

KEYFIELD INTERNATIONAL BERHAD

Registration No. 202001038989 (1395310-M)

(Incorporated in Malaysia)

SUSTAINABILITY FRAMEWORK AND POLICY

1. INTRODUCTION

This Sustainability Framework (the “Framework”) outlines Keyfield International Berhad’s (“Keyfield” or the “Group”) overarching commitment to integrating sustainability into every facet of our operations and business decisions. This Framework reflects our commitment to responsible environmental, social, and governance (“ESG”) practices, aligned with the United Nations Sustainable Development Goals (“UN SDGs”) and our long-term vision to create value for all stakeholders.

The Framework aims to:

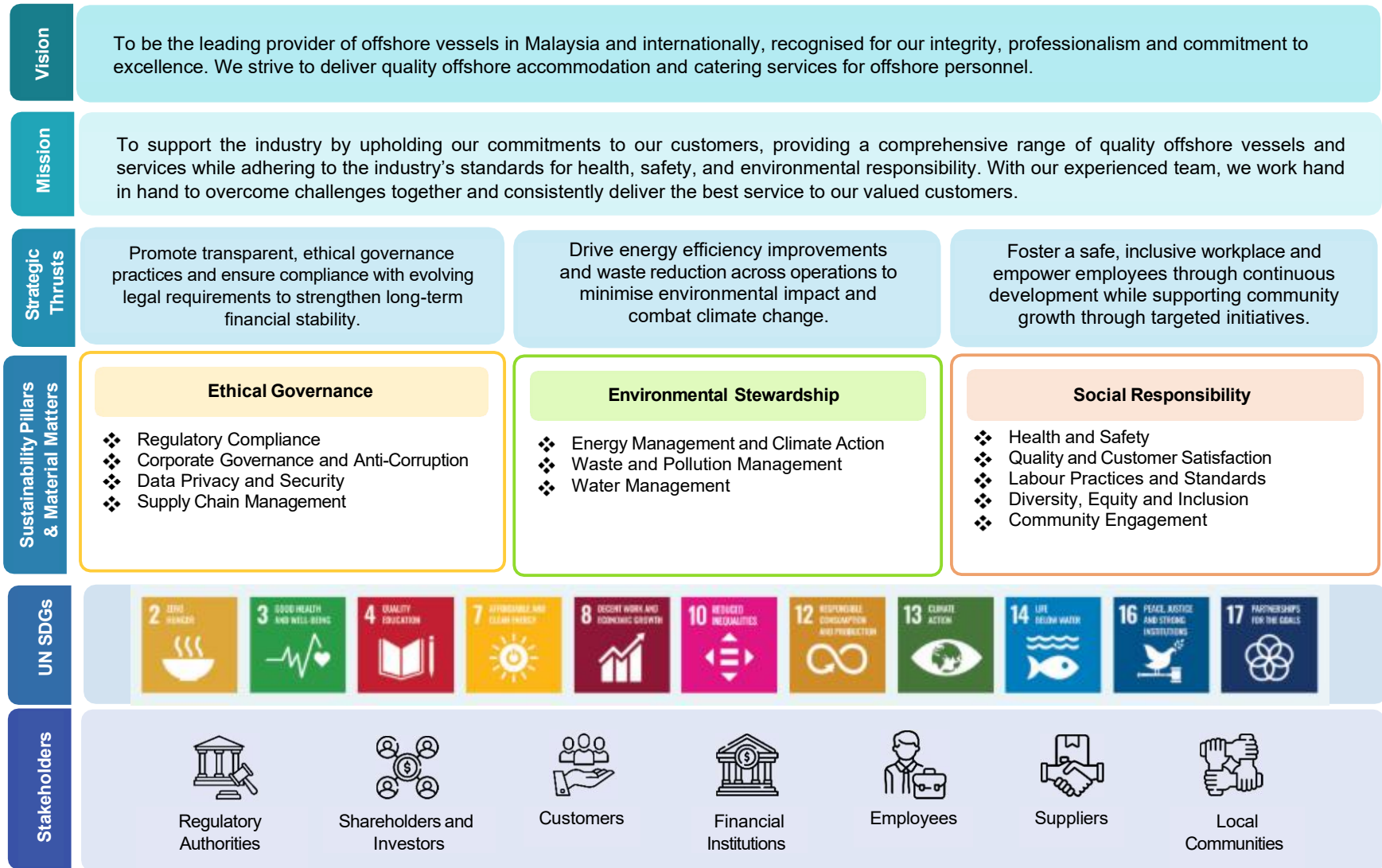
- Establish a structured approach to embedding sustainability into operational and strategic decisions;
- Drive transparency and trust through clear governance and reporting mechanisms;
- Enhance our environmental stewardship by adopting responsible resource management practices, and minimising waste and emissions; and
- Foster a strong social foundation by prioritising health, safety, diversity, and community engagement.

The Sustainability Policy (the “Policy”) enhances the Framework by providing a detailed delineation of our governance commitments, as well as environmental and social initiatives. Outlined in the terms of reference, our governance structure also ensures effective oversight and accountability in implementing these sustainability objectives.

The Sustainability Framework and Policy collectively offer a cohesive and strategic approach in achieving our ESG objectives. They ensure that our initiatives are aligned with our core values and mission, driving positive outcomes for our stakeholders and the broader community.

2. SUSTAINABILITY FRAMEWORK

Guided by our vision and mission, our Sustainability Framework is structured around three key pillars: Ethical Governance, Environmental Stewardship, and Social Responsibility. Each pillar is driven by our strategic thrusts and key material sustainability matters. Additionally, the Sustainability Framework aligns with our dedication to eleven selected UN SDGs, ensuring a cohesive approach that integrates governance practices, environmental sustainability, and community involvement into our operations.



3. SUSTAINABILITY POLICY

3.1. Overview

This Policy defines Keyfield's core sustainability principles and commitments, providing guidance for embedding sustainable practices across its operations and value chain, particularly in ESG areas, and aligning with the Group's sustainability goals.

3.2. Objective

The objectives of this Policy are to:

- Outline the key principles for managing our sustainability strategies, ensuring they meet stakeholder expectations
- Promote and cultivate integrity, transparency and credibility within our sustainability efforts to improve our business decisions and operations
- Integrate ESG considerations into our business practices to ensure long-term value creation

3.3. Our Principles

In order to strike the right balance between offering our clients high-value services, achieving the goals of our shareholders, being financially successful and acting as a responsible corporate citizen, the Group is committed to implementing sustainable practices. At Keyfield, our sustainability approach is guided by three strategic thrusts.

i. Ethical Governance

To uphold our commitment to responsible governance and attain long-term financial stability, we will:

- Promote corporate governance best practices as outlined in the latest Malaysian Code on Corporate Governance
- Adhere strictly to laws, regulations and industry standards relevant to our operations by regularly assessing our compliance mechanisms and updating policies as needed to meet evolving legal requirements
- Sustain transparent and open communication with our stakeholders to ensure the disclosure of accurate information regarding our sustainability practices, performance and goals
- Uphold the highest level of ethical business practices and operate with integrity
- Prioritise procurement from local suppliers to support regional economic growth and enhance supply chain resilience

ii. **Environmental Stewardship**

To address climate change and minimise our environmental footprint, we adhere to the following principles:

- Continuously improve energy efficiency to reduce our carbon footprint across operations and actively monitor and disclose our carbon emissions
- Monitor and control air and water pollution throughout our operations
- Enhance recycling initiatives, minimise waste, and adopt responsible disposal practices
- Promote water conservation practices throughout the Group

iii. **Social Responsibility**

To serve as a responsible employer and a good corporate citizen, we commit to the following principles:

- Prioritise the health, safety and well-being of our employees by implementing stringent safety guidelines and protocols line with occupational health and safety laws, regulations and standards
- Conduct regular health and safety training to foster a safe and healthy work environment
- Encourage employee growth and development through training programmes, career advancement opportunities and performance recognition
- Foster a culture of diversity and inclusion by implementing fair labour practices that promote equal opportunities and eliminate discrimination
- Engage in community development initiatives that are tailored to have a positive impact on the selected community

3.4. Applicability

This policy is applicable to all employees of the Group, as well as external parties including our vendors, suppliers, and contractors. We encourage all employees to adhere to the commitments set forth in this Policy.

This Policy makes reference to, and should be read together with Keyfield's other relevant codes and policies:

- Code of Conduct and Business Ethics Policy
- Anti-Bribery and Corruption Policy
- Whistleblowing Policy
- Director's Fit and Proper Policy
- Board Diversity Policy
- Quality, Health, Safety and Environmental Policy
- Board Charter Policy
- Corporate Disclosure Policy
- Anti-Money Laundering and Countering Financing of Terrorism Policy
- Personal Data Protection Act Handbook
- Remuneration Policy
- Related Party Transaction Policy

3.5. Adoption and Review

The Sustainability Steering Committee ("SSC") will evaluate and propose updates to this Policy to the Board of Directors (the "Board") for consideration and approval as needed.

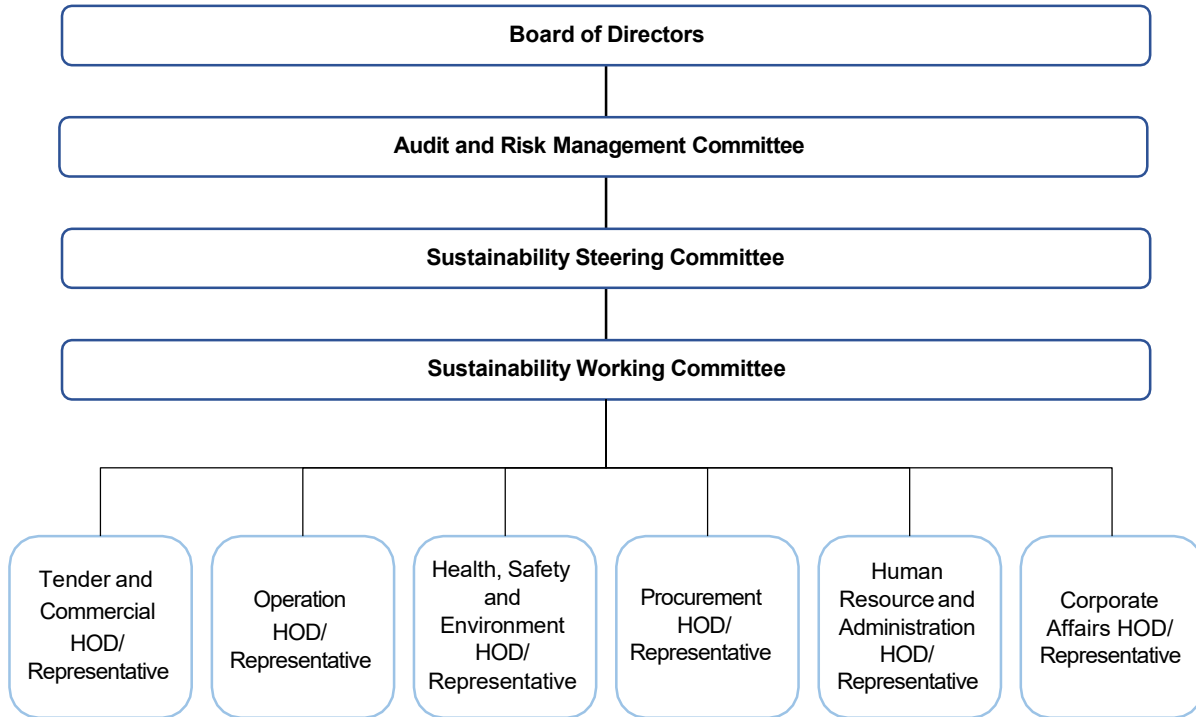
4. SUSTAINABILITY GOVERNANCE STRUCTURE TERMS OF REFERENCE

4.0 Objective

The sustainability governance structure is designed to assist the Board of Directors in fulfilling their statutory and fiduciary duties by overseeing the integration of sustainability practices across the Group's operations.

4.1 Sustainability Governance Structure

The Board provides strategic direction and oversight of sustainability efforts and is supported by the Audit and Risk Management Committee ("ARMC") and Sustainability Steering Committee ("SSC"). The ARMC ensures the maintenance of a robust risk management and sustainability framework, while the SSC provides guidance to the Sustainability Working Committee ("SWC") in implementing sustainability-related strategies. The SWC, comprising head of departments, is responsible for the daily execution, data collection, and monitoring of sustainability initiatives.



4.2 Roles and Responsibilities

4.2.1 **Key roles and responsibilities of the Board of Directors**

- i. Provide strategic oversight of the Group's sustainability governance, including climate-related strategies, policies, targets, and material sustainability matters.
- ii. Provide strategic direction on the integration of sustainability, including climate-related risks and opportunities, into the Group's business strategy and risk management process.
- iii. Approve materiality sustainability matters and the content of the sustainability statement.

4.2.2 Key roles and responsibilities of the ARMC

- i. Ensure and maintain a sound risk management and sustainability framework while monitoring the Group's overall risk profile.
- ii. Identify and evaluate new and emerging risks, including sustainability and climate-related risks, in collaboration with SSC, and assess management mitigation measures.
- iii. Review and monitor the adequacy and effectiveness of the risk management and sustainability processes, focusing on continuous improvement to ensure they remain relevant to the business, market environment, and the evolving sustainability challenges.
- iv. Perform any additional functions as determined by the Board, including roles related to the Group's sustainability governance and risk management.

4.2.3 Key roles and responsibilities of the SSC

- v. Support the ARMC to ensure strategic management of sustainability and climate-related risk and opportunities for the Group.
- vi. Identify issues that are material to the Group and recommend sustainability-related strategies and initiatives to the ARMC.
- vii. Identify and propose changes to sustainability policies, standards and procedures to the ARMC for Board reporting when required.
- viii. Update the ARMC of the progress of the Group's sustainability initiatives for Board reporting.
- ix. Track and collate sustainability performance data for monitoring and reporting purposes.

4.2.4 Key roles and responsibilities of the SWC

- x. Execute sustainability policies, strategies and initiatives approved by the SSC.
- xi. Collect and analyse sustainability data to measure progress and support informed decision-making.
- xii. Interact with various departments to align their activities with sustainability targets.
- xiii. Engage with clients, suppliers, and local communities to advance sustainability efforts.

4.3 Sustainability Committee Meetings

- i. The SSC shall meet at least quarterly and convene additional meetings as required.
- ii. The Chairman of the SSC shall be the Chief Operation Officer. In the Chairman's absence, a designated SSC member, deemed best suited to assist and resolve issues, shall act as the interim chair.
- iii. The quorum for the SSC meetings shall consist of at least three (3) SSC members, including the Chairman.
- iv. Any member of the SSC may participate in a meeting via telephone, video conferencing, or other modes of communication, and shall be considered present.
- v. All SWC members and any required attendees will receive the notice and agenda at least seven (7) days before each meeting.
- vi. The minutes of the meeting shall be confirmed by SSC Chairman before circulation to all members.

4.4 Reporting Responsibilities

- i. The SSC shall communicate its conclusions and recommendations to the Board following each meeting.
- ii. Any significant issues deemed of major importance shall be referred to the Board for review, at the discretion of the Chairman and SSC members.

4.5 Review of the Terms of Reference

The Terms of Reference for the Sustainability Governance Structure shall be reviewed annually, or as necessary. Any proposed revisions or amendments, whether suggested by the SSC or an external party, shall be submitted to the Board for approval.

This Sustainability Framework and Policy was adopted by the Board of Directors on 14 November 2024.