

An aerial photograph of a large dam and reservoir. The dam is a curved concrete structure with a spillway in the center. The water in the reservoir is calm and reflects the sky. In the background, there are forested hills and a river winding through the landscape. The sky is a mix of orange, pink, and blue, indicating sunset or sunrise.

MFCB

MEGA FIRST CORPORATION BERHAD

DISCLOSURES FOR FTSE4GOOD

Version 2.0
Updated October 2023

Environment - Biodiversity

F4G Indicator	Indicator Question	MFCB Response
EBD02	<p>Time-specific Targets at Critical Sites</p> <p>a) Quantified time-specific targets to address biodiversity impact</p> <p>b) Commitment to net positive biodiversity impact (or compensation for negative impact)</p>	<p>a) We will be developing a 5-10 year Biodiversity Strategy, which will be published in our 2023 Sustainability Report. Currently, we have yearly plans to mitigate impacts on biodiversity which include widening and deepening fish passages and working with local communities to engage in more sustainable fishing methods and alternative livelihood options.</p> <p>b) As a Group, we have a Biodiversity Policy that states our commitment to conserving biodiversity and minimising any impact on biodiversity. Where possible we are also committed to having a net positive biodiversity impact. We compensate for any negative impact from our operations by undertaking initiatives to rehabilitate and improve the environment around our operational sites. For our hydropower plant, we have taken measures which support the productivity and diversity of native fish fauna, such as controlling illegal and destructive fishing, breeding and stocking indigenous fish, cultivation of indigenous plants for revegetation of riverbanks and management of Fish Conservation Zones and natural spawning grounds.</p>
EBD05	<p>Disclosed assessment of biodiversity risks for:</p> <p>b) Existing operations or projects</p>	<p>b) Don Sahong Power Company Ltd. (DSPC) has conducted multiple assessments before construction of Don Sahong Hydropower Project (DSHPP) in Lao PDR. In 2013, the Environmental Impact Assessment (EIA) highlighted the potential risks of the project to aquatic biodiversity/endangered species and the affected human population.</p> <p>The EIA and other reports are available on DSPC's website at https://dshpp.com/reports/</p>

Environment - Biodiversity

F4G Indicator	Indicator Question	MFCB Response
EBD08	<p>Disclosure of engagement on efforts to reduce loss of biodiversity with:</p> <p>a) Governments or Regulators</p> <p>b) Local or International Organisations and NGOs</p>	<p>a)</p> <ul style="list-style-type: none"> • Division of Agriculture and Forestry office of Lao PDR • Division of Natural Resource and Environment of Lao PDR • Agriculture and Forestry office of Khong district, Lao PDR • Natural Resource and Environment office of Khong district, Lao PDR <p>b)</p> <ul style="list-style-type: none"> • Mekong River Commission (MRC) • Khone Community village • Village Youth Union • Women Union • National defense Unit • The World Wide Fund for Nature (WWF) <p>Full list is in the Environmental Management and Monitoring Plan <i>Link: https://dshpp.com/wp-content/uploads/2013/12/DSHPP-EMMP-FINAL-2013.pdf</i></p>

Environmental – Climate Change (TPI)

F4G Indicator	Indicator Question	MFCB Response
ECC01	Climate change impact including CO2/GHG emissions - Policy or commitment statement to: b) Reduce or avoid the impact or improve efficiency	Please see Group Sustainability Policy.
ECC05	Initiatives in place include measures to address climate change through adaptation: a) Company mentions addressing adaptation b) Company explains specific actions taken	The Group is committed to transitioning to a low-carbon economy and continue to implement measures to address climate change through adaptation. Such adaptation initiatives include embracing new low-emissions technology such as EV Forklifts, high efficiency hybrid chillers and solar power systems for our operations.
ECC08	Board oversight of climate change: a) Evidence of board or board committee oversight of the management of climate change risks b) Named position responsible at Board level	<p>a) The Board has overall responsibility and oversight on the company's climate-related efforts and performance. As Board Chair, Mr. Goh is highly aware of the changing landscape and need to address climate-related issues. He has delegated responsibility to Ms. Goh Mei Sze to implement and manage sustainability across the Group and is kept up to date on sustainability matters, including climate-related risks and issues, through formal sustainability updates during quarterly Board meetings.</p> <p>b) Mrs. Goh Mei Sze is responsible for driving the development of the Group-wide Net Zero target and ensuring progress is made in embedding climate-related initiatives across the Group. This includes initiatives on energy/emissions reduction, water and waste as well as addressing potential climate-related impacts on facilities and operations. She is currently looking into appointing a consultant to undertake a climate risk assessment for the Group to better understand its risks.</p>

Environmental – Climate Change (TPI)

F4G Indicator	Indicator Question	MFCB Response																																								
ECC74	<p>The company has a stated policy or commitment to ensuring</p> <p>(a) Consistency between its climate change policy and the positions taken by the trade associations of which they are members</p> <p>(b) For responding appropriately in those instances where the trade association position is significantly weaker than or contradicts that of the company</p>	<p>The Group is committed to ensuring consistency between our Group Sustainability Policy (which includes climate change) and the positions taken by trade associations and will respond appropriately where the trade association position does not align with the Group’s policies.</p>																																								
ECC49	<p>Scope 3 emissions</p> <p>- Provide breakdown for all 14 categories</p>	<table border="1"> <thead> <tr> <th colspan="2" data-bbox="1017 686 1462 715">SCOPE 3</th> <th data-bbox="1462 686 1634 715">2020</th> <th data-bbox="1634 686 1819 715">2021</th> <th data-bbox="1819 686 2016 715">2022</th> </tr> </thead> <tbody> <tr> <td data-bbox="1017 715 1094 786">Cat 4</td> <td data-bbox="1094 715 1462 786">Upstream transportation and distribution</td> <td data-bbox="1462 715 1634 786">1,412.0</td> <td data-bbox="1634 715 1819 786">3,854.4</td> <td data-bbox="1819 715 2016 786">4,915.3</td> </tr> <tr> <td data-bbox="1017 786 1094 815">Cat 7</td> <td data-bbox="1094 786 1462 815">Employee commuting</td> <td data-bbox="1462 786 1634 815">167.0</td> <td data-bbox="1634 786 1819 815">374.9</td> <td data-bbox="1819 786 2016 815">461.4</td> </tr> <tr> <td data-bbox="1017 815 1094 886">Cat 9</td> <td data-bbox="1094 815 1462 886">Downstream transportation and distribution</td> <td data-bbox="1462 815 1634 886">6,082.0</td> <td data-bbox="1634 815 1819 886">9,425.4</td> <td data-bbox="1819 815 2016 886">8,949.3</td> </tr> <tr> <td data-bbox="1017 886 1094 915">Cat 1</td> <td data-bbox="1094 886 1462 915">Purchased goods and services</td> <td data-bbox="1462 886 1634 915">6,881.4</td> <td data-bbox="1634 886 1819 915">9,553.0</td> <td data-bbox="1819 886 2016 915">12,383.5</td> </tr> <tr> <td data-bbox="1017 915 1094 943">Cat 6</td> <td data-bbox="1094 915 1462 943">Business travel</td> <td data-bbox="1462 915 1634 943">8.1</td> <td data-bbox="1634 915 1819 943">16.1</td> <td data-bbox="1819 915 2016 943">151.3</td> </tr> <tr> <td data-bbox="1017 943 1094 972">Cat 5</td> <td data-bbox="1094 943 1462 972">Waste generated in operations</td> <td data-bbox="1462 943 1634 972">-</td> <td data-bbox="1634 943 1819 972">127.1</td> <td data-bbox="1819 943 2016 972">128.5</td> </tr> <tr> <td colspan="2" data-bbox="1017 972 1462 1015">TOTAL</td> <td data-bbox="1462 972 1634 1015">14,550.49</td> <td data-bbox="1634 972 1819 1015">23,350.85</td> <td data-bbox="1819 972 2016 1015">26,989.22</td> </tr> </tbody> </table>	SCOPE 3		2020	2021	2022	Cat 4	Upstream transportation and distribution	1,412.0	3,854.4	4,915.3	Cat 7	Employee commuting	167.0	374.9	461.4	Cat 9	Downstream transportation and distribution	6,082.0	9,425.4	8,949.3	Cat 1	Purchased goods and services	6,881.4	9,553.0	12,383.5	Cat 6	Business travel	8.1	16.1	151.3	Cat 5	Waste generated in operations	-	127.1	128.5	TOTAL		14,550.49	23,350.85	26,989.22
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ECC31	<p>Energy use - Policy or commitment statement to:</p> <p>b) Reduce or avoid the impact or improve efficiency</p>	<p>Please see Group Sustainability Policy.</p>																																								

Environmental – Climate Change (TPI) (cont'd)

F4G Indicator	Indicator Question	MFCB Response
ECC76	<p>Does the company have a commitment to align disclosures to the to the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD)?</p> <p>a) The company commits to or currently aligns its disclosures to the TCFD recommendations</p>	<p>The Group understands the importance of identifying and disclosing its climate-related risks and opportunities and in its 2023 Sustainability Report that will be published in April 2024, the Group will align our disclosures to the TCFD recommendations and prepare an initial TCFD report.</p>
ECC44	<p>Impact of climate-related risks and opportunities. The company:</p> <p>a) Details how they incorporate climate change risks and opportunities in their strategy (mitigation, new products, R&D, etc.)</p> <p>b) Discloses the impact of climate change risks and opportunities on financial planning (OPEX, CAPEX, M&A, debt)</p>	<p>a) Climate-related risks and opportunities are identified and assessed through market research and internal and external stakeholder discussions that may raise certain areas of concern or interest.</p> <p><u>NEW PRODUCTS</u></p> <p>As concerns grow over environmental sustainability, there is an increasing push towards sustainable packaging materials that are recyclable or biodegradable. Stenta has integrated this into their strategy by developing new products by moving away from multi-material multilayer packaging films to mono-material, monolayer films with the aim to improve recyclability and support a circular economy approach. The new films also have a lower density and packaging weight compared to multi-material films of equivalent thickness. In addition, we have also increased the amount of recycled materials used in the films where some films include 10-20% of post-consumer recycled materials and some include up to 40% of pre-industrial recycled materials. Ekolene, a product by Stenta is a fully biodegradable film that has been proven to achieve more than 90% biodegradation within 2 years as tested at Intertek under ISO 15985 (anaerobic) and ISO 17556 (aerobic). This is achieved without compromised functionality, with no creation of microplastics, no ecotoxicity residues and the film is fully recyclable.</p> <p><u>MITIGATION</u></p> <p>With the cost of energy rising and growing concern over the availability of resources, the Group continues to focus on how it can improve its environmental performance. MFCB has committed to reducing energy consumption and emissions by installing solar PV systems within its existing key operations in line with its efforts to transition to cleaner sources of energy and reduce its carbon footprint.</p> <p>b) Climate change risks and opportunities are taken into financial planning consideration especially for CAPEX where due diligence is undertaken to ensure feasibility of a new project.</p>

Environmental – Climate Change (TPI) (cont'd)

F4G Indicator	Indicator Question	MFCB Response														
ECC23	GHG emissions per megawatt-hr	<p>In 2022, the Group generated 2,194,354 MWh of renewable electricity and emitted 548,395 tCO₂e emissions (restated data after CDP submission).</p> <p>GHG emissions/MWh = 0.25 tCO₂e/MWh</p>														
ECC60	Electricity production by energy type (MWh) Nuclear Coal Oil Gas CCGT Biomas Hydro Geothermal Solar Wind Other renewables Overall renewables (if not broken down) Total	<p>MFCB only generates solar and hydropower.</p> <table border="1" data-bbox="1021 632 1759 868"> <thead> <tr> <th data-bbox="1021 632 1195 729" rowspan="2">RE</th> <th colspan="2" data-bbox="1195 632 1759 679">Electricity Generated (MWh)</th> </tr> <tr> <th data-bbox="1195 679 1452 729">Solar</th> <th data-bbox="1452 679 1759 729">Hydro</th> </tr> </thead> <tbody> <tr> <td data-bbox="1021 729 1195 776">2020</td> <td data-bbox="1195 729 1452 776">826</td> <td data-bbox="1452 729 1759 776">1,962,880</td> </tr> <tr> <td data-bbox="1021 776 1195 823">2021</td> <td data-bbox="1195 776 1452 823">13,631</td> <td data-bbox="1452 776 1759 823">2,088,225</td> </tr> <tr> <td data-bbox="1021 823 1195 868">2022</td> <td data-bbox="1195 823 1452 868">22,739</td> <td data-bbox="1452 823 1759 868">2,171,615</td> </tr> </tbody> </table>	RE	Electricity Generated (MWh)		Solar	Hydro	2020	826	1,962,880	2021	13,631	2,088,225	2022	22,739	2,171,615
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Environmental – Pollution and Resources

F4G Indicator	Indicator Question	MFCB Response
EPR01	Pollution - policy or commitment statement to: b) Reduce or avoid the impact or improve efficiency	Please see Group Sustainability Policy.
EPR03	Resource use - policy or commitment statement to: b) Reduce or avoid the impact or improve efficiency	Please see Group Sustainability Policy.
EPR18-19	Disclosure of three years of NOX emissions (tonnes) Disclosure of three years of SOX emissions (tonnes)	Please refer to Table 1 in the Appendix section.
EPR21	Disclosure of three years of volatile organic compounds (VOC) emissions (kilograms)	
EPR07	Progress against previously set targets to reduce or avoid pollution: a) Unquantified, process targets b) Quantified targets	The Group has set a Net Zero emissions target by 2050. a) We are currently looking into conducting a group-wide GHG inventory.
EPR24	Disclosure of three years of hazardous waste generation (tonnes)	Please refer to Table 1 in the Appendix section.
EPR08	Progress against previously set targets to reduce or avoid waste: a) Unquantified, process targets b) Quantified targets	The Group has set a waste target in 2021 to reduce waste to landfill by 50% in 2030. a) We are currently assessing our waste baseline.
EPR27	Total costs of environmental fines and penalties during financial year	In FY 2022, the Group did not receive any environmental fines or penalties.
EPR28	Percentage of sites covered by recognised environmental management systems such as ISO14001 or EMAS	Please refer to Table 1 in the Appendix section.

Environmental – Water Security

F4G Indicator	Indicator Question	MFCB Response
EWT24	Water management plan (including water recycling system): b) Company discloses the number and/or proportion of sites with a water management plan	At Stenta Group under our Packaging Division, we conduct incoming water quality testing annually and discharged water quality testing every quarterly. Stenta also installed water faucets with sensors for efficiency and eliminate all water leaks reported in its operation.
EWT25	Does the company engage with its stakeholders at water stressed sites	The Group does not operate in any water-stressed sites.
EWT27	Water withdrawals/consumption in water stressed regions	The Group does not operate in any water-stressed sites.
EWT29	Does the company disclose the number of incidents of non-compliance with water quality/quantity permits, standards and regulations	In FY 2022, the Group did not have any incidents of non-compliance with water quality/quantity permits, standards and regulations.
EWT13	Policy or commitment on water use reduction which: b) Includes commitment to reduce water use or improve efficiency	Please see Group Sustainability Policy and Water Management Policy.

Social – Health and Safety

F4G Indicator	Indicator Question	MFCB Response
SHS03	Board oversight of health and safety: a) Evidence of board or board committee oversight of management of health and safety risks b) Named position responsible at Board level	a) The Board has overall responsibility and oversight on ALL the Group's material topics, which includes health and safety. Key health and safety data points are reported to the board formally at the quarterly Board Updates. b) Mrs. Goh Mei Sze has direct responsibility for this topic at Board level.
SHS15	Lost-time incident rate, over last three years	Please refer to Table 1 in the Appendix section.
SHS12	Percentage of sites with OHSAS 18001 certification	Please refer to Table 1 in the Appendix section.

Social – Labour Standards

F4G Indicator	Indicator Question	MFCB Response
SLS03	In relation to non-discrimination, company addresses non-discrimination: h) Nationality	Please see Group Diversity and Inclusion Policy.
SLS06	Policy or statement supporting the right to collective bargaining that: a) Refers only to compliance with local law on collective bargaining b) Covers the respect for or support of the right to collective bargaining	Please see Group Human Rights Policy.
SLS07	Policy/Principles/Code addressing the elimination of excessive working hours, which: a) Focuses on compliance with local law on working hours/ overtime b) Focuses on specifically reducing excessive working hours	Please see Group Human Rights Policy.
SLS14	Company has taken action to address labour issues, including: a) Prevention of child labour b) Prevention of forced labour c) Mechanisms to allow employee representatives to engage with company management d) Reduction of excessive working hours e) Supporting a living wage	<p>a) & b) The Group operates legally in all the countries we operate in and are committed to practising fair labour and respecting human rights. In this light, we have taken measures to ensure our hiring practices do not condone child labour or forced labour.</p> <p>c) We have mechanisms in place to enable employee representatives to engage with company management. This is available through our health and safety committees as well as employee town halls in each division.</p> <p>d) We ensure that our employees do not work excessive hours and have in place an employee rotation system for our production facilities.</p> <p>e) We pay all employees above minimum wage and are cognisant of the rising cost of living. We are committed to work towards ensuring all employees are able to earn the minimum living wage.</p>

Social – Labour Standards (cont'd)

F4G Indicator	Indicator Question	MFCB Response
SLS24	Full time staff voluntary turnover rates	Voluntary turnover rate in 2022: 15.1%
SLS26	Amount of time spent on employee development training to enhance knowledge or individual skills, using: a) Total time as a company	Number of training hours in 2022: 8,440.5 hours
SLS16	Company has taken action to improve workforce diversity, equal opportunities, or reduce discrimination, including those based on: a) Race b) Religion c) Gender d) Age e) Sexual orientation f) Disabilities g) Nationality	Our HR continuously reviews its practices to improve workforce diversity and equal opportunities and works to reduce discrimination including those based on race, religion, gender, age, sexual orientation, disabilities and nationality. The Group has a Diversity and Inclusion Policy that states our commitment to being an Equal Opportunity Employer that does not discriminate against any employee or job applicant based on any of the attributes listed above. Any form of discrimination is not tolerated and stern action is taken in the event of any incident. All employees have access to a whistleblowing channel to report any incidents of discrimination and this is communicated and readily available for all our employees.
SLS34	In relation to equal pay for equal work, the company: a) Addresses the issue/states it complies with local laws in general disclosures b) Publishes a Policy/Principles/Code	a) We recognise that there may be existing pay disparity within the workforce, especially between males and females. Within the Group we practice fair hiring and provide equal pay for equal work across all levels of management. b) Please see Group Diversity and Inclusion Policy.

Social – Human Rights & Community

F4G Indicator	Indicator Question	MFCB Response
SHR03	<p>Statement of principles or process by which community investments are made:</p> <p>b) Community investment focus area(s) linked to the company's business strategy</p>	<p>The Group has made a long-term goal to enhance the livelihoods of 300,000 people in nearby communities by 2030. The Group's focus areas for community investment include education, livelihood opportunities and healthcare access. This aligns with our business strategy to ensure and enhance the wellbeing of the communities around our operations. By caring for our communities, we help support the long-term viability of our operations.</p>
SHR04	<p>Policy addresses children's rights, other than child labour through:</p> <p>b) Policy or commitment statement on children's rights, such as commitment to the Children's Rights and Business Principles</p>	<p>Please see Group Human Rights Policy.</p>
SHR16	<p>Mechanisms to facilitate employee engagement and involvement with charitable partners:</p> <p>a) Evidence of recognising volunteering</p> <p>b) Specific targets or structures set up to facilitate employee engagement</p>	<p>a) All divisions in the Group undertake their own charitable activities where employees are encouraged to be involved. In 2022, employees volunteered their time for a blood donation drive and to visit a children's home.</p> <p>b) All divisions organise regular events to maintain employee engagement such as weekly sports nights and cultural celebrations and also ensure work-life balance by complying with regulations on working hours.</p>

Social – Human Rights & Community

F4G Indicator	Indicator Question	MFCB Response
SHR25	<p>Human rights impact assessment and mitigation</p> <p>a) The company proactively assesses its human rights impacts on an on-going basis, as part of core business processes</p> <p>b) Disclosure of actions implemented for avoidance, prevention and mitigation of human rights issues</p>	<p>a) The Group is looking to assess its human rights impacts and will be developing a process for which we can proactively conduct such assessments.</p> <p>b) The Group has set a target to have 100% of Tier 1 suppliers complying with our Responsible Sourcing Policy by 2030. To help achieve this we have set sub-targets to implement mandatory supplier ESG training by 2023 and to conduct internal audits of all higher-risk suppliers by 2025. Through these initiatives, we will be highlighting our policies to all suppliers which include our commitments on human rights. All suppliers are expected to adhere to our policies.</p>
SHR22	<p>Identification of salient human rights issues specific to the business:</p> <p>a) Salient, industry or business-specific human rights issues are identified</p>	<p>The Group is aware of salient human rights issues that may occur across our supply chain. Some of these human rights issues may include forced labour, poor working conditions or unfair labour practices. If and when such issues arise, the Group takes the necessary actions to investigate and stop such issues.</p>

Social – Human Rights & Community (cont'd)

F4G Indicator	Indicator Question	MFCB Response
SHR23	<p>Oversight responsibility and resources to ensure respect for human rights:</p> <p>a) Oversight responsibility assigned to member or committee of the Board</p> <p>b) Day-to-day responsibilities and resources for relevant functions have been clearly allocated</p>	<p>a) The Board has overall responsibility and oversight on ALL the Group's material topics, which includes human rights. Mr. Khoo Teng Keat, has direct responsibility for this topic.</p> <p>b) Day to day responsibilities for managing human rights issues are delegated to the Group Sustainability Executive and respective representatives in each division.</p>
SHR24	<p>Embedding human rights commitments into corporate practice:</p> <p>a) Human rights expectations are clearly communicated to all stakeholders, including business partners</p>	<p>Our commitment towards human rights is clearly stated in our Human Rights Policy and Employee Code of Conduct. All employees are required to familiarize themselves with the policies upon joining the company. These policies have also been communicated in our Sustainability 101 training sessions that have been carried out in 2023. Policies have been communicated to our Tier 1 suppliers through our Supplier Training in 2023.</p>

Governance – Risk Management

F4G Indicator	Indicator Question	MFCB Response
GAM11	<p>The company prepares for major ESG catastrophic events and incidents through:</p> <p>b) Having in place response plans</p>	<p>For our hydropower plant in Laos, we have a safety risk assessment every year. Internally, we have 16 emergency response plans for environmental events, traffic accident and incidents like food poisoning. These plans are currently available in Mandarin to cater to the operators of the power plant.</p> <p>At Stenta, we acknowledge fire event as a catastrophic event for our operations. In preparation for this, we have a Fire Management System in place where employees are trained as internal Fire Fighting/ Emergency Response Team. Stenta also conduct annual fire drill exercise and the local fire fighting team (BOMBA) conducts annual inspection for renewal of Fire Certificate which reviews the operation's drawings, plans and documents against the fire safety regulations.</p> <p>At Hexachase, our emergency response plan include environmental events like extreme weather such as storm, flood and fire.</p>
GAM12	<p>The company:</p> <p>a) Reviews compliance with its Code of Conduct/Code of Ethics and identifies any non-compliance</p> <p>b) Periodically reviews the effectiveness of its Code of Conduct/Code of Ethics</p>	<p>a) The Group reviews compliance with its Code of Conduct and Discipline and Anti-Bribery and Corruption Policy and is alerted of any incidents of non-compliance through its various channels such as our Whistleblowing Channel and feedback from managers and employees.</p> <p>b) The Group periodically reviews the effectiveness of its Code of Conduct and Discipline and Anti-Bribery and Corruption Policy and updates the Codes/Policies where and when required.</p>

Governance – Anti Corruption

F4G Indicator	Indicator Question	MFCB Response
GAC08	Training for staff on the anti-corruption policy covers: a) Elements/types of corruption including bribery b) Anti-corruption comprehensively	Employees are required to familiarise themselves with all corporate policies upon joining the Group. Our Anti-Bribery and Corruption Policy covers the following elements: Payments to public officials and private parties, receiving improper payments, gifting and hospitality, entertainment, facilitation payments and kickbacks, donations, sponsorships and charitable organisations. In October 2023, the Group will be rolling out formal ABC training to all employees across the Group which will cover anti-corruption comprehensively.
GAC09	Corruption risk assessment for company operations covers: b) Anti-corruption comprehensively	Corruption risk is included in the Group Risk Management Framework. We have implemented ISO 37001:2016 Anti-Bribery Management Systems (ABMS) at our Resources Division and will progressively implement the same to all of the Group's divisions.

Governance - Supply Chain

F4G Indicator	Indicator Question	MFCB Response
ESC05	Supplier / sourcing policy or commitment statement that addresses: a) Waste reduction b) Resource use	Please see Group Responsible Sourcing Policy.
ESC08	Environmental policy/policies integrated with suppliers through: a) Communication b) Training of relevant supplier staff	a) In 2022, the Group's Responsible Sourcing Policy was communicated through email to suppliers in the Resources Division. b) In October 2023, supplier training on the Group's ESG commitments and policies was conducted, which included communication on our Responsible Sourcing Policy and corporate ESG policies including our Group Sustainability Policy, Waste Management Policy, Water Management Policy and Biodiversity Policy.
ESC10	Action taken to manage the environmental impact of suppliers through encouraging: b) Impact reduction	b) In October 2023, the Group rolled out sustainability training to all Tier 1 suppliers. The training included information about the Group's ESG commitments and targets and highlights the importance for all suppliers to help support the achievement of our goals, which includes achieving Net Zero by 2050. In addition, all suppliers are required to comply with our Responsible Sourcing Policy which commits to reducing our environmental impact.
SSC06	Supplier policy addresses the elimination of excessive working hours: a) Focusing on compliance with local laws b) Clear policy on reducing excessive working hours	Please see Group Responsible Sourcing Policy.
SSC07	Supplier policy supports the right to a minimum or living wage: b) Commitment to exceed local minimum wage/meet living wage	Please see Group Responsible Sourcing Policy.

Appendix – Table 1

F4G Indicator		2020						2021						2022					
		Packaging		Resources	Renewable Energy		GROUP	Packaging		Resources	Renewable Energy		GROUP	Packaging		Resources	Renewable Energy		GROUP
		Stenta	Hexachase	RCI	Hydro	Solar		Stenta	Hexachase	RCI	Hydro	Solar		Stenta	Hexachase	RCI	Hydro	Solar	
SHS15	Lost-time incident rate	4.25	2.15	16.39	0	0	4.56	5.31	3.62	10.93	0	0	3.97	8.67	0.82	6.17	0	0	3.13
SHS12	Percentage of sites with OHSAS 18001 certification*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EPR18-19	Disclosure of three years of NOX emissions (tonnes)	0	0	-	0	0	0**	0	0	-	0	0	0**	0	0	-	0	0	0**
	Disclosure of three years of SOX emissions (tonnes)	0	0	-	0	0	0**	0	0	-	0	0	0**	0	0	-	0	0	0**
EPR21	Disclosure of three years of volatile organic compounds (VOC) emissions (kilograms)	0	0	-	0	0	0**	0	0	-	0	0	0**	0	0	-	0	0	0**
EPR24	Disclosure of three years of hazardous waste generation (tonnes)	10.57	36.46	3.78	0	0	50.81	12.04	127.58	7.33	0.00	0.00	146.95	26.21	157.86	8.30	0.00	0.00	192.37
EPR28	Percentage of sites covered by recognised environmental management systems such as ISO14001 or EMAS**	0	33	0	0	0	6.67	0	33	0	0	0	6.67	100	33	100	0	0	46.67

*Percentage is calculated based on our three main business divisions; Packaging, Resources and Renewable Energy.

**We note that our Resources Division do emit NOx, SOx and VOC. However, we are unable to disclose our past data. We are taking the necessary steps to measure this in the future.



Additional Information

Governance – Pollution & Resources

F4G Indicator	Indicator Question	MFCB Response
EPR15	Financial quantification of pollution, waste or resource use specifying: b) Investment in R&D on reducing or avoiding their impacts (including funding of R&D organisations)	Research and development (R&D) were mostly undertaken by our Packaging Division. For the period of 2021-2022, Stenta has spent about RM700,000 inclusive of raw material, customer samples, products trials and testing. This exclude machine time and resources assigned.

Social – Labour Standards

F4G Indicator	Indicator Question	MFCB Response						
SLS12	Company policy on labour standards is: a) Communicated globally to employees b) Translated into relevant languages	<p>MFCB is a diversified group of companies with three main divisions - Renewable Energy, Resources and Packaging. Each company has its own policy on labour standards and is communicated independently to its employees.</p> <p>Our Don Sahong Hydropower project company that is located in Laos has its employee handbook in English and Lao language to cater to the majority of locals we employ.</p> <p>At Stenta, ETI Base Code is available in two languages - Bahasa Melayu (Malay) and Nepalese. This is also displayed in the common area at our operation. Stenta also has its Collective Agreement (CA) in two languages - English and Malay. We do not translate into Nepal because CA does not cover foreign workers.</p>						
SLS32	Percentage of global staff with a disability by year	<table border="1"> <thead> <tr> <th data-bbox="1036 876 1162 915">2020</th> <th data-bbox="1162 876 1297 915">2021</th> <th data-bbox="1297 876 1431 915">2022</th> </tr> </thead> <tbody> <tr> <td data-bbox="1036 915 1162 982">0.00%</td> <td data-bbox="1162 915 1297 982">0.10%</td> <td data-bbox="1297 915 1431 982">0.09%</td> </tr> </tbody> </table>	2020	2021	2022	0.00%	0.10%	0.09%
2020	2021	2022						
0.00%	0.10%	0.09%						

Social – Health & Safety

F4G Indicator	Indicator Question
SHS13	Number of staff trained on health and safety standards within the last year Staff trained on safety Staff trained (General training which includes safety)

MFCB Response

F4G Indicator	2020					2021					2022				
	Packaging		Resources	Renewable Energy	GROUP	Packaging		Resources	Renewable Energy	GROUP	Packaging		Resources	Renewable Energy	GROUP
	Stenta	Hexachase	RCI	Hydro		Stenta	Hexachase	RCI	Hydro		Stenta	Hexachase	RCI	Hydro	
Number of Staff trained on safety	35	69	38	0	142	194	56	22	0	272	236	183	62	7	488
Staff trained (General training which includes safety)	117	183	50	0	350	260	226	54	0	540	282	209	82	7	580

Governance – Corporate Governance

F4G Indicator	Indicator Question	MFCB Response
GCG07	Board addresses: b) Related party transactions	Audit Committee will review related party transactions and report the same to the Board for noting.
GCG27	Remuneration for senior executives included in the company's remuneration disclosures: b) Incorporates ESG performance	b) No. We do not incorporate ESG performance in the remuneration for senior executives.
GCG40	Claw-back or malus provision exists for remuneration a) Applies to CEO b) Applies to CEO and to one or more senior executives included in the company's remuneration disclosures	We do not have any claw-back or malus provision in our remuneration procedures.

Governance – Risk Management

F4G Indicator	Indicator Question	MFCB Response
GRM02	Senior responsibility for risk: a) Senior executive responsible for risk reporting to the CEO; or there is a board risk committee b) b) The same senior executive is separate from Head of Audit or equivalent; or the board risk committee is separate from audit	a) Material risks are consolidated from operation level to Management, escalated up to the Risk Assessment Team (“RAT”) and finally to the Board. The RAT is headed by an executive director of the Company. b) The ED is separate from Head of Internal Audit Department and Audit Committee of the Company.
GRM10	The company commits to: b) Tender for a new audit firm on a regular basis	No.
GRM14	Provisions for fines and settlements specified for ESG issues in audited accounts by year and currency used.	No.

Governance – Supply Chain (Social)

F4G Indicator	Indicator Question	MFCB Response
SSC16	Signatory or member of a recognised supply chain related initiative (e.g. EICC, ETI, GeSI, Sedex), or collaboration (e.g. Bangladesh Accord): a) Is a member of the initiative	a) Stenta, part of our Packaging Division is an active member of Sedex under the category of Supplier Membership.
SSC17	Capacity building for suppliers, including: a) Supplier training on social issues	a) We are currently implementing a tier 1 supplier training to engage with our suppliers on sustainability-related topics.



Thank you.

For any enquiries or suggestions regarding to sustainability of MFCB Group, please email us at sustainability@mega-first.com