

# SUSTAINABILITY REPORT

## ABOUT THIS REPORT

This report provides detailed disclosures on Box-Pak (Malaysia) Bhd. (“the Company”) and its subsidiaries (“the Group”) sustainability commitments, initiatives, actions taken and performance for the financial year ended 31 December (“FYE”) 2023.

It has been prepared with reference to the Global Reporting Initiative (“GRI”) Universal Standards 2021 and in accordance with Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements and the third edition of the Bursa Securities Sustainability Reporting Guide.

This report should be read together with the Company’s Annual Report 2023 (“AR 2023”) for a more comprehensive view of the Group’s financial and non-financial performance.

## REPORTING SCOPE AND BOUNDARY

We report our sustainability initiatives and performance on an annual basis. The last Sustainability Report was published in April 2023.

Our last report covers the Group’s principal operations in Malaysia and Vietnam only. This year, our report covers all our active operations in Malaysia, Vietnam and Myanmar namely:

- Box-Pak (Malaysia) Bhd.
- BP MPak Sdn. Bhd.
- Box-Pak (Vietnam) Co., Ltd.
- Box-Pak (Hanoi) Co., Ltd.
- Boxpak (Myanmar) Company Limited

## REPORTING PRINCIPLES

In preparing this report, we have applied the Reporting Principles under Section 4 of GRI 1 Foundation 2021:

**Accuracy:** Reporting information that is correct and sufficiently detailed to allow for an assessment of the organisation’s impacts

**Balance:** Reporting information in an unbiased way and provide a fair representation of the organisation’s positive and negative impacts

**Clarity:** Presenting information that is accessible and understandable

**Comparability:** Selecting, compiling, and reporting information consistently to enable an analysis of changes in the organisation’s impact over time and an analysis of these impacts relative to those of other companies

**Completeness:** Providing sufficient information to enable an assessment of the organisation’s impacts during the reporting period

**Sustainability Context:** Reporting information about its impacts in the wider context of sustainable development

**Timeliness:** Reporting information on a regular schedule and making the information available in time for users to make decisions

**Verifiability:** Gathering, recording, compiling, and analysing information in such a way that the information can be examined to establish its quality



# SUSTAINABILITY REPORT

## RESTATEMENTS

We have re-stated some comparative data to reflect availability of updated emission factors and inclusion of Myanmar operations for FYE 2022. Intensity data has been re-calculated to enable a more meaningful comparison. Restated data, along with its impact of restatement are indicated in the respective sections of this report.

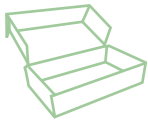
## STATEMENT OF ASSURANCE

The information and data are derived from our internal reporting systems and operations records. This Report has been reviewed by the Sustainability Committee and approved by the Board of Directors ("Board").

As an added measure to ensure the accuracy, objectivity and transparency of the information detailed in this report, a limited independent assurance on Greenhouse Gas ("GHG") Statement and Waste Data was conducted by Intertek Assuris and the report has been approved by the Board. Details on the scope of assurance work and observations are in their independent limited assurance statement at the end of this report.

## FEEDBACK

We welcome and encourage our stakeholders to provide feedback pertaining to this report at [sustainability@boxpak.com.my](mailto:sustainability@boxpak.com.my).



# SUSTAINABILITY REPORT

## MESSAGE FROM GROUP MANAGING DIRECTOR

Dear Stakeholders,

I am pleased to share with you our latest Sustainability Report, marking our 7<sup>th</sup> edition. This year, we have expanded the reporting boundary of our sustainability initiatives to include Myanmar to uphold our accountability across all our operations.

We have also updated our sustainability report to align with the latest Global Reporting Initiative (GRI) 2021 reporting standards and Bursa Enhanced Disclosure Requirements to ensure our disclosures meet the highest industry benchmarks.

To enhance the credibility of our sustainability performance metrics, we have engaged Intertek Assuris to validate our key reporting metrics to ensure accuracy and transparency in our sustainability disclosures.

In our last report, we highlighted 2 sustainability initiatives to address Greenhouse Gas (“GHG”) emissions across our Group. We are pleased to report on the progress of these 2 initiatives. Our efforts in subscribing to the Green Electricity Tariff under our national utility company, Tenaga Nasional Berhad and our boiler systems at Vietnam plants transitioning from coal energy to biomass, have resulted in a reduction of GHG Scope 2 emissions intensity by 11% and Scope 1 emissions intensity by 69% (emission source from coal and biomass) at the plants in the respective country. We are committed to achieve 70% Scope 2 emissions intensity reduction by year 2030 with the aspiration to be net zero by year 2050.

In advancing our commitment towards responsible supply chain, we will be leveraging on the Supplier Ethical Data Exchange (“SEDEX”) platform in FYE 2024 to improve our risk management processes and uphold our supply chain ethical standards.

We are proud to support the Malaysian government’s initiative, National Dual Training Program or Skim Latihan Dual Nasional (“SLDN”), aimed at nurturing a skilled national workforce. Through our partnership with a local technical institute as part of their Academy in Industrial Program, our plants in Malaysia are contributing to the development of skilled professionals who will drive innovation and growth in the industry.

We wish to express our sincere gratitude for your support to our sustainability goals. Together, we are making a tangible impact on the environment, society, and economy, and I look forward to continuing our journey towards a more sustainable and responsible future.

**Yeoh Jin Hoe**  
Group Managing Director

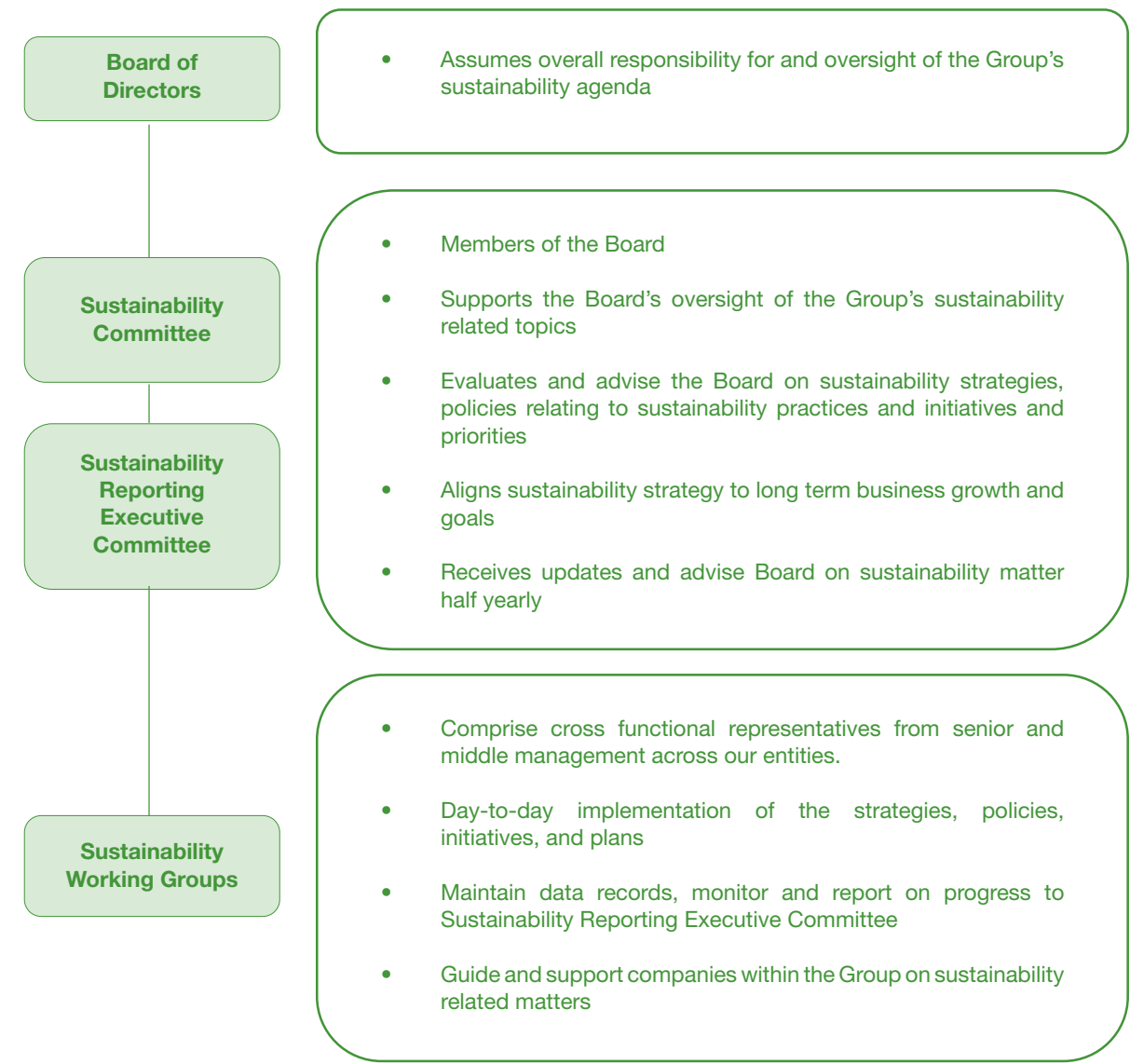


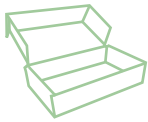
# SUSTAINABILITY REPORT

## OUR APPROACH TO SUSTAINABILITY

Our approach to sustainability is underpinned by a robust governance structure where our Board together with the Sustainability Committee evaluate and approve the strategies and initiatives to instil a sustainability culture and practices throughout the Group.

## GOVERNANCE STRUCTURE





# SUSTAINABILITY REPORT

## SUSTAINABILITY IN OUR BUSINESS PROCESSES

Planning and Development	Procurement	Manufacture	Sales and Delivery
<ul style="list-style-type: none"> <li>Research and development of sustainable packaging solutions</li> <li>Co-develop products with customers</li> </ul>	<ul style="list-style-type: none"> <li>Sourcing of sustainable raw materials</li> <li>Working with ethically compliant suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Investment in energy-efficient machineries</li> <li>Shift towards green energy</li> <li>Mindful management of waste, water, air, energy and effluent</li> </ul>	<ul style="list-style-type: none"> <li>Engaging with customers on their sustainability objectives</li> <li>Efficient delivery and distribution</li> </ul>
Expected Sustainability Outcomes			
<ul style="list-style-type: none"> <li>Fully recyclable packaging solutions</li> <li>Products with lower carbon footprint</li> <li>Increased availability of sustainable products solutions</li> </ul>	<ul style="list-style-type: none"> <li>Accessibility to sustainable raw materials</li> <li>Elevate suppliers' sustainability practices performance</li> <li>Larger pool of ethically compliant suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Reduced material usage, energy usage and waste generation</li> <li>GHG Scope 1 and 2 emissions reduction</li> <li>Compliance with relevant laws and regulations on Scheduled Wastes and Industrial Effluent management</li> </ul>	<ul style="list-style-type: none"> <li>Expansion of market base</li> <li>GHG Scope 3 emission reduction from product distribution</li> </ul>

## STAKEHOLDERS ENGAGEMENT

Our stakeholder Groups are those that have an impact on our business or affected by the Group and our activities. We continuously engage with them to understand their evolving expectations and how our business practices impact them. These interactions help us to identify relevant material issues and provide insights into emerging opportunities and risks while responding to their needs more effectively.

The method and frequency in which we engage our stakeholders and their expectations are as follows:

STAKEHOLDER	METHOD OF ENGAGEMENT	FREQUENCY	EXPECTATIONS
Shareholders and Investors	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Annual Report</li> <li>Announcements on Bursa Securities</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Periodically</li> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>Business strategies and future plan</li> <li>Group overall performance</li> <li>Dividend payout</li> <li>Good corporate governance</li> <li>Mitigation and adaptation to climate change</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Town Hall Meetings</li> <li>Performance appraisals</li> <li>Training</li> <li>'Open door' feedback</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>Workplace safety and health</li> <li>Career development and upskilling opportunities</li> <li>Fair remuneration practices with competitive benefits</li> <li>Inclusive and non-discriminatory workplace</li> <li>Work-life balance</li> </ul>



# SUSTAINABILITY REPORT

## STAKEHOLDERS ENGAGEMENT (continued)

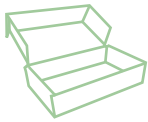
STAKEHOLDER	METHOD OF ENGAGEMENT	FREQUENCY	EXPECTATIONS
Customers	<ul style="list-style-type: none"> <li>Customer Satisfaction Survey</li> <li>Customers audit and site visits</li> <li>Customer support channels</li> <li>Face to face meetings</li> </ul>	<ul style="list-style-type: none"> <li>Regularly</li> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>Product expectations in terms of quality, price, and delivery</li> <li>Sustainable and innovative product</li> <li>Ethical labour practices</li> <li>Customer data privacy</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Supplier meetings</li> <li>Site visits and audits</li> <li>Suppliers' evaluations</li> </ul>	<ul style="list-style-type: none"> <li>Regularly</li> <li>Periodically</li> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>Competitive price and quality of product, services, and delivery</li> <li>Transparency in procurement processes</li> <li>Capacity building for suppliers</li> </ul>
Government Agencies and Regulators	<ul style="list-style-type: none"> <li>Participation in government and regulatory events</li> <li>Seminars, trainings, and dialogue</li> <li>On-site inspections</li> </ul>	<ul style="list-style-type: none"> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with relevant laws, by-laws and regulations</li> <li>Corporate governance and compliances</li> </ul>
Community	<ul style="list-style-type: none"> <li>Community events</li> <li>Dialogue sessions</li> <li>Corporate Social Responsibility events</li> </ul>	<ul style="list-style-type: none"> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>Providing employment opportunities</li> <li>Contributing to community initiatives</li> <li>Business has minimal environmental impact in terms of waste and emissions</li> </ul>

## MATERIALITY ASSESSMENT

Our current materiality assessment is based on a stakeholder survey conducted in Fourth Quarter of FYE 2020. We aim to carry out a comprehensive materiality assessment once every 3 years. A new stakeholder survey questionnaire was distributed at the end February 2024. The result of this survey will be reported in our next Sustainability Report.

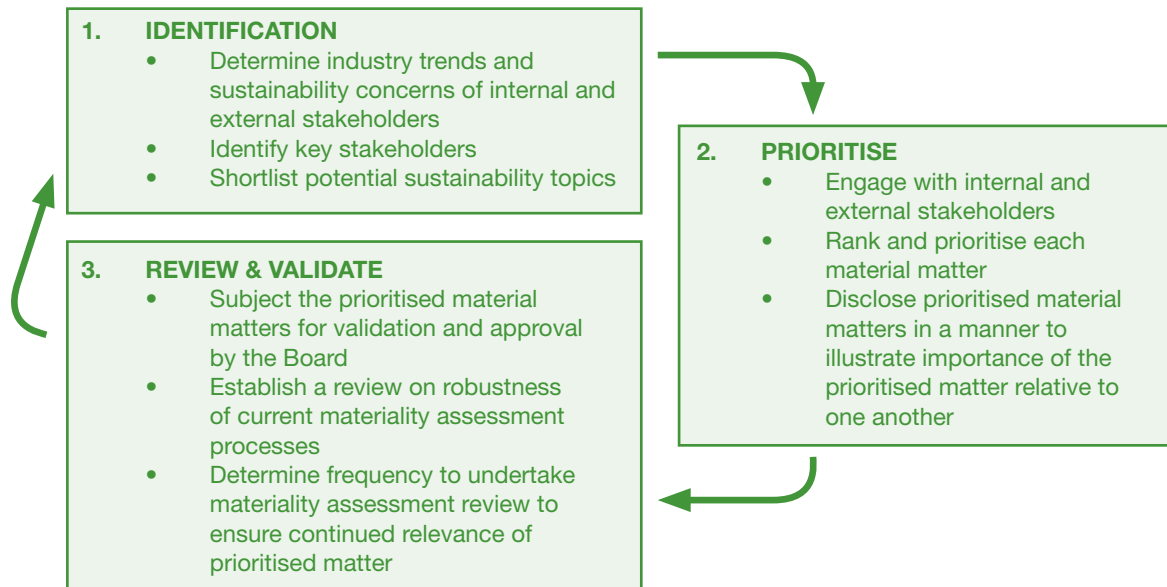
## MATERIALITY ASSESSMENT PROCESS

Our material assessment involves evaluating the significance of each sustainability issue based on its level of impact and influence on the Group. Incorporating input from our stakeholders, our materiality determination process aims to identify and prioritise key matters which then form the foundation of our sustainability efforts.



# SUSTAINABILITY REPORT

## MATERIALITY ASSESSMENT PROCESS (continued)



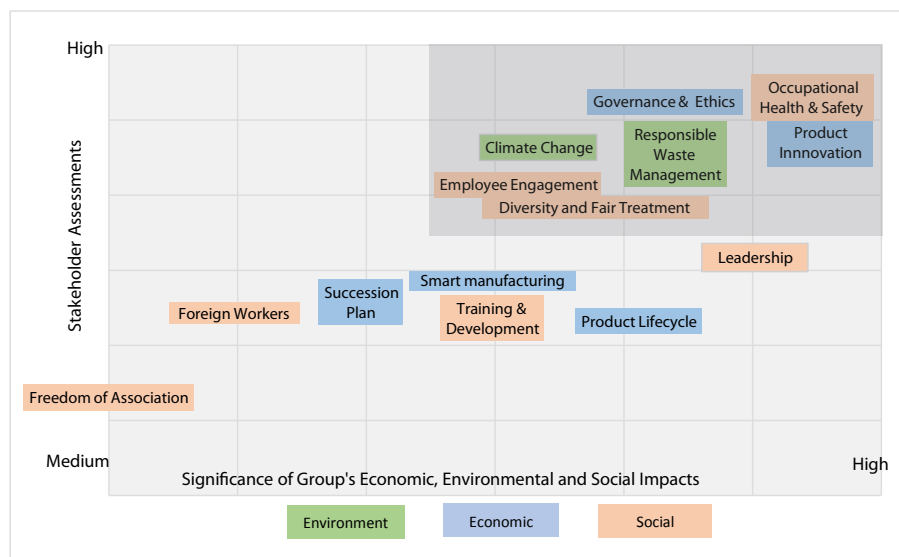
## MATERIALITY MATRIX

For FYE 2023, a limited-scale materiality review was performed on our previous material topics for relevance.

We have repositioned Water Consumption materiality matter higher along both axes, illustrating increased stakeholders' interest in our management of water resources. Then, we consolidated Water Consumption along with Electricity Consumption and Energy Consumption & Emission under Climate Change to reflect increased stakeholders' interest in our management of water resources, environmental footprint, and carbon footprint strategy.

Our materiality matrix has been refreshed accordingly. For a detailed comparison with our previous materiality matrix, please refer to our FYE 2022 Sustainability Report.

Our updated materiality matrix has been reviewed by the Sustainability Committee and approved by the Board.



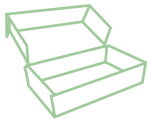


# SUSTAINABILITY REPORT

## RISK MANAGEMENT

A formalised risk management process is in place to identify, evaluate, and manage significant risks including sustainability risks faced by the Group. The Audit and Risk Management Committee oversees the Group's risk management and sustainability processes. There is also a Risk Management and Sustainability Working Group at each entity to ensure all identified risks stay within our risk appetite.

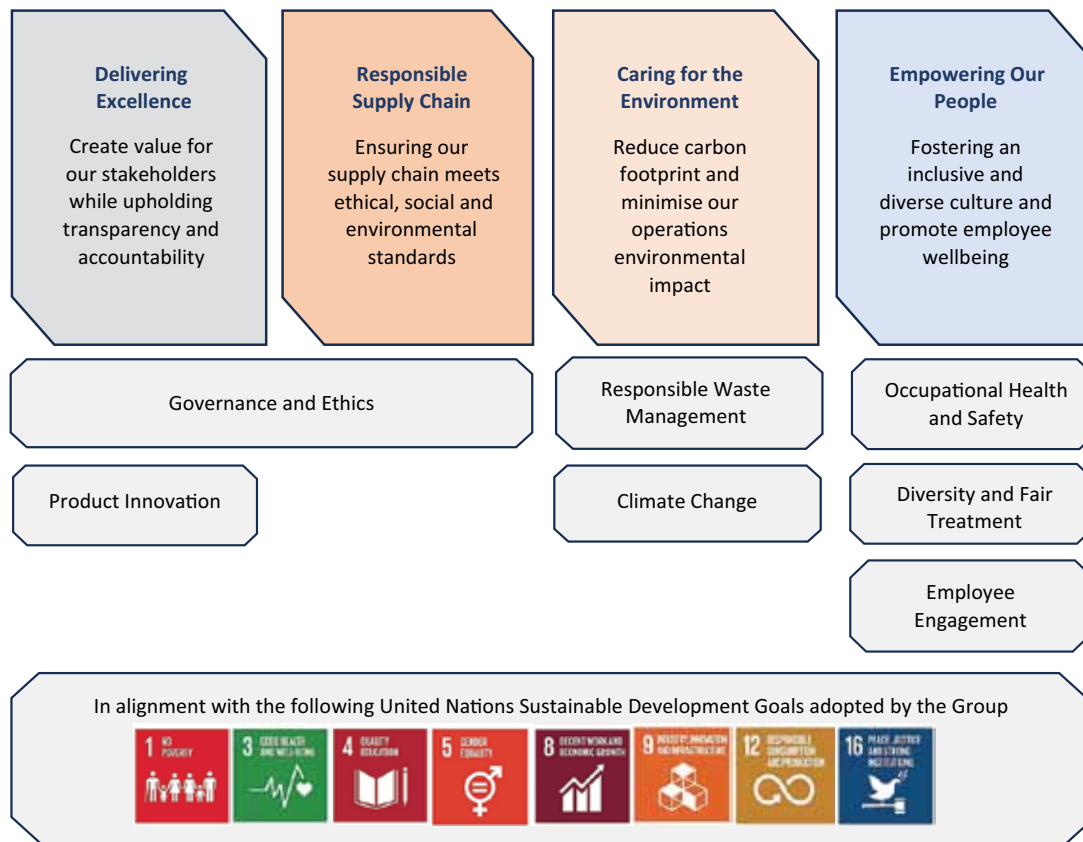
Material Matters	Risk	Opportunities
Product Innovation	<ul style="list-style-type: none"> <li>Reputation and product excellence promise to customers</li> <li>Poor financial performance threatens business continuity</li> </ul>	<ul style="list-style-type: none"> <li>Customer retention and increased market share with product offerings</li> <li>Sustainable financial performance attracts investors and delivers long-term value to stakeholders</li> </ul>
Governance & Ethics	<ul style="list-style-type: none"> <li>Poor governance practices tarnish reputation, image, and trust</li> </ul>	<ul style="list-style-type: none"> <li>Effective governance practices enhance reputation as a trustworthy Group</li> </ul>
Responsible Waste Management	<ul style="list-style-type: none"> <li>Non-compliance with environmental regulations leads to reprimands, fines, penalties, and reputational loss</li> </ul>	<ul style="list-style-type: none"> <li>Waste reduction and increased resource efficiency can lead to operational cost savings</li> <li>Community support</li> </ul>
Climate Change	<ul style="list-style-type: none"> <li>Non-compliance with climate-related regulations leads to fines and penalties</li> <li>Poor water management leads to higher costs and potential scarcity of water resources</li> </ul>	<ul style="list-style-type: none"> <li>Operate with low-carbon footprint open opportunities to tap into rising demand for low-carbon products and services</li> <li>Efficient water management could reduce operational costs and promote water conservation behaviour</li> </ul>
Occupational Health and Safety	<ul style="list-style-type: none"> <li>Accidents and injuries at the workplace lead to productivity loss, potential legal action, and reputational damage</li> </ul>	<ul style="list-style-type: none"> <li>A good safety culture offers a conducive working environment and improves employees' well-being and productivity</li> </ul>
Diversity and Fair Treatment	<ul style="list-style-type: none"> <li>Discriminatory employment practices damage the Group's reputation which may lead to the inability to retain or attract talents</li> </ul>	<ul style="list-style-type: none"> <li>Inclusive, diverse, and empowering work culture attracts talents and brings diverse viewpoints that enhance the quality of decision-making</li> </ul>
Employee Engagement	<ul style="list-style-type: none"> <li>Disengaged and underdeveloped employees contribute to lower productivity and performance</li> </ul>	<ul style="list-style-type: none"> <li>Effective talent development and upskilling programs enable the Group to retain and attract talent which can lead to a high-performance culture</li> </ul>



# SUSTAINABILITY REPORT

## SUSTAINABILITY FRAMEWORK

Our framework outlines our focus areas which are: Delivering Excellence, Responsible Supply Chain, Caring for the Environment and Empowering Our People. We aim to deliver the objectives under each focus area by addressing the concerns related to each of our material matters. We have set targets to enable us to monitor our sustainability performance. By linking these targets to a performance scorecard, we can track our progress and ensure that we are making continuous improvements towards these targets.



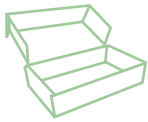


# SUSTAINABILITY REPORT

## PERFORMANCE SCORECARD

Our key targets and progress to-date.

Material Matters	Targets	Current progress against targets
Product Innovation	Zero product recall from packaging material defects	<ul style="list-style-type: none"> <li>No product recall cases were reported or received for the FYE 2023</li> </ul>
Governance and Ethics	Zero bribery and corruption cases reported  Procure from ethically compliant suppliers	<ul style="list-style-type: none"> <li>No corruption, bribery, or unethical business conduct cases for FYE 2023</li> <li>In FYE 2023, 79 suppliers underwent our self-assessment questionnaire on ethical business practices</li> <li>No complaints received on human rights violations</li> </ul>
Responsible Waste Management	Minimise waste generation  Scheduled waste management compliant with regulatory framework	<ul style="list-style-type: none"> <li>Scheduled waste management at all our plants complied with the respective country's regulatory framework in FYE 2023</li> <li>No violations or summons received in FYE 2023</li> <li>96% of waste is recyclable</li> </ul>
Climate Change	Air emissions consistently meet Department of Environment guidelines  Adoption of solar energy as a renewable source for greenfield sites. For Vietnam plants, the substitution of coal energy for a greener source  Energy efficiency will be given high consideration for future machinery and equipment investment  Net zero by year 2050	<ul style="list-style-type: none"> <li>All our plants' chimneys stack emission monitoring was within the limit set by the respective country's Environmental Quality Act</li> <li>Vietnam plants completed the transition from coal to biomass energy in FYE 2023. Emissions (coal and biomass) at Ho Chi Minh City plant reduced by 82% and Hanoi 35%. Overall Vietnam plants emission intensity (coal and biomass) reduced by 69%</li> <li>Malaysia plants' subscription to Green Electricity Tariff avoided 9% tCO<sub>2</sub>e in FYE 2023</li> </ul>
Occupational Health and Safety	Zero employees and contractor fatality	<ul style="list-style-type: none"> <li>No fatalities were recorded for employees and contractors in FYE 2023</li> </ul>
Diversity & Fair Treatment	Increase female representation by 10% by 2025	<ul style="list-style-type: none"> <li>Female workforce: 26%. At management level: 49%</li> </ul>
Employee Engagement	Increase staff retention rate by 3% by 2025  Improve staff satisfaction rate by 5% by 2025	<ul style="list-style-type: none"> <li>Staff turnover rate for FYE 2023: 5.24%</li> <li>The last staff satisfaction survey (September 2021) scored 74%. The next survey will be carried out in the First Quarter of FYE 2024</li> </ul>



# SUSTAINABILITY REPORT

## DELIVERING EXCELLENCE

### PRODUCT INNOVATION

#### Why it matters

Innovation gives a competitive edge to meet customer needs and staying relevant while products meeting quality and safety standards are key to customer attraction and retention which is vital to sustainable financial performance.



#### Management approach

The ability of the Group to consistently provide products and services that meet customer and regulatory requirements is underpinned by the respective manufacturing plants' ISO 9001:2015 Quality Management System accreditation.

The use of the Material Safety Data Sheet ("MSDS") enables the Group to identify potential hazards of a chemical substance (health, combustion, reactivity, and the environment) before they are approved for use, assuring the products produced meet our safety and quality standards.

Policies and processes compliances are performed by the Internal Audit department while independent certification bodies are engaged periodically for ISO compliance and re-certification.

All our plants are Forest Stewardship Council ("FSC")-Chain of Custody accredited which enables the offering of papers sourced from responsibly managed forests to our customers.

### Our Performance

- FSC papers used in production in Metric Ton ("MT")

FYE 2020	FYE 2021	RESTATED FYE 2022	FYE 2023
13,000	18,000	25,200	30,400

Note: Restated to include Myanmar operations. Data collection for Myanmar started from FYE 2022.



# SUSTAINABILITY REPORT

## DELIVERING EXCELLENCE RESPONSIBLE SUPPLY CHAIN

### GOVERNANCE AND ETHICS

#### Why it matters

Operating a business with ethical, transparent, and responsible governance provides a foundation for a sustainable business operation and raises market reputation.



#### Management approach

To establish a culture of integrity and high ethical standards in our Group throughout our value chain, the following policies are in place:

- [Anti-Corruption policy \("AC Policy"\)](#)
- [Whistle-blowing policy \("WB Policy"\)](#)

The Group's AC Policy is aligned with the Malaysian Anti-Corruption Commission (Amendment) Act 2018. AC Policy reiterates our commitment to conduct business within anti-corruption laws in the countries we operate in and to cause our organisation, directors, officers, and employees to comply accordingly.

WB Policy and procedure provide a channel to further safeguard the Group against unethical behaviour. The channel enables any person to report any actual or suspected malpractices including unethical behaviour to the Group Managing Director with confidentiality and assurance of anonymity.

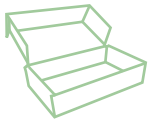
- [Employees Code of Conduct \("ECoC"\)](#)

ECoC covers employees' work ethics, professional conduct, respect for human rights, and promoting a safe and healthy work environment. Refer to the Management approach under the Diversity and Fair Treatment section for more details.

- [Suppliers Code of Conduct \("SCC"\)](#)

Our SCC developed with guidance from the 10 Principles of the United Nations Global Compact, requires commitment from vendors to be socially responsible and practice lawful and ethical labour practices without violation of international human rights. All new and existing suppliers are required to sign off on the SCC affirming their compliance while engaging in business with the Group.

All managerial and key employees are required to declare and sign off an Annual Statement of Compliance with Independence and Anti-Corruption Behaviour. In addition, General Managers and Heads of Departments are required to confirm that they are not aware of any fraud or bribery in their respective business units.



# SUSTAINABILITY REPORT

## DELIVERING EXCELLENCE RESPONSIBLE SUPPLY CHAIN (continued)

### GOVERNANCE AND ETHICS (continued)

#### Management approach (continued)

Our WB Policy allows employees and external stakeholders to report improprieties confidentially through email, telephone, or mail. Our ECoC, AC Policy, and WB Policy are available on our corporate website and company intranet to ensure they are accessible to all stakeholders.

All new joiners undergo an induction program where they are required to familiarise themselves with the Group's ECoC, AC Policy, WB Policy, and other accompanying policies and procedures.

Our procurement team conducts field audits on our suppliers periodically to confirm their compliance with our SCC. Moving forward, to enhance our management of supply chain ethical risk further, we will subscribe to the SEDEX platform, an online system that can capture our suppliers' data on ethical and responsible practices and allow them to share their information with us.

The Internal Audit department performs oversight on policy compliances.

#### Our Performance

Whistle-blowing	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Number of whistle-blowing reports received	0	0	0	0
Percentage of employees who received training during the year	–	–	–	26%
Percentage of operations assessed for corruption related risks	0%	60%	60%	60%

Note: FYE 2023 is our first year to disclose % of employees who attended whistle-blowing training.

- In FYE 2023, 79 of our suppliers went through our self-assessment questionnaire on ethical business practices.
- Spending on local suppliers in FYE 2023: RM547 million (79% of total spending).



# SUSTAINABILITY REPORT

## CARING FOR THE ENVIRONMENT

### RESPONSIBLE WASTE MANAGEMENT

#### Why it matters



As a responsible Group, we are mindful of the waste that our business activities and operations generate, and that proper and responsible waste management is required to ensure the preservation and protection of the environment and the communities where we operate.

#### Management approach

Our Environmental Policy provides clear guidance to all employees on their actions and practices towards the environment. Governance procedures ensure our operations comply with all related environmental laws and regulations in the countries where we operate.

The Safety, Health, and Environment (“SHE”) Committee at each plant monitors compliance and holds regular discussions with the plant management on issues relating to safety, health, and environment at the workplace. SHE officer at each plant ensures compliance with health, safety, and environmental regulations.

All our manufacturing plants are accredited with ISO 14001 Environmental Management System 2015.

Internal Auditors conduct compliance reviews periodically while independent certification bodies are engaged periodically to assess and re-certify ISO compliance.

Solid waste is largely paper scraps from production processes such as trimming, splicing, die-cut, and spoilage. The scraps are collected by appointed licensed collectors and are recycled and reused by paper manufacturing plants. These fully recyclable scraps are classified as waste diverted from disposal.

Other wastes are largely water-based waste ink, ink sludge, and waste glue. Ink sludge makes up more than 90%. These are classified as scheduled waste. These are collected and stored according to the respective country governing environmental rules and regulations before they are collected by appointed licensed waste management companies to undergo treatment and recovery process. Where recovery is not possible, they undergo proper disposal. We have been informed by our appointed wastes management companies in the respective country the following:

- Malaysia: Ink sludge is dried to recover pigments for recycling.
- Vietnam: Ink sludge is incinerated into cinder dust to form bricks.
- Myanmar: Ink sludge is sent to secured landfill.

Notwithstanding the above potential recovery, we have classified all other wastes as waste directed to disposal.



# SUSTAINABILITY REPORT

## CARING FOR THE ENVIRONMENT (continued)

### RESPONSIBLE WASTE MANAGEMENT (continued)

#### Management approach (continued)

Our plants use water for cleaning and cooling machinery. As the wastewater generated may contain certain metals, chemicals, and organic and inorganic compounds, the wastewater is channeled to their Wastewater Treatment Plant (“WWTP”) for treatment.

Treated water is tested in our laboratory to ensure it complies with safety parameters defined by the respective environment quality regulations governing industrial effluent before they are allowed to be discharged. All our WWTPs operations comply strictly with the requirements under the respective country’s environmental quality regulations.

All scheduled wastes are reported to the respective country’s department of environment or its equivalent. In Malaysia, the reporting and monitoring of scheduled waste are done through the Department of Environment Electronic Scheduled Waste Information System or e-SWIS.

#### Our Performance

Waste diverted from disposal	FYE 2020	FYE 2021	RESTATED FYE 2022	FYE 2023
MT	36,800	34,100	37,300	34,800

These are non-hazardous and are fully recyclable.

Waste directed to disposal	FYE 2020	FYE 2021	RESTATED FYE 2022	FYE 2023
MT	1,500	1,500	1,700	1,500

Note: Restated to include Myanmar operations. Data collection for Myanmar started from FYE 2022.

Treated water discharged	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Megalitres	–	–	–	97

FYE 2023 is our first year to disclose treated wastewater released to local waterways.

Note: 84 Megalitres are from our Vietnam plants where treatment is carried out at a centralised wastewater treatment plant operated by the Industrial Park management where the respective plant is located.



# SUSTAINABILITY REPORT

## CARING FOR THE ENVIRONMENT (continued)

### CLIMATE CHANGE

#### Why it matters



We recognise it is our responsibility to minimise our environmental carbon footprint in business and operations and contribute to the preservation and protection of the environment while taking advantage of the opportunities that arise as the world transitions to a low-carbon economy.

#### Management approach

We aim to reduce our environmental carbon footprint and establish operational resilience to deliver long-term value to our business and stakeholders. Our Environmental Policy guides us to effectively manage and minimise the impacts arising from our operations.

As part of our efforts to mitigate climate change, we are committed to achieving 70% Scope 2 carbon emission intensity reduction by 2030 with an aspiration to be net zero by 2050. We have developed a Roadmap that complements our policy and guides us on the journey.

#### Air Quality

The nature of our industry does not have any significant air emissions.

Combustion from our boiler systems emits trace amounts of nitrogen dioxide (NO<sub>2</sub>), carbon monoxide (CO), carbon dioxide (CO<sub>2</sub>), sulfur dioxide (SO<sub>2</sub>), and particulate matter.

All our plants conduct regular stack emission monitoring on their chimneys to ensure the emissions and particulate matter is well within the limit set by the Environmental Quality Act of the respective country where the Group operates.

Boiler systems are inspected daily to ensure the system is operating optimally. They also undergo periodic independent inspections as part of regulatory requirements to ensure the system meets safety standards.

#### Energy and Carbon Emissions

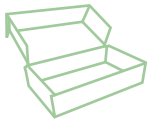
Electricity which is sourced from the power grid is used extensively in the manufacturing operations of converting raw paper into corrugated boards which then undergo various converting and printing processes, where required, to form a corrugated carton box.

The Boiler system provides steam and heating for the process of converting raw paper into corrugated boards. Boiler systems in our Malaysia plants are powered by natural gas while at our Myanmar plant, it is powered by Liquefied Petroleum Gas ("LPG").

Our boilers at our Vietnam plants have undergone full conversion to run on biomass (waste wood) instead of coal in 2022 and 2023.

As part of our drive to improve energy usage through efficient energy management, our Ho Chi Minh City plant obtained ISO 50001 Energy Management certification in 2023. We plan to have our remaining plants embark on the ISO 50001 journey in the next 2 years.

We aim to manage our energy needs responsibly. We are continuously looking at new technologies, upgrading our existing machinery, and adopting good management practices to improve our energy efficiency.



# SUSTAINABILITY REPORT

## CARING FOR THE ENVIRONMENT (continued)

### CLIMATE CHANGE (continued)

#### Water Consumption

We are guided by our Environmental Policy in adopting a practical approach to water management to improve water efficiency and promote water conservation. Our water consumption primarily stems from our manufacturing activities such as steam for the boiler, glue making, machinery cooling and cleaning, and staff facilities.

According to Aqueduct Water Risk Atlas\*, our plants in Malaysia are in the Low water stress risk area while Ho Chi Minh City is in Low-Med risk and Hanoi and Myanmar are in the Med-High water stress risk area.

We are committed to implementing water conservation initiatives and raising employees' awareness of proper water management at all our plants. These initiatives include:

- Recycle some of the water used for cleaning and cooling machinery to the glue kitchen to mix with starch to form glue for corrugated board production.
- Reduce water wastage through regular checks on toilets, canteen, and pantries.
- Raise awareness among employees through campaigns and reminders on water-saving habits at our plants.
- Consider rainwater harvesting systems when constructing new plants to reduce water dependency on municipal water.

Our Myanmar plant is relatively new and is equipped with a rainwater harvesting system.

\* Source: Aqueduct Water Risk Atlas is a data platform under World Resources Institute, an environmental research organisation  
<https://www.wri.org/applications/aqueduct/water-risk-atlas>

#### **Our Performance**

- Our Ho Chi Minh City plant Scope 1 GHG emission reduced by 82%^ following the plant's full conversion of its 2 coal-fired boilers in FYE 2023 to run on biomass (waste wood).
- Our Hanoi plant Scope 1 GHG emission reduced by 35%^ following a similar conversion on its coal-fired boiler system in October 2023. However, in terms of intensity it has increased by 26%^ due to lower efficiency as a result of lower sales volume.
- In FYE 2023, our Malaysia plants managed to subscribe 51 Megawatt ("Mwh") per month of green energy from Tenaga Nasional Berhad ("TNB") under its Green Electricity Tariff (GET) program. This avoided 479 ton of carbon dioxide equivalent ("tCO<sub>2</sub>e") representing a 9% CO<sub>2</sub> reduction for Malaysia plants. Scope 2 GHG emission intensity for Malaysia plants reduced by 11%.
- We have initiated discussions at our holding company level with TNB Renewables Sdn. Bhd. on the supply of green energy to our Malaysia-based plants from their solar photo-voltaic farm under the Corporate Green Power Programme and Malaysia National Energy Transition Roadmap. If this initiative proceeds, the impact will likely be in FYE 2026/27.

^ From coal and biomass emission source



# SUSTAINABILITY REPORT

## CARING FOR THE ENVIRONMENT (continued)

### CLIMATE CHANGE (continued)

Electricity	FYE 2020	FYE 2021	RESTATED FYE 2022	FYE 2023
Consumption (Mwh)	22,500	21,500	24,100	21,700
Intensity (Mwh / RM'mil)	34.6	32.0	30.9	33.3

Note: Restated to include Myanmar operations. Data collection for Myanmar started from FYE 2022.

Natural Gas	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Consumption (MMBtu)	57,500	58,700	54,800	57,900
Intensity (MMBtu / RM'mil)	319.0	291.6	291.1	327.2

- Intensity increase in FYE 2023 is attributed to lower sales revenue from our Malaysia plants which impacted efficiency.

Energy	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Consumption gigajoule ("GJ")	259,800	254,300	292,000	304,700
Intensity (GJ / RM'mil)	400.22	378.78	374.01	468.67

Note: Energy consumption comprise electricity, natural gas, coal and biomass. Petrol, diesel and LPG were added for FYE 2023. These data were not collected in FYE 2022 and prior.

- Intensity increase in FYE 2023 is attributed to lower sales revenue at our plants in Malaysia and Vietnam.

Water	RESTATED FYE 2020	RESTATED FYE 2021	RESTATED FYE 2022	FYE 2023
Consumption (Megalitres)	206	201	223	183
Intensity (Megalitres / RM'mil)	0.32	0.30	0.29	0.28

Water bills for our Vietnam plants are from the Industrial Park management where our respective plant is located. The water bill includes volume of wastewater treated by their centralised wastewater treatment plant hence water consumption is restated to refer to only raw water consumed. For FYE 2022, it was also restated to include Myanmar operations where data collection for Myanmar started from FYE 2022.

Impact of the re-computation arising from the abovementioned restatement is as follow:

Water	RESTATED FYE 2020	RESTATED FYE 2021	RESTATED FYE 2022	FYE 2023
Consumption (Megalitres)	-18.2%	-16.3%	-8.7%	–
Intensity (Megalitres / RM'mil)	-17.9%	-16.7%	-12.1%	–

In FYE 2023, harvested rainwater made up 28% (9.2 Megalitres) of total water consumption at our Myanmar plant.



# SUSTAINABILITY REPORT

## CARING FOR THE ENVIRONMENT (continued)

### CLIMATE CHANGE (continued)

#### Our Performance (continued)

Scope 1 GHG Emissions	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Emissions (tCO <sub>2</sub> e)	15,400	15,200	12,300	8,300
Intensity (tCO <sub>2</sub> e / RM'mil)	44.5	42.1	33.7	43.7

Notes:

- o Scope 1: Emission sources are natural gas, biomass, and coal. For FYE 2023 we included petrol, diesel, LPG and refrigerant R410A. We did not collect these additional data in FYE 2022 and prior.
- o Emissions are calculated based on emission factors published by the Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories, GHG Protocol: Emission Factors from Cross-Sector Tools (April 2014) and GHG Protocol: Global Warming Potential Values (IPCC Fifth Assessment Report, 2014 (AR5)).
- o Denominator used for intensity calculation: Revenue of respective entity with natural gas, biomass, coal, petrol, diesel, refrigerant R410A and LPG emission sources.

Scope 2 GHG Emissions (Market-based)	RESTATED FYE 2020	RESTATED FYE 2021	RESTATED FYE 2022	FYE 2023
Emissions (tCO <sub>2</sub> e)	18,200	16,900	12,400	7,400
Intensity (tCO <sub>2</sub> e / RM'mil)	28.1	25.2	15.9	11.3

Notes:

- o Scope 2: The emission source is purchased electricity from the national grid.
- o Emissions are calculated based on emission factors published by the Energy Commission for Peninsular Malaysia electricity grid 2021, the Department of Climate Change on research and develop emission factors for Vietnam's electricity grid 2020, and Myanmar Japan Thilawa Development Ltd for Thilawa Special Economic Zone electricity grid.
- o Restated to reflect the availability of updated emission factors for Malaysia for the FYE 2020 to FYE 2022 and inclusion of Myanmar operations for FYE 2022 where data collection for Myanmar started from FYE 2022.
- o Above emissions include international renewable energy certificate ("I-REC") purchased by Ho Chih Minh City plant amounting to 7,000mwh in FYE 2022 and 10,475mwh in FYE 2023 from Monsoon Carbon Pte Ltd.

Scope 2 GHG Emissions (Location-based)	RESTATED FYE 2020	RESTATED FYE 2021	RESTATED FYE 2022	FYE 2023
Emissions (tCO <sub>2</sub> e)	18,200	16,900	18,100	16,300
Intensity (tCO <sub>2</sub> e / RM'mil)	28.1	25.2	23.1	25.0

Impact of this re-computation arising from the abovementioned restatement is as follow::

Scope 2 GHG Emissions (Location-based)	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Emissions (tCO <sub>2</sub> e)	+5.2%	+2.4%	+7.1%	–
Intensity (tCO <sub>2</sub> e / RM'mil)	+5.2%	+2.4%	+0.9%	–



# SUSTAINABILITY REPORT

## EMPOWERING OUR PEOPLE

### OCCUPATIONAL HEALTH AND SAFETY



#### Why it matters

We pursue our commitment in protecting the health, safety, and welfare of our people. By ensuring a healthy, safe, and conducive workplace, we aim to prevent injuries and illnesses among those working within our premises, which ultimately leads to increased efficiency and output.

#### Management approach

The Group's Safety and Health Policy helps to guide the employees and contractors in ensuring that the safety and health precautions are observed whilst working at our plant premises.

SHE Committees in the respective plants oversee the safety and health of employees at the workplace. The committees with representation from various departments and seniority levels ensure a balanced and well-informed approach toward all safety and occupational health matters. It also allows employees to flag potential issues and escalate them to the committee's attention.

The committees are further supported by their safety officer who ensure the workplace is following safety and health laws and regulations.

Our plants in Batu Caves, Ho Chi Minh City, and Myanmar are ISO 45001: 2018 Occupational Health and Safety Management System accredited.

Personal Protection Equipment is provided to all employees in the production and warehouse areas and audiometric tests are conducted annually.

#### Our Performance

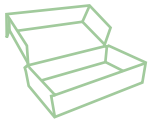
Work Related Injury by Case	FYE 2020	FYE 2021	RESTATED FYE 2022	FYE 2023
- Minor injury	65	41	38	42
- Major injury	12	6	3	13
- Fatality	–	–	–	–

Lost time injury (Days)	663	300	351	535
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#### Work Related Ill-health by Case

No. of cases	–	–	–	–
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Note: Restated to include Myanmar operations. Data collection for Myanmar started from FYE 2022.



# SUSTAINABILITY REPORT

## EMPOWERING OUR PEOPLE (continued)

### OCCUPATIONAL HEALTH AND SAFETY (continued)

#### Our Performance (continued)



PERKESO health screening at Batu Caves plant



Fire drill at Ho Chi Minh City plant



Chemical Spillage training at Ho Chi Minh City plant

- Health and Safety courses attended by employees across operating entities.
  - Forklift and Clamp lift safety training
  - Fire and evacuation drill
  - First Aid, Cardiopulmonary resuscitation (CPR), and Automated external defibrillator (AED)
  - Hazardous chemical handling
  - Handling Scheduled Waste
- Total training hours invested on health and safety courses in FYE 2023: 24,791 hours involving 1,160 employees.



# SUSTAINABILITY REPORT

## EMPOWERING OUR PEOPLE (continued)

### DIVERSITY AND FAIR TREATMENT

#### Why it matters

Diversity and inclusivity at workplace give us a competitive edge through ability to tap into a wide range of knowledge, perspectives, and ideas. We strive to promote equal employment opportunities and non-discrimination, by actively encouraging diversity of gender, race, religion, age and nationality.

#### Management approach

We provide equal opportunities in recruitment and career progression and have zero tolerance for discrimination whether based on gender, ethnicity, nationality, cultural background, marital status, disabilities, or age. We are also committed to providing our employees with attractive remuneration and benefits packages, a supporting working environment, and rewarding career advancement opportunities.

Our ECoC contains policies and guidelines relating to the standards and ethics that all employees are expected to adhere to in the course of their work. ECoC covers ethical behaviour, a channel for grievances, and ethical labour practices including prohibiting the employment of underaged workers, harassment or bullying, discrimination, forced labour, working hours, fair wages, and freedom of association.

The Group engages agents to assist in the recruitment of migrant workers for the plants in Malaysia. Agents engaged are required to sign an agreement with us to confirm that the agent will not charge or claim any fee from the migrant worker arising from our employment. Our agreement also requires the agent to brief the terms and conditions of our employment to the potential migrant workers in their native language before they sign our employment contract. Retention of their personal documents is not allowed.

Employment of migrant workers in our Malaysia plants adhere to the Minimum Wages Order 2022, the Employment Act 1955, and The Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2020 (Act 446). Compliance audits are carried out periodically by our Internal Audit department to confirm adherence.

Our plants in Batu Caves and Ho Chi Minh City are members of SEDEX, a global membership organisation dedicated to driving improvements in ethical and responsible business practices.

#### Our Performance

- 2,278 employees in the Group (FYE 2020: 2,315 employees).
- 47% local employees in Malaysia, 98% local employees in Myanmar and 99% local employees in Vietnam plants.
- 26% of the workforce are female (FYE 2020: 25%). Female representation at the management level is 49% (FYE 2020: 46%).
- 54% are millennial employees (FYE 2020: 62%).





# SUSTAINABILITY REPORT

## EMPOWERING OUR PEOPLE (continued)

### DIVERSITY AND FAIR TREATMENT (continued)

#### Our Performance (continued)

Employees by Age Group	FYE 2020	FYE 2021	RESTATED FYE 2022	FYE 2023
<b>&lt; 30 years</b>				
Management	31	38	31	30
Non-Management	889	600	897	783
<b>Total</b>	<b>920</b>	<b>638</b>	<b>928</b>	<b>813</b>
<b>30 – 50 years</b>				
Management	77	72	89	90
Non-Management	1,229	1,167	1,246	1,219
<b>Total</b>	<b>1,306</b>	<b>1,239</b>	<b>1,335</b>	<b>1,309</b>
<b>&gt; 50 years</b>				
Management	17	21	26	23
Non-Management	72	89	102	133
<b>Total</b>	<b>89</b>	<b>110</b>	<b>128</b>	<b>156</b>
<b>Grand Total</b>	<b>2,315</b>	<b>1,987</b>	<b>2,391</b>	<b>2,278</b>

Note: Restated to include Myanmar operations. Data collection for Myanmar started from FYE 2022.

Employees by Gender	FYE 2020	FYE 2021	RESTATED FYE 2022	FYE 2023
<b>Male</b>				
Management	68	71	75	73
Non-Management	1,660	1,375	1,672	1,619
<b>Total</b>	<b>1,728</b>	<b>1,446</b>	<b>1,747</b>	<b>1,692</b>
<b>Female</b>				
Management	57	60	71	70
Non-Management	530	481	573	516
<b>Total</b>	<b>587</b>	<b>541</b>	<b>644</b>	<b>586</b>
<b>Grand Total</b>	<b>2,315</b>	<b>1,987</b>	<b>2,391</b>	<b>2,278</b>

Note: Restated to include Myanmar operations. Data collection for Myanmar started from FYE 2022.



# SUSTAINABILITY REPORT

## EMPOWERING OUR PEOPLE (continued)

### EMPLOYEE ENGAGEMENT

#### Why it matters

Our employees are our most valuable assets and are the driving force for our success and growth. Building trust and listening to employees' opinions through ongoing interaction improves the working environment. Through ongoing education, training, and development opportunities, our employees may improve their abilities and provide better results.



#### Management approach

We continuously aim to establish a comprehensive working environment and culture as part of developing and keeping an engaged, competent, and driven workforce for sustainable business and growth.

#### Employee satisfaction

An employee satisfaction survey provides us with a better understanding of how employees assess their job satisfaction at the workplace and allow us better insight into how we can improve the systems and processes that are in place to achieve a healthier and more inclusive working environment. Our last survey conducted in September 2021 showed a satisfaction score of 74% with 87% response rate. A new survey will be distributed in the First Quarter of FYE 2024.

#### Training and development

It is our objective to foster a skilled, resilient, and agile workforce that can thrive in an ever-changing market landscape, amidst technological advances and emerging trends. We invest in a life-long learning and development culture and offer opportunities for our employees to enhance their personal and professional growth.

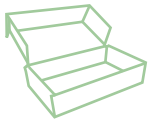
To address skill gaps and help our employees achieve their career development goals, we regularly assess employees' training needs, through a training needs analysis for each employee and review our existing training initiatives for continued relevance.

The Group supports its employees to pursue additional training and development under its continued education assistance program. The Group also supports local Universities, Technical Institutes, and other Institutes of Higher Learning in Internship programs.

Our Malaysia plants are also supporting the Malaysian government program Skim Latihan Dual Nasional (SLDN) to produce a national skilled workforce through a relevant and comprehensive training mechanism to meet the current needs of the industry through linking with the Institute Latihan Perindustrian Arumugam Pillai Nibong Tebal to offer industrial training for their students undertaking their Flexo-printing course.

#### Social relation

The Group organises various employee engagement initiatives ranging from festival celebrations to recreational activities to foster teamwork, cohesiveness, and camaraderie.



# SUSTAINABILITY REPORT

## EMPOWERING OUR PEOPLE (continued)

### EMPLOYEE ENGAGEMENT (continued)

#### Our Performance

- Total training hours invested in FYE 2023: 54,173 hours
  - o Management: 3,695 hours (26.97 average hours per employee)
  - o Non-Management: 50,478 hours (38.89 average hours per employee)
- Community projects



River Clean up. Collaborated with Alliance of River Three, on their Friends of Sungai Klang Taman Melawati River Three project



Employee awards at Senai plant and Ho Chi Minh City plant



Scholarship award at Ho Chi Minh City plant



Football Championship



Deepavali celebration



Career Fair at ILP Nibong Tebal

- Our investment in community is coordinated through Yayasan Canone Kianjoo ("YCK"). In FYE 2023, YCK invested RM464,000 in the community benefitting 30 beneficiaries comprising scholarship, awards and contributions to orphanages, welfare organisations and non-profit organisations.



# SUSTAINABILITY REPORT

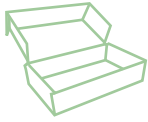
## PERFORMANCE DATA TABLE FROM BURSA ESG REPORTING PLATFORM

Box-Pak (Malaysia) Bhd. as a listed issuer is required to provide mandatory ESG disclosures as part of the Main Market Listing Requirements. This aligns with the updated Sustainability Reporting Guide, 3rd Edition. The table below presents performance data that is relevant to our significant concerns. These figures have been verified both internally and externally, as indicated for each indicator:

Indicator	Measurement Unit	2023
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Overall	Percentage	26.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	60.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	79.00
<b>Bursa (Waste management)</b>		
Bursa C10(a) Total waste generated	Metric tonnes	36,300.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	34,800.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	1,500.00
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	84,639.00
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	183.000000
<b>Bursa (Emissions management)</b>		
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	8,300.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	16,300.00
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	1.59
Bursa C5(c) Number of employees trained on health and safety standards	Number	1,160
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	21.00
Management Between 30-50	Percentage	63.00
Management Above 50	Percentage	16.00
Non-Management Under 30	Percentage	37.00
Non-Management Between 30-50	Percentage	57.00
Non-Management Above 50	Percentage	6.00

Internal assurance External assurance No assurance

(\*) Restated



# SUSTAINABILITY REPORT

## PERFORMANCE DATA TABLE FROM BURSA ESG REPORTING PLATFORM (continued)

Indicator	Measurement Unit	2023
<b>Bursa (Diversity)</b>		
Gender Group by Employee Category		
Management Male	Percentage	51.00
Management Female	Percentage	49.00
Non-Management Male	Percentage	76.00
Non-Management Female	Percentage	24.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	86.00
Female	Percentage	14.00
Under 30	Percentage	0.00
Between 30-50	Percentage	28.60
Above 50	Percentage	71.40
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	3,695
Non-Management	Hours	50,478
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	5.30
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	26
Non-Management	Number	1,435
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	464,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	30
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0

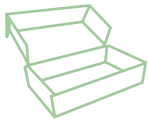
Internal assurance External assurance No assurance (\*)Restated



# SUSTAINABILITY REPORT

## GRI CONTENT INDEX

GRI Standard	Disclosure	Page	Brief Information on Disclosures
<b>GRI 2: General Disclosures 2021</b>			
<b>The organisation and its reporting practices</b>			
2-1	Organisational details	20 4-12	Box-Pak (Malaysia) Bhd is a Bursa Listed company. Refer to About This Report Refer to Corporate Information and Management Discussion and Analysis ("MD&A") in AR 2023
2-2	Entities included in the organisations' sustainability reporting	20	Scope and Boundary
2-3	Reporting period, frequency, and contact point	20	About this report
2-4	Restatement of information	21	Certain data have been restated due to the availability of updated emission factors and inclusion of Myanmar operations. Refer to Restatements
2-5	External assurance	54-56	Refer to Statement of Assurance
<b>Activities and workers</b>			
2-6	Activities, value chain, and other business relationships	4-12	Refer to the MD&A
2-7	Employees	41-42	Refer to the Diversity and Fair Treatment section
2-8	Workers who are not employees	–	128 workers (5.3%) were engaged periodically
<b>Governance</b>			
2-9	Governance structure and composition	23, 58-63	Refer to the Governance Structure section and Corporate Governance Overview Statement under Nomination Committee in AR 2023
2-10	Nomination and selection of the highest governance body		
2-11	Chair of the highest governance body		
2-12	Role of the highest governance body in overseeing the management of impacts		
2-13	Delegation of responsibility for managing impacts		
2-14	Role of the highest governance body in sustainability reporting		
2-15	Conflicts of interest	71-73	Refer to the Audit and Risk Management Committee Report
2-16	Communication of critical concerns		
2-17	Collective knowledge of the highest governance body	61-63	Refer to the Corporate Governance Overview Statement under Nomination Committee



# SUSTAINABILITY REPORT

## GRI CONTENT INDEX (continued)

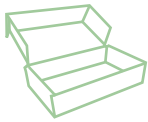
GRI Standard	Disclosure	Page	Brief Information on Disclosures
GRI 2: General Disclosures 2021 (cont'd)			
Governance (cont'd)			
2-18	Evaluation of the performance of the highest governance body	61-63	Refer to Corporate Governance Overview Statement under Remuneration Committee and Nomination Committee in AR 2023
2-19	Remuneration policies	59	
2-20	The process to determine the remuneration		
Strategy, policies, and practices			
2-22	Statement of sustainability development strategy	22	Refer to the Group Managing Director's message
2-23	Policy commitments	31-32	Refer to the Governance and Ethics section
2-24	Embedding policies commitments	24 31-32	Refer to Sustainability in Our Business Processes section and Governance and Ethics section
2-25	Processes to remediate negative impacts	71-73 74-77	Refer to Audit and Risk Management Committee Report and Statement of Risk Management and Internal Control
2-26	Mechanisms for seeking advice and raising concerns	31-32	Refer to the Governance and Ethics section
2-27	Compliance with laws and regulations	31-32 33,35	Governance and Ethics section Responsible Waste Management section Climate Change section
2-28	Membership associations	–	Member of the Federation of Malaysian Manufacturers and Malaysian Employers Federation
Stakeholder engagement			
2-29	Approach to stakeholder engagement	24-25	Refer to the Stakeholders Engagement section
2-30	Collective bargaining agreements	–	99 employees (33%) in Batu Caves plant, Malaysia and 1,446 employees (96%) in Vietnam plants are covered by Collective Agreements
GRI 3: Material Topics 2021			
3-1	The process to determine material topics	25-26	Refer to the Materiality Assessment Process section
3-2	List of material topics	26	Refer to the Materiality Matrix section



# SUSTAINABILITY REPORT

## GRI CONTENT INDEX (continued)

GRI Standard	Disclosure	Page	Brief Information on Disclosures																												
<b>GRI 201: Economic Performance 2016</b>																															
3-3	Management of material topics	30	Refer to Management Approach in the Product Innovation section																												
201-1	Direct economic value generated and distributed	–	<table> <tr> <th>RM ' million</th><th>FYE 2021</th><th>FYE 2022</th><th>FYE 2023</th></tr> <tr> <td>Revenue</td><td>678.2</td><td>765.8</td><td>644.4</td></tr> <tr> <td>Operating Cost</td><td>555.6</td><td>646.1</td><td>525.8</td></tr> <tr> <td>Payment to Capital provider</td><td>11.4</td><td>12.5</td><td>15.4</td></tr> <tr> <td>Employee wages and benefits</td><td>81.3</td><td>86.3</td><td>82.7</td></tr> <tr> <td>Payment to Government</td><td>3.4</td><td>2.0</td><td>2.8</td></tr> <tr> <td>Payment to Shareholders</td><td>–</td><td>–</td><td>–</td></tr> </table>	RM ' million	FYE 2021	FYE 2022	FYE 2023	Revenue	678.2	765.8	644.4	Operating Cost	555.6	646.1	525.8	Payment to Capital provider	11.4	12.5	15.4	Employee wages and benefits	81.3	86.3	82.7	Payment to Government	3.4	2.0	2.8	Payment to Shareholders	–	–	–
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<b>GRI 205: Anti-Corruption 2016</b>																															
3-3	Management of material topics	31-32	Refer to Management Approach in the Governance and Ethics section																												
205-1	Operations assessed for risks related to corruption	71-73	Refer to the Audit and Risk Management Committee Report																												
205-2	Communication and training about anti-corruption policies and procedures	31-32	Refer to the Governance and Ethics section																												
205-3	Confirmed incidents of corruption and actions taken	32	Refer to Our Performance under the Governance and Ethics section																												
<b>GRI 302: Energy 2016</b>																															
3-3	Management of material topics	35-36	Refer to Management Approach in Climate Change section																												
302-1	Energy consumption within the organisation	37-38	Refer to the Climate Change section																												
302-3	Energy intensity	37-38	Refer to the Climate Change section																												
<b>GRI 303: Water and Effluent 2018</b>																															
3-3	Management of material topics	35-36	Refer to Management Approach in the Climate Change section																												
303-2	Management of water discharge-related impacts	33-34	Refer to Management Approach in the Responsible Waste Management section																												
303-3	Water withdrawal	36-37	Refer to Water Consumption under Climate Change section																												
303-4	Water discharge	34	Refer to the Responsible Waste Management section																												
303-5	Water Consumption	37	Refer to the Climate Change section																												



# SUSTAINABILITY REPORT

## GRI CONTENT INDEX (continued)

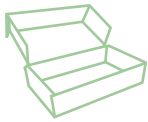
GRI Standard	Disclosure	Page	Brief Information on Disclosures
GRI 305: Emissions 2016			
3-3	Management of material topics	35	Refer to Management Approach in Climate Change section
305-1	Direct (Scope 1) GHG emissions	38	Refer to the Climate Change section
305-2	Energy indirect (Scope 2) GHG emissions	38	
305-4	GHG emissions intensity	38	
305-5	Reduction of GHG Emissions	38	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	35	
GRI 306: Waste 2020			
3-3	Management of material topics	33	Refer to Management Approach in the Responsible Waste Management section
306-1	Waste generation and significant waste-related impacts	33-34	Refer to the Responsible Waste Management section
306-2	Management of significant waste-related impacts.	33-34	Refer to the Responsible Waste Management section
306-3	Waste generated	34	Refer to the Responsible Waste Management section
306-4	Waste diverted from disposal	34	
306-5	Waste directed from disposal	34	



# SUSTAINABILITY REPORT

## GRI CONTENT INDEX (continued)

GRI Standard	Disclosure	Page	Brief Information on Disclosures																																																												
<b>GRI 401: Employment 2016</b>																																																															
3-3	Management of material topics	43	Refer to Management Approach in the Employee Engagement section																																																												
401-1	New employee hires and employee turnover	–	<p>Malaysia plants new hires as at year end:</p> <table> <tr> <th>Age Group</th><th>Male</th><th>Female</th><th>total</th></tr> <tr> <td>&lt; 30</td><td>79</td><td>13</td><td>92</td></tr> <tr> <td>30 – 50</td><td>42</td><td>6</td><td>48</td></tr> <tr> <td>&gt;50</td><td>4</td><td>1</td><td>5</td></tr> <tr> <td>Total</td><td>125</td><td>20</td><td>145</td></tr> </table> <p>Vietnam plants new hires as at year end:</p> <table> <tr> <th>Age Group</th><th>Male</th><th>Female</th><th>total</th></tr> <tr> <td>&lt; 30</td><td>142</td><td>42</td><td>184</td></tr> <tr> <td>30 – 50</td><td>138</td><td>63</td><td>201</td></tr> <tr> <td>&gt;50</td><td>9</td><td>1</td><td>10</td></tr> <tr> <td>Total</td><td>289</td><td>106</td><td>395</td></tr> </table> <p>Myanmar plant new hires as at year end:</p> <table> <tr> <th>Age Group</th><th>Male</th><th>Female</th><th>total</th></tr> <tr> <td>&lt; 30</td><td>13</td><td>7</td><td>20</td></tr> <tr> <td>30 – 50</td><td>2</td><td>3</td><td>5</td></tr> <tr> <td>&gt;50</td><td>–</td><td>–</td><td>–</td></tr> <tr> <td>Total</td><td>15</td><td>10</td><td>25</td></tr> </table> <p>Employee turnover for the Group was 5.24%.</p>	Age Group	Male	Female	total	< 30	79	13	92	30 – 50	42	6	48	>50	4	1	5	Total	125	20	145	Age Group	Male	Female	total	< 30	142	42	184	30 – 50	138	63	201	>50	9	1	10	Total	289	106	395	Age Group	Male	Female	total	< 30	13	7	20	30 – 50	2	3	5	>50	–	–	–	Total	15	10	25
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401-2	Benefits provided to full-time employees that are not provided to temp/part-time employees	–	All categories are entitled to medical coverage, life insurance, social security contribution, parental leave, and paid annual leave																																																												
401-3	Parental leave	–	<table> <tr> <th>Country</th><th>Entitled</th><th>Took</th><th>% returned to work *</th></tr> <tr> <td>Malaysia</td><td>185</td><td>8</td><td>100%</td></tr> <tr> <td>Vietnam</td><td>441</td><td>28</td><td>57%</td></tr> <tr> <td>Myanmar</td><td>258</td><td>21</td><td>86%</td></tr> <tr> <td>Total</td><td>884</td><td>57</td><td>74%</td></tr> </table> <p>* as at end of reporting period</p>	Country	Entitled	Took	% returned to work *	Malaysia	185	8	100%	Vietnam	441	28	57%	Myanmar	258	21	86%	Total	884	57	74%																																								
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# SUSTAINABILITY REPORT

## GRI CONTENT INDEX (continued)

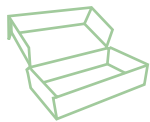
GRI Standard	Disclosure	Page	Brief Information on Disclosures
<b>GRI 403: Occupational Health and Safety 2018</b>			
3-3	Management of material topics	39	Refer to Management Approach in the Occupational Health and Safety section
403-1	Occupational health and safety management system	39	Refer to the Occupational Health and Safety section
403-2	Hazard identification, risk assessment, and incident investigation	39	Refer to the Occupational Health and Safety section
403-3	Occupational health services	–	Audiometric tests are conducted on-site annually
403-4	Worker participation, consultation, and communication on occupational health and safety	39-40	Refer to the Occupational Health and Safety section
403-5	Worker training on occupational health and safety	39-40	Refer to the Occupational Health and Safety section
403-6	Promotion of worker health	–	Access to company panel of clinics. Annual audiometric test for workers. Periodic factory noise monitoring as required by law
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	–	Supplier Code of Conduct in place and audits are carried out to ensure compliance
403-9	Work-related injuries	39	Refer to the Occupational Health and Safety section
403-10	Work-related ill health	39	Refer to the Occupational Health and Safety section
<b>GRI 404: Training and Education 2016</b>			
3-3	Management of material topics	43	Refer to Management Approach in the Employee Engagement section
404-1	Average hours of training per year per employee	44	Refer to the Employee Engagement section
404-2	Programs for upgrading employees' skills and transition assistance programs	44	Refer to the Employee Engagement section
404-3	Percentage of employees receiving regular performance and career development reviews	–	All staff undergo annual staff appraisals. Ad-hoc reviews are also carried out
<b>GRI 405: Diversity &amp; Equal Opportunity 2016</b>			
3-3	Management of material topics	41	Refer to Management Approach in the Diversity and Fair Treatment section
405-1	Diversity of governance bodies and employees	41,66	Refer to the Diversity and Fair Treatment section and Corporate Governance Overview Statement
<b>GRI 406: Non-discrimination 2016</b>			
3-3	Management of material topics	41	Refer to Management Approach in the Diversity and Fair Treatment section



# SUSTAINABILITY REPORT

## GRI CONTENT INDEX (continued)

GRI Standard	Disclosure	Page	Brief Information on Disclosures
<b>GRI 406: Non-discrimination 2016</b>			
408-1	Incidents of discrimination and corrective actions taken	–	No incidence of discrimination was received or reported
<b>GRI 408: Child Labour 2016</b>			
3-3	Management of material topics	41	Refer to Management Approach in the Diversity and Fair Treatment section
408-1	Operations and suppliers at significant risk for incidents of child labour	–	Code of Conduct for Employees and Suppliers Code of Conduct
<b>GRI 409: Forced or Compulsory Labour 2016</b>			
3-3	Management of material topics	41	Refer to Management Approach in the Diversity and Fair Treatment section
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	–	Code of Conduct for Employees and Suppliers Code of Conduct
<b>GRI 410: Security Practices 2016</b>			
3-3	Management of material topics	–	All service providers are required to sign off and comply with our Suppliers Code of Conduct. The Internal Audit dept conducts a periodic audit
410-1	Security personnel trained in human rights policies or procedures	–	Our Group head of Security will brief and train our security service provider personnel by first half of FYE 2024
<b>GRI 414: Supplier Social Assessment 2016</b>			
3-3	Management of material topics	31-32	Refer to Management Approach in the Governance and Ethics section
414-2	Negative social impacts in the supply chain and action taken	31-32	Refer to the Governance and Ethics section
<b>GRI 416: Customer Health and Safety 2016</b>			
3-3	Management of material topics	30	Refer to Management Approach in the Product Innovation section
416-1	Assessment of the health and safety impacts of products and services	30	Refer to the Product Innovation section. All plants are ISO 9001 accredited and have an In-house Quality Control laboratory at the site
416-2	Incidents of non-compliance concerning the health and safety impacts of products and service	30	Refer to the Product Innovation section. There were no incidents of non-compliance for the year
<b>GRI 418: Customer Privacy 2016</b>			
3-3	Management of material topics	31-32	Refer to Management Approach in the Governance and Ethics section
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	–	There were no substantiated complaints received in FYE 2023



# SUSTAINABILITY REPORT



## **Independent Limited Assurance Opinion to Box-Pak (Malaysia) Bhd on Scope 1 and 2 Greenhouse Gas Emissions and Waste Data for Calendar Year 2023**

**To the Management of Box-Pak (Malaysia) Bhd,**

### **Introduction**

Intertek Deutschland GmbH (hereinafter referred to as "Intertek"), represented in this project by the sustainability team, was commissioned by Box-Pak (Malaysia) Bhd (hereafter referred to as "Box-Pak") for independent third-party verification of their Scope 1 and 2 Greenhouse Gas (GHG) Emissions (the "GHG Statement"), as well as Waste Data (inclusive of scheduled waste and solid waste), for calendar year 2023 (i.e. from 1<sup>st</sup> January 2023 to 31<sup>st</sup> December 2023). The verification was performed in accordance with ISO 14064-3 '*Specification with guidance for the verification and validation of greenhouse gas statements*' and ISAE 3000 (revised) for '*Assurance Engagements other than Audits or Reviews of Historical Financial Information*'.

### **Objective**

The objective of this limited assurance review was to confirm whether any objective evidence existed to suggest that Box-Pak's GHG Statement, as well as Waste Data, for 2023 was not accurate, complete, consistent, transparent, or suggested material errors or omissions.

### **Intended Users**

The intended users of this assurance statement are Box-Pak's management and stakeholders. Intertek's responsibility in performing this task was limited to the verification of the GHG Statement and Waste Data, in accordance with the agreed scope of work. This assurance engagement was based on the assumption that the data and information provided to us is authentic and complete.

### **Responsibilities**

Box-Pak's Management was solely responsible for defining the goal and scope, the organization's GHG emissions and waste information system, data maintenance and reporting procedures in accordance with that system, including the data collection, inventory, calculation and determination of GHG emissions for the organization.

As agreed with Box-Pak's Management, Intertek's responsibility was to provide assurance and express an independent limited assurance opinion on Box-Pak's GHG Statement and Waste Data based on verification following the assurance scope and criteria stated below. Intertek does not accept or assume any responsibility for any other purpose or to any other person or organization. This document represents Intertek's independent and balanced opinion on the content and accuracy of the information and data held within.

### **Assurance Scope**

The organizational boundary followed the operational control approach. The verification covered GHG emissions activities from all locations under Box-Pak's operational control for the period of 1<sup>st</sup> January 2023 to 31<sup>st</sup> December 2023.

The verification covered 100% of total Scope 1 and 2 GHG emissions in 2023, which included the following activities:

- Scope 1: Direct GHG Emissions
- Scope 2: Purchased Electricity (including renewable energy) – Market-based

In order to verify the Waste Data in 2023, the scheduled waste and solid waste data were verified.

The GHG Statement follows the criteria of the World Resources Institute's (WRI) *Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard* (hereafter referred to as the '*GHG Protocol Standard*').



# SUSTAINABILITY REPORT

## Assurance Criteria

Intertek conducted the verification work in accordance with requirements of 'Limited Assurance' procedures as per the following standard:

- ISO 14064-3 '*Specification with guidance for the verification and validation of greenhouse gas statements*'; and
- ISAE 3000 (revised) for '*Assurance Engagements other than Audits or Reviews of Historical Financial Information*'

The criteria in which the GHG Statement was compared against was:

- WRI GHG Protocol – A Corporate Accounting and Reporting Standard

A limited assurance engagement involved performing procedures to obtain evidence about the quantification of emissions and related information in the GHG Statement. Source data verification was undertaken during the assurance process, where available.

A materiality level of 5% was applied.

## Methodology

Intertek performed verification work using risk-based approach to obtain the information, explanations and evidence that were considered necessary to provide a limited level of assurance. The verification was conducted by desktop review regarding Box-Pak's GHG Statement and Waste Data and supporting records for 2023. Data and information supporting Box-Pak's GHG Statement and Waste Data were historical in nature and proven by evidence. Our assurance task was planned and carried out from February 2024 to March 2024. The verification included the following:

- Review of processes and systems used to gather and consolidate data.
- Examined and reviewed documents, data and other information made available digitally.
- Conducted a virtual interview with data managers.
- Assessment of the appropriateness of various emission factors and conversion factors used by Box-Pak.
- Review of input data on sample basis for the duration of 1<sup>st</sup> January 2023 to 31<sup>st</sup> December 2023 through Box-Pak's GHG calculation spreadsheet and raw data files.
- Recalculation of GHG emissions based on the data provided.
- Appropriate documentary evidence was obtained to support our conclusions on the GHG Statement and Waste Data.

## Findings

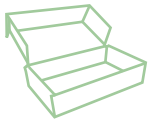
Intertek found that sufficient and appropriate evidence was provided to support material emissions and waste data. The criteria were applied appropriately for material emissions. Therefore, Intertek found that no modification was required to the GHG Statement and Waste Data.

## Conclusion and Assurance Opinion

Intertek reviewed selected GHG activities and waste data of Box-Pak (Malaysia) Bhd ("Box-Pak") for the reporting period of 1<sup>st</sup> January 2023 to 31<sup>st</sup> December 2023 (2023) to a limited level of assurance. The verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification.

Based on the data and information provided by Box-Pak, Intertek concludes with limited assurance that there is no evidence that the GHG Statement and Waste Data are not materially correct, are not a fair representation of the GHG and waste data and information, as well as are not prepared in accordance with the WRI GHG Protocol – A Corporate Accounting and Reporting Standard.

The reported GHG emissions for 2023 are equal to:



# SUSTAINABILITY REPORT

Scope	GHG Emissions (tonne CO <sub>2</sub> e)
Scope 1	8,261.5
Scope 2 (Market-based)	7,353.5
<b>Total</b>	<b>15,615.0</b>

The reported Waste Data for FY 2023 are equal to:

Waste Data	Total (metric tonnes)
Scheduled waste	1,544.9
Solid waste	34,823.8
<b>Total</b>	<b>36,368.7</b>

This opinion shall be interpreted with the GHG Statement of Box-Pak as a whole.

## Intertek's Competence and Independence

Intertek ensures the selection of appropriately qualified and impartial individuals as the verifiers. The selected verifiers have over 10 years of experience working on GHG accounting and verification projects. They were not involved in the preparation of Box-Pak's GHG Statement and Waste Data.

Intertek adheres to the requirements of ISO 14064-3 and ISAE 3000 in its verification works. The verification was internally reviewed to ensure that the approach applied was rigorous and transparent. The verification team was not involved in any other Intertek projects with Box-Pak.

No member of the verification team has a business relationship with Box-Pak, its Directors or Managers beyond that is required of this assignment. No form of bribe has been accepted before, throughout and after performing the verification. The verification team has not been intimidated to agree to do this work, change and/or alter the results of the verification. The verification team has not participated in any form of nepotism, self-dealing and/or tampering. If any concerns or conflicts were identified, appropriate mitigation measures were put in place, documented and presented with the final report. The process followed during the verification is based on the principles of impartiality, evidence, fair presentation and documentation. The documentation received and reviewed supports the conclusion reached and stated in this opinion.

## On behalf of Intertek

**Myvizhi Somasundaram**  
Technical Manager  
Intertek Assuris

28 March 2024

**Yi Hang Yu**  
Senior Manager – Climate Change & Sustainability  
Intertek Assuris