



**POLICIES & PROCEDURES**

**SUSTAINABILITY (ESG)  
POLICY**

**20.1301**

**24<sup>th</sup> Nov 2022**

*Version Number* : 00

## **OBJECTIVE**

This Sustainability (ESG) policy sets out guidance on how to conduct our business responsibly so that we create long-term value for our stakeholders and improve our long-term performance and resilience.

## **SCOPE**

This Policy covers the business activities of ENRA. The application of the Policy will take into consideration and align with the relevant Sustainability requirements of Bursa Malaysia

## **REFERENCES**

Guidebook 2: Sustainable, Socially Responsible and Ethical PLCs

## **DEFINITION & ABBREVIATIONS**

<b>TERM</b>	<b>DEFINITION</b>
ENRA	ENRA Group Berhad and its subsidiaries
ESG	Environmental, social and governance
SWG	Sustainability Working Group
ARMSC	Audit, Risk Management and Sustainability Committee
EXCO	Executive Committee
GRI	Global Reporting Initiative

## **RECORDS**

- 1:
- 2:
- 3:

## PROCESS

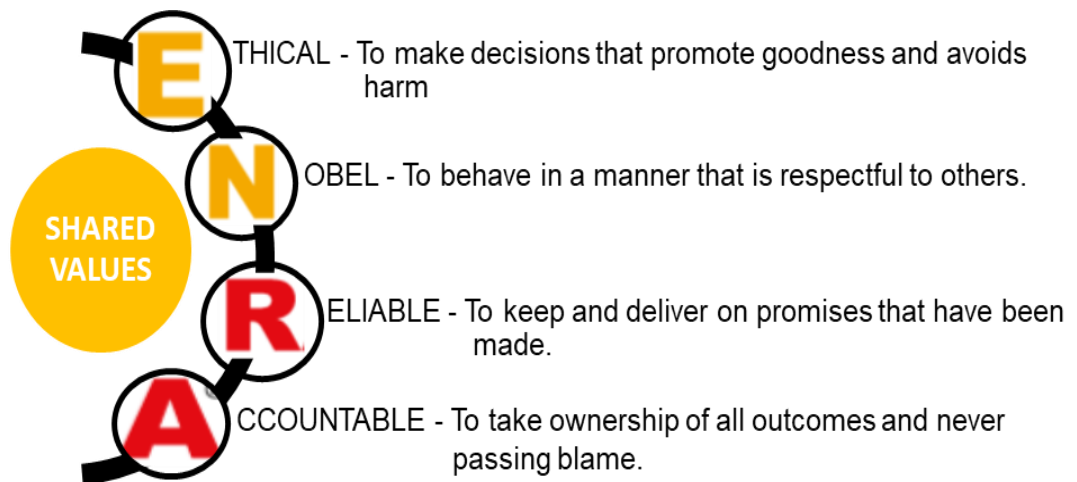
### 1.0 Overview

## VISION

Through shared values Ethical, Noble, Reliable and Accountable, to innovation and technology, ENRA will enable its people to create sustainable enterprise value (market value of equity and debt less cash and cash equivalents) in a manner that is responsible to its stakeholders, community and environment.



## SHARED VALUE



## SUSTAINABILITY THEMES



## MATERIAL MATTERS



## **2.0 Board Commitment to Sustainability**

The Board acknowledges that the well-being of the employees, customers, suppliers and other stakeholders as well as the environment and the society at large is central to sustaining ENRA' long-term performance and continued relevance.

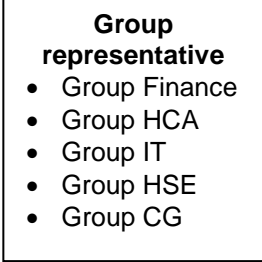
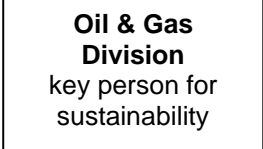
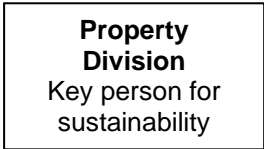
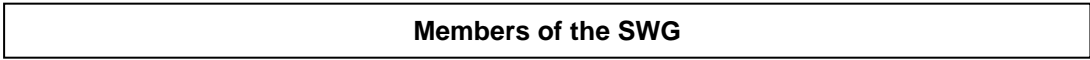
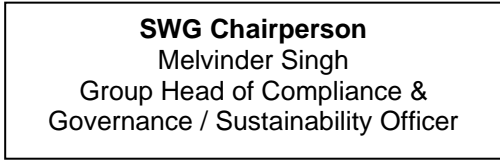
The heightened materiality of sustainability to the business demands the Board and the Management to intensify efforts in making sustainability central to ENRA' strategy and priorities, as well as creating the structure that enables, formal oversight to sustainability by the Board. Being the highest authority in sustainability governance, the Board takes full responsibility in institutionalising the Company's sustainability agenda, road map and initiatives.

## **3.0 Sustainability Governance structure**

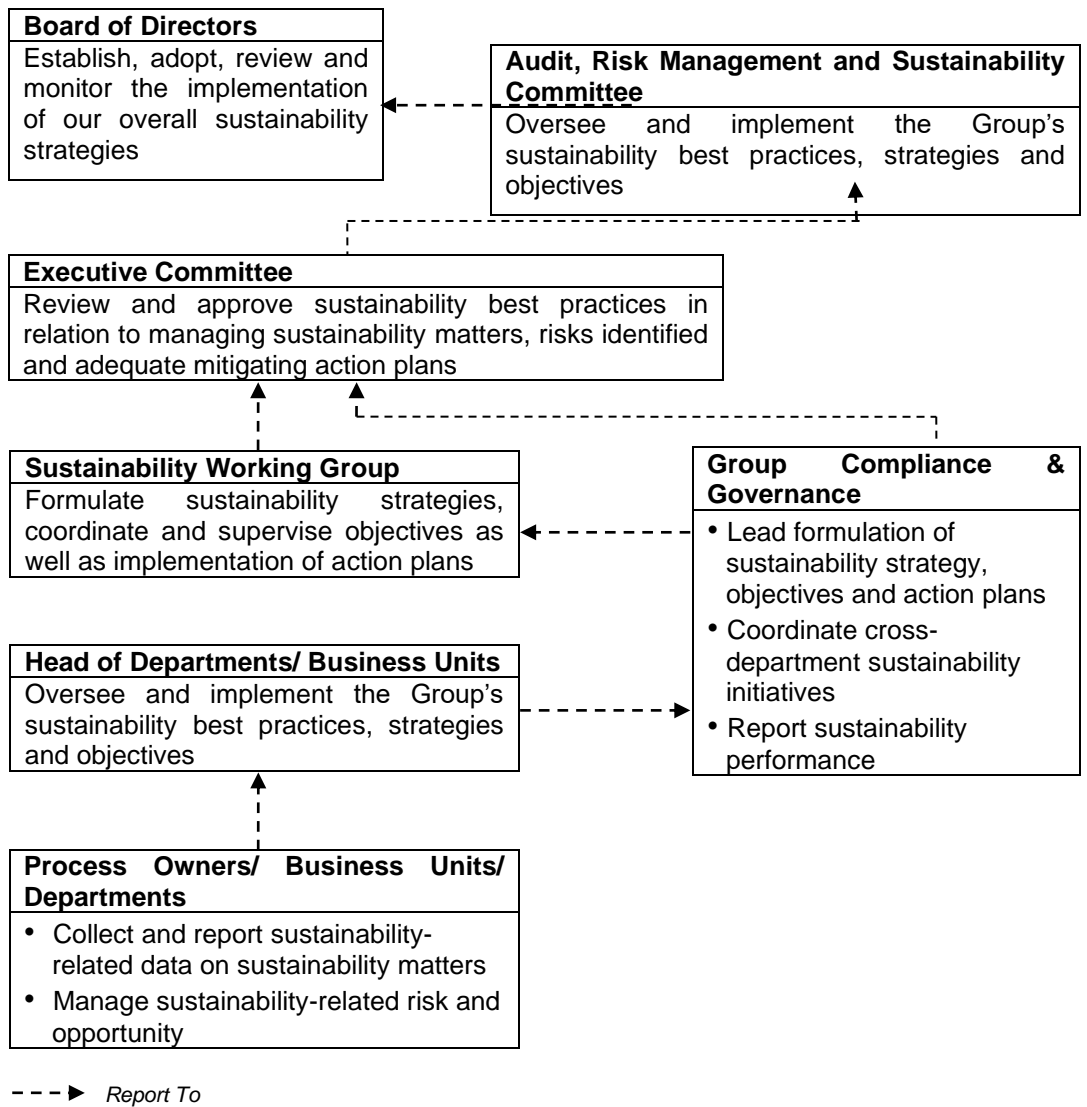
Group's sustainability structure primarily drives sustainability across ENRA and is integrated into the Group's overall corporate governance structure. ENRA's corporate governance and sustainability governance are driven by the primary Group-wide policy that place integrity as priority in everything that we do.

ENRA's corporate governance and sustainability governance structures oversee a wide range of material sustainability topics such as Ethics, governance and compliance, health and safety, cyber security, labour issues, Energy, resources, waste management, anti-corruption and many more.

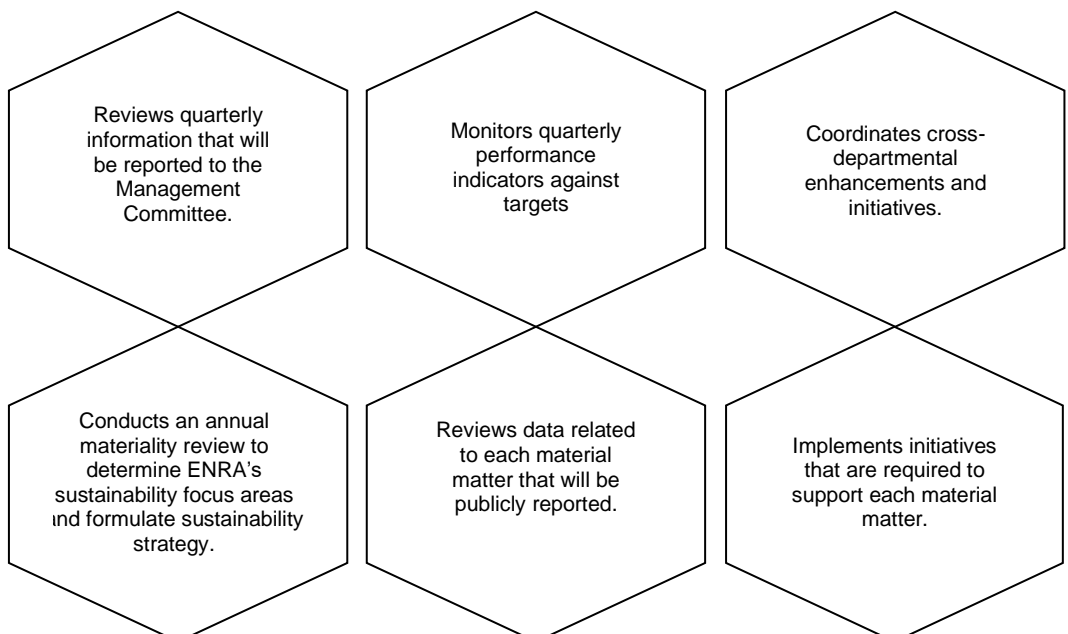
ENRA's sustainability governance prioritises transparency and accountability when delivering our sustainability strategies. A Sustainability Working Group (SWG) leads our sustainability agenda, which is then reviewed and approved by the EXCO and reported to the ARMSC and then to the Board. The clear delineation of roles and responsibilities enables us to uphold the highest level of integrity and efficiency for our sustainability agenda and implementation.



### 3.1 Roles & Responsibility



### 3.2 Roles of the SWG



## 4.0 Material Matters

Based on ENRA’s sustainability themes, we have identified our material sustainability topics, also known as material matters, based on how significant these topics affect financial and non-financial value creation. We subsequently address and mitigate these material topics through applied management approaches, with the effectiveness of these management approaches stringently supervised.

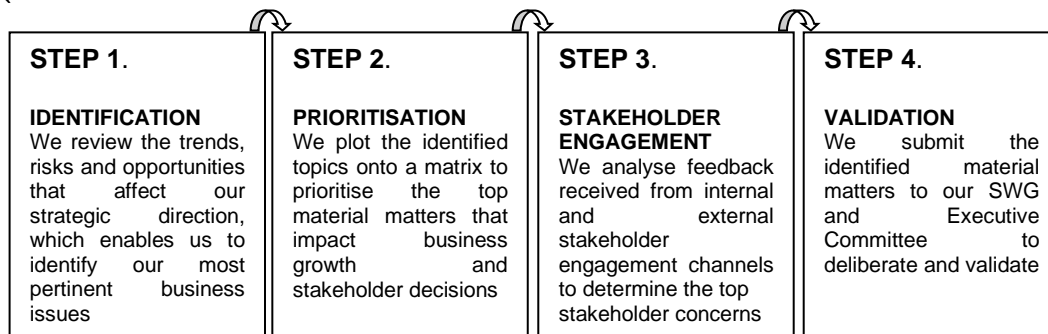
A key indicator of this supervision includes scrutinising how each management approach addresses the linkage between the impact of environmental and social topics on the Group’s financial performance as well as stakeholders’ concerns and perspectives.

Please refer to our material matters template for further information.

### 4.1 Materiality Methodology

We conduct a materiality assessment every four years to ensure that the material matters remain timely and relevant, while also allowing time to incorporate them into our strategies. We applied the Global Reporting Initiative (GRI) Principles of Stakeholder Inclusiveness, Sustainability Context, Materiality and Completeness during our materiality process.

The materiality process comprises four key steps:



## 5.0 Sustainability Risk Management

ENRA’s Enterprise Risk Management (“ERM”) assessment reviews are performed quarterly to identify, assess and manage the risks faced by the Group. We proactively identify, analyse and manage risks that materially impact our value creation abilities, including sustainability related risks and opportunities.

## 6.0 ENRA’s Guideline on Sustainability

ESG AREAS	SOPP & GUIDELINES
ENVIRONMENT	<ul style="list-style-type: none"> <li>• HSE Regulatory Compliance Guidelines</li> <li>• HSE Risk Management</li> <li>• HSEMS Manual</li> <li>• Incident &amp; Accident Notification, Investigation &amp; Reporting</li> </ul>
SOCIAL	<ul style="list-style-type: none"> <li>• Employee Handbook</li> <li>• Employee Relation</li> <li>• Recruitment and Manpower Planning</li> <li>• Training and Development</li> <li>• Investor Relations Stakeholder Communications Policy</li> <li>• HSEMS Manual</li> </ul>
GOVERNANCE	<ul style="list-style-type: none"> <li>• Code of Business Conduct</li> <li>• Directors' Code of Ethics</li> <li>• Vendor Code of Conduct</li> <li>• Internal Audit</li> <li>• Enterprise Risk Management</li> <li>• Finance SOPP</li> <li>• Group Cost Optimisation and Procurement</li> <li>• Anti-Corruption</li> <li>• Gift Hospitality Reporting Guideline</li> <li>• IT Security</li> <li>• Whistleblowing Policy</li> </ul>

## 7.0 Stakeholders Engagement

Stakeholders are defined as individuals, entities or organisations that are impacted by ENRA’s business model and business operations and conversely, individuals, entities or organisations that have the capability to impact ENRA’s business model and its operations.

Communications and stakeholder engagement are important in driving sustainability within ENRA. Therefore, an essential aspect of our sustainability efforts involves maintaining open communication with our key stakeholders to keep them informed and updated, while understanding how to create value for them in the many years to come.

we identify, attend to our stakeholders’ expectations, track our engagement outcomes against our planned initiatives, and measure our stakeholders’ sentiments through a stakeholder management system through periodic surveys.

## 8.0 Sustainability Principles

We set out below, the principles to help operationalise or give effect to the value creation and objectives as set out above. These principles serve to underscore our behaviour and conduct, including our planning, risk management, compliance and communication strategies, action plans and activities and are grouped under three pillars, environment, social and governance.



## 8.1 Environment

In doing our part in promoting resource efficiency, emission reduction and biodiversity conservation to minimise environmental impacts, apart from complying with environmental legal and regulatory requirements, we aim to:

- Consider sustainability risks and opportunities, including climate-related risks and opportunities as part of our governance, risk management and strategic and financial planning framework.
- Integrate practices that embrace responsible energy and resource management in daily operations, including prioritising the use of green technologies, adopting carbon reduction strategies and promoting good environmental practices across the supply chain, where practicable.
- Inculcate behaviour that supports the building of environmentally sustainable practices among our employees.
- Disclose environmental data, performance and targets, in accordance with relevant globally accepted disclosure frameworks.
- Promote the adoption of good environmental practices

## 8.2 Social

Apart from complying with human rights and labour, legal and regulatory requirements, we aim to:

- Act ethically and with integrity in all our business dealings and relationships with our stakeholders.
- Provide an environment free of discrimination and harassment for our employees, where all individuals are treated with respect and dignity, can contribute fully, and have equal opportunities.
- Respect internationally recognised human rights as relevant to our business and operations and continuing to uphold the freedom of association and the effective recognition of the right to collective bargaining as stipulated under the International Labour Organisation conventions.
- Provide and maintain a safe and healthy work environment for our employees. We will not tolerate any threats or acts of violence towards any of our employees, whether it is from another employee, customer, regulated person or any other person.

- Nurture a sustainable High-Performance Organisation, which embraces the ENRA values (Ethical, Nobel, Reliable, and Accountable).
- Develop deep sustainability know-how and competency across the organisation to expedite our progress and strengthen our processes and practices as well as our sustainability reporting journey.
- Implement policies and programmes to attract and retain talent
- Promote integrity and the protection of human rights across the supply chain.
- Undertake programmes to promote gender equality in the workplace, marketplace and community, based on the Women's Empowerment Principles.
- Promote education for communities, especially the underserved, to improve their livelihoods.

### **8.3 Governance**

Apart from complying with legal and regulatory requirements, we aim to:

- uphold high ethical and governance standards.
- Encourage the adoption of best practice in corporate transparency and reporting.
- Establish various governance documents such as policies, standards, guidelines, frameworks and procedures which are the foundation for carrying out internal controls.
- Deliver enterprise or customised training and awareness programmes for its employees and Directors to ensure firm understanding regarding ethics and governance through various digital and communication platforms.
- Establish a robust due diligence process to safeguard ENRA from any legal exposure in the event of misconduct by third parties (e.g. partners, contractors, vendors, suppliers, distributors, agents).
- Ascertain the effectiveness of control established through rigorous monitoring and assurance activities.
- Adopts zero tolerance to any forms of bribery and corruption.

## **9.0 Sustainability Performance Data**

The sustainability performance data disclosure aims to inform the progress of our sustainability performance, through our consolidated overview of key sustainability data from greenhouse gas and energy, environment, safety and workforce. The data disclosure includes our owned and operated businesses unless stated otherwise, in line with industry practices.

Disclosure of sustainability performance data is aligned with international reporting standards to allow for comparable disclosure for the benefit of our stakeholders, including:

- Global Reporting Initiative (GRI) Standards
- World Economic Forum's Stakeholder Capitalism Metrics

Please refer to our Sustainability Report for the disclosure of sustainability performance data.