1. INTRODUCTION

As the modern resource company, CENVIRO, through its subsidiary Kualiti Alam Sdn. Bhd. has been at the forefront of Malaysia's waste resource management industry for over two decades. At CENVIRO, we hold true to a set of core values embodied in the acronym SHIELD: Safety, Holistic, Integrity, Environment, Lean, Diversity and Inclusiveness. These values are not just words on paper; they are the guiding principles that underpin every facet of our operations, reflecting our unwavering dedication to sustainability.

With each action we take, we remain acutely aware of our responsibility to protect the environment, enhance the well-being of communities, and foster economic growth, reflecting our commitment to the United Nations Sustainable Development Goals (UNSDGs). The purpose of this Sustainability Policy document is to formalize and communicate the organization's commitment to sustainable practices, outlining its values, goals, and strategies to minimize negative impacts on the environment, society, and the economy while maximizing positive contributions. Our sustainability policy serves as both our roadmap and our promise to uphold these values and principles, ensuring that every decision and action we undertake aligns with our vision for a sustainable and resilient future.

2. OBJECTIVE

The objective of our sustainability policy at Cenviro, a dedicated integrated waste resource management company, is to serve as a foundational commitment to responsible and sustainable practices. Our foremost aim is to minimize the environmental impact of waste management operations, preserve and replenish resources, turn the discarded into a resource for others by promoting recycling and resource recovery, and implement environmentally sound disposal methods. We also prioritize the safety and well-being of our workforce and the communities where we operate, upholding fair labor practices and fostering diversity and inclusiveness. We seek to maintain financial viability, support local economies, and invest in innovations that enhance the efficiency and sustainability of our processes.

Through compliance, accountability, stakeholder engagement, and transparent communication, we are dedicated to achieving these objectives, continually improving our sustainability performance, and contributing positively to the environment, society, and the economy.

3. SCOPE

This policy delineates Cenviro's commitment to sustainability, covering Cenviro Sdn Bhd, its subsidiaries, and joint ventures. All business associates, such as agents, contractors, suppliers, and vendors, are required to comply with this policy. Serving as a framework for ethical and responsible sourcing and procurement practices, this policy articulates the expected conduct from Cenviro, its suppliers, and business associate in making ethical decisions during sourcing and procurement activities.

This Policy makes reference to, and shall be read together with, Cenviro Human Rights Policy, Quality, Health, Safety, Security and Environmental Policy and Cenviro Anti-Bribery & Corruption Policy

4. DEFINITION

VOCABULARY	DEFINITION
Biodiversity	The diversity of living organisms on Earth, including plants, animals, microbes, and fungi, is referred to as biodiversity.
Business Associate	An external party with whom Cenviro has, or plans to establish, some form of business relationship. This includes but not limited to customers, joint ventures (JV), JV partners, consortium partners, outsourcing providers, contractors, consultants, sub-contractors, suppliers, vendors, advisors, waste generators, agents, partners, bankers, insurance brokers, auditors, legal consultant/ solicitors, public and private officials or their representatives, distributors, intermediaries and investors.
Chemicals	A substance produced by or used in a chemical process.
Child Labour	Is defined by Malaysian law as employment of a person below the age of 16, which could be harmful to their physical or mental development or that interferes with their schooling. Cenviro commits to not employ anyone below the age of 18.
Collective Bargaining	The process involves official meetings between the employer and a legally recognized labor union to discuss various aspects of employees' employment, such as wages, working hours, and working conditions. Typically, any agreements reached during these negotiations are documented in a contract known as a 'collective bargaining agreement.' In cases where employees are represented by a union, they may invite union representatives to participate in these negotiations. The relevant laws typically outline the procedures that both parties must adhere to during the bargaining process and often mandate that the parties negotiate in a manner that reflects 'good faith'.
Cybersecurity	Cybersecurity encompasses the technology, methods, and measures employed to prevent cyberattacks or reduce their consequences. Its primary objective is safeguarding the systems, applications, computing devices, sensitive information, and financial resources of individuals and organizations from various digital threats, ranging from computer viruses to advanced and expensive ransomware attacks.
Deforestation	Deforestation is the intentional clearing of forested land.
Ecosystem	An ecosystem is a region where different species of plants, animals, and other organisms coexist in harmony with the environment, including the climate and geography.
Employee	An employee is a person who is employed by another person or business to perform a task.
Environment	Environment refers to the natural world, which includes the air, water, land, plants, animals, and all the elements that make up our surroundings.
Flora & Fauna	Flora refers to the plant life in an area, while fauna refers to the animal life.
Forced Labor	Occurs when a person is forced to perform work against his or her free will, typically under threat of physical violence, injury, or other forms of punishment. Types of forced labour include bonded or indentured labour, prison labour, military labour and slave labour. Forced labour can also

VOCABULARY	DEFINITION
	include requiring employees to abide by certain conditions of employment that are against their will.
Harassment	Is defined as any single incident or pattern of behaviour where the effect, intentional or unintentional, creates a hostile, offensive, or intimidating work environment. Harassment is unacceptable in the workplace and in any work-related circumstances outside the workplace.
Hazardous waste materials	Hazardous waste refers to waste materials possessing characteristics that render them potentially harmful to human health or the environment. It can originate from various sources, spanning from industrial manufacturing byproducts to batteries, and can manifest in various physical states, including solids, liquids, gases, and sludges.
High Carbon Stock (HCS)	High Carbon Stock (HCS) denotes land areas identified through the utilization of the High Carbon Stock Approach (HCSA) Toolkit.
High Conservation Value (HCV)	These are the regions crucial for preserving or improving one or more High Conservation Values (HCVs) as acknowledged by the High Conservation Value Resource Network's Common Guidance for HCV Identification. These values are determined based on their significant importance in terms of biological, ecological, social, or cultural aspects, whether on a national, regional, or global scale.
Human Trafficking	Involves the recruitment and/or movement of people across borders and between regions of countries through recruitment fees that create a bonded labour situation, the threat or use of force or other forms of coercion or giving or receiving of payments or benefits to achieve the consent of a person for the purpose of exploitation. Exploitation can include forced labour, slavery, prostitution, or other forms of sexual exploitation. Individuals may be victims of human trafficking regardless of whether they consented to trafficking.
Labour Union and Legally Recognized Union	Is an organization or group of individuals that collectively represents employees in dealing with management on matters of interest to the employees, most often wages, hours and working conditions. A "legally recognized union" is an organization or group of individuals that has been recognized by applicable law to act as the workplace representative for the employees at a company or companies. Legally recognized unions are often referred to simply as "labour unions."
Stakeholders	A stakeholder is an entity with a vested interest in a company, and they can exert an influence on the business or be impacted by its operations. Common primary stakeholders in a standard corporation include its investors, employees, customers, and suppliers.
Supplier	Suppliers shall include but are not limited to brokers, consultants, contractors, independent contractors, manufacturers, and subcontractors.
Wages or Pay	Is money paid to employees for hours worked. Employees must be paid, at the very least, the minimum wage under applicable law.
Work Hours	Are the hours during which an employee is available to his or her manager or supervisor to provide a service for the Company. This does not include meal breaks or rest days/breaks provided by applicable law.

5. POLICY REQUIREMENT

The Policy Requirement section of our Sustainability Policy serves as the cornerstone of our commitment to responsible and ethical practices. In this section, we outline the fundamental policies, standards, and guidelines that govern our approach to sustainability. These requirements not only reflect our dedication to sustainable operations but also provide a framework for ensuring our actions align with the highest ethical and environmental standards.

5.1. ENVIRONMENTAL

Sustainability is integral to Cenviro's operations. Our commitment to environmental preservation is central to this focus. In this section of sustainability policy, we outline our comprehensive approach to environmental responsibility, considering various important aspects. Cenviro's continuous dedication to reducing environmental impact reflects our commitment to building a sustainable future for generations to come. Cenviro's approach through the Value Stream Mapping (VSM) can help us improve our environmental sustainability by revealing the environmental impacts of our operational processes, such as the use of materials, energy, water, and chemicals, and the generation of waste, emissions, and effluents.

5.1.1. Waste Management

    5.1.1.1. Applying proper waste management solutions to reduce waste and improve resource efficiency during the operations.

    5.1.1.2. In handling hazardous waste materials, maintaining the highest standards of safety and environmental protection.

    5.1.1.3. Implementing efficient and environmentally responsible waste collection and transportation methods, prioritizing the reduction of greenhouse gas emissions, energy consumption, and pollution.

5.1.2. Water Management

    5.1.2.1. Implementing measures to reduce water consumption across all our operations, with a focus on optimizing processes and reducing water.

    5.1.2.2. Responsibly source water for operations, ensuring that it is obtained in accordance with local laws and regulations, while respecting the needs of local communities and ecosystems.

5.1.3. Reducing Energy Usage

    5.1.3.1. Reducing energy consumption across all aspects of operations by continuously seeking innovative solutions to improve energy efficiency and optimize energy use.

5.1.3.2. Developing an evolving strategy to reduce energy use, look into eco-friendly technology, and put it into practice, or adhere to global energy usage regulations.

5.1.4. Greenhouse Gas (GHG) Emissions

5.1.4.1. Actively seeking opportunities to reduce the emissions of greenhouse gases by implementing sustainable practices in operations, which includes managing and reporting the carbon footprint using appropriate reporting framework.

5.1.5. No Deforestation

5.1.5.1. Cenviro will refrain from undertaking any development activities within primary forest areas, High Carbon Stock (HCS) zones, or High Conservation Value (HCV) areas.

5.1.6. Chemical Management

5.1.6.1. Using non-hazardous and ecologically friendly chemicals whenever possible to responsibly manage the chemicals used in operations.

5.1.6.2. Conducting extensive risk analyses on each chemical utilized in the operations to find any potential risks to human health and the environment.

5.1.6.3. Following strict guidelines for the safe handling and storage of chemicals to avoid spills, leaks, and contamination. Robust labeling and containment protocols will be implemented.

5.1.6.4. Establishing comprehensive emergency response strategies to handle chemical-related events quickly and successfully, limiting environmental damage and people danger.

5.1.7. No Open Burning

5.1.7.1. Open burning is strictly forbidden as part of the waste resource management processes. Cenviro invests in cutting-edge waste resource management methods to enable safe and ethical waste handling without resorting to open burning.

5.1.8. Protection of Biodiversity

5.1.8.1. Establishing a comprehensive monitoring program for biodiversity, including routine evaluations of flora, fauna, and ecosystem functioning, to evaluate and track the diversity and health of nearby ecosystems. This program also involves conducting an exhaustive Environmental Monitoring

Programme (EMP) to identify potential threats to biodiversity and guide conservation efforts.

5.2. SOCIAL

5.2.1. Occupational Health & Safety

5.2.1.1. As outlined in the Quality, Health, Safety, Security and Environmental Policy, Cenviro is committed to integrate quality, health, safety, security and environment consideration into corporate strategy.

5.2.1.2. Cenviro will ensure a workplace that is both safe and conducive to well-being, while adhering to relevant health and safety regulations and internal standards. Additionally, Cenviro establishes and sustains a secure, healthy, and productive work environment through collaboration with employees. This involves identifying and rectifying potential risks related to accidents, injuries, and health effects.

5.2.2. Harassment Free Workplace

5.2.2.1. Maintaining a workplace that is free from discrimination or harassment whether physical, verbal, or psychological based on race, sex, color, national or social origin, religion, age, disability, sexual orientation, marital status, gender identification or expression, political opinion or any other protected by applicable law.

5.2.2.2. Every instance of harassment reported will be thoroughly and fairly investigated. Those found guilty of participating in harassment will face disciplinary measures, including termination.

5.2.3. Diversity and Equal Opportunity

5.2.3.1. Promoting diversity, equal opportunity, and the necessity to consider the rights of women and minorities, as well as the special care aid and assistance to people with disabilities that go along with it.

5.2.3.2. We seek to establish the ideal workplace where individuals of all ages and genders, from all races, cultures, religions, and socioeconomic backgrounds may join to successfully work as a team.

5.2.4. No Child Labor

5.2.4.1. Respect for children's rights and prohibition on child labor. We prohibit hiring individuals under the age of 18.

5.2.5. No Forced Labor

5.2.5.1. As outlined in Cenviro's Human Rights policy, we strictly prohibit all forms of forced labor, including modern-day slavery, indentured labor, bonded labor, military labor, and any type of human trafficking. Employers are prohibited from withholding any property, identity documents, or travel papers, unless allowed by law, and cannot deduct any amount from an employee's pay.

5.2.6. Freedom of Association

5.2.6.1. Respecting and recognizing employees' right to freedom of association and collective bargaining. We uphold the employees' freedom to join, form, or not join a labor union without interference, fear of retaliation, intimidation, or harassment.

5.2.7. Respecting Rights for Indigenous People and Local Communities

5.2.7.1. Ensuring continual respect for the rights of indigenous peoples and local communities throughout our business operations.

5.2.7.2. Prior to engaging in any activities that could impact the rights of indigenous peoples and local communities, we conduct careful observation and strictly adhere to the outcomes.

5.3. GOVERNANCE

5.3.1. Business Integrity

5.3.1.1. Upholding the highest possible standards of morality and ethics in all our operations, communications, and transactions. In every interaction and decision-making procedure, we anticipate the utmost honesty, transparency, and fairness from all employees, contractors, and stakeholders.

5.3.2. Anti Bribery & Corruption

5.3.2.1. All anti-bribery and anti-corruption laws and rules in Malaysia, such as the Malaysian Anti-Corruption Commission Act 2009 are fully followed by us. We abide by Cenviro's Anti-Bribery & Corruption Policy in keeping with our dedication to sustainability.

5.3.2.2. Regarding appropriate behavior and the identification of potential bribery and corruption concerns particular to the Malaysian context, we clearly define our expectations and rules for all workers and stakeholders.

5.3.2.3. In complete accordance with Malaysian law protections, we provide systems for reporting suspected cases of bribery or corruption, including anonymous reporting channels to protect whistleblowers.

5.3.3. Cybersecurity & Data Privacy

5.3.3.1. Protecting the privacy and confidentiality of the data we receive from our clients, vendors, business partners, and staff. To manage data in compliance with high standards of data privacy, Cenviro's Personal Data Protection Policy lays out guiding principles. Threat detection solutions are constantly updated and upgraded to combat any form of intrusion or cybersecurity incident in the near future.

5.3.4. Code of Conduct

5.3.4.1. Providing all employees with guidance and insight into the highest principles of professionalism and ethics in business activity. The Code of Conduct for Cenviro is followed by all workers. Our dedication to upholding a Code of Conduct is a continual effort, and we routinely examine and improve our policies and processes to stay abreast of changing moral and legal requirements.

5.3.5. Stakeholder Engagement

5.3.5.1. Focusing on gaining the trust of stakeholders and understanding their demands to make sure that our business operations align with their expectations and interests.

5.3.5.2. Actively promote an environment of open and honest communication with all parties involved, giving them a platform to voice their opinions, pose queries, and offer feedback on our operations. Our accountability for resolving stakeholder complaints is upheld by maintaining transparency in reporting on stakeholder engagement activities and results.

6. IMPLEMENTATION AND COMPLIANCE

6.1. The Board of Directors (Board), ultimate governing body of the Company, supported by the Senior Management Team (SMT) reviews the implementation and effectiveness of the Policy. The chairman of the Sustainability Working Committee is responsible for overseeing the adoption, compliance and monitoring of the Policy.

6.2. Our commitment to sustainability goes beyond words; it's deeply ingrained in our operations. We assign clear responsibilities, provide guidelines, and enforce compliance measures to ensure that our sustainability objectives are not only met but exceeded. Regular monitoring, training, and accountability mechanisms are in place to guarantee that every aspect of our sustainability policy is effectively implemented throughout the organization.

6.3. We will revise the Policy to encompass any new developments that reinforce our commitment to upholding best practices in the areas of ESG.

6.4. Employees and business associates are required to adhere to this policy and all relevant Cenviro policies. Failure to comply and observe this Policy may result in disciplinary action in accordance with Vendor Code of Conduct and Code of Conduct for Employee.

7. REPORTING CHANNELS

7.1. At Cenviro, we are committed to promoting transparency and accountability in our sustainability efforts. We encourage all employees, stakeholders, and community members to actively participate in upholding and improving our sustainability practices.

7.2. If you encounter any issues, have concerns, or wish to report any activity that may contradict our sustainability policies, we provide a dedicated reporting channel to ensure your voice is heard. Our reporting channels have been created with the utmost care to safeguard whistleblowers and maintain the confidentiality of sensitive information. You may utilize Cenviro Group's secured reporting channels listed below to submit your report:

7.2.1. Online: https://cenvirowhistleblowing.com

7.2.2. Whistle-Blower Hotline: 1800-817-365 (this hotline is open 8:30 am to 5:30 pm for Bahasa Malaysia and Mandarin language and 24 hours and 7 days a week for English language only)

7.2.3. Email: report@cenvirowhistleblowing.com

7.3. Reports submitted in a sincere manner, whether anonymously or otherwise, will be promptly attended to, and individuals making such reports should not fear any retaliation, regardless of the investigation's outcome.