



Sustainable Sourcing & Procurement Policy

Adopted by the Board on 8 March 2024

INTRODUCTION

At Top Glove, we recognize the imperative of aligning our practices with global norms and industry standards. We commit to staying informed about international sustainability standards, industry-specific best practices, and emerging trends. This commitment ensures that our procurement activities are well-informed, forward-looking, and positioned to gain maximum benefits from a comprehensive sustainable policy.

Sustainability Procurement policy as a guide for Top Glove's procurement activities as well as the procurement practices of our supply chain partners conducting business with and on behalf of Top Glove.

SCOPE OF POLICY

Our commitment to sustainable procurement encompasses the entirety of our supply chain. This includes responsible sourcing of raw materials, eco-friendly production processes, and the delivery of products and services with minimized environmental impact. Through regular assessments, we will identify opportunities for improvement and innovation across each stage of our supply chain.

GUIDING PRINCIPLES OF SUSTAINABILITY PROCUREMENT

Environmental Stewardship:

Our goal is to minimize our environmental footprint. We achieve this by reducing resource consumption, minimizing waste, and supporting eco-friendly practices throughout our supply chain. Guided by this principle, we continually seek ways to enhance our environmental stewardship, ensuring a positive impact on the planet.

Social Responsibility:

Upholding fair labor practices, promoting diversity and inclusion, and contributing positively to the well-being of communities are central to our social responsibility. We recognize that our actions affect people's lives, and through this principle, we commit to creating a positive social impact in every community where we operate.

Ethical Governance:

Adherence to transparent and ethical business practices is paramount. We set high standards for governance that promote accountability and integrity. By upholding ethical governance, we ensure that our procurement decisions are made with fairness, honesty, and a commitment to the highest ethical standards.

Supplier Diversity:

We recognize the value of a diverse supplier base. Fostering supplier diversity is a core principle, and we actively seek to engage with suppliers from various background. This commitment promotes economic growth in diverse communities and enhances the overall resilience of our supply chain.

Supplier Screening:

Screening of our suppliers is essential to ensure alignment with our sustainability and ethical standards. To evaluate potential suppliers based on their environmental practices, labor conditions, ethical conduct, commitment to product & service quality. This supplier monitoring and review mechanism is a proactive step to guarantee that our supply chain partners share our commitment to sustainability and responsible business practices.

RESPONSIBILITIES

Sustainability is not a singular effort but a collective responsibility at Top Glove. Each department and individual involved in procurement activities is accountable for aligning with our QESG goals. Our dedicated procurement team takes the lead in implementing and monitoring sustainable practices, working collaboratively with other departments to ensure a holistic and integrated approach.

SUPPLIER MONITORING AND REVIEW MECHANISM

To ensure continuous improvement, regular assessments such as annual audits are conducted to measure the QESG performance of our procurement activities. This dynamic process identifies areas for improvement, allowing us to adapt and evolve our sustainable practices in response to changing circumstances and emerging opportunities.

COMMUNICATION OF THE POLICY

Transparent communication is the linchpin of our commitment to QESG-integrated sustainable procurement. Internally, we disseminate information about our QESG goals, achievements, and challenges to employees at all levels, fostering a culture of shared responsibility.

Externally, we actively engage with suppliers sharing information about our sustainable initiatives, collaborating on best practices, addressing concerns constructively, promoting the importance of supplier diversity, and communicating our rigorous supplier screening process.

By maintaining open lines of communication, we build trust and encourage a shared commitment to sustainability across our network.