

ENVIRONMENTAL POLICY

1. Introduction

Tong Herr Resource Bhd (“THR” or “the Company”), including its subsidiaries (“the Group”), recognises the importance of implementing an Environmental Policy that addresses energy, climate change, pollution, waste, resource use, and water management.

This Policy aims to mitigate the environmental impacts of the Company’s operations through responsible resource management, technological improvements, and compliance with applicable environmental laws and regulations.

2. Scope

The Company is committed to effective environmental management and emissions control to fulfil its environmental and societal responsibilities and to generate sustainable long-term value for stakeholders.

This Policy outlines the Company’s approach to managing the environmental impacts of its business operations and applies across the Group. It is embedded into the Company’s business practices and forms an essential component of its sustainability journey.

The Company also encourages its business associates and suppliers to adopt comparable environmental commitments within their own operations.

3. Commitment

The Company is committed to minimizing environmental impact at all stages of our business operations:

- a) **Energy Management:** Measure, monitor, and manage energy consumption efficiently, promote energy conservation, and progressively transition towards cleaner and renewable energy sources.
- b) **Climate Change:** Reduce greenhouse gas (GHG) emissions by improving energy efficiency, promoting renewable energy adoption, and supporting the Company’s long-term decarbonisation and climate resilience objectives.
- c) **Pollution Management:** Prevent and control pollution arising from business activities to protect the environment and human health.
- d) **Waste Management:** Manage waste generation in accordance with the 4Rs principle (Reduce, Reuse, Recycle, Recover) and ensure responsible treatment and disposal of non-recyclable waste in compliance with applicable laws.
- e) **Resource use:** Promote efficient and responsible use of resources, including raw materials, energy, and water, while striving to minimise waste generation across operations.

- f) **Water Management:** Optimise freshwater use, encourage water reuse and recycling where feasible, protect water sources, and ensure wastewater discharges comply with applicable regulations.

4. Implementation

The Company is committed to implementing this Environmental Policy through structured environmental management practices that aim to minimise environmental impacts and promote continuous improvement.

Environmental considerations are integrated into business planning, decision-making, and operations through leadership commitment, effective communication, and stakeholder engagement.

- Compliance with all applicable environmental laws and regulations, industry standards and best practices, statutory and voluntary associated obligations in the countries where the group companies operate.
- Promote environmental awareness among stakeholders and encourage their participation to enhance collective environmental performance.
- Assess the environmental impacts of our operations across the value chain, including future operational changes, new ventures or acquisitions, and put in place proactive plans to eliminate, reduce or mitigate these impacts of our major CAPEX investment projects.
- Support and pursue scientific and technological advancements that are applied to environmental challenges for continual improvement and sustainable growth.
- Monitor our environmental performance by setting key performance indicators and targets for continuous improvement in reducing our environmental impacts,
- Perform regular audits of our compliance with the Company's Environmental Policy, and proactively monitor and review of our environmental management system.

5. Governance

The Board of Directors and Management are responsible for overseeing the implementation of this Policy and reviewing it periodically to ensure its continued relevance and effectiveness.

Progress and material updates relating to environmental performance and commitments will be disclosed in the Company's Annual Report or Sustainability disclosures.

This policy was reviewed by The Board of Directors and Management Team of the Company on 26 March 2026.