



**SOUTHERN ACIDS INDUSTRIES SDN BHD**  
199001015379 (207048-P)

**ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)**  
**POLICY**

At SOUTHERN ACIDS INDUSTRIES SDN BHD (“SAISB”), we are committed to conducting our business responsibly and sustainably by integrating Environmental, Social and Governance (ESG) principles into our operations, decision-making processes and stakeholder engagements.

We recognize that sustainable business practices contribute to long-term value creation for our stakeholders while supporting environmental protection, social well-being and sound corporate governance.

**Environmental Commitment**

We are committed to:

- Prevent pollution, reduce waste, and minimize the consumption of resources (e.g., energy, water, etc) by implementing effective operational control.
- Take effective action in mitigating environmental impacts, pollutions and climate change including reducing carbon footprint and energy consumption in the operation.
- Fulfilment of compliance obligation towards applicable legal and other requirement.
- Promote awareness and impart knowledge on environmental good practices to all interested parties.
- Supporting the purchase of environmentally friendly and energy-efficient design & products, and services (e.g., chemicals, equipment, utilities, raw materials) that impact environmental and energy performance.
- Product stewardship throughout the entire life cycle of our product by integrating a sustainable perspective into our operations, from material selection to product use and disposal to prevent any harm to customers.
- Fulfilment of ISO14001 requirements and execution of continual improvement in Environmental Management System.

- Promoting responsible sourcing and sustainable supply chain practices.
- Supporting sustainable palm oil sourcing and responsible procurement practices, including adherence to applicable sustainability standards and certification requirements where relevant.

## Social Commitment

We are committed to:

- Complying with all applicable labour laws and regulations in Malaysia, including the Employment Act 1955 and the Children and Young Persons (Employment) Act 1966, as well as other relevant legislation. Respecting and upholding the principles of all the International Labour Organization (ILO) Core Conventions and respect internationally recognized human rights standards as follows:
  - Non-Discrimination by Embracing Equal Opportunities at The Workplace.
  - Prohibition of Hiring Child Labour.
  - Prohibition of Any Form of Forced Labour & Human Trafficking.
  - Embrace the principles of Diversity, Equity, and Inclusion in all aspects of our operations.
  - Prevention & Eradication of Harassment and Violence.
  - Provision of a Safe and Healthy Workplace.
  - Compliance towards Laws Relating to Working Condition.
  - Freedom of Association and Collective Bargaining.
  - Support and encourage Social Dialogue between employees and management.
  - Support employee Career Development by providing Training and Opportunities.
- Engaging with and supporting local communities through meaningful Corporate Social Responsibility (CSR) programmes, fostering positive relationships and contributing to their long-term social, economic and environmental well-being.
- Ensuring fair labour practices throughout our operations and supply chain.

## **Governance Commitment**

We are committed to:

- Conducting business with integrity, transparency and accountability.
- Maintaining effective governance structures, risk management and internal control systems.
- Upholding high standards of ethics and compliance, including zero tolerance towards bribery, corruption, fraud, anti-money laundering and conflicts of interest.
- Protecting confidential information, data privacy and cybersecurity.
- Encouraging a culture where concerns may be raised without fear of retaliation through established grievance and whistleblowing mechanisms.

## **ESG Governance and Continuous Improvement**

The General Manager, supported by the Management Team, is responsible for implementing this Policy and ensuring that ESG considerations are integrated into business strategies, operational activities, risk management processes and stakeholder engagements.

Management shall periodically review ESG performance and identify opportunities for continual improvement

Through these commitments, SAISB strives to create sustainable value for our employees, customers, suppliers, shareholders, communities and the environment while supporting a more sustainable future.



**Khoo Chin Tee**  
General Manager  
5<sup>th</sup> MAY 2026