



Top Glove Corporation Bhd

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PRESS RELEASE

For Immediate Release

TOP GLOVE RESPONDS TO CONTRIBUTOR LHL'S OPINION IN FOCUS MALAYSIA

Shah Alam, Tuesday, 26 January 2021 TOP GLOVE writes in response to a letter from a contributor called LHL in the article that was published by Focus Malaysia yesterday, 25 January 2021, titled: 'Top Glove: Allegations of management hypocrisy and lack of integrity', which was (<https://focusmalaysia.my/opinion/top-glove-allegations-of-management-hypocrisy-and-lack-of-integrity/>).

First, it is disappointing that an esteemed publication such as Focus Malaysia chooses to run an unsubstantiated anonymous letter that is filled with defamatory remarks from an individual who was never an employee of Top Glove.

Second, with an increasing expectation from ordinary citizens, business leaders, and civil society for higher standards of transparency and integrity during these unprecedented times, we hope Focus Malaysia will strive to reduce and/or curb unsubstantiated news and opinions, such as these.

Top Glove hopes that our response to Focus Malaysia on LHL's allegations will help provide better clarity to you and the readers you serve.

1. On the allegation of foreign workers' salaries being cut to pay commission for agencies which brought them in, the Company has explicitly stated its stance that it has enforced a Zero Cost Recruitment Policy since January 2019.

- 1.1 Under this policy, our foreign workers DO NOT pay any recruitment fees as Top Glove bears all recruitment-related fees for our foreign workers. Additionally, the Zero Cost Recruitment Policy stipulates pre-departure orientations and interviews at the source country, post-arrival orientations in Malaysia, and monthly interviews with workers to ensure that they have not paid any hidden fees to recruitment agents.
 - 1.2 Under this policy too, Top Glove reimburses workers who have paid recruitment fees to agents at their source country, supported by all workers signing a Letter of Undertaking committing that they will not pay recruitment fees during the recruitment process.
 - 1.3 Top Glove is already making remediation payments to its migrant workers, after the completion of verification by an international independent consultant. To date, we have made six rounds of remediation payments (from August 2020 to January 2021) amounting to RM61 million from the total RM136 million that was recommended by the independent consultant, which the Group has committed to honour. This covers more than 11,000 of our foreign workers.
 - 1.4 To support these remedial actions, Top Glove has blacklisted 2 unethical recruitment agents through a robust due diligence procedure and all business dealings with such recruitment agents are terminated with immediate effect. We are currently working with 11 principled recruitment agencies in Malaysia and from overseas. Top Glove too continues to educate our workers to refrain from paying recruitment fees to third parties.
2. As to the workers' living and working conditions, again, the Company is seriously embarking on corrective measures towards improving the accommodations of our workers nationwide, to meet the requirements of Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446).
 - 2.1 On this matter, we are in constant and close consultation and cooperation with Malaysia's Ministry of Human Resources and the Labour Department. At the end of December 2020, we had relocated about 2,000 workers to a new hostel accommodation that we are renting. This hostel is the most suitable one in the Klang Valley for our needs, in terms of its capacity to accommodate our request and the facilities following Act 446.
 - 2.2 This hostel is equipped with a full host of facilities for our workers including canteens, convenience shops, sports and recreational facilities, and a laundromat. In the mid-term, the Group has acquired an entire block of an apartment in Meru, Klang with a target completion date of March 2022. The Group is also building mega hostels in Selangor (Klang and Banting) which are fully equipped with a suite of amenities and facilities.
3. We also denounce the outright lie that the Company allows for only 2 paid sick leave days per annum.
 - 3.1 Top Glove operates in strict adherence to the relevant labour laws, and even go above and beyond for our workforce. In accordance with the labour law, employees are entitled to 14 days medical leave and 16 days hospitalisation leave.
 - 3.2 Being the employer of choice for 21,000 employees, with a compounded annual growth rate of 28% for the past 20 years, and having won several HR awards over the years, demonstrates the value that employees see in being with the Company.
 - 3.3 Towards this, the Company's slogans are the very foundation and core beliefs of Top Glove, embraced by our employees.

Top Glove reiterates that we strive to create a unique health centric culture, which we are enormously proud of; enabling us to stay competitive and achieve new heights with the support of strong and healthy employees who can contribute positively to our families, the Company, and the society we serve.

Towards this, we practice the 5 Quality Wells which are Clean Well, Eat Well, Work Well, Exercise Well, and Sleep Well that are backed by the Top Glove Wellness Team which comprises of 26 medical professionals, 11 wellness professionals, and 3 fitness professionals.

The reason for this is as the Company continues to produce high quality medical gloves to protect medical practitioners and frontliners across the world, we are equally committed to our employees and the communities we serve.

Top Glove looks forward to Focus Malaysia publishing this response to provide your readers with a more accurate and representative perspective of the Company and encourages you to work alongside us to minimise and eliminate the continual spread of misinformation on the Company with immediate effect.

For more information, visit www.topglove.com

About Top Glove Corporation Bhd

Top Glove Corporation Bhd is listed on the Bursa Malaysia Stock Exchange Main Board and Singapore Exchange Mainboard. It is also one of the component stocks of the MSCI Global Standard Index, FTSE Bursa Malaysia KLCI Index, FBM Top 100 Index, FBM Emas Index, FBM Hijrah Syariah Index, FBM Emas Syariah Index, FTSE4Good Bursa Malaysia Index and the Dow Jones Sustainability Indices (DJSI) for Emerging Markets. Top Glove is currently the world's largest manufacturer of gloves with an established corporate culture and good business direction of producing consistently high quality, cost efficient gloves. Top Glove has over 2,000 customers worldwide and exports to more than 195 countries.

Summary of key information:

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