



HEXTAR HEALTHCARE BERHAD
199601000297 (372642-U)

SUSTAINABILITY POLICY

1.0 INTRODUCTION

- 1.1 Hextar Healthcare Berhad ("Hexcare" or "the Group") and its subsidiary companies are pleased to present its Sustainability Policy, which commits to managing its global business in a sustainable and responsible manner to achieve long-term sustainable growth.
- 1.2 Hexcare has established this Sustainability Policy ("Policy") to inform stakeholders on the Group's efforts and resources in managing its material Environmental, Social, and Governance (ESG) matters.
- 1.3 Sustainability encompasses all aspects of ethical business practices, addressing relevant ESG issues responsibly and profitably, guided by the UNGC's principles on human rights, labour, environment, and anti-corruption.
- 1.4 The sustainability approach to address and manage material ESG matters is reported in the Group's annual Sustainability Statement in accordance with Bursa Malaysia's Main Market Listing Requirements, Bursa Sustainability Reporting Guide (3rd Edition), GRI standards and the United Nations Sustainable Development Goals (SDGs).

2.0 POLICY OBJECTIVES

- 2.1 The primary objectives of this Policy are for the Group to:
 - a) To create a culture of sustainability within the Group, with an emphasis on integrating ESG considerations into decision making and the delivery of outcomes to meet the sustainability expectations and needs of our stakeholders;
 - b) To promote sustainable practices in our organization and operations towards generating sustainable long-term returns; and

- c) To monitor, prevent and mitigate any adverse environmental and social impacts arising from the Group's activities, directly or through its value chain.

3.0 POLICY SCOPE

This Policy applies to all directors and employees of Hexcare and the Group. It is also subject to the Board of Directors' approval and comes into force on the date it is approved or revised by the Board.

4.0 RESPONSIBILITY

The Board of Directors, the Senior Management, the Heads of Divisions and the employees, are responsible for acting in a manner that promotes and supports the objectives of this policy. They are expected to integrate sustainability considerations into their respective functions and decision-making processes. Where applicable, collaboration with external stakeholders is also crucial to ensure alignment with the Group's sustainability goals.

5.0 POLICY STATEMENT

Hexcare is committed to achieve sustainable growth by managing its global business in a sustainable and responsible manner. This is realised by focusing on three pillars, namely Economic, Environmental and Social. In response to growing worldwide interests on ESG issues impacting the ways businesses are run, we have incorporated the "Governance" aspect into our Economic pillar. These important aspects are incorporated not only in its daily operations but also in its decision making processes, reflecting a commitment to transparency, accountability, and ethical conduct.

Sustainability Framework

Economic	Environmental	Social
EC1 Strong Shareholder Support	EN1 Accreditation and Compliance	SC1 Remuneration and Rewards
EC2 Solid Balance Sheet	EN2 Efficient Use of Resources	SC2 Health, Safety and Wellbeing
EC3 Product Quality	EN3 Pollution and Emission Control	SC3 Workplace Diversity and Equal Opportunities
EC4 Customers' Satisfaction	EN4 Commitment to the Future	SC4 Training and Development
EC5 Compliance to Business Social Compliance Initiatives (BSCI) Guidelines	EN5 Scheduled Waste Management	SC5 Giving Back to Society
EC6 Corporate Governance and Risk Management	EN6 Emissions Management	SC6 Human Rights

5.1 Economic/Governance Sustainability

Governance represents a fundamental facet of Hexcare's sustainability that is integrated across every aspect of the Group's functions and processes. It is a driver of transparency and accountability to manage risks, ensure operational and business sustainability, and retain the confidence of Hexcare's stakeholders.

The approach:

- a) Establish and maintain the sustainability policy, framework, and governance structure that are robust and aligned with Hexcare's business and operational agenda to guide the management of its ESG material matters;
- b) Ensure the material ESG matters of Hexcare are up-to-date through annual materiality assessments to identify and prioritise issues that are most important to the Group and its stakeholders;
- c) Formulate appropriate sustainability strategies, initiatives, targets and provide relevant training to address any identified ESG gaps;
- d) Perform our duties in accordance with applicable Malaysian laws (e.g., Companies Act 2016, MACC Act 2009, Whistleblower Protection Act 2010), and global ESG standards to minimise the consequences of potential disruptions through good business continuity planning; and

- e) Conduct business in accordance with high ethical standards, incorporating integrity and transparency in all business dealings and relationships, whether locally or overseas, as there is zero tolerance for any form of corruption or bribery, in line with Section 17A of the MACC Act 2009 and the UNGC's anti-corruption principle.

5.2 Environmental Sustainability

Hexcare's environmental management strategy is centred on reducing the resources utilised and carbon footprint of the Group's directly managed operations while supporting the environmental conservation and impact reduction efforts of its companies.

The approach:

- a) Being committed to environmental protection and stewardship by minimising risks and impacts to the environment in our operations, in accordance with the Environmental Quality Act 1974 and relevant Department of Environment (DOE) guidelines;
- b) Promote environmental awareness within the Group and among its employees and stakeholders through this Policy and other initiatives;
- c) Reduce the consumption of non-renewable energy and non-recycled materials within the operations and gradually promote the switch to renewable energy and recyclable materials in order to reduce our carbon footprint, in alignment with Malaysia's 2050 net-zero carbon target;
- d) Encourage the practice of reduce, reuse, and recycle (3Rs) to reduce the burden on our environment and save our precious planet; and
- e) Strive to achieve carbon neutrality and net zero carbon by addressing and mitigating the Group's direct and indirect climate change impacts, supporting SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action).

5.3 Social Sustainability

Hexcare's social management strategy is about identifying and managing business impacts, both positive and negative, on people at our Group of Companies, in the supply chain, and in the community where the Group does business.

The approach:

- a) Enable employees freedom of association and participation in the formation, membership, and lawful activities of a trade union, workers' association, or workers' council, and the rights to bargain collectively in accordance with and within the Trade Union Act 1959, the Industrial Relations Act 1967, and the Immigration Act 1956/63 of Malaysia are respectable rights of any employee, as outlined under the UNGC Principles on Labour and ILO Conventions;
- b) Create a harmonious workplace by prohibiting prejudice or discriminatory behaviour among all employees, regardless of nationality, gender, race, religion, age, sexual orientation, or disability, as protected under the Employment (Amendment) Act 2022;
- c) Ensure employees are in a safe environment and protected from the hazards of the job by providing personal protective equipment (PPE) as appropriate to the work, in accordance with the Occupational Safety and Health (Amendment) Act 2022 and ISO 45001 standards;
- d) Comply with Minimum Wages Order 2024 that are set by our government and ensure the ratio of basic salary and for women to men is 1:1,
- e) Plan and organise training programmes and relevant job skills training to address workforce competency gaps and further enhance professional and personal skills;
- f) Foster equal opportunity, diversity, and inclusivity within the Group, in support of SDG 5 (Gender Equality) and SDG 10 (Reduced Inequalities); and
- g) Identify relevant Corporate Social Responsibilities (CSR) initiatives and encourage employees to volunteer as well as participate in them to be engaged with in order to cultivate stronger community relationships and enhance organisational reputations and contribute to SDG 3 (Good Health and Well-being).

6.0 DISCLOSURE CHANNEL

This Policy is available on Hexcare's corporate website at www.hextarhealthcare.com .

7.0 FEEDBACK AND ENQUIRY

For any policy feedback and enquiries, please email or contact:

Hextar Healthcare Berhad

T e l : +605 5482723

Email: info_hexcare@hextar.com

July 2025 (Revision 1)