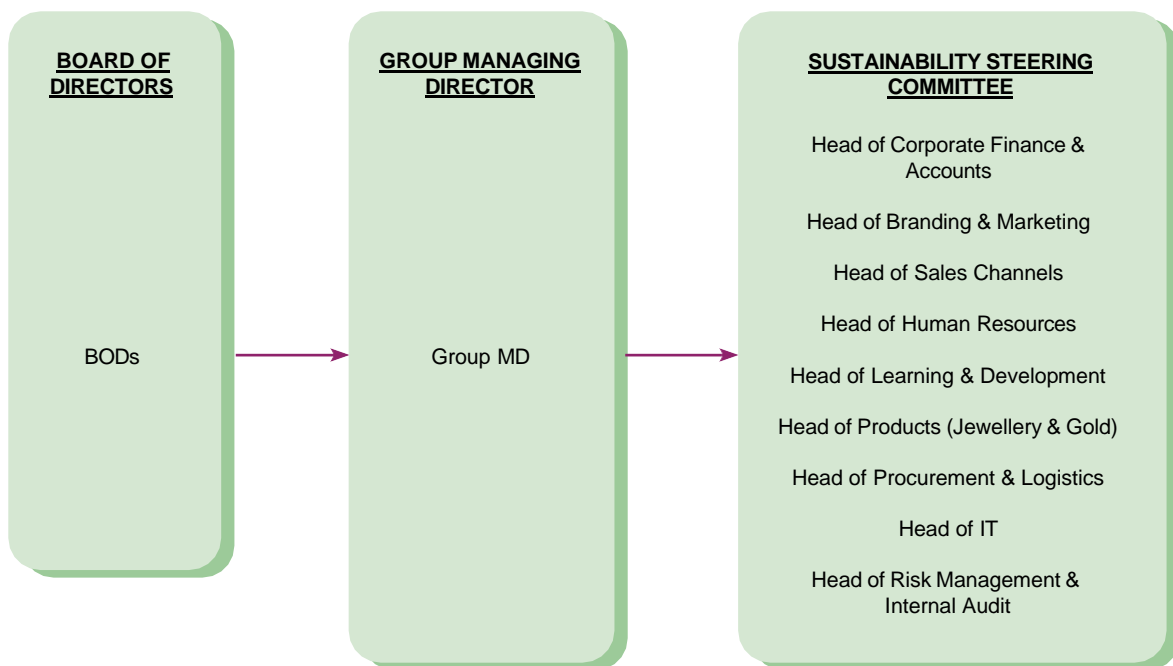


SUSTAINABILITY STATEMENT

TOMEI is built upon its corporate vision of emphasising on the sustainability of its products, branding, customers and progressive organisation. While we drive our business forward in becoming the most efficient jewellery company, we never lose sight on what is fundamentally important to all our stakeholders. This is important in order to build a long-lasting relationship which promotes a mutual winning situation. In line with our corporate vision, our commitment has been tailored in meeting and promoting sustainability of various aspects of our business through the Environmental, Social and Governance (“ESG”) practices. It has been ingrained in our policy that all business decisions are evaluated after taking into consideration the interest of all stakeholders in order to promote a conducive and sustainable business environment. The Group has developed a Code of Conduct to guide the implementation of its business decision based on these principles.

Tomei takes lead to initiate its Sustainability Agenda through the setting up of a Sustainability Steering Committee led by your Board to ensure that its sustainability commitments are properly and effectively carried out. The committee which is headed by the Group Managing Director and coordinated by a Sustainability Steering Committee comprises of senior management of the Group.

SUSTAINABILITY GOVERNANCE STRUCTURE



We constantly engage with our stakeholders through various platforms in understanding their needs. Such engagements are important to ensure that we have a mutual understanding and better respond to each other’s requirements and interest. Following are the engagement that the Group has with its stakeholders:

Stakeholders	Method of engagement
Employees	Trainings, recreations, townhall, appraisal
Customers	CRM programme, event invitations, customer feedback form, customer visits
Suppliers	Discussions and meetings
Shareholders & Analysts	General meetings, briefings, press releases, Bursa Malaysia announcements
Industry Associations	Consultations, forums, advice
Regulators	Regulatory reports, surveys, meetings
Communities	Meetings, feedbacks

SUSTAINABILITY STATEMENT (continued)

Tomei Sustainability framework can be summarised as follows:

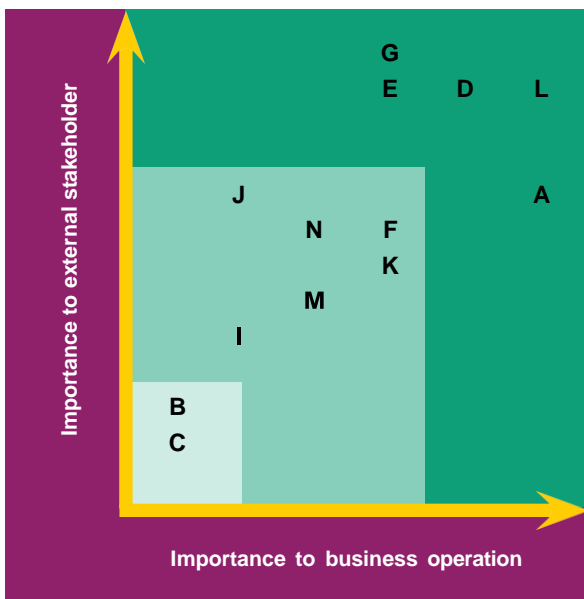


MANAGING AREAS OF SUSTAINABILITY

The reporting of this sustainability statement only covers the retail segment of the Group in Malaysia as the manufacturing & wholesale segment's sustainability reporting is provided directly under the annual report of our subsidiary company, YX Precious Metals Bhd.

A materiality matrix is developed with the objective to identify and assess all areas of sustainability and address their significance both to the Group's operation and to the external stakeholders. It provides a clear indication on the importance and priority given by the Group in addressing all its material sustainability areas.

Materiality matrix assessment



A. Circular economy	H. Equal employment
B. Responsible waste management	I. Cherish diversity
C. Reducing carbon footprint	J. Community engagement programme
D. Employee's training and education	K. Responsible sourcing
E. Employee's career advancement	L. Data confidentiality
F. Safe working environment	M. Pricing transparency
G. Employee's well-being	N. Regulatory compliance

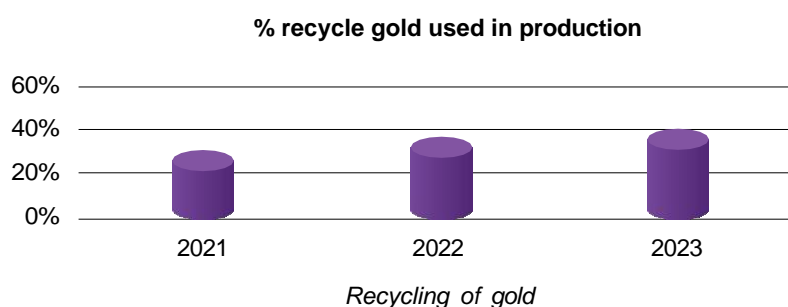
SUSTAINABILITY STATEMENT (continued)

Environmental

Circular economy

Circular economy is all about creating closed loops where both waste and new inputs are minimised. Gold is mined and its supply just like any other natural resources is becoming scarce. Extensive mining also poses certain environmental hazard. Realizing on this conundrum and the need to meet industry demand, the Group has long been a strong advocate in promoting gold recycling in the industry.

We provide option of trade-in to our customer, either for brand new jewellery or for cash. We will send scrap gold for refining, and transformed into a new piece of jewellery while still maintaining high-quality of product for our customer. In this way, the life cycle of products is extended. In short, recycling gold offers a more sustainable approach to produce jewellery that not only helps protect our planet but also supports ethical business practices. During the year approximately 40% of our source of raw material came from recycled gold.



Responsible waste management

We are committed towards a solid waste management system which adhere to a responsible and strategic waste production, management and disposal. Being in retail operation, our production of waste is minimal.

For the past 3 years, there were no incident of non-compliance with the laws and regulations or any highlighted by the relevant authorities in relation to our waste management and disposal.

Reducing carbon footprint

In line with our commitment to preserve the environment, the Group has laid down its long-term plan to use recycled materials whenever possible for its packaging materials. Staffs are encouraged to switch off equipments, lights and air-conditioners when not in use to conserve electricity. The operations of Tomei are in line with the goal of reducing carbon footprint by transitioning all conventional lighting to LED lighting. We saw an increase in electricity consumption compared to FY2021 due to the increased business operation hours as Malaysia transitioned into its COVID-19 endemic phase.

	2021	2022	2023
Electricity consumption (RM '000)	689	1,091	1,197
Retail sales (RM '000)	483,747	744,638	747,742
% Electricity on sales	0.14%	0.15%	0.16%

Minimal electricity consumption

SUSTAINABILITY STATEMENT (continued)

We minimising environmental impact through various initiatives, including minimising paper usage by transitioning to digital files. Furthermore, we encouraged employees use scrap paper such as single sided print-outs, envelopes and other paper product for internal memos and documentation. The Group has migrated most of its traditional promotional materials such as brochures and pamphlets to online promotion and over the social media, thus reducing the need for printing. Our official online blogs are published on monthly basis bringing latest news on Tomei's collections and industry updates to our readers. Due to this effort, total cost spent on stationery and printing within the Group is insignificant in comparison to its sales.

	2021	2022	2023
Stationery & printing (RM '000)	563	781	753
Retail sales (RM '000)	483,747	744,638	747,742
% Stationery & printing on sales	0.12%	0.10%	0.10%

Minimal printing cost

The water consumption and used of petrol for the Group are minimal and insignificant.

Social

Employee's training and education

We believe training and education will help to nurture employees' capability to bring out their best to sustain their overall value to the Group. Our Learning & Development Roadmap focuses on the learning journey for both current staff as well as new recruits and is planned with the Group's human capital needs and development in mind. This entails identifying current and future human resources needs and then set up the priorities to address those needs. Among the training programs include customer sales and service, sales techniques as well as leadership skills to name a few.



Interactive staff trainings

During the year, approximately 49% of the employees have attended at least 1 formal training program and in total have undergone 5,915 training hours.

	2021	2022	2023
Total training hours for employees	3,659	4,947	5,915
% of employees trained	36%	41%	49%

Employees' training profile

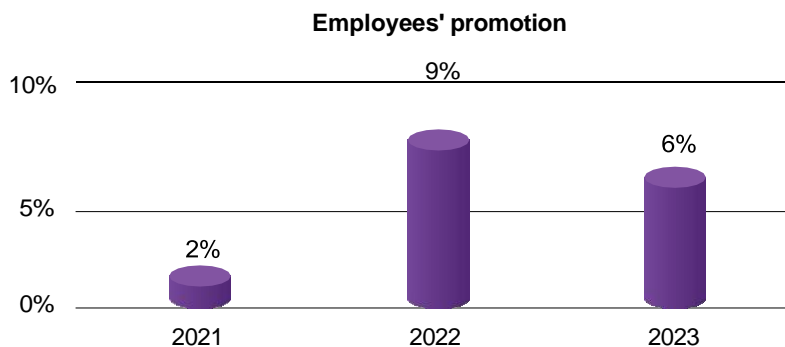
Employee's career advancement

We conduct an annual performance review on all employees against their Key Performance Areas. In 2023, all of our employees had their performance reviewed. This helps us to identify strong performers and assist employees having difficulty to deliver their goals and optimise their potential.

Through the onboarding process, we have already set up the career progression path for our employees. When promoting an employee, there will be a learning curve before they settle perfectly into their new role. Hence, we always support our employees by providing relevant training specifically on technical skill and soft skill, and we also provide the opportunity to equip the employees and preparing them to move into higher roles and taking on more responsibilities. Each training is followed by an assessment to ensure that employees have the skills and knowledge required to succeed and contribute to the company's goals.

SUSTAINABILITY STATEMENT (continued)

In 2023, 6% of total employees from various skillset were promoted to manage different portfolio and entrusted with greater responsibilities. With such promotion, this will improve the employee commitment level, create a positive work environment and serve as a role model for other employees to outline a potential career path within the company.



We also implement mentorship system whereby senior and more experienced employees providing guidance and support to younger employees at the early stages of their careers. With this system, mentor not only transfer them knowledge and become a better leader but also building productive relationship among co-workers which are more likely to stay with the company longer.

In addition, Tomei's Management Trainee Programme provides fresh undergraduates from diverse academic backgrounds the opportunity to experience work life at Tomei, on-the-job learning and trainings with a view to groom them into Management role.

Safe working environment

We believe that health, safety and wellbeing of our employees are essential to our success, it is also beneficial to our business, promoting productivity, engagement, and overall satisfaction. We are dedicated to creating a safe working environment culture to promote physical and emotional wellness for all our employees, which is free from discrimination, harassment, and/or violation.

We committed to providing a safe work environment for all employees in both the offices and retail stores. We have installed CCTV camera in our business premises and stores with the stated goal of reducing crime and increasing employees and public safety. In addition, our retail stores are well guarded by qualified security guards to protect business and to ensures customers feel safer and more comfortable when visiting the store.

Our office premises are equipped with the following security measures:

- a) Double layer security doors;
- b) Installation of 24-hour CCTVs to record and monitor all activities on the premises;
- c) Restricted access of visitors or employees in certain areas of the manufacturing facilities and office; and
- d) Strong room and safe has been installed in the premise to safeguard our inventories.

We also purchased various insurance coverage including jewellers block cover to protect our assets from any potential loss and personal accident cover for our employees.

For the past 3 years, the Group did not experience any incidence of theft and robbery nor did the Group encounter any pilferage by internal staff. There were no any work-related fatalities as well as incident of lost time.

SUSTAINABILITY STATEMENT (continued)

Employee's well-being

In order to maintain and improve the physical health of employees, Workplace wellness program such as yoga/ zumba exercise and gym room help employees to reduce the risk of burnout. In addition, we also arrange for indoor workshop and team building which beneficial to their morale and well-being.



Yoga and Zumba classes for employees



Soap making workshop



Team building

Despite being in the endemic phase, Tomei continues to subscribe the best practices in maintaining a hygienic environment for both our employees and customer. We provide hand sanitizer and face mask at our workplace. Moreover, employees are always reminded to monitor their health and COVID-19 positive cases must undergo isolation at home.

Another facet of our focus towards staff welfare is the recognition of long-serving employees for their commitment, contribution, trust and loyalty. Long-serving employees are presented with awards at interval of every 5 years. The event serves as an avenue for Management to directly engage with the recipient. In 2023, a total of 443 employees received the Long Service Awards.

SUSTAINABILITY STATEMENT (continued)

Through these initiatives, we managed to foster a culture of inclusiveness which is also key in reducing turnover rates and boosting employee retention. Employees' enthusiasm with the Tomei remained encouraging with over 50% of total employees serving for more than 5 years.

	2021	2022	2023
Less than 5 years	42%	47%	46%
5 years to 10 years	28%	19%	20%
More than 10 years	30%	34%	34%

Employees' tenure with the Group



Employee's long service award

Equal employment

At Tomei, we believe that everyone should be treated equally. The Group has provided equal opportunities to all employees regardless of age, gender and ethnicity. Tomei employs more than 800 staffs from almost every state in Malaysia consisting of various ethnicity. Number of employees employed under contractual arrangement are small and based on as-needed basis.

	2021	2022	2023
Permanent employees	96%	95%	95%
Contractual employees	4%	5%	5%

Type of employee hirings

We adhere to and monitor all relevant Malaysian statutory requirement that protect employees' right including implementation of the recently amended Employment Act 2022 with new regulatory requirement such as minimum wages, minimum working hours and extended maternity and paternity leave among others. We also provide productivity linked compensation in the form of sales commission to retail staff based on their respective sales achieved. During the year, we have filled up more than 200 vacancies available within the Group across Malaysia.

Cherish Diversity

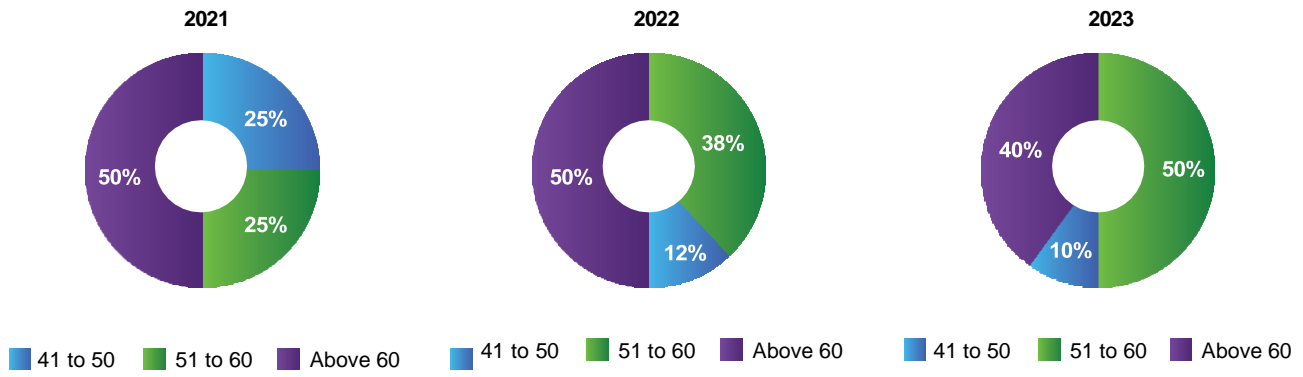
Tomei subscribes to the idea of promoting gender equality of having at least 30% female participation in workforce as recommended by the Government. Currently, Tomei's Board of Directors consists of 50% female while female employees made up more than 60% of our total workforce.

	2021	2022	2023
Board of Directors			
Male	62%	62%	50%
Female	38%	38%	50%
Employees			
Male	32%	34%	32%
Female	68%	66%	68%

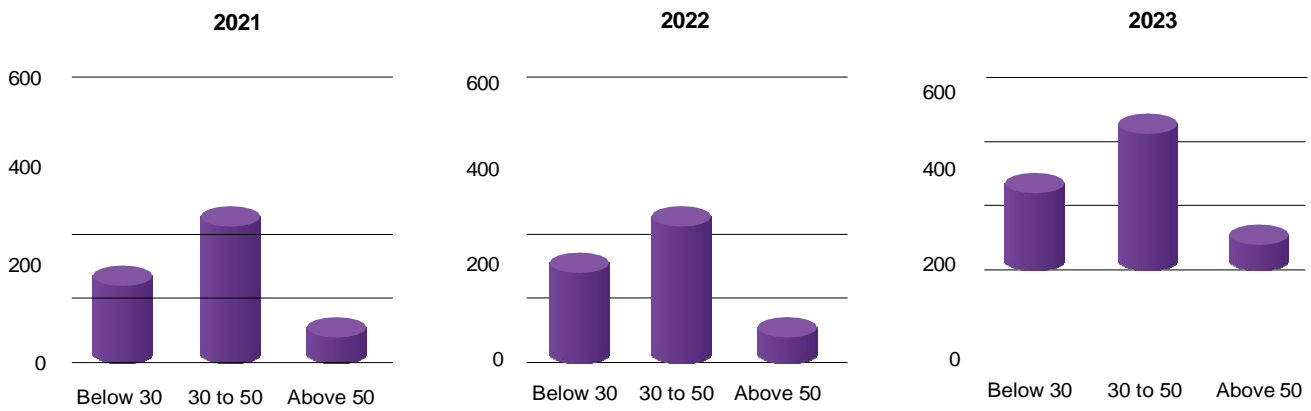
Directors' and employees' gender diversity

SUSTAINABILITY STATEMENT (continued)

Our Directors made up of various age profile complimented by their respective professional skills and experience serve as a strong driving force in pushing ahead of the Group’s agenda.



Directors' age profile



Employees' age profile

Community engagement programme

Since 2022, the Group in promoting the conservation of wildlife in Malaysia has been working with the World Wildlife Fund (“WWF-Malaysia”) to mint gold coin strictly from recycled gold. These coins feature Malaysian endangered animals such as the Malayan tiger, Bornean elephant, Orangutan and Sea turtle. During the year, Tomei has donated RM102,216 to WWF-Malaysia in our commitment to support the wildlife conservation activities.



Tomei's contribution to WWF Malaysia

SUSTAINABILITY STATEMENT (continued)

For the past 3 years, donations made by the Group to various organizations were as follows:

	2021	2022	2023
Donations made (RM)	55,000	71,500	127,017

Tomei contributing to the society

In addition, the Group has set up a dedicated committee with the objective to look into the well-being of our employees and the community. During the year, the committee has organized various community programmes such as beach cleaning, recycling programme and visiting to the orphanage.



Bringing cheers to the orphanage



Beach cleaning activities

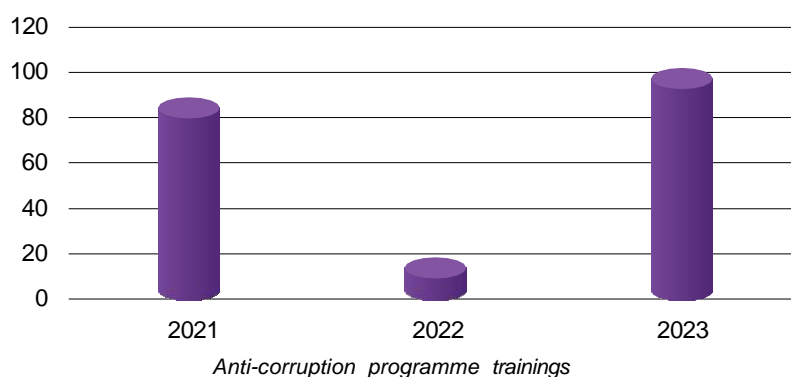
Governance

Responsible sourcing

The Group has an Anti-Corruption Policy which prohibits corrupt practices especially in the area of engaging in kick-back payments relating to sales and procurement, thus ensuring that we conduct our business in a professional and ethical manner.

All new recruits are being briefed on the Group's Anti-Corruption Policy during their orientation programme. In addition, we also conducted refresher trainings for selected staff.

Employees' attendance to Anti-Corruption programme training



We required all our supplier to sign an Anti-Corruption declaration form before starting of any dealings to ensure that there is no element of corruption in any transactions with the Group. The benefit to our Group is the building of trust with our customers and suppliers as everyone in the supply chain will get a fair deal without worrying of being short-changed. For the past 3 years, there were no report of any incidence which involved corrupt practices in the Group.

The Group's raw material consists mainly of gold and precious stones and semi-precious stones. Most of these raw materials are imported. We select supplier with high standards in areas such as ethical, behaviour, environmental stewardship and workplace practices. We continue to give priority to local suppliers whenever possible.

SUSTAINABILITY STATEMENT (continued)

Data confidentiality

Tomei subscribes to the importance of data privacy of its customers and employees. We have taken necessary steps to ensure that all information that comes into our possession are managed strictly as required by the Personal Data Protection Act, 2010. For the past 3 years, there were no report of any incidence which involved data breach in the Group that involves our customers or employees.

Pricing transparency

Tomei promotes transparency in its products pricing whereby all its retail products on display come with price tag attached. We adhere strictly to the Competition Act, 2010 and therefore do not subscribe to any form of price fixing mechanism. Tomei retail gold price is published in the local daily while in the shop front, the gold price is clearly and properly displayed to inform customers of the current selling price. Our gold price is also displayed on our website at www.tomei.com.my.



Tomei gold price on www.etomei.com

Regulatory compliance

Tomei complies with all the regulatory requirements in the environment it operates. As required by the Anti-Money Laundering, Anti-Terrorist Financing & Proceeds of Unlawful Activities Act, 2001 (“Act”), we conduct proper “Know Your Client” procedure before dealing with potential customer. The Group does not deal with any individual or organization sanctioned by the United Nation or the Malaysian government. We also screen the background of new candidate before they are offered employment in the Group.

In the retail business, customer conducting transactions in the form of cash or precious metals and/or stones equivalent to RM50,000 and above needs to complete Customer Due Diligence Form as required in the Policy Document issued by Bank Negara Malaysia (“BNM”).

In order to ensure compliance with the Act, we hold regular training and update for staff on the latest development/ changes to the requirements of the Act. The appointed Compliance Officer and our internal audit function serves as additional assurance to ensure the compliance with the Act.

Tomei complied with the Malaysia Employment Act 1955 (Amendment) 2022 that comes into force on 1 January 2023 and Workers’ Minimum Standards of Housing and Amenities Act, 1990 (Act 446). All our commercial vehicles are inspected at Puspakom on annual basis in compliance with the Road Transport Regulation. The layout of our retail showrooms are strictly in compliance with the shopping mall management and certified fit for their intended use by the local authorities.

For the past 3 years, there were no report of any breach of laws and regulations.