

Sustainability Policy

CS-GCC-POL-002-2

30 November 2016

OSK Holdings Berhad (207075-U)

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Note:

This Policy is a document to be displayed and made available to the public. OSK welcomes suggestions from all our stakeholders on ways to further strengthen our sustainability practices.

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Revision History Log

Ver. No	Section	Section Name	Page	Details of Amendments	Effective Date	e-Circular No.
1	All	All	All	Document published	Feb 2013	NIL
2	All	All	All	Document revised	30 Nov 2016	CS-GCC-CIR-001

Glossary

Term	Description
"Board"	Board of Directors of OSK Holdings Berhad
"CSO"	Chief Sustainability Officer
"Group" or "OSK"	OSK Group and its subsidiaries
"GMRC"	Group Management Risk Committee
"NGO"	Non-Governmental Organisations
"Policy"	Sustainability Policy

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A. POLICIES

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- 1. Introduction**
- OSK was built on years of prudent management and financial stability. We aim to continue building OSK on these platforms towards a business that is sustainable and delivers value to all our stakeholders including shareholders, employees, customers, suppliers, business partners, and the wider community.
 - The purpose of this Sustainability Policy ("Policy") is to establish the objectives and strategies for OSK Group and its subsidiaries ("Group") with regards to sustainability matters.
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- 2. Objectives**
- The objectives of this Policy are as follows:
 - To express OSK's principles with regards to sustainability matters that must be adhered to by all Directors and employees of the Group.
 - To ensure compliance and adherence to related internal policies/guidelines, external authorities and regulators when dealing with sustainability matters.
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- 3. Intended Audience**
- This Policy should be read and adhered by the following:
 - All Directors and employees of the Group
 - This Policy is made accessible to all stakeholders through the appropriate channels.
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- 4. Governance**
- The Board of Directors ("Board") is the ultimate governing body of the Company. The Company's sustainability strategy is driven by the Board with delegation of responsibility to the Group Management Risk Committee ("GMRC"), which is made out of senior management of the Group, and the Chief Sustainability Officer ("CSO"). They will deliberate the overall strategy for sustainability implementation within the Group.
 - The CSO is supported by a Sustainability Working Group which will drive, track and monitor the progress and improvements of the Group's key sustainability matters.
 - Business and Functional Heads, together with their appointed Sustainability Champions, are responsible for the planning and implementation by ensuring operational activities and business decisions made are aligned to this Policy.

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A. POLICIES...continued

5. Our Vision

- Our vision is to be a long-term business builder that delivers superior value to all our internal and external stakeholders.

6. Our Commitment

- Our approach to the way we do business is guided by our commitment to the Group's shared core values of:
 - Excellence
 - Integrity
 - Forward Thinking
 - Humility & Respect
 - People-Driven
- Our Sustainability Policy is based upon the following commitments:
 - To comply with, and exceed where practicable, all applicable legislation, regulations and codes of practice.
 - To integrate sustainability considerations into our business decisions.
 - To ensure that all Directors and employees are fully aware of our Sustainability Policy and are committed to its implementation and improvement.
 - To ensure that external parties involved in any business dealings with the Group is aware of this Policy and to seek the external party's understanding and adherence to this Policy, where practicable.
 - To engage with relevant stakeholder groups i.e. shareholders, Directors, employees, customers, suppliers, media, Non-Governmental Organisations ("NGOs") and the local community to identify and align their concerns with the Group's sustainability strategy, where applicable.
 - To review and report the key sustainability matters annually and continually strive to improve our sustainability performance.

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A. POLICIES...continued

7. Our Focus

- As an enlarged group with diversified business interests in Property Development & Investment, Financial Services, Construction, Industries and Hospitality, OSK is committed to addressing the key sustainability matters identified in the areas listed below:
 - **Economic**
 - With operations predominantly in Malaysia, we understand our role in the economic development of local communities through employment and also supporting the livelihood and sustainability of the local communities for the future generations.
 - OSK bears in mind the importance of conducting our business in a responsible manner by embracing professional business ethics which includes responsible material sourcing and procurement in our quest to provide our customers with sustainable and quality products.
 - **Environment**
 - We understand that effective environmental protection is the fundamental aspect of good and sustainable business operations. OSK will endeavour to reduce our impact on the environment by adopting prudent waste management, monitoring our water and energy consumption as well as reducing our carbon footprint where attainable.
 - **Social**
 - The Group is cognisant of the fact that our employees are the ones who power our organisation and are our greatest asset. We value our employees and are committed to providing them with a workplace which is healthy, safe and secure.
 - We aim to cultivate a culture of equal opportunity, where every employee is treated fairly and with respect. We recognise the value that a diverse and inclusive workforce can bring and we do not accept any form of discrimination.

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A. POLICIES...continued

7. Our Focus (continued)

- **Social (continued)**
 - We believe in creating an inspiring workplace and are committed to developing our employees and young talents, to enable them to achieve their full potential.
 - We will not tolerate the use of child or forced labour in any of our operations and facilities.
- **Governance**
 - In the interest of all our stakeholders and to ensure the long-term success of our company, OSK is committed to upholding the highest standards of corporate governance, business ethics and transparency in all our dealings, taking into consideration all relevant legislation and regulatory requirements.
- **Community**
 - At OSK, we believe we have a responsibility to give back and enrich the lives of the communities where we operate. To that end, we have established OSK Foundation as the philanthropic arm of the Group to consolidate and further enhance the company's on-going commitment towards contributing to the well-being of our community. The Foundation's core areas of focus are on Education, Community Development and the Environment.
 - It is the Foundation's commitment for the disbursed funds to have the strongest impact by ensuring that we give effectively and efficiently. Going beyond donations associated with charitable giving, the Foundation also focuses on giving time and attention through advocating volunteerism by our management and employees.

8. Reporting

- OSK is committed to regular reporting of our sustainability performance on an annual basis in accordance to the provisions of Bursa Malaysia's Listing Requirements. The Group commits to provide an accurate, meaningful and balanced view of the Group's sustainability initiatives to all its stakeholders.
- The Group is committed to conducting an annual internal review of the key sustainability matters and this Policy will be continually reviewed and updated to be kept relevant.

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