



IQ GROUP HOLDINGS BERHAD

(Company No. 636944-U)

(Incorporated in Malaysia under the Companies Act, 1965)

SUSTAINABILITY POLICY

1. Objectives

The Board recognises that the company's success is not solely dependent on its financial achievements but increasingly hinges on its broader societal impact and role.

Consequently, the Company is firmly dedicated to advancing its various sustainability initiatives and consistently embedding it within our policies, procedures and operational framework. We pledge to uphold accountability and transparency in our sustainability endeavors, guided by the ensuing principles:

- Adherence to all applicable laws, regulations, and codes of practice.
- Deliberation of sustainability concerns and their incorporation into our business determinations.
- The facilitation of awareness and commitment among all employees to implement and gauge sustainability initiatives, aligning with environmental, social, and governance facets of the Group's strategy.
- A commitment to enhancing our sustainability performance continually.

2. Environment

In IQ-group, we recognise our collective responsibility towards environmental stewardship.

In every operational choice we make, we diligently weigh safety and environmental considerations, actively seeking ways to curtail any detrimental effects stemming from manufacturing operations, waste disposal, product design and packaging.

To maintain the highest environmental standards, we continually gauge our environmental performance, employing both internal guidelines & procedures and adhering to external regulations.

3. Social

In its role as an employer, IQ-group acknowledges and embraces its obligations to furnish and sustain a workplace that is secure and healthy for all its staff, contractors and visitors.

Our Health & Safety Policy articulates our commitment as follows:

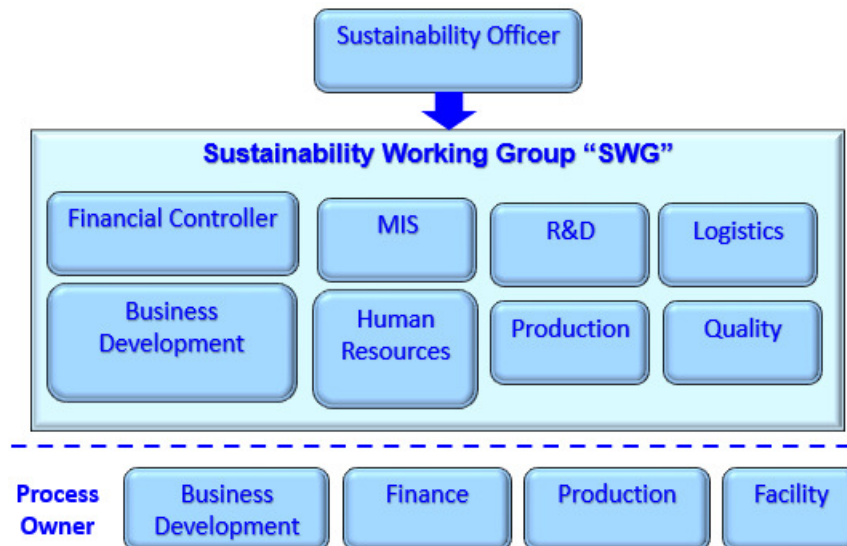
- Implementing effective controls to manage health and safety risks stemming from our work activities.
- Ensuring safe handling and usage of substances.
- Providing employees with the requisite information, guidance and supervision.
- Ensuring employee competence in their assigned tasks through adequate training.
- Mitigating risks of work-related incidents and illnesses.
- Periodically reviewing and amending the policy as needed.

Information regarding safety and health issues is disseminated via various channels, including Health & Safety Committees, Health and Safety Representatives, notice boards and regular management briefings.

4. Corporate Governance

As illustrated in the Governance Structure below, the Board of Directors holds ultimate accountability for crafting sustainability strategies. This process considers environmental, social, and governance (ESG) factors stemming from our business activities and strategic choices. The Board of Directors also assumes responsibility for reviewing and overseeing the implementation of our comprehensive strategic plan.

This is supported by the Chief Executive Officer (CEO)/Managing Director (MD), who actively oversees the execution of sustainability strategies and monitors our sustainability performance. Furthermore, the CEO/MD also serves as the crucial bridge between the Board of Directors and the Sustainability Working Group (SWG), by providing regular updates on progress and presenting sustainability-related disclosures for Board approval.



Our dedicated Sustainability Officer leads a team of SWG which comprises the department heads from various functions across IQ-group's key operating entities in Malaysia. These functions encompass Research & Development (R&D), Production, Logistics, Business Development, Quality Assurance, Human Resources, Management Information Systems (MIS), and Finance.

Collectively, they are tasked with implementing and monitoring sustainability initiatives within our day-to-day operations. Additionally, they play pivotal roles in driving our sustainability reporting process in accordance to the guidelines set forth by the local stock exchange. The identified process owners are tasked with ensuring the set strategies and plans are implemented, collecting data of respective Material Matters and following up on progress of sustainability initiatives, activities and targets.

Within IQ-group, we firmly believe that good governance goes beyond mere adherence to regulations. The following good governance practices do not only ensure compliance but also contribute to enhanced business performance and foster sustainable value for the company:

- Compliance with all legal requirements, regulations, standards, and industry best practices.
- Embracing and upholding high ethical values, which are enforced through our Ethical Policy.
- Implementation of robust policies and procedures to guarantee the sufficiency and integrity of the company's internal control and management information systems.
- Development of a resilient business continuity plan to secure seamless operations in the face of disasters.

5. Policy Governance

Our governance policy will be readily accessible on the Company's website and will undergo regular reviews by the Board.

Each business unit is expected to integrate sustainability objectives into their strategies and consistently enhance their performance in this regard.