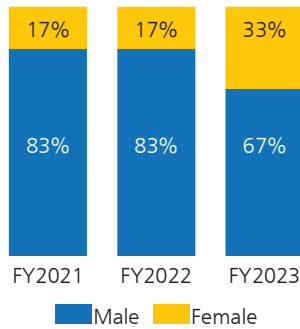


SUSTAINABILITY STATEMENT (CONT'D)

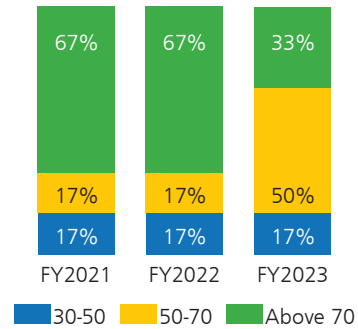
SOCIAL

Board Diversity

Board Diversity by Gender



Board Diversity by Age



The target of 30% women at the board level is achieved

Executive Director	Non-Independent Non-executive	Independent Non-executive
1	1	4

Group Diversity

Distribution by Gender	FY2021 %	FY2022 %	FY2023 %
Male	72%	70%	73%
Female	28%	30%	27%

Percentage of employee by gender for each employee category		Percentage %		
		2021	2022	2023
Male	Management	57	58	58
Female	Management	43	42	42
Male	Executive	59	58	56
Female	Executive	41	42	44
Male	Non-exempt	52	52	55
Female	Non-exempt	48	48	45
Male	General Worker	89	86	88
Female	General Worker	11	14	12

Percentage of employee by age for each employee category		Percentage %		
		2021	2022	2023
Management	Under 30 years	0	0	0
	Between 30-50	39	46	41
	Above 50 years	61	54	59
Executive	Under 30 years	5	2	5
	Between 30-50	67	68	67
	Above 50 years	28	30	28
Non-exempt	Under 30 years	7	5	4
	Between 30-50	78	73	69
	Above 50 years	15	22	27
General Worker	Under 30 years	53	46	46
	Between 30-50	34	43	44
	Above 50 years	13	11	10

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (cont'd)

Board Diversity (cont'd)

Our workforce comprises a healthy mix of young and older generation with a majority millennials. This wide age range creates a dynamic, multi-generational team with a diverse range of skill sets.

In the financial year 2023 total workforce is 261 consisting of 190 permanent employees, 57 migrant workers employed on contract and 14 employees who are above 60 years of age on contract, all of whom work on a full-time basis. There are 21 contractors or 7.4% hired through a subcontractor working for the Group.

Total number of employee turnover by employee category	Headcount		
	2021	2022	2023
Management	0	0	0
Executive	1	1	1
Non-exempt	3	4	8
General Worker	76	62	44
Total	80	67	53

Turnover of general worker category mainly consist of migrant workers returning to their country after completion of 2 or 3 year contract. We also have a good track record of migrants workers continuing employment above 5 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.

On top of that, all full-time employees are entitled to medical benefits, personal accident insurance, uniforms, personal protective equipment, a gift on the employee's birthday month and takeaway food pack every time an Employee Assembly is held.

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 benefits e.g. service awards, company annual dinners in which all employees are treated just like ordinary workers who are local citizens.

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 2023 and was presented during Annual Dinner. Amongst those receiving the service awards for the year 2023 are migrant workers with service awards for the 5th and 10th years. For the year 2023, 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.

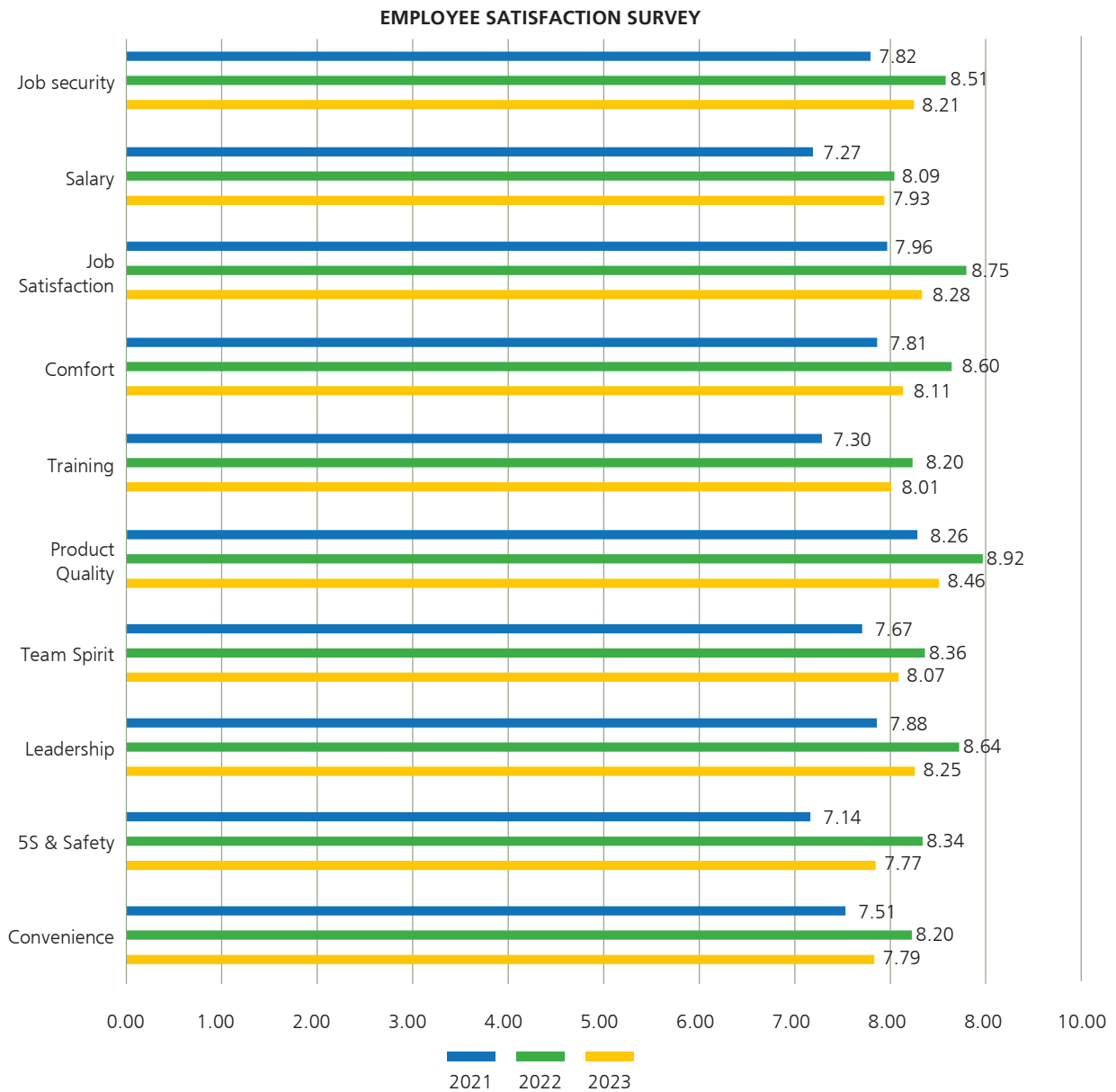
The internal audit performed an audit of the employee welfare and benefits for Master-Pack Vietnam in 2023 and reported directly to the Audit Committee that the company complied to authorities' requirements on employee rights, welfare and benefits.

The 2023 employee satisfaction survey indicates a slight drop in comparison to 2022 but is still higher than 2021. The high satisfaction rating for 2022 is contributed to the implementation of minimum wage in May 2022 to RM1500.

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (cont'd)

Employee Welfare (cont'd)



Respect of Labour and Human Rights

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.








SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (cont'd)

Respect of Labour and Human Rights (cont'd)

Number of substantiated complaints concerning human rights violations	2021	2022	2023
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	0	*	0

* 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.

<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.</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)

Safety and Health

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.

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.

The safety, health and environment committee is headed by the General Manager and members of the committee comprise department heads and workers representative of both office and production departments.

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

- Conducting health surveillance and audiometric test;
- Conduct hazard identification, risk assessment and risk control on a yearly basis and take actions to remedy as necessary;
- Equip employees with the necessary Personal Protective Equipment and providing training to ensure employees used it correctly;
- Maintain and inspect firefighting system and equipment as per schedule to ensure in good working condition;
- Investigate occupational accidents to determine root cause and ensure preventive and corrective actions are implemented to prevent reoccurrence.
- Provide information, instruction, and trainings on safety and health workplace hazards and the preventive controls of those hazards.
- Fire drill is conducted yearly.

	2021	2022	2023
Work Related Employee Fatalities	0	0	0
Lost Time Incident Rate only on site	101	138	528
Employees undergoing health surveillance*	40%	39%	22%

* Only employees who are expose to a long duration of high decibel noise level shall have to undergo health surveillance. Audio metric test for these employees is carried out on an alternate year basis.

Number of employees trained on health and safety standards	Number of Employees		
	2021	2022	2023
Management	0	4	16
Executive	49	41	52
Non-executive/Technical staff	55	40	47
General Worker	164	130	157
Total	268	215	272

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.

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (cont'd)

Trainings (cont'd)

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 1 st 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		
	2021	2022	2023
Management	319	588	740
Executive	437	577	656
Non-executive/Technical staff	328	270	568
General Worker	311	516	1078
Total	1,396	1,952	3,043

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. In 2023, Master-Pack Sdn. Bhd. also initiated a partnering program -Manufacturing Engineering Integrated Design course with the local university in the community to prepare a small group of students with the knowledge and aptitude fit and ready for entering into the industry and society. 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.

Total Amount invested in the community where the target beneficiaries are external to the listed issuer	2021	2022	2023
Children with slow learning disabilities, autism, cerebral palsy and orphanage	0	RM40,000	RM40,000

The recipients or non-profit organizations are located within 20km radius from our business operations sites in Nibong Tebal, Penang and Kuching, Sarawak. The beneficiaries who benefitted from the donations are estimated at 50 children per year.