

2025 ESG REPORT



“Secure Today, Better Tomorrow
Building a Legacy for Generations to Come”

INSIDE THIS REPORT

Introduction

About This Report	02
Managing Director's Message	03
Key Awards & Recognition	04
Techbond Group Berhad at a Glance	06
About Techbond Group Berhad	07
Sustainability Governance Structure	09
Material Sustainability Matters	12
Contributions to the UNSDGs	16

Environmental

Environmental Conservation	19
Energy Management	20
Water Management & Effluents	25
Petrol for Employee Commuting	30
Waste Management	31
Emissions Management	33
Climate Change	35
Innovation for Sustainability	37

Social

Empowering our Workforce	38
Workforce Diversity	38
Empowering Women in the Workplace	40
Talent Acquisition	40
New Hire & Turnover	41
Human Capital Development	42
Human Rights	43
Employment Salary & Benefits	44
Employee Engagement	44
Employee Welfare	46
Occupational Safety & Health (OSH)	47
Safety Precaution	48
Safety & Health Initiatives	49
Emergency Preparedness & Response	50
Emergency Response Plan	51

Governance

Business with Integrity	51
Building a Responsible Supply Chain	52
Fair Trade Practice	52
Ethics & Integrity	52
Code of Conduct	53
Anti-Bribery Management System Policy	53
Whistle Blowing Policy	54
Regulatory Compliance	54
Data Protection	55
Customer Privacy	55
Cloud-Based System	55

Community

Creating Shared Value for Society	56
-----------------------------------	----

Other Information

Bursa Link Information	58
------------------------	----

ABOUT THIS REPORT

This report offers a complete analysis of the key sustainability challenges and opportunities encountered by Techbond Group Berhad and its subsidiaries, Techbond Vietnam and Malayan Adhesives and Chemicals Sdn Bhd. It outlines our proactive strategies in tackling these issues, emphasizing our commitment to sustainability. With a strong focus on environmental conservation, social responsibility, and robust governance, the report underscores our dedication to transparency and accountability. It serves as a testament to our ongoing efforts to foster sustainable growth while maintaining operational excellence.

Reporting Guidelines

Techbond is dedicated to providing accurate, detailed, and transparent information on its environmental, social, and governance (ESG) impacts. This report is developed in accordance with Bursa Malaysia's Sustainability Reporting Guide Fifth Edition. Specific disclosures have been prepared based on international standards set by the Global Reporting Initiative (GRI). Additionally, recognizing the importance of global sustainability initiatives, we have aligned our disclosures with the United Nations' Sustainable Development Goals (UNSDGs). This alignment allows us to actively contribute by presenting actionable strategies to address global challenges, reaffirming our commitment to being part of the solution.

Reporting Period

This Report covers the period from 1 July 2024 – 30 June 2025 ("FY2025"). All initiatives & performance data disclosed are derived from the Group's operations in Malaysia. This reports includes our operation plant in Vietnam and newly acquired company Malayan Adhesives and Chemicals Sdn Bhd.

Reporting Scope & Boundary

This report summarises the sustainability performance of Techbond Group's Malaysia operating location including Shah Alam headquarters, Vietnam plant and newly acquired company Malayan Adhesives and Chemicals Sdn Bhd located in Shah Alam.

Statement of Assurance

This report underscores our unwavering commitment to transparency and accountability. Prior to its release, it was rigorously reviewed by both our management team and board members. We confidently affirm the accuracy and reliability of the information presented. This comprehensive review process reflects our dedication to delivering credible and trustworthy insights into our sustainability initiatives and performance for FY2025, in full alignment with the relevant reporting standards.

Feedback

Feedback from our stakeholders is essential for us to continuously improve our sustainability reporting. We warmly welcome your comments, thoughts & feedback on how we may improve our reporting to benefit all our stakeholders. You may direct them to Techbond Group Berhad headquarters:

TECHBOND GROUP BERHAD

No. 36, Jalan Anggerik Mokara 31/59, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia

Tel: +603-5122 3333

Email: adhesive@techbond.com.my



MESSAGE

FROM OUR MANAGING DIRECTOR



Mr. LEE SENG THYE
Managing Director
TECHBOND GROUP BERHAD

Dear Value Stakeholders,

At Techbond Group, our journey since 1996 has been one of continuous growth, transformation, and innovation. From our roots in Shah Alam to become a trusted regional player with a presence in over 30 countries, we have remained steadfast in our mission to deliver high-performance adhesive and sealant solutions that meet the evolving needs of global industries.

We have built a strong foundation with 8 proprietary brands that serve a wide range of industries from woodworking and packaging to automotive and construction. The strategic acquisition of Malayan Adhesives and Chemicals Sdn Bhd in 2023 has further enhanced our capabilities and deepened our commitment to excellence in the chemical sector.

Innovation is not just a goal it is our way forward. We continuously invest in research and development to advance adhesive technologies that are safer, stronger, and more sustainable. As part of our environmental commitment, we are actively working towards reducing our carbon emissions by 45% by the year 2030 for our HQ operation. Our aim is to not only develop cleaner products but also contribute to a greener, healthier future for society.

Our expansion into Vietnam in 2005 and the establishment of our Binh Duong factory in 2008 have enabled us to serve Southeast Asia more effectively. Today, Techbond Vietnam stands as a benchmark in polymer production and sustainable manufacturing. Looking ahead, we are focused on strengthening our presence across new regions, further extending our solutions and expertise to a broader global market.

As a public-listed company since 2018, we take great pride in upholding the highest standards of corporate governance, transparency, and stakeholder responsibility. I would like to thank our employees, partners, customers, and shareholders for your continued trust and support. Together, we will continue to innovate, grow, and make a meaningful impact locally and globally. Together, we can build a cleaner, more sustainable future.

“*Innovation is not just a goal, it is our way forward!*”

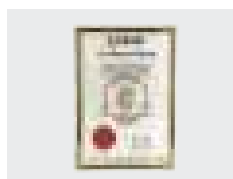


KEY AWARDS & RECOGNITION

With the acquisition of Malayan Adhesives & Chemicals Sdn Bhd, Techbond extends our awards and recognition in both regional and international market. Our awards and recognition received in our business performance & continued delivery of quality products. These awards and achievements bear testament to our commitments to protect the needs and interest of our people, stakeholders and environment. In recognition of our efforts, we have obtained numerous accolades as listed below:



CICM Responsible Care Awards Year 2012/2013
Community Awareness & Emergency Response Code
Process Safety Code
Employee Health & Safety Code
Category: Special Awards for the SMEs (MERIT)



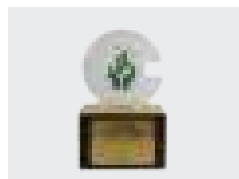
ITEX 2021 Gold Medal Award
for the invention of Palm-Based Woodworking Polyurethane Adhesives



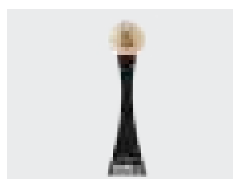
CICM Responsible Care Awards Year 2012/2013
Pollution Prevention Code
Category: Special Award for the SMEs (GOLD)



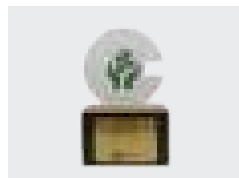
Golden Bull Award 2011
Outstanding SMEs Winner



CICM Responsible Care Awards Year 2007/2008
Special Award for the SMEs (GOLD)



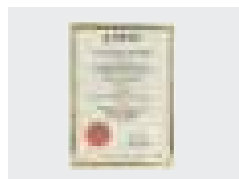
SME Corp Malaysian Brands
National Mark of MALAYSIAN BRAND, the mark of Quality, Excellence & Distinction, a quality accreditation tag from SME Corporation



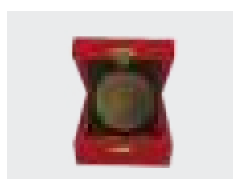
CICM Responsible Care Awards Year 2006
Employee Health & Safety Code (GOLD)
Category: Special Award for the SMEs



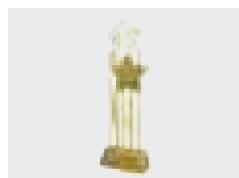
SME Malaysia Platinum
SME Export Excellence Award



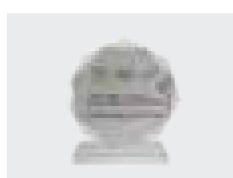
Certificate of Merit from ITEX 2021
International Invention, Innovation & Technology Exhibition, Malaysia



ITEX 2021 Gold Medal
Malaysian Invention & Design Society



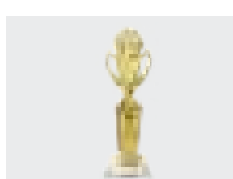
Sin Chew Business Excellence Award 2014
Product & Service Excellence Award



MATRADE Mid-Tier Companies Development Programme



Golden Eagle Award
Excellent Eagle 2016



Asia's Top Trusted Brand Award 2023

Adherence to GLOBAL SAFETY STANDARDS

TECHBOND MANUFACTURING SDN BHD



ISO 9001:2015



ISO 14001:2015



DOSH Certificate

TECHBOND MFG (VIETNAM) CO., LTD



ISO 9001:2015



ISO 14001:2015



ISO 45001:2018

MAC MALAYAN ADHESIVES & CHEMICALS



ISO 9001:2015



ISO 9001:2015

TECHBOND GROUP BERHAD AT A GLANCE



260
employees FY2025



30+
years of experience



Location of
facilities
in Malaysia & Vietnam



Manufacturing
facilities
in Malaysia & Vietnam



R&D Center
in Malaysia & Vietnam

ABOUT TECHBOND GROUP BERHAD

WHO WE ARE

TECHBOND, a pioneering company rooted in its homeland, specializes in the development and production of industrial adhesives and sealants. Established in 1996 in Shah Alam, Selangor, the Group expanded its footprint to Vietnam in 2005. Techbond places significant emphasis on research and development (R&D) and boasts 8 proprietary brands. The company takes pride in its internal development of the majority of its industrial adhesives and sealants. In December 2018, Techbond achieved a significant milestone with the listing of its shares on the Main Market of Bursa Malaysia. Subsequently, in March 2023, Techbond acquired Malayan Adhesives and Chemicals Sdn Bhd to bolster its presence in the chemical sector.

Headquartered in Shah Alam, Selangor, Malaysia, our main facilities including manufacturing, R&D, and quality control are located there. Since venturing into Vietnam in 2005, we have relocated to our current Binh Duong Factory Complex in 2008. In 2021, Techbond Vietnam exceeded industry standards with its polymer production.



Specializing in industrial adhesives and sealants, Techbond serves diverse sectors including woodworking, paper and packaging, automotive, building and construction, personal care, as well as cigarette and mattress industries. Geographically, our clientele spans beyond domestic borders, with exports to over 30 countries across Asia, Europe, and Africa. Continuously expanding globally, the Group strives to provide tailored solutions to meet market demands.

CORPORATE CORE VALUES

Our vision to evolve into a flourishing and prosperous adhesive company is driven by our Corporate Core Value stemming from acronym STICKY, embodying Simplicity, Teamwork, Impact, Customer focus, Keep Learning and Yes-minded. These guiding principles shape our organizational culture and speaks how we fulfil our promises to all stakeholders, laying the foundation for the success of our teams in Malaysia and Vietnam alike.


S

Simplicity


T

Teamwork


I

Impact


C

Customer Focused


K

Keep Learning


Y

Yes-Minded



UNWAVERING LEADERSHIP COMMITMENT

Sustainability Governance Structure

Integrating sustainability into Techbond's top-level governance ensures a strategic emphasis on Environmental, Social, and Governance (ESG) considerations, fostering long-term value creation. Techbond remains committed to promoting sustainable practices that benefit all stakeholders, including shareholders, employees, business partners, local communities, and the environment. This commitment is upheld through a strong sustainability governance framework that ensures our business operations align with these responsibilities.

Our sustainability initiatives are overseen by the Board, which ensures alignment with corporate objectives and sustainability goals. The Board is responsible for supervising the integration of sustainability and ESG considerations into the Group's strategic planning. Supporting the Board, the Managing Director provides strategic oversight of the Group's sustainability efforts. ESG factors are a key part of our decision-making process, with department heads tasked with identifying, assessing, and managing existing and potential ESG risks.

TECHBOND

SUSTAINABILITY WORKING GROUP

In FY2025 sustainability report, Techbond had shared our sustainability diagram working group. This diagram includes the merging of sustainability members of 3 operating business entities and listing each role and responsibilities that has been taken up. The board emphasizes into climate change, human rights and other sustainability matters. In Techbond, the Board oversees of the Group's sustainability objectives, continuous initiatives and policies.

Under the guidance of the CEO, the Sustainability Working Group (SWG) serves as a cornerstone of our governance framework. It receives backing from our Department Heads, comprising Finance, Operations, Production, Research & Development (R&D), Business Development, Human Resources, and Purchasing. Weekly management meetings, presided over by the Managing Director, deliberate on all sustainability and operational performance matters. The Managing Director then reports updates on sustainability issues and pertinent performance metrics to the Board.



Board of Directors

- Oversight on sustainability matters
- Oversees the development & adoption of sustainability strategy and related policies
- Includes matters such as integrity, anti-corruption, code of conduct, occupational health & safety, talent management & risk
- Consider diversity of skills, experience and perspectives needed to effectively oversee sustainability issue

Managing Director

- Develops Techbond's overarching sustainability framework
- Aligns the Group's sustainability strategy with long term business growth and goals
- Informs the Board's strategic planning and monitoring ESG risks and opportunities

Chief Executive Officer

- Implement and executes sustainability initiatives across the Group
- Acts as a strategist in delivering sustainability initiatives and development projects in line with strategies approved by the Board of Directors
- Ensure that company complies with all relevant laws, regulations and industry standards related to ESG regulations

Sustainability Committee

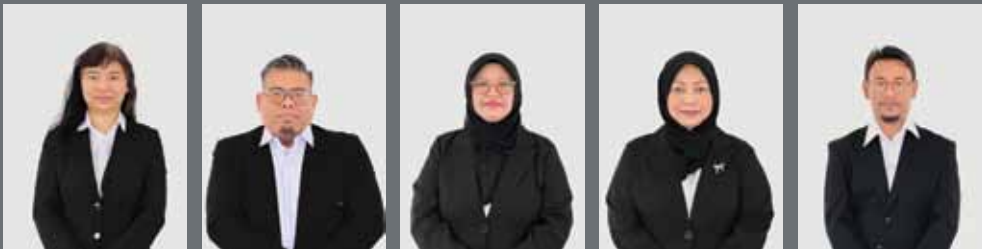
- Comprises of the various department heads within the Group
- Implements & integrates sustainability within their departments
- Monitors progress of sustainability initiatives, activities, targets and communicates their progress
- Ensures the company provides accurate, transparent, and meaningful reporting on its sustainability performance
- Fosters a process of continuous improvement in sustainability performance by regularly evaluating the effectiveness of sustainability initiatives, identifying areas for enhancement and implementing best practices and innovation to drive progress



TECHBOND (HQ) ESG Committee



TECHBOND Vietnam ESG Committee



MAC ESG Committee

To effectively track our resources usage, Techbond had analyze the risk and impact of the resources towards the operations activities. The team continuously finding opportunities to reduce the wastage of resources and improve productivity of our productions.

Category	Assessment	Details
Water usage	Risk & Impact	Water scarcity is likely to present multifaceted challenges for manufacturing industries, as limited availability may disrupt operations, potentially leading to production delays or an increased costs. The rising water prices or the need for water treatment, which could impact business profitability. Additionally, the reliance on water-intensive suppliers or regions prone to scarcity is assumed to pose risks to the continuity of the supply chain.
	Opportunities	Consider implementing water-saving technologies such as conducting regular water usage monitoring to detect leaks, including underground ones. Implement recycling and reuse systems to reduce water consumption and operational costs; for example, reusing wastewater for various purposes. Plan spare capacity for resilient water supplies to ensure operational continuity and reduce unnecessary water use, including addressing leaks and optimizing supply networks. Analyze production water consumption to determine appropriate storage capacity and identify opportunities for reducing water dependency. To modernize the slurry separation process, the team had decided to use the screw-press machine which contributes to clean water reduction of 960 m ³ monthly. Further initiatives to minimize water reliance in specific processes are under review.
Energy Efficiency	Risk & Impact	Rising energy costs likely pose a significant challenge for businesses, as fluctuations in energy prices or increased demand are assumed to directly impact operational expenses, potentially reducing profitability. The high energy consumption contributes to greenhouse gas emissions, raising climate change concerns and increasing the risk of carbon taxation. Furthermore, disruptions in energy supply within the supply chain are presumed to pose a significant risk, potentially halting production. Aging machinery and outdated technology are likely contributors to energy inefficiencies, which may lead to higher operating costs and exacerbating the challenges businesses face in managing energy-related risks.
	Opportunities	Invest in solar systems for long-term energy cost savings, enhanced security, and reduced carbon footprint. Conduct energy audits to identify inefficiencies, leading to significant cost savings and operational improvements. Implement lean manufacturing principles to streamline operations and reduce energy waste. Optimize daily energy usage by utilizing cheaper off-peak and nighttime energy where feasible, improving energy efficiency and maximizing renewable energy generation. Upgrade equipment to high-efficiency technology and maximize inverter utilization for further energy savings.
Waste Management	Risk & Impact	High moisture levels in sludge can significantly raise waste management expenses. The disposal of rejected products contributes to higher waste management costs and may further strain resources and operational budgets. Failure to meet regulatory standards for waste management can lead to fines, legal actions, and reputational damage. Compliance issues can drive up operational expenses due to corrective measures and potential litigation costs. Non-compliance might disrupt the waste management cycle, affecting the efficiency and reliability of waste handling and disposal processes, which can impact overall business operations.
	Opportunities	Implement the 4R approach for cost savings, resource efficiency, and brand reputation. Utilize waste-to-energy technologies like incineration or anaerobic digestion. Embrace circular economy principles for product redesign and closed-loop systems. Collaborate with suppliers to optimize packaging and reduce waste. Invest in sustainable waste management training and awareness. Explore alternatives like using less sludge-producing chemicals and investing in efficient sludge press dryers for improved production processes.
Natural Resources	Risk & Impact	Depletion of critical natural resources can lead to shortages of essential materials, potentially causing disruptions in the supply chain. This can result in delays, increased costs, and challenges in maintaining production levels. Shortages of key materials may affect production output, leading to reduced efficiency and potential revenue losses. inadequate practices and technologies related to resource depletion may frequently result in harming social, economic, and environmental repercussions, posing considerable financial and supply chain risks. These issues might also have a secondary impact on manufacturing processes.
	Opportunities	Leveraging innovation and technology to enhance resource efficiency, develop alternative materials, and promote recycling and reuse unlocks new business opportunities while mitigating environmental impacts. Embracing circular economy principles, including product reuse and recycling, minimizes waste and maximizes resource recovery throughout the product lifecycle. Implementing resource-efficient technologies and processes, such as material recycling and energy conservation, is crucial. Investing in green technology elevates brand perception and fosters financial growth. Diversifying supply sources mitigates dependence on single suppliers.

MATERIAL SUSTAINABILITY MATTERS

To manage Environmental, Social, and Governance (ESG) risks across our operations, Techbond Group has adopted a structured approach to identify and evaluate key risks. By aligning with stakeholder expectations and analyzing external global trends, we were able to prioritize critical risk areas. With this, it enabled us to focus on the most significant current and emerging challenges that may impact our operations. In response, we implemented targeted action plans and initiatives to strengthen our business resilience and ensure sustained value creation for our stakeholders.

Our Material Assessment Approach & Processes

At Techbond, we place strong emphasis on continuous and structured stakeholder engagement to understand the evolving relevance of specific ESG material topics. These insights play a critical role in shaping our sustainability strategy and guiding transparent, purpose-driven communication.

In FY2025, we conducted a comprehensive materiality assessment aligned with globally recognized materiality principles. This assessment followed a rigorous three-step process designed to ensure that our sustainability priorities reflect both stakeholder expectations and business imperatives:

IDENTIFY

Mapping a wide range of ESG topics based on internal and external factors, including industry standards, peer analysis, and stakeholder feedback.

ASSESSMENT

The impact of the sustainability topics established on our financials, environment, product quality, reputation and regulatory impact were evaluated.

VALIDATION

Reviewing the outcomes with senior management to ensure strategic alignment and consistency with our long-term sustainability objectives.

Identifying our Material Sustainability Matters

Material sustainability matters represent the key environmental, social, and governance (ESG) issues that hold strategic importance for Techbond and our broad range of stakeholders. To ensure a robust understanding of these priorities, we undertook a comprehensive materiality assessment process, which included an in-depth review of stakeholder expectations, industry benchmarks, regulatory trends, and global sustainability standards.

Our current business strategy:

- Relevant requirements, guidelines and policies, including those issued by Bursa Malaysia Securities Berhad as well as its Sustainability Reporting Guide (IFRS 1 & 2) and Toolkit;
- ESG themes and indicators utilised by the FTSE4Good Index and the IFRS 1 & 2, in addition to aligning ourselves with the applicable United Nations Sustainability Development Goals (UNSDGs).

We also identified our material topics through internal discussions involving management and representatives from our different business units, as well as through feedback and input gathered from interactions with our key stakeholders.

The materiality assessment is reviewed and approved by the Board of Directors.
The results of materiality analysis assessment are as follows:

Important to Stakeholder	High		• Fair Trade	• Corporate Governance • Human Rights • Group Financial Performance • Business Ethics & Governance	• Product Quality & Innovation • Safety & Health Awareness • Employee Management
	Medium	• Social Responsibilities • Local Communities	• Support Service	• Environmental Compliance • Waste & Water Management	
	Low		• Packaging Material	• SOP • Policies • Business Strategy • Cybersecurity & Data Privacy	
		Low	Medium	High	
		Important to Business operations			



Stakeholder	Engagement Objective(s)	Engagement Channels	Sustainability Matters Discussed
Board of Directors	To align our business strategy with Environment, Social & Governance practices.	- Board meetings - Committee Meetings - Annual General Meetings - Sustainable Report	- Company direction & business strategy - Policies - ESG target
Investors and Media	To cultivate investors' and public confidence level.	- Reporting - Annual General Meeting - Corporate website - Investor's briefing - Public announcements - Press conference - Interviews and visits - Media interviews - Media release	- Group financial performance - Corporate governance - Regulatory compliance - Business prospects
Customers	- To improve customers' satisfaction. - Ensuring right product for customer. - Sustainability efforts	- Customer's Feedback Form - Customer's Audit - Corrective Action Report - Onsite factory visit - Regular Business Meetings - Electronic mail - Code of Ethics and Conduct	- Consistent quality product and quality control - Support services - ISO Certificate - Data Privacy & Security
Suppliers	- To ensure sustainable supply of quality services and materials. - Development of new product	- Supplier's Evaluation and Appraisal - Site visit - Regular Business Meetings - Corrective Action Report - Electronic mail - Code of Ethics and Conduct	- Competitive Pricing - Packaging material - Sustainable supply chain management - Data Privacy & Security - Incoming quality inspection - New product development
Employees	- To develop career progression, talent retention and equitable remuneration and benefits. - Promote conducive working environment through Health and Safety Practices, staff welfare improvement	- Performance appraisal - Internal memorandum - Training Programs - Department Meetings - Management Discussion and Meetings - Employees Training Needs Assessment - Employee engagement activity - Employee Handbook - Job enrichment through rotation	- Training and development - Talent attraction and retention - Occupational Safety and health - Team building activities - Staff performance - Employee welfare - Standard operating procedures ("SOP") - Employee engagement
Government & Regulators	To ensure full compliance with relevant laws and regulations	- Active engagement with respective authorities and regulatory agencies - Official correspondence - Timely submission of reports to relevant authority	- Environmental compliance - Waste management - Strict compliance with all laws, regulations and requirements to maintain licenses - Human capital development and labor practices
Local Communities	To create positive image and awareness to the public	- Corporate social responsibilities - Sponsorships	- Social responsibilities events such as donations for school - Job creation for local communication - Energy, Pollution control

OUR SUSTAINABILITY MATTERS

ENVIRONMENTAL

Energy Management	Identifying and monitoring sources of energy consumption to ensure optimal energy usage across all operational plants.
Carbon Emission	Monitoring the GHG emissions of the Group throughout our operations and mitigating their effects on the surrounding environment.
Water Management	Monitoring the Group's water usage, ensuring conservation efforts, and optimizing processes to enhance water efficiency.
Waste Management	Ensure that the disposal of waste and effluents meets regulatory standards and limits.
Sustainable Development of Products	Taking into account sustainability factors in our manufacturing processes and product development by continually improving processes, conducting research and development, and leveraging technology applications.
Environmental Management	Internal controls and mechanisms for overseeing environmental effects, with a focus on air emissions, waste handling, water conservation, energy usage, and responses to climate change.
Recycle materials management	Tracking the usage of recycle materials which includes recycling unused papers and reusing the packaging materials in business operations.

SOCIAL

Occupational Safety & Health	Creating a safe and healthy work environment entails implementing essential measures to prevent injuries and mitigate workplace health and safety hazards.
Employee Engagement	Attracting and retaining employees is achieved by cultivating an exceptional workplace environment, which involves managing employee well-being, promoting a healthy lifestyle, and hosting regular social interactions with staff members.
Human Capital Development	Fostering talent involves offering career development opportunities and training programs that broaden their skillset and knowledge base.
Diversity & Non-Discrimination	Ensure equitable treatment of all employees, devoid of discrimination.
Supply Chain Management	Consideration of emerging social, environmental and economic factors within our supply chain through risk assessment. To ensure fair trade, there are supply chain policy as part of the guidelines to suppliers engaged.
Community Development	Enhance the well -being of communities where the Group operates through corporate social responsibility (CSR) initiatives.

GOVERNANCE

Regulatory Compliance	Established initiatives and processes ensure adherence to pertinent regulatory requirements .
Human Rights & Fair Employment Practices	Promoting fair labor practices and safeguarding employee welfare involve upholding human rights, preventing forced labor, and fostering an inclusive workplace environment .
Data Security & Protection	Securing company and stakeholder data, information, and intellectual property, including that of customers, suppliers, employees, and business partners, against cybersecurity breaches .

CONTRIBUTIONS TO THE UNSDGs

SUSTAINABLE DEVELOPMENT GOALS

In line with Techbond's dedication to sustainability, our firm is aligned with the United Nations Sustainable Development Goals (UNSDGs). We have intensified our corporate commitment to contribute to the worldwide push for a more environmentally friendly and sustainable future, as outlined by the UNSDGs. This involved conducting an evaluation to gain deeper insights into the UNSDGs and their objectives, and prioritizing our objectives and targets by aligning them with our sustainability endeavors. We have particularly concentrated on eleven key UNSDGs, and the subsequent page illustrates our advancement up to this point.

**Our Focus**

Promote the well-being and ensure the health of all individuals.

Targets we are contributing to

Attain universal health coverage, ensure access to high-quality essential healthcare services, and provide access to safe, effective, quality, and affordable essential medications for everyone.

Our Progress

- Encourage employees to perform test if there are any sick symptoms.
- Safeguards the health of our employees through strict adherence to relevant pandemic SOPs & guidelines.
- In TECHBOND Vietnam, all employees receive an annual health check, while direct production staff get checked twice a year. Occupational diseases are also examined. Meals and milk are provided on medical examination days.

**Our Focus**

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Targets we are contributing to

- **4.4** Skills for employment, decent jobs and entrepreneurship.

Our Progress

- Upskilled our employees through various training programs.

**Our Focus**

Achieve gender equality & empower women and girls.

Targets we are contributing to

- **5.5** Ensure women's full & effective participation & equal opportunities for leadership at all levels of decision-making in political, economic & public life.

Our Progress

- Board of Directors comprise of 50% women.
- Top Management comprise of 35.71% women.

**Our Focus**

Ensure availability and sustainable management of water & sanitation for all.

Targets we are contributing to

- **6.3** Improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater & substantially increasing recycling & safe use globally.

Our Progress

- Developed our own Industrial Effluent Treatment System (IETS) to ensure all our waste water is properly treated through an environment friendly bio-treatment facility.

**Our Focus**

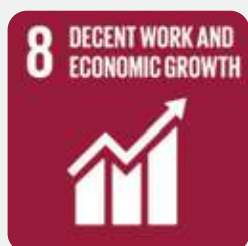
Ensure access to affordable, reliable & sustainable and modern energy for all.

Targets we are contributing to

- **7.1** Ensure universal access to affordable, reliable and modern energy services.
- **7.a** Promote investment in energy infrastructure & clean energy technology.

Our Progress

- Usage of solar panel on our rooftops to minimise energy consumption and reduce carbon emissions.
- Usage LED lighting in Malaysia and Vietnam factory & laboratory.

**Our Focus**

Promote sustained, inclusive & sustainable economic growth, full & productive employment & decent work for all.

Targets we are contributing to

- **8.3** Encourage the growth of micro-, small- and medium sized enterprises.
- **8.5** Achieve full & productive employment & decent work for all women & men & equal pay for work of equal value.
- **8.7** Take immediate & effective measures to eradicate forced labour, end modern slavery & human trafficking.
- **8.8** Protect labour rights & promote safe & secure working environments for all workers.

Our Progress

- 40.5% local suppliers engaged in FY2024 to support the growth of local enterprises.
- TECHBOND respects the human rights of all its workers.
- Health & Safety Trainings are implemented & Safety procedures are enforced throughout the Group.

**Our Focus**

Build resilient infrastructure, promote inclusive & sustainable industrialisation & foster innovation.

Targets we are contributing to

- **9.5** Enhance scientific research & encouraging innovation.

Our Progress

- We have our own R&D Centre equipped with laboratory and various equipment to encourage innovation within the Group.

**Our Focus**

Reduce inequality within & among countries.

Targets we are contributing to

- **10.2** Empower & promote social, economic & political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

Our Progress

- Employment opportunities are offered to a diverse group of people regardless of age, gender and cultural background.

**Our Focus**

Ensure sustainable consumption & production patterns.

Targets we are contributing to

- **12.2** Achieve the sustainable management & efficient use of natural resources.
- **12.4** Achieve the environmentally sound management of chemicals.

Our Progress

- Improved operational efficiency through the maintenance and refurbishment of our machines and equipment.
- Proper waste management practices are implemented in accordance with applicable environmental regulations.

**Our Focus**

Take urgent action to combat climate change & its impact.

Targets we are contributing to

- **13.1** Strengthen resilience & adaptive capacity to climate related hazards.
- **13.2** Integrate climate change measures into strategies & planning.
- **13.3** Improve education, awareness-raising on climate change mitigation, adaptation, impact reduction & early warning.

Our Progress

- The Group declared its aspirations to reduce its carbon emission by 45% in 2030 benchmarked against 2020 Carbon Intensity Emission.
- Conducted awareness development & training on Climate Change to the BODs, the Management Team and all employees.

**Our Focus**

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Targets we are contributing to

- **16.1** Significantly reduce all forms of violence.
- **16.3** Promote the rule of law & ensure equal access to justice for all.
- **16.5** Substantially reduce corruption & bribery in all their forms.
- **16.6** Develop effective, accountable & transparent institutions at all levels.
- **16.b** Promote & enforce non-discriminatory laws and policies for sustainable development.

Our Progress

- The Group has adopted a zero-tolerance approach and takes a strong stance against all forms of corruption and bribery.
- The Group introduced the Anti-Bribery Management System Policy.

OUR ENVIRONMENTAL COMMITMENT

Techbond, as part of the global adhesive manufacturer we recognize that environmental responsibility is integral to sustainable growth. As an industrial leader in adhesives and sealants industry, we are committed to align our operations with environmentally sound practices that supports a greener future.

In aligning our environmental initiatives across the group, we aim to minimize the environmental impact of our manufacturing processes while promoting sustainable practices across our value chain. We aim to reduce carbon foot print and greenhouse gas emissions by 45% in 2030 at our headquarter manufacturing plant. We ensure our operation optimizes all the energy usage and water consumption. In production our adhesives, we implemented the waste separation to be sent under schedule waste. We ensure all our waste is handled in proper way and before discharge to environment.

We have water based adhesive in our product range which required high consumption of water. Our water is used not only in our product but we used for the cleaning and general use in our manufacturing plant.





ENERGY MANAGEMENT



Green Energy Usage

Techbond Group Berhad has reflected a strong commitment to sustainable growth, responsible operations, and environmental stewardship. As part of our sustainability journey, we have taken significant strides in reducing our carbon footprint and improving energy efficiency across the Group.



A major milestone in our green energy transition was the installation of solar panels at our corporate headquarters in Shah Alam and subsidiary, Malayan Adhesives and Chemicals Sdn Bhd. These installations mark the first phase of a broader initiative to implement solar energy solutions across all entities within the Techbond Group. Malayan Adhesives and Chemicals Sdn Bhd also known as M.A.C has invested a total amount of RM1.55 million installing solar panels in production areas. By leveraging solar power, we have successfully reduced our reliance on grid electricity, resulting in substantial cost savings and a measurable decrease in carbon emissions.

In addition to solar energy adoption, Malayan Adhesives and Chemicals Sdn Bhd as part of Techbond's subsidiary has phased out the use of diesel in its production processes, replacing it with cleaner and more sustainable natural gas. This transition not only supports our environmental objectives but also enhances operational efficiency.

We continuously monitor and optimize our energy consumption, utilizing a smart energy management system to track output from both solar and natural gas sources. This ensures maximum efficiency, reliability, and sustainability in our manufacturing operations. Our green energy initiatives are a testament to Techbond's proactive approach to ESG principles, reaffirming our role as a responsible industry leader committed to long-term environmental and business sustainability.





Transition to Electric Forklifts to Reduce Carbon Emissions

In line with our environmental sustainability objectives under the Group's ESG framework, Techbond Manufacturing Sdn Bhd has completed the transition from diesel powered forklifts to electric (EV) forklifts within our production facilities. This strategic shift supports our commitment to reduce direct emissions and improving overall energy efficiency in our operations.

The replacement of diesel forklifts aims to reduce the carbon contribution from diesel usage. By converting to EV forklifts, Techbond estimates to reduce approximate 51,400kg CO₂ yearly and contributes to improve air quality and a safer working environment. This initiative also aligns with our broader goal of phasing out fossil fuel dependence across operational activities.

To ensure a smooth transition and optimal use of the new equipment, comprehensive training sessions were conducted for all production employees. The training covered EV forklift operation, battery management, safety protocols, and energy efficiency best practices.

We continuously monitor and track the environmental impact of this change, including reductions in CO₂ emissions, as part of our ESG performance indicators. This initiative represents a tangible step toward achieving our long-term carbon reduction targets and reinforces our commitment to integrating sustainable practices throughout our value chain.



Promoting Circular Economy Through Reuse and Recycling Initiatives

As part of our commitment to responsible resource management and environmental sustainability, Techbond Manufacturing Sdn Bhd has implemented recycling habit which aimed at reducing waste and promoting a circular economy within our operations.

To further strengthen our environmental stewardship, recycling bins have been placed strategically across our headquarters and plant areas. These bins are clearly labelled to encourage employees to segregate recyclable waste, such as paper, plastics, and general waste. All recyclable materials collected are sent to licensed recycling facilities for proper processing.

We believe that fostering a culture of sustainability begins within the workplace. As such, Techbond is committed to expanding these recycling and reuse practices across all entities within the Group, ensuring a consistent and impactful approach to waste reduction throughout our operations.

These initiatives reflect our continuous effort to minimize environmental harm, improve operational efficiency, and embed sustainable practices into our day-to-day business activities.



LED Lighting Implementation to Enhance Energy Efficiency

As part of Techbond Group Berhad's ongoing commitment to environmental sustainability and operational excellence, we have implemented LED lighting systems across all facilities within the Group. This initiative is a key component of our energy efficiency strategy and reflects our dedication to advancing our Environmental, Social, and Governance (ESG) goals.

The use of LED lighting significantly reduces energy consumption and associated greenhouse gas (GHG) emissions, contributing to our efforts to lower our overall environmental footprint. Compared to conventional lighting systems, LED technology offers greater energy efficiency and a longer operational lifespan, translating into lower utility costs and reduced maintenance requirements.

Beyond the environmental and cost-saving benefits, the transition to LED lighting has also resulted in improved lighting quality across workspaces, supporting better visibility and contributing to the well-being and productivity of our workforce.

This group-wide initiative underscores Techbond's proactive approach to sustainability, reinforcing our long-term goal of integrating environmentally responsible practices across our operations. We will continue to explore and adopt energy-saving technologies that support both business resilience and a low-carbon future.

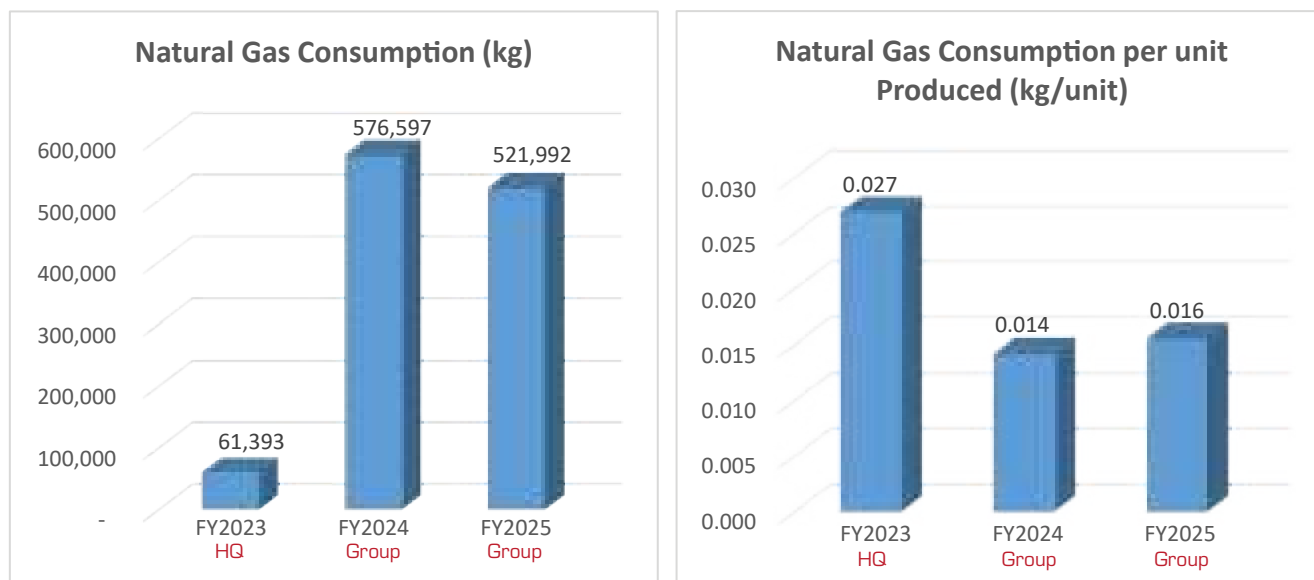


TRACKING OUR PROGRESS

In FY2025, Techbond Group had tracked the efficacy usage of each energy in each production plant which including our subsidiary. Continuously the usage is traced by the recorded of daily, weekly and monthly usage ensuring efficacy in output of our products. The objective of our initiative changing diesel usage to natural gas in our production process helps to reduce the Co2 contribution to the environment.

Gas consumption

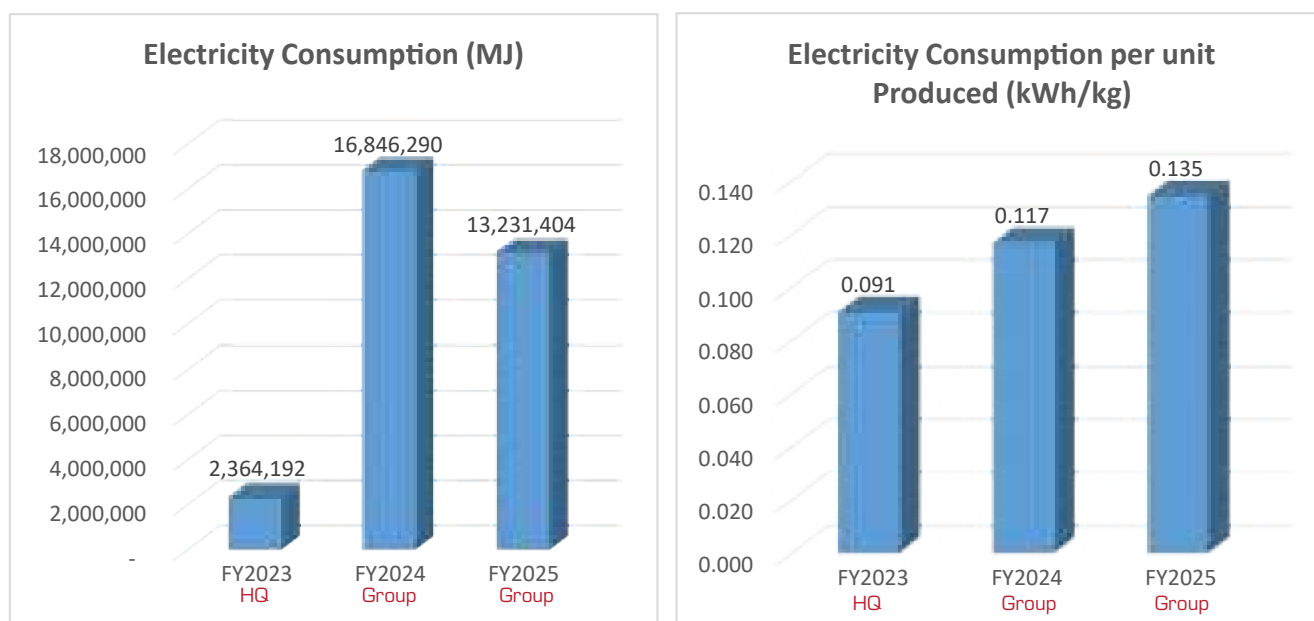
Our natural gas consumption intensity stood at 0.016kg per 1 unit of adhesive produced in FY2025.



In line with this, our natural gas consumption intensity was maintained at 0.016 per unit of adhesive produced in FY2025 and there was an increase in electricity consumption intensity to 0.135 per unit of adhesive produced. This was mainly more electricity consumption needed to produce higher output.

Electricity consumption

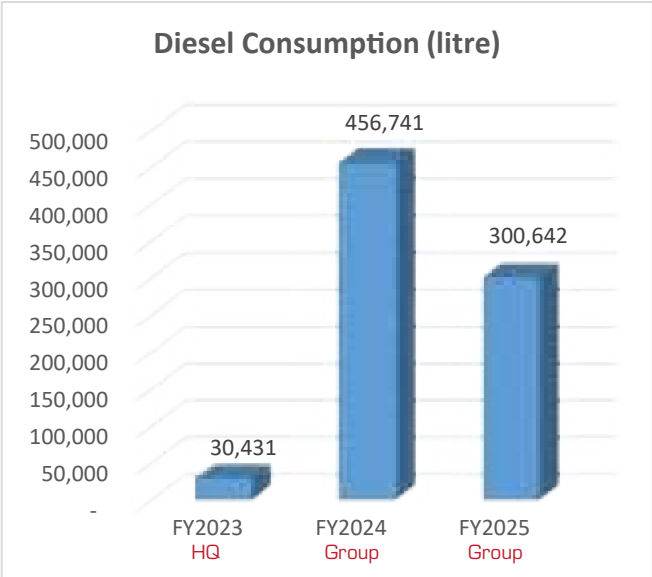
The increase in electricity consumption per unit produced was due to the production output drop in FY2025. The total electricity consumption shows a drop of 15.38% comparing to last year due to the installation of solar panels in our subsidiary Malayan Adhesives and Chemicals Sdn Bhd. It has significantly reduced our electricity cost in production and manage to convert to green process in production the output.



Disclaimer: All data shown above is based on the starting year of the plant operation & year of acquisition. Data may be varying from the actual data.

Diesel Consumption

In FY2025, Techbond Group Berhad recorded a 34.18% reduction in diesel consumption. This significant decrease was primarily attributed to the modernization of the production process at our subsidiary, Malayan Adhesives & Chemicals Sdn Bhd (M.A.C). Previously, the plant relied on diesel for its operations; however, during the financial year, we successfully transitioned to the use of natural gas as a cleaner alternative. Looking ahead, we plan to further reduce diesel consumption by introducing electric-powered forklifts in the upcoming financial year.



Renewable Energy Usage

Techbond started the construction of its photovoltaic solar panels on June 30, 2022 and started commissioning on January 1, 2023. Techbond achieved significant reduction in its electricity consumption since the commissioning of its PV systems. On the other hand, our subsidiary (M.A.C) had also installed solar panel in FY2025. The actual energy cost saving from the installation of the solar power system is illustrated in the following graph:

Entity	Solar Output (kWh)
Techbond Manufacturing Sdn Bhd	403,200
Malayan Adhesives and Chemicals Sdn Bhd	472,771





WATER MANAGEMENT



Responsible Water Management Across Techbond Group

At Techbond Group Berhad, we recognize water as a critical resource, especially given its essential role in our product formulation, plant cleaning processes, and wastewater systems across all our manufacturing facilities. As part of our ESG commitment, we continue to take a proactive and strategic approach to managing water usage efficiently and responsibly.



Our primary water source is Air Selangor, which supplies water to our facilities in Malaysia. In previous years, Malayan Adhesives & Chemicals Sdn Bhd (M.A.C.) recorded high water consumption due to intensive sludge cleaning processes. In response, we have since upgraded the sludge treatment process by introducing a sludge drying machine, which eliminates the need for water in this step and has resulted in a 70% reduction in water usage and provide a significant milestone in our water conservation efforts.



To strengthen our water monitoring and control measures, we have installed water meters across all plant areas. These meters allow us to track and analyze water consumption patterns in real-time. Any abnormal spikes in water readings prompt immediate investigation by our team to identify potential leaks or inefficiencies, ensuring swift corrective action is taken to minimize waste.

Looking ahead, Techbond Group remains committed to exploring sustainable water management solutions across all its entities. We recognize the growing challenge of water scarcity in Malaysia and are actively contributing to water stewardship by optimizing usage, minimizing waste, and adopting alternative sources wherever feasible.





Water Security

At Techbond Group, responsible water management is central to our environmental stewardship strategy. Water plays a critical role in our operations, particularly in the production of adhesives, where clean water is essential for formulation, equipment rinsing, and maintaining product quality standards. In line with our commitment to sustainable manufacturing, we have implemented systematic water efficiency measures to minimize our environmental footprint.

In FY2025, our total water withdrawal was significantly reduced 15.65% in water used for production processes. This brings our water consumption per kilogram to intensity of 0.00306 This substantial efficiency gain was achieved through process optimization, enhanced water recycling systems, and operational upgrades across our facilities.

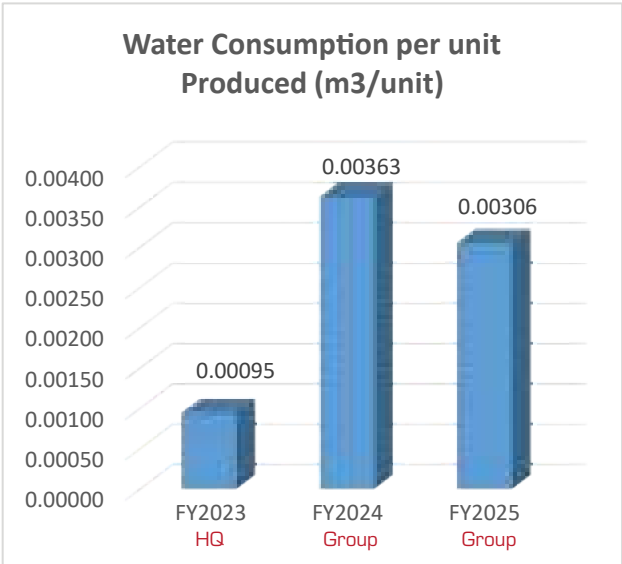
Additionally, approximately 83,552m³ of clean water was utilized in support processes such as production, tank washing and our on-site aquaponic system, which not only recycles water but also contributes to biodiversity and community engagement.

Our wholly owned subsidiary, Malayan Adhesives & Chemicals Sdn Bhd, has also contributed to our group-wide water stewardship goals. The facility modernized its sludge treatment process by adopting a sludge drying machine, replacing the traditional water-intensive cleaning method. This innovation reduces the need for excessive rinsing and shortens the drying cycle, further lowering total water consumption and improving waste handling efficiency.

At the Techbond Vietnam plant, we have implemented a rainwater harvesting system to collect rainwater for general cleaning purposes within the factory premises. This initiative helps maximize water utilization and reduces the reliance on clean water for specific cleaning activities in our operations.

We continue to explore closed-loop water systems, rainwater harvesting, and advanced water treatment technologies as part of our long-term water sustainability roadmap. Our efforts are aligned with Sustainability Development Goals 6 Clean Water and Sanitation, and reinforce our broader ESG commitment to minimizing resource use while enhancing operational resilience.

Source (FY2025)	Withdrawal Volume (m³)		
	TBHQ	TBVN	MAC
Clean water (Air Selangor)	9,064	13,824	67,782
Production Consumption	6,737	10,860	60,663



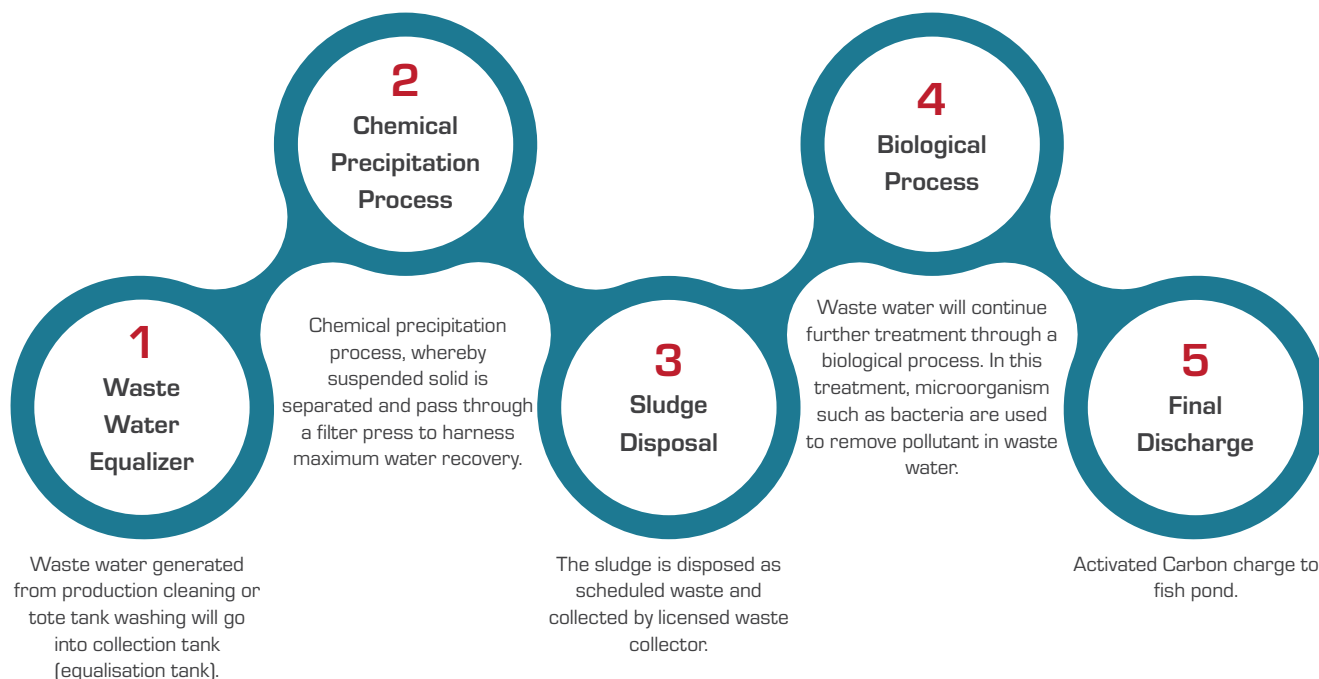
Responsible Wastewater Management for Environmental Protection

As a leading chemical and adhesive manufacturer, Techbond Group Berhad places high importance on effective and responsible wastewater management across all our operations. We recognize that our manufacturing processes, particularly adhesive production, generate industrial wastewater containing sludge and chemical residues. To mitigate environmental impact and ensure regulatory compliance, we have implemented comprehensive wastewater treatment systems throughout the Group.

Our key approach is the installation and operation of the Industrial Effluent Treatment System (IETS) at all relevant production sites. This system is designed to fully treat wastewater before any discharge occurs, in line with environmental standards and statutory requirements.

The IETS process employed by Techbond includes the following stages:

IETS PROCESS FLOW - TECHBOND (HQ)



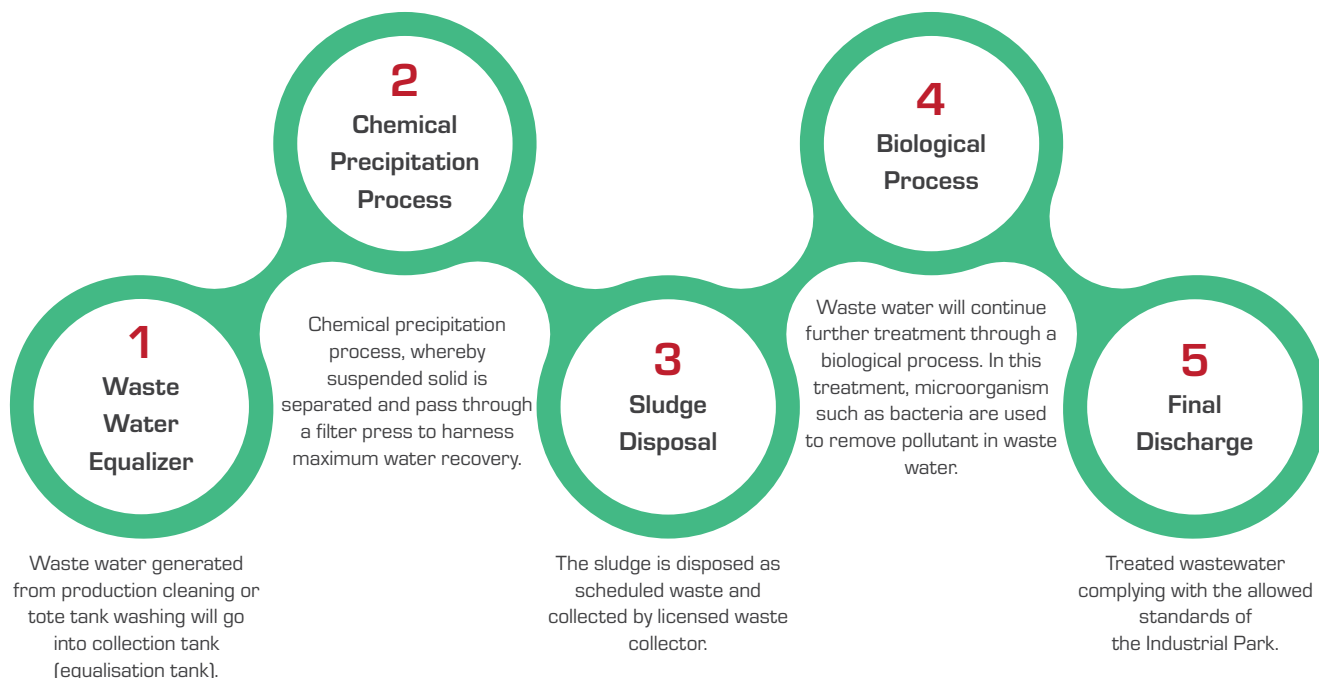
Monitoring Process

- A competent person who is in charge of IETS, will monitor all components, unit processes/operations of the IETS.
- The samples of treated water will send to both internal & external laboratories to ensure it meets the final discharge standard.
- IETS performance monitoring will be reported to the Management during periodic meetings and monthly online submissions to DOE.



Our filter process to remove excessive water from solid waste

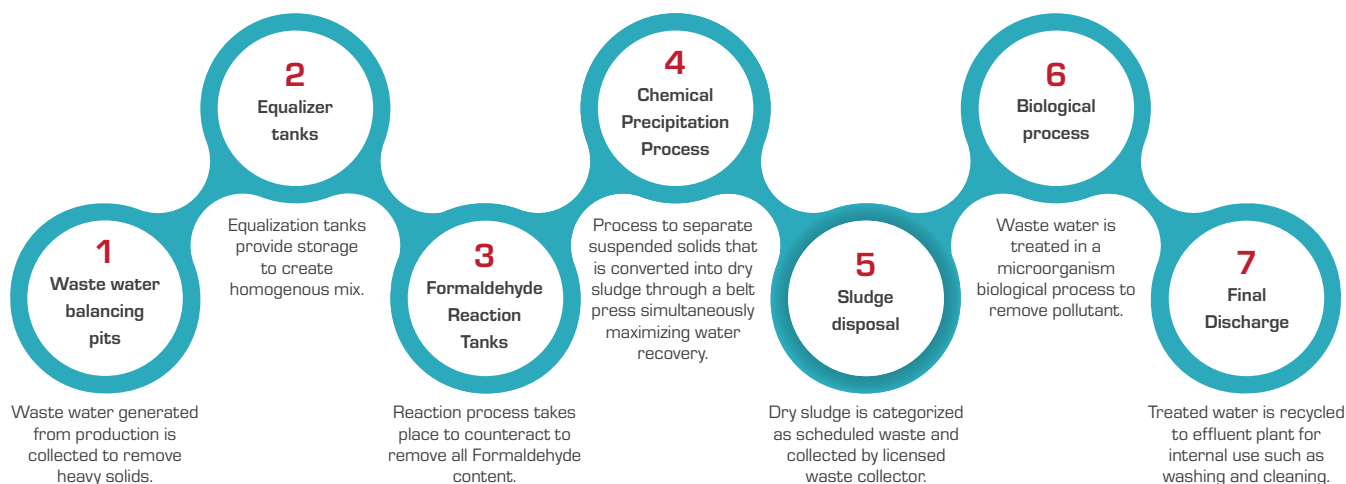
WASTEWATER TREATMENT SYSTEM (TECHBOND VIETNAM)



Monitoring Process

- The operator manages the system, records parameters, adds chemicals, and checks equipment daily.
- Operations staff test parameters daily for input quality, while the environmental monitoring unit samples quarterly for legal compliance.
- HSE reports monthly data to the BOD and provides an annual environmental monitoring report to BDIZA.

IETS PROCESS FLOW – MALAYAN ADHESIVES & CHEMICALS





Compliance and Operational Excellence

Our wastewater treatment operations are overseen by a dedicated and responsive team, fully capable of adapting to changes in effluent characteristics and regulatory requirements. Throughout FY2025, MAC recorded zero incidents of non-compliance related to water discharge, maintaining a clean environmental compliance record.

We are proud to report that treated effluent consistently outperformed the DOE's Standard B limits for key water quality parameters, including Biological Oxygen Demand (BOD), Chemical Oxygen Demand (COD), and Total Suspended Solids (TSS) demonstrating our commitment to environmental excellence and sustainable operations.

This nature-based validation, along with continuous monitoring and compliance testing, underscores our commitment to environmental protection. Techbond remains dedicated to minimizing water pollution, ensuring zero harm to surrounding ecosystems, and advancing our ESG goals through sustainable industrial practices.

Advanced Waste Reduction Technologies

To in line with its commitment to environmental sustainability, Techbond's subsidiary, MAC, is implementing advanced technologies to minimize water usage and reduce the volume of scheduled waste generated from its operations. These initiatives support the Group's broader goals of improving resource efficiency and environmental performance.

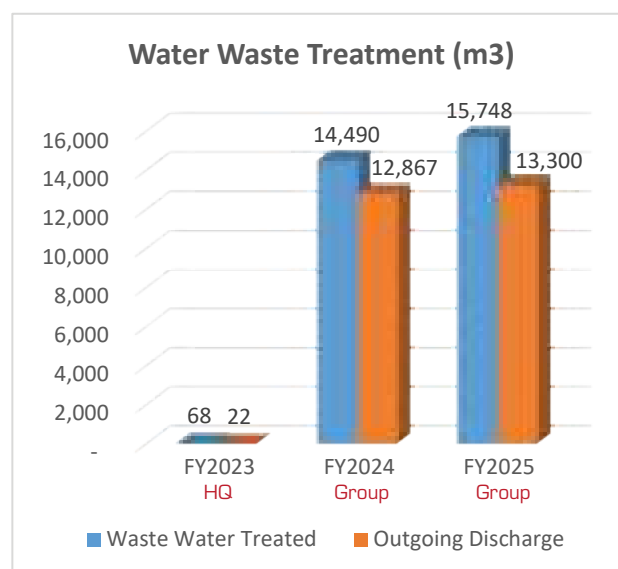
Two key systems currently under deployment include:

- **Steam Sludge Dryer:** This system is engineered to reduce sludge moisture content by up to 70%, significantly decreasing the overall weight and volume of sludge requiring disposal.
- **Dewatering System:** Designed to recover approximately 2,000 m³ of water from existing production processes, this system will reduce reliance on wastewater treatment facilities and contribute to greater water efficiency.

Both systems were installed to enhance operational efficiency while supporting the Group's sustainability targets.

In parallel, Techbond has introduced a second waste management improvement initiative at its microsphere production plant, transitioning from a wet to a dry waste collection system. This upgrade is projected to conserve water in production run and will generate reusable by-products reinforcing the Group's commitment to circular economy practices.

Together, these initiatives reflect Techbond's proactive approach to minimizing environmental impact through innovation, efficiency, and sustainable resource management.



Petrol for Employee Commuting

Scope 3 emissions encompass indirect greenhouse gas (GHG) emissions that arise from an organization's value chain, including activities not directly controlled by the company, such as employee commuting. While these emissions fall outside Techbond's immediate operational boundary, they represent a material component of the Group's overall carbon footprint.

In line with Techbond Group's commitment to comprehensive environmental stewardship, the Group has implemented a structured and data-driven framework to quantify and manage commuting-related Scope 3 emissions. The methodology involves the collection and analysis of employee commuting data, including travel distance, mode of transportation, and commuting frequency. Data sources include structured employee transportation surveys and detailed travel expense submissions, enabling accurate identification of emission trends and hotspots.

During FY2025, Techbond systematically monitored commuting emissions across its workforce of 260 employees. All petrol consumption linked to daily commuting was recorded and analyzed. Based on this data, the total estimated CO₂ emissions attributable to employee commuting amounted to 137,780.59 CO₂/kg.

To address these emissions, Techbond has initiated targeted interventions aimed at behavioral and systemic change. Techbond Vietnam maintains an organized carpooling system, utilizing company-operated vehicles to transport employees from centralized pick-up points to the factory. This structured program not only enhances transport efficiency but also directly supports the Group's broader carbon reduction objectives.

These ongoing efforts underscore Techbond's proactive approach to managing indirect emissions and reflect the Group's alignment with global sustainability best practices.

Diesel & Petrol consumption for business use

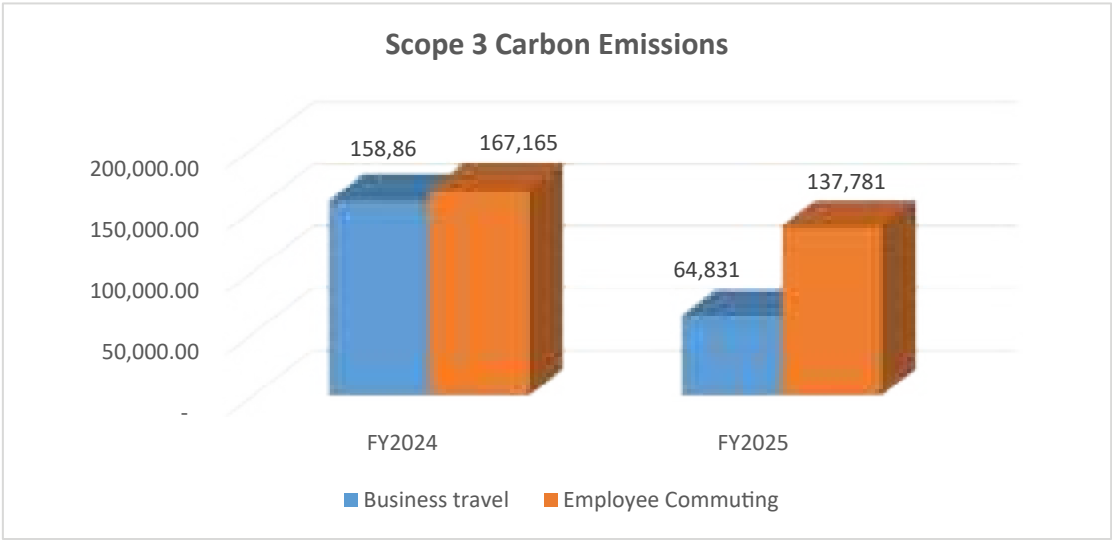
At Techbond, cultivating strong and enduring customer relationships is a core business priority. To facilitate effective communication and gain a deep understanding of customer requirements, employee travel both domestic and international remains a vital part of operations. However, with sustainability increasingly central to corporate strategy, Techbond recognizes the need to account for all environmental impacts, including Scope 3 emissions arising from business travel.

Scope 3 business travel emissions encompass indirect GHG emissions from employee transportation for work purposes and air travel. To manage these emissions effectively, Techbond has adopted a robust tracking framework that evaluates employee travel patterns, expense records and mileage along with associated carbon emissions. This data-driven approach enables the Group to identify emission hotspots, understand travel behaviors, and establish credible baselines for reduction initiatives.

In FY2025, Techbond recorded a total of 81,916 kg of CO₂ emissions from business-related fuel consumption, including petrol and diesel. Each trip is carefully evaluated for its necessity and environmental impact, reinforcing the Group's commitment to responsible business travel.

To reduce the environmental footprint of work-related travel, Techbond actively promotes the use of virtual communication platforms, significantly minimizing the need for physical travel and related costs. Employees are also provided with guidance and resources to support more sustainable travel planning, including selecting low-carbon footprint flights and utilizing carbon offset options.

Managing Scope 3 emissions from business travel is a key pillar of Techbond's broader environmental agenda. These ongoing efforts not only reflect the Group's dedication to sustainability but also contribute to operational efficiency, employee engagement, and enhanced brand reputation in line with global ESG expectations.





WASTE MANAGEMENT



Waste Management

Techbond Group has implemented a dedicated Industrial Effluent Treatment System (IETS) to ensure all wastewater generated from our operations is treated effectively through an environmentally responsible bio-treatment process. This system is a critical component of our environmental risk management strategy, designed to prevent contamination and support water quality preservation. To uphold the highest standards of compliance, regular effluent quality testing is conducted to ensure that treated water consistently meets the discharge standards set by the Department of Environment (DOE), Malaysia. The IETS is subject to continuous monitoring to maintain optimal treatment efficiency and prevent any risk of untreated effluent being released into the environment.



Only effluent that complies fully with DOE regulatory thresholds is discharged. Solid scheduled wastes separated during the treatment process are securely collected and stored in compliance with legal requirements and are disposed of exclusively by licensed waste management contractors, ensuring full traceability and regulatory adherence. This integrated approach to wastewater treatment underscores our commitment to environmental protection, operational integrity, and transparent ESG performance.

Minimizing our waste

At Techbond Group, waste minimization is a strategic priority that supports our commitment to environmental responsibility and operational efficiency. By leveraging lean manufacturing principles and integrating advanced technologies, we have established targeted waste reduction initiatives throughout our production processes. These efforts include optimizing material usage, refining workflows, and implementing effective recycling and reuse systems.

In line with the circular economy model, we focus on designing products that are durable, reusable, and recyclable reducing waste at every stage of the value chain. Our comprehensive waste management program covers both hazardous and non-hazardous waste and is aligned with the ISO 14001:2015 Environmental Management System standards. We maintain full compliance with all relevant environmental regulations, including Malaysia's Environmental Quality (Scheduled Wastes) Regulations 2005, across all our operations.

Non-hazardous waste such as general waste, plastics, and paper packaging is carefully sorted at the source and recycled through certified contractors. Hazardous waste is managed under strict procedures that ensure safe storage, handling, and disposal in accordance with all regulatory requirements.

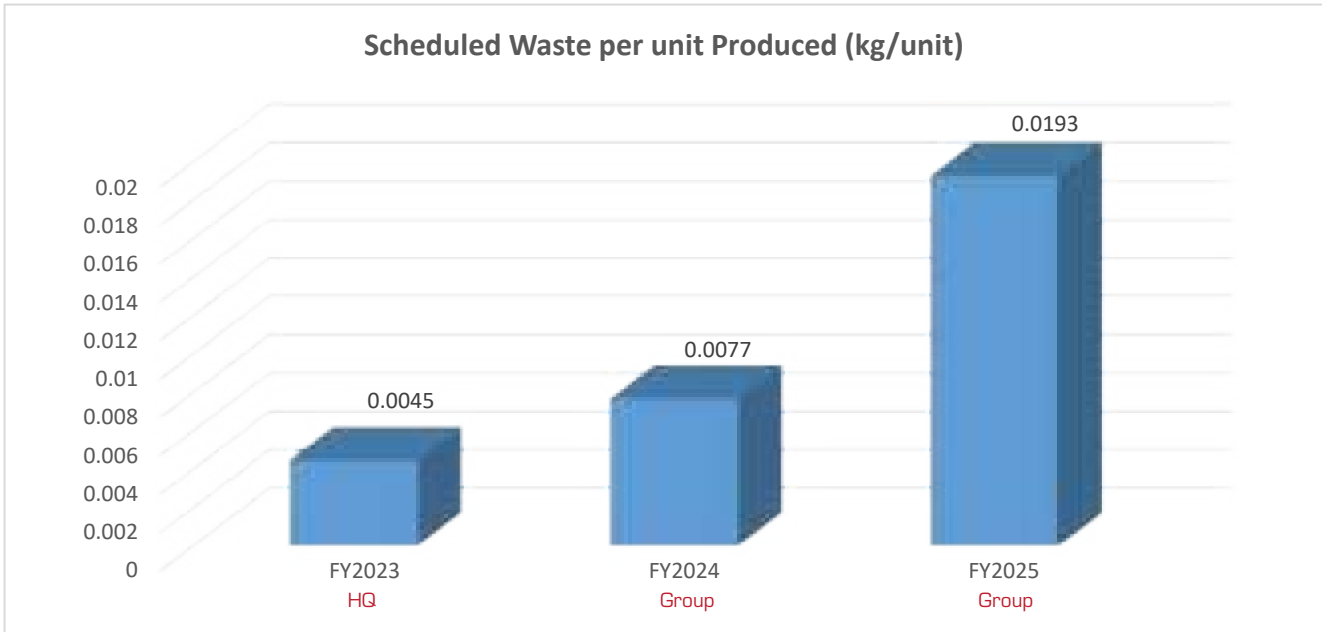


TRACKING OUR PROGRESS



The graph shows a spike in FY2025 waste water output was due the increase of waste water in our Vietnam plant. The Group is in progress of modernizing the waste water process and target to reduce waste water generated in Vietnam plant by 30% in upcoming financial year.

In FY2025, the Group waste management output includes waste generate by all entities under Techbond Group. Our team monitors the waste generated and ensure we breakdown the waste which can be recycled effectively in order to reduce the environmental impact.

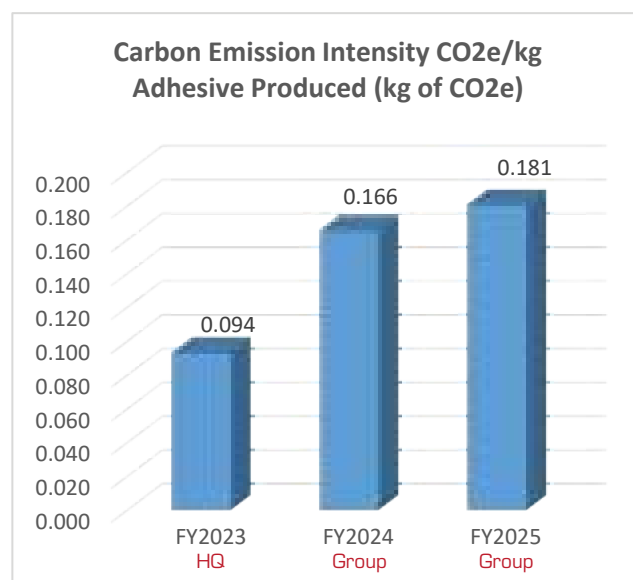
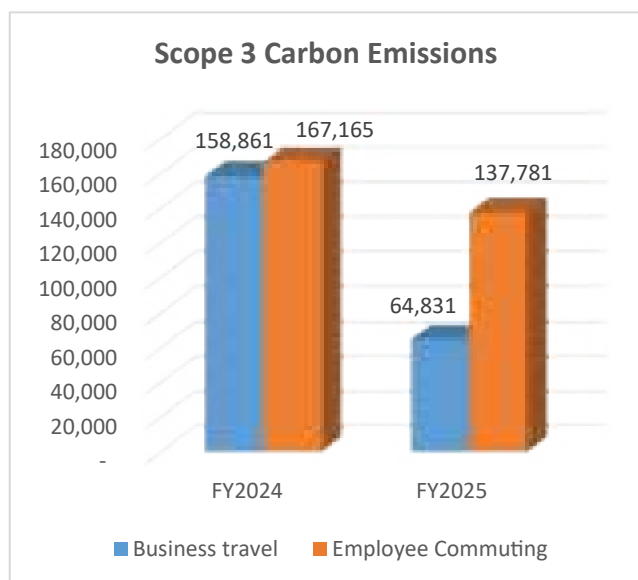
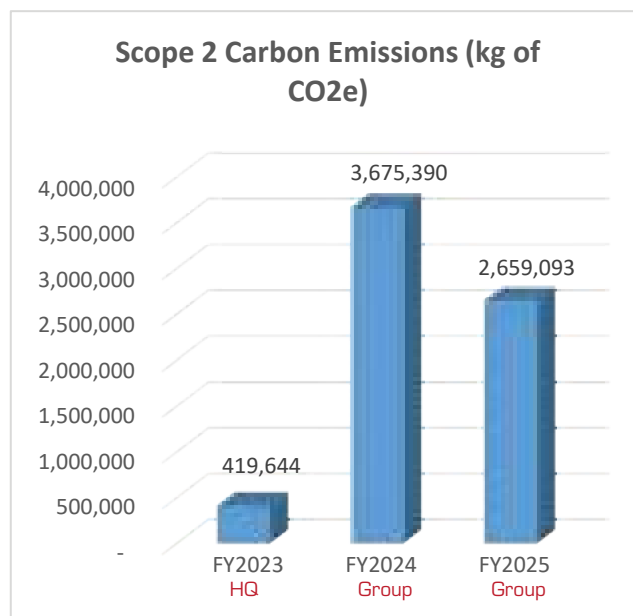
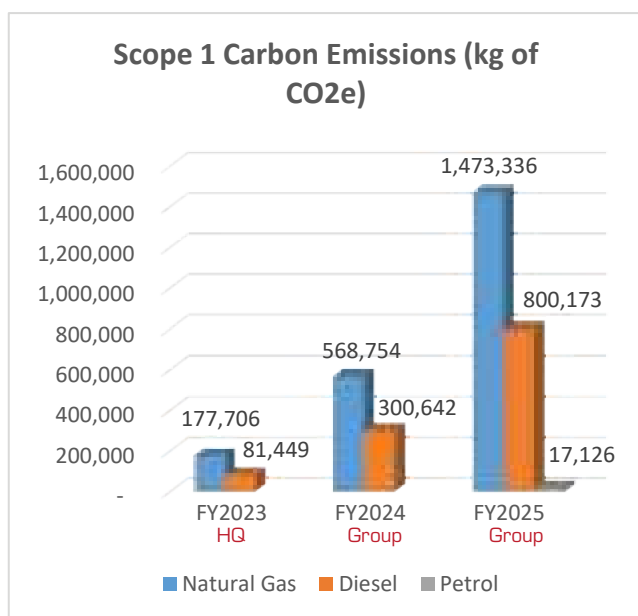


During the year, there were no recorded incidents of noncompliance in relation to waste management. Total scheduled waste generated intensity for FY2025 stood at 0.0193 per unit of adhesive produced. Our effective practices saw overall waste generated increased by 150.94% in FY2025 compared to the previous year. The increase in our schedule was due to the waste produced in our new acquired company (M.A.C) with high production quantity. Our team is looking into improving the overall process and target to reduce waste produced in upcoming financial years.

EMISSIONS MANAGEMENT

Techbond acknowledges the vital impact of greenhouse gas (GHG) emissions on climate change and is firmly committed to improving both our reporting practices and environmental performance. Our GHG reporting includes Scope 1, Scope 2, and selected Scope 3 emissions specifically from business travel and employee commuting falling within our operational control. We calculate emissions of carbon dioxide, methane, and nitrous oxide, and express them in carbon dioxide to provide a standardized measure. As part of our ongoing sustainability efforts, we remain dedicated to enhancing the accuracy of our GHG reporting and continuously strive to reduce emissions across our operations. Below is a summary of our consolidated GHG emissions across the organization:

TRACKING OUR CARBON FOOTPRINT



Disclaimer: Our adhesive intensity is inclusive of Scope 1 & 2 only

In FY2025, our Scope 1, Scope 2 and Scope 3 emissions saw an increase in total carbon emissions due to the carbon contribution from our plant in Vietnam and newly acquired company Malayan Adhesives and Chemicals Sdn Bhd. Looking ahead, Techbond continues to work towards achieving our sustainability target, to reduce our carbon emissions by 45% by 2030 benchmarked against 2020 Carbon Intensity Emission at our headquarter operation.

Notes:

- **Scope 1 emissions** cover the emissions from natural gas consumption from our production facilities and company-owned vehicles on petrol and diesel.
- **Scope 2 emissions** cover purchased electricity from our production facilities and corporate offices.
- **Scope 3 emissions** cover the emissions of employee business travel and employee commuting to office.

CLIMATE CHANGE

The environment is confronting one of the most critical challenges in history, with climate change emerging as a serious global threat. Techbond recognizes the substantial role greenhouse gas emissions play in driving this crisis. We fully support the Paris Agreement and its targets to limit global temperature rise to well below 2°C above pre-industrial levels, while pursuing efforts to cap the increase at 1.5°C.

In response, Techbond has committed to reducing our companywide carbon emissions by 45% by 2030, using our 2020 Carbon Intensity Emissions as the baseline. This pledge reflects our deep commitment to addressing climate change and protecting the planet for future generations.

Climate Change as a Material Risk and Strategic Opportunity

Techbond Group recognizes that climate change presents a fundamental material risk to our business operations, supply chain, and the markets we serve. Physical risks, such as extreme weather events, could disrupt our supply chain and manufacturing facilities, while transition risks, including changing regulations and market shifts towards low-carbon products, could impact our competitive landscape. Simultaneously, this global challenge offers significant opportunities for innovation, efficiency gains, and leadership in the transition to a low-carbon economy. Our strategy is therefore designed to mitigate these risks while capitalizing on the opportunities, ensuring our long-term resilience and sustainable growth.

Our Strategic Response Across Time Horizons

Our approach to climate-related risks and opportunities is structured across short, medium, and long-term time horizons, allowing us to manage immediate challenges while steering towards our future ambitions.

- **Short-Term (Year 2020-2023):** Our immediate focus is on enhancing operational efficiency and data accuracy. Key initiatives include expanding solar panel installations and implementing rigorous tracking of our Scope 1 and 2 emissions.
- **Medium-Term (Year 2023-2030):** In this phase, we will intensify our decarbonization efforts and innovate our product portfolio. This includes major capital investments in energy-efficient machinery, completing the transition to electric forklifts, exploring alternative low-carbon raw materials, and developing new adhesive solutions that help our customers reduce their own environmental footprint. Our medium-term goal is to be on track to meet our 2030 science-aligned carbon reduction target.
- **Long-Term (Year 2050):** Our long-term vision is to operate as a net-zero carbon enterprise. We are committed to aligning our business strategy with the goals of the Paris Agreement. This will involve pioneering new technologies, potentially including carbon capture and utilization, transitioning our vehicle fleet to fully electric, and ensuring our entire supply chain is decarbonized.

Climate Change Awareness Training Program

Techbond understands the significance of raising awareness among our employees about climate change. We firmly believe that each individual possesses the capacity to contribute to a more sustainable future. For our sustainable practices to truly take root within the Group, it's essential for our employees to embrace our collective objectives. Therefore, Techbond consistently offers climate change training to both new hires and our team across the Group. This proactive measure enables our employees to grasp the gravity of climate change and equips them with the necessary knowledge, skills, values, and attitudes to spearhead positive transformations in the workplace.



AQUAPONIC FARM

Techbond is continuously exploring avenues to enhance its sustainability initiatives. With this objective in mind, Techbond has established an Aquaponic Farm, which was finalized in December 2022. Situated at top our headquarters in Shah Alam, the 1,500 square-foot greenhouse accommodates a total of 4320 pots of leafy vegetables, cultivated in densely packed rows of cylinders. Complementing this setup is our fish tank, housing red tilapia fishes, thereby completing the aquaponic system. We will continuously plant those pot in our rooftop for upcoming financial years. In FY2025, we manage to generate a total of 800kg vegetable.

The Aquaponic system represents an environmentally sustainable approach to farming, merging two productive systems: a recirculating aquaculture system, where fish are reared in a tank, and a hydroponic cultivation system, where vegetables are grown in a medium other than soil. In this closed-loop circulation system, fish waste serves as a natural fertilizer for the plants. The plants, in turn, absorb these nutrients, and clean water is recirculated back into the aquaculture system. This mutually beneficial relationship enables efficient resource utilization. Aquaponics boasts a remarkable 90% reduction in water usage compared to traditional farming methods, eliminating the need for fertilizers or pesticides.

Furthermore, Aquaponics can be customized to suit specific environmental conditions, including temperature, lighting, and humidity, facilitating crop cultivation in regions traditionally deemed unsuitable for farming.

Techbond recognizes the potential of underutilized spaces, particularly on our rooftops. We regard these vacant areas as reservoirs of untapped productive capacity. In future, we consider to expand out green plantation activities on our land next door to provide a greener land to future generations. Integrating a greenhouse into our building structure has enabled us to cultivate food within the city, simultaneously enhancing the urban environment, promoting biodiversity, and contributing to carbon reduction efforts by sequestering carbon dioxide.

Techbond Aquaponic Farm Contributes to Environmental Sustainability because:

- It uses less land.
- It reduces the need for pesticides and fertilizers.
- It requires less water.
- It is more efficient than traditional farming.
- It can produce 10 times more food than traditional farming.
- The symbiotic relationship between the aquatic animals and the plants increases biodiversity.
- It captures carbon dioxide from the environment



INNOVATION FOR SUSTAINABILITY

The world is undergoing rapid and far-reaching change, a trend expected to accelerate in the years ahead. In the wake of the global pandemic, the growing urgency to decarbonize the economy, and the swift evolution of the digital age, creating long-term value requires innovative, collaborative solutions developed in close partnership with our customers, collaborators, and peers in the scientific and technological communities.

The importance of our work is far-reaching adhesives are found in nearly every finished product we encounter in daily life. While they often represent a small component of these products, we strive to make a significant downstream impact by helping our customers achieve their sustainability goals.

Our Research and Development team actively designs bonding solutions that respond to shifting consumer expectations, evolving product designs, and emerging regulatory and sustainability demands. By investing substantially in innovation, research, and technical expertise, we consistently deliver value through our business strategy. This commitment has enabled us to develop cutting-edge, high-performance solutions that enhance our customers' products and processes supporting their sustainability initiatives and aiding the broader transition from a linear to a circular economy.



EMPOWERING OUR WORKFORCE



The driving force of our success

At Techbond, we recognize that our people are our most valuable asset. The professional growth and development of each individual are fundamental to our collective success. Accordingly, we are deeply committed to foster an environment where team members can thrive in their roles and realize their full potential.

We actively promote continuous learning, encouraging employees to enhance their skills, expand their capabilities, and build confidence throughout their careers with us. We believe that cultivating a culture of curiosity is essential to driving excellence across all aspects of our operations.

By nurturing creativity and igniting a passion for innovation, we not only empower our workforce but also enhance overall productivity. This strategic focus enables us to maintain a competitive edge, attract high-caliber talent, and retain the exceptional individuals who contribute to our ongoing success.

Workforce Diversity

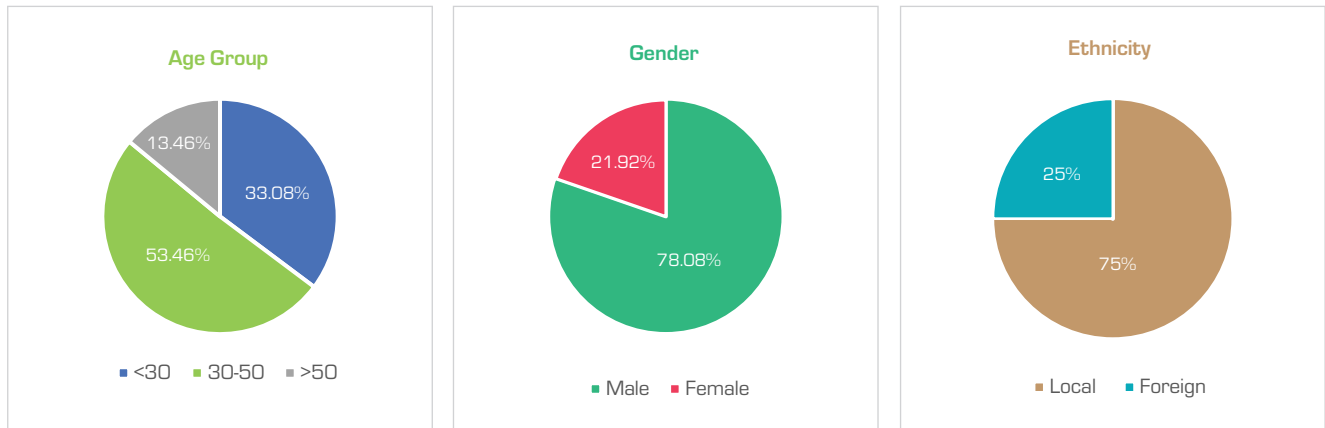
Techbond Group firmly believes that diversity is a powerful driver of progress and a key contributor to our success. It fuels innovation and encourages our employees to celebrate their individuality, curiosity, and uniqueness.

We are committed to fostering a workplace built on respect and equality for all, regardless of age, gender, ethnicity, nationality, disability, sexual orientation, cultural background, or religious beliefs. By embracing diversity, we minimize reliance on any single group and create an environment rooted in fairness and inclusion. We uphold a strict zero-tolerance policy against all forms of discrimination and base our hiring decisions solely on merit and credibility.

Techbond Group is dedicated to promoting equal employment opportunities for all, as reflected in our inclusive employment practices. We are unwavering in our commitment to building a diverse and inclusive workforce. As of FY2025, our team comprises approximately 260 full-time employees, including those from our subsidiaries, with 44 new hires joining us recently.

We ensure that every employee is treated with fairness and respect, providing equal access to career development opportunities and benefits free from any form of discrimination.

EMPLOYEE DEMOGRAPHICS



Percentage of employees by gender for each employee category is tabulated below:

Employee Category	Gender	No. of Employees	%
Senior Management	Male	5	1.9
	Female	1	0.4
Middle Management	Male	13	5.0
	Female	9	3.5
Executive	Male	62	23.8
	Female	41	15.8
Non-Executive	Male	123	47.3
	Female	6	2.3

Percentage of employees by age group for each employee category is tabulated below:

Employee Category	Age Group	No. of Employees	%
Senior Management	<30	1	0.4
	30-50	2	0.8
	>50	3	1.2
Middle Management	<30	1	0.4
	30-50	17	6.5
	>50	4	1.5
Executive	<30	34	13.1
	30-50	58	22.3
	>50	12	4.6
Non-Executive	<30	50	19.2
	30-50	62	23.8
	>50	16	6.2

Percentage of Directors by gender & age group:

Board Diversity	Category	%
Gender	Male	50
	Female	50
Age	<30	0
	30-50	17
	>50	83

The Group does not employ any contractors or temporary employees. All employees are employed under the Group.



EMPOWERING WOMEN

in the Workplace

Techbond is committed to advance the professional development of women across the organization. We actively promote the recruitment, retention, full engagement, and progression of women leaders. Our dedication to gender diversity is reflected in our compliance with the Malaysian Code on Corporate Governance, which mandates a minimum of 30% female representation on the Board. Currently, the Group is proud to have two female Directors, comprising 50% of the Board's composition, demonstrating our ongoing commitment to fostering inclusive leadership. The representation of women employed in different Group levels is tabulated below:

Women Representation	Board Level		Manager & Above		Overall Organisation	
	Pax	%	Pax	%	Pax	%
	3	50	10	35.71	57	21.92

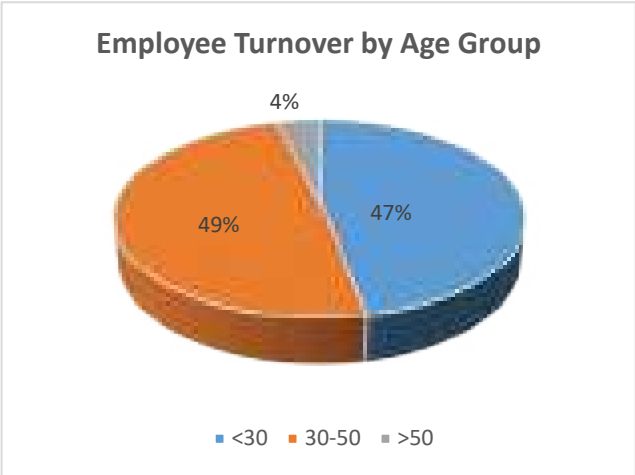
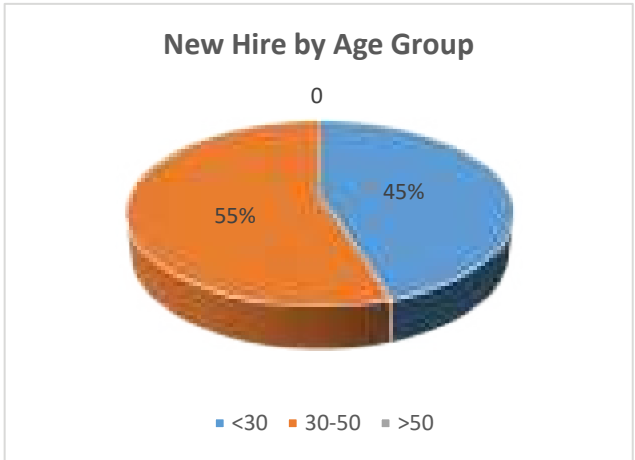
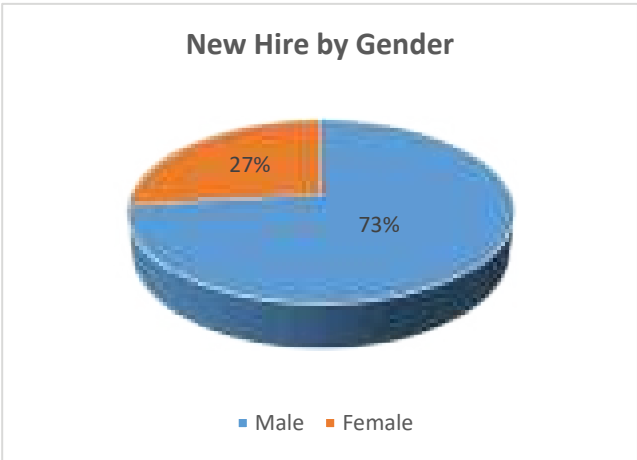


Talent Acquisition

Talent acquisition extends beyond mere recruitment; it encompasses a comprehensive, long-term strategy for employee retention. Accordingly, the Group is dedicated to continuously assessing and refining our talent attraction approaches by integrating innovative methods. These include leveraging online job portals, internship programs, career expos, and employee referral initiatives, which empower our workforce to recommend qualified candidates to join the Company.

New Hire & Turnover

Techbond Group has recorded a total of 44 new hires, achieving a new hire rate of 16.92%, which comprises of 73% or 32 males and 27% or 12 females. 45% of new hires are aged below 30, followed by 55% aged between 30 to 50 years and 0% aged above 50 years.



Total number of employee turnover by employee category	Senior Management	Middle Management	Executive	Non-Executive
	0	3	16	26



Human Capital Development

Since gaining independence in 1957, Malaysia has transitioned from a labor-intensive, agriculture-focused economy to one centered on knowledge and innovation. To ensure our long-term survival and enhance our competitive edge, the Group has undertaken numerous initiatives to attract talent through recruitment efforts. We firmly believe that providing technical training to our staff will aid in talent development and contribute to lowering the local unemployment rate.

Furthermore, the Group has established strategic partnerships with research organizations and agencies for various research and development projects aimed at discovering new sources of raw materials and exploring methodologies and commercial applications. To enhance our employees' expertise and broaden their experience, they are given opportunities to lead research initiatives with external organizations.

Techbond places great value on continuous learning and growth, encouraging employees to enhance their skill sets, take on challenging assignments, and assume expanded responsibilities to remain effective and relevant. Maintaining the long-term employability of our employees is crucial to our success. Despite facing challenges in the past year, Techbond believes that investing in employee development through personal training programs has enabled our employees to realize their full potential. In Techbond, these are the learning styles that we adopt.

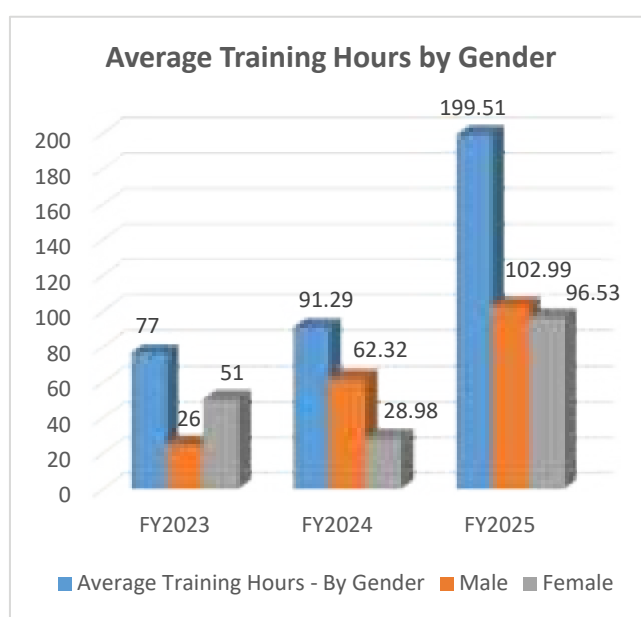
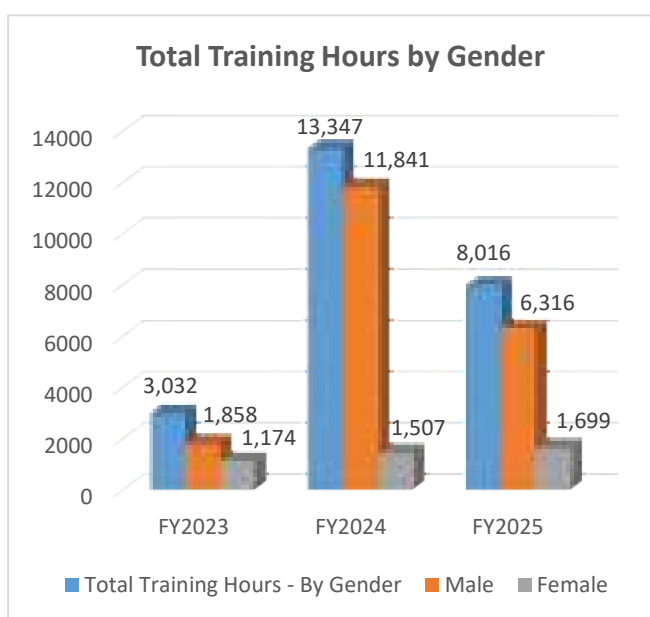
- On the job training and learning. For example, taking a new challenge or stretched assignments.
- Growth through others. For example, social and collaborative interactions and constructive feedback in networks, peers, coaching and mentoring programs.
- Formal Learning through structured programs, courses, training, online classes and reading.

The type of Training Programs conducted for Safety & Health are as follows:

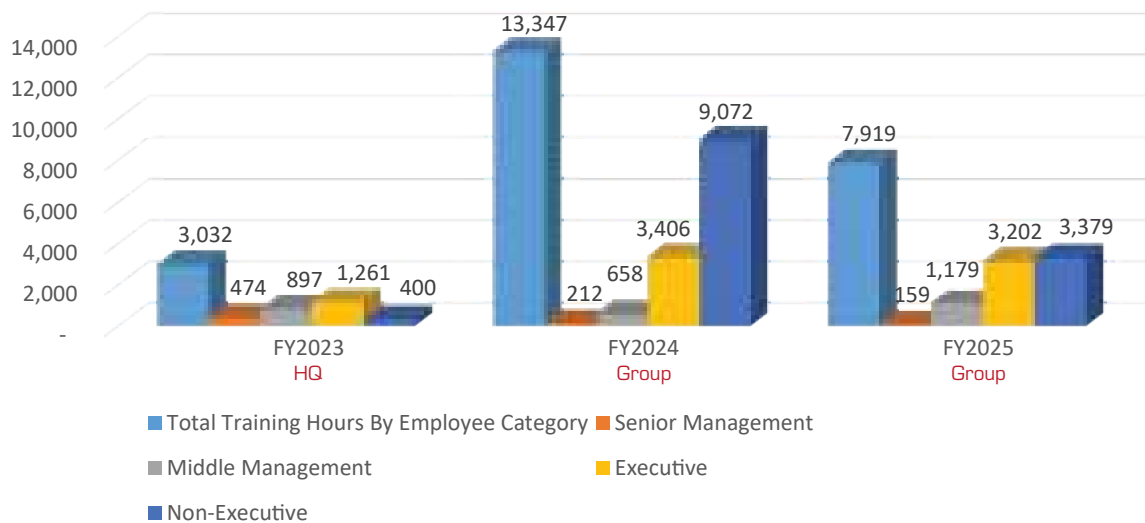


Learning & Development

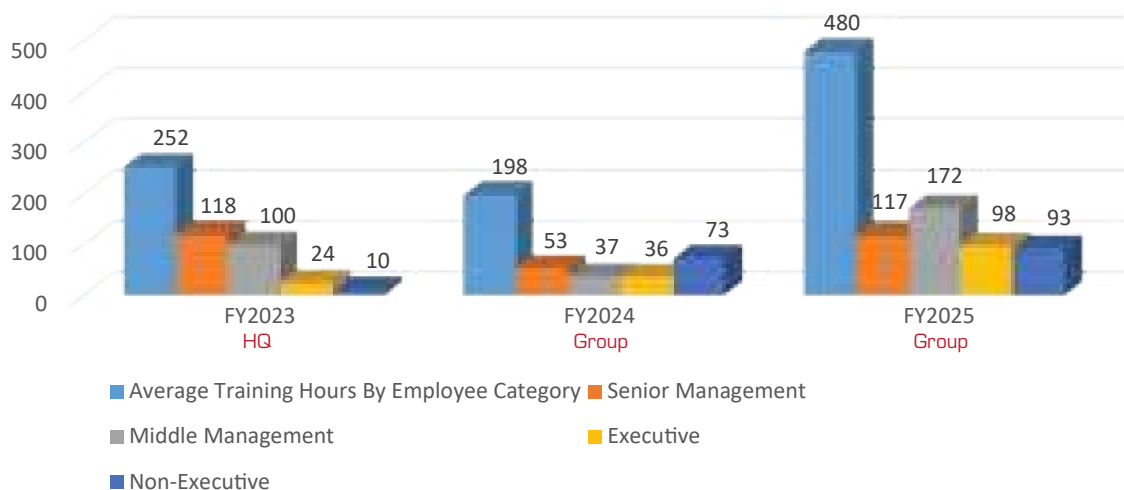
We continue to always empower our employees in ways that will help to enrich them while contributing towards our overall success.



Total Training Hours by Employee Category



Average Training Hours by Employee Category



Human Rights

Techbond upholds the human rights of all employees and actively supports local communities. We ensure respect for human rights across our operations and throughout our extended value chain by conducting business in an ethical and sustainable manner. Our practices include continuous, proactive assessment of human rights impacts as an integral part of our business processes.



1. Hiring & Employment

Prohibits discrimination in the hiring and employment practices including gender, race, religion, age, disability and nationality.



2. Safe Working Environment

Provides a safe and healthy workplace, free from discrimination and harassment.



3. No Abuse & Harassment

Prohibits physical abuse, harassment of associates and threats of either.



4. No Forced, Child Labour

Does not use child, forced, prison, indentured or involuntary labour.



5. Foreign Worker Treatment

Foreign or migrant workers must be employed in full compliance with labour and immigration laws.

Employment Salary & Benefits

Techbond provides its employees with comprehensive benefits packages that comply with local legal requirements. These benefits are designed to be both competitive and equitable, fostering a healthy work-life balance. We strictly adhere to all statutory mandated benefits, which include:

Various Allowance

Petrol, car, production, meal, training (T&C applies), attendance allowance.

Insurance

Such as Group Personal Accident Coverage

Medical Cover

Such as Group Hospitalisation & Surgical Insurance and medical benefits

Dental & Optical care

Encourage personal hygiene

Designated Prayer Room

Designated prayer room for Muslim employees

Gym Facilities

To promote employee wellness

Entertainment Facilities

For employee to release stress

Leave

Such as annual leave, medical, hospitalization, maternity, paternity and etc

Sports Club

To build the bonding within employees in the organization and promote balance between work and play time

Employee Engagement

At Techbond Group, fostering strong employee engagement is a critical pillar of our business strategy and operational success. We have adopted an open-door policy that encourages all employees to openly discuss work-related concerns with their immediate supervisors. This initiative is further supported by regular management meetings, where employees are invited to voice their perspectives, thereby promoting a transparent and inclusive workplace culture.



Departmental managers play an essential role in this engagement framework by escalating significant issues to higher management, ensuring that concerns are addressed promptly and appropriately. Each department holds regular internal meetings to resolve operational challenges, provide direction, and implement actionable solutions. In alignment with our commitment to performance excellence, we conduct a Monthly 5 Pillars Meeting, which serves as a platform to review departmental progress against defined Key Performance Indicators (KPIs). This is complemented by annual performance appraisals that provide structured feedback to employees, enabling continuous personal and professional development.

To reinforce internal governance and access to company information, the Techbond Employee Handbook detailing company policies and procedures are made readily available to all staff. Additionally, our Fraud & Whistleblowing Policy establishes a formal, confidential mechanism through which both employees and external parties can report any misconduct or unethical behavior that may adversely impact the Group's integrity or stakeholder trust. Concerns can be reported either verbally or in writing directly to the Chairman of the Audit & Risk Management Committee or the Managing Director. All disclosures are handled with strict confidentiality, and whistleblower anonymity is fully protected. In financial year 2025, there were no whistleblowing cases recorded.



Employee Welfare

As part of our commitment to the Social pillar of ESG, Techbond Headquarter organized a unique employee welfare initiative to promote cross departmental engagement and employee well-being. Held at Dadi Cinema, Pavilion Kuala Lumpur, the event featured a memorable experience where employees enjoyed a hotpot meal inside the cinema followed by a movie screening. The session drew participation from over 50% of our office staff, reflecting strong enthusiasm and a shared appreciation for a more connected workplace culture.

The objective of this initiative was to foster interaction among employees from different departments, strengthen team spirit, and create opportunities for informal networking in a relaxed environment. By supporting such activities, Techbond reinforces its belief that employee well-being and social cohesion are critical to long-term organizational success. This event is part of our broader strategy to create an inclusive, collaborative, and engaging workplace in line with our ESG goals.



In addition, Techbond proudly celebrated International Women's Day, recognizing the vital role women play in our workplace. All female employees across the company participated in a special in-office event that included thoughtful gifts and engaging activities to show appreciation for their contributions. This celebration reinforces our dedication to inclusivity, respect, and gender equality core values that shape a supportive and empowering culture for all employees.

As part of our commitment to employee welfare and a safe, supportive working environment, Techbond Group provides all employees with comprehensive insurance coverage through our Group Personal Accident (GPA) and Group Hospitalization & Surgical (GHS) plans. The GPA policy offers protection against unexpected events by covering accidental death, permanent and temporary disablement, medical and surgical treatment, and funeral expenses. The GHS insurance complements this by ensuring employees have access to necessary healthcare services in the event of illness or hospitalization. These benefits underscore our dedication to prioritizing employee health and safety, enhancing workforce resilience, and supporting long-term well-being core elements of our social responsibility under our ESG framework.



As part of employee engagement programs, structured training, and comprehensive staff benefits, Techbond Group is committed to cultivate a positive and enjoyable working environment. Our employee welfare initiatives are designed not only to enhance morale but also to foster meaningful interactions across all levels of the organization. To promote team cohesion and inclusivity, we organize a range of company-wide social and recreational events such as annual dinners, festive celebrations, sports days, and farming session in creating opportunities for employees to connect beyond the workplace and strengthening our organizational culture.

To ensure the safety and financial well-being of our workforce, all employees are fully covered under a 24/7 Group Personal Accident (GPA) insurance policy. This coverage provides compensation in the event of death or disablement resulting solely and directly from accidental bodily injury, including permanent and temporary disablement, medical and surgical expenses, and funeral costs. Additionally, employees benefit from Group Hospitalization and Surgical (GHS) insurance, which covers the cost of medical treatment and hospitalization due to illness or accidents. These comprehensive protections reflect our strong commitment to employee welfare and are integral to our broader ESG approach, particularly under the Social pillar.



OCCUPATIONAL SAFETY & HEALTH

At Techbond Group, workplace safety is a fundamental priority integrated into every facet of our operations. We are dedicated to sustaining a work environment free from preventable hazards, safeguarding the health and well-being of all employees and contractors. This commitment is demonstrated through rigorous adherence to established health and safety protocols, underscoring our proactive approach to minimizing occupational risks and embedding a culture of safety throughout the organization.

Our objective is to foster a risk-conscious, safety-first culture, with a steadfast goal of achieving zero accidents across the Group. Comprehensive safety training is provided to all employees, including in-depth instruction on ISO-certified safety standards, equipping them to proactively identify and mitigate risks and prevent workplace incidents.

The role of OSH committee involves, but not limited to:

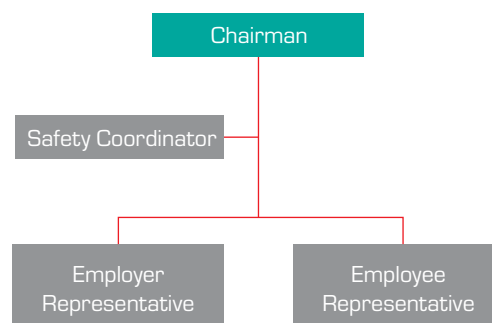
- 1** Review safety and health procedures at the workplace
- 2** Inspect workplace
- 3** Investigate any accidents or other related matters that are raised
- 4** Investigate safety and health related complaints

We prioritize cultivating a culture of individual responsibility and collective accountability throughout the organization to reinforce our unwavering commitment to achieving a zero-harm workplace. Every employee is expected to assume ownership of safety practices in their daily activities, thereby strengthening a proactive and vigilant safety culture.

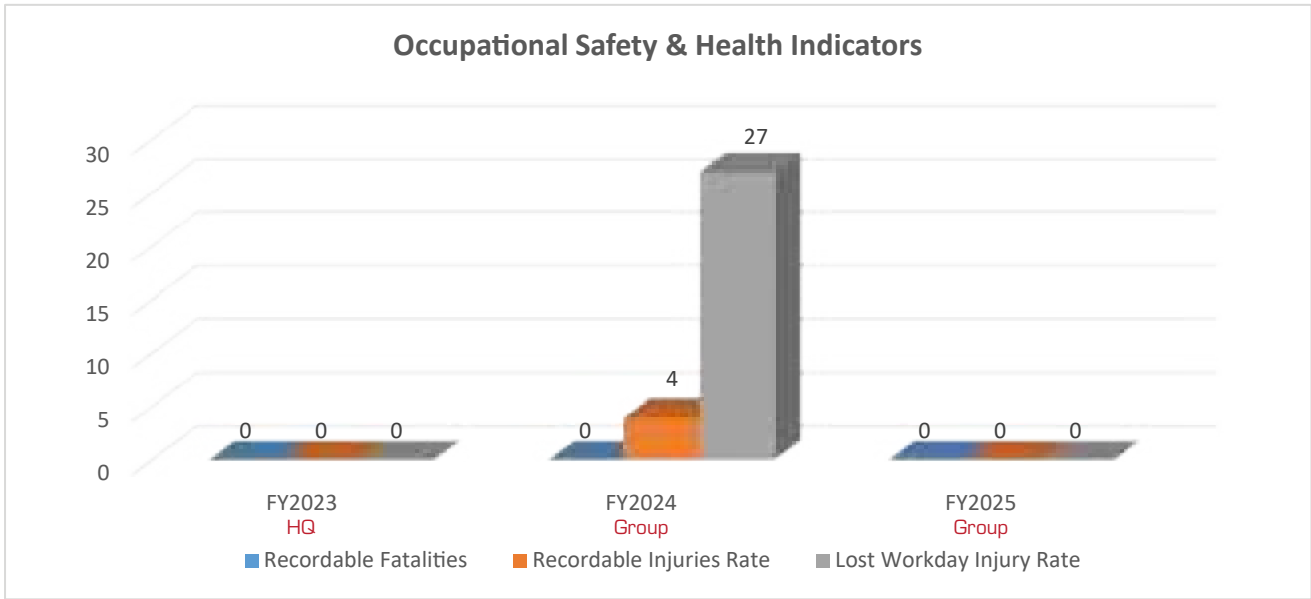
The Health and Safety Committee holds a vital governance role in monitoring the implementation and effectiveness of the Group's Occupational Safety and Health (OSH) programs. Convening quarterly, the Committee rigorously identifies, evaluates, and addresses emerging health and safety risks, ensuring ongoing assessment of workplace conditions. Additionally, it analyzes incident trends and recommends targeted improvements to elevate safety performance.

To support this commitment, we have implemented a robust Occupational Health and Safety (OHS) Management System that serves as a strategic framework guiding our health and safety practices. This system details our procedures for incident management, risk evaluation, and continuous improvement, reinforcing Techbond's unwavering dedication to protecting our workforce, promoting a secure working environment, and fulfilling our Environmental, Social, and Governance (ESG) responsibilities under the Social and Governance pillars.

- Accident and Incident Reporting and Investigation
- Safety & Work at workplace, Security Practices
- Safe Practices – Laboratory, Laboratory Waste, Production, Engineering
- PPE Policy, HiRARC
- Forklift Safety Operation
- Emergency Response Procedure
- Safety Handbook, Safety Audit
- QHSE Handbook, QHSE objectives and policies
- Contractor management, work permits
- Waste and wastewater management
- Chemical spillage management



To maintain high levels of engagement and awareness, employees are regularly updated through briefings and internal communications that emphasize Techbond’s mission, vision, and safety policies, while providing timely information on relevant health and safety matters. Our Occupational Safety and Health performance is systematically tracked using key performance indicators, detailed below:



Safety Precaution

In FY2025, Techbond Group Berhad proudly achieved a zero-accident record across all operations, a clear reflection of our unwavering commitment to workplace safety and the strength of our proactive safety culture. This milestone underscores the effectiveness of our continuous efforts to maintain a safe, compliant, and risk-aware working environment.

This achievement is the result of strict adherence to Standard Operating Procedures (SOPs), routine safety audits, and rigorous compliance with industry best practices. As we look to the future, we remain fully committed to sustaining this benchmark. We will continuously assess and strengthen our safety programs to adapt to evolving operational needs. In line with this, we are implementing enhanced, targeted safety training sessions to equip employees with the knowledge and capabilities to identify hazards, respond effectively, and uphold a zero-harm culture across the organization.



Health examination and occupational disease examination

At Techbond Group Berhad, we place a strong emphasis on the health and well-being of our employees, especially those who are frequently exposed to chemicals in their daily work activities. As part of our commitment to occupational health and safety, we provide annual health screenings for employees who have high-frequency contact with chemicals. These screenings are conducted either by sending employees to appointed healthcare practitioners or by inviting certified medical professionals to our facilities to perform on-site health checks. This approach ensures both convenience and consistent monitoring of employee health.

To support employee well-being during the screening process, nutritious meals are provided to ensure they remain energized throughout the day. By implementing this initiative, Techbond aims to safeguard employee health, detect any potential issues early, and foster a healthier workforce. Ultimately, this contributes not only to individual well-being but also to enhanced productivity and a safer working environment across our operations.



Safety & Health Initiatives

The Group has developed the following safety and health initiatives:



Chemical Spillage Control Procedure

In the event of a chemical spill, designated cleaning procedures and suitable storage containers are utilized to minimize environmental contamination. All employees are equipped with appropriate personal protective equipment to prevent injury and reduce the risk of workplace accidents. Additionally, our workforce receives comprehensive training on chemical spill response to ensure preparedness and safety.



Forklift Test

In the factory's daily operations, forklifts are essential tools used to transport products from one location to another. To ensure safe forklift operation, annual competency tests are conducted. These evaluations assess key skills, including maneuvering in confined spaces, transporting products efficiently, and operating the forklift in reverse.



EV Forklift training

A transition of diesel forklift to EV forklift, usage training was conducted to all production employees to ensure their safety by knowing the proper way to handle EV forklift. Training was provided by the professional and ensuring the employees understand each steps to operate the forklift.



Emergency Response Team (ERT)

An Emergency Response Team (ERT) has been established to effectively manage workplace emergencies and administer first aid prior to the arrival of medical professionals. The ERT is supported with strategically placed first-aid kits across the manufacturing, research and development, and office areas to ensure prompt and efficient response in the event of an incident.

Emergency Preparedness & Response

Techbond is steadfast in its commitment to safeguarding the well-being of our employees and the surrounding communities by maintaining the integrity of our infrastructure and upholding rigorous emergency preparedness standards. As part of our Environmental Management System aligned with ISO 14001:2015, we have implemented a comprehensive Emergency Preparedness and Response Procedure, managed by our dedicated Safety Team. This team is tasked with effectively handling emergency situations in real-time and mitigating any potential environmental impacts through prompt and coordinated response actions.

To ensure operational readiness, the Safety Team regularly conducts inspections, testing, and maintenance of essential firefighting and safety equipment, including fire alarm systems, fire extinguishers, emergency exit lighting, hydrant systems, and hose reels. In FY2025, we enhanced our emergency preparedness program by introducing chemical spillage response training for production personnel. This initiative equips employees handling hazardous materials with thorough knowledge of the Group's standard operating procedures (SOPs), thereby minimizing risks to human health and the environment during chemical management and disposal activities.



Our Emergency Preparedness & Response also outlines the procedures for the following incidents:

- **Chemical Emergency Response**

- (a) Liquid Release
- (b) Gaseous Release

- **Accident Treatment**

- (a) Chemical Control / Cleaning up of Chemical Spillage
- (b) Liquid Release (spillage of hazardous chemicals and flammable chemicals)
- (c) Gaseous Release (vaporisation / emission of harmful fumes)
- (d) Flooding

Emergency Response Plan

Techbond firmly believes that prioritizing employee well-being is essential to fostering a safe and healthy work environment. Following the acquisition of our new subsidiary, all its employees will undergo comprehensive training on our Emergency Response Plan, with a focus on fire, electric shock, and accident scenarios. This training, aligned with the ISO 14001:2015 Environmental Management System, is designed to strengthen incident containment and ensure effective response management.



Our social responsibility extends to our suppliers. The Supplier Code of Conduct requires partners to provide safe and healthy working conditions, prohibit child labor and forced labor, ensure non-discrimination, and respect workers' rights to freedom of association and collective bargaining. Compliance with these principles is monitored through supplier evaluations and audits.

BUSINESS WITH INTEGRITY

Upholding key business ethics and principles

Techbond is unwavering in its commitment to responsible corporate citizenship, consistently upholding the highest standards of ethical conduct and integrity. We acknowledge our critical responsibility to embed ethical behavior throughout the Group, recognizing that integrity is essential for sustainable, long-term success.

Our dedication to compliance and integrity forms the foundation of our ethical business practices and corporate governance. We enforce a strict zero-tolerance policy towards corruption and any legal violations, fully committed to adhering to all applicable laws and regulatory requirements. To ensure accountability and responsibility across all organizational levels and stakeholder relationships, we have implemented robust policies, procedures, and governance frameworks.

This zero-tolerance stance is supported by a comprehensive compliance framework designed to guarantee that all business activities conform to legal standards. Our management team is collectively responsible for ensuring that all decisions and operations align with legal obligations and reflect our core organizational values and policies.

We remain steadfast in our obligations to all stakeholders, striving to maintain the integrity of our operations while fostering sustainable value creation. Guided by respect for social norms and international principles, we conduct our business with unwavering ethical standards, transparency, and accountability that are deeply embedded in our corporate culture.

Corporate Culture

We have established robust internal mechanisms and procedures to promote transparency and accountability throughout our entire value chain. The Board operates in accordance with the principles set forth in the Board Charter, which is informed by the Malaysian Code of Corporate Governance (MCCG). This Charter provides a comprehensive framework for Directors, clearly defining their roles, responsibilities, and obligations to comply with applicable laws and regulations. It also highlights the Group's commitment to advancing gender diversity within the Boardroom. The Charter is subject to regular review to ensure continued alignment with evolving governance codes, legal requirements, and best practices.

In parallel, members of the Audit Committee, Nomination Committee, and Remuneration Committee execute their responsibilities guided by their respective Terms of Reference (ToR), which articulate their objectives and duties in supporting the Board's governance functions. Additional policies and procedures implemented by Techbond include:

- a) Directors' Fit & Proper Policy
- b) Anti-Bribery Management System Policy
- c) Dividend Policy
- d) Remuneration Policy
- e) Corporate Code of Business Conduct & Work Ethics Policy
- f) Board Diversity Policy
- g) Fraud & Whistleblowing Policy
- h) Corporate Governance Report
- i) Terms of Reference of Remuneration Committee
- j) Terms of Reference of Nomination Committee
- k) Terms of Reference of Audit & Risk Management Committee
- l) Board Charter

Techbond is deeply committed to maintaining the highest ethical standards in all business conduct and interactions to protect the Group’s reputation. A comprehensive set of policies and procedures applies to all Directors and employees across the organization at all times. These codes and policies are periodically reviewed and updated as necessary to ensure continued compliance with current laws and regulatory requirements.

All policies are relevant and reviewed from time to time	Updated on	Target
Corporate Government Report	31.10.22	Achieved
Terms of Reference of Remuneration Committee	11.10.22	Achieved
Terms of Reference of Nomination Committee	11.10.22	Achieved
Terms of Reference of ARMC	11.10.22	Achieved
Board Charter	11.10.22	Achieved

Building a Responsible Supply Chain

Techbond strengthened its Supplier Code of Conduct to embed environmental, social, and governance (ESG) requirements across our supply chain.

Techbond recognizes that our environmental responsibility extends throughout our entire value chain. We are committed to partnering with our suppliers to reduce our collective environmental footprint, build resilience, and drive positive change. This commitment is integral to our core business strategy and our mission to create long-term, sustainable value.

TECHBOND Group is committed to sustainable, ethical business practices, with supply chain management playing a vital role in our growth and success. Guided by our Supplier Code of Ethics and Qualification procedures, we carefully assess suppliers on material quality, labor practices, sustainability, and compliance with certifications such as ISO 9001:2015 and ISO 14001:2015.

At TECHBOND Vietnam, workplace safety is equally central. By adopting ISO 45001:2018, we proactively manage risks and continuously improve health and safety, aiming to:

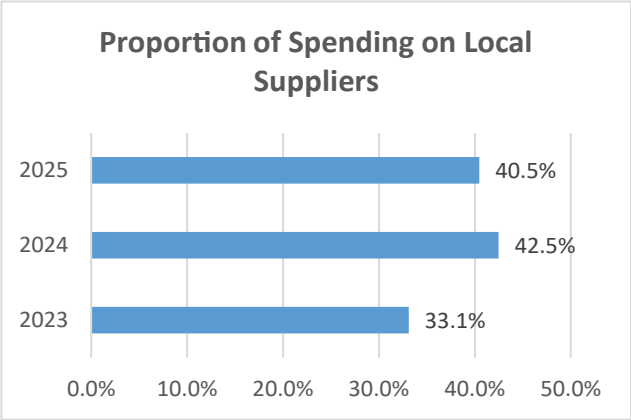
- Prevent injuries and ill health
- Promote well-being
- Foster a culture of responsibility
- Ensure legal compliance
- Engage employees in safety matters

We work closely with suppliers through evaluations, site visits, meetings, and corrective actions to secure sustainable, high-quality goods and services. Key priorities include competitive pricing, sustainable packaging, transparency, data privacy, and quality assurance. Customer satisfaction is strengthened through feedback, audits, and open communication, while transparency is upheld via site inspections, electronic ordering, and adherence to our Code of Ethics.

Sustainability remains at the forefront of our operations, with ongoing emphasis on product quality, quality control, support services, and maintaining relevant ISO certifications. We prioritize data privacy and security in accordance with evolving regulatory standards. The introduction of a formal supply chain policy in FY2025 underscores our commitment to clearly communicate terms and expectations to vendors. To further support Techbond’s Environmental, Social, and Governance (ESG) objectives, we will implement ESG awareness training for all vendors in the upcoming financial year, ensuring that sourced materials consistently meet Techbond’s rigorous standards.

Fair Trade Practice

Local procurement adds value to local communities. The company is committed to involving local suppliers to stimulate economic growth in the regions where it operates. It prioritizes local suppliers to enhance accessibility, communication, logistics, and prompt responses. The company consistently monitors its ratio of local to overseas suppliers with the aim of sourcing more local raw materials to bolster local industries.



The Group regularly reviews its packaging materials to continuously identify opportunities for waste and cost reduction, including the use of flexi-bags within shipping containers. This strategy significantly reduces dependence on metal drums, and ongoing initiatives aim to recycle flexi-bags to further minimize waste generation.

To extend ethical governance across our value chain, Techbond’s Supplier Code of Conduct includes zero tolerance for bribery, corruption, and unfair trade practices. All suppliers must adhere to our anti-bribery and compliance standards, with regular due diligence assessments and monitoring through ESG audits.

Ethics & Integrity

Integrity is a fundamental pillar of our business philosophy and is deeply embedded in our corporate culture. The Group enforces a strict zero tolerance policy against all forms of corruption and bribery throughout our entire value chain. Supported by a comprehensive governance framework, we uphold rigorous ethical standards and integrity in every aspect of our business operations. Furthermore, we have implemented a wide range of policies, codes, and procedures to ensure that both Techbond and our partners conduct business ethically and responsibly.



Code of Conduct

Techbond Group acknowledges its responsibility as a developer and manufacturer of industrial adhesives and is committed to acting as a responsible corporate citizen. The Company recognizes the importance of conducting business in line with internationally accepted standards and best practices.

The core principles, strongly endorsed by the Board and senior management, are outlined in the Company's Corporate Code of Conduct and Ethics Policy (the "Code"). This Code applies to Techbond Group Berhad, all its subsidiaries (collectively, the "Company"), as well as its employees and officers. Failure to comply with these standards may result in disciplinary measures, including termination of employment.

The Code embodies our fundamental values and establishes the behavioral standards that uphold the highest levels of professionalism, legal compliance, and ethical conduct. These principles guide our interactions with customers, suppliers, shareholders, competitors, the communities in which we operate, and all employees within the Company.

Additionally, the Company is committed to fostering a workplace environment free from harassment and discrimination across all locations. We prioritize mutual respect among colleagues and strive to cultivate a positive atmosphere that promotes outstanding performance and exemplary conduct. The Company embraces the following core values:

- To act honestly, fairly and professionally in all business dealings.
- To foster a culture of integrity.
- To work together to promote a safe, ethical and professional workplace.
- To comply with the laws, rules and regulations under which the Company conducts its business.
- To respect the local communities wherever the Company operates.

Anti-Bribery Management System Policy

1. Applies to TGB, its subsidiaries and all related companies.
2. Upholding all applicable Anti-Corruption Laws, regulations and guidelines.
3. Prohibits all corrupt acts including fraud and trading influences.
4. Zero tolerances for all forms of bribery including kickbacks and offering entertainment.
5. Upholds the highest standard of integrity in all business transactions.

The Group introduced the Anti-Bribery Management System Policy, which communicates its comprehensive stand on anti-corruption. The Anti-Bribery Management System Policy was established to set out relevant measures to prevent the occurrence of corruption and bribery.

The ABMS policy outlines the Group's expectations pertaining to giving or receiving gifts or gratifications as defined by the MACC Act 2009. The key areas encompassed by the policy are:

- Gifts, entertainment and hospitality;
- Travel;
- Charitable donations and sponsorships; and
- Dealings with public officials.

All Board members and employees have completed training on the Anti-Bribery Management System (ABMS) Policy, delivered by external trainers. Furthermore, ABMS training is mandatory for all new hires as part of their induction program. In FY2025, every new employee participated in ABMS training during onboarding. Additionally, all staff are required to attend an annual refresher course and complete an online declaration and assessment to reaffirm their understanding, awareness, and adherence to Techbond's corporate policies, including the ABMS Policy. This training program also extends to Techbond Vietnam and our recently acquired subsidiary, Malayan Adhesives and Chemicals Sdn Bhd.

The Managing Director holds overall responsibility for ensuring compliance with anti-corruption policies and regulations. It is incumbent upon all employees to actively prevent and report any instances of corruption, bribery, suspicious activities, or misconduct through designated whistleblowing channels. Any employee found to have engaged in bribery will face disciplinary action, up to and including immediate termination.

The Group places great importance on fostering and maintaining positive relationships with Business Associates. To uphold industry standards and best practices, all Business Associates are required to understand and comply with the Anti-Bribery Management System Policy. Throughout FY2025, all employees received briefings on the Malaysian Anti-Corruption Commission (MACC) Act, and there were no reported cases of corruption or bribery involving our personnel.

Material Matters	2023 Performance	2024 Performance	2025 Performance
Percentage of operations assessed for corruption-related risks	100%	100%	100%

Whistle Blowing Policy

Techbond Group's Whistleblowing Policy establishes a secure and confidential channel for reporting instances of negligence, misconduct, or malpractice involving Directors, management, or employees. All reports are handled anonymously, with whistleblowers safeguarded against retaliation in accordance with the policy's provisions and procedures.

Reports relating to illegal activities may be directed to the Chairman of the Audit Committee or the Group Managing Director. Oversight of the policy is conducted by the Audit Committee, which undertakes periodic reviews to ensure its ongoing relevance and effectiveness. Any amendments to the policy require approval by the Board. In FY2025, Techbond recorded zero (0) whistleblowing reports.

Aligned with our comprehensive anti-bribery and anti-corruption commitments, suppliers, contractors, and service providers are mandated to maintain a confidential and accessible platform for their employees to report violations of the Supplier Code of Conduct. Such reports must be thoroughly investigated by the responsible parties, with appropriate corrective measures implemented.

Regulatory Compliance

Techbond Group has implemented comprehensive frameworks to ensure full compliance with all applicable laws and regulations while maintaining agility to adapt to changes in the regulatory environment. We rigorously adhere to statutory and regulatory requirements in every jurisdiction where we operate. As a multinational organization, we have established measures to stay abreast of evolving legal obligations across our diverse markets.

To support this commitment, we engage professional experts to conduct internal audits that evaluate our compliance with relevant laws and track regulatory updates. These audits generate detailed reports highlighting key findings and identifying any instances of non-compliance or potential risks.

Our compliance framework also defines clear protocols for both internal and external audits involving Techbond and pertinent stakeholders in cases of non-compliance. Notably, Techbond recorded zero non-compliance incidents in FY2025.

Material Matters	Target	2023 Performance	2024 Performance	2025 Performance
Ethics and Integrity	Zero confirmed cases of corruption within Techbond	Achieved	Achieved	Achieved
Ethics and Integrity	Zero fines and penalties from the authorities on unethical practices	Achieved	Achieved	Achieved
Regulatory compliance	Zero non-compliance of applicable laws and relation year-on-year	Achieved	Achieved	Achieved



Data Protection

In light of the heightened cybersecurity risks intensified by the accelerated digital transformation, Techbond has prioritized safeguarding confidential company information. To this end, we have implemented a comprehensive Information Security Policy that clearly delineates the responsibilities of all employees concerning the appropriate use of the company's email system. Furthermore, all employees are mandated to comply with the Personal Data Protection Act 2010 (PDPA), ensuring the responsible management and protection of personal and confidential data at all times.

Customer Privacy

We ensure the protection of our customers' data and privacy through well-defined policies and procedures. In FY2025, Techbond did not receive any substantiated complaints regarding breaches of customer privacy or loss of customer data.

Material Matters	Target	2023 Performance	2024 Performance	2025 Performance
Customer privacy and losses of customer data	Zero non-compliance of breaches of customer privacy and losses of customer data	Achieved	Achieved	Achieved

Cloud Based System

To enhance risk mitigation and minimize potential losses through proactive risk visibility, Techbond has invested in a cloud-based system that facilitates real-time connectivity across our operations. This platform supports centralized management, improves transparency, and reduces operational complexity. To safeguard against cyber threats such as viruses and ransomware, daily data backups are conducted routinely.

In FY2025, we maintained continuous monitoring of our cloud-based system to ensure optimal real-time performance and data integrity. Regular backups have strengthened internal communication and enabled seamless centralized access, fostering greater organizational efficiency and clarity. Additionally, the implementation of the SAP system at our recently acquired subsidiary, Malayan Adhesives and Chemicals Sdn Bhd, has further reinforced data protection and ensured cohesive system integration across the Group.

Material Matters	Target	2023 Performance	2024 Performance	2025 Performance
Data Protection	Zero cases of customer data mismanagement and breaches year-on-year	Achieved	Achieved	Achieved
Data Protection	Zero cases of data loss	Achieved	Achieved	Achieved

COMMUNITY CARE & ENGAGEMENT

Creating shared value for society

At Techbond Group, our commitment to creating shared value is a core aspect of our sustainability strategy. We actively engage in collaborative initiatives and strategic partnerships to drive meaningful social impact while maintaining the long-term viability of our business. By responding to the needs of the communities in which we operate, we seek to deliver enduring value through programs that support local economic growth, enhance education and skills development, encourage environmental responsibility, and promote diversity and inclusion. These initiatives are designed not only to reduce potential adverse impacts but to proactively enhance social well-being reinforcing our alignment with global sustainability objectives and our role in building a more inclusive and resilient society.

As part of Techbond Manufacturing Sdn Bhd's ongoing Corporate Social Responsibility (CSR) initiatives under our ESG commitment, the company has launched a meaningful programme to donate homegrown vegetables from our in-house garden to several local orphanage homes. This initiative not only promotes sustainable agriculture but also supports food security for vulnerable communities. By sharing the harvest from our own efforts, we aim to give back to society in a practical and compassionate way. Techbond is committed to continuing these contributions and extending support to those in need, reinforcing our role as a responsible and community-focused corporate.



As part of Techbond Group Berhad CSR programme, corporate had made a financial contribution to Lembaga Pengurus SJK (C) Chung Hua Klang. This donation is aimed at supporting the school's development efforts and enhancing the educational environment for current and future students. We recognize that quality education forms the foundation of a sustainable and progressive society. By contributing to local educational institutions, we strive to create lasting positive impact in the communities where we operate. Looking ahead, Techbond remains committed to supporting similar initiatives and will continue to extend assistance to other associations and organizations in need, as part of our broader mission to foster inclusive and meaningful community development.



As part of Techbond Group Berhad's ongoing Corporate Social Responsibility (CSR) efforts, our employees participated in a beach clean-up activity at Pantai Kelanang. The initiative aimed to promote environmental stewardship while raising awareness about the impact of waste pollution on marine ecosystems. During the clean-up, our dedicated team collected and properly disposed of various types of waste, including plastic bottles, glass fragments, and dried leaves. These items were carefully sorted and packed into waste bags to ensure proper disposal. The activity focused particularly on reducing plastic waste and minimizing the presence of microplastics that pose long-term environmental risks. This effort reflects Techbond's commitment to preserve natural ecosystems and contributing to a cleaner, safer environment for future generations. Through such initiatives, we continue to reinforce our role as a responsible corporate citizen, dedicated to sustainable and impactful environmental practices.



INPUT SUSTAINABILITY INFORMATION

[Extract from Bursalink]

Indicator	Measurement Unit	2025
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Board of Directors	Percentage	100.00
Management	Percentage	100.00
Executive/Supervisory	Percentage	100.00
Non-Executive	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	none	0.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Board of Directors Under 30	Percentage	16.67
Board of Directors Between 30-50	Percentage	33.33
Board of Directors Above 50	Percentage	50.00
Management Under 30	Percentage	4.55
Management Between 30-50	Percentage	77.27
Management Above 50	Percentage	18.18
Executive/Supervisory Under 30	Percentage	32.69
Executive/Supervisory Between 30-50	Percentage	55.77
Executive/Supervisory Above 50	Percentage	11.54
Non-Executive Under 30	Percentage	39.06
Non-Executive Between 30-50	Percentage	48.44
Non-Executive Above 50	Percentage	12.50
Gender Group by Employee Category		
Board of Directors Male	Percentage	83.33
Board of Directors Female	Percentage	16.67
Management Male	Percentage	59.09
Management Female	Percentage	40.91
Executive/Supervisory Male	Percentage	60.19
Executive/Supervisory Female	Percentage	39.81
Non-Executive Male	Percentage	95.35
Non-Executive Female	Percentage	4.65
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	50.00
Female	Percentage	50.00
Under 30	Percentage	0.00
Between 30-50	Percentage	17.00
Above 50	Percentage	83.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	3,675.39
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	260
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Board of Directors	Hours	159
Management	Hours	1,179
Executive/Supervisory	Hours	3,202
Non-Executive	Hours	3,379
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	28.71

Indicator	Measurement Unit	2025
Bursa C6(c) Total number of employee turnover by employee category		
Board of Directors	Number	0
Management	Number	3
Executive/Supervisory	Number	16
Non-Executive	Number	26
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	40.50
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	84,930.000000
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	501.11
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	92.78
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	408.33
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	2,290.64
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	2,659.09
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	202.61



TECHBOND GROUP BERHAD

[Registration No.: 201601019667 (1190604-M)]

Address: No. 36, Jalan Anggerik Mokara
31/59, Kota Kemuning, 40460 Shah Alam,
Selangor Darul Ehsan, Malaysia.

T: +603-5122 3333 (Hunting Line)

F: +603-5122 3888

E: adhesive@techbond.com.my



SCAN

to find out more about us

www.techbond.com.my