

SUMMARY OF SUSTAINABILITY POLICY

I. OBJECTIVES

The Board recognizes that embed environment, social and corporate governance (ESG) in the Company's business decisions is essential to creating stakeholders' value. The Board believes that a company with good sustainability performance tends to improve its processes, reduce its costs, complies with regulatory requirements, and is linked to long-term returns and a lower risk profile.

Thus, the Board is committed to achieve a sustainable long-term balance between meeting the Company's vision, mission and goals and preserving the ESG, to play its role in making the world a better place to live.

II. BOARD'S ROLE TO SUSTAINABILITY

- (1) Approve the Company's sustainability strategies which are aligned to Company strategies.
- (2) Oversight and managing strategic, social, ethical and environmental risks for better decision-making.
- (3) Delegate responsibility to Board committees.
- (4) Include sustainability as part of the Board agenda with the Board making decision about the Company's sustainability position and direction.
- (5) Approve budget for sustainability initiatives and commitments.
- (6) Oversee management of material sustainability issues and seek regular updates and measures on management of material sustainability issues.
- (7) Ensure management considers stakeholder needs to balance between shareholder value and non-financial performance.

III. SUSTAINABILITY FOCUS AREAS

The Board measures the Company business impact of its operations on the environment, market place, workplace, community, corporate governance as well as stakeholders' expectation and corporate strategies.

(A) Environment

The Board recognizes that its business activities have an impact on the environment and strives to limit the impact as far as possible to minimize the impact on the ecosystems.

Areas Concern

- (1) Improve energy efficiency to reduce emission of greenhouse gases into atmosphere.
- (2) Efficiently use water, manufacture products such as papers and natural resources.
- (3) 'Kaizen', 'Qlik View' and 'Support Ticket System' are on-line places which the management and employees get/give real time information/reports or requests.
- (4) Continuously upgrades the Company's infrastructure with modern facilities to reduce emissions.
- (5) Ensure waste water treatment plant is running efficiently.

(B) Market Place

The Board promotes responsible practices to the Company's customers and showing care for them by conducting our business in the way of integrity, transparency and accountability manner.

Areas Concern

- (1) Transportation of fresh chickens and frozen products from factories to outlets by using chill trucks with standard temperature set and closely monitoring to ensure customers can consume the freshness of our products.
- (2) Ensure compliance of Quality Assurance Programme (QAP) and Hazard Analysis Critical Points (HACCP System), commit to maintain HALAL certified every year.
- (3) Providing variety of products at outlets such as fresh chickens, fishes and eggs, as well as various frozen products and other downstream products. Sell as many groceries items as possible in the outlets for the convenience of customers.
- (4) Maintaining good relationship with customers to know their needs.

- (5) The Company consistently declaring dividends over the years and does share buy-back exercise to provide shareholders with long-term return potential.
- (6) Providing information to shareholders on the Company's website www.cck.com.my, such as annual report, quarterly results and announcements. Annual General Meeting being a principal forum for dialogues with shareholders.

(C) Workplace

The Company taking care of employees' satisfaction through continuously training, competitive remuneration, safety working conditions and good welfare.

Areas Concern

(i) Staff Development

- (1) Being an equal opportunity employer. Recruiting, developing and retaining the best talents. Value its people for their contributions, skills, experience and potential regardless of gender, race, religion, nationality, backgrounds and human rights.
- (2) Providing continuously training, teambuilding events and skill-enhancing programmes to employees, to enhance their skills, capabilities and competencies and to assist them remain competitive. Staff behavioral competency is also part of human resources development.

(ii) Succession Planning

- (3) 'CMS' is a system which all policies and procedures in handling daily operations/works of every department/section are gathered, followed and reviewed constantly.
- (4) 'CAP' is a training progress tailored for outlets employees' career development.
- (5) Succession planning is in place for key positions in the Company and development is continuously given for the successors.

(iii) Health and Safety

- (6) Provide conducive and safe working environment to all employees. Assess health and safety risks arising from work activities, and report to Occupational Safety and Health Committee to eliminate/reduce the risks.
- (7) Implement and enforce non-smoking policy in the entire office buildings, factories, stores and outlets to mitigate the risk of smoking-related fire incidents.

(iv) Communications

- (8) The Company believes two-way communication channels play a vital role to improve the operation of business. Regular meetings, internal memorandum and emails keep management and employees informed on important issues.

(v) Rewards

- (9) Employees are entitled to annual salary increments and performance bonuses based on the Company's and individual performance via a proper performance review system. Good employees are promoted and rewarded accordingly.

(vi) Welfare

- (10) Encourage employees to adopt healthy lifestyle. The Recreation Club constantly organizes activities for employees.
- (11) Annual dinners and local festivities are organized for employees and their family members.

(D) Community

The Company believes each little effort contributing by the Company and each individual will make social responsibility a reality.

Areas Concern

- (1) The Company continuously contributes its products or financial aid to charitable organizations such as orphans, senior citizens, disabled, underprivileged children, less fortune and welfare homes.

- (2) Datuk Tiong Su Kouk Datin Wong Bak Hee Education Help Fund awards to children of the Company's employees who did well in public examination of primary schools, secondary schools and universities.
- (3) Continuously seeking mutually beneficial relationships with its customers, contractors, suppliers, government, capital markets, financial analysts, shareholders and community at large.

(E) Governance

The Company acknowledges the important of good corporate governance and adheres to various rules and regulations such as the Malaysian Code on Corporate Governance, Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act 1965 and Malaysian Labour Laws.

The Company embraces the philosophy of accountability and transparency disclosure.

Areas Concern

- (1) Clearly define responsibilities, policies and procedures within the Company and to ensure compliance.
- (2) Constantly monitor risks and take corrective and prevention actions. Risk management Committee and Internal Auditors play an important role to overseas the compliance in various aspects.
- (3) Ensure financial reports are in accordance with various rules and regulations.