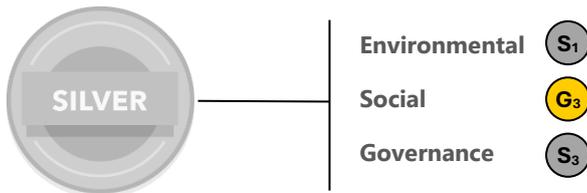


SUSTAINABILITY RATING REPORT

Tanah Makmur Berhad

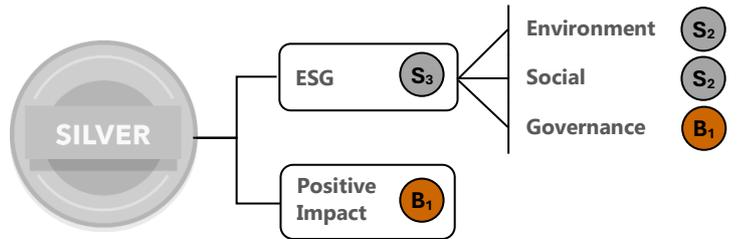
Sector	Agribusiness; Property Development
Country	Malaysia
Review period	FY2024
Date of rating	4 November 2025
Analytical contact	Amirah Jamil (603) 2708 8294 amirah@ram.com.my

CURRENT SUSTAINABILITY RATING



Overall Rating: Silver₂ (S₂)

PREVIOUS SUSTAINABILITY RATING



Overall Rating: Silver₃ (S₃)

UPDATE OF RATING METHODOLOGY

RAM Sustainability has undertaken an enhancement of its Sustainability Rating methodology and benchmarking to ensure that it remains robust and relevant for the assessment of corporates today. Key updates of our methodology include the integration of the Positive Impact pillar within the main Environmental (E), Social (S) and Governance (G) pillars and a more detailed ESG evaluation. At the same time, we have also enhanced our benchmarking by introducing the Platinum rating scale as the highest rating level to reflect the advancement of ESG performances of companies. There is now four rating levels: – Bronze, Silver, Gold and Platinum – to be assigned for the overall Sustainability Rating and for each of the three pillars.

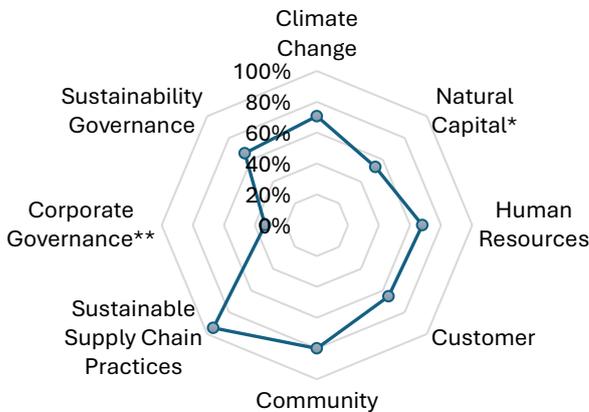
RATING SUMMARY

RAM Sustainability has upgraded Tanah Makmur Berhad’s (TMB or the Group) overall Sustainability Rating to S₂ from S₃ reflecting the Group’s continued improvement in ESG management despite a more stringent methodology following our enhancement. The Group’s respective E, S and G rating has also been upgraded to S₁, G₃ and S₃ respectively.

The E rating upgrade is driven by TMB’s implementation of carbon emissions reporting and its strong environmental organisational readiness. Through TMB’s Sustainability Policy, it commits to no deforestation, no development on peat land and reducing greenhouse gas (GHG) emissions. However, the Group may consider implementing a more comprehensive GHG emissions reduction plan.

The S rating upgrade is driven by the establishment of annual training targets and budget for employee development. Community engagement efforts are also formalised with the Group Corporate Social & Responsibility Policy and Corporate Social & Responsibility Committee in place. TMB is committed to product quality guided by its Responsible Product and Supply Chain Policy. Its subsidiary, Rompin Integrated Pineapple Industries Sdn Bhd (RIPI), holds various product quality certifications for its pineapple products which TMB also aims to pursue for its durian products. We remain observant of TMB’s labour practices as it expands its agricultural business.

The G rating upgrade is underscored by TMB’s improved sustainability governance. TMB published its inaugural Sustainability Report in 2024 and is committed to annual sustainability reporting despite being a private entity. The Group has also implemented an ESG Framework. TMB demonstrates strong corporate governance through the Group’s Anti-Corruption and Anti-Bribery (ABAC) Policy, Gift Management Policy and Whistleblowing Policy and Procedures. Despite being a non-listed company, TMB has committed to aligning with best practices and governance requirements, with plans to meet the Malaysian Code on Corporate Governance (MCCG) 2021 in the future.



Note: This chart provides a high-level breakdown of TMB’s current standing across the dimensions within the ESG pillars based on our enhanced Sustainability Rating methodology. This updated visual representation supersedes the previous charting - it is not directly comparable due to the fundamental changes in our assessment approach.

*The Natural Capital dimension covers natural capital organisation readiness, resource & waste management, water management and land & biodiversity management.

**TMB is a non-listed company. For a detailed analysis of TMB’s G rating, please refer to the governance rating driver (page 5) and Appendix 1(pages 12-14).

Rating Levels & Definitions

Ratings are assigned to the overall Sustainability Rating and each of the three components - Environment (E), Social (S) and Governance (G). Four different rating levels can be assigned: *Bronze, Silver, Gold or Platinum*. Only Bronze, Silver or Gold levels will carry subscripts 1, 2 or 3. Subscript 1 indicates that the company ranks at the higher end of its generic rating category; subscript 2 indicates a mid-ranking; while subscript 3 indicates that the company ranks at the lower end of its generic rating category.

Rating	Definition
P	Platinum The company is a leader in sustainability performance. A company that carries this rating has extremely strong ESG fundamentals.
G	Gold The company follows best practices in sustainability and displays an outstanding performance in sustainability. A company that carries this rating has strong ESG fundamentals.
S	Silver The company follows some best practices in sustainability and displays an average sustainability performance. A company that carries this rating has moderate ESG fundamentals.
B	Bronze The company is in the early stages of understanding sustainability standards and implementing sustainability practices.

Corporate Profile

Tanah Makmur Berhad (TMB or the Group) is a private limited company based in Kuantan, Pahang, Malaysia. It was delisted from the Main Market of Bursa Malaysia on 27 March 2017. The Group's principal activities are property development, the management and operation of pineapple and durian plantations, and pineapple production and distribution. Effective 2 December 2024, its shareholders are the Royal Family of Pahang (86%) and Perbadanan Kemajuan Pertanian Negeri Pahang (PKPP) (14%).

TMB's largest revenue contributor is the property development division. Revenue from this segment is contributed by KotaSAS Sdn Bhd (KotaSAS). KotaSAS is largely engaged in the development of the Kota Sultan Ahmad Shah township (KotaSAS township) in Kuantan, which will include Pahang's new state administration centre, Pusat Pentadbiran Sultan Ahmad Shah (PPSAS), and an East Coast Rail Line (ECRL) station, KotaSAS Sentral. The township began development in 2010 and is expected to span 2,165 acres upon its completion in 2035.

The Group was previously involved in the palm oil plantation business and ancillary activities prior to its transition to property development and agribusiness. A respective 1,500 acres and 3,776 acres of oil palm plantation was converted for the development of KotaSAS and a durian plantation. The latter is managed by TMB subsidiary LK Durian Sdn Bhd (LKD). Durian varieties planted include *Musang King, IOI, D24, and Blackthorn*. LKD expects to start commercial sales of its durian product in 2025 which is anticipated to generate up to RM1 billion of revenue by 2036.

TMB's agribusiness revenue currently comes from RIPI, a 51% owned subsidiary through Agrovery Sdn Bhd. RIPI was appointed by the East Coast Economic Region Development Council (ECERDC) as an anchor company, to commercially develop, operate and manage a pineapple plantation. RIPI has a 4,100-acre MD2 pineapple plantation in Kuala Rompin, Pahang, complete with a factory to process and package pineapple products (known as Rompine). RIPI's existing products include Rompine fresh fruits, Rompine juices, Rompine fresh cuts, Rompine processed fruits and Rompine healthy snacks for the local market as well as export to Japan, Korea, the Middle East, Europe and China.

The Group plans to expand its market share in the pineapple and durian businesses, aiming to grow its plantations to 10,000 acres each.

TMB ventured into bauxite mining in 2014 on discovering the existence of approximately 1.2 million tonnes of bauxite deposits within the KotaSAS township landbank. Having ceased these operations in 2021, however, the Group does not plan to revive the business.

Table 1: TMB's Segmental Revenue

Revenue	FY 2023 (RM)	FY 2024 (RM)
Oil Palm Plantation	458,946	222,057
Construction and Property Development	70,873,244	96,995,729
Construction of PPSAS	22,967,807	5,027,226
Agrobusiness Durian	-	-
Agrobusiness Pineapple	17,740,713	24,567,520
Total Revenue	112,040,710	126,812,533

Source: TMB's Segmental Information

Rating Drivers:

Environmental Rating

- + **Comprehensive organisational readiness.** Given that TMB's business sectors are sensitive to the impacts of land use change, the Group's Sustainability Policy includes an environmental pillar which specifies no deforestation, no new development on peat areas, protection of high conservation value areas, net GHG reduction, no open burning, and enhanced water and waste management. A separate environmental policy, the Group Biodiversity Protection, Conservation and Environmental Care Policy, addresses relevant themes for the property development and agribusiness industries. Supply chain environmental management is addressed in the Group Responsible Product and Supply Chain Policy which assesses vendors on ESG themes.
- + **Improvements in carbon reporting.** TMB has implemented measurement and reporting of its carbon emissions, including a breakdown of Scope 1, 2 and 3 emissions, in its sustainability reporting.
- + **Committed to enhancing energy efficiency.** The Group targets a 2% annual reduction of energy intensity through operational efficiency, renewable energy adoption and energy-saving technologies. In FY2024, TMB reported a 6.7% reduction in energy consumption compared to FY2023. The Group also reported 0.8 GWh of renewable energy generated in FY2024 from its solar photovoltaic energy systems at TMB's office (TMB HQ), KotaSAS and RIPI.
- + **Resource, waste and water management at RIPI and LKD.** RIPI adopts a Zero Waste Programme where fruit products are segregated into different grades; grades A and B are for export and local distribution while grades C and D are for value-added products such as juice, dried fruit and fresh cuts. Rejected fruits and processing by-products are repurposed as cow feed or organic compost. Precision Farming techniques at RIPI and LKD ensures precise fertiliser application. LKD also has an efficient water irrigation system to ensure precise amounts of water per tree are provided.
- + **Good supply chain environmental management.** The Group has committed to integrating environmental sustainability throughout its supply chain. This is evident through proactive engagement with suppliers and contractors and the provision of targeted training and capacity-building programs. By providing tailored ESG training to suppliers and contractors, the Group equips them with the knowledge and tools necessary to adopt more sustainable practices.
- Areas for improvement for the Group may include establishing a net zero emissions roadmap and plan, and comprehensive target setting for environmental indicators: energy, water and waste. Initiatives to manage environmental indicators are also minimal.

Social Rating

- + **Strong human rights and human resource organisational readiness.** TMB has implemented various social policies such as Group Equal Opportunity Policy, Sexual Harassment Policy, Group Occupational Safety and Health Policy, Group Community and Human Rights Policy, Social Accountability Policy and Migrant-Foreign Worker Policy & Procedure. There is also a Group Training and Competency SOP for training and development of employees. These policies and various internal SOPs protect human rights and human resource at TMB. The Group targets 16 annual training hours per employee and is committed to disallowing the employment of individuals under the age of 18 and ensuring all operations are free of forced labour.
- + **Good training and development practices.** TMB is committed to empower employees' professional development. It reported 10,305 hours of training, averaging 27 hours per employee. Training for various categories was provided including health and safety, soft and technical skills, finance, ESG, compliance and language.
- + **Commitment to providing quality products and services.** Guided by its Responsible Product and Supply Chain Policy, TMB is committed to product quality. This is reflected in KotaSAS and RIPI's ISO 9001:2015 – Quality Management System certification, as well as RIPI's various certifications in regard to product quality which include but are not limited to:
 - ISO 9001:2015 – Quality Management System
 - ISO 22000:2018 – Food Safety Management System
 - Brand Reputation through Compliance (BRCGS)
 - HALAL Certification
 - Malaysia Good Agricultural Practices (MyGAP) Pineapple
 - MyGAP Jackfruit
 - Kosher Certification
 - Ministry of Health – Makanan Selamat Tanggungjawab Industri (MeSTI)
 - Ministry of Health – Hazard Analysis Critical Control Point (HACCP)
 - Ministry of Health – Good Manufacturing Practices (GMP)
- + **Good supply chain social management.** The Group is committed to integrating social sustainability throughout its supply chain. TMB is dedicated to assessing suppliers and contractors to ensure compliance with its Supplier Sustainability Guidelines SOP, where vendors are assigned a score and those with unsatisfactory scores will have to be reassessed.
- + **Good community engagement management.** Since the initial rating, TMB has established a Group Corporate Social and Responsibility Policy which prescribes its charter for responsible corporate citizenship, industry leadership, effective partnerships, community employment, non-partisan and ethical practices, business integrity and environmental responsibility. The Group has a Corporate Social & Responsibility Committee and an Internal Corporate Social Responsibility (I-CSR) program which provides support for employees and their families.
- Other areas for improvement for the Group may include obtaining ISO 45001: Occupational Health and Safety Management and aligning its labour policies with ILO conventions, considering it operates in labour intensive sectors with foreign labour making up 77% of its workforce.

Governance Rating

- + **Established corporate governance practices despite being a privately owned company.** TMB's anti-corruption and whistleblowing practices are strong despite being a private entity, guided by its ABAC Policy, Gift Management Policy and Whistleblowing Policy and Procedures. Anti-corruption clauses have been included in tender documents and there are multiple channels for stakeholders to report any misconduct.
- + **Implemented voluntary public sustainability reporting.** TMB has begun publishing a Sustainability Report beginning in 2023 on its corporate website. The report is completed in accordance with Bursa Malaysia's Sustainability Reporting Guide (3rd edition) and the Illustrative Reporting Guidelines. The sustainability reporting standard is aligned with globally-recognised frameworks such as Global Reporting Initiative (GRI) Standards and the Task Force on Climate-Related Disclosures (TCFD), and United Nations Sustainable Development Goals (UNSDGs) showcasing its commitment to transparency and disclosure quality.
- + **Strong sustainability governance.** TMB established an ESG Framework which details the core values, guiding principles and criteria which guides the Group's sustainability management. The Group has also established the sustainability governance structure with the highest level of oversight residing in its Board of Directors who are supported by the Chairman, the ESG Steering Committee and ESG Working Committee. The governance structure was developed in reference to Bursa Malaysia's disclosure guidance.
- Since delisting in 2017, TMB has streamlined certain corporate governance practices, particularly in areas such as board effectiveness and board remuneration. While this has moderated the Group's G rating, TMB has reaffirmed a commitment to align with the best practices and governance requirements of its minor shareholder, PKPP, and aims to adopt the MCCG 2021 best practices in future.

Please refer to Appendix 1 for details of the Group's ESG Performance.

Peer Comparison

TMB, PLS Plantations Berhad (PLS) and Gopeng Berhad (Gopeng) are all businesses in the agriculture sector. PLS and Gopeng are listed companies on Bursa Malaysia with operations in oil palm plantations. These companies face similar industry challenges such as effects of climate change, environmental regulations, land use change, market volatility and labour dependency. That said, durian and pineapple plantations face less pressure from environmental regulators compared to oil palm plantations. Largely affected by climate change and highly dependence on labour, integrating sustainable practices into these businesses are crucial for its long-term viability.

Table 1: Peer Comparison of Sustainability Standards and Indicators of Agriculture Businesses in Malaysia

	TMB	PLS	Gopeng
Sustainability Standards:			
Global Reporting Initiative	✓	✓	
Bursa Malaysia Sustainability Reporting Guide (3rd Edition)	✓	✓	✓
United Nations Sustainable Development Goals	✓	✓	
MCCG 2021		✓	✓
TCFD	✓	✓	
FTSE4Good Bursa Malaysia Index		✓	
Revenue (RM mil)	127	115	276
Total Carbon Emissions (tCO₂eq)	3,134 ¹	1,730 ¹	659 ¹
Scope 1	1,893	42	174
Scope 2	916	1,688	199
Scope 3	325 ²	-	286 ²
Carbon Intensity per Revenue (tCO₂eq/RM million generated)	25.8	15.0	n/a
Total volume of water used (megalitres)	0.17*	216,200	31

*According to TMB, the reported water usage data does not include plantation water use.

Source: TMB Sustainability Report 2024, PLS Annual Report 2024, Gopeng Annual Report 2024

TMB's sustainability disclosures are comparable to public listed companies of similar profile

Despite being a non-public listed company, TMB has voluntarily begun publishing its Sustainability Report beginning in 2023 and intends to continue publishing annually. The Group's carbon emissions reporting is relatively comprehensive, covering Scope 1, Scope 2 and Scope 3 emissions alongside other environmental and social indicators. In contrast, Gopeng, a public-listed company, has minimal sustainability reporting within its annual reporting.

¹ RAM Sustainability derived this figure based on the emissions disclosed by the respective companies.

² Includes Scope 3 Category 6: Business travel and Category 7: Employee commuting.

Appendix 1: Complete assessment of TMB's ESG performance

ENVIRONMENTAL

S1

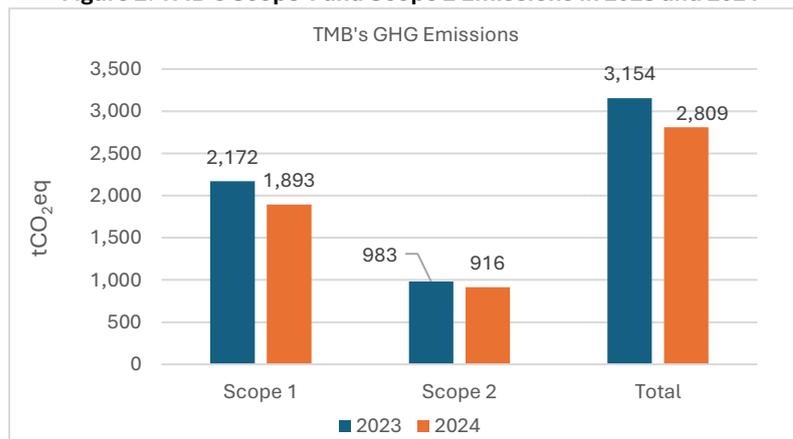
Climate Change Organisational Readiness

- The Group's Sustainability Policy, Group Biodiversity Protection, Conservation and Environmental Care Policy, Group Open Burning Prohibition Policy and Group Responsible Product and Supply Chain Policy covers important topics that are relevant in the real estate development and agribusiness sectors. It applies to all TMB's operations including KotaSAS, LKD and RIPI. However, these policies are not published on its corporate website.
- The Group has also developed a Group-wide GHG Management Plan as well as an Energy Management Plan to identify and mitigate GHG sources as well as optimise energy consumption within its operations.
- TMB has not established targets to reduce GHG emissions but aims to progressively reduce its carbon footprint by focusing on energy efficiency and renewable energy initiatives.
- While the Group does not currently have environmental certifications and verifications, we note that KotaSAS has designed and constructed Pahang's new administrative centre, Pusat Pentadbiran Sultan Ahmad Shah (PPSAS), in accordance with the Green Building Index (GBI) Silver standard, despite not pursuing certification. TMB has disclosed that it has engaged a green building consultant for a GreenRE initiative for KotaSAS.

Carbon Emissions

GHG Measurement

Figure 2: TMB's Scope 1 and Scope 2 Emissions in 2023 and 2024



Source: TMB's Sustainability Report 2024

- TMB began reporting its carbon emissions in its Sustainability Report 2023 which included data for FY 2021-FY 2023.
- In FY 2024, TMB recorded a 11% decrease in Scope 1 and Scope 2 emissions from 3,155 tCO₂e in FY 2023 to 2,809 tCO₂e in FY2024. The reduction was mainly attributed to improved fuel efficiency, energy optimisation and operational enhancements. TMB's Scope 1 emissions is derived from the direct consumption of fuel by its own and controlled vehicles and for its operational activities while its Scope 2 emissions are a result of electricity consumption across its facilities.
- TMB reports on its Scope 3 emissions for the first time which stands at 325 tCO₂e for FY 2024. This figure is predominantly driven by employee commute emissions at 288 tCO₂e, in contrast to the 37 tCO₂e attributed to business travel.
- The calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standards and IPCC Guidelines for National Greenhouse Inventories.

Energy Management

- The Group targets a 2% annual reduction of energy intensity through operational efficiency, renewable energy adoption and energy-saving technologies.
- The total energy consumption in FY 2024 amounts to 32,395 GJ, sourced from fuel consumption (589,741 L of diesel and 158,037 L of petrol) and purchased electricity (1,173,815 kWh). This is a 6.7% reduction compared to 34,727 GJ in FY 2023.
- TMB significantly increased its renewable energy generation in FY 2024, producing 789,889 kWh from its solar photovoltaic systems at TMB's office, KotaSAS (0.1 MW) and RIPI (0.5 MW). This represents a 384.5% increase from 163,020 kWh in FY 2023, primarily due to improved maintenance of TMB's solar infrastructure, particularly at RIPI, which optimised solar generation performance.
- Apart from its solar energy systems, we do not observe other carbon reduction/offset initiatives.

Climate Change Adaptation

- In addressing its exposure to flood-prone areas in Pahang, TMB utilises drones to map detailed drainage systems which enables the identification of flat and flood-prone areas. LKD also has its Plantation Mico Macro Programme (PMMP) which digitally monitors farming activities, facilitating flood area zoning and enabling necessary interventions like desilting and culvert installation.
- TMB maintains irrigation ponds capable of supplying water for up to 45 days during drought seasons. To preserve water quality and maintain soil moisture, riparian zones are also consistently managed, promoting the growth of legume cover crops.
- LKD has a fertiliser regiment where organic fertilisers make up 40% of all fertilisers used. The remaining 60% are inorganic fertilisers applied only at the flowering stage to reduce impact on soil health and prevent leaching of toxic chemicals into the soil. A Precision Farming approach is adopted for pineapple cultivation, which tracks various parameters to determine the precise amount of fertiliser needed for each plot, thus reducing harmful environmental and biological impacts.

Natural Capital Organisation Readiness

The Group's Sustainability Policy, Group Biodiversity Protection, Conservation and Environmental Care Policy, Group Open Burning Prohibition Policy and Group Responsible Product and Supply Chain Policy covers important topics that are relevant in the agribusiness and real estate development sectors. It applies to all TMB's operations including KotaSAS, LKD and RIPI. These policies are accessible on its corporate website.

Resource and Waste Management

Table 2: Waste Data* from 2022 to 2024

Year	2022	2023	2024
Scheduled Waste (tonnes)	4.70	3.76	1.90
Non-scheduled Waste Disposed (tonnes)	540.60	330.74	705.54
Non-scheduled Waste Recycled (tonnes)	0.01	12.91	9.94

*Waste data from TMB HQ, RIPI and LKD only. LKD data available from FY2023.
Source: TMB's Sustainability Report 2024

- TMB's resource and waste management focuses on RIPI and LKD and excludes KotaSAS.
- We have not observed any non-compliance or fines relating to waste management. RIPI and LKD's waste management is guided by internal SOPs. RIPI adopts a Zero Waste Programme where fruit products are segregated into grades and rejected fruits and by-products are re-purposed as cow feed or organic compost.
- TMB also reported on the fertiliser, pesticide, herbicide and chemical use at RIPI and LKD. RIPI and LKD employ Precision Farming techniques which allows for the application of precise amounts of fertilisers.
- However, the Group has yet to set a quantitative target to reduce waste.

Water Management

Table 3: Water Consumption from 2022 to 2024

Year	Water Consumption (m ³)		
	2022	2023	2024
Subsidiary			
TMB HQ	413	374	469
KotaSAS	6,313	9,724	10,824
RIPI	77,175	130,112	88,457
LKD	6,416	176,239	65,716
Total	90,317	316,449	165,566

Source: TMB's Sustainability Report 2024

- According to TMB, the Group aims to achieve a 2% annual reduction in water intensity.
- TMB achieved an overall 52% reduction in water consumption for FY 2024 due to optimisation of post-harvest treatment and process efficiency improvements. For the past three financial years, RIPI has consistently been the highest water consumer within the Group, accounting for 49% of total usage in FY 2024, primarily due to its extensive pineapple processing activities.
- LKD focuses its water management strategy on a water irrigation system that promotes water efficiency by providing a close-to-exact amount of water needed per tree to avoid over-watering of durian plants. An Agriculture Water Management Specialist within the Group calculates the exact amount of water required for irrigation.

Land and Biodiversity

- TMB completed High Biodiversity Value (HBV) assessments for LKD on 5 January 2022 and RIPI on 30 September 2022, in accordance with the Group's standard operating procedure for HBV and High Conservation Value (HCV) management. Environmental Impact Assessments (EIA) were also conducted prior to the start of any development activities of KotaSAS and the plantations of LKD and RIPI. Critical habitats were identified in EIAs for LKD and RIPI but not for KotaSAS. RIPI has established a HBV Management Plan for its pineapple plantation while LKD's Buffer Zone on its durian plantation is intended to protect HBV and HCV areas. The Group prohibits any form of wildlife poaching and trapping within its grounds. "No Hunting" and "No Trespassing" signages are placed at appropriate locations where they can be clearly seen by contractors and workers. The plantation management plans to build an animal trench to prevent wild boar and elephant encroachments to reduce human-wildlife conflict.
- It is observed that the Group's township and durian plantation projects involved land use change, specifically through the conversion of former oil palm plantations.
- The Group identified different species of flora and fauna in HBV assessments for its plantations, completed on 5 January 2022 and 30 September 2022 for LKD and RIPI, respectively. TMB has a standard operating procedure for HBV and HCV management which details steps needed to identify HBV and HCV habitats and ecosystems, their conservation status and legal protection as well as mitigation steps.
- TMB did not report any incidents (or fines) of non-compliance with environmental permits, standards and regulations.

Environmental Supply Chain

TMB utilises a Sustainability Assessment Checklist which evaluates suppliers and contractors based on pre-determined environmental criteria. These include supplier/contractor policies on water and resource use, GHG emissions, responsible material procurement and any environmental management systems in place, as described in the Supplier Sustainability Guidelines SOP. Vendors are scored on a range of 1-100. Vendors with reported non-conformance may be blacklisted. In FY 2024, the Group assessed 20 vendors and did not identify any with having significant actual or potential negative environmental impacts.

Controversies and Non-Compliance

As at the date of this report, RAM Sustainability had not observed any material controversy or non-compliance in the public domain.

Human Resource Organisational Readiness

- TMB has demonstrated strong organisational readiness in human resource management, with policies such as Group Equal Opportunity Policy, Sexual Harassment Policy and Group Occupational Safety and Health Policy. On training and development of its human resources, the group is guided by its Group SOP Training and Competency. TMB has health and safety committees established at its subsidiaries - KotaSAS has a Health, Safety and Environment Department while RIPI has a Safety Committee, both of which are led by the respective CEOs. LKD’s Health and Safety Department is chaired by the Farm Manager, who also leads the emergency response team.
- The Group’s Code of Conduct and Ethics defines ethical standards and conduct at work for all employees in dealing with customers, business associates, regulators, colleagues and other stakeholders. The code is not available on the corporate website.

Diversity and Equal Opportunities

- TMB’s commitment to workforce diversity and inclusion is found in its Group Equal Opportunity Policy and Group Community and Human Rights Policy. In FY 2023 and FY 2024, the Group reported zero cases of discrimination.
- As of end-December 2024, TMB’s workforce comprised 267 employees, with a turnover rate of 15%. The gender distribution at TMB is 177 male employees and 90 female employees. Women represented 33% of senior management, 25% of management, 57% of executives and 23% of non-executives.

Table 4: Breakdown of Employees by Age from FY2022 to 2024

Age	2022	2023	2024
Below 30 years old	169	90	55
Between 30 – 50 years old	253	151	175
Above 50 years old	37	33	37
Total	459	274	276

Source: TMB

Training and Development

- TMB targets to accumulate a total of 16 training hours annually per employee. TMB disclosed that the training budget is RM100,000 and it targets 245 hours annually for ESG-related training.
- TMB reported a total of 10,305 hours of employee training, or 37.3 hours per employee, costing RM126,012.97. Of this, 68 hours were dedicated to ESG-related topics.

Child and Forced Labour

- TMB has comprehensive policies on human rights such as the Group Community and Human Rights Policy, Social Accountability Policy and Migrant-Foreign Worker Policy & Procedure. RIPI also has a Remediation Procedure for Child Labour. The Group is committed to disallowing the employment of individuals under the age of 18 and ensuring all operations are free of forced labour. Between FY 2022 and FY 2024, the Group reported zero instances of human rights violations.
- TMB has a structured taskforce to oversee human rights-related issues. TMB’s Human Rights Committee oversees all human rights-related issues. The committee is responsible for creating and monitoring company policy and procedures, ensuring workers' welfare including health and safety, and understanding compensation issues such as worker's wages, incentives and benefits. They also monitor performance reviews and are responsible for addressing worker grievances.

Occupational Health & Safety

- TMB reported its occupational health and safety metrics, noting zero work-related fatalities in FY 2021-FY 2024. The total lost-time incident rate in FY 2023 and FY 2024 was 0. The Group disclosed that in FY 2024, there were seven miss events and one accident. TMB also reported 191 total health and safety training hours.
- TMB does not have ISO 45001 Occupational Health & Safety Management certification.

Customer Organisational Readiness

- TMB's Group Responsible Product and Supply Chain Policy aims to promote responsible practices across its business segments. The policy includes several key initiatives such as providing quality products, addressing quality complaints, ensuring responsible marketing, protecting customer privacy and raising suppliers' sustainability performances.
- While TMB does not have ISO 9001 Quality Management System certification, its subsidiaries KotaSAS and RIPI does. As an agribusiness, RIPI also has various other certifications for food safety including:
 - ISO 22000:2018 – Food Safety Management System
 - BRCGS
 - HALAL Certification
 - MyGAP Pineapple
 - MoH – GMP
 - MyGAP Jackfruit
 - Kosher
 - MoH - MeSTI
 - MoH – HACCP

Customer Safety

In FY 2024, the Group had no incident of non-compliance with regulations concerning the health and safety impacts of products and services.

Selling Practices

In FY 2024, the Group had no incident of non-compliance with regulations concerning marketing communications, including advertising, promotion and sponsors.

Customer Privacy

In FY 2024, the Group had not received any complaints concerning breaches of customer privacy.

Community Organisational Readiness

- TMB has established a Group Corporate Social and Responsibility Policy which prescribes its charter for responsible corporate citizenship, industry leadership, effective partnerships, community employment, non-partisan and ethical practices, business integrity and environmental responsibility. The Group has a Corporate Social & Responsibility Committee and an I-CSR program which provides support for employees and their families.
- RIPI also has a Corporate Social Responsibility Policy encouraging employee volunteerism and community engagement.

Social Supply Chain

TMB utilises a Sustainability Assessment Checklist which evaluates suppliers and contractors based on pre-determined social criteria. These include supplier/contractor policies on occupational health and safety, anti-discrimination, human rights and labour rights, as described in the Supplier Sustainability Guidelines SOP. Vendors are scored on a range of 1-100. Vendors with reported non-conformance may be blacklisted. In FY 2024, the Group assessed 20 vendors and did not identify any with having significant actual or potential negative social impacts.

Controversies and Non-Compliance

As at the date of this report, RAM Sustainability had not observed any material controversy or non-compliance in the public domain.

<p>Shareholding and Group Structure</p> <ul style="list-style-type: none"> • According to TMB, the Group has equitable voting practices. It provides at least 14 days advance communication for Annual General Meetings (AGMs) and 21 days for special resolutions, allowing shareholders time for preparation and participation. Despite being a private entity, all directors have attended at least 1 of 2 board meetings in FY 2024. • As a private entity, TMB does not have formalised practices such as equal shareholders' rights, equal voting rights, and shareholder engagement, into policy other than being spelled out in the Company's Constitution.
<p>Board Effectiveness</p> <ul style="list-style-type: none"> • Since delisting in 2017, TMB no longer apply board effectiveness practices such as nomination policy, board effectiveness assessments and stratification of training programmes attended by individual directors. • TMB ensures the board is representative of its shareholders and aims to conduct board meetings every quarter as per its board charter. In FY 2024, TMB only held two board meetings with an average attendance of 81.25%.
<p>Board Independence</p> <ul style="list-style-type: none"> • TMB's Chairman and CEO positions are held by two different individuals. According to the Group, the roles and responsibilities of Chairman and CEO are separated. • One of eight of TMB's board of directors is an independent director, accounting for 13% of the board. As a private entity, TMB does not have a nomination committee, nor does it practice a nine-year threshold for independent directors. According to TMB, the formation of an audit committee has been initiated in July 2024 with its first meeting held in July 2025 to review TMB's annual financial statement.
<p>Board Diversity</p> <ul style="list-style-type: none"> • TMB's board has 25% female representation. It also includes members from multiple ethnic backgrounds and spans four generations: Generation Z, Generation Y, Generation X and Baby Boomers.
<p>Remuneration</p> <ul style="list-style-type: none"> • As a private entity, TMB does not have any remuneration practices such as having a Board Remuneration Committee, Remuneration Policy, or disclosure of details on compensation for senior executives.
<p>Risk Management</p> <ul style="list-style-type: none"> • As a private entity, TMB has not established guidelines, processes or procedures to identify risks and determine appropriate steps to manage and mitigate them. That said, TMB is currently in progress of its succession planning.
<p>Anti-Corruption</p> <ul style="list-style-type: none"> • TMB's Group Anti-Corruption and Anti-Bribery (ABAC) Policy outlines the Group's approach to combating bribery and corruption to guide employees and associated persons to act professionally, fairly and with integrity in all business dealings and relationships. TMB has a Gift Management Policy which prohibits all forms of personal gifts, favours, entertainment, sponsored travel or services, in cash or in kind that will influence an employee's decision-making process, with limited exceptions. These policies are publicly available on the group website. As part of KotaSAS' ISO 9001 certification, TMB has established a Risk Register which is updated from time to time by the relevant departments. • Mr Mohd Hanif Md Noor was appointed Group Integrity Officer on 31 May 2022 in addition to his role as Group Internal Audit Executive. He signed an Ikrar Bebas Rasuah (Corruption-Free Pledge), an initiative by the Malaysian Anti-Corruption Commission, on 22 October 2019, which was witnessed and approved by the Group CEO. • TMB has communicated its ABAC policy to 13.85% and 11.69% of its stakeholders in FY 2024 and FY 2023, respectively, and has included anti-corruption clauses in its tender document. According to TMB, the Group is currently pursuing an ISO 37001: Anti-Bribery Management System.
<p>Whistleblowing</p> <ul style="list-style-type: none"> • TMB has its Whistleblowing Policy and Procedures published on the Group's corporate website, outlining the procedures for both internal and external stakeholders. The policy protects whistleblowers against any form of reprisal and ensures impartial handling of reports, fostering a safe environment for reporting misconduct. The Group offers multiple reporting channels; whistleblowers may submit a report through an e-form available on the Group's corporate website, sending an email, calling the whistleblower hotline, sending a letter, or a physical appointment with the Group Integrity Officer. TMB encourages whistleblowers to disclose their identity when making a report to aid investigation, though the Whistleblowing Policy and Procedures includes protection of the whistleblower's identity which will be kept confidential. While TMB manages the whistleblower channels internally, allowing the Group to maintain direct oversight, the potential involvement of an independent third party in the future could further enhance the credibility of the process.

Auditor Independence
<ul style="list-style-type: none"> As a private entity, TMB currently does not have formal policies regarding external auditor independence and audit partner-in-charge rotation. According to the Group, TMB's external auditors do not provide non-audit services.
Financial Reporting Transparency and Disclosure Quality
<ul style="list-style-type: none"> As a private entity, TMB is not required to make public disclosures of its financial statements. The Group is audited annually by an external auditor and has received unqualified audit opinions over the last five years.
Financial Sustainability
<ul style="list-style-type: none"> TMB has not reported any profit after tax over the past three years. The Group's debt-to-equity ratio is 0.56 times, which is below 1.

Sustainability Governance Structure, Policy and Disclosure Quality

TMB's Sustainability Policy outlines the Group's sustainability principles, integration and management. In 2023, TMB developed an ESG Framework which details the core values, guiding principles and criteria which guides the Group's sustainability governance.

Vision	To create sustainable value from our land to the community with integrity, pride and passion for greater legacy				
Core Values	Integrity	Passion	Legacy	Pride	
Sustainability Pillars and Material Sustainability Matters	Strong Governance and Value Creation <ul style="list-style-type: none"> Corporate Governance and Anti-Corruption Data Privacy and Cybersecurity Economic Performance 	Social Stewardship <ul style="list-style-type: none"> Occupational Safety and Health Product Quality and Customer Satisfaction Supply Chain Management Labour Practices and Human Rights Diversity and Inclusion Community Engagement 	Environmental Excellence <ul style="list-style-type: none"> Energy Management and Climate Action Waste Management Water Consumption Biodiversity 		
Key Action Plans and Targets	<ul style="list-style-type: none"> Establishing and maintaining policies and guidelines. Ensuring consistent reporting and disclosure 	<ul style="list-style-type: none"> Incorporating sustainable business practices throughout our supply chain to reduce environmental and social impact 	<ul style="list-style-type: none"> Tracking and documenting environmental progress to assess the effectiveness of environmental initiatives 		
	<ul style="list-style-type: none"> Comply and lead in 100% disclosure as per regulatory 	<ul style="list-style-type: none"> Ensuring 20% of suppliers adhere to sustainability standards 	<ul style="list-style-type: none"> Reduction of energy intensity by 2% annually 		
Flagship Initiatives	Solar energy as a renewable energy source	Precision farming and IoT-enabled water management systems	Stringent quality control measures	Providing accessible housing to community	
Contribution to the UN SDGs					
Alignment with Relevant Frameworks and Standards	Bursa Malaysia	GRI	UN SDG	TCFD	Twelfth Malaysia Plan

- The highest level of sustainability oversight within the Group resides with its Board of Directors, supported by the Chairman, ESG Steering Committee and ESG Working Committee.
- In 2024, TMB published its inaugural Sustainability Report 2023 which was completed and verified by a third-party consultant, AGV Environmental Sdn Bhd. According to the Group, it intends to publish a Sustainability Report annually; however, starting FY 2024, the Sustainability Report will be completed and verified internally only.

Sustainability Commitment and Stakeholder Engagement

- In its inaugural Sustainability Report 2023, TMB identified 13 key topics reflecting stakeholder concerns after conducting a materiality assessment, to evaluate the significance of sustainability issues in line with GRI requirements.
- TMB maintains consistent stakeholder engagement through various communication channels, such as meetings, on-site inspections, town hall meetings, customer satisfaction surveys and engagements, and supplier briefings.
- The Group is also currently pursuing for a SIRIM 55 ESG Management System certification.

Controversies and Non-Compliance

As at the date of this report, RAM Sustainability had not observed any material controversy or non-compliance with regulations, including those relating to anti-money laundering and counter-financing of terrorism in the public domain.



Disclaimer

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About RAM Sustainability

RAM Sustainability is a provider of sustainability services and ESG analytics. Incorporated on 31 May 2000, RAM Sustainability is a wholly owned subsidiary of RAM Holdings Berhad (RAM Group). RAM Sustainability is the first ASEAN-based provider of ESG ratings and second opinions and has the distinction of being the first Registered Observer of ICMA's Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines and Sustainability-Linked Bond Principles in ASEAN. It was a member of ICMA's Advisory Council to the Green Bond Principle and Social Bond Principle Executive Committee for three consecutive terms. On 12 August 2020, RAM Sustainability became an Approved Verifier for the certification of climate bonds under the Climate Bonds Standard & Certification Scheme after having been awarded the status by the Climate Bonds Standards Board. For further details, please refer to <https://www.ram.com.my/sustainability>.

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