

SUSTAINABILITY STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Directors, it is my honour, in my capacity as Chairman of the Sustainability Committee of Texchem Resources Bhd, to present the Sustainability Statement for the financial year ended 31 December 2025 ("FY2025").

The global environment in FY2025 continued to be characterised by economic uncertainties, evolving geopolitical developments and shifting market dynamics. Amid these complexities, sustainability remains firmly embedded at the core of Texchem Resources Bhd Group of Companies' ("Texchem Group") corporate strategy. We recognise that responsible and sustainable business practices are essential to ensuring long-term resilience, value creation and stakeholder confidence.

This Sustainability Statement outlines the key initiatives undertaken by Texchem Group during the year under review. It reflects our continued commitment to integrating Environmental, Social and Governance ("ESG") principles into our business strategies, operational frameworks and decision-making processes.

Our sustainability agenda is guided by the Texchem Sustainable Approach which aspires to build a sustainable world through continuous green innovations, this approach encompasses:

- Continuous pioneering **Sustainable Material Innovation** through Green Tech., namely TEXa bio-composites derived from biomass waste resources such as oil palm empty fruit bunches;
- Accelerating **Circular Economy Business Models**, notably our Resources Recycle Alliance initiative with our strategic partners;
- Further investing into **Research and Development**, to drive new sustainable product innovations; and
- Execution on implementing **Renewables Energy** through photovoltaic solar system and other energy saving systems.

I am pleased to share that Texchem Group's Industrial Division was awarded the EcoVadis Gold Medal in recognition of its strong sustainability performance and corporate social responsibility practices. This achievement places us among the top 5% of companies assessed globally and affirms our commitment to ethical governance, environmental stewardship and continuous improvement.

In line with our commitment to strengthening sustainability reporting and enhancing transparency, we have further expanded our emissions disclosures in FY2025. Our reporting now provides broader coverage of Scope 1, Scope 2 and Scope 3 emissions, including upstream and downstream transportation and distribution activities within our supply chain, as well as operational waste generated. These enhancements reflect our proactive approach to climate-related risk management and accountability.

Looking Ahead

Sustainability will continue to shape the way we conduct our business. We remain committed to improving our ESG performance and ensuring measurable progress through robust governance structures, clear targets and transparent reporting. As our business evolves, we will continue refining our sustainability disclosures to align with best practices and regulatory expectations. We are also advancing initiatives to digitalise our ESG data tracking systems to strengthen data integrity, monitoring and reporting efficiency.

We firmly believe that achieving meaningful and long-term sustainability outcomes requires collaboration and shared responsibility. Texchem Group will continue engaging constructively with our stakeholders to identify innovative solutions that create sustainable value. Our objective remains clear – to deliver enduring value to our shareholders and stakeholders while contributing positively to the environment and society for future generations.

Thank you for your continued trust and support.

Puan Mariam Binti Jamal
Chairman of Sustainability Committee
Texchem Resources Bhd

SUSTAINABILITY STATEMENT (CONT'D)

ABOUT THIS STATEMENT

The annual Sustainability Statement of Texchem Resources Bhd Group of Companies ("Texchem Group") reflects our unwavering commitment to building a legacy of environmental stewardship, social responsibility and principled governance for generations to come.

Across our five core business Divisions: Industrial, Polymer Engineering, Food, Restaurant and Venture Business, we embed sustainability into everyday decisions and long-term strategies. Through this report, we share our progress and milestones in the pillars of Economic, Environmental, Social and Governance ("EESG") and the aspirations that drive us forward, as we continue to grow and create value for all our stakeholders.

Reporting Scope and Boundaries

This statement covers the period from **1 January 2025 to 31 December 2025 ("FY2025")** and includes all Texchem Group operations over which we have direct management control, unless stated otherwise. Associate companies are excluded from this reporting scope.

Our operations span across six countries in Southeast Asia – **Malaysia, Singapore, Thailand, Indonesia, Vietnam and Myanmar**. Both qualitative and quantitative information are disclosed where applicable, reflecting issues that are material to our business, stakeholders and long-term sustainability journey.

Reporting Standards

This statement has been prepared with guidance from the following reporting requirements, frameworks and standards to enhance transparency, comparability and accountability.

International Sustainability Frameworks

- Global Reporting Initiative ("GRI") Sustainability Reporting Standards
- Sustainability Accounting Standards Board ("SASB") Industry Standards
- United Nations Sustainable Development Goals ("UNSDGs")

Malaysia-Specific Frameworks and Regulations

- Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad
- Sustainability Reporting Guide 2022 (3rd Edition) by Bursa Malaysia Securities Berhad
- Enhanced Sustainability Reporting Requirements: Annexure A Practice Note 9 by Bursa Malaysia Securities Berhad
- Malaysian Code on Corporate Governance 2021 ("MCCG 2021")

Climate & Environmental Standards

- The Greenhouse Gas Protocol - A Corporate Accounting and Reporting Standard

These frameworks ensure that our disclosure meets regulatory expectations while aligning with global best practices.

SUSTAINABILITY STATEMENT (CONT'D)

Statement of Assurance

To strengthen the credibility and integrity of this Sustainability Statement, selected indicators have been subjected to internal review by our **Group Internal Assurance & Consulting Department ("GIACD")**.

The internal review, covering Texchem Group's operations in **Malaysia, Singapore, Thailand, Indonesia, Vietnam and Myanmar**, are focused on the following priority areas:

Sustainability Matter	Metric(s)
Governance and Ethics	<ol style="list-style-type: none"> 1. Percentage of operations assessed for corruption-related risks 2. Confirmed incidents of corruption and action taken
Community Relations	<ol style="list-style-type: none"> 1. Total amount invested in the community where the target beneficiaries are external to the listed issuer 2. Total number of beneficiaries of the investment in communities
Diversity, Equity and Inclusion	<ol style="list-style-type: none"> 1. Percentage of employees by gender and age group, for each employee category 2. Percentage of directors by gender and age group
Occupational Health and Safety	<ol style="list-style-type: none"> 1. Number of work-related fatalities 2. Lost Time Incident Rate ("LTIR") 3. Number of employees trained on health and safety standards
Labour Practices and Human Rights	<ol style="list-style-type: none"> 1. Percentage of employees that are contractors or temporary staff 2. Total number of employee turnover by employee category 3. Number of substantiated complaints concerning human rights violations
Supply Chain Management	<ol style="list-style-type: none"> 1. Proportion of spending on local suppliers
Cybersecurity and Data Protection	<ol style="list-style-type: none"> 1. Number of substantiated complaints concerning breaches of customer privacy and losses of customer data

Texchem Group's GIACD has concluded that as at the reporting date, no matters have been reported that would materially affect the indicators disclosed in this statement. This review reflects our ongoing commitment to transparency, accountability and ethical reporting and serves as an important safeguard to ensure the reliability of our disclosures and the robustness of our sustainability management.

Statement Accessibility and Feedback

This Sustainability Statement forms part of Texchem Group's **Annual Report 2025** and is available on our corporate website: <https://texchemgroup.com/investor-relations>

We welcome your feedback as part of our journey of continuous progress. Please direct comments or enquiries to: esg@trbgroupp.com

SUSTAINABILITY STATEMENT (CONT'D)

OUR JOURNEY TOWARDS SUSTAINABILITY

At Texchem Group, sustainability is not a destination, it is a journey shaped by purpose, responsibility and continuous progress. For more than 50 years, we have grown alongside the communities we serve, guided by a belief that value and success must be built on integrity, accountability and care for the environment around us.

Sustainability at Texchem Group is not a policy we follow, it is a responsibility we live. As we move forward, we remain committed to building a business that not only performs, but contributes - thoughtfully, responsibly and with purpose.

Texchem Group supports relevant United Nations Sustainable Development Goals that are most aligned with our operations and material sustainability matters, guiding the integration of sustainability considerations into our strategy, governance and business practices.



Materiality Assessment

At Texchem Group, we recognise that a wide range of EESG matters may affect our business operations, strategic direction and future expansion opportunities. At the same time, the Group acknowledges that organisational resources, including financial, human and operational capacity, remain a pivotal consideration in supporting the Group’s organic growth and must be planned, prioritised and deployed in a disciplined, efficient and value-focused manner.

In FY2025, Texchem Group conducted a structured materiality assessment to identify and prioritise sustainability matters that are most relevant and impactful to our business and stakeholders. This prioritised approach allows the Group to integrate sustainability considerations into decision-making in a structured and pragmatic manner, while supporting business performance and long-term profitability. At the Board of Directors (“Board”) level, the outcomes of the materiality assessment inform and guide strategic oversight, capital allocation decisions and execution discipline, ensuring that sustainability initiatives are aligned with the Group’s overall business objectives and value creation priorities.

Materiality Assessment Process

The materiality assessment was carried out through a structured and systematic process to ensure balanced consideration of internal and external stakeholder perspectives.

Stage 1: Data Review and Comparative Analysis

Data review via secondary research to align our material matters against industry benchmarks, industry peers’ practices, relevant EESG standards and present and future global trends.

As a result of the analysis, a total of 15 material matters were identified. Compared to previous report, the outcomes reflect movements, consolidation and rationalisation of material matters driven by the Group’s operating context, stakeholder expectations and ongoing refinement of the materiality assessment process. Material matters have been broadly streamlined as follows:

- i. Renaming of 8 material matters to better capture the scope of related issues and to ensure relevancy and alignment with applicable EESG standards, including the SASB standards (*denoted by **).
- ii. Addition of 3 material matters: Risk Management, Technology and Digitalisation and Biodiversity Protection and Pollution Control (*denoted by #*).

GOVERNANCE	ECONOMIC	ENVIRONMENTAL	SOCIAL
<ul style="list-style-type: none"> • Governance and Ethics* • Cybersecurity and Data Protection* • Risk Management# 	<ul style="list-style-type: none"> • Economic Performance • Supply Chain Management • Product Stewardship and Service Quality* • Technology and Digitalisation# 	<ul style="list-style-type: none"> • Climate Change and Adaptation* • Water Management • Resources and Waste Management • Biodiversity Protection and Pollution Control# 	<ul style="list-style-type: none"> • Occupational Health and Safety* • Labour Practices and Human Rights* • Diversity, Equity and Inclusion* • Community Relations*

SUSTAINABILITY STATEMENT (CONT'D)

Stage 2: Stakeholder Identification and Prioritisation

Key stakeholder groups were identified and prioritised based on their influence on and relevance to the Group’s operations and long-term business sustainability.

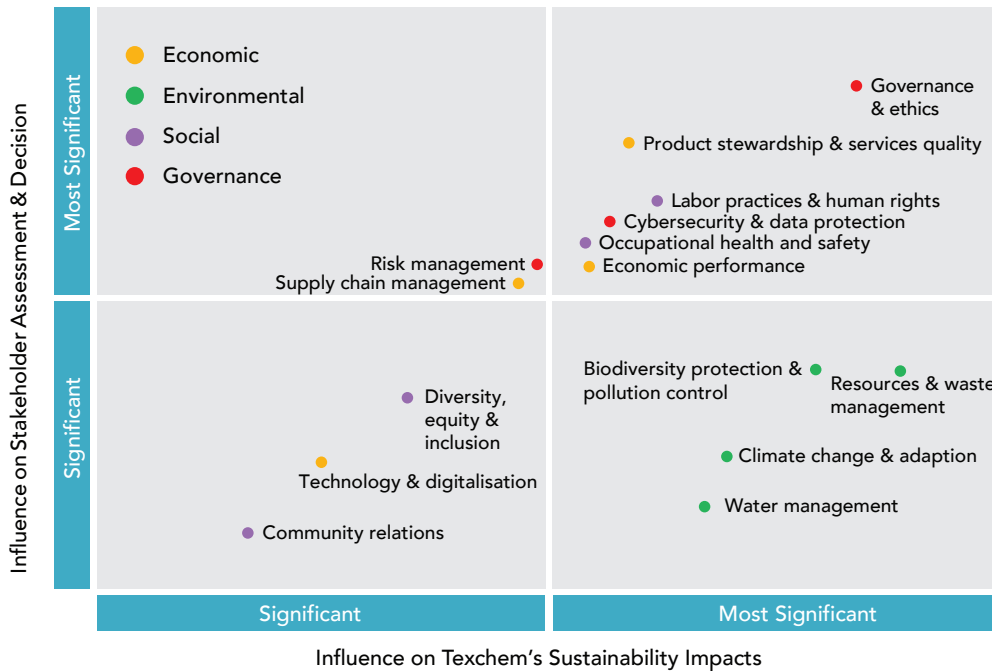
Internal Stakeholders	External Stakeholders
<ul style="list-style-type: none"> ■ Texchem Board of Directors ■ Texchem Senior Management ■ Texchem Employees 	<ul style="list-style-type: none"> ■ Government Agencies, Regulators and Local Authorities ■ Investors, Financiers and Analysts ■ Customers ■ Suppliers and Service Providers ■ Media, Civil Society Organisation and Non-Governmental Organisation

Stage 3: Assessment Roll-Out

The materiality assessment was executed through online surveys to gather stakeholders’ views on the relative importance of each of the 15 material matters. Stakeholders were required to assess the perceived significance of identified matters on the Group’s sustainability impacts, as well as its influence on stakeholder assessment and decision.

Stage 4: Materiality Matrix Development

The feedback collected was analysed and mapped onto a materiality matrix.



The materiality assessment identified six material matters, positioned at the top-right quadrant of the materiality matrix, as matters that reflect high significance to Texchem Group sustainability impacts and influence on stakeholder assessment and decision. Notwithstanding the prioritisation of these six matters, Texchem Group recognises that the remaining nine identified material matters also remain important to Texchem Group and our stakeholders. While these matters were assessed as having relatively lower immediate impact or stakeholder priority compared to the top-right quadrant, they continue to be relevant to the Group’s operations, risk profile and sustainability objectives.

SUSTAINABILITY STATEMENT (CONT'D)

Texchem Group therefore adopts a holistic approach to sustainability management, whereby all 15 identified material matters are considered within our sustainability planning and governance processes.

Way Forward

The outcomes of the materiality assessment provide the Board and Management with a structured basis to identify and prioritise sustainability matters that are most relevant to Texchem Group and our stakeholders. The results guide strategic oversight, management focus and resource allocation and support the development and implementation of the Group’s EESG roadmap and sustainability framework, including the identification of key sustainability-related risks, opportunities and mitigation measures.

This approach ensures that resources are directed towards the most critical material matters, while maintaining appropriate oversight and management of the remaining matters in a systematic and proportionate manner.

Stakeholder Engagement

We define stakeholders as individuals or groups who are affected by our actions and whose choices influence our future. Through ongoing engagement, we seek to understand expectations, identify risks and discover opportunities to grow together. By collaborating across our value chain, we build relationships based on trust, understanding and shared responsibility.

Stakeholder Group	Type of Engagement	Sustainability Concerns
Customers	<ul style="list-style-type: none"> • Dialogue/Conference calls • Status updates and operational presentations • Customer visits • Customer surveys 	<ul style="list-style-type: none"> • Competitive prices, quality, product safety • Customer satisfaction • Creating total solutions • Timely delivery
Board of Directors	<ul style="list-style-type: none"> • Board Meetings • Audit Committee Meetings • Other Committee Meetings 	<ul style="list-style-type: none"> • Revenue and profit growth, financial results • Corporate Governance compliance to all relevant Regulations and Law • Adequate Procedures on Anti-Bribery and Corruption • EESG progress
Employees	<ul style="list-style-type: none"> • Annual Performance Development Review • Employee engagement activities • Education and training programmes • Volunteer and Corporate Social Responsibility (“CSR”) programmes 	<ul style="list-style-type: none"> • Employee development and career planning • Building high performance culture • Talent management and retention • Healthy and safe work environment • Building values of empathy among employees
Investors	<ul style="list-style-type: none"> • Annual General Meetings 	<ul style="list-style-type: none"> • Revenue and profit growth • Good dividend payout • Good EESG practices
Bankers	<ul style="list-style-type: none"> • Timely business and financial updates • Periodic dialogues and discussions 	<ul style="list-style-type: none"> • Financial performance • Good EESG practices • Risk management
Vendors/Suppliers	<ul style="list-style-type: none"> • Supplier qualification and selection • Supplier evaluation and periodic audits • Engagement and meetings 	<ul style="list-style-type: none"> • Sustainable and consistency in supply • Quality of goods and services • Fair and mutual agreements
Government/Regulators	<ul style="list-style-type: none"> • Quarterly results announcements • Consultative activities and meetings • Industry events and seminars 	<ul style="list-style-type: none"> • Adherence to laws and regulations • Corporate governance and compliance
Community	<ul style="list-style-type: none"> • CSR programmes • Corporate volunteer programmes 	<ul style="list-style-type: none"> • Uplifting the needy groups in our society • Foster better relationships and partnership • Good corporate citizen

SUSTAINABILITY STATEMENT (CONT'D)

GOVERNANCE

At Texchem Group, governance with integrity underpins every aspect of our operations, we emphasise that conducting business ethically is not merely a compliance obligation but a reflection of the Group’s values and brand promise. We recognise that good governance is fundamental to achieve sustainable growth and business excellence. Any lapse in governance may expose the Group to reputational damage, financial loss, regulatory penalties, erosion of stakeholder confidence and risk of losing our licence to operate. On this note, robust governance and ethical principles are systematically woven into the fabrics of our operations in every country and jurisdiction in which the Group operates, upholding the highest standards of compliance with applicable legal requirements while reinforcing trust and confidence among our stakeholders.

Governance Framework and Board Oversight

Texchem Group’s Board is pivotal as steward of sound governance and spearheads the sustainability agenda across the Group. Setting a strong “tone from the top”, the Board has oversight on the Group’s EESG strategies, implementations and performance, including but not limited to matters related to anti-bribery and corruption, climate-related risks and adaptations, occupational safety and health and labour practices and human rights. Governance oversight is embedded within the Board’s agenda and is integral to strategic decision-making.



Board of Directors	<ul style="list-style-type: none"> Oversight on Texchem Group’s sustainability agenda including Anti-Bribery and Corruption, Occupational Health and Safety, Labour Practices and Human Rights and Climate-Related Risks and Opportunities. Oversees the execution and progress of the Group’s sustainability strategies and initiatives. Provides final review and approval on sustainability matters related to the Group.
Sustainability Committee (“SC”)	<ul style="list-style-type: none"> Comprises of Texchem Group Independent Director (Chairman of SC), President and Group Chief Executive Officer, Group Chief Administrative Officer, Group Chief Financial Officer, Legal Director and Sustainability Officer. Oversee and evaluate the Group’s sustainability strategy, key EESG priorities, targets, performance and overall progress. Review sustainability and climate-related risks and opportunities and assess the effectiveness of management’s actions and initiatives. Provide recommendations to the Board on sustainability matters requiring approval or strategic direction. Review, discuss and assess the Group’s progress in advancing our sustainability agenda.

SUSTAINABILITY STATEMENT (CONT'D)

Sustainability Execution Team ("SET")	<ul style="list-style-type: none"> Comprises of President and Group Chief Executive Officer (Chairman of SET), Sustainability Officer, Divisional Chief Operating Officers and various department representatives within the Group. Support SC in matters relation to EESG and climate change. Plan, execute and monitor the Group's overall sustainability agenda and strategies supported by SC, Divisional Chief Operating Officers and appointed subject matter experts. Ensures sustainability disclosures are aligned with the Listing Requirements.
--	--

Extending the progress achieved in the prior year, Texchem Group has identified a suite of potential sustainability-linked Key Performance Indicators and other monitoring tools tailored to our diversified business landscape and is currently in the process of establishing well-defined baseline data to support effective measurement and performance tracking.

Corporate Governance and Regulatory Compliance

Texchem Group adopts a comprehensive governance policy framework to uphold professional conduct and reinforce operational discipline across the Group. Core corporate policies, including the Code of Conduct and Ethics, Vendor Code of Conduct, Anti-Bribery and Corruption Policy and Whistleblower Policy are applied consistently throughout our daily operations and are extended to our external stakeholders where appropriate, thereby promoting integrity, accountability and responsible practices across the entire value chain.

Regulatory compliance is the cornerstone of Texchem Group's governance structure. We recognised that business sustainability is inextricably linked to maintaining Texchem Group and our subsidiaries' licence to operate, which can only be achieved through strict adherence to all applicable regulatory requirements. On this note, Texchem Group's subsidiaries have established respective comprehensive standard operating procedures, particularly in the areas of product safety and quality management, as well as occupational safety and health, to ensure consistent compliance and operational excellence across the Group. In FY2025, Texchem Group complied with applicable environmental, labour, health and safety and business regulations across our operations, with no material incidents of legal non-compliance, fines or cases resulting in court proceedings recorded during the reporting period.

Board Policies	Corporate Policies
<ul style="list-style-type: none"> Remuneration Policy and Procedures Director's Fit and Proper Policy Policies and Procedures to Assess the Suitability and Independence of External Auditors 	<ul style="list-style-type: none"> Anti-Bribery and Corruption Policy Code of Conduct and Ethics Conflict of Interest Policy Whistleblower Policy Sustainability Policy Vendor Code of Conduct

The above policies are accessible at <https://texchemgroup.com/investors-relations/#governance>.

Risk Management

Texchem Group has established a comprehensive Enterprise Risk Management ("ERM") framework, within which the principles and methodologies of ISO 31000 are applied to guide a structured and consistent approach to risk management. The ERM system operates as a continuous and disciplined process to identify, analyse, evaluate, respond to, monitor and report on risks across the Group, underpinned by clearly defined risk governance structures that are executed with rigour at both Divisional and Group levels.

In recognition of the growing significance of climate-related risks and opportunities that may directly or indirectly impact our business, Texchem Group is progressively building and strengthening our preparedness to meet the IFRS S1 and S2 disclosure requirements.

SUSTAINABILITY STATEMENT (CONT'D)

Anti-Bribery and Corruption

Texchem Group maintains a stringent zero-tolerance policy towards all forms of bribery and corruption and is committed to conducting business with the highest standards of transparency, integrity and compliance. Texchem Group strictly prohibits any form of bribery, whether direct or indirect, including the offering, giving, receiving or soliciting of anything of value for the purpose of influencing business decisions or securing improper advantage in the conduct of our operations.

Texchem Group's Anti-Bribery and Corruption Policy and Procedures ("ACPP"), aligned with Section 17A of the Malaysian Anti-Corruption Commission Act 2009, established a comprehensive framework to prevent bribery and corruption across the Group. The ACPP addresses all forms of bribery and corrupt practices, covering actions such as offering, promising, giving, accepting or soliciting any undue advantage or gratification. This includes both financial and non-financial benefits, such as money, gifts, loans, valuable securities, property, financial benefits, contracts, services, payments, discounts, bonuses or any form of benefit, whether conducted directly or indirectly and regardless of location.

The Anti-Bribery and Corruption Policy sets clear governance safeguards and behavioural standards for directors, employees and the Group's supply chain. These requirements are reinforced through Texchem Group's Code of Conduct and Ethics and Vendor Code of Conduct, which outline expectations for ethical business practices among business partners, agents, subcontractors and vendors' employees. Together, these measures promote integrity, accountability and responsible conduct throughout Texchem Group's operations.

Anti-Bribery and Corruption Training

To further establish a strong culture of integrity, the anti-bribery and corruption training forms a key pillar of Texchem Group's governance and ethics framework. All new employees are required to undergo mandatory anti-bribery and corruption training as part of their induction programme to ensure early awareness and understanding of the Group's ACPP. For existing employees, refresher training is conducted on an annual basis to reinforce ethical standards and promote consistent application across all levels of the organisation.

The training programme provides comprehensive coverage of the Group's anti-bribery and corruption framework, including an overview of applicable laws, the definition and forms of corruption, bribery and unethical conduct, conflict of interest scenarios, reporting obligations and the consequences of non-compliance. Through regular training and awareness initiatives, Texchem Group seeks to cultivate a strong culture of integrity, accountability and zero tolerance towards corruption in all business activities.

In FY2025, 100% of Board members and 100% of targeted employees participated in anti-bribery and corruption policy training. In addition, no staff were disciplined or dismissed due to non-compliance with anti-bribery and corruption policy, no penalties in relation to corruption and no cases of bribery or corruption were reported or substantiated during the year.

Whistleblowing Policy

Texchem Group provides secure and accessible reporting channels for employees and members of the public to raise concerns regarding any form of misconduct, including fraud, corruption or bribery, financial mismanagement or fraudulent accounting, unlawful or criminal activities, breaches of confidentiality obligations or conflicts of interest, violations of Company policies and any other unethical behaviour. The Whistleblowing Policy ensures comprehensive safeguards to whistleblowers, including strict confidentiality, protection against retaliation and support for anonymous reporting. The policy can be accessed through <https://texchemgroup.com/investor-relations/#governance>.

Assessment for Corruption Risk

Recognising that strong governance begins with vigilance, Texchem Group places great importance on embedding effective risk assessment procedures and practices across every level of the organisation to safeguard the integrity of our business. As part of the Group's risk management practice, corruption risk has been assessed as a potential risk that may result in financial impact, legal implications and reputational damage across all Divisions. Division Risk Officers are responsible to monitor the effectiveness of controls and report to the Chief Risk Officer, which will be consolidated and reported to the Board half-yearly.

SUSTAINABILITY STATEMENT (CONT'D)

In FY2025, 100% of the Group's operations have been assessed for corruption risk, which includes all forms of bribery (offering, promising, giving, accepting or soliciting any undue advantage or gratification) in form of financial or non-financial benefits. Operations that are identified as high-risk will be subjected to further action as per the Group's Risk Management and Internal Control Framework.

For more information on our Risk Management and Internal Control Framework, kindly refer to page 37 of this report.

Political Contributions

Texchem Group places high value on relationships with our stakeholders, including employees and the communities in which the Group operates and remains firmly committed to fulfilling the role of a responsible corporate citizen.

Recognising that CSR activities may be susceptible to misuse or diversion for unintended purposes, the Group has established clear requirements and guidelines to ensure that all CSR initiatives are conducted with integrity, transparency and in strict alignment with the Group's business objectives and values, especially in causes that supports environmental sustainability, education, health or community welfare.

A fundamental point to underscore is Texchem Group's unequivocal stance on political contributions where no donations, whether in cash, kind, or through any other means should be made to support any political party or candidate for public office. All donations and CSR initiatives shall comply with local laws and ethical practices and must be meaningful, purpose-driven and demonstrably create positive societal impact.

For more information on our community projects, kindly refer to page 70 Community Relations of this report.

Cybersecurity and Data Protection

At Texchem Group, we are committed to safeguarding the information entrusted to us and ensuring compliance with the Personal Data Protection Act 2010 of Malaysia. In view of the evolving cybersecurity threat landscape, including emerging risks associated with digitalisation and artificial intelligence, Texchem Group continuously reviews and enhances our cybersecurity infrastructure, policies and controls to strengthen system resilience and data protection.

Cybersecurity and data protection have been identified as high-priority material matter by both Texchem Group and our external stakeholders. In response, Texchem Group has intensified our investment and initiatives to ensure that our data storage and processing systems are secured and capable of supporting business continuity and recovery in the event of a cyber incident or data breach.

During FY2025, the Board has approved the enhanced Personal Data Protection Policy and Procedures on the collection, use, storage and protection of personal data in accordance with the Personal Data Protection Act 2010. The Policy applies to all employees and relevant third parties who handle personal data on behalf of the Group, with compliance monitored and enforced to safeguard data integrity, confidentiality and availability.

The Group continues to reinforce organisation-wide awareness on cybersecurity risks, including phishing and social engineering threats, through regular communications and training initiatives. In parallel, the Group shall continue to invest in data protection and cybersecurity solutions to further enhance monitoring and preventive controls. The Code of Conduct and Ethics further affirms the responsibility of all employees to protect confidential information, including customer, business and third-party data.

In FY2025, there were no substantiated complaints or confirmed incidents involving breaches of customer privacy and losses of customer data.

SUSTAINABILITY STATEMENT (CONT'D)

ECONOMIC

At Texchem Group, we recognise that sustainable economic performance, effective product stewardship and service quality, resilient supply chain management and ongoing investment in technology and digitalisation are integral to the Group's strategy and business model. These priorities support the Group's ability to adapt to evolving market and regulatory conditions, maintain operational resilience and customer trust and create value over the short, medium and long term, thereby safeguarding the Group's long-term prospects and legacy.

Economic Performance

Sustainable economic performance is fundamental to Texchem Group's ability to deliver long-term value and advance our broader sustainability agenda. Texchem Group recognises our responsibility to generate consistent returns for shareholders while contributing to employment creation and local economic development across the communities in which we operate.

Through disciplined financial management, operational efficiency and a strong focus on product quality and customer trust, Texchem Group continues to create shared value for stakeholders, reinforcing our commitment to responsible growth and inclusive prosperity.

In FY2025, Texchem Group posted a revenue of RM1,111 million and a profit before tax of RM20.5 million. This performance demonstrates Texchem Group's continued focus on operational excellence, customer satisfaction and strategic execution across the five core business Divisions.

	FY2025 RM'mil	FY2024 RM'mil	FY2023 RM'mil
Economic Value Generated			
Total Revenue	1,111	1,118	994
Economic Value Distributed:			
Total Operating Costs <i>(excluding depreciation, impairment, staff costs and benefits, share-based payments)</i>	845	861	761
Staff Costs and Benefits <i>(excluding share-based payments)</i>	180	176	172
Income Tax Expenses	16	9	8
Dividend Returns to Shareholders	-	-	-

Product Stewardship & Service Quality

In FY2025, Texchem Group continues our dedicated efforts to uphold and enhance the refinement of our product stewardship and service quality. As a player in the service industry, the quality of our products and services remains critical to our business sustainability and continuity. We recognise that consistently delivering superior products and services certified with globally recognised standards, fostering trust and driving customer satisfaction are essential to securing a competitive edge in the market.

Product stewardship and service quality remains an important material matter across all our Divisions, where we strive not only for operational excellence but also for sustainable and scalable practices, underpinned by a commitment to continual improvement. Key practices such as customer satisfaction monitoring, employee training, waste management and equipment maintenance are systematically embedded into our operations to ensure efficiency, reliability and high service standards.

SUSTAINABILITY STATEMENT (CONT'D)

Food and Restaurant Divisions

In Texchem Group's Food and Restaurant Divisions, where food safety is of paramount importance, we maintain rigorous strategies to ensure the highest standards of product quality while safeguarding customer health. Our approach in FY2025 includes:

- **Critical Control and Compliance Monitoring:** Procedures are in place to monitor critical control points ("CCP"), operational prerequisite programmes ("OPRP") and scheduled regulatory reviews, ensuring strict adherence to legal and industry food safety standards.
- **Certifications:** Relevant certifications across the Food and Restaurant Divisions reflect our commitment to recognised food safety and quality standards. Food Division holds certifications relevant to its operation, including Hazard Analysis and Critical Point ("HACCP"), Good Manufacturing Practices ("GMP"), Makanan Selamat Tanggungjawab Industri ("MeSTI"), ISO 22000:2018 (Food Safety Management) and Veterinary Health Mark ("VHM"). Meanwhile, Restaurant Division holds certifications including ISO 9001:2015 (Quality Management) and ISO 22000:2018 (Food Safety Management).
- **Operational Hygiene and Quality Assurance:** Stringent temperature controls, comprehensive laboratory testing, robust hygiene protocols and systematic supplier evaluations remain standard practice.
- **Operational Reliability:** Equipment downtime may occur and is managed through preventive maintenance practices and spare parts management to minimise production disruptions and maintain a reliable infrastructure.
- **Performance Metrics and Training:** Performance is tracked through established metrics and targets. Comprehensive employee training in food handling and hygiene is delivered through the Sushi King Academy, certified external providers and structured on-the-job coaching, guided by the Food Safety Policy and Halal Policy. Training covers standard operating procedures, portion control, proper food handling, waste segregation and digital tools, all designed to enhance service quality, minimize food wastage and reduce paper consumption.

In FY2025, Texchem Group's Food and Restaurant Divisions achieved zero incidents of food poisoning and there were no incidents related to food safety and product recall. As a customer-focused restaurant business, our Restaurant Division recognises that feedback and complaints may arise from time to time as part of service delivery. All customer feedback, whether received through e-mail, our website or social media platforms, is treated with care and seriousness, as it directly informs our commitment to product quality and service excellence. Each complaint is reviewed as a valuable input to strengthen food quality, enhance service standards and continuously improve the overall dining experience, reinforcing customer trust and brand integrity.

Halal Certification

At Texchem Group, we have long recognised that providing halal food is not just a requirement, but an intentional and integral part of our offering. For many years, we have practised rigorous halal compliance, understanding that certification is a critical verification of both ingredients and processes. This approach ensures that our consumers can trust the quality, safety and integrity of our products.

Food Safety and Quality Assurance

At Texchem Group, the Food Safety and Quality Assurance ("FSQA") Department plays a central role in safeguarding the quality, safety and consistency our customers expect. Through regular inspections covering cleanliness, kitchen safety, equipment and utensil hygiene, food handling practices and employee training, we ensure our service standards are rigorously upheld across all customer touchpoints at all outlets. These inspections enable early identification of gaps and timely preventive actions, reinforcing our commitment to food safety and service excellence. Beyond our operations, this commitment extends to our suppliers through rigorous audits that assess Halal compliance, process controls and traceability systems, ensuring that quality assurance is embedded across our supply chain and reflected in every product and service delivered to our customers.

In FY2025, we conducted 362 FSQA audits across all Sushi King outlets in Malaysia and Indonesia, covering areas such as food handling, hygiene practices and overall food safety compliance. We continue to strengthen operational standards through enhanced training programmes and ongoing capability building.

Texchem Group remains resolute in diligently monitoring and managing food safety risks, ensuring the integrity of our products and consistently delivering safe and high-quality experiences to our customers to maintain the clean track record.

SUSTAINABILITY STATEMENT (CONT'D)

Industrial Products

Texchem Group is committed to ensuring the safety and quality of all products across the various industries. As part of our economic responsibility, we integrate safety considerations into product design, manufacturing and delivery, thereby safeguarding consumers, employees and the environment. By implementing robust processes and maintaining compliance with industry standards, Texchem Group strengthens stakeholder confidence and supports the sustainable continuity of business operations.

Chemical Safety

Our Industrial Division continuously advances the responsible management and stewardship of chemicals across all manufacturing processes, as well as throughout the use-phase of its products. Our sustainable chemical strategy focuses on designing safer chemical products, using responsibly sourced raw materials, enhancing energy efficiency while minimising risk to workers, consumers and the environment. The Group places strong emphasis on use-phase safety, supported by stringent regulatory-compliant product labelling and clear safety information to ensure chemicals are properly classified, safely handled, used and disposed by customers and downstream users.

This commitment is demonstrated through our ECO PASSPORT by OEKO-TEX® certification, which independently assesses the safety of chemicals, colourants and auxiliaries in textile and leather applications. Each certified product is evaluated to ensure compliance with health and safety standards, supporting our customers in achieving STANDARD 100 by OEKO-TEX® certification for end products.

Examples of sustainable chemical innovation include:

- Low Temperature Wrinkle-Free Resin, reducing energy consumption in textile finishing.
- Formaldehyde-Free Wrinkle-Free Resin, replacing potentially harmful raw materials with safer alternatives in the textile industry.
- Safer cleaning formulations in the latex glove industry, reducing corrosiveness and exposure risks while maintaining product effectiveness.

TEXa

TEXa® is a registered trademark for our patented bio-composite material and technology, designed as a sustainable alternative to conventional plastics. Formulated with a minimum of 51% renewable content blended with virgin or recycled polymers, TEXa is certified by USDA, JORA and SIRIM Eco-Label. By upcycling non-edible agricultural by-products, TEXa reduces reliance on fossil-based polymers while maintaining durability, recyclability and compatibility with standard moulding processes. Its "drop-in" design allows manufacturers to use TEXa with existing production equipment and processes, without major modifications or additional investment. This makes it easier for industries to adopt sustainable materials, maintain production efficiency and ensure operational continuity, while integrating environmental responsibility into their products.

Texchem Group has been refining TEXa since 2010 and it continues to deliver value through sustainable innovation. The product has a lower carbon footprint compared to conventional plastics, while opening new market opportunities across food-contact products, household goods, personal care and industrial applications. TEXa also embodies the principles of the Circular Economy, guided by the 5Rs - Reduce, Reuse, Recycle, Renewable and Refuse. By advancing TEXa, Texchem Group strengthens our competitive position and demonstrates how sustainable materials can drive long-term economic growth and resilience.

Accreditation and Certification

At Texchem Group, we continuously hone our approach to quality, safety and sustainability across all operations. Our comprehensive certifications reflect this commitment, ensuring that every product and service, from food logistics to materials trading, manufacturing, precision engineering and restaurant services is developed, manufactured and delivered in accordance with internationally recognised standards and codes, consistently and on schedule.

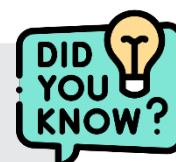
These accreditations serve as benchmarks of operational excellence, demonstrating our ability to meet stringent requirements while staying competitive in a dynamic market. By refining our processes and practices, Texchem Group strengthens stakeholder trust and delivers sustainable value across all Divisions.

SUSTAINABILITY STATEMENT (CONT'D)

Division	Certification	Total
Industrial	ISO 9001:2015 (Quality Management Systems)	4
	ISO 14001:2015 (Environmental Management Systems)	1
	ISCC Plus (International Sustainability and Carbon Certification)	1
	EcoVadis - Gold Medal	1
	GRS 4.0 (Global Recycled Standards)	1
	OEKO-TEX ECO Passport	1
Polymer Engineering	ISO 9001:2015 (Quality Management Systems)	6
	EN ISO 13485:2016 (Medical Devices - Quality Managements Systems)	5
	ISO 14001:2015 (Environmental Management Systems)	6
	IATF 16949:2016 (International Standards for Automative Quality Management Systems)	1
Food	HACCP (Hazard Analysis and Critical Control Point), Ministry of Health Malaysia	1
	GMP (Good Manufacturing Practice), Ministry of Health Malaysia	1
	Halal MS 1500:2019	20
	OEM Halal	1
	Halal (Myanmar)	14
	GHPs (Good Hygiene Practices), Myanmar	1
	HACCP (GHPs), Myanmar	1
	HACCP, Ministry of Agriculture, Livestock and Irrigation, Myanmar	4
	GAqP Certificate (Good Aquaculture Practice), Ministry of Agriculture, Livestock and Irrigation, Myanmar	1
	USFDA Registration (U.S Food and Drug Administration)	3
	ISO 22000:2018 (Food Safety Management Systems)	2
	MeSTI Certificate (Makanan Selamat Tanggungjawab Industri)	2
	VHM (Veterinary Health Mark)	1
Restaurant	ISO 9001:2015 (Quality Management Systems)	1
	ISO 22000:2018 (Food Safety Management System)	1
	Halal (Warehouse) MS 2400-2:2019	1
	Halal (Transportation) MS 2400-1:2019	1
	MyFood Tag	1
	Halal MS 1500:2019	116
	Halal (Indonesia)	1
Venture Business	ISO 9001:2015 (Quality Management Systems)	1
	ISO 14001:2015 (Environmental Management Systems)	1
	ISO/ IEC 17025:2017 (Testing and Calibration Laboratories)	1
	USDA Certified Biobased Material	1
	Biomass Mark, Japan Organics Recycling Association (JORA)	1
	SIRIM ECO 063:2017 Biobased Plastic	1



In December 2025, Texchem Group’s Industrial Division was awarded the EcoVadis Gold Medal in recognition of its strong sustainability performance and corporate social responsibility practices. This achievement places us among the top 5% companies assessed globally and affirms our commitment to ethical governance, environmental stewardship and continuous improvement.



SUSTAINABILITY STATEMENT (CONT'D)

Customer Satisfaction

At Texchem Group, customer satisfaction continues to be a key measure of our performance. Building on practices established in previous years, we recognise that negative feedback on product or service quality can affect our brand reputation, customer relationships and overall business performance. To proactively address these risks, we actively engage with our customers through annual satisfaction surveys, gathering insights that guide improvements across our operations.

In addition, we manage customer feedback through our Customer Complaint Action Form process, which ensures a structured approach for investigating issues, identifying root causes, implementing corrective actions and monitoring improvements.

Texchem Group will continue to refine the customer journey and elevate the overall customer experience to strengthen satisfaction and loyalty across all touchpoints. This includes enhancing service responsiveness, improving product and service consistency, leveraging customer feedback for continuous improvement and integrating digital and operational efficiencies where appropriate. Through these ongoing efforts, the Group aims to deepen customer relationships, reinforce brand trust and support sustainable business growth.

Supply Chain Management

Texchem Group recognises that responsible supply chain management is integral to long-term value creation, operational efficiency and regulatory compliance. Guided by principles of integrity, fairness, respect and ethical business conduct, the Group embeds responsible procurement practices across the entire sourcing lifecycle. These practices support supply chain resilience while aligning with the Group's environmental priorities, including climate impact mitigation and biodiversity protection.

Procurement policies emphasise confidentiality, prevention of conflicts of interest and fair dealings with suppliers, reinforcing Texchem Group's commitment to transparent and ethical business relationships. Through continuous engagement with suppliers, the Group seeks to minimise environmental risks, ensure responsible sourcing and strengthen operational continuity across all the five core business Divisions.

Vendor Code of Conduct

Texchem Group acknowledges that supplier performance directly affects business sustainability and brand reputation. Suppliers, vendors, contractors and third-party partners are therefore required to observe the Texchem Vendor Code of Conduct, which sets clear expectations on legal compliance, workplace safety, human rights and environmental responsibility.

The policy requires suppliers to adhere to environmental laws and practices including but not limited to waste disposal, emissions, discharges and resources consumption. Suppliers are also encouraged to strive for efficient use of energy and water, reduce climate-related impacts including greenhouse gas emissions, pollution control and minimise biodiversity impacts. On the social front, the policy strictly prohibits child and forced labour, mandates compliance with local laws with respect to working hours, wages and benefits, freedom of association, collective bargaining and promotes respectful and dignified treatment of workers. To ensure accessibility and implementation, the policy is communicated across the supply chain and available on Texchem Group's website.

In line with the Group's zero-tolerance approach to corruption, all suppliers, vendors, contractors and third-party partners are being informed of Texchem Group's Anti-Bribery and Corruption Policy and shall comply with Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

Supplier Performance and Evaluation

Texchem Group's Supply Chain Management is guided by a structured and systematic approach across all Divisions, supporting efficient sourcing, production and delivery while upholding quality, sustainability and regulatory compliance. Each Division operates in accordance with established standard operating procedures and best practices.

SUSTAINABILITY STATEMENT (CONT'D)

As Texchem Group continues to strengthen supplier engagement and compliance across the Group, we recognise that implementation maturity varies among Divisions, with some progressing more rapidly in formalising supplier governance practices. To manage associated risks, the Group applies structured supplier evaluation processes, supported by corrective action mechanisms and ongoing performance monitoring. Suppliers that fall below established benchmarks are placed under observation, required to implement corrective action plans and subjected to follow-up audits, with removal from approved supplier lists where improvements are not achieved. Higher-risk operations, including manufacturing and food services, are further supported by physical audits and stricter performance thresholds to safeguard food safety, quality assurance and operational reliability.

During FY2025, the Restaurant Division performed physical inspection audit on 10 key suppliers, achieving an average score of 86%, while the Polymer Engineering, Industrial and Food Divisions conducted 13, 3 and 3 supplier physical audits respectively. These audits were focused on key suppliers within the respective Divisions, with the average results assessed at satisfactory levels. Audit findings were formally communicated to the respective suppliers, requiring timely corrective actions and further improvements where necessary.

Supplier monitoring across all Divisions is undertaken through a combination of onsite inspections, certification reviews and ongoing performance evaluations. Continuous engagement, supported by corrective action follow-ups where necessary, ensures that suppliers maintain aligned with our quality expectations.

Supporting the Local Economy through Responsible Procurement

Texchem Group continues to embed local sourcing as a core element of our procurement strategy, recognising our role in strengthening community livelihoods, reducing supply chain emissions and enhancing operational resilience. Through long-standing partnerships with domestic suppliers, the Group supports local enterprise development while building a more responsive and sustainable supply network.

In FY2025, 41.7% of total procurement expenditure was channelled to local suppliers, reflecting steady progress in advancing responsible sourcing practices. This ongoing shift towards local procurement underscores Texchem Group's commitment to driving inclusive economic growth, mitigating climate-related risks and reinforcing supply chain stability.

The Group will continue to deepen local supplier engagement, creating shared value and supporting long-term sustainable business performance.

Technology and Digitalisation

Texchem Group continues to prioritise technology and digitalisation as fundamental enablers of operational excellence, product quality and long-term sustainable growth across all Divisions. Texchem Group has made targeted investments in digital platforms, automation and data-enabled systems to future-proof our operations, strengthen competitiveness and support disciplined decision-making in an increasingly digital and data-driven business environment. These initiatives enhance our ability to meet evolving customer requirements while optimising raw materials utilisation, reducing waste and improving process efficiency throughout the value chain.

Across the Group, automation, system integration and Industry 4.0-aligned practices remain key focus areas in strengthening operational capabilities. Texchem Group is progressively adopting digitally enabled manufacturing and operational technologies, including connected systems, advanced design tools and data-supported process monitoring, to improve consistency, scalability and responsiveness. This positions the Group well to support growth in high-demand and technically intensive sectors, such as data centres and advanced industrial applications, where reliability, precision and speed-to-market are critical.

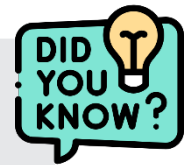
By systematically identifying automation opportunities and integrating systems across business units, the Group has improved operating efficiency, enhanced product quality and strengthened cross-division visibility. These initiatives also create the foundation for more effective use of operational data, enabling basic analytics, performance tracking and early-stage decision support. Over time, this data-driven approach supports continuous improvement initiatives and informed capital allocation across Divisions.

SUSTAINABILITY STATEMENT (CONT'D)

Texchem Group recognises that as digitalisation increases, exposure to operational, data and cybersecurity risks correspondingly rises. Texchem Group therefore places strong emphasis on strengthening our digital governance and cybersecurity posture as a core risk mitigation priority. This includes enhancing system resilience, data protection controls and organisation-wide awareness to safeguard information assets, support business continuity and maintain stakeholder trust as digital capabilities expand.

Looking ahead, Texchem Group will continue to integrate emerging digital technologies in a measured and practical manner, including greater use of data analytics, intelligent automation and AI-enabled tools where appropriate. These technologies are intended to augment, rather than replace, human expertise by improving insight, efficiency and decision quality. Through this balanced approach, the Group aims to optimise production, improve resource efficiency and foster innovation across all Divisions, while strengthening operational resilience, sustainability performance and long-term value creation.

Texchem Group supports the growth of the data memory and semiconductor industries through our cleanroom static control packaging solutions. Leveraging proprietary polymer processing technologies and patented designs, these solutions are designed to meet the rising demands of artificial intelligence and data-driven industries, strengthening the Group's presence in high-growth technology markets locally and globally.



ENVIRONMENTAL

Texchem Group is committed to environmental protection and responsible resource management, with the Board providing oversight of efforts to reduce the Group's environmental footprint through disciplined execution, strong governance and continuous operational improvement. Initiatives to lower greenhouse gas ("GHG") emissions and energy intensity and to manage waste and water responsibly, are embedded into daily operations to drive efficiency and environmental accountability.

"Fusegu" as one of Texchem Group's five management principles, focuses on prevention, protection and risk mitigation and underpins the Group's approach to managing sustainability-related risks and uncertainties. As a responsible global corporate citizen, Texchem Group recognises that the natural resources supporting our operations are finite and that environmental risks—such as resource scarcity, climate-related impacts and regulatory change—may affect the Group's business model, operations and long-term prospects. Sustainable growth therefore depends on proactive risk identification, assessment and mitigation, supported by disciplined governance and management oversight. Guided by the "Fusegu" principle, Texchem Group seeks to safeguard against environmental and operational risks, protect natural resources, enhance business resilience and support long-term value creation in line with our strategy and risk management framework.

Climate Change and Adaptation

Texchem Group acknowledges climate change as a material global challenge that requires proactive and collective action. As part of our transition plan for climate change mitigation, Texchem Group continues to strengthen our climate change management approach by evaluating operational impacts, identifying climate-related risks and implementing practical mitigation measures to enhance business resilience. At the same time, Texchem Group remains mindful of our carbon footprint and is establishing a structured carbon inventory, including across our supply chain. These efforts reflect our ongoing commitment to reducing environmental impact while supporting long-term sustainability.

Managing Our Emissions

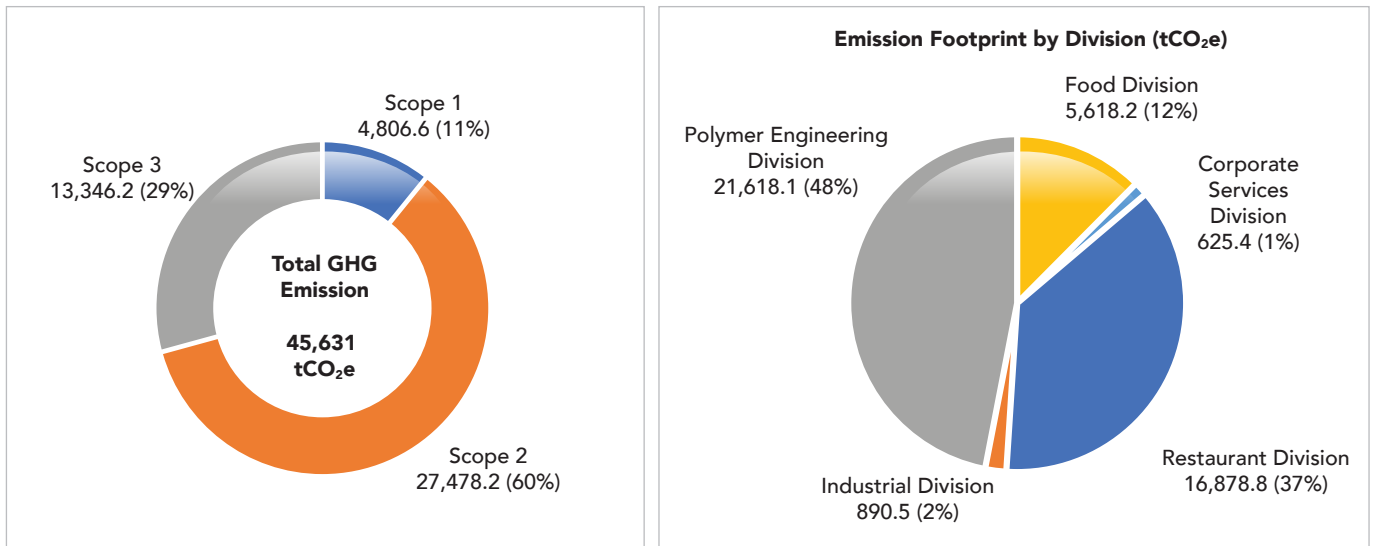
Texchem Group continues to strengthen our emissions management through consistent measurement, monitoring and continuous improvement, enabling the Group to minimise environmental impact while supporting climate change mitigation. Following our first emissions report in FY2024, Texchem Group has since undertaken a comprehensive carbon footprint assessment across all the Divisions, resulting in an increase of the Group's overall emissions. This ongoing effort strengthens data quality, supports future target setting and enables the Group to identify improvement opportunities, manage emissions more effectively and deliver practical solutions that contribute to climate change mitigation and long-term operational resilience.

SUSTAINABILITY STATEMENT (CONT'D)

Our GHG data is calculated using emission factors from reputable sources, including the United Kingdom’s Department for Environment, Food and Rural Affairs (“DEFRA”) and Malaysia’s Energy Commission (“EC”), in alignment with globally recognised standards under the World Business Council for Sustainable Development and World Resources Institute Greenhouse Gas Protocol (“WBCSD/WRI GHG Protocol”).

Total Greenhouse Gas Emissions in FY2025 (tCO₂e)

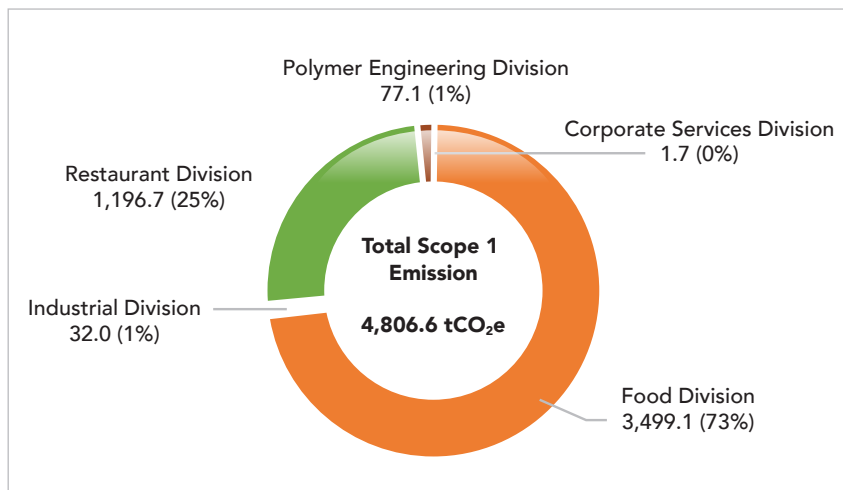
Total GHG emissions comprise both direct and indirect emissions arising from the Group’s business operations. In FY2025, Texchem Group continued to track our total GHG emissions, at **45,631** tCO₂e, where our total GHG intensity was at 41.1 tonnes/ RM’ million revenue. This reporting marks the first time Texchem Group has disclosed our GHG emissions intensity and the Group will continue to monitor this indicator to better understand emissions performance across our operations and to support initiatives aimed at improving energy efficiency and reducing environmental impact.



Scope 1 Emissions

Scope 1 emission is defined as the direct GHG emissions from sources owned or controlled by Texchem Group. In FY2025, Scope 1 emissions account for 11% of the Group’s total carbon footprint. Due to the nature of our business operations, Texchem Group’s direct emissions are mainly contributed by both Restaurant and Food Divisions, generated from on-site fuel combustion* and company-owned transportation fleet.

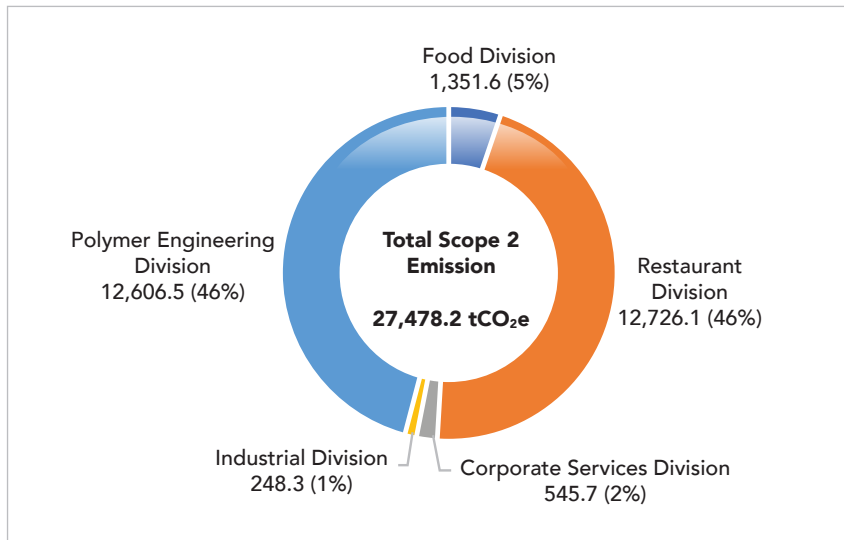
* On-site combustion includes diesel, biomass, liquefied petroleum gas (LPG) and petrol consumed for operations.



SUSTAINABILITY STATEMENT (CONT'D)

Scope 2 Emissions

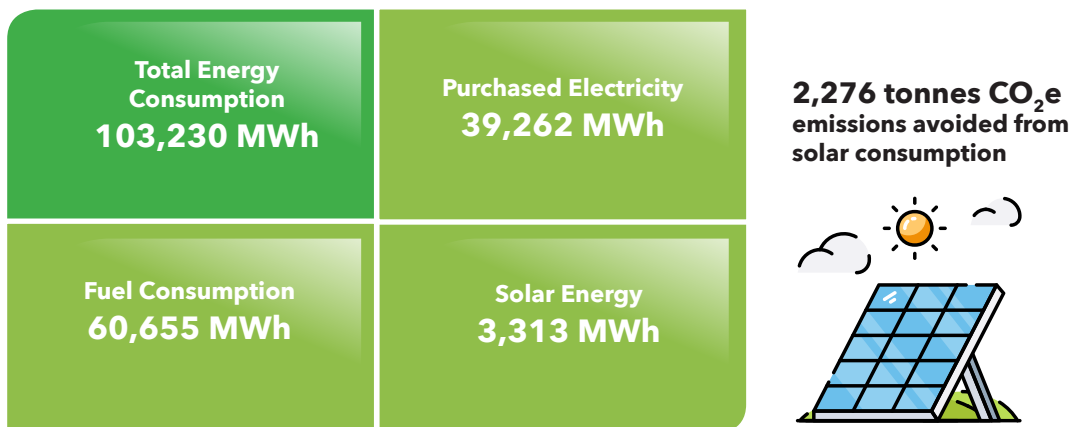
Scope 2 emission defined as the indirect GHG emissions from purchased electricity. In FY2025, Scope 2 emissions totalled at 27,478.2 tCO₂e, representing 60% of Texchem Group’s total carbon footprint. These emissions are associated with electricity consumption at plants and worksites owned or controlled by the Group, including operational activities across our Industrial, Polymer Engineering, Food, Restaurant and Venture Business Divisions.



Note: Emission factor for operations at Malaysia, Singapore, Vietnam, Thailand and Indonesia have been followed the respective emission factor (location-based) of the countries.

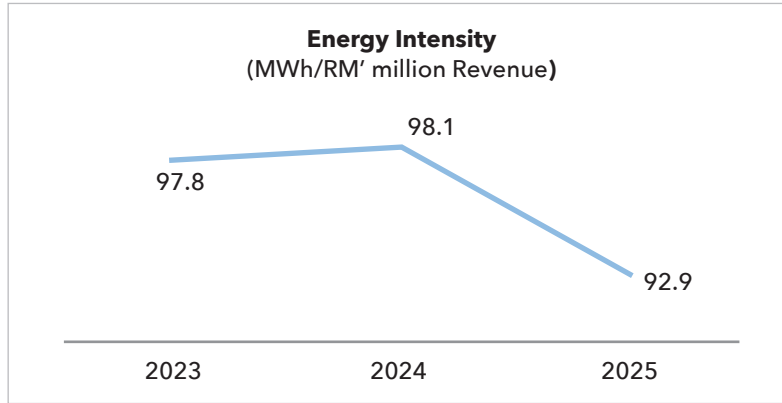
Energy Intensity

In FY2025, Texchem Group commenced to monitor our energy intensity across the Group, which may serve as a baseline in our effort to establish emission reduction targets. We will continue to assess the suitability and relevancy of energy intensity as our emission reduction target, ensuring alignment with our business model and operational realities.



Note: Fuel includes diesel, biomass, liquefied petroleum gas (LPG) and petrol consumed for operations.

SUSTAINABILITY STATEMENT (CONT'D)



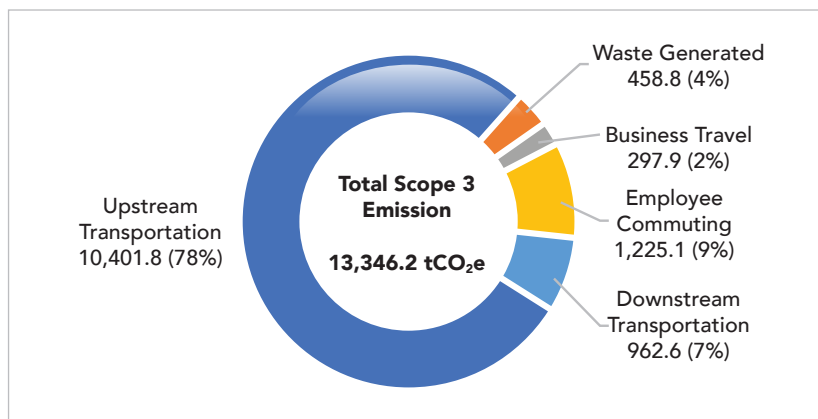
Scope 3 Emissions

Scope 3 emissions cover all other indirect emissions generated across our business operations. In FY2025, we have expanded our Scope 3 emission disclosures to include emissions from waste generated, upstream and downstream transportation and distribution.

Category	Boundary	Calculation Methodology
4 Upstream Transportation and Distribution	Texchem Group	Distance-based method
5 Waste Generated in Operations	Texchem Group	Activity-based method
6 Business Travel	Texchem Group	Distance-based method
7 Employee Commuting	Texchem Group	Distance-based method
9 Downstream Transportation and Distribution	Texchem Group	Distance-based method

Definition

- Distance-based method: Determining the distance and mode of travel, then applying the appropriate emissions factor for the mode used.
- Activity-based method: Determining the total waste going to each disposal method (e.g., landfill) and average emission factors for each disposal method.



SUSTAINABILITY STATEMENT (CONT'D)

Progressing in Low-Carbon Economy

Texchem Group has long prioritised energy conservation and efficiency as part of our commitment to reducing environmental impact and this practice continues in FY2025. Across our operations, we implement energy-saving and cost-effective techniques in manufacturing processes, leveraging new technologies and equipment upgrades to lower both energy consumption and operational carbon footprint.

Energy efficiency measures are embedded across all operations, including LED lighting retrofits at manufacturing plants and Sushi King outlets, HVAC auto shut-off systems after office hours and the use of Variable Speed Drive (VSD) compressors to optimise machinery performance. Regular preventive maintenance and staff awareness training on energy conservation further enhance operational efficiency. Additional measures, such as minimising warehouse lighting use during lunch breaks, reinforce a culture of responsible energy use. In the Food and Restaurant Divisions, new and renovated stores are transitioning from gas to electric equipment, supporting lower emissions and improved energy performance.

Adoption of renewable energy remains as a key strategy in our ongoing efforts to reduce demand for non-renewable energy sources, thereby minimising our product carbon footprint. On this note, solar panels have been installed at Wisma Texchem, Subang, as well as four out of seven Polymer Engineering Division plants, with feasibility studies at the remaining three locations are in the pipeline.

Building on these initiatives, Texchem Group has embarked on a next phase of energy conservation, focusing on identifying inefficiencies, benchmarking consumption against industry standards and mapping opportunities for continuous improvement. This includes replacing our older and less efficient cooling systems in some of our facilities to reduce energy leakage.

The Group remains committed to progressively reducing fossil fuel consumption, advancing toward a low-carbon economy, while maintaining operational efficiency and production output.

The carbon footprint assessment conducted in FY2025 has allowed Texchem Group to identify our resource consumption and source of emission, where we are now better positioned to identify climate-related risks and opportunities, manage our carbon footprint across operations and supply chain, preliminary establishing product carbon footprint, identify potential environmental impacts and implementation of practical mitigation measures as part of the Group's climate change transition plan.

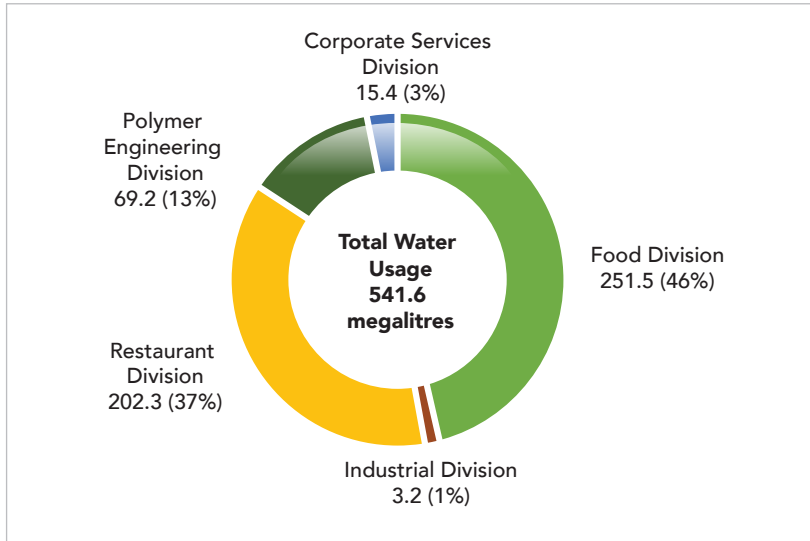
Water Management

Water is a vital resource for society and Texchem Group recognises our critical role across all business operations. The Group is particularly mindful of sites with limited access to utilities or reliance on natural water sources, where careful water management and conservation are essential. Guided by our sustainability objectives, we actively monitor water consumption, implement efficiency measures and mitigate environmental impacts associated with water use. Reducing water consumption remains a key priority and Texchem Group continuously assesses water-related risks and opportunities to optimise processes, ensure regulatory compliance and support long-term resource stewardship throughout our value chain.

In FY2025, our water use intensity is at 0.49 megalitres/ RM' million revenue. This reporting marks the first time Texchem Group has disclosed our water use intensity, which will serve as a baseline for ongoing monitoring to identify water usage patterns, support efficiency initiatives and assess potential mitigation measures. Texchem Group is also in the process of developing and strengthening our process to monitor effluent and water discharge.

In FY2025, we did not receive any fines and penalties with regards to non-compliance in our water discharges.


SUSTAINABILITY STATEMENT (CONT'D)



Water Usage by Source	Total Consumption (megalitres)
Total Surface Water (Rivers, Lakes, Natural Ponds etc)	11.3
Total Ground Water (Wells, Boreholes etc)	114.9
Total Municipal Potable Water	356.0
Total Seawater	59.4
TOTAL	541.6

Note: The surface water, ground water and seawater usage is within Myanmar operation only.


Our Commitment to Responsible Water Stewardship



Compliance

Effluent quality at discharge points are periodically monitored for key parameters to ensure compliance with relevant environmental regulations and standards, with prompt corrective actions taken to address any non-compliance and prevent recurrence


01



Measurement

Water consumed at all Malaysia operations are extracted from municipal water source and tracked through monthly billing. Water consumption patters are monitored and periodic preventive maintenance conducted to prevent leakages


02



Alternative

Alternative water sources such as recycled water use for non-potable applications and rainwater harvesting implemented at Polymer Engineering Division and Kokubu Food Logistics Malaysia Sdn. Bhd. facility

03



Awareness

Awareness on responsible water use is promoted through visual communications, such as posters and signage at receptive areas such as wash basins, restrooms and cafeterias

04

We will continue to embed water stewardship into our daily operations, not only actively reducing our consumption, but also explore avenues for alternative water source, opportunities for water recycling and reuse, as well as actively reducing our water footprint through process optimisation and improvement, demonstrating our support to water use efficiency across our value chain.

SUSTAINABILITY STATEMENT (CONT'D)


Resource and Waste Management

Texchem Group recognises that generation of waste is inevitable in the course of our operations and is committed to managing waste in a responsible manner. While waste diversion from landfill remains the most direct and straight-forward initiatives, Texchem Group goes beyond this approach by embedding circular economy principles within our operations to enhance operational efficiencies, reduce waste generation, divert waste from landfill and improve resource-use efficiency.


Use-Phase Efficiency and Lifecycle Thinking

At Texchem Group, we understand that the resources consumed for our business operations are finite and it is of paramount importance that the Group adopts responsible stewardship by managing resource consumption efficiently through sustainable product design, lifecycle thinking and end-of-life considerations, contributing to long-term resource sustainability. For instance, at Polymer Engineering Division, approximately 30% of post-production plastic waste is either recycled back into the injection moulding operations where client specification permits or recycled by scrap collectors. In addition, at Industrial Division, more than 50% of the intermediate bulk containers ("IBC") delivered to customers are returnable for reuse and products are reworked within permissible limits, to extend their shelf life in support of waste minimisation effort. The Industrial Division is also working closely with its clients to design and develop products that offers enhanced safety and environmental responsibility across handling, processing and disposal stages, demonstrating our capacity and commitment to reduce our product's environmental impacts.

In FY2025, more than 3,000 units of recycled pallets with higher durability were purchased at Industrial Division and more than 15 MT of shrink wrap and stretch film with recycled content were purchased at Industrial Division and Kokubu Food Logistics Malaysia Sdn. Bhd., undermining our commitment to explore a more sustainable approach in relation to material selection.

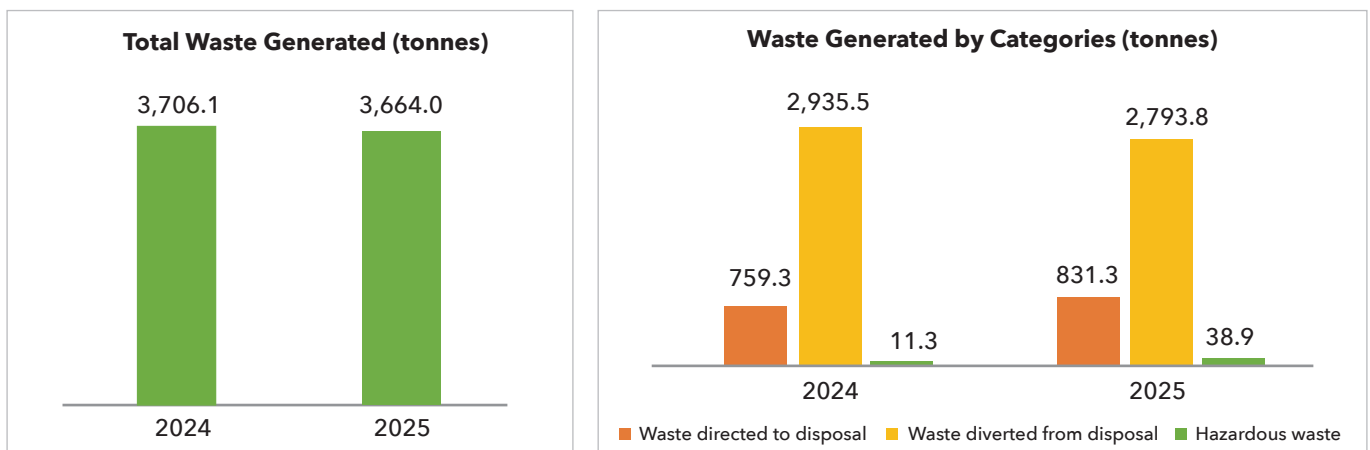


TEXa is a certified bio-based material derived from non-edible agricultural waste, offering an affordable and sustainable solution to reduce reliance on fossil-based resources in plastic products such as containers, furniture and tableware. In addition to utilizing agricultural waste, recycled polypropylene (PP) is incorporated into the TEXa production process in accordance with clients' product specifications, resulting in a reduction of over 400 tCO₂e greenhouse gas emissions compared with the use of virgin PP material in FY2025.



Responsible Waste Management

Owing to the diverse nature of our business operations, the Group generates various waste types, including food waste, recyclable waste, non-recyclable waste and hazardous waste, each of which are managed through different approaches based on their respective waste streams.



SUSTAINABILITY STATEMENT (CONT'D)

Management of Hazardous Waste

All scheduled waste generated across our operations is managed in strict compliance with the applicable environmental regulations of the respective countries in which we operate, including Malaysia’s Environmental Quality Act 1974 and the Environmental Quality (Scheduled Waste) Regulation 2005. This includes ensuring secure storage on-site, disposal through licensed collectors at approved facilities and oversight by Certified Environmental Professional in Scheduled Waste Management (“CePSWaM”).

Management of Non-Hazardous Waste

Non-hazardous waste can be further classified into two-categories: waste directed to landfill (non-recycled waste) and waste diverted from landfill (which refers to waste that is collected and recycled). Across Texchem Group, packaging materials such as carton boxes, plastic pallets, IBC are reused or upcycled where necessary.

Reduction of Food Waste

Food waste is an inherent aspect of operations within both the Restaurant and Food Divisions. In response, these Divisions are committed to reducing food waste through waste minimisation initiatives and by supporting responsible consumption practices in alignment with Sustainable Development Goal 12. The initiatives undertaken by these Divisions include:

Food Division	<ul style="list-style-type: none"> • Fresh salmon heads are sold to buyers for repurposing. • Partnership with animal feed manufacturers to convert waste from salmon processing into animal feed. • Inventory-clearance sales to prevent wastage of short-expiry products.
Restaurant Division	<ul style="list-style-type: none"> • Kaiten Management Projection charts enable more efficient production planning and reduce overproduction of sushi. • Used cooking oil collection programmes are implemented across all Sushi King Malaysia outlets. • Waste tracking systems was introduced to monitor Kaiten belt wastages, enhancing data accuracy and visibility on customer consumption patterns and supporting ongoing operational improvements.

Texchem Group will continue to advance our waste reduction and circular economy initiatives across all Divisions. The Group remains committed to identifying opportunities in use of materials with recycled content, to further reduce material consumption and waste generation, improve recycling rates and strengthen responsible waste practices, driving both environmental stewardship and operational efficiency.

Biodiversity Protection and Pollution Control

Texchem Group recognises that our operations may have adverse impacts on the environment and may disrupt biodiversity and ecosystems in areas where it operates. As such, Texchem Group is committed to ensuring our business operations are conducted in strict compliance to applicable environmental laws and regulations, reducing our impacts on surrounding communities and ecosystems especially in the form of air and water pollution.

As of FY2025, 77.8% of our operating sites* are ISO14001 certified. At Texchem Group, we acknowledge that above and beyond legal compliance, proactive measures such as scheduled maintenance at wastewater treatment plants and stack emission maintenance are critical in pollution prevention and mitigation. Environmental safeguards are supported through structured air and water quality monitoring programmes at our operating sites. Annual stack emissions testing for boiler is conducted in accordance with local environmental regulations and requirements, covering Total Particulate Matter (“TPM”), nitrogen oxides (NOx), sulphur oxides (SOx) and dark smoke observations. Wastewater treatment plant effluent is monitored for Biochemical Oxygen Demand (“BOD”), Chemical Oxygen Demand (“COD”), Total Suspended Solids (“TSS”), pH levels and oil and grease content, with monitoring conducted in frequencies as stipulated by local environmental regulations at all applicable sites. During FY2025, there were no environmental fines and penalties recorded, reinforcing the importance of ongoing monitoring, operational controls and employee awareness in safeguarding environmental performance.

* Operating sites are defined as Texchem Group worksites that are engaged in active manufacturing processes, specifically facilities operated by the Polymer Engineering, Industrial and Venture Business Divisions.

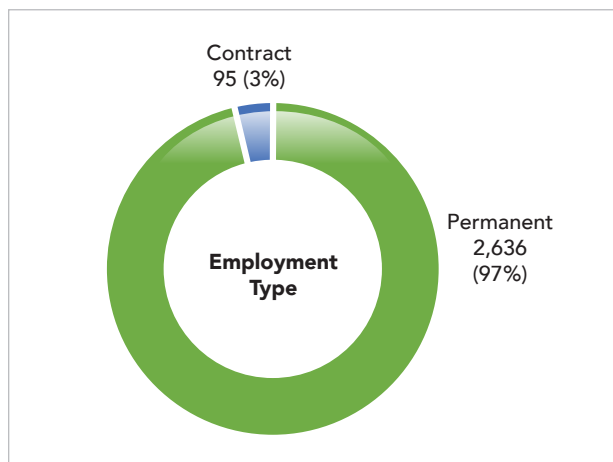
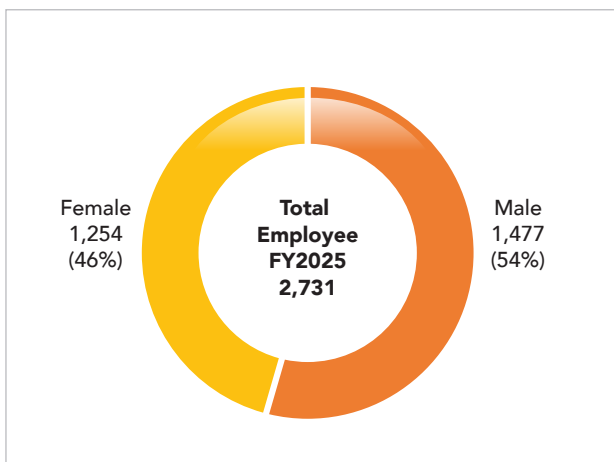
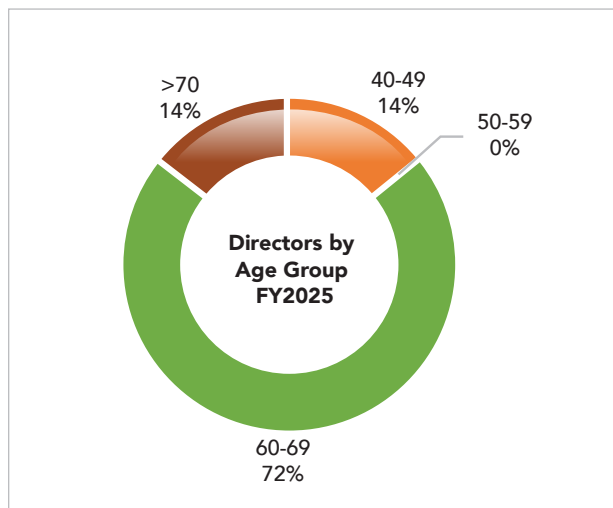
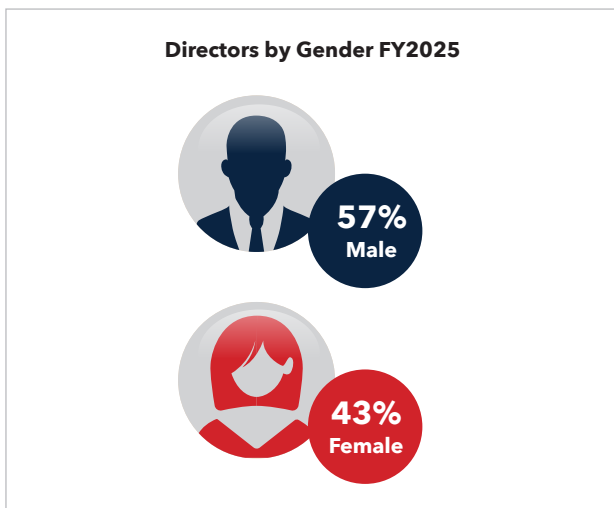
SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL

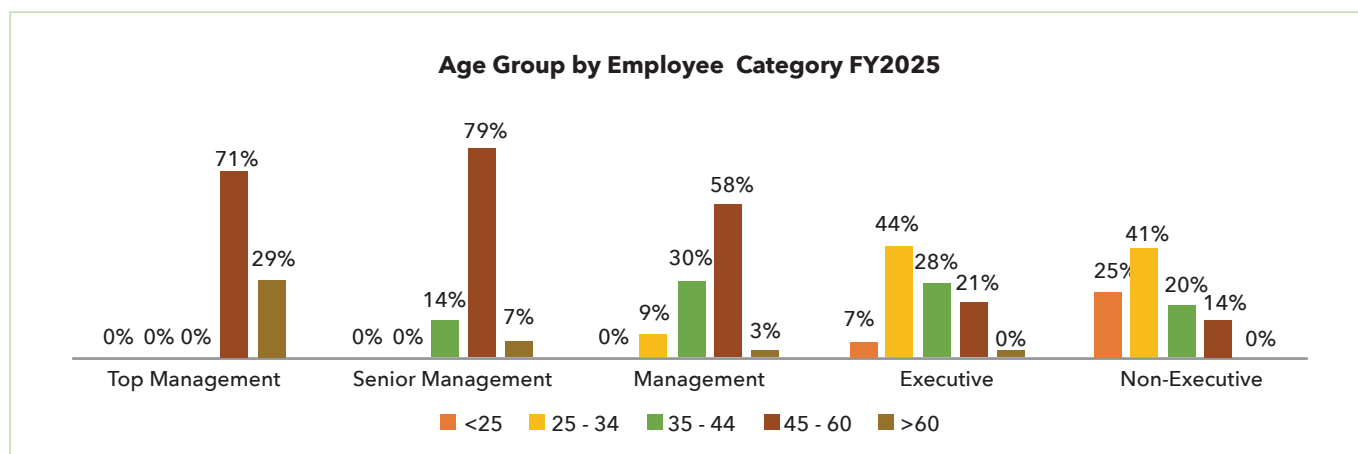
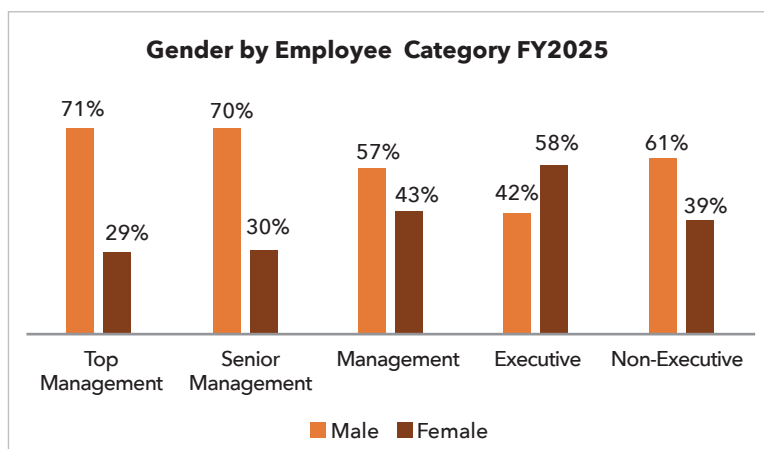
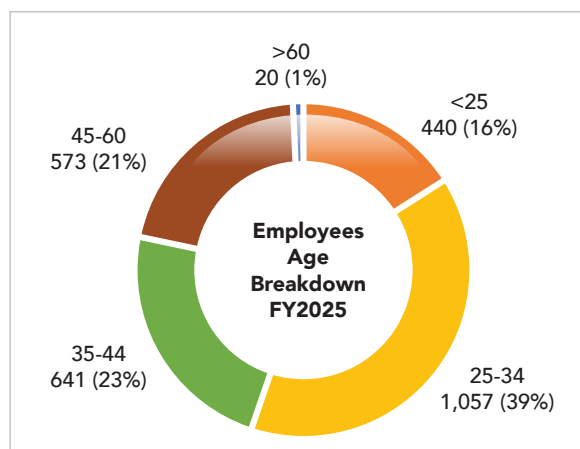
At Texchem Group, the social pillar is managed through a people-centred approach including responsible labour practices and a commitment to employee well-being, growth and safety. The Group promotes diversity, equity and inclusion, upholds human rights and occupational health and safety standards and engages with communities in a responsible and meaningful manner to create shared value and support long-term social sustainability.

Diversity, Equity and Inclusion

Texchem Group recognises that our people are central to the Group's long-term growth and performance. We are committed to providing a respectful and inclusive workplace where employees are treated fairly and given equal opportunities to develop and succeed. Discrimination of any form is not tolerated and all employment decisions are based on merit, without regard to age, race, ethnicity, nationality, gender, religion, disability and sexual orientation. As at the reporting date, the Group does not have any employees with disabilities in our midst. The Group remains open to future opportunities to employing persons with disabilities or individuals from under-privileged or marginalised groups, including those from disadvantaged socio-economic background or those with limited formal education or qualifications, subject to role suitability and operational requirements.



SUSTAINABILITY STATEMENT (CONT'D)




Employee Turnover	FY2025
Top Management	0
Senior Management	5
Management	29
Executive	146
Non-Executive	524
Total	704

Our overall employee turnover rate is 25.8% for the reporting period. Due to the nature of the business, our Restaurant Division's employee turnover was at 15.5%, an improvement from FY2024 of 20.1%. We will continuously work towards improving our turnover rate.

Texchem Group's talent management approach is underpinned by merit-based selection and inclusive practices across the employment lifecycle, encompassing recruitment, remuneration, professional development and career progression. The Group believes that fostering a diverse, equitable and inclusive culture enhances productivity, encourages innovation and strengthens team cohesion.

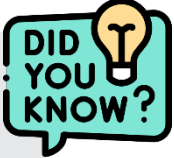
SUSTAINABILITY STATEMENT (CONT'D)

As at the reporting period, the Group’s Board comprises a male-to-female ratio of 1:0.75, reflecting compliance with and exceeding the requirements of the MCGG 2021, which mandates that listed companies achieve at least 30% women representation on boards. In this regard, Texchem Group remains committed to further enhancing gender diversity at the Board level as suitable opportunities arise.




UN WOMEN
United Nations Entity for Gender Equality and the Empowerment of Women

People | Inclusion | Talent
 Texchem Group is a **signatory to the United Nations Women’s Empowerment Principles (“WEPs”)**, reinforcing our commitment to **gender equality, inclusive workplaces and equal opportunities**. We support women’s development and leadership progression through **fair, merit-based and respectful workplace practices across the Group**.




Capacity Building and Talent Development

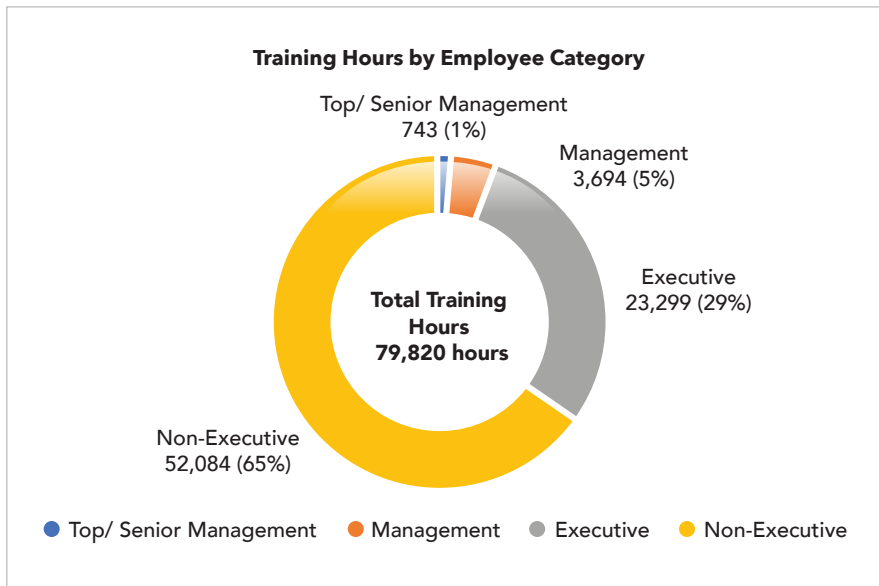
At Texchem Group, we place strong emphasis on workforce development, investing continually in our people through a comprehensive employee development strategy.



Total Training Hours
79,820 hours



Average Training Hours per employee
22.5 hours



Technical Skills Enhancement

We invest in our people through targeted training and certification programmes that support employee growth, strengthen technical know-how, enhance industry knowledge and enabling employees in keeping abreast with latest technologies to elevate operational efficiency and business excellence standards.

SUSTAINABILITY STATEMENT (CONT'D)

Personal Development Programme

We implement structured programmes to nurture communication, collaboration and leadership capabilities, including leadership development programmes, mentoring initiatives and coaching relationships that support high-potential employees in preparing for greater responsibilities and future leadership roles.

For more information on our training and development strategy, kindly visit our website at <https://texchemgroup.com/encourage-growth/>.

Compliance and Safety

Texchem Group maintains a strong focus on occupational safety, regulatory compliance and operational integrity across our operations. Employees are regularly trained on occupational safety and health (“OSH”) standards and work-related safety trainings to reinforce safe, compliant, environmentally responsible and efficient practices throughout the Group.

Succession Planning

Texchem Group adopts a structured and systematic approach to developing our leadership pipeline. Key components of this approach include Talent Pool Programmes, annual succession planning reviews for critical roles and mentoring relationships between senior leaders and high-potential employees. These capability-building initiatives are aligned with the Group’s strategic business needs to ensure leadership continuity, organisational resilience and readiness for future leadership requirements.

Texchem Group will continue to foster a culture of continuous learning, capability enhancement and leadership development, with particular focus on strengthening succession planning for critical roles, ensuring our workforce remains skilled, motivated and aligned with the Group’s long-term strategic objectives.



Texchem Group’s Twin Triumph

In June 2025, Texchem Group was awarded the prestigious Malaysia Best Employer Brand Awards 2025, endorsed by CHRO Asia and certified by the World Federation of HR Professionals, places Texchem Group among Malaysia’s most distinguished employers. In the same event, Ms Cynthia Ooi, Texchem Group’s Chief Administrative Officer (CAO) & Chief Human Resource Officer (CHRO), was honoured as CHRO of the Year under the renowned Business Leader of the Year® programme. This recognition reinforces our commitment to leadership continuity and positions Texchem as a benchmark for talent development excellence within the industry.

SUSTAINABILITY STATEMENT (CONT'D)

Labour Practices and Standards and Human Rights

At Texchem Group, we prioritise the protection of human and labour rights across all our operations. In alignment with the United Nations Global Compact (“UNGC”) Principles, we are committed to upholding the dignity, safety and fair treatment of all employees. Our approach is guided by several key commitments to ensure a responsible, ethical and compliant work environment:

- **Safe Working and Living Conditions** - We provide workplaces and accommodations for foreign employees that meet the regulatory requirements. Employees’ housing is established in accordance with the Workers’ Minimum Standards of Housing, Accommodations and Amenities (Amendment) Act 2019 (Act 446), ensuring safety, hygiene and adequate facilities.
- **Fair Compensation** - We ensure that all employees receive fair and equitable compensation in compliance with Malaysia’s Minimum Wage Order 2025, including appropriate remuneration for overtime hours. The Group’s compensation practices fully comply with local labour laws and standards in all jurisdictions where Texchem Group operates.
- **Pay-for-Performance** - Texchem Group maintains a merit-based, pay-for-performance approach to support fair and equitable compensation practices for employees. Periodic internal pay equity reviews are undertaken to identify and address potential disparities where identified. Remuneration decisions are guided by objective criteria, including performance, skills and individual contribution, without discrimination based on gender, race or other protected characteristics.
- **Freedom of Association** - We respect and support employees’ rights to join trade unions, professional associations or other non-governmental organisations.
- **Collective Bargaining** - Texchem Group engages constructively with employee representatives where collective bargaining applies, ensuring open communication and fair negotiation.
- **Child Labour and Forced Labour** - Child labour and any form of forced or compulsory labour are strictly prohibited across all operations and supply chains.
- **Working Hours and Labour Standards** - Texchem Group complies with statutory working hours requirements in the jurisdictions where it operates and maintains ongoing efforts in monitoring and managing working hour arrangements to address the risk of excessive working hours and protect employee health and safety.

In FY2025, there were no reported incidents of human rights violations and labour standards non-compliance, reflecting our ongoing commitment to ethical business practices and a safe, respectful workplace.

SUSTAINABILITY STATEMENT (CONT'D)

Occupational Health and Safety

Texchem Group is committed to fostering a safe and healthy workplace for all employees and contractors, recognising that strong OSH practices underpin both business performance and our moral responsibilities. Board oversight on health and safety risks ensures that OSH remains a strategic priority, as we acknowledge that any serious incident can impact our licence to operate, financial performance, stakeholder confidence and brand reputation.

Compliance with legal requirements is integral to our operations. We maintain a zero-tolerance approach to unsafe acts and conditions across all workplaces, adhering to the Occupational Safety and Health Act 1994 (OSHA) in Malaysia, as well as applicable workplace safety regulations in all countries where we operate.

OSH Management

Active workforce involvement is key to maintaining safe and healthy working environments. Health and Safety Committees have been established at all operational sites to oversee the implementation of Texchem Group’s policies and standard operating procedures and provide a platform for employees to raise workplace safety concerns. These committees comprise employee representatives and management members, enabling open dialogue and collaborative discussion on matters relating to health, safety and wellbeing at the workplace. At Texchem Group, safety is a shared responsibility and every individual is expected to play an active role in safeguarding the welfare of the workforce.

Safety standards training (but not limited to):

OSH coordinator, safety and 5S auditor, machinery, emergency response team, first aid and CPR etc

General safety training conducted (but not limited to):

Electrical safety, workplace crisis management, emergency preparedness, fire prevention and drill, safe food handling, safe chemical handling, Global Recycled Standard (GRS) awareness, process technical and safety, heat stroke etc

2,677 employees trained in safety and health standards across all Divisions

7,228 hours clocked on safety and health training across all Divisions

Through the Hazard Identification, Risk Assessment and Risk Control (HIRARC) process, potential hazards and risks are identified and mitigated to ensure residual risks are kept as low as reasonably practicable. Our incident reporting procedures outline clear lines of reporting, investigation protocols, corrective and preventive measures and communication of lessons learned to prevent recurrence. Regular OSH training is provided to employees and contractors to equip them with the knowledge and skills required to perform their duties safely and to respond effectively in emergencies and critical situations.

SUSTAINABILITY STATEMENT (CONT'D)

OSH Performance

Texchem Group is proud to report that there were no fatal accidents across all Divisions, a testament to our commitment to safeguarding workforce health, safety and welfare. We will continue to uphold these high standards, ensuring compliance with new regulations and maintaining our clean safety record. Our goal is for every employee and contractor to return home safely at the end of each workday.

Occupational Health and Safety	FY2025	FY2024	FY2023
Worked man-hours (hours)	8,442,140	8,035,266	8,971,554
Fatal accidents			
- Texchem Group employees	0	0	0
- Contractors' employees	0	0	0
Lost time incident rate ("LTIR")	0.26	0.42	0.38

Note:

1. LTIR is defined as (Total number of lost time injuries / Total number of hours worked) x 200,000
2. Number of hours worked for the calculation of LTIR includes both Texchem Group employees and contractors

Community Relations

Social responsibility drives our approach to community engagement. Through strategic community investments, employee volunteering and local partnerships, we create lasting positive impact while building trust and relationships.

Our Code of Conduct and Ethics guides engagement across all operations, ensuring we act responsibly wherever we work. Collaborating closely with community partners, we focus our efforts on areas that matter most to the health and well-being of communities, with particular emphasis on children's health. These initiatives address urgent social needs by strengthening community resilience through improved access to nutrition, education support and disaster relief.

In addition, we support environmental protection as well as arts and cultural initiatives, recognising their importance in safeguarding shared heritage and natural spaces. Our environmental stewardship efforts include initiatives such as Trash Free Hill and beach clean-up activities, where employees actively contribute to preserving public and coastal environments while strengthening sustainability awareness.

We also support cultural events such as the Yosakoi Parade and Aki Matsuri, which celebrate cultural diversity and foster community connection through shared cultural and recreational experiences. Through these efforts, we seek to protect and leave a lasting legacy for communities today, one that can be preserved and valued by generations to come.

Our community engagement efforts in FY2025 demonstrate significant impact across multiple dimensions:

	FY2025 Achievement
Total Community Investment	RM 117,657
Number of Community Programmes	16 programmes
Total Beneficiaries Reached	725 beneficiaries
Employee Volunteer Hours	523 hours

For more information on our social impact projects, please visit our website at <https://texchemgroup.com/esg-social/>.

SUSTAINABILITY STATEMENT (CONT'D)

Health and Wellbeing

"Back to School" Healthy Meal Programme

Texchem Group reaffirmed our commitment to protecting and promoting children’s rights, guided by the Children’s Rights and Business Principles. As part of this commitment, our “Back to School” Healthy Meal Programme invested RM54,772 to provide daily nutritious meals to 81 students from B40 families in Malaysia across selected schools. We recognise that access to nutrition supports physical growth and cognitive development, enabling children to learn effectively through a balanced diet.

The programme also helps ease the financial burden on families, allowing parents to allocate limited resources towards essential school needs such as uniforms, supplies and transportation. In doing so, the initiative supports more equitable access to education while strengthening family financial resilience.

Through efforts such as this, Texchem Group continues to create meaningful, long-term impact within the communities where we operate, supporting children to thrive today and contribute to a stronger future.

Earthquake Relief Support – Myanmar

In March 2025, Texchem Group provided assistance to approximately 2,000 families and surrounding communities affected by a severe earthquake in Myeik, Myanmar. Leveraging our local presence and resources, we delivered timely relief in the form of food, essential supplies and emergency aid.

This swift and coordinated response demonstrated Texchem Group’s strong commitment to the well-being of the communities in which we operate. By integrating our business values with community-driven action, we ensure that our operational footprint goes hand in hand with social responsibility, reinforcing a future in which Texchem Group’s growth contributes meaningfully to the resilience and well-being of the communities we serve.

In May 2025, Texchem Group extended our support to employees’ families in Myanmar through the Annual Education Support Programme, benefiting 60 families by providing educational stationery to children of employees facing financial challenges. This support helps ensure that students have the essential tools needed to participate fully in their studies.



Through employee volunteering efforts, the programme facilitated access to education by easing financial pressures on families, reflecting Texchem Group’s culture of employee engagement and our commitment to the long-term development of the communities where we operate.

SUSTAINABILITY STATEMENT (CONT'D)

Date & Time: 2026-03-16 10:48:32
FYE 31/12/2025

Texchem Resources Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Community Relations	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	117,657,000	-	Internal
Community Relations	Total number of beneficiaries of the investment in communities	Number	725	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by gender, for each employee category - Top Management Male	Percentage	71.43%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by gender, for each employee category - Top Management Female	Percentage	28.57%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by gender, for each employee category - Senior Management Male	Percentage	70.45%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by gender, for each employee category - Senior Management Female	Percentage	29.55%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by gender, for each employee category - Management Male	Percentage	57.28%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by gender, for each employee category - Management Female	Percentage	42.72%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by gender, for each employee category - Executive Male	Percentage	42.28%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by gender, for each employee category - Executive Female	Percentage	57.72%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by gender, for each employee category - Non-executive Male	Percentage	60.87%	-	Internal

SUSTAINABILITY STATEMENT (CONT'D)

Date & Time: 2026-03-16 10:48:32
FYE 31/12/2025

Texchem Resources Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity, Equity and Inclusion	Percentage of employees by gender, for each employee category - Non-executive Female	Percentage	39.13%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Top Management Under 25	Percentage	0.00%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Top Management Between 25 - 34	Percentage	0.00%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Top Management Between 35 - 44	Percentage	0.00%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Top Management Between 45 - 60	Percentage	71.43%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Top Management Above 60	Percentage	28.57%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Senior Management Under 25	Percentage	0.00%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Senior Management Between 25 - 34	Percentage	0.00%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Senior Management Between 35 - 44	Percentage	13.64%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Senior Management Between 45 - 60	Percentage	79.55%	-	Internal

SUSTAINABILITY STATEMENT (CONT'D)

Date & Time: 2026-03-16 10:48:32
FYE 31/12/2025

Texchem Resources Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Senior Management Above 60	Percentage	6.81%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Management Under 25	Percentage	0.00%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Management Between 25 - 34	Percentage	9.22%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Management Between 35 - 44	Percentage	30.10%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Management Between 45 - 60	Percentage	58.25%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Management Above 60	Percentage	2.43%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Executive Under 25	Percentage	6.81%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Executive Between 25 - 34	Percentage	43.29%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Executive Between 35 - 44	Percentage	28.25%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Executive Between 45 - 60	Percentage	21.24%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Executive Above 60	Percentage	0.41%	-	Internal

SUSTAINABILITY STATEMENT (CONT'D)

Date & Time: 2026-03-16 10:48:32
FYE 31/12/2025

Texchem Resources Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Non-executive Under 25	Percentage	25.03%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Non-executive Between 25 - 34	Percentage	41.08%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Non-executive Between 35 - 44	Percentage	19.80%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Non-executive Between 45 - 60	Percentage	13.69%	-	Internal
Diversity, Equity and Inclusion	Percentage of employees by age group, for each employee category - Non-executive Above 60	Percentage	0.40%	-	Internal
Diversity, Equity and Inclusion	Percentage of directors by gender - Male	Percentage	57.14%	Less than 70%	Internal
Diversity, Equity and Inclusion	Percentage of directors by gender - Female	Percentage	42.86%	At least 30%	Internal
Diversity, Equity and Inclusion	Percentage of directors by age group - Between 40 - 49	Percentage	14.29%	-	Internal
Diversity, Equity and Inclusion	Percentage of directors by age group - Between 50 - 59	Percentage	0.00%	-	Internal
Diversity, Equity and Inclusion	Percentage of directors by age group - Between 60 - 69	Percentage	71.42%	-	Internal
Diversity, Equity and Inclusion	Percentage of directors by age group - Above 70	Percentage	14.29%	-	Internal

SUSTAINABILITY STATEMENT (CONT'D)

Date & Time: 2026-03-16 10:48:32
FYE 31/12/2025

Texchem Resources Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Governance and Ethics	Percentage of employees who have received training on anti-corruption by employee category - Top Management	Percentage	100.00%	100.00%	No assurance
Governance and Ethics	Percentage of employees who have received training on anti-corruption by employee category - Senior Management	Percentage	100.00%	100.00%	No assurance
Governance and Ethics	Percentage of employees who have received training on anti-corruption by employee category - Management	Percentage	100.00%	100.00%	No assurance
Governance and Ethics	Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	100.00%	100.00%	No assurance
Governance and Ethics	Percentage of employees who have received training on anti-corruption by employee category - Non-executive	Percentage	100.00%	100.00%	No assurance
Governance and Ethics	Percentage of operations assessed for corruption-related risks	Percentage	100.00%	100.00%	Internal
Governance and Ethics	Confirmed incidents of corruption and action taken	Number	0	0	Internal
Climate Change and Adaptation	Total energy consumption	Megawatt	103,230.00	-	No assurance
Occupational Health and Safety	Number of work-related fatalities	Number	0	0	Internal
Occupational Health and Safety	Lost time incident rate	Rate	0.26	-	Internal
Occupational Health and Safety	Number of employees trained on health and safety standards	Number	2,677	-	Internal

SUSTAINABILITY STATEMENT (CONT'D)

Date & Time: 2026-03-16 10:48:32
FYE 31/12/2025

Texchem Resources Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Labour Practices and Human Rights	Total hours of training by employee category - Total Employees	Hours	79,820	-	No assurance
Labour Practices and Human Rights	Total hours of training by employee category - Top Management	Hours	116	-	No assurance
Labour Practices and Human Rights	Total hours of training by employee category - Senior Management	Hours	627	-	No assurance
Labour Practices and Human Rights	Total hours of training by employee category - Management	Hours	3,694	-	No assurance
Labour Practices and Human Rights	Total hours of training by employee category - Executive	Hours	23,299	-	No assurance
Labour Practices and Human Rights	Total hours of training by employee category - Non-executive	Hours	52,084	-	No assurance
Labour Practices and Human Rights	Percentage of employees that are contractors or temporary staff	Percentage	3.48%	-	Internal
Labour Practices and Human Rights	Total number of employee turnover by employee category - Top Management	Number	0	-	Internal
Labour Practices and Human Rights	Total number of employee turnover by employee category - Senior Management	Number	5	-	Internal
Labour Practices and Human Rights	Total number of employee turnover by employee category - Management	Number	29	-	Internal
Labour Practices and Human Rights	Total number of employee turnover by employee category - Executive	Number	146	-	Internal

SUSTAINABILITY STATEMENT (CONT'D)

Date & Time: 2026-03-16 10:48:32
FYE 31/12/2025Texchem Resources Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Labour Practices and Human Rights	Total number of employee turnover by employee category - Non-executive	Number	524	-	Internal
Labour Practices and Human Rights	Number of substantiated complaints concerning human rights violations	Number	0	0	Internal
Supply Chain Management	Proportion of spending on local suppliers	Percentage	41.70%	-	Internal
Cybersecurity and Data Protection	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	Internal
Water	Total volume of water used	Megalitres	541.60	-	No assurance
Resources and Waste Management	Total waste generated	Metric Tonnes	3,664.0	-	No assurance
Resources and Waste Management	Total waste diverted from disposal	Metric Tonnes	2,793.8	-	No assurance
Resources and Waste Management	Total waste directed to disposal	Metric Tonnes	831.3	-	No assurance
Resources and Waste Management	Total Schedule Waste	Metric Tonnes	38.9	-	No assurance
Climate Change and Adaptation	Scope 1 emissions	Metric Tonnes	4,806.6	-	No assurance
Climate Change and Adaptation	Scope 2 emissions	Metric Tonnes	27,478.2	-	No assurance
Climate Change and Adaptation	Scope 3 emissions	Metric Tonnes	13,346.2	-	No assurance