

## SOCIAL INITIATIVES

### 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 and inhumane treatment including violence, any forms of racial and gender-based discriminations, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming or verbal abuse of workers nor is there be a threat of any such treatment.

We have zero tolerance for discrimination, workplace bullying, sexual harassment. Master-Pack Code of Conduct had been updated in 2023 with procedures on reporting such cases. We have conducted training for our employees on the Master-Pack Code of Conduct in their own language which includes grievance handling process and the whistle blowing channels that provides anonymity.

Number of cases as at end of the financial year	2023	2022	2021
Full time employees identify as differently abled employee	0	*	0
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

\* 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.

### Labour Practices and Standards

FREELY CHOSEN EMPLOYMENT	The Company will not hire forced, bonded (including debt bondage), indentured labour, involuntary prison labour and slaves. 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. We only hire foreign workers with legal work permits and they have free access to their passports at all times. 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.
YOUNG WORKERS	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. The recruitment practices adopted by the group ensures that all newly recruited employees must be of age 18 years or above.
EQUAL OPPORTUNITIES AND NON-DISCRIMINATION	The group provides equal opportunities to all and endeavors 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.
WORKING HOURS	Working hours are in accordance with the revised Employment Act. Workweeks are not to exceed the maximum set by local law. We encourage reasonable hours, including overtime, except in emergency or unusual situations. Overtime is on voluntary basis.
WAGES AND BENEFITS	Wages and compensation paid to workers shall comply with applicable local laws including the minimum wage, overtime and the mandated contributions. At the end of each wage period, employees are provided with a payslip or statement of wages. We do not impose wage deduction as a disciplinary measure.
HUMANE TREATMENT	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 or discriminatory materials. This applies not only to our own co-workers but also to customers and suppliers as well.
FREEDOM OF ASSOCIATION	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.

We practice fairness and non-discrimination by providing equal opportunity in recruitment, career development, promotion, training and reward for all employees regardless of age, gender, race, religion, sexual orientation or disability.

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. We practice an open communication concept and any employee may communicate through his/her supervisors or communicate with any department head without fear of reprisals.

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

**Employee Benefits**

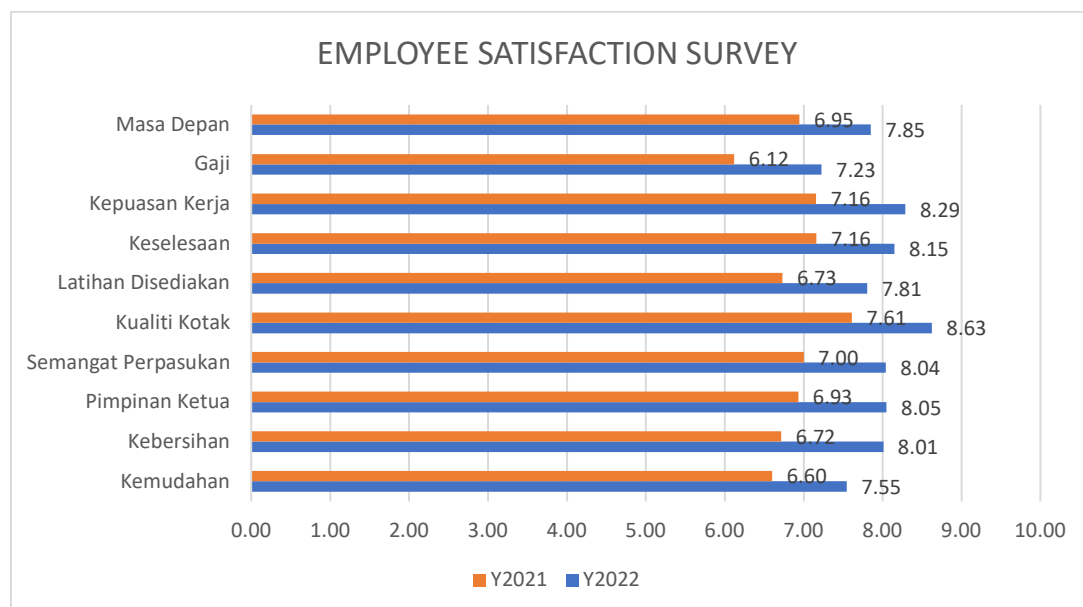
The Group adheres to applicable laws and regulations in all our operating countries which includes but not limited to Malaysia’ Employment Act, Labour Ordinance of Sarawak and Vietnam Labor Law. The Group complied to the Minimum Wage Order, increasing the minimum wage to RM1500 in 2022.

All employees were given the annual yearly increment in January 2023 even though the minimum wage took effect in May 2022. The Employment Act revision (applicable only to West Malaysia) which primarily reduces working hours to 45-hour week or 7.5 work hours per day, increased the number of days for maternity to 98 days and paternity leave to 7 days and other benefits which took effect from January 2023 had been duly implemented and the group human resources policies was updated accordingly.

We do not discriminate worker’s age as we still continue to employ 9 workers whose age are above 60 years. These workers have willingly sought to be employed considering that they are fit and capable of delivering the normal work standard. There are currently 10 single parents employed who rely on our employment to sustain their single income family. All full-time employees permanent and contractual 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. In keeping with the Malaysian and Vietnamese culture, all employees are given nominal token in red/green packets for Chinese New Year, Hari Raya or Tet Celebration, a symbolic token of appreciation and good luck.

**Employee Engagement**

The employee satisfaction survey for the year 2022 indicates an improvement in all areas



The Company take cognizance that the strength and well-being of its employees are of utmost importance. Team building events are held to galvanize the multi-faceted mix of age, gender and race in order to build a cohesive workforce. To encourage work life balance and relief stress, there are weekly sports activities organized. Yearly the company shall sponsor a badminton tournament event including cash prizes and trophies which are participated by both locals and foreign workers.

## **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.

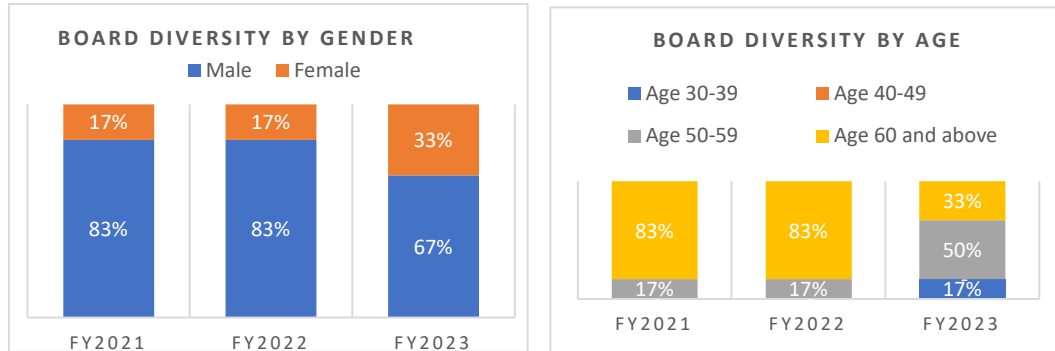
The types of training programmes conducted are summarised as follows:-

Types of training	Description
Induction/ Orientation	Induction is conducted by Human Resources personnel by new employee batch and completed within the 1 <sup>st</sup> week of work. Basically it covers new employee's responsibilities, organization overview, compensation benefits, attendance, leave system application and various quality and environment policies 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.

## Ethnicity, Diversity, Equity & Inclusion

The Board acknowledges the vital role of a diverse and inclusive board that functions as a cohesive team to pursue the goals and objectives of the Group. A diverse board is one that brings together individuals with varied skills, experience, perspectives, and backgrounds relevant to the business of the Company and its subsidiaries. We understand that a diverse board can enhance decision-making, drive innovation, and foster an inclusive culture that benefits all stakeholders.

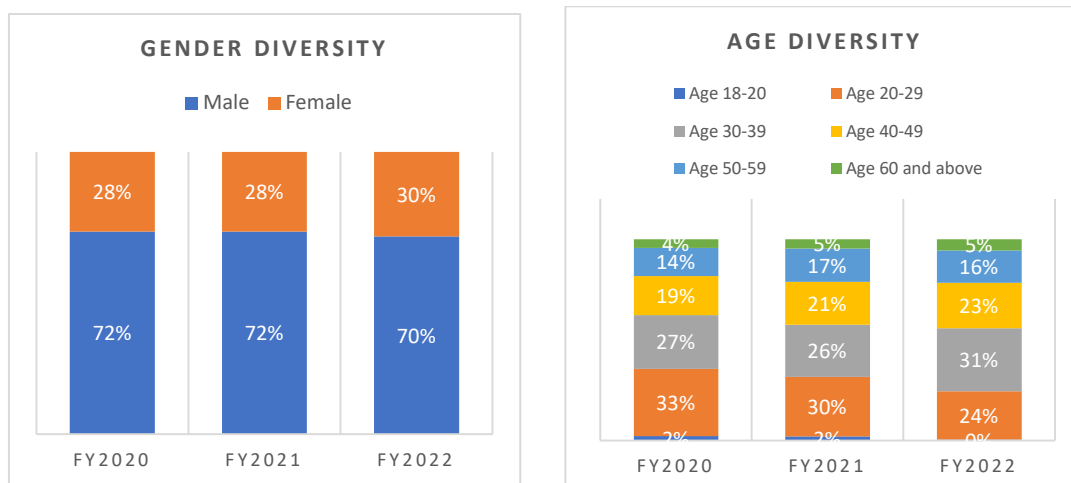
### Board level

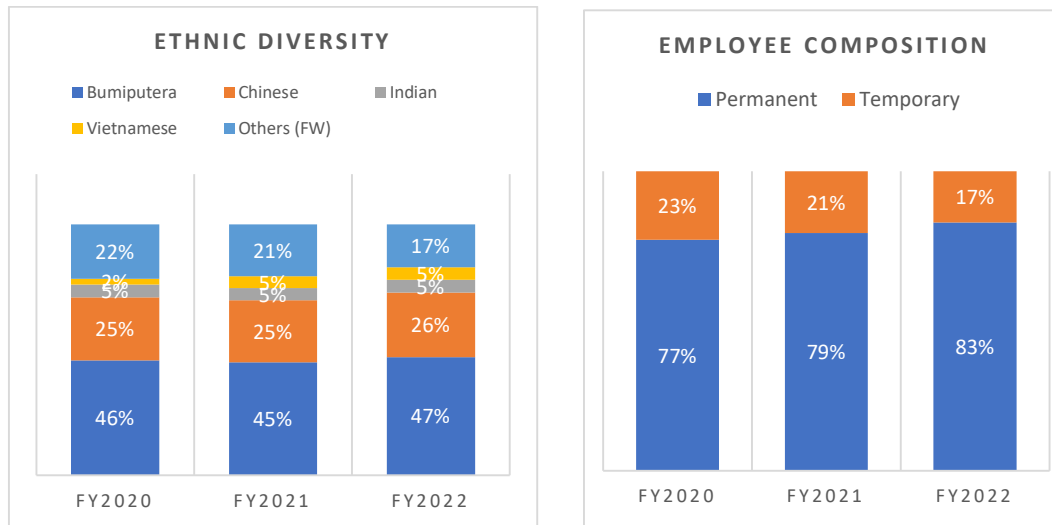


The target of 30% women representation at the board level is attained on the complete restructuring of the Board with the appointment of Mdm. Khor San Leng and Puan Fazlina binti Yahaya.

The Board have also established a Board Diversity Policy which is available in the company website.

### Manpower level





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. The group has been able to attain the recommended 30% women in the workforce. 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.

### 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. Safety, Health and Environment policies are available in the website.

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 of department heads and workers representative of both office and production departments.

Ongoing safety and health activities during the year are as follows:

- a) Conducting health surveillance and audiometric test;
- b) Conduct hazard identification, risk assessment and risk control on a yearly basis and take actions to remedy as necessary;
- c) Equip employees with the necessary Personal Protective Equipment and providing training to ensure employees used it correctly;
- d) Maintain and inspect firefighting system and equipment as per schedule to ensure in good working condition;

- e) Investigate occupational accidents to determine root cause and ensure preventive and corrective actions are implemented to prevent reoccurrence.
- f) Provide information, instruction, and trainings on safety and health workplace hazards and the preventive controls of those hazards.
- g) Fire-fighting training and fire drill is conducted yearly.

Please visit <https://master.net.my> individual\_company news and events page for photos of safety and health trainings conducted.

The Group continuously ensure that it meets all the regulatory inspections such as BOMBA, DOSH, DOE and that all the necessary licence are renewed timely. In addition, an audit covering general safety and security in Master-Pack Vietnam was carried out in 2023 by the out-sources internal auditors.

	<b>2022</b>	<b>2021</b>
Work Related Employee Fatalities	Zero	Zero
No. of incidents	4 incidents	4 incidents
Lost Time Injury Rate only on site	6.68%	5.11%
Loss Time Injury Frequency Rate per million manhours	6.68 times	6.38 times
Employees undergoing health surveillance	41.3%	41.0%
Occupational illness	Zero	Zero