



TALAM TRANSFORM BERHAD (192001000012)(1120-H)

SUSTAINABILITY POLICY

We, the Directors of Talam Transform Berhad (“TTB” or “the Company”) are fully committed in operating a sustainable business.

At TTB, we recognise the impact of our operations and activities on the environment and the need to focus on sustainability and related issues. We also recognise the business case for sustainable property development, construction and agriculture based on:-

- Increasing profitability by using resources more efficiently and effectively;
- Securing opportunities through sustainable products and working culture; and
- Enhancing the Company’s image and profile in the market place by embracing corporate and social responsibility.

We support the view that sustainable development should meet the present needs without compromising the ability of future generations to meet their own needs. We are therefore committed to continuously improve the integration of sustainability into our working environment and business processes by contributing in areas where we have influence. We are committed to accountability and transparency in our sustainability performance. This is achieved through a process of continuous improvement in accordance with established best practices.

We have established integrated environmental processes across all spectrum of work streams and continue to work on implementing these across the business and supply chain. We recognise the importance of working together with our clients and suppliers on sustainability issues.

TTB is committed to make significant, long term contributions to the economic, environmental, social and governance fabric of the communities in which the Company and its subsidiary companies (“TTB Group” or “the Group”) operates. For TTB, the term ‘Sustainability’ describes how we manage our economic, environmental, social and governance (“EESG”) responsibilities in relation to the everyday management of our business, the quality developments we build and agriculture crops we produce.

We believe that integrating sustainable development principles into our core business strategy will help us to create and add value to our business by enabling us to operate efficiently.

This Sustainability Policy (“Policy”) sets out the key principles that are the driving force behind TTB’s sustainability strategy which is at the heart of our activities. The Company seeks to contribute to the economic development, social well-being and environmental protection of our country by conducting its business according to high standard of corporate governance practices in line with the following principles:-

The specific targets and objectives of this Policy are as follow:-

1. Ethics and Responsibility

We are committed to operate with integrity and in compliance with high ethical, professional and legal standards, making economic, environmental, social and governance considerations as an integral part of our decision-making and control processes.

2. Sustainable Development

We are committed to develop our property development business by offering our customers value-added products and services that help to improve the living standards of the communities in areas where the Company operates.

On our agriculture business, we endeavor to adopt good agricultural and processing practices, and pursue continuous improvements in producing quality agriculture crops for our customers by adopting the Malaysian Good Agriculture Practices ("MyGAP").

3. Business Growth

We propel growth by adopting a robust business model that creates value for our shareholders through the pursuit of financial strength, profitability and long-term sustainability.

4. Excellence and Innovation

We work actively with our partners to ensure that we make the best planning decisions, adopt the best practices and use available technological solutions, thus enabling us to meet clients' expectations. We also seek to innovate and increase the sustainability of both the construction process, business process and agriculture process through the creation of specific and measurable innovations.

5. Employee Protection and Development

We are committed to create and stimulate dynamic conducive working environments, where priority is given to health, safety, diversity, human and professional development, thus enabling the Company to attract and retain talented resources, to ensure the achievement of its present and future objectives. By investing in the recruitment, training, retention and development of our staff, we ensure that we are able to meet our succession planning objectives for a sustainable business.

6. Supply Chain Engagement

TTB Group intends to promote the adoption of sustainability practices among its suppliers and sub-contractors, in order to drive continuous improvement in the overall performance of its work and help spread the principles of sustainable development within the property development, construction and agriculture industry.

7. Design

We strive for innovative designs, to ensure that buildings, infrastructure, public spaces and facilities are resource efficient, sustainable resilient and adaptable.

For our agriculture business, we have adopted amongst others, the greenhouse and hydroponic systems to provide an optimum growth condition for our agriculture crops to increase production cycle and hence, produce fresh, quality and higher yield crops.

8. Climate Change Mitigation

We adopt GHG Emissions Policy to meet industry targets. This includes reducing CO2 emissions from construction activities and complex management activities in line with best practices and in accordance with the industry standards.

The hydroponic system we are using adopts gravity flow technology instead of pumping system for watering our agriculture crops and hence, reduce the emission of CO2.

9. Resources

To achieve efficient use of energy, electricity, gas, water for our construction, agriculture and office based activities.

We endeavour to harvest water from the rain and pond for our agriculture activities to minimise the usage of treated water.

10. Environmental protection

TTB Group adopts proper technical and organisational measures to mitigate any potential harm to the environment through its operations. We endeavour to enhance the environment within and around its construction and agricultural sites through the design, planning and management of projects.

11. Waste

To constantly achieve minimum construction waste and non-hazardous construction waste and dispose them in an appropriate manner by adopting system formwork and Industrial Building System ("IBS").

On our agriculture business, we strive to improve waste management by recycling agricultural waste through composting which is good for the environment as it reduces the need for chemical fertilisers and promote higher yields.

12. Materials

To use cost effective materials in construction that has the least adverse environmental and social impact.

On our agriculture business, we endeavor to adopt sustainable farming by using quality seeds such as F1 hybrid seed to maximise economic value while improving social and environmental conditions. This type of seed will consistently produce the same quality agriculture crops.

13. Local Socio-Economic Development

TTB Group adopts a business model that is designed to contribute to growth in areas where it operates, by creating jobs, offering professional training, maximising the use of local materials, pursuing capacity building and community support initiatives.

On our agriculture business, we strive to ensure reasonable pricing by selling the agriculture crops we produce to our local market to support the local economy.

14. Dialogue and Transparency

TTB Group is committed to develop and maintain stable relationships with its stakeholders, by addressing their legitimate expectations and adopting appropriate forms of engagement.

15. Accountability

TTB Group is committed to prepare and implement the sustainability policy and provide stakeholders with accurate information of its main economic, environmental, social and governance impact.

This Sustainability Policy together with the Company's Code of Ethics and Conduct is a point of reference for employees of TTB Group. The Company aims to ensure proper implementation of this Policy by identifying specific, measurable and realistic objectives and periodically monitor their progress.

Our Company and the Group are constantly striving to improve the sustainability of its operations and products. We recognise that the success of this Policy depends on the combined efforts of all stakeholders and to this end, will fully support any initiative towards implementing the Policy.

The Sustainability Committee will review the Policy annually and discuss any changes that may be required and then recommend any such changes to the Executive Committee and Board of Directors for approval. This Policy will be communicated to all staff via the intranet and will be made available to members of the public via the Talam Transform Berhad's website.