

**TANCO HOLDINGS BERHAD**  
**SUSTAINABILITY POLICY**

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**SUSTAINABILITY POLICY 2021**

**Glossary**

<b>Term</b>	<b>Description</b>
“ARMC”	Audit & Risk Management Committee
“Board”	Board of Directors of Tanco Holdings Berhad
“CSO”	Chief Sustainability Officer
“Group” or “Tanco”	Tanco Holdings Berhad and its subsidiaries
“Policy”	Sustainability Policy

**A. THE POLICY**

**1. Introduction**

- The Group’s primary business activity is in resort developments outside city/ urban centers with its principal development lands sited in Dickson Bay in Port Dickson, Negeri Sembilan and other development parcels in Kuantan, Pahang.
- The Group appreciates that as a conscientious and responsible corporate citizen, sustainability practices [encompassing Environmental, Economic and Social (EES) aspects] will not only enhance business opportunities and deliver success for our stakeholders which including, among others, our investors, customers, employees, advisors, financiers and other business partners, but will also contribute to broader-based future benefits in a sustainable manner for our community, especially on EES related issues.
- Sustainability is also becoming a strong focal point by the regulators for PLCs as seen from the requirements to include Sustainability Statements and Reports in the Annual Reports of PLCs.
- The purpose of this Sustainability Policy (“Policy”) is to establish the objectives and strategies for Tanco and its subsidiaries (“Group”) with regards to sustainability matters.

**2. Objectives**

- The objectives of this Policy are as follows:-
  - To express Tanco’s principles with regards to sustainability matters that must be adhered to by all Directors and employees of the Group.
  - To ensure compliance and adherence to related internal policies/guidelines, external authorities and regulators when dealing with sustainability matters.

### **3. Intended Audience**

- This Policy should be read and adhered by the following:
  - All Directors and employees of the Group
- This Policy is made accessible to all stakeholders through the appropriate channels.

### **4. Governance**

- The Board of Directors (“Board”) is the ultimate governing body of Tanco. Tanco’s sustainability strategy and policy is driven by the Board with delegation of responsibility to the Audit & Risk Management Committee (“ARMC”) and a Chief Sustainability Officer (“CSO”) who is to be appointed by the ARMC from within the senior management officers of the Group to help formulate, improve, update, implement and oversee the sustainability Policy of the Group per its operations.
- The CSO is also to be supported by a Sustainability Working Group which will drive, track and monitor the progress and improvements of the Group’s key sustainability matters re the Policy.
- Each Department Head of the Group are also responsible for the planning and implementation by ensuring each Department’s operational activities and business decisions made are aligned to this Policy.

### **5. Our Vision**

- Our sustainability mission and vision as a responsible corporate citizen is to ensure a due and proper standard of governance to promote responsible business practices, to manage environmental impacts, and to support the social needs of the communities in which we operate along the EES framework.

### **6. Our Commitment**

- Our approach to the way we do business is guided by our commitment to the Group’s shared core values of:
  - Excellence
  - Integrity
  - Forward Thinking
  - Humility & Mutual Respect
  - People-Driven

- The Policy is based upon the following key factors:
  - To comply with all applicable legislation, regulations and codes of practice;
  - To integrate sustainability considerations into our business and operational practices;
  - To ensure that all Directors and employees are fully aware of the Policy and are committed to its implementation and improvement;
  - To ensure that external parties involved in any business dealings with the Group are aware of this Policy and to seek the external party's understanding and adherence to this Policy, where practicable;
  - To engage with relevant stakeholder groups i.e. shareholders, Directors, employees, customers, suppliers, media and the local communities to identify and align their concerns with the Group's sustainability strategies, where applicable;
  - To review and report the key sustainability matters annually and continually strive to improve our sustainability performance.

## 7. Our Focus

- As a group with diversified business interests in Property Development & Investment, Financial Services, Construction, Industries & Hospitality, Tanco is committed to addressing the key sustainability matters identified in the areas listed below:-
  - **Economic**
    - With operations being wholly in Malaysia, to support the economic development of local industries and communities through product sourcing, professional and skilled appointments, employment where possible, and also supporting the livelihood and sustainability of the local communities.
    - To conduct our business in a responsible manner by embracing professional business ethics which include responsible material sourcing and procurement from local sources in our quest to provide our customers with sustainable and quality products.
  - **Environment**
    - To undertake effective environmental protection as a fundamental aspect of good and sustainable business operations by working to reduce our impact on the environment via prudent waste management, monitoring our water and energy consumption and saving measures as well as reducing our carbon footprint where possible.

○ **Social**

- Supporting the fact that our employees are the ones who power our organization and are our greatest asset, to provide them with a workplace which is healthy, positive, safe and secure.
- To provide a culture of equal opportunity and career growth, where every employee is treated fairly and with respect.
- Given the value that a diverse and inclusive workforce can bring, to not accept any form of discrimination or prejudice.
- To create and maintain an inspiring workplace committed to the development of our employees and young talents, to enable them to achieve their full potential.
- To prohibit the use of child or forced labor in any of our operations and facilities.

○ **Governance**

- In the interest of our stakeholders and to ensure the long-term success of our company, to uphold the highest standards to corporate governance, business ethics and transparency in all our dealings, taking into consideration all relevant legislation and regulatory requirements.

○ **Community**

- With a strong belief that we have a responsibility to give back and enrich the lives of the communities where we operate, to allocate funds and undertake efforts to regularly support local deserving charities as part of the philanthropic efforts of the Group and on-going commitment to help those communities in dire need.

**8. Reporting**

- Tanco is committed to the reporting of our sustainability endeavors on an annual basis in accordance to the provisions of Bursa Malaysia's Listing Requirements. The Group commits to provide a meaningful and balanced view of the Group's sustainability initiatives to all its stakeholders per the Sustainability Reporting Guide.
- The Group is committed to conducting periodic internal reviews of the key sustainability matters and this Policy will be continually reviewed and updated to be kept relevant.

**9. Approval**

This Policy was approved and adopted by the Board of Directors of Tanco on 30 August 2021.