

SOCIAL: A PEOPLE CENTRIC CORPORATE CITIZEN

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd



FY2021 SOCIAL HIGHLIGHTS



Verified by **independent third party** consultant that the Company is free of all

11 International Labour Organisation (ILO) forced labour indicators

Investment of **RM220 million** to improve accommodation for **13,000 employees**

Contributed **RM2.2 billion** in income tax towards the nation's building and to promote **sustainable economic growth**

Strong representation of **women** in our workforce: **42%** at board level, **52%** at managerial level

Donated **RM191 million** worth of financial aid, personal protective equipment and medical devices to support communities and front liners during the COVID pandemic, including **12 million pieces of medical gloves**

Provided **9,720 job opportunities** of which **85%** are local

Invested **RM1.18 million** in employee training & achieved a total of **355,780 training hours**

Awarded **11 scholarships** worth a total of over **RM½ million**

94% or **20,720** of our global workforce were **fully vaccinated** against COVID as at 25 October 2021

Helped more than **1,000** needy families, schools and charity organisations

SOCIAL:

HUMAN RIGHTS & LABOUR MANAGEMENT RELATIONS

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

HUMAN RIGHTS & LABOUR MANAGEMENT RELATIONS



Management approach: As a business with a large global footprint and employees from diverse backgrounds including vulnerable groups such as our foreign workers, we are committed to eradicating forced labour and creating an inclusive and respectful ecosystem, where every employee's fundamental rights are respected, and is treated equally, leaving no one behind.

We have in recent years been faced with allegations with regard to human rights. To address these concerns, we have since actively engaged with the relevant stakeholders, including authorities, experts and the workers to identify the areas for improvement to drive positive change, reaffirming our commitment to upholding human rights.

Our strong commitment to human rights is guided by the following international human rights instruments. We are also aligned with the implementation of UNGC, Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs) in our compliance with human rights principles. In addition, we assess and address our human rights risks and human rights impact assessment in accordance with ILO (International Labour Organisation), BSCI & SMETA guidelines/ best practices.

Sedex Member Ethical Trade Audit (SMETA)



Top Glove is a member of Sedex, a membership organisation that provides one of the world's leading online platforms for companies to manage and improve working conditions in global supply chains.

Amfori Business Social Compliance Initiatives (BSCI) Code of Conducts



As a member of amfori, Top Glove is in compliance with the Code of Conduct of BSCI, an industry-driven movement that aims to monitor and assess workplace standards across the global supply chain.

OUR JOURNEY TO MODIFICATION OF THE WITHHOLD RELEASE ORDER (WRO)/FINDING IMPOSED BY THE U.S. CUSTOMS AND BORDER PROTECTION (CBP)

| | | |
|--------------|--|--|
| 10 Sept 2021 | | U.S. CBP modifies Finding on Top Glove |
| 22 Apr 2021 | | Impactt issues "all Green" report which confirms Top Glove has resolved all 11 ILO indicators |
| 29 Mar 2021 | | U.S. CBP announced WRO classification to Finding |
| Jan 2021 | | Impactt confirms no systemic forced labour at Top Glove. All forced labour indicators resolved |
| Jul 2020 | | Top Glove engages Impactt, an independent international ethical trade consultant |
| 15 Jul 2020 | | U.S. CBP issues Withhold Release Order, WRO to Top Glove |

SOCIAL:
HUMAN RIGHTS & LABOUR MANAGEMENT RELATIONS

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

| 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|--|--|--|--|-------------------------------------|--|---------------------------|---|---|---|---|---|------------------------------------|---|---|---|---|---|----------------------------|---|---|---|---|---|-----------------------|---|---|---|---|---|--|---|---|---|---|---|--------------|---|---|---|---|---|--------------|---|---|---|---|---|-----------------|---|---|---|---|---|-------------------------|---|---|---|---|---|----------------------------------|---|---|---|---|----|------------------|---|---|---|---|---|
| July | <p>The U.S. Customs and Border Protection (CBP) placed a detention order on disposable gloves manufactured by Top Glove Sdn. Bhd. and TG Medical Sdn. Bhd. on 15 July 2020.</p> <p>We engaged United Kingdom based independent international ethical trade consultant, Impactt Limited (Impactt) to conduct an assessment and verify our labour practices.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| January | Impactt confirmed that there is no systemic forced labour at Top Glove. All forced labour indicators resolved. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| March | U.S. CBP announced classification of the WRO to Finding on 29 March 2021. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | <p>Impactt issued "all Green" report which confirms Top Glove has resolved all 11 ILO Indicators on 22 April 2021.</p> <table border="1"> <thead> <tr> <th>Forced Labour Indicators vs Impactt assessment</th> <th>Investigation completed 28/08/2020</th> <th>CAP[#] verification October 2020</th> <th>CAP[#] verification January 2021</th> <th>Accommodation Inspection March 2021</th> <th>CAP[#] verification April 2021</th> </tr> </thead> <tbody> <tr><td>1. Abuse of vulnerability</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td></tr> <tr><td>2. Retention of identity documents</td><td>D</td><td>A</td><td>A</td><td>A</td><td>A</td></tr> <tr><td>3. Restriction of movement</td><td>D</td><td>A</td><td>C</td><td>A</td><td>A</td></tr> <tr><td>4. Excessive overtime</td><td>D</td><td>A</td><td>A</td><td>A</td><td>A</td></tr> <tr><td>5. Abusive working and living conditions</td><td>D</td><td>A</td><td>A</td><td>A</td><td>A</td></tr> <tr><td>6. Deception</td><td>D</td><td>A</td><td>A</td><td>A</td><td>A</td></tr> <tr><td>7. Isolation</td><td>D</td><td>A</td><td>A</td><td>A</td><td>A</td></tr> <tr><td>8. Debt bondage</td><td>F</td><td>A</td><td>A</td><td>A</td><td>A</td></tr> <tr><td>9. Withholding of wages</td><td>D</td><td>A</td><td>A</td><td>A</td><td>A</td></tr> <tr><td>10. Physical and sexual violence</td><td>F</td><td>A</td><td>A</td><td>A</td><td>**</td></tr> <tr><td>11. Intimidation</td><td>D</td><td>A</td><td>A</td><td>A</td><td>A</td></tr> </tbody> </table> <p>Legend: A Green = All issues closed B Pale Yellow = Further progress made C Light Yellow = Significant progress made on issues D Dark Yellow = Critical issues present but isolated/or in supply chain E Orange = Critical issues present, but progress is being made F Red = Critical issues requiring immediate action</p> <p>Note: The indicator of A to F is added in for easy reference</p> <p>* It is important to note various mandatory government movement control orders (MCOs) are in place to prevent the spread of COVID, and thus - despite all prior issues being closed - restriction of movement remains factually present.</p> <p>** ILO Forced Labour Guidance on Physical and Sexual Violence states...<i>'Forced labourers...may be subjected to actual physical or sexual violence...so as to have greater control over them.'</i> It is Impactt's opinion that the instances of physical and sexual violence at TG do not result in the company gaining 'greater control over workers', therefore these instances, although concerning, are not indicative of systemic forced labour.</p> <p># CAP = Corrective Action Plan</p> <p>Source: Impactt Report, 22 April 2021, ILO Indicators in Top Glove direct operation</p> <div style="display: flex; align-items: center;"> <p>Independent Consultant, Impactt Limited's verification report Click here or scan the QR code to view the Independent Consultant, Impactt Limited's verification report</p> </div> | Forced Labour Indicators vs Impactt assessment | Investigation completed 28/08/2020 | CAP [#] verification October 2020 | CAP [#] verification January 2021 | Accommodation Inspection March 2021 | CAP [#] verification April 2021 | 1. Abuse of vulnerability | A | A | A | A | A | 2. Retention of identity documents | D | A | A | A | A | 3. Restriction of movement | D | A | C | A | A | 4. Excessive overtime | D | A | A | A | A | 5. Abusive working and living conditions | D | A | A | A | A | 6. Deception | D | A | A | A | A | 7. Isolation | D | A | A | A | A | 8. Debt bondage | F | A | A | A | A | 9. Withholding of wages | D | A | A | A | A | 10. Physical and sexual violence | F | A | A | A | ** | 11. Intimidation | D | A | A | A | A |
| Forced Labour Indicators vs Impactt assessment | Investigation completed 28/08/2020 | CAP [#] verification October 2020 | CAP [#] verification January 2021 | Accommodation Inspection March 2021 | CAP [#] verification April 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Abuse of vulnerability | A | A | A | A | A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. Retention of identity documents | D | A | A | A | A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. Restriction of movement | D | A | C | A | A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. Excessive overtime | D | A | A | A | A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5. Abusive working and living conditions | D | A | A | A | A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6. Deception | D | A | A | A | A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7. Isolation | D | A | A | A | A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8. Debt bondage | F | A | A | A | A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9. Withholding of wages | D | A | A | A | A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10. Physical and sexual violence | F | A | A | A | ** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11. Intimidation | D | A | A | A | A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| September | <p>U.S. CBP modified the Finding on Top Glove on 10 September 2021</p> <div style="display: flex; align-items: center;"> <p>Official announcement by the U.S. CBP Click here or scan the QR code to view the official announcement by the U.S. CBP</p> </div> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

SOCIAL:
HUMAN RIGHTS & LABOUR MANAGEMENT RELATIONS

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

OUR POLICY ON HUMAN RIGHTS PRACTICES:

Guided by the Group's Human Rights & Ethical Conduct and various international human rights instruments, we embrace the following to ensure the rights of our employees, including migrant workers, are always respected and fulfilled:

- 1 Eliminating any form of child labour, modern slavery, forced labour & bonded labour. We have a strict policy not to recruit employees below 18 years old and a verification mechanism in place to detect underage candidates.
- 2 Zero tolerance on discrimination, physical and sexual violence.
- 3 Prioritise workers' health and safety by providing decent living conditions and a safe workplace.
- 4 Respecting workers' rights in relation to the following:
 - Access to multi and independent-managed grievance and whistleblowing channels
 - Full custody of identity documents
 - Freedom of movement
 - Freedom of association and rights to collective bargaining
 - Fair working hours and rest days, and no excessive overtime
 - Zero debt bondage
 - No withholding of wages



Human Rights & Ethical Conduct
[Click here and scan the QR code to view our Human Rights & Ethical Conduct](#)

UPHOLDING SOCIAL COMPLIANCE BEST PRACTICES:

Top Glove views human rights concerns seriously and has been taking aggressive steps to implement multiple initiatives towards improving social compliance practices according to international best practices.

Our key initiatives in addressing social compliance:

Human rights **risk assessment/ due diligence & audits**

- ▶ Conducted by **independent international ethical trade consultant**

Enhancement of **policies & procedures**

Improvement of **grievance & whistleblowing channels**

Completed **remediation payment** to workers

Improvement in **workers' accommodation**

- ▶ Investment of **RM220 million** to improve accommodation which will benefit **13,000** employees

Engagement with workers through:

- ▶ **Monthly worker representatives and HR Department representatives meeting**
- ▶ **Quarterly worker representatives and Independent Directors meeting**

Communicate with supply chain via town hall sessions

Capacity building and awareness training among our workforce

SOCIAL:
HUMAN RIGHTS & LABOUR MANAGEMENT RELATIONS

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

HUMAN RIGHTS RISK ASSESSMENT/ DUE DILIGENCE & AUDITS

- In July 2020, the Group engaged independent international ethical trade consultant, Impactt Limited (Impactt) to conduct the following on a quarterly basis:
 - Assess the presence of forced labour by reference to the ILO's 11 Forced Labour Indicators
 - Propose corrective action plans to improve the Group's labour practices
 - Monitor the Group's implementation of the corrective action plans
- Top Glove has resolved all 11 ILO indicators of forced labour as verified by Impactt
- In addition to Impactt's audit, the HR Department's Social Compliance Team and customers initiate audits based on international BSCI and SMETA standards
- In FY2021, we achieved a "B" rating in social ethical audits conducted by external independent parties. We have set a target to achieve a "B+" rating in FY2022 and ultimately "A+" rating from FY2024

| | | | |
|---------------------------------------|----|--|----|
| Total number of announced audits | 31 | Total number of audits initiated and paid by customers | 5 |
| Total number of semi-announced audits | 1 | Total number of audits initiated and paid by Top Glove | 27 |

ENHANCEMENT OF POLICIES & PROCEDURES

- We improve our policies to ensure the welfare and rights of our workers are safeguarded throughout the recruitment process. These improvements include:
 - Recruitment Agreement which is now guided by a robust Job Advertising Policy
 - Inclusion of basic salary information in the "Undertaking of Recruitment Terms", which will be briefed and acknowledged by all candidates prior to interview
 - Increased the lead time for recruitment
 - Revised payment terms to ensure agency has upfront payment for the processing of recruited candidates to protect workers not being asked for any recruitment fee
- We have also improved other relevant policies such as:
 - Social Media Policy
 - Prevention of Sexual Harassment Policy
 - Prevention of Bullying at Workplace Policy
 - Grievance Procedure



List of policies

[Click here or scan the QR code to view our list of policies](#)

WHISTLEBLOWING CHANNEL

- Top Glove has established its Whistleblowing Policy & Procedures (WBPP) to address whistleblowing cases. For these, investigations are conducted by Whistleblowing Committee and all cases investigated are reported to Board of Audit Committee (BAC). The identity of whistleblower is protected by external providers and the Whistleblowing Committee only receives details of the complaint. The outcome of the investigation into the case is communicated via a channel provided by external provider which serves to alert the whistleblower on the results.
- Top Glove's whistleblowing mechanism provides established channels through which our stakeholders may report or disclose genuine concerns about bribery & corruption, fraud, grievances, unethical behaviour, malpractices, illegal acts, policies & procedures malfunction or failure to comply with local & foreign bribery laws on the part of the company, of which they have become aware. All information provided by whistleblower will be taken seriously and treated confidentially in accordance with the law under the Whistleblower Protection Act 2010.
- In the event of a suspected corruption or bribery activity, the Whistleblowing Committee chaired by Whistleblowing Committee Chairman / Managing Director will process the case, conduct investigations, take action and report to the Board accordingly. Whistleblowing cases are investigated by Managing Director, Head of Internal Audit & Chairman Board of Audit Committee as case receivers.

SOCIAL:
HUMAN RIGHTS & LABOUR MANAGEMENT RELATIONS

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

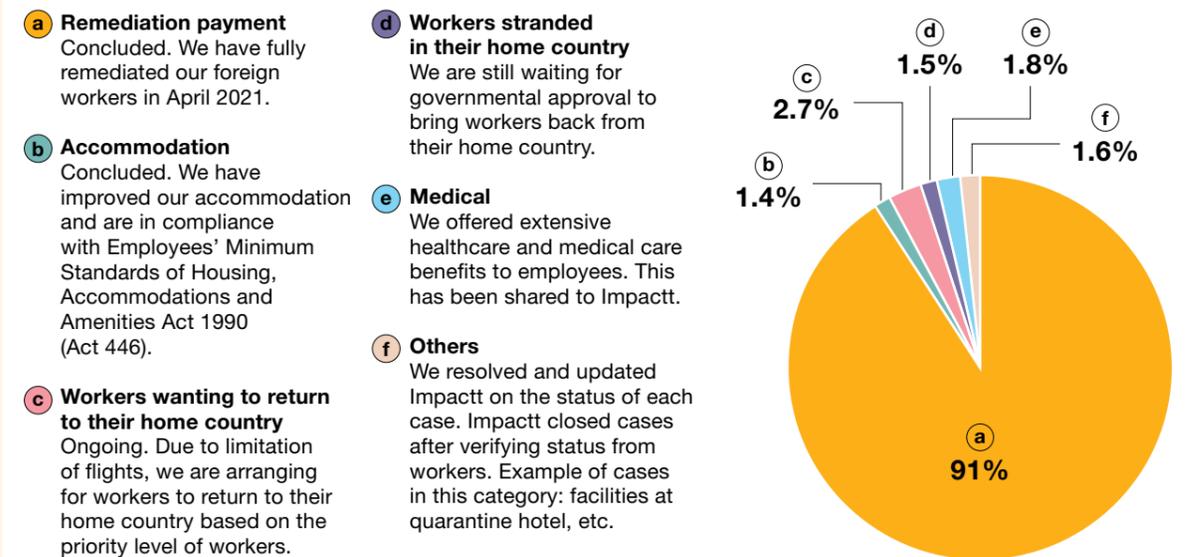
- 3 case receivers and 2 case masters are included in the system to uphold business ethics: honesty, integrity and transparency and reduce the conflict of interest when conducting investigation/decision making.
- The case receiver's role is to receive and communicate with whistleblower via external provider while case master to review the case and approve the investigation made by the committee.
- All cases are treated with utmost confidentiality and only cases are investigated not the complainer.
- All whistleblowing cases are reported quarterly at the Board Audit Committee Meeting.
- Total whistleblowing cases received in FY2021: 16 cases

| Category | Number of cases |
|---------------------------------|-----------------|
| Bribery / Corruption | 0 |
| Fraud | 1 |
| Grievances | 6 |
| Others (on policy & procedures) | 9 |

As at the reporting date, 15 cases have been closed, while investigations for the remaining 1 case are in progress. Of the 15 closed cases, 1 case was an instance of attempted fraud by external party, which Top Glove was alerted of through the whistleblowing channel.

GRIEVANCE MECHANISM

- We provide multiple grievance channels which allow our employees to raise grievance anonymously. Our recent workers survey has reflected that workers are satisfied with the improved grievance mechanism.
- Available grievance channels include:
 - An independent grievance helpline managed by independent third party consultant, Impactt, which is available in multiple workers' native languages.
 - In FY2021, the Impactt Helpline received 1,336 calls in the following areas. As at the reporting date, 92% of the cases have been resolved and closed, with the remaining 8% pending Impactt's verification of action taken by the Company.



- a Remediation payment**
Concluded. We have fully remediated our foreign workers in April 2021.
- b Accommodation**
Concluded. We have improved our accommodation and are in compliance with Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 (Act 446).
- c Workers wanting to return to their home country**
Ongoing. Due to limitation of flights, we are arranging for workers to return to their home country based on the priority level of workers.

- d Workers stranded in their home country**
We are still waiting for governmental approval to bring workers back from their home country.
- e Medical**
We offered extensive healthcare and medical care benefits to employees. This has been shared to Impactt.
- f Others**
We resolved and updated Impactt on the status of each case. Impactt closed cases after verifying status from workers. Example of cases in this category: facilities at quarantine hotel, etc.

SOCIAL:
HUMAN RIGHTS & LABOUR MANAGEMENT RELATIONS

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

2. Workers' representatives:
 - o Workers of all factories have the right to elect their representatives for each factory.
 - o Every factory will have workers' representatives from each nationality & gender, including Malaysian.
 - o Workers' representatives attend the following fixed engagement sessions for them to raise workplace and accommodation concerns:
 - a. Monthly meeting with operations team and Safety & Health team from the HR Department.
 - b. Quarterly meeting with Independent Directors. The first quarterly meeting was held on 9 March 2021.



▲ 1st engagement session between Independent Directors and workers' representatives was held on 9 March 2021, during which topics discussed include accommodation, etc.

3. TG Care Lines for workers to report harassment and bullying incidents
4. Centralised workers' helpline
5. Email
6. WhatsApp
7. Human Resources personnel

COMPLETED REMEDIATION PAYMENT

- Top Glove has fully remediated our workers.
- A total of RM150 million remediation payment has been made.
- On top of the Zero Recruitment Cost Policy, we adopt open tender in selection of recruitment agents and conduct due diligence on our recruitment agents.

SOCIAL:

HUMAN RIGHTS & LABOUR MANAGEMENT RELATIONS

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

IMPROVEMENT OF WORKERS' ACCOMMODATION

- We invested RM220 million to improve accommodation for 13,000 employees, which is expected to be ready in stages between end 2021 to end 2023.

| Location | Estimated CAPEX, RM' mil | Target Capacity, pax | Target Completion |
|---|--------------------------|----------------------|-------------------|
| A. Constructed by Top Glove Banting: Lot 213 and Lot 214 | | | |
| 1) Phase 1, Block 1 & 2 | 12 | 1,000 | Early 2022 |
| 2) Phase 2, Block 3 & 4 | 12 | 1,000 | End 2023 |
| Aman Perdana, Klang: Lot 6495 | | | |
| 3) Block 1 | 14 | 1,300 | Mid 2022 |
| 4) Block 2 | 14 | 1,300 | End 2023 |
| Meru, Klang | | | |
| 5) Lot 5135, Block 1 & 2 | 27 | 2,200 | Mid 2022 |
| 6) Lot 5117, Block 1 & 2 | 23 | 1,800 | Mid 2022 |
| 7) Lot 5116, Block 3 & 4 | 23 | 1,800 | End 2023 |
| B. Purchased from developer | | | |
| 8) Kenangan Meru Apartment | 95 | 2,600 | Mid 2022 |
| Grand Total | 220 | 13,000 | |

- Our accommodation is in compliance with the Act 446: Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990.
- We have submitted our application for Certification for Accommodation (CFA). Prior to issuance of the CFA, the Department of Labour (DOL) conducted physical inspections and we were found to be in compliance with the requirements of Act 446. As at 29 Oct 2021, 95% of our CFA applications have been approved and the remaining 24 applications are pending issuance by DOL upon conclusion of their inspections. *Note: The issuance of CFAs was affected by Movement Control Order arising from the COVID pandemic.*
- Various amenities such as a laundromat, canteen, mini market and recreational facilities available within the accommodation to cater to our workers' daily needs.



Accommodation improvement plan and progress

Click here or scan the QR code to view our accommodation improvement plan and progress (under Improved Accommodation section)

Our accommodation is in compliance with the Act 446: Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990



SOCIAL:
HUMAN RIGHTS & LABOUR MANAGEMENT RELATIONS

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

COMMUNICATING WITH SUPPLY CHAIN VIA TOWN HALL SESSIONS

- We are committed to building a sustainable business in our operations together with our business partners.
- Our business partners affirm their commitment towards sound and sustainable business practices by signing Top Glove's Business Partners' Code of Conduct.
- We share our values particularly in the area of labour practices with suppliers via town hall sessions, followed by post-town hall audits to cultivate the human rights awareness & best practices.
- On 30 September 2021, we invited our suppliers to participate in our inaugural *Top Glove Sustainability Webinar: Suppliers & Contractors* with a view to communicating Top Glove's ESG practices and our expectations of our intermediaries.

ENGAGEMENT WITH WORKERS

- Guided by the Group's policy on Human Rights and Ethical Conduct, workers have the right to freedom of association and collective bargaining.
- Our subsidiary, Eastern Press Sdn Bhd is covered by collective bargaining agreements, with the notice period for consultation and negotiation specified in collective agreements.
- In operations where formal unions do not exist, all workers are covered under the Workers Welfare Committee, for which workers in every factory have the right to elect their respective worker representatives for each nationality and gender. Engagement details with worker representatives are articulated under the "Grievance Mechanism" section.

ENHANCE HUMAN RIGHTS TRAINING AND AWARENESS

- Towards making our engagement with workers more effective and instilling human rights awareness among our workforce, our initiatives include:
 - a. Collaborated with International Organization for Migration (IOM) in and March 2021 to conduct a series of workshops to combat forced labour. We trained about 100 targeted participants on International Recruitment Integrity System (IRIS) & Corporate Responsibility in Eliminating Slavery and Trafficking (CREST) topics. The primary purpose of the collaboration is to promote stronger migrant employment and ethical recruitment practices in our operations and supply chain. IRIS helps identify ethical labour recruiters and align their business practices to the IRIS standard, while CREST promotes the awareness of modern slavery and guides companies to eradicate it.
 - b. We had several in-house sessions on Ethical Labour Practices and Understanding the Social Compliance Audit facilitated by our internal experts, which have garnered close to 400 participants including our Head of Departments and Human Resources Business Partners.
 - c. Conducting various town hall style meetings, workshops, and social dialogues sessions for workers.
 - d. Making worker representation more effective and holding regular meetings with the management.
 - e. Organising joint training sessions with workers, supervisors and the management on prevention of workplace bullying policy.
 - f. Educating workers to raise grievances on available grievance channels, especially the independent grievance helpline managed by Impactt.
 - g. In FY2021, a total of 7,095 training hours on human rights policies or procedures concerning aspects of human rights that are relevant to operations were conducted for 215 staff. Number of training hours increased 761% from 824 hours in FY2020.



SOCIAL:
OCCUPATIONAL HEALTH & SAFETY

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

OCCUPATIONAL HEALTH & SAFETY



Management approach: Investment in employees' health and safety is the best prevention towards any negative impacts such as risks on health & safety of our employees & low productivity. At Top Glove, we recognise our responsibility in providing a safe and healthy workplace for our employees by enhancing the safety process within our operations, providing necessary technical and educational support in occupational safety and health as well as enhancing our healthcare initiatives.

OCCUPATIONAL SAFETY:

Guided by the Group's Occupational Safety & Health (OSH) Policy, the Safety Department and Committee which consists of 1,099 members from management, staff and worker representatives, leads the safety management initiatives and strategies of the Company.

Workers' participation in the OSH management system is equally important in the Company. At quarterly Safety and Health Committee meetings, which provide a forum for discussion about OSH matters at workplace, there is equal representation from worker representatives who have the right to raise any health and safety related matters for discussion and resolution.

As at September 2021, a total of 3 factories, namely factory F5, F9 and F23, or 6% of total factories were certified with the Occupational Health & Safety Management System ISO 45001:2018. Considering the large number of factories we have, we aim to certify another 10 factories with ISO 45001:2018 in FY2022, which brings the total certified factories percentage to 28%. We target to certify 100% of our factories with ISO 45001:2018 in FY2025.

We have key assessment monitoring systems in place for the following:

- a) Chemical Health Risk Assessment (CHRA)
- b) Noise Risk Assessment (NRA)
- c) Chemical Exposure Monitoring (CEM)
- d) Audiometric, Local Exhaust Ventilation (LEV)
- e) Heat stress
- f) Medical surveillance
- g) Indoor Air Quality
- h) Control of Industrial Major Accident Hazards (CIMAH) Assessment

We conduct workplace safety & health risks assessment through:

- a. Observation, interviews and implementation of Hazard Identification, Risk Assessment and Risk Control (HIRARC), the relevant trainings for which have been provided to employees. Through HIRARC, following feedback from workers, an accident investigation will be conducted with the Safety and Health Committee, process owner with the involvement of related staff and workers. For example, through HIRARC, we identified working at height without proper railing or safety harness as one of the safety hazards and have taken corrective action to install proper railings at the platform.
- b. Implementation of monthly Corrective Action and Preventive Action (CAPA), through Safety and Health Committee meeting with the participation of staff and workers.
- c. Implementation of unsafe condition and unsafe act (UA/UC) monitoring and reporting through TG GOODSAFE online reporting.

Top Glove Good Safe Programme:

In September 2020, we launched Top Glove Good Safe Programme to all Malaysia factories. The Good Safe Programme is an analytic tool to predict focus area in avoiding unwanted incident.

Factory's safety officers to have safety walkabout to identify hazards through unsafe act & unsafe condition (UA & UC) based on BSCI standards, UA & UC to be tracked in the system to ensure action being taken. Every "Good Safe" needs to be prioritized to close it eg. if high severity within 2 hours, or up to 5 days for moderate/low risk cases.

We managed to achieved 90% of closure rate in FY2021, compared with 80% of target set. It is in the pipeline to train non-safety officer committee to conduct the Good Safe walkabout.

SOCIAL:
OCCUPATIONAL HEALTH & SAFETY

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

Safety training:

We continuously conduct training to improve and enhance employees' safety awareness to prevent accidents and incidents. Trainings include Work Instruction (WI) covering safety precautions which are provided to workers. Other training scopes include HIRARC, PPE, chemical spillage, machinery handling, Emergency Response Team, working at height, etc.

| Safety Committee & Officers attended safety training (%) | Non-Safety Committee & Non-Safety Officers attended safety training (%) |
|--|---|
| 21.3% | 78.7% |

Safety data:

In FY2021, we regret to report that there were 2 contractor fatality cases, in which the contractors fell from height while carrying out their tasks due to insufficient Method of Statement by the contractors and lack of on-site supervision. We also recorded 2 cases of contractor work-related injuries.

We are determined to continue our mitigation efforts to keep both our employees and contractors safe. We have taken immediate action to install more proper railings at the platforms and have also tightened our permit process for contractors. All contractors without proper safety PPEs will not be allowed entry to Company premises. We also continuously emphasise building organisational capacity and operational controls that will act as a barrier to accidents being escalated to life changing or fatal outcomes.

In the same reporting year, we also regrettably recorded 1 employee workplace fatality, where the victim was electrocuted having come into contact with a broken lamp bulb. To safeguard against future reoccurrence, the following preventive actions have since been implemented:

1. Light bulb relocated to a place with lower foot traffic
2. Changed to a safer type of bulb
3. Carried out periodical inspections on lighting system
4. Installed RCBO (Residual Current Breaker with Over Current)

| Financial Year | Employees safety data | | | |
|--|-----------------------|--------|--------|--------------------------|
| | FY2018 | FY2019 | FY2020 | FY2021 |
| Employee fatalities rate (percentage) | 0 | 0 | 0 | 0.01 |
| Number of employee fatality case | 0 | 0 | 0 | 1 |
| Percentage of employees covered for LTIFR (%) | 100 | 100 | 100 | 100 |
| Lost-Time Injury Frequency Rate (LTIFR) (number/ a million hours worked) | 1.0 | 0.9 | 1.1 | 0.92 |
| Number and rate of high consequence work-related injuries (including fatalities) | N/A | N/A | N/A | Number: 71 Rate: 3.24 |

Progress:

Improvement of LTIFR was due to effective implementation of the TG Good Safe Programme, inspection on hazard spotting monitoring and frequent trainings. This has led to the reduction of cases by category such as sharp object/ edge, chemical and falling.

SOCIAL:
OCCUPATIONAL HEALTH & SAFETY

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

- FY2021 accident rate:**
3.24 per 1,000 workers
- Short term target:**
To reduce accident rate by 9.5% to 2.93 per 1,000 workers in FY2023 (against FY2021)
- Medium term target:**
To reduce accident rate by 14% to 2.77 per 1,000 workers in FY2025 (against FY2021)

Our strategies towards achieving these targets include:

1. Promoting the concept of Plan, Do, Check, Act (PDCA) and continuous improvement on safety and health across all levels in the organisation
2. Focusing on engineering control to reduce safety and health risks
3. Strengthening the safety and health training program
4. Enhance Contractor Management System
5. Continuous audits and inspections

PROMOTING WELLNESS:

Towards looking after the mental and physical health of our employees, Top Glove provides comprehensive healthcare facilities and has multiple initiatives in place in the form of holistic wellness programmes. As at 17 September 2021, Top Glove also had a 46 strong team of wellness professionals dedicated for this purpose.

We Provide the Best Healthcare to Our Employees

Top Glove has **46 Wellness Team Members** as at 17 September 2021

| 32 Medical Professionals | | 2 Ambulances | | 11 Wellness Professionals | | 3 Fitness Professionals | |
|----------------------------|-----------------|-----------------------------------|-------------------|---------------------------|----------------------|-------------------------|--|
| 10 Medical Doctors | 4 Nurses | 7 Nutritionists | 1 Fitness Trainer | 1 Dentist | 1 Dietitian | 2 Fitness Assistants | |
| 2 Mental Health Counselors | 5 Clinic Admins | 1 Naturopathy Wellness Consultant | | 4 Medical Assistants | 1 Branding Executive | | |
| 1 Assistant Pharmacist | 4 Paramedics | 1 Health Admin Executive | | 1 Radiographer | | | |

The medical team is managed by Top Glove Global Doctors Medical and Dental Clinic (TGGD) in Meru, Klang as our occupational health provider. TGGD attends to our Klang workforces' health and safety needs, and also those of the communities nearby.

SOCIAL:
OCCUPATIONAL HEALTH & SAFETY

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

Our key initiatives in promoting good physical and mental health:

| | |
|--|--|
| <p>Launching of Zero Harm on Mental Health Programme</p>  <p>Health talks for employees</p> |  <p>Workers Health Protection Programme (WHPP) which is fully subsidised by Top Glove and entitles workers to complimentary blood screening, vision and hearing assessment.</p> |
| <p>Promoting 5 Healthy Wells:</p> <div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid orange; border-radius: 50%; padding: 5px; text-align: center;">Clean Well</div> <div style="border: 1px solid orange; border-radius: 50%; padding: 5px; text-align: center;">Eat Well</div> <div style="border: 1px solid orange; border-radius: 50%; padding: 5px; text-align: center;">Work Well</div> <div style="border: 1px solid orange; border-radius: 50%; padding: 5px; text-align: center;">Exercise Well</div> <div style="border: 1px solid orange; border-radius: 50%; padding: 5px; text-align: center;">Sleep Well</div> </div> <p>Quarterly BMI (Body Mass Index) monitoring</p> <p>Weight Management Programme: “Mission Slim Possible” & “Gain It Right” with nutritionist guidance for ideal weight management.</p> |  <p>Subsidised healthy vegetarian meals delivered to employees’ factories/offices. In FY2021, we invested RM7.2 million in supporting employees with 1.44 million healthy vegetarian meals. This included 22,000 packs of complimentary vegetarian meals for Monday assembly and 1.42 million subsidised meals to reduce the need to commute for food, thus minimise the exposure risks during the pandemic. Under the subsidised vegetarian meal programme, the Company subsidises RM5 for each staff’s meal, while workers need only pay RM1 for each subsidised meal. The Company has a total of 114 vegetarian employees.</p> |
|  <p>Complimentary access to gymnasium facilities & sports subsidy</p> | <p>Complimentary counselling services</p> |

In FY2021, we recorded an average of 2.18 days of sick leave per employee (man days lost 0.7%). Average hospitalisation leave per employee during the same reporting year was recorded at 0.3 days with man days lost of 0.095%. Both sick leave and hospitalisation leave were mainly COVID related, for which employees with symptoms underwent self-quarantine at home or were admitted to hospital.

In an effort to raise mental health awareness in the corporate sector, promote mental wellness and break the stigma about mental health in the workplace, Top Glove launched its inaugural Zero Harm on Mental Health programme on 10 October 2021, in conjunction with World Mental Health Day.

Initiated by the TGGD Mental Health Clinical and Crisis Support Team, this programme, together with the existing Zero Harm and Safety Health Emergency Preparedness Programme introduced in 2019, provides a comprehensive safety and wellness action plan for Top Glove employees.

Key highlights of the Zero Harm on Mental Health programme:

- Educational posters and information cards in seven (7) different languages in factories, offices and hostels on how staff and workers can reach out for help, as well as tips on how they can manage their mental wellbeing. This will also be accessible via the Workers Learning App, which all workers have access to.
- Facilitates the prompt management of crisis and employees’ mental health symptoms through crisis intervention and counselling, as well as psychotherapy.



▲ Top Glove Founder and Executive Chairman Tan Sri Dr Lim Wee Chai (right) receives a green ribbon pin badge from Malaysian Mental Health Association President Professor Dato’ Dr Andrew Mohanraj (left), as a symbol of his support of promoting mental wellness

SOCIAL:
1. OCCUPATIONAL HEALTH & SAFETY
2. INFECTIOUS DISEASES

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

To support employees in achieving work life integration for maximal well-being, Top Glove has implemented a series of family friendly policies below in FY2021:

| | |
|--|---|
| <p>Extended maternity leave up to 67 consecutive days on full pay. This is in excess of the legally required minimum of 60 days.</p> | <p>Working parents with child under the age of 12 and expectant mothers have the option to work from home for an aggregate of 30 days in a year or to change work shift schedule.</p> |
| <p>Mothers are given an option to have additional 23 consecutive days of work from home after maternity leave, so that they can ease into work while still attending to their newborn.</p> | <p>Fully-paid family care leave to support our employees who care for immediate family members diagnosed with terminal illness, injuries, disabilities or in need of special medical attention.</p> |
| <p>Paternity leave is not stipulated in Employment Act 1955. However, we have further extended fully-paid paternity leave up to 3 days for all working fathers.</p> | <p>Flexible work arrangement in addition to family care leave. Employees have an option to work from home for an aggregate of 10 days in a year depending on eligibility and specific needs.</p> |
| <p>After completing the paternity leave, staff have an option to have 14 consecutive days to work from home to facilitate bonding with their newborn.</p> | <p>Upgrading of nursing rooms to support breastfeeding employees.</p> |

Parental leave data:

| Scope | Gender | FY2021 (number) |
|---|--------|-----------------|
| Total no. of employees who were entitled to parental leave | Female | 4,478 |
| | Male | 5,698 |
| Total no. of employees who took parental leave | Female | 195 |
| | Male | 165 |
| Total no. of employees who returned to work in the reporting period after the end of parental leave | Female | 195 |
| | Male | 165 |

INFECTIOUS DISEASES



Management approach: Our response to the COVID pandemic underscores our commitment towards being a people centric corporate citizen while ensuring business sustainability. We prioritise the safety of our employees and stakeholders, whilst continuing to produce high quality medical gloves, adapting to the new norm in global business environment and supporting the community and front liners.

The COVID pandemic has led to the surge of demand of medical gloves globally. During the challenging period, we have worked hard to produce high quality medical gloves to meet the needs of our customers. The 4 key ways in which we have responded to ensure we protect our people, support the community and business partners while ensuring business sustainability are as articulated in the next page:

SOCIAL:
INFECTIOUS DISEASES

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

a. Prioritising health and safety of our workforce

- Improvement of workers' accommodation
 - Please refer to "Human Rights" section on page 115 for further details.
- COVID vaccination for employees
 - In support of the Malaysian Government's effort to achieve a higher vaccination rate in Malaysia, Top Glove has commenced its on-site COVID vaccination programme under Program Imunisasi Industri COVID Kerjasama Awam Swasta (PIKAS) on 19 July 2021 in Meru, Klang, Selangor. As at 25 October 2021, 94%, or 20,720 of our global workforce were fully vaccinated.



- COVID helplines to support employees on all COVID related enquiry
- Frequent disinfection
- Provision of essential PPEs including face masks and sanitisers
- Designated isolation hostels for workers in need of quarantine
- Leveraging technology for safe communications
- Risk assessment and tracking
- COVID helpline and careline
- Healthy vegetarian meal subsidy and delivery to reduce the need to commute for food
- For more details of our COVID preventive measures, please visit to:



COVID Preventive Measures

Click here or scan the QR code to view our COVID preventive measures

b. Supporting humanitarian and emergency relief efforts

- Through our charity arm, Top Glove Foundation, we rolled out and supported various community outreach programmes to support the community during this challenging time, such as Lend A Hand (LAH) Project, Blind Masseurs Project, Rise Against Hunger & Yayasan Food Bank Projects. Please refer to pages 131 to 132 in this report for more information.
- Donated RM191 million in financial aid, PPE and medical devices to support communities and front liners during the COVID pandemic, including the donation of 12 million pieces of medical gloves.
- Food aid to local community in Bangka Belitung, Indonesia.

c. Keeping our business partners connected

- We continuously reviewed our operational strategies to support our customers and improve our production efficiency on an ongoing basis, towards maintaining a competitive edge.
- Leveraged Digital Enhancement Project to track and analyse data more effectively.
- We supported our vendors, ensuring their continuous operations and facilitated delivery of goods to Top Glove with issuance of support letters.
- We continuously sourced and onboarded new reputable vendors to sustain our business.
- We worked with a minimum of 3 vendors for each item procured to ensure no shortage of any material.
- We supported our critical customers with sharing of shipment costs when shipment cost surged during the pandemic.
- We increased our communication with our suppliers via online platforms to better coordinate raw material deliveries.

d. Product and customer base diversification

- We diversified our product range and penetrated new markets by venturing into manufacturing non-glove products such as facemasks, hand sanitizers, liquid hand wash, tourniquets and rubber reclaimed rubber products.
- We embarked on e-Commerce platforms such as TGeBuy, Shopee & Lazada to retain and attract customers during the pandemic.
- We invested in enhancing the Customer Portal features, enabling customers to self-serve in terms of retrieving documents, checking order status and accessing other relevant information.
- To ensure uninterrupted supply, we established our in-house supply such as concentrated latex and packaging material.
- With product hygiene as a top priority, we invested in "contactless" automated packing and handling systems to ensure that our gloves transit from the production line into packaging without human intervention, minimising the possibility of contamination. Adoption of automation has resulted in significantly lower costs and has increased manufacturing efficiency. Our productivity surged by 80%, with workers per million pieces of gloves (WPM) dropping from 8.4 WPM to the current 1.8 WPM, reducing our dependency on manual labour. This assists us in overcoming the labour shortage caused by restrictions on recruiting migrant workers as a result of international border closures.

SOCIAL:
DIVERSITY & INCLUSION

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

DIVERSITY & INCLUSION



Management approach: At Top Glove, we embrace diversity and inclusivity as we believe a diverse and respectful culture is the key to boosting staff morale, retaining talent and improving productivity. We are committed to providing equal opportunities in recruitment and career growth, and have zero tolerance for discrimination whether based on gender, ethnicity, nationality, cultural background, marital status, disabilities, political inclination, union membership, religion, sexual orientation or age.

Our diverse global workforce (in number):

| Group | Category | FY2018 | FY2019 | FY2020 | FY2021 |
|-------------------------------------|-----------------------------|--------|--------|--------|--------|
| Total no. of employees | | 17,226 | 17,539 | 20,835 | 22,741 |
| Nationality | Malaysia | 3,600 | 4,380 | 7,590 | 10,176 |
| | Thailand | 924 | 953 | 409 | 1,333 |
| | China | 351 | 256 | 290 | 234 |
| | Vietnam | 165 | 95 | 164 | 294 |
| | Myanmar | 445 | 472 | 1,218 | 827 |
| | Indonesia | 139 | 542 | 939 | 834 |
| | Nepal | 5,968 | 4,779 | 4,555 | 3,698 |
| | Bangladesh | 5,095 | 5,677 | 5,447 | 5,171 |
| | Others | 539 | 385 | 223 | 174 |
| By employment type | Permanent | 4,879 | 5,588 | 19,750 | 21,532 |
| | Contract | 12,347 | 11,951 | 333 | 391 |
| | Interns | 548 | 1,029 | 752 | 818 |
| By category | Lower management | 13,813 | 13,340 | 15,441 | 15,915 |
| | Junior management | 1,289 | 1,497 | 2,047 | 2,617 |
| | Middle management | 1,671 | 2,190 | 2,775 | 3,523 |
| | Upper management | 398 | 453 | 506 | 603 |
| | Senior management | 47 | 53 | 52 | 69 |
| | Executive management | 8 | 6 | 14 | 14 |
| By age group | Below 30 | 10,410 | 10,523 | 13,559 | 14,812 |
| | 30 - 50 | 6,399 | 6,665 | 6,888 | 7,525 |
| | Above 50 | 417 | 351 | 388 | 404 |
| By ethnicity (Malaysia only) | Malay | N/A | 2,741 | 4,837 | 6,720 |
| | Chinese | N/A | 958 | 1,569 | 1,765 |
| | Indian | N/A | 619 | 1,051 | 1,263 |
| | Others | N/A | 56 | 120 | 428 |

Malaysia workforce (in number):

| Nationality | Category | FY2018 | FY2019 | FY2020 | FY2021 |
|-------------|----------------------|--------|--------|--------|--------|
| | Malaysian | 3,592 | 4,378 | 7,589 | 10,161 |
| | Non-Malaysian | 11,575 | 12,472 | 11,459 | 10,183 |

SOCIAL:
DIVERSITY & INCLUSION

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

Gender diversity:

| Financial Year | FY2018 | FY2019 | FY2020 | FY2021 |
|--|--------|--------|--------|--------|
| Employee breakdown by gender (in numbers) | | | | |
| Female | 4,160 | 4,386 | 6,052 | 7,030 |
| Percentage | 24% | 25% | 29% | 31% |
| Male | 13,066 | 13,153 | 14,783 | 15,711 |
| Percentage | 76% | 75% | 71% | 69% |

Leadership positions (managers & above) held (in numbers)

| | | | | |
|------------|-----|-----|-----|-----|
| Female | 240 | 282 | 306 | 229 |
| Percentage | 54% | 55% | 53% | 52% |
| Male | 207 | 230 | 266 | 212 |
| Percentage | 46% | 45% | 47% | 48% |

Board of Directors' gender diversity (in numbers)

| | | | | |
|------------|-----|-----|-----|-----|
| Female | 4 | 5 | 5 | 5 |
| Percentage | 33% | 42% | 42% | 42% |
| Male | 8 | 7 | 7 | 7 |
| Percentage | 67% | 58% | 58% | 58% |

| | |
|---|--|
| Number of staff with differing abilities recruited: 27 persons | Percentage of female employees in a management position in the Marketing Department: 61% |
|---|--|

Percentage of **female employees in top management** position (Executive management & senior management): **31%**

| | |
|---|---|
| <p>Basic salary ratio of men to women</p> <ul style="list-style-type: none"> ▶ Male employee ratio of entry level wage to minimum wage: 1:1 ▶ Female employee ratio of entry level wage to minimum wage: 1:1 | <p>Our targets in demonstrating best gender diversity practices:</p> <ul style="list-style-type: none"> ▶ Short term: To achieve 44% female participation in managerial position in FY2022 ▶ Medium term: To achieve 50% female participation in managerial position in FY2025 ▶ Status as at FY2021: 52% female participation in managerial position |
|---|---|

SOCIAL:
DIVERSITY & INCLUSION

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

Prevention of Harassment & Bullying:

In FY2021, a total of 34 harassment incidents were reported and resolved. Throughout the investigation process, we ensured that the affected employee's safety was well protected at all times, which included concealing their identity. As a responsible employer, we continue to look for ways to go above and beyond in supporting the wellbeing of our employees. In line with our efforts, we have also proactively engaged with professional counselling service providers to assist our employees during these difficult times. At the same time, stern disciplinary actions including dismissal, will be taken against the perpetrators if proven guilty upon investigation.

The improved grievance mechanism in place has provided our employees a safe platform to raise grievances. Besides our strategies in effectively enhancement of the grievance mechanism, preventing harassment also include:

1. Enhancement of our policies, which include:
 - a. Prevention of Sexual Harassment Policy
 - b. Prevention of Bullying Policy
 - c. Grievance Procedures
2. Periodically reviewing our policies
3. Training and awareness among employees

Recruitment:

| Financial Year | FY2018 | FY2019 | FY2020 | FY2021 |
|---|--------|--------|--------|--------|
| Total new recruits (number) | 5,342 | 4,570 | 6,264 | 9,720 |
| Breakdown by age group (percentage, %) | | | | |
| Below 30 | 77 | 78 | 87 | 88 |
| 30 to 50 | 22 | 21 | 12 | 11 |
| Above 50 | 1 | 1 | 1 | 1 |

Breakdown by gender (percentage, %)

| | | | | |
|--------|----|----|----|----|
| Female | 16 | 33 | 40 | 38 |
| Male | 84 | 67 | 60 | 62 |

Breakdown by nationality (based in Malaysia, percentage, %)

| | | | | |
|---------------|----|----|----|----|
| Malaysian | 23 | 44 | 81 | 85 |
| Non-Malaysian | 77 | 56 | 19 | 15 |

TVET Recruitment

| | | | | |
|---|------|------|-----|---------|
| TVET (Technical and Vocational Education and Training) students recruited | N/A* | N/A* | 641 | 2,962** |
|---|------|------|-----|---------|

* Data tracking commenced in FY2020

** Increase in TVET intake was due to impact from COVID, which resulted in recruitment of more skilled workforce

SOCIAL:
DIVERSITY & INCLUSION

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

Turnover:

| Financial Year | Staff Turnover | | | |
|---|--------------------|--------------------|--------------------|-------------------|
| | FY2018 | FY2019 | FY2020 | FY2021 |
| Turnover rate | 17.73% | 16.30% | 18.60% | 18.50% |
| Manufacturing industry turnover rate (based on calendar year) | 17.76% (year 2017) | 16.68% (year 2018) | 15.78% (year 2019) | 15.5% (year 2020) |

Breakdown by age group (percentage, %)

| | | | | |
|----------|--------|--------|--------|--------|
| Below 30 | 79.71% | 74.51% | 78.80% | 80.50% |
| 30 to 50 | 17.42% | 20.78% | 17.70% | 18.50% |
| Above 50 | 2.86% | 4.71% | 3.40% | 0.90% |

Breakdown by nationality (based in Malaysia, percentage, %)

| | | | | |
|---------------|--------|--------|--------|--------|
| Malaysian | 97.14% | 86.53% | 89.78% | 90.30% |
| Non-Malaysian | 2.86% | 13.47% | 10.22% | 9.70% |

| Financial Year | Worker Turnover | |
|---|--------------------|--------------------|
| | FY2020 | FY2021 |
| Turnover rate | 21.37% | 26.47% |
| Manufacturing industry turnover rate (based on calendar year) | 20.52% (year 2019) | 24.36% (year 2020) |

Breakdown by age group (percentage, %)

| | | |
|----------|--------|--------|
| Below 30 | 71.65% | 77.13% |
| 30 to 50 | 27.49% | 22.30% |
| Above 50 | 0.86% | 0.57% |

Breakdown by nationality (based in Malaysia, percentage, %)

| | | |
|---------------|--------|--------|
| Malaysian | 53.54% | 70.01% |
| Non-Malaysian | 46.46% | 29.99% |

* Tracking of workers' turnover rate commenced in FY2020

Talent development:

Upholding the principle of equal treatment and inclusivity, we believe every employee has the right to access to trainings and well-being treatment. We take great pride in the professionalism and talent exhibited by our people who consistently raise our brand name.

We launched the Top Glove Workers' Learning App (TGWLA) for our workers in Malaysia to enable our workers to perform mobile-based learning too. This mobile app caters a wide range of multilingual videos, articles and assessments to enhance and support learning ranging from technical, safety, soft skills and mental health topics. To enlist workers' acceptance, over 100 familiarization sessions were conducted in their native languages spanning about a year.



Click here or scan the QR code to view our talent development initiatives

Total training investment in FY2021: **RM1.18 million**

Total of **355,780** training hours achieved

Categories of training: **70% technical and functional, 30% soft skills**

SOCIAL:
DIVERSITY & INCLUSION

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

Employee training hours:

| Management category | Training hours | Training Details (per employee) | Training hours |
|---------------------|----------------|--|----------------|
| Lower | 34.94 | Average training hours | 63.15 hours |
| Junior | 102,317.18 | Average days of training | 9.02 days |
| Middle | 209,942.05 | Average training hours (Female employee) | 71.34 hours |
| Upper | 39,985.35 | Average training hours (Male employee) | 55.51 hours |
| Senior | 3,114.65 | | |
| Executive | 389.87 | | |

Effectiveness of training (percentage of training has met its objective): **89.00%**

Total voluntary hours clocked by employees **61,152 hours**

Staff engagement survey:

In FY2021, to further enhance workplace inclusivity and improve internal processes, the Company engaged an independent third party consultant to conduct an anonymous employee engagement survey. Being the first year we worked with an external party for the exercise, we started with a representative sampling size of 4,000 respondents, covering all demographics of employees, across all levels, job grades, years of service, annual performance ratings and the like.

The survey yielded a response rate of 79%. This was slightly lower than those of the previous financial years, as the questions and methodology used differed from those when the survey was done in house, towards garnering more targeted feedback. Employee satisfaction scores (those within the Above Average Satisfaction category) decreased in comparison with preceding years, against the backdrop of the pandemic, during which the company continued operating, having been classified as essential services. This resulted in the need for operations staff to be stationed on-site, rather than work from home, as the Company endeavoured to fulfil the urgent global glove demand.

Based on the survey results which identified room for improvement in work environment, as well as rewards and recognition, strategic intents were developed with a view to strengthening these key areas under the Human Resources pillar. These included streamlining the pipeline for key and mission critical positions, creating impactful leadership programs, revamping the Performance Management System and conducting a Job Analysis/Job Evaluation Exercise to develop a more robust Rewards Framework.

Staff engagement survey results:

| Financial Year | FY2018 | FY2019 | FY2020 | FY2021 |
|--|--------|--------|--------|--------|
| Percentage of total employees covered | 90% | 90% | 90% | 79% |
| Survey results with Above Average Satisfaction | 58.79% | 70.83% | 75.23% | 49% |

Worker engagement survey:

We also rolled out worker engagement survey in FY2021, the results of which showed an improvement compared with the previous year. Generally, workers are satisfied with the hostel improvement initiatives and the training sessions provided such as the Company's Grievances Mechanism and Prevention of Sexual Harassment and Bullying. The Company is in progress to conduct a feasibility study on improving recreational facilities and recognition initiatives.

Worker engagement survey results:

| Financial Year | FY2020 | FY2021 |
|--|--------|--------|
| Percentage of total employees covered | 70% | 85% |
| Survey results with Above Average Satisfaction | 84% | 88% |

SOCIAL:
PRODUCT QUALITY & SAFETY

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

PRODUCT QUALITY & SAFETY



Management approach: We are committed to manufacturing products which meet the highest quality and safety standards. As a global healthcare product manufacturer who has customers in 195 countries, we adhere to a stringent quality assurance process, ensuring we comply with each country's requirements.

To improve our competitive edge, we strive to ensure continuous improvements, but also breakthroughs in processes and technology to achieve quality excellence. Key strategies in improving our product quality & safety include the following:

a. Investing in Research & Development (R&D), digitalisation and automation

- a. Please refer to page 54 in "Letter to Stakeholders and Management Discussion & Analysis" section for details.

b. Implementation of Quality Management System

- a. As at FY2021, 100% of our glove factories are certified with Quality Management System (QMS). We target to certify 100% of our non-glove factories with QMS in FY2022.

c. Enhancing skills and knowledge of employees, for example:

- a. Structured Packing Executive Enrichment & Development (S.P.E.E.D) Programme, a 4-month job specific development training programme for Packing Executives.

d. Suppliers training on product quality

- a. Product quality is a key agenda in our engagement session with suppliers the inaugural *Top Glove Sustainability Webinar: Suppliers & Contractor* for which was held on 30 September 2021.

e. Compliance with product labelling regulations

- a. In FY2021, there were no incidents of non-compliance with regulations concerning product labelling or marketing communications (including advertising and promotions) for our in house brands.
- b. On 6 September 2021, we published the Top Glove Advertising and Product Representation Principles and trained the relevant personnel on the core advertising principles and unacceptable general claims.
- c. 100% of our significant products are covered by and assessed for product labelling compliance. In FY2021, we have zero incidents of non-compliance with regulations concerning:
 - i. Product information and labelling
 - ii. Marketing communications, including advertising, promotions and sponsorship

| Financial Year | FY2018 | FY2019 | FY2020 | FY2021 |
|--|--------|--------|--------|--------|
| Number of product recalls | 0 | 0 | 0 | 0 |
| Number of regulatory agencies inspection | 0 | 0 | 0 | 0 |
| Number of Form 483 Observations and FDA Warning Letters received | 0 | 0 | 0 | 0 |

SOCIAL:
SUPPLY CHAIN MANAGEMENT

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

SUPPLY CHAIN MANAGEMENT



Management approach: Implementing good ESG practices at our own operations is not sufficient as the value chain poses significant impact for business sustainability. Guided by the Top Glove Business Partners' Code of Conduct, we share our ESG values with our business partners, to ensure a sustainable business relationship and business operations in all the key important areas, including human rights, environmental compliance and business ethics.

We are committed to ethical sourcing and responsible consumption, ensuring the products manufactured by us are truly sustainable. Our strategy in ensuring sustainable supply chain management includes supplier audit in terms of ESG metrics and traceability, such as Forest Stewardship Council (FSC) certification.

In FY2021, we enhanced our existing supplier audit checklist to address ESG concerns in the supply chain. Our set target in supplier assessment are as below:



Forest Stewardship Council (FSC) certification:

Both our latex concentrate plants (Factory F16L and F17L) in Thailand are Forest Stewardship Council™, FSC certified; Factory 16L (SGSHK-COC-470093) was certified since June 2019 while Factory 17L (CU-COC-874579) was certified in January 2021. Meanwhile, one of our glove factories located in Malaysia, Factory 13, also received its FSC™ certification (CU-COC-877534) in March 2021.

In FY2022, we aim to obtain certification for our packaging material factory, Factory F34PM and one additional glove production factory.

Supply chain data:

| Type of supplier | Absolute number of suppliers | Share of total procurement spent (%) |
|---------------------------|------------------------------|--------------------------------------|
| Total tier 1 suppliers | 4,005 | 100% |
| Critical tier 1 suppliers | 327 | 65% |

Percentage of procurement budget spent on local suppliers by country:

| Country | Percentage (%) |
|----------|----------------|
| Malaysia | 49 |
| Thailand | 30 |
| Vietnam | 1 |
| Other | 20 |

Percentage of local suppliers by country:

| Country | Percentage (%) |
|----------|----------------|
| Malaysia | 75 |
| Thailand | 17 |
| Vietnam | 4 |
| Other | 4 |



SOCIAL:
1. SUPPLY CHAIN MANAGEMENT
2. CUSTOMER EXPERIENCE

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

Supplier assessment:

| | |
|---|--------------------------------|
| No. and percentage of critical suppliers assessed on ESG criteria (based on all critical suppliers) | 159 critical suppliers, or 49% |
| No. of self-audits conducted | 122 |
| No. of site audits conducted | 37 |
| Percentage of new suppliers screened using environmental criteria | 94% |
| Number of suppliers assessed for environmental & social impacts | 159 suppliers |

Supplier assessment has been affected by travel restrictions during the Movement Control Orders imposed by the government.

Supplier town hall

In FY2021, we held 4 supplier town halls covering 412 suppliers, focusing on social compliance practices. Suppliers who attended included our packaging material suppliers, manpower agents, chemical suppliers, latex suppliers and canteen operators.

Topics covered in the town hall are:

1. Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 (Act 446)
2. Top Glove's Business Partner Code of Conduct
3. Occupational safety and health

On 30 September 2021, we invited our suppliers to participate the inaugural *Top Glove Sustainability Webinar: Suppliers & Contractor* to communicate Top Glove's ESG practices and our expectations on our intermediaries.

CUSTOMER EXPERIENCE



Management approach: We frequently engage with our customers to understand their needs, identify our shortfalls and new win win business opportunities. We define good customer satisfaction as not only entailing high quality and efficient low cost products, but also ethical business practices and robust protection of customers' data.

Ethical marketing practices:

Top Glove further solidified our commitment to ethical business practices through the establishment of the Sales & Marketing Code of Conduct, which covers principles of sales, marketing and advertising.



Sales & Marketing Code of Conduct

Click here or scan the QR code to view our Sales & Marketing Code of Conduct

Encompassing the aspects of sales, marketing and promotional activities, ethical customer engagement, safeguarding of information, providing accurate and balanced information about our products and services,

zero tolerance on corruption and bribery, and sustainable business practices, the Sales & Marketing Code of Conduct ensures our employees always exhibit a level of ethical behaviour that exceeds legal requirements.

Towards ensure our personnel deliver exceptional customer service, a variety of E-learning modules, and training programs are conducted continuously to all Sales and Marketing employees to ensure the utmost compliance with the Sales & Marketing Code of Conduct, and to equip them with comprehensive product knowledge, and other soft skills.

In the past 4 financial years, there were no legal actions or fines related to anti-competitive behaviour and violations of anti-trust and monopoly legislation.

SOCIAL:
1. SECURITY MANAGEMENT
2. LOCAL COMMUNITY

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

Customer satisfaction survey:

Our customer satisfaction survey focuses on four key areas for customers: price competitiveness, product quality, delivery and services. From the survey results, we conducted an analysis to identify areas for improvement. In the first half of FY2021, we scored low in terms of price competitiveness and delivery. Due to the COVID pandemic which had resulted in exceptionally high glove demand and long lead time, delivery of glove products had been affected and this has reflected in the customer satisfaction survey results. Concerted efforts were made to address this issue, including organic factory expansion and increasing our capacity to better meet market demand.

| Financial Year | FY2018 | FY2019 | FY2020 | FY2021 |
|---|--------|--------|--------|--------|
| Customer satisfaction (%) | 77 | 74 | 72 | 71 |
| Percentage of total customers responded (%) | 12 | 19 | 19 | 14 |

SECURITY MANAGEMENT



Management approach: The safety of our employees, premises including hostels and assets is very important to the Company. Top Glove is one of few Malaysian companies with its own pool of auxiliary police towards guarding the safety and security of our employees and premises.

In FY2021, we increased our auxiliary police by 83% to 150 auxiliary police to safeguard Top Glove premises including Top Glove Tower (our headquarters), hostels, Klang & Malaysia factories located outside Klang areas.

Leveraging on digitalisation, we improved our security mobile application ResQ which employees may use to report any safety/security incidents, rolling out Version 2.0, which was improved to be more user friendly and efficient. During the same reporting year, we have also expanded the Security Operation Management System ISO 18788 certification scope to cover factories located outside Klang areas.

LOCAL COMMUNITY



Management approach: we are committed to creating positive and long term community impacts for a sustainable future, especially for the generations to come. The Top Glove Foundation (TGF) is the Company's main charity arm for community support and outreach initiatives, which focuses on community development, education support and environmental conservation.

- In FY2021, a total investment of RM702,252 has been made to support various causes initiated by TGF
- As of FY2021, a total of RM30.6 million in various contributions was made by TGF
- Total volunteer hours contributed by employees in FY2021: 61,152 hours. Out of these volunteer hours, 44,851 hours were related to supporting pandemic related initiatives such as glove packing, PIKAS vaccination program and delivery of PPE donations



Community engagement initiatives

Click here or scan the QR code to view more community engagement initiatives

SOCIAL:
LOCAL COMMUNITY

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

COMMUNITY DEVELOPMENT:

We support the communities in need through various projects such as philanthropic giving, food aid and internship opportunities. In FY2021, we have reached out and helped more than 1,000 needy families, schools and charity organisations.

BLIND MASSEURS PROJECT



An initiative to support 110 blind masseurs with weekly distribution of food and basic essentials for approximately 100 days at Brickfields

93 employees involved

421 volunteer hours contributed

CSR PROGRAM WITH SHEREEN KHOO

Assisted a senior citizen and a single mother to two sons, both with Autism Spectrum Disorder (ASD) to earn a living by selling handicrafts to Top Glove staff

42 employees involved

160 volunteer hours contributed

LEND A HAND (LAH) PROJECT



Food Bank (groceries and facemasks) to 1,036 families from B20/B40 households in communities surroundings of our factories

208 employees involved

881 volunteer hours contributed

RISE AGAINST HUNGER AND YAYASAN FOOD BANK PROJECTS



Packing of hydrated dry ration to serve communities in need

35 employees involved

225 volunteer hours contributed

EDUCATION SUPPORT:

11 scholarships awarded with total value of more than RM½ million in FY2021

As at FY2021, a total of 109 scholarships were offered, with monetary investment value of RM3.4 million

Total number of internship placements: 2,107

MEDICAL FACE MASK DONATION TO SCHOOLS



Donation of 92,000 pieces of medical face masks, valued at RM27,600 to 78 secondary schools around Malaysia for PINTAR Care Programme 2021

EDUSHARE PROGRAMME



Donated 17 units of reconditioned and usable laptops/PCs to registered Welfare Homes, Community Centres and Tuition centres for the Poor

SUPPORTING FACILITIES UPGRADING FOR SCHOOLS

Contributed close to RM30,000 to the following beneficiary schools:

- Tabung Pendidikan SMJK Tsung Wah to Upgrade School Facilities such as Desks and Chairs, Whiteboards, and Notice Board for School Students
- Persatuan Ibubapa dan Guru SMK Convent Bukit Nanas to purchase study tables
- SJKC Tar Thong Penang for New Building Fund and maintenance fee for Montfort Youth Centre

ENVIRONMENTAL CONSERVATION:

GROW GREEN PROJECT



To build an in-house nursery and ensure every workstation at Top Glove has a potted plant to create greener work environment

70 employees involved

176 volunteer hours contributed

PUBLIC GOTONG ROYONG WITH THE LOCAL COMMUNITIES



Gotong Royong activities carried out by Top Glove staff together with the local communities

156 employees involved

321 volunteer hours contributed

SOCIAL:
LOCAL COMMUNITY

All content and data in this page has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd

ECO BRICKS: GIVE THE EARTH A BREAK

To construct plastic bottle packed tightly with used plastic waste to upcycle into modular structures such as tables and chairs to drive awareness in terms of reducing and reusing plastic waste

330 employees involved

1,272 volunteer hours contributed

UDR (UPCYCLING, DOWNCYCLING & RECYCLING) PROJECT

An initiative to manage Upcycling, Downcycling & Recycling (UDR) of factories' scraps and general waste

14 employees involved

28 volunteer hours contributed

SPORTS SUPPORT:

SUPPORTING OUR ATHLETES



Top Glove supports our athletes in golf, badminton and football games