

BEST PRACTICES & SUSTAINABILITY December 2024



SUSTAINABLE PACKAGING OPTIONS



Sustainable Packaging Options



Paper Foils

Paper-foil structures reduce plastic content by 30-40% compared to standard PET foils, offering a more sustainable alternative.



FSC Certified Paper on Packaging

FSC certification guarantees responsible forest management that safeguards biodiversity while supporting the well-being of local communities.

Sustainable Packaging Options



Kraft Paper Pouches

Kraft layered pouches are non-toxic, and non-polluting. They contribute to a greater sustainability impact by offering a lower carbon footprint compared to plastic packaging.



Boxboard Greyback Packaging

Greyback packaging is versatile and can be used for both inner and outer boxes. Made from 80% recyclable materials, it significantly reduces our environmental footprint.

SUSTAINABILITY INITIATIVES



SUSTAINIBILITY INITIATIVES FTSE4G00D



★★★ FTSE4Good 2024



The FTSE4Good Index Series is a collection of socially responsible, or ESG stock indexes administered by the Financial Times Stock Exchange-Russell Group (FTSE), UK. The purpose of these indexes is to highlight companies that score highly in measures of corporate social responsibility (CSR).

Since June 2020, Karex has been part of the FTSE4Good Index. Our performance on the Index has been on a consistent upward trend with the highest score so far of $\underline{4.5}$ / 5 attained this year (2024).

The average ESG score for Malaysian companies this year was 2.3 whilst the average ESG score for companies within the consumer goods industry was 2.5.

According to FTSE Russell, a score of 4.5 places Karex Berhad within the top 1% of companies in the same FTSE Industry Classification Benchmark.

SUSTAINIBILITY INITIATIVES FTSE4GOOD RATINGS PROFILE

Our Score	June 2020	June 2021	June 2022	June 2023	June 2024
Overall	3.2	3.3	3.4	4.2	4.5
Environment	1.7	1.7	1.7	3.7	4.4
Social	3.2	3.3	3.8	3.8	4.2
Governance	5.0	5.0	5.0	5.0	5.0

Karex vs Top 5 Subsector Peers



SMETA, ISO & SDGs





All Karex's manufacturing sites undertake an annual comprehensive four pillar Sedex audit.

All our condom manufacturing sites comply with ISO14001 for environmental management system and ISO45001 for health and safety at work.

Karex has refocused our sustainability efforts through the formation of a Sustainability Working Committee and mapped material matters against the relevant United Nations Sustainable Development Goals.

SUSTAINIBILITY INITIATIVES SUSTAINIBILITY WORKING COMMITTEE

Chairperson

lan Leong Group CEO's Office, Sustainability

Members (Business Unit)

Sin Kok Tong Group Sustainability

Yee Weng Theng Finance

Soh Wei Li Quality Assurance

Tan Eng Soon Human Resources **Aaron Chiam** Commercial (Sales & Marketing)

Rinto Saimon Engineering

Leam Jia Jia GCEOO Projects / Engineering

Jamie Womersley Pasante (UK)

SUSTAINIBILITY INITIATIVES FAIR RUBBER



Karex has been a member of the Fair Rubber association since May 2019, which aims to improve the working and living conditions of the primary producers of natural latex.

We have also supported the Fair Rubber association in sourcing and supply chain initiatives to expand their supplier partner ecosystem.

