMS OF REFERENCE**

**1. Membership**

- 1.1 The SC members shall be appointed by the Board from amongst their number and shall consist of not less than three (3) members. All members of the SC shall be Non-Executive Directors.
- 1.2 The Chairman of the SC shall be a Non-Executive Director appointed by the Board. In the absence of the Chairman of the SC, the other members of the SC shall amongst themselves elect a Chairman who must be Non-Executive director to chair the meeting.
- 1.3 If the number of members of the SC is, for any reason, reduced to below three (3), the Board of Directors shall within three (3) months of the event, appoint such number of new members as may be required to make the minimum of three (3) members

**2. Objectives of the Sustainability Committee**

- 2.1 Assist the Board in its duties to implement a Sustainability Framework and a Sustainability Road Map toward achieving the Group's goals.
- 2.2 Conduct regular assessments to identify and mitigate sustainability-related risks that may impact the Group's operations and long-term sustainability goals.
- 2.3 To oversee the prioritization of identified key materiality matters, the monitoring, reporting and verification of the sustainability key performance indicators.
- 2.4 To review the Sustainability Policies, operating procedures including investment of capital assets ensuring that sustainability practices throughout the Group meets the government regulations and complies to customers sustainability standards.
- 2.5 To have oversight of the FTSE4Good annual review of the Group's Environment, Social and Governance yearly improvement program to achieve and maintain a good rating.
- 2.6 To develop, nurture and guide initiatives to enhance the sustainability knowledge and capabilities of employees across the organization, ensuring that sustainability practices are understood and embraced at all levels.

**3. Authority**

- 3.1 SC is authorized by the Board to perform the following:-
  - 3.1.1 Have the resources required to perform its duties
  - 3.1.2 Have full and unrestricted access to information, records, properties and personnel within the Group
  - 3.1.3 Be able to obtain Independent professional advisers or legal advisers where necessary.

#### **4. Duties and Responsibilities**

The main functions and duties of the SC shall include but are not limited to the following:

##### **4.1 Sustainability Strategies and Plans**

- 4.1.1 Approve the Group's Sustainability Framework and strategy including setting priorities, goals and KPIs to measure against the Group's performance taking into account the Group's business operating environment and the requirements of stakeholders.
- 4.1.2 Provide oversight on the formulation and updates to the Group's sustainability strategies, priorities, policies, procedures of processes and targets.
- 4.1.3 Provide oversight to monitor the execution and effectiveness of the Group's Sustainability Framework and strategy, and the Group's progress on its long-term sustainability key material matters towards the Group's committed sustainability goals.
- 4.1.4 Received half yearly update from management on the progress towards achieving the Group's sustainability key performance indicators.

##### **4.2 Sustainability Statement / Report**

- 4.2.1 Review and provide guides, commentary on the Group's Sustainability Report to be included in the Company's Annual Report, FTSE4Good Reports and any other issue specific reports prior to reporting to the Board.
- 4.2.2 Review issues relating to sustainability arising from independent audits and assurance reports as well as matters highlighted by independent auditors and Bursa FTSE4Good analysts.
- 4.2.3 Review and recommend to the Board for approval the Sustainability Report to be included in the Annual Report to ensure that the Group's sustainability reporting is in compliance with the Bursa Malaysia Securities Berhad Main Market Listing Requirements and the Code of Corporate Governance.

##### **4.3 Sustainability Officer Assessment**

- 4.3.1 Regularly assess the scope and performance of the Sustainability Officer, ensuring their responsibilities align with the Sustainability Framework, and that their performance contributes effectively to the Group's sustainability objectives. The assessment may include evaluating the officer's role, responsibilities, qualifications, and contributions to sustainability initiatives.

#### **5. Meetings**

- 5.1 The SC shall meet on a quarterly basis. Additional meetings shall be scheduled as considered necessary by the Chairman of the SC or should circumstances require.
- 5.2 The quorum necessary for the transaction of business of the SC Meeting shall be two (2) members of the SC to constitute a valid meeting.

The Sustainability Officer shall be required to attend meetings as a permanent invitee. The Group Executive Chairman, Executive Director, General Manager shall normally

be invited to attend the meeting. Invitation to Department Heads and advisers may also be invited to meetings as and where necessary.

- 5.3 The notice of the meeting shall be issued and circulated by the Chairman or the Sustainability Officer to all committee members and those invitees required to attend the SC meeting.
- 5.4 The meeting of the SC shall normally be conducted face to face to enable effective discussion; however meetings may also be conducted via virtual conferencing.
- 5.5 Questions arising at any meeting shall be decided by a majority of votes, each member having one (1) vote and in case of equality of votes, the Chairman shall have a second or casting vote. Save that where two (2) members form a quorum, the Chairman of a meeting at which only such a quorum is present, or that which only two (2) members are competent to vote on the question of issue, shall not have a casting vote.

An SC member is required to abstain from deliberations and voting in respect of any matter which may give rise to an actual or perceived conflict of interest situation.

- 5.6 The SC may resolve and approve certain ad-hoc matters via circular resolutions provided that the circular resolutions are drawn up with detailed information and must be signed by all members of the SC.
- 5.7 The Sustainability Officer shall be the Secretary of the SC, who shall be responsible to document, keep complete records of meeting minutes and to produce the minutes for inspection upon request.

## **6. Annual Performance Assessment**

- 6.1 The Nominating Committee shall perform an assessment annually to assess the SC on the effectiveness in carrying out the duties as set out in this Terms of Reference and report the results to the Board.
- 6.2 The Board shall review the composition, performance and effectiveness of the SC and each of its members annually to ensure that the Committee has the right composition, skills and expertise to effectively fulfil their roles.

## **7. Review of the Sustainability Committee Terms of Reference**

This Sustainability Committee Terms of Reference established by the Board shall be periodically reviewed and updated by the Board taking into consideration the needs of the Group as well as any development in rules and regulations that may have an impact on the discharge of the Board's duties and responsibilities.