



NEW TOYO
International Holdings Ltd

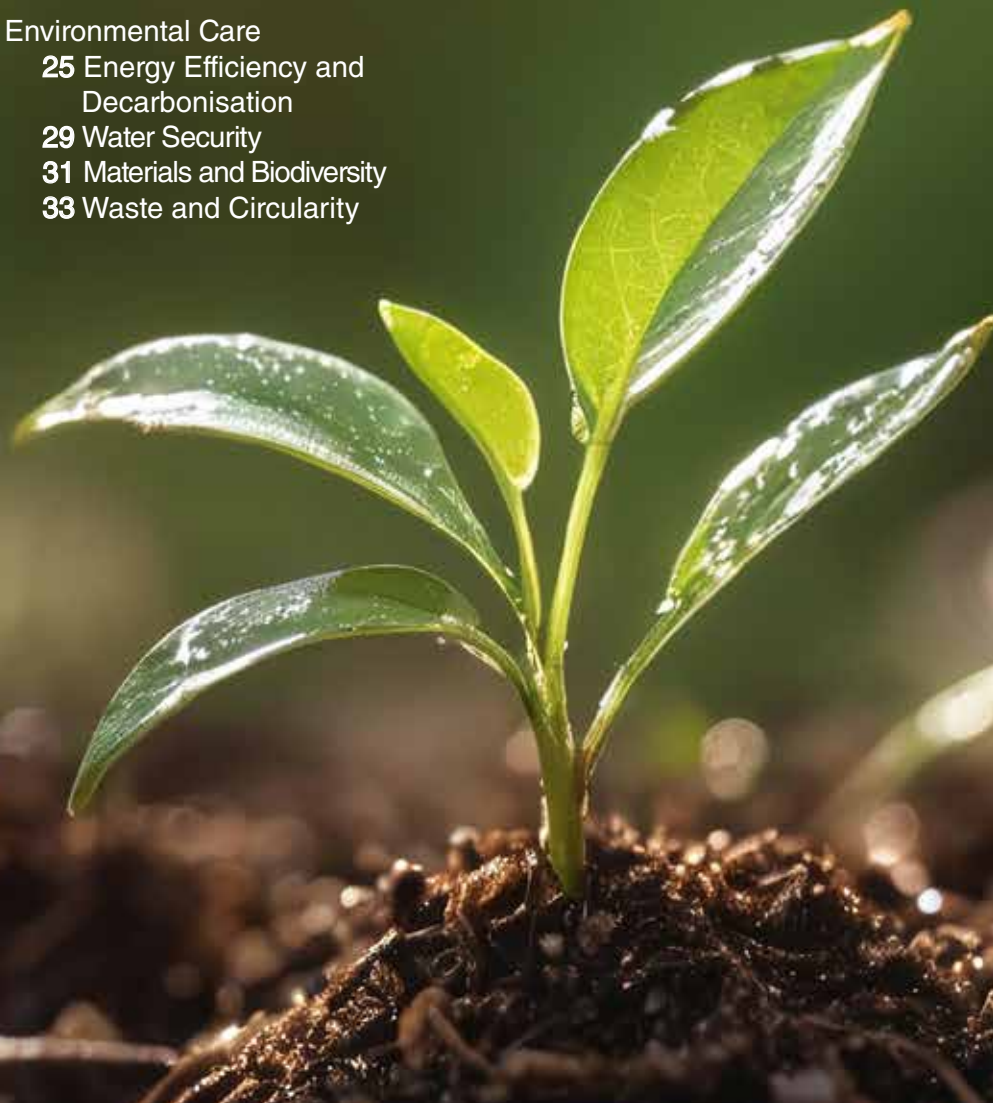
**TAKING CHARGE ON OUR
SUSTAINABILITY COURSE**

S U S T A I N A B I L I T Y R E P O R T 2 0 2 3



CONTENTS

- 01 About New Toyo
- 03 Overview of Sustainability Report
 - 03 Reporting Boundary
 - 03 Sustainability Report Framework
 - 03 Restatement of Information
 - 03 Assurance and Review
- 04 2023 Highlights
- 06 Climate and Sustainability Governance
 - 06 Message from the Board
 - 07 Sustainability in Our Board
 - 08 Sustainability Governance and Leadership
 - 09 Policies and Practices
 - 11 Climate-related Risks and Opportunities: Scenario Analysis
 - 20 Stakeholder Inclusiveness
 - 21 Materiality Assessment
- 23 Moving Forward in Sustainability as a Group
- 24 Environmental Care
 - 25 Energy Efficiency and Decarbonisation
 - 29 Water Security
 - 31 Materials and Biodiversity
 - 33 Waste and Circularity
- 35 Supplier of Choice
 - 36 Product and Service Quality
 - 37 Anti-corruption
- 38 Responsible Employer
 - 39 Human Capital and Diversity
 - 45 Occupational Health, Safety and Wellbeing
 - 46 Workforce Development
 - 48 Community Engagement
- 49 Economic Performance
- 50 Independent Verification Statement
- 52 GRI Content Index
- 57 TCFD Content Index



ABOUT NEW TOYO

GRI 2-1, 2-6

New Toyo International Holdings Ltd, established in 1975, is a provider of specialty packaging materials. We operate through two key divisions: Specialty Papers and Printed Carton and Labels. The Specialty Papers division focuses on high-quality laminated foil paper, coated paper, and metalized paper production. Conversely, the Printed Carton and Labels division specializes in gravure and lithographic printing of packaging materials for consumer staples sector. Headquartered in Singapore, we strategically spread our manufacturing facilities across Singapore, Malaysia, Vietnam, Dubai and Indonesia, to effectively support our extensive customer base in the Asia Pacific and the Middle East. Additionally, the company has established a trading arm and a dedicated operation for producing corrugated cartons. This sustainability report will only cover our Specialty Papers division's, trading arm's and investment holding's operations (hereafter collectively referred to as "New Toyo"). Our Printed Carton and Labels division's sustainability initiatives and performance are reported separately in Tien Wah Press Holdings Berhad's Annual Report according to Bursa Malaysia's listing rule. New Toyo International Holdings Ltd was listed on the mainboard of the Singapore Exchange on 4th April 1997.



Approaching
50 YEARS
In Operation



2
Core Divisions



7
Manufacturing Facilities



1000+
Employees

“Innovating Sustainable Packaging Excellence”

At New Toyo, we are deeply cognizant of our responsibility to both our stakeholders and the planet. We strive to lead in pioneering innovation in sustainable packaging solutions. Our commitment to sustainability drives us to continuously explore new opportunities and technologies that minimize environmental impact while maximizing performance and quality. By integrating sustainability into our business practices, we aim to not only meet but exceed the expectations of our customers and stakeholders while making a positive impact on the planet.

New Toyo position ourselves for sustainable growth as we introduce new sustainability policies to complement our long-standing mission, vision and value. In 2023, we established six guiding principles for New Toyo's transition towards sustainability and enhancement in our sustainability capabilities.

MISSION

To grow shareholder value through quality packaging solutions and services

VISION

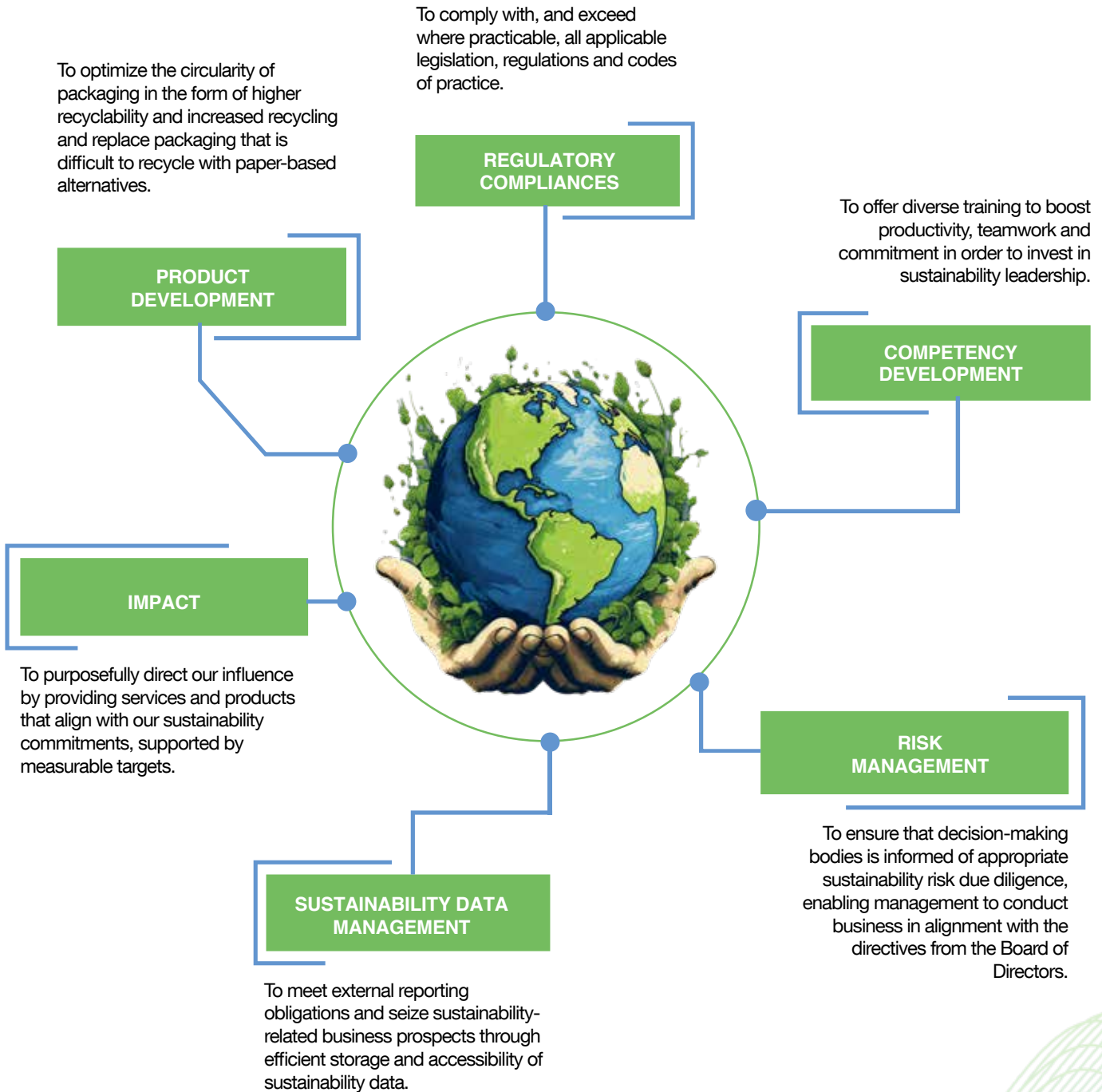
To be the preferred supplier of consistently high-quality packaging materials

VALUES

Teamwork | Excellence | Innovation |
Creativity | Honesty + Integrity

ABOUT NEW TOYO

Guiding Principles Towards Sustainability



OVERVIEW OF SUSTAINABILITY REPORT

Reporting Boundary

GRI 2-2, 2-3a, 2-3b, 2-3c, 2-6d, 2-14

New Toyo's seventh annual sustainability report covers the financial year 2023 ("FY2023") from 1 January 2023 to 31 December 2023. This report details our sustainability policies, management approaches and initiatives in New Toyo International Holdings Ltd ("NTIH"), New Toyo International Co Pte Ltd (trading arm, hereafter "NTIT") and Specialty Paper Division. Our Specialty Paper Division comprises of New Toyo Aluminum Paper Product Co. Pte Ltd ("NTA"), Paper Base Converting Sdn Bhd ("PBC"), New Toyo Aluminum Golf Paper Packaging FZE ("NTG"), and New Toyo (Vietnam) Aluminum Paper Packaging Co., Ltd ("NTVN").

There have been no changes in the operational size, structure, business activities, value chain, or sector of operation compared to the reporting period of FY2022. There were no minority interests involved. There was no relevant mergers, acquisitions, or disposal of entities in the reporting period that falls under the reporting boundary of this report.

The insights into policy, practices, and performance metrics revealed in this report result from a thorough analysis of formal documents and operational statistics directly sourced from New Toyo's official records. This report is only available in a digital version and available on our website, www.newtoyo.com/investannualreport.htm.

Sustainability Reporting Framework

GRI 2-2c, 2-4, 2-6a

The sustainability report is prepared with reference to the Global Reporting Initiative ("GRI") Universal Standards 2021 for higher comparability with New Toyo's peers in the industry and to align disclosures across all our facilities. The GRI and TCFD content index can be found on page 52 to 57 of this report. Our climate-related disclosures adopted the guidelines from Task Force on Climate-related Financial Disclosures ("TCFD"). Recognising the importance of participating in and supporting international commitments, our sustainability practices and initiatives aligned with the UN Sustainable Development Goals ("UN SDGs") and Paris Agreement.

As we are a publicly listed company in the paper and forest product industry, we abide by SGX's sustainability reporting requirements under Listing Rule 711A, 711B and Practice Note 7.6 Sustainability Reporting Guide including the 'comply or explain' requirement for climate reporting. The development of this report incorporated the six primary components stated in SGX Listing Rule 711B including Material ESG factor; Climate-related Disclosures; Policies, Practices and Performance; Targets; Sustainability Reporting Framework; and Board Statement.

Feedback

GRI 2-3d

We welcome feedback from our stakeholders for further improvement in our sustainability performance and reporting. For enquiries regarding New Toyo's sustainability initiatives or the content of this report, please contact us at

Sustainability Reporting Officer

Email address: enquiry@newtoyo.com

Restatement of Information

GRI 2-4

We adopted the Operating Margin emission factors for our grid electricity emission calculation and calculated the emissions from FY2022's solar-generated electricity consumption using grid electricity emission factor to improve the accuracy of our emission computation methodology. The effects of the restatements are our FY2021 and FY2022 Scope 2 emissions increased by 12% and 10% respectively, when compared to the previously reported emissions.

Assurance and Review

GRI 2-5

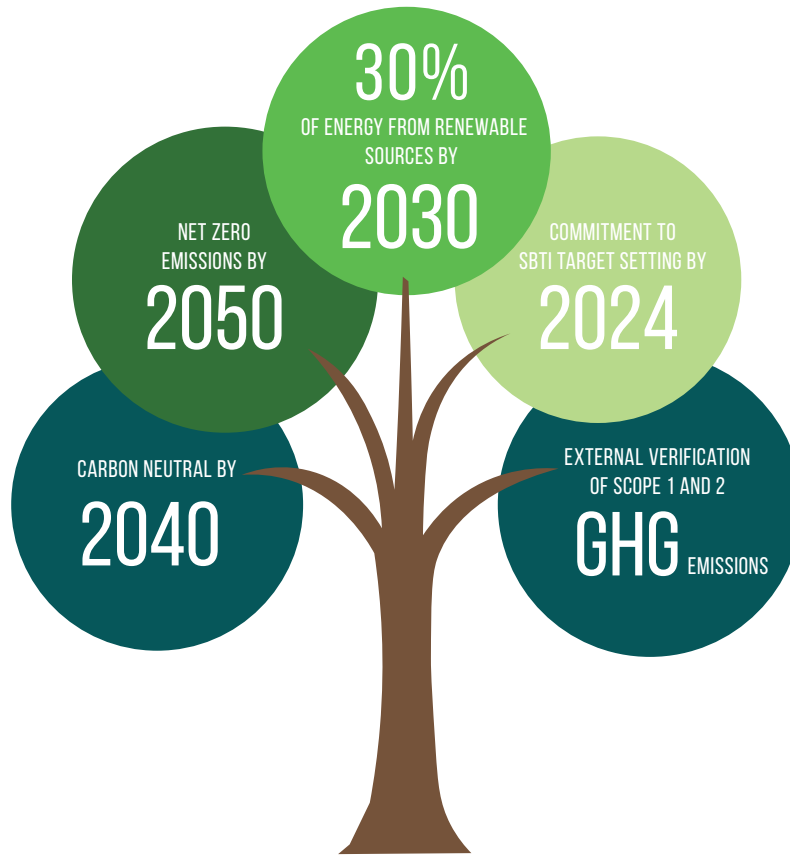
Following the guidelines in SGX Practice Note 7.6 Sustainability Reporting Guide, New Toyo conducted an internal review of our sustainability reporting processes for FY2023. Our internal auditor employed the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors to ensure proper implementation of our sustainability reporting process and the accuracy of the presented data. Integrated within our sustainability governance, our internal audit enhances controls and risk management for transparent, verifiable, accurate and balanced reporting.

This year, we have engaged Intertek Deutschland GmbH to provide verification at limited level of assurance for our Scope 1 and 2 greenhouse gas ("GHG") emissions. The independent verification statement can be read at page 50 to 51.

2023 HIGHLIGHTS

Our Path Forward

The Group is committed to carbon neutrality by 2040 and net zero by 2050. Group-level targets for energy, waste, water, biodiversity, child labor, workplace health and safety, and diversity have also been defined.



Progress in Sustainability

6%

reduction in total energy consumption compared to FY2022



9%

reduction in Scope 1 and 2 absolute emissions compared to FY2022

2.3%

reduction in water withdrawal compared to FY2022



0.053 TON/TON

waste intensity per production volume compared to FY2022's 0.058 TON/TON



100%

recycling rate for Non-Hazardous Waste and

93%

recycling rate for total waste generated

2023 HIGHLIGHTS

Sustainability Recognition

We were honored to receive these accolades, which underscore our dedication to sustainability and our efforts in mitigating climate change.



Silver EcoVadis Medal by PBC in 2023, placing PBC among the top 25% of companies assessed



Silver EcoVadis Medal by NTA in 2022, placing NTA among the top 25% of companies assessed



Discloser of CDP's Climate Change, Forests and Water Security Questionnaires



Winner of the 2023 Most Transparent Company Award for the Material Category



NTA recognized as a LowCarbonSG Participant under the Carbon Pricing Leadership Coalition Singapore's Decarbonisation Initiatives



NTVN awarded the Ho Chi Minh City Green Business Award

Progress in Sustainability


2% 
increase in the proportion of renewable materials used compared to FY2022

External verification of Scope 1 and 2 emissions
Scope 3 emissions accounting for major categories

46% 
women in management roles

38% 
reduction in rate of recordable work-related injuries compared to FY2022

42%
increase in average training hours per female employee compared to FY2022

1% 
reduction in employee turnover compared to FY2022

Investment in communities including participation in SICC May Day Charity, scholarship sponsorship and donation for social causes.

CLIMATE AND SUSTAINABILITY GOVERNANCE

Message from the Board

GRI 2-9b, 2-12, 2-14, 2-22

Dear Stakeholders,

2023 was a year of evident climate changes, with heavy rainfalls, floods, landslides and wildfires happening across the world. Specific for paper and forestry sector, global warming is a major contributor to loss in biodiversity and aggravation of pest conditions. Policymakers have taken various countermeasures to curb the impact of climate change. The 28th Conference of the Parties (“COP28”) sees that multiple countries renewed their commitments to their respective Nationally Determined Contributions (“NDCs”) under the Paris Agreement. As a responsible corporate citizen, it is our vital role to participate and support these international initiatives for a better, more sustainable future. With this recognition comes a profound commitment that New Toyo’s success is not only measurable by growth in shareholder value, but also by our positive social and environmental impacts.

Globally, there is a shifting landscape of consumer preferences amidst the growing urgency surrounding environmental sustainability. Consumers’ likelihood to switch to competitors offering more sustainable solutions could erode our market share. Additionally, the implementation of Extended Producer Responsibility and the trend towards non-packaging solutions impact our traditional revenue streams.

New Toyo views these challenges as opportunities for growth and differentiation. By proactively addressing environmental concerns, we are convinced that embracing sustainability opens doors for product diversification and expansion into new markets. The Board and management have already taken significant steps to mitigate these risks and capitalize on the opportunities presented. We have invested in research and development (“R&D”) to explore recyclable packaging materials with innovative barrier technologies. To boost our productivity, our initiatives range from lean manufacturing and efficient use of raw materials to product design, and product range and process optimisation. Our commitment to reducing emissions is evident through our investment in the installation of solar panels at our facilities and initiating Scope 3 GHG emissions inventory. Furthermore, we are actively exploring initiatives to decarbonize our operations, such as replacing diesel-fuelled equipment with electrical alternatives.

Climate change presents significant risks to our business. Increased carbon pricing and evolving sustainability reporting requirements could translate to higher compliance costs. As we invest in alternative and energy-efficient machinery, unfamiliarity with novel technology and solutions necessitates careful navigation. In terms of acute physical risk, our facilities could be facing logistics disruption, supply chain interruption and closure resulting from extreme weather events.

It is precisely in navigating these climate-related risks that sustainable solutions become crucial. We as the Board prioritise incorporating climate-related risks and opportunities into our core decision-making and business strategy. The Board meets with the Board-level Audit Committee quarterly to review New Toyo’s sustainability and climate-related risks, monitor progress towards established targets and ensure alignment with stakeholders’ priorities. For FY2023, we as the Board have validated the relevance of all seven environmental topics covered by GRI Topic Standards, demonstrating our commitments to climate change mitigation. Furthermore, we conducted a qualitative scenario analysis to accelerate our understanding, preparedness and resilience against these risks. The outcome of our scenario analysis is included under Section Climate-related Risks and Opportunities: Scenario Analysis.

Looking ahead, our focus remains on sustainable innovation and decarbonization. In alignment with Singapore’s decarbonization pledge for net zero by 2050, we, as the Board, have endorsed a set of group-level targets to enhance our sustainability efforts in the coming years. We are also planning to align our climate target with the Science Based Target initiative (“SBTi”) in the near future.

In conclusion, the Board of New Toyo is steadfast in our commitment to environmental stewardship and sustainability. Through strategic investments, innovation, and proactive initiatives, we are confident in our ability to navigate challenges, seize opportunities, and drive long-term value for our stakeholders while safeguarding the planet for future generations.

CLIMATE AND SUSTAINABILITY GOVERNANCE

Sustainability in Our Board

GRI 2-9, 2-11, 2-15, 2-17

At New Toyo, the Board is supported by the Board-level Audit Committee (“AC”), Nominating Committee (“NC”) and Remuneration Committee (“RC”) for decision-making on all sustainability and climate-related matters. The Board comprises the Executive Chairman, Group Chief Executive Officer, a Non-Executive and Non-Independent Director, and four Non-Executive and Independent Directors, enabling the Board with a majority of independent directors to make decisions in the best interest of the company. Among the four Non-Executive and Independent Directors is the Non-Executive Lead Independent Director to provide leadership in situations where the Executive Chairman is conflicted. Their respective tenures, directorships in other listed companies, other principal commitments and competencies are disclosed in our Annual Report on page 7 to 9. The Board periodically receives training and updates on relevant laws, regulations, accounting standards, risk management, sustainability issues and industry-specific knowledge. The Board has attended sustainability training to build capacity in meeting the recent climate-related reporting requirement.

The Board upholds Provision 1.1 of the Code of Corporate Governance 2018 by putting in place a code of conduct and ethics to set the tone for the group in respect of ethics values and desired organizational culture. Any Director who faces a conflict of interest or a possible conflict of interest in relation to a matter must promptly declare his/her interest at a meeting of Directors or send a written notice to the company containing details of his/her interest and the conflict. Subsequently, he/she shall recuse himself/herself from discussions and decisions on the matter. There was no conflict of interest disclosed or encountered in FY2023. Interested party transaction is disclosed to all stakeholders through New Toyo’s Annual Report.

Whistle-blowing

GRI 2-16, 2-25, 2-26

New Toyo’s whistleblowing policy aims to encourage our employees and external parties to report any misconduct or concern at work without fear of reprisal. Our whistleblowing policy and reporting channel are circulated internally by HODs to ensure transparency in the reporting and review procedure. The Chairman of AC acts as the Receiving Officer of whistleblowing reports. The Receiving Officer will review each report and discuss with management or the AC where necessary. All whistleblowing reports, together with its status, shall be registered and reported in the subsequent quarterly AC meeting. To protect the whistleblower, the Receiving Officer will consider the most appropriate ways to use or disclose any personal information provided to the extent that it assists in dealing with the disclosure. New Toyo may notify an appropriate law enforcement agency if necessary. There were no whistle-blowing reports received in 2023.

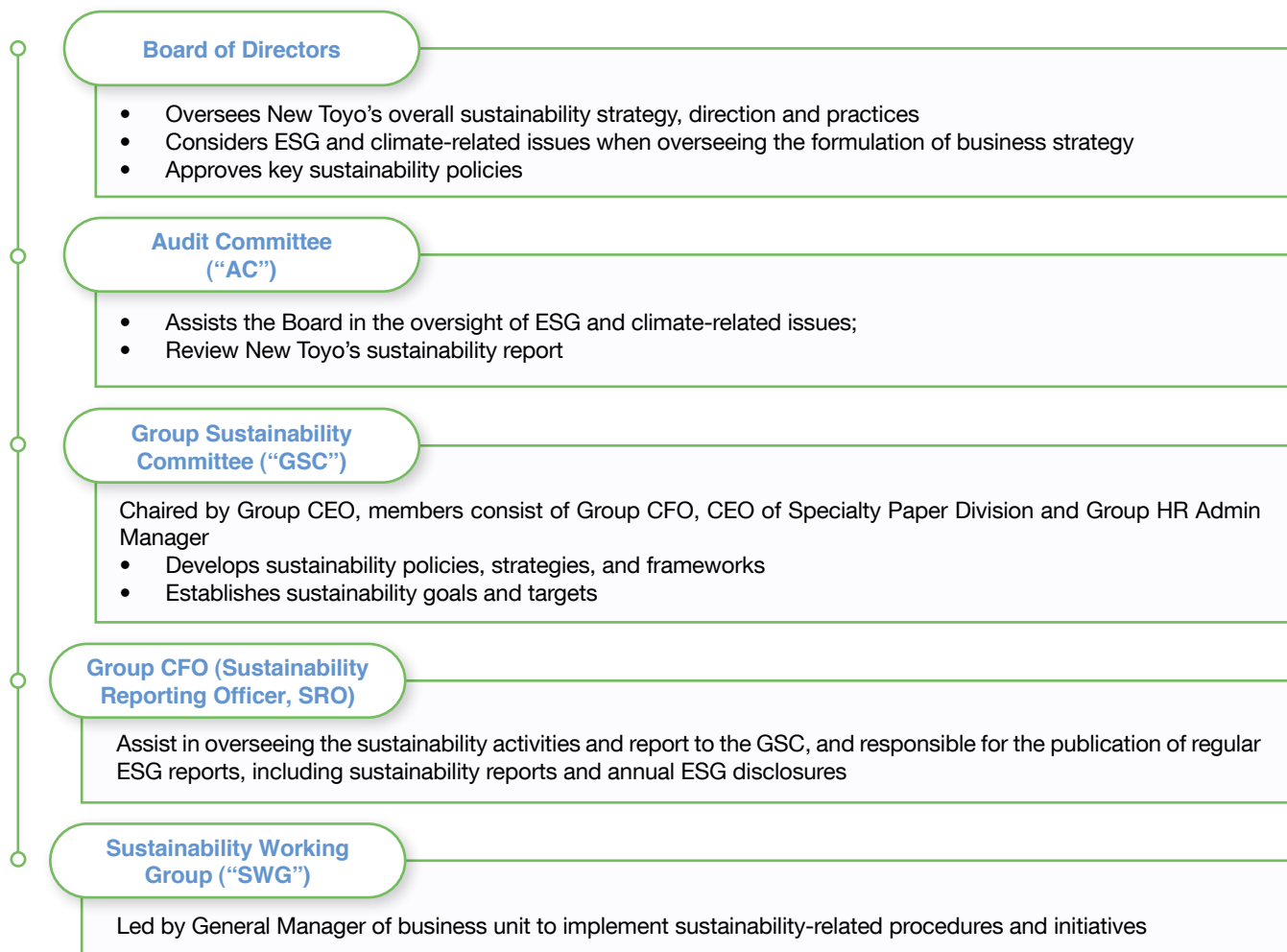


CLIMATE AND SUSTAINABILITY GOVERNANCE

Sustainability Governance and Leadership

GRI 2-9b, 2-12, 2-13, 2-14, 2-25d, 2-26ai

The Board at New Toyo sets the tone and direction for the Group's sustainability strategy and policies and oversees New Toyo's sustainability performance. The roles and responsibilities of the Board, Senior Management and Management personnel in overseeing and managing our sustainability performance can be found in the sustainability reporting structure below.



The GSC reports all ESG-related issues, including two-way communications on the execution of sustainability initiatives and feedback in the remediation of negative impacts, to the AC on regular basis. To ensure sustainability progress in terms of policies implementation, performance towards target set, initiatives implementation and reporting, multiple key personnel including the sustainability/ESG manager, risk analyst, sustainability coordinator and Head of Departments ("HODs") play integral roles "on the ground". When it comes to performance, HODs are the key drivers that perform sustainability-related procedures in consistency with the business plan, sustainability policies and instructions set by the Board and the GSC. They are responsible for understanding the impact on sustainability arising from their area of responsibility and the possible impact on overall sustainability of the Group.

CLIMATE AND SUSTAINABILITY GOVERNANCE

Policies and Practices

GRI 2-23, 2-24, 301, 302, 303, 305, 308-1

New Toyo is dedicated to operating in a manner that upholds our commitment to sustainability, where responsible business practices go hand-in-hand with delivering quality products, ensuring high productivity, and creating value for our shareholders. We understand that sustainability is not just a choice but an imperative for sustaining both our business and the global economy. Our new Group Sustainability Policy serves as the cornerstone of our sustainability efforts, encompassing our dedication to minimizing our environmental footprint and ensuring our operations are conducted responsibly and sustainably. It provides a strategic framework that not only guides our approach to sustainability but also interconnects with our environmental policies addressing climate change, water management, and biodiversity, and our energy conservation policy.

Climate Change Policy

Reduce GHG emissions, transition to renewable energy sources and implement sustainable practices throughout our operations

Water Policy

Responsible water management including efficient water use, pollution prevention and sustainable practices

Biodiversity Policy

Safeguard biodiversity by preserving and enhancing natural habitats, promoting sustainable practices, and minimizing any adverse effects on the ecosystems we interact with

Energy Conservation Policy

Reduce energy consumption to improve energy efficiency and energy conservation



Our Group Sustainability Policy is also supplemented by Code of Conduct, Supplier Code of Conduct, Whistleblowing Policy, Promotion and Transfer Policy and Recruitment Policy to inject responsible and sustainable business practices. The Code of Conduct serves as a guiding principle for all employees when carrying out their duties and dealing with our customers, our competitors, our suppliers, other employees and the community. The Supplier Code of Conduct, on the other hand, is an integral document for suppliers' signed acknowledgment prior to onboarding and covers New Toyo's values and principles on ethical handling of gift and entertainment, anti-bribery and anti-corruption, anti-illicit, anti-competition, anti-money laundering and environmental stewardship. Grievance for misconduct can be raised through the whistleblowing channel. The Promotion and Transfer Policy and Recruitment Policy ensure efficient, fair and open management of our potential and existing talents and are described more under the Section Workforce Development. The highlights of our policy commitments for responsible business conduct throughout our operations and our dealings with supply chain can be found below.

Honest and Ethical Conduct

- Prevention and declaration of conflict of interest arising from outside employment or activities, relationships with external groups and acceptance of gifts and favors
- Prohibition of insider trading, zero tolerance towards fraud and vigilance against counterfeiting customers' products in compliance with laws and regulations

CLIMATE AND SUSTAINABILITY GOVERNANCE

Zero Tolerance towards Fraud

- Covers falsification of financial results, expenses and invoices, alteration of records, failure to account for money collected and intentional provision of false information
- All fraud-related concerns and information concerning New Toyo must be reported
- AC will investigate and refer its findings to the Board
- Law enforcement will be engaged when necessary

Anti-Counterfeiting Policy

- Policy communicated to our Agents and Distributors
- Strict prohibition against production of counterfeits of our customers' products
- Severance of business relationship with confirmed offenders of counterfeit productions

Whistleblowing Policy

- Transparent whistleblowing reporting and reviewing procedures on New Toyo's website
- Chairman of AC as the Receiving Officer
- Strict confidentiality and protection against reprisal for whistle-blowers

Anti-Bribery and Anti-Corruption Policy

- Strict compliance with applicable laws and regulations
- Strict prohibition of offerings to government officials
- Recordkeeping of value and frequency of gifts and hospitality accepted

Anti-Illicit

- Strict compliance with applicable laws and regulations against all illicit trading
- Due diligence to be performed to ascertain customers' legal ownership and go through legal supply chain
- Suspension of trials and deliveries upon discovery that the order is suspicious of illicit trade

Anti-Competition

- Support open and free marketplace to ensure equal opportunities
- Strict compliance with applicable laws and regulations
- Condemnation against exchange of sensitive information with competitors, hamper of potential competitor's entrance to market, market pricing control and setting resale prices with customers or suppliers

Anti-Money Laundering

- Strict compliance with applicable laws and regulations
- Due diligence to be performed to ascertain customers' legitimacy

Human Right Policy

- Supports freedom of employment choice and freedom of association with labor union
- Implement minimum wages and maximum working hours according to local laws
- No child labor, discrimination of all kinds and harsh or inhuman treatment

CLIMATE AND SUSTAINABILITY GOVERNANCE

Climate-Related Risks and Opportunities: Scenario Analysis

Risk Governance

In December 2021, the Singapore Exchange Regulation announced that all issuers must provide climate reporting on a 'comply or explain' basis in their sustainability reports from FY2022 onwards. NTIH, who is listed on SGX main board and falls under the industry Applied Resources (Paper Packaging), needs to prepare sustainability reports with reference to the primary components set out in Listing rule 711B. The primary components in Listing Rule 711B includes climate-related disclosures consistent with the recommendations of the Task Force on Climate-related Financial Disclosures in addressing the four core elements: governance, strategy, risk management, and metrics and targets. New Toyo has started adopting TCFD recommendations from FY2022. This year, we have conducted a qualitative scenario analysis and started data collection for Scope 3 GHG emissions as per the recommended phased approach by SGX to understand the impact of the climate-related risks on our business.

New Toyo remains vigilant in staying informed about the effects of climate change on our operations, acknowledging the staggering estimated global cost of \$16 million per hour¹ attributed to climate-related damage. Environmental concerns turn out to dominate the top 5 risks over the next 10 years in a global context², causing loss of biodiversity and natural resources shortage. Our list of risks aligns towards reducing GHG emissions from our operations, reinforcing our commitment to addressing these challenges.

New Toyo's board of directors, led by the Executive Chairman, is responsible for the overall governance of sustainability and climate-related issues. The board is responsible for sustainability governance and sets the tone and direction for the Group's sustainability and climate-related strategies. In terms of implementation, the board

- oversees the Group's overall sustainability and climate-related practices, and ESG risks as well as the associated opportunities.
- reviews and considers ESG and climate-related issues when overseeing the formulation of and approving overall long-term strategic objectives and directions.
- approves and constantly updates the key sustainability policies, ensures a sound system of risk management and internal controls, and monitors performance against them; and
- sets and instils the right culture throughout the Group and ensures sustainability is embedded throughout all levels of the Organisation.

New Toyo recognizes the urgency of efforts in addressing climate change. Climate-related issues are reported to the board via quarterly board papers. The Group is committed to a sustainable operation and constantly evaluates its mitigating initiatives for relevant negative environmental impact. Through our Enterprise Risk Management, we have identified the climate-related risks that present risks and opportunities in the short, medium, and long terms. We identified the risks based on their severity and likelihood of the risk impact. Below are the four risks identified, out of which three are transition risks and one is physical risk, as the outcome of the survey analysis and buy-in from the board. As a quick summary, the risks are mentioned below:

- Increased pricing of GHG emissions – Policy and Legal transition risk.
- Costs to transition to lower emissions technology – Technology transition risk.
- Changing customer behaviour - Market transition risk.
- Increased severity of extreme weather events such as floods affecting production – Acute physical risk.

¹ <https://www.weforum.org/agenda/2023/10/climate-loss-and-damage-cost-16-million-per-hour/>

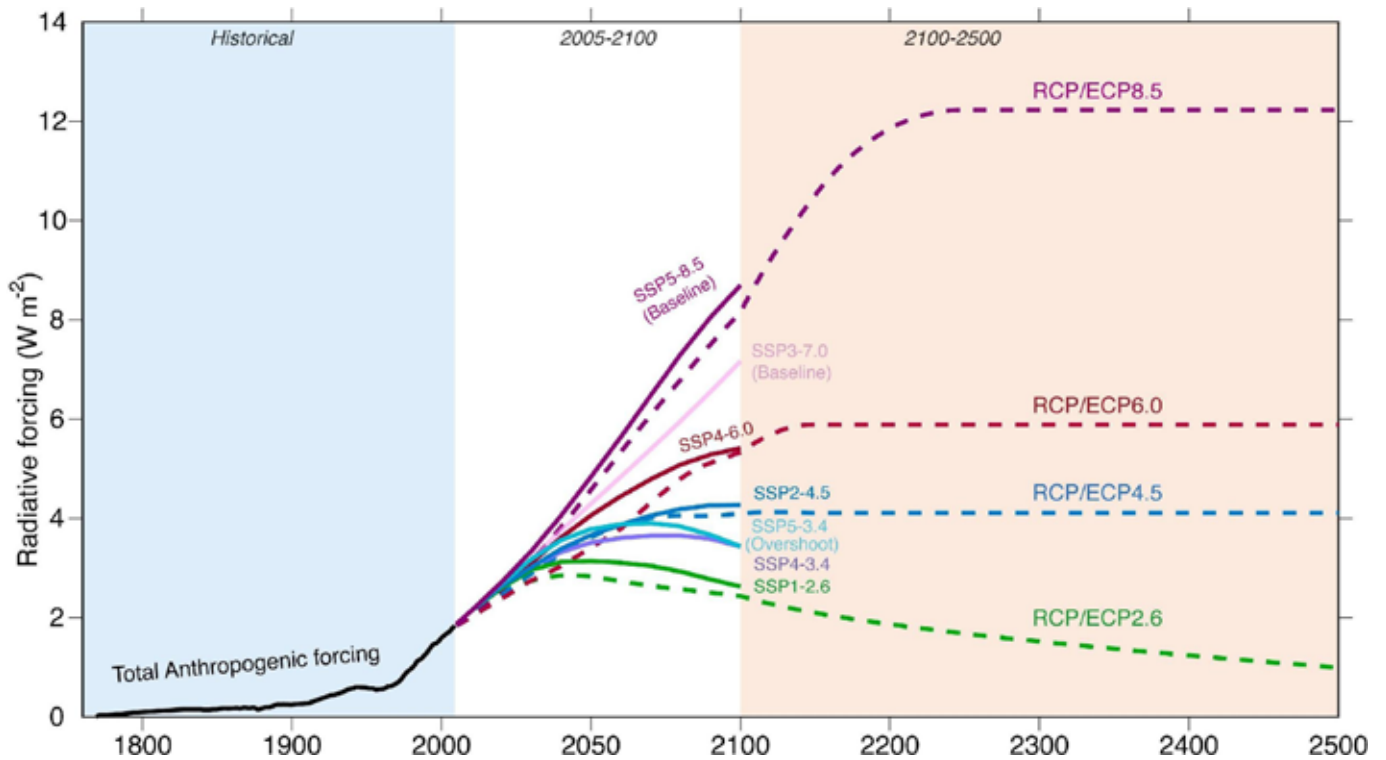
² <https://www.wwf.eu/?12625966/Climate-change-and-nature-loss-poses-greatest-risks-for-humanity-WEF-Global-Risk-Report-2024#>

CLIMATE AND SUSTAINABILITY GOVERNANCE

Qualitative Scenario Analysis

To further our understanding on how these risks can impact our business or provide an opportunity, we conducted qualitative scenario analysis for the two Shared Socioeconomic Pathways (“SSP”) scenarios: SSP1 and SSP4. SSP scenarios are chosen to align with Intergovernmental Panel on Climate Change’s (“IPCC”) guidelines and to ensure that both the impact of societal choices and the emission trajectories are taken into consideration.

Five SSP narratives describe alternative pathways for future society. Each SSP looks at how the different RCPs could be achieved within the context of the underlying socioeconomic characteristics and shared policy assumptions of that world.



Five SSP Pathways. Source: IPCC Ch 1 Supplementary Material³

These climate scenarios provide the base narratives for our climate scenario analysis. We have collaborated with a consultant who has done desktop research, qualitative analysis using credible tools, and has internal and external industry expertise to add content on how a range of business-relevant impacts or opportunities might plausibly play out in each of these scenarios. This exercise helps the board to make informed decisions on the mitigation and adaptation strategies for a sustainable business in the coming years. To have a holistic analysis, all four transition risks and physical risk impacts are analysed for the two SSP scenarios identified and depicted in the following tables.

Definition of time horizon for scenario analysis: Short Term – 1 to 3 years, Medium Term – 3 to 5 years, Long Term – 5 to 15 years.

³ https://www.ipcc.ch/site/assets/uploads/sites/3/2019/11/SROCC_FinalDraft_Chapter1-SM.pdf

CLIMATE AND SUSTAINABILITY GOVERNANCE

New Toyo's Qualitative Scenario Analysis for Transition Risks

TRANSITION RISKS scenario analysis under SSP 1 scenario

SSP1 (temperature varying from 1 to 1.9°C) is the only pathway that meets the aspirational goal of the Paris Agreement by limiting global warming to below 1.5°C. Under this scenario, societies switch to more sustainable practices, with the focus shifting from economic growth to overall well-being. There are more investments in education and health to accelerate the demographic transition. Inequality is reduced both across and within countries.

Impact of Transition risks

High transition risks	Higher push on policies to reduce emissions	Rapid technological changes	Target for net zero by 2050 and limit global warming to 1.5°C	Meeting the demand for sustainable products increases business costs compared to the prevailing sentiments in the regular market. Companies falling behind may encounter regulatory challenges and damage their brand reputation.
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Risk Type	Potential Impacts	Adaptation or Mitigation Strategies
<p>Increased pricing of GHG emissions</p> <p>Policy and Legal transition risk rated as medium in the medium and long term in our risk matrix.</p>	<ul style="list-style-type: none"> Carbon pricing and cost of compliance with regards to local climate regulations Increased business operating costs with rising costs of energy and environmental tax variations Regulators may expect more comprehensive disclosures on climate actions and metrics in the short to medium term. Companies failing to comply may face huge penalties and face challenges to operate the business 	<p>We operate in several countries with manufacturing units or as a supplier. In the short term, New Toyo is not impacted due to carbon pricing, however in the medium to long term defined above policy changes are very likely to kick in and change the outlook of carbon pricing.</p> <p>Carbon pricing, in one form or another, is likely to be an essential element of mitigation strategies as the world transitions to net zero over the next three decades. So far 46 countries have adopted carbon pricing as per International Monetary Fund⁴, aiming to increase this number in the near future. As momentum builds, it is likely that carbon taxes and incentives will be implemented in the coming years.</p> <p>As a strategic response to mitigate, we have stepped up the efforts to embed sustainability within our businesses and across the value chain to reduce the GHG emissions.</p> <p>We proactively keep ourselves updated on the latest regulatory changes in the regions in which we operate.</p> <p>Below paragraphs outline the potential changes in the landscape.</p> <ul style="list-style-type: none"> Singapore⁵, NEA imposes carbon tax to all industrial facilities with an annual direct GHG emissions of 25,000 tonnes of carbon dioxide equivalent (“tCO₂e”). Malaysia⁶ does not levy an explicit carbon price. But considers implementing it in the future. Vietnam⁷ has not adopted carbon taxation but working on a roadmap to apply carbon tax by way of either including in environmental protection tax or introducing as a separate tax. Vietnam plans to establish and trial the Carbon Trade Exchange (“CTX”) from 2025 with full operation expected by 2028. The establishment and implementation of the carbon market is provided for in amendments to the Law on Protection of the Environment and Decree No. 06/2022/ND-CP. United Arab Emirates (“UAE”)⁸ has not yet implemented carbon tax but has indicated strong interest in exploring the possibility of carbon tax. UAE Government will consider the outcome of the ongoing feasibility study and make a final decision.

⁴ <https://www.imf.org/en/Blogs/Articles/2022/07/21/blog-more-countries-are-pricing-carbon-but-emissions-are-still-too-cheap>

⁵ <https://www.nea.gov.sg/our-services/climate-change-energy-efficiency/climate-change/carbon-tax>

⁶ <https://www.mida.gov.my/carbon-pricing-path-towards-carbon-neutral-growth-in-malaysia/>

⁷ <https://www.kwm.com/sg/en/insights/latest-thinking/navigating-the-net-zero-transition-chapter-4-vietnam.html>

⁸ <https://www.fincirc.com/uae-considers-implementing-a-carbon-tax-a-step-towards-a-sustainable-future/>

CLIMATE AND SUSTAINABILITY GOVERNANCE

Risk Type	Potential Impacts	Adaptation or Mitigation Strategies
<p>Costs to transition to lower emissions technology</p> <p>Technology transition risk rated as medium in the short and medium term in our risk matrix.</p>	<ul style="list-style-type: none"> Implementing more energy-efficient processes and technologies may require initial investment for equipment upgrades and technology adoption Discontinuing existing infrastructure and assets add up to sunk costs New technological improvements or changes to the system needs through training to be handed over to the employees, adding to the costs Transitioning to lower emission technologies may require investments in technology and innovation, impacting short-term financials but potentially offering long-term benefits 	<p>As a mitigation strategy, we switched forklift to electricity forklift, purchased a defoaming with PLC control system that can reduce the usage of solvent-based ink product, and increase the water-based ink product by 5% annually. Using more water-based ink is also a commitment to a greener, more environmentally friendly production process. We will continue to expand this in our other facilities in the near future.</p> <p>As technological breakthroughs are often through R&D, we are aware that investment in R&D and innovation has to be prioritized as part of our operations. To date, we have developed board and paper with recyclable barriers and ability to preserve food and liquid over time, which are adapted to demands for food and product safety and have a low climate footprint. Our strategies to develop new products include R&D to improve the recyclability and barrier properties of our products, and explore viable renewable packaging materials. Also, New Toyo is prepared to invest in machines and inspection equipment for new barrier technology. We understand these investments bear long-term benefits.</p> <p>We continuously explore technological advancements in the packaging industry and embrace innovations that guide us towards becoming a more sustainable packaging company.</p> <p>For the scenarios where there are lack of any technological innovations and the business-as-usual (“BAU”) is to continue, we adapt by diversifying our energy sources and raw material procurement sources and secure our infrastructure and people by building early warning systems to reduce the impacts of climate change.</p>
<p>Changing customer behavior</p> <p>Market transition risk rated as medium to high in the medium and long term in our risk matrix.</p>	<ul style="list-style-type: none"> Conscious customers are creating demand for green and sustainable products, ignoring such changing consumer behaviors and trends can result in a loss of market share and reduced profitability for businesses To rework and bring the cleaner manufacturing process and products with little or no carbon footprint adds cost at every point of the value chain like procuring renewable energy and water sources, managing waste of the BAU infrastructure Influence on competitive position due to customer and end consumer preferences regarding low-carbon manufacturing process and circularity of the products with a high recycling rate Negative perception from use of fossil fuels usage and unsustainable materials in the manufacturing process may lead to reputational damage 	<p>As a mitigation response, we actively engage and educate suppliers within its value chain regarding climate-related issues. We recognize the potential risks that climate change poses to the supply of our raw materials; as part of our approach, we communicate our expectations for all our suppliers to demonstrate environmental stewardship and adhere to relevant environmental laws and regulations via our Supplier Code of Conduct. Additionally, we ensure that our suppliers attain certification to minimize the environmental footprint associated with our products.</p> <p>We aim to build mutually beneficial, forward-looking relationships with our customers through an unwavering promise of quality and customer service excellence, whilst aligning to our customers’ expectations related to ESG aspects. Our manufacturing base and operations are strategically located in the Asia Pacific and Middle East which allows us to be within arm’s reach of our valued customers. New Toyo seeks to optimize the circularity of packaging in the form of higher recyclability and increased recycling.</p> <p>Our strategy is to improve the circularity of our products, work on our adaptability to the emerging challenges and understand market dynamics. In the long term, we shall work with the consultants to understand the complete product footprints and identify the hotspots and work towards resolving it.</p>

CLIMATE AND SUSTAINABILITY GOVERNANCE

Opportunities Arising from the Transition Risks

Proactive risk management, strategic planning and adaptability will be crucial for navigating these challenges successfully. Carbon taxes add up costs to the companies, but also can incentivize a behavioral shift towards cleaner energy and help achieve countries' Nationally Determined Contribution ("NDC") commitment. We have started carbon accounting and reporting our Scope 1, Scope 2, and Scope 3 emissions.

The push to decarbonisation has provided opportunities for us to bring in energy efficiency technologies to reduce overall energy consumption. Our initiatives extend from lean manufacturing and efficient use of raw materials to product design and product range and process optimization reducing the amount of raw material, resulting in lower CO₂ emission. We have installed solar panels at our Vietnam facility in 2022 to reduce our energy consumption from the grid. Quantifying emissions puts us in the right direction of setting out targets. These initiatives bring cost benefits to the company with the advancements in technology, preparing us as we scale up over time.

Our expansion of product range to sustainable and renewable solutions could expand the stream of revenue. As we expand our product range to environmentally friendly packaging products, we expect the revenue from these environmental-friendly products to gradually develop.

In Singapore, there are some programs to support industry-led initiatives and product development projects for businesses to embrace sustainable business practices and foster a vibrant and conducive sustainability ecosystem. We seize these opportunities when possible. Public and private sector collaboration, along with supportive policies, can accelerate the transition to a more sustainable and low-emission future.

By recognizing and capitalizing on these opportunities, we can not only mitigate the risks associated with the transition to a more sustainable future but also position us for long-term success in a rapidly changing business environment.

New Toyo's Qualitative Scenario Analysis for Physical Risks

PHYSICAL RISKS scenario analysis under SSP 4 scenario

SSP4 (temperature varying from 3 to 7°C) is an inequality scenario which is the closest to the BAU scenario. Emissions will peak around 2080 before declining. It is a stabilization scenario where total radiative forcing is stabilized after 2100 by the employment of various technologies and strategies to reduce greenhouse gases. Highly unequal investments in human capital, combined with increasing disparities in economic opportunity and political power, lead to increasing inequalities and stratification both across and within countries.

Impact of Transition risks

High physical risks	Minimal transition policies are expected to be in place	Rapid technological development, but high challenges to climate adaptation due to persistent inequality and poverty in many parts of the world	Severe physical risks driven by increased GHG emissions despite some technological advancements	SSP4 emissions range from 34GtCO ₂ to 45GtCO ₂ by 2100, with warming of 3.5-3.8°C
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CLIMATE AND SUSTAINABILITY GOVERNANCE

Risk Type	Potential Impacts	Adaptation or Mitigation Strategies
<p>Increased severity of extreme weather events such as floods affecting production</p> <p>Acute physical risk rated as medium to high in the medium and long terms in our risk matrix.</p>	<p>Severe weather can impact transportation routes and logistics, affecting the timely delivery of supplies due to supply chain interruptions. This disruption can lead to raw material shortages, delayed production and impacts on customer deliveries.</p> <p>Productivity loss - Increased overhead costs due to more idle time and higher workforce costs.</p> <p>Floods can contaminate water sources, increasing the risk of waterborne diseases. Employees may face health hazards if they come into contact with polluted water.</p> <p>Long term effects of these extreme weather events may impact our facilities, possibly leading to eventual closure or relocation of affected sites/facilities.</p>	<p>To mitigate these risks, we should invest in robust emergency preparedness plans, implement safety protocols, conduct regular drills, and stay informed about weather forecasts.</p> <p>Integrating climate risk assessments into business planning can help companies adapt to the changing climate and minimize the impact of extreme weather events on the business.</p> <p>Our current actions: We have a Business Continuity Plan in place to cope with disruption in the supply chain, thus the delay won't cause any severe impact on production. Our recovery plan for supply chain delay is</p> <ul style="list-style-type: none"> • Engaging suppliers for stock diversion; • Diversifying supply sources for materials; and • Implement internal transfer and substitution of materials. <p>We maintain inventory on hand based on the risk assessment outcome.</p> <p>Further considerations for New Toyo,</p> <ul style="list-style-type: none"> • Based on the supplier survey, New Toyo has a lot of scope to push suppliers into ESG mature stage category. • Update business continuity plan to include the extreme weather event, flood impacts to the facilities. Ensure all the locations have our mitigation plan ready. <p>Qualitative scenarios analysis for inequality scenario is detailed below.</p>

As a regional supplier of packaging materials with operations based in Singapore, Malaysia, Vietnam, and the United Arab Emirates, extreme weather events such as floods affect us along the value chain. New Toyo has taken note that events affecting maritime routes, like the 2021 Suez Canal obstruction (technical glitch) and recent Red Sea attacks (geopolitical), might affect sea transportation. For mitigation, we referred to publicly available information as a guide. These incidents, which are manageable and predictable as compared to the extreme weather, impacted our supply chain, and caused delays.

In the past, our facilities have experienced logistical challenges due to a typhoon in China. Based on the current incidents of the floods, let us delve deeper into the plausible outcomes of each region when the temperature rises from 3 to 7°C as compared to today with the help of tools and sites such as climate central⁹ and climate central knowledge portal¹⁰.

⁹ <https://www.climatecentral.org/>

¹⁰ <https://climateknowledgeportal.worldbank.org/>

CLIMATE AND SUSTAINABILITY GOVERNANCE

Singapore Floods are a common occurrence in Singapore usually caused by a combination of heavy rainfall, high tides, and drainage problems, especially in low-lying areas. Most floods in Singapore are flash floods that subside within a few hours. Although most floods cause only minor inconveniences, Singapore has also experienced several major floods that have resulted in widespread devastation as well as destruction to life and property (infrastructure and properties).

Singapore has seen some of the country's worst flash floods in the last few years. With the sea level rise due to climate change, the situation could get worse in the long term. As per the Singapore's Third National Climate Change Study (V3), the mean sea level around Singapore is projected to rise by 0.23m to 1.15m by the end of the century, and up to around 2m by 2150 under the high emissions scenario. A higher baseline sea level means we will experience more floods. Higher sea level could worsen the impacts of heavy rain or high tides. If we add an event like heavy rainfall – which is common in Singapore – coinciding with high tide, we will see flash floods that are more damaging than what we experience now.

Singapore is a low-lying island and about 30% of Singapore's land is less than 5m above sea level. Under extreme sea-level scenarios where the sea level rise reaches 4m to 5m in 2100, our coastlines are at risk. Extreme weather events, such as typhoons, rarely hit Singapore, but it has happened before. In 2001, Typhoon Vamei made landfall just north of Singapore. If such rare event were to occur again, it could inflict much more damage with a higher sea level in 2100.

The area around the facility is unlikely to be impacted in the coming years.

Singapore has reported intermittent floodings due to heavy and irregular precipitation. However, control measures by Singapore government helps companies in reducing the impacts to a minimum. In the coming years, facilities located approximately 8.1 km from Johor Strait might be impacted by severity and frequency of rainfall. Considering these factors at this point, flood risks at the Singapore location seem to be unlikely. However, we recommend having mitigation strategies in place for any extreme calamities.

Malaysia Malaysia's geographic location is susceptible to drought, landslides, earthquakes, and storm surges. A large majority of its losses are already attributable to flooding as the region is particularly vulnerable. Malaysia's climate also makes the country particularly vulnerable to vector-borne diseases. The frequency and extreme of flood events have increased in recent decades with projections showing they will continue to increase with continued global warming.

INFORM 2019, an index for risk management, ranks Malaysia at 6.6 on a scale of 0 to 10 for the sub-category of risk for Floods whereas global average is 4.5 for comparison. A higher score represents greater risks. This projection suggests an increased likelihood of flash flooding from Riverine or coastal areas, and the associated hazards such as landslide impacting a large amount of Malaysia's infrastructure systems. With more rains expected in Malaysia, 9% of the land in Malaysia is at risk from flooding, affecting 4.8 million residents (National Disaster Management Agency, 2017).

One significant economic impact of sea level rise in Malaysia is the inundation of its principal maritime port and international trade hub, Port Klang. Projections suggest that much of the port area will be seriously affected by 2060 and completely inundated by 2100. In a special report on flood's impact, the Department of Statistics said damage to public assets and infrastructure caused losses of 2 billion ringgit, followed by 1.6 billion ringgits in damage to homes. Manufacturing losses accounted for 900 million ringgits, most of which were recorded in the central state of Selangor, one of the country's wealthiest and most populous regions surrounding the capital Kuala Lumpur. As per the reports, Selangor was also the worst hit overall, with about half of Malaysia's losses recorded in the state.

The area around the facility is very likely to be impacted in the coming years.

Considering the frequent floods in the past, the proximity (approx. 5.72 km) of the facility to Malacca Strait and the map projections above, it is inevitable that in the coming years, the Kuala Lumpur facility will be severely impacted by flood.

CLIMATE AND SUSTAINABILITY GOVERNANCE

Vietnam Vietnam faces high disaster risk levels, being ranked 91 out of 191 countries by INFORM 2019 index for risk management. Vietnam has extremely high exposure to flooding (ranked jointly as 1st with Bangladesh), with the types of flooding being riverine, flash, and coastal floodings. INFORM 2019 index for risk management for the sub-category of risk for Floods ranks Vietnam at 10 on a scale of 0 to 10 whereas global average is 4.5 for comparison. The higher the score, the greater the risks. Flood represents the largest risk by economic impact for Vietnam, accounting for an estimated 97% of average annual losses from hazards. On top of that, rising sea-levels are foreseen to exacerbate the risks posed by floods.

The area around the facility is very likely to be impacted in the coming years.

There are no past incidents in NTVN facing the impacts of flood in this region. However, given the current situation and analysis, floods impacting the location and business are highly likely.

United Arab Emirates The UAE is classified among the categories of countries with the highest rate of vulnerability to the potential impacts of climate change in the world. Global warming changes the balance of water supply and demand; it could expand the worldwide gap in water availability. Some places in the UAE will be frequently flooded¹¹ while others will suffer from constant drought and water shortage. Climate change's impact on the UAE's infrastructure could also lead to economic repercussions due to transport disruption and reduced reliability of buildings.

The area around the facility is unlikely to be impacted in the coming years due to floods.

Flood level projection might not be alarming for NTG. However, the recent incident of severe flooding in FY2023¹² due to increased levels of rainfall alerted UAE government to combat the effects of flooding, which are caused due to extreme urbanization and long-term GHG emissions into the environment.

Due to warming caused by GHG emissions, UAE is expecting to see more frequent and intense rainfall events leading to severe flooding impacting transportation. Current analysis suggests that flood impacts are unlikely in this region, but the recent unexpected events due to warming suggest that companies should work towards a mitigation plan to ensure business continuity.

Conclusion of our analysis: Impacts of flooding on supply chain, production, and overall business for all four locations

New Toyo, like other companies, has globalized our supply chain to take advantage of world resources while minimizing production costs, tapping into the untouched markets in the global scene. Global supply chains are mostly interdependent. Climate change impacts at locations of no relevance might indirectly hinder our business. We must think beyond ourselves if we are to reduce our vulnerability to supply chain disruption. The trade-offs between efficiency and risk in supply chain management should be carefully balanced and more effort should be given to building disaster resilience to ensure long-term competitiveness. We are committed to reducing its GHG emissions in the coming years from all of our operations.

Risk Management, Metrics and Targets

The Group adopts a consistent approach to risk management across its operation. The Group has in place a risk management framework that includes the following processes

- Risk Identification: performed semi-annually to reflect changes in our risk profile due to new strategies and objectives, changes in ESG regulations, changes in our business environment, new processes or systems, incidents, and other significant changes in operations.
- Inclusion of New Risks: performed quarterly by Risk Committee of each unit during Enterprise Risk Management ("ERM") meetings.
- Risk Analysis: analysis of ESG risks in terms of impact and likelihood.
- Risk Assessment: prioritization of risks based on analysis of impact and likelihood.
- Risk Treatment: action plan to be developed to address gaps and weakness in risk mitigation measures.
- Risk Monitoring: performed on changes in the nature of the risks, status of risk treatment plan and incidents.
- Risk Reporting: half-yearly reporting to Group Risk Committee ("GRC") in the form of Enterprise Risk Report and Group Risk Register.

¹¹ <https://aquanomics.ghd.com/en/uae.html>

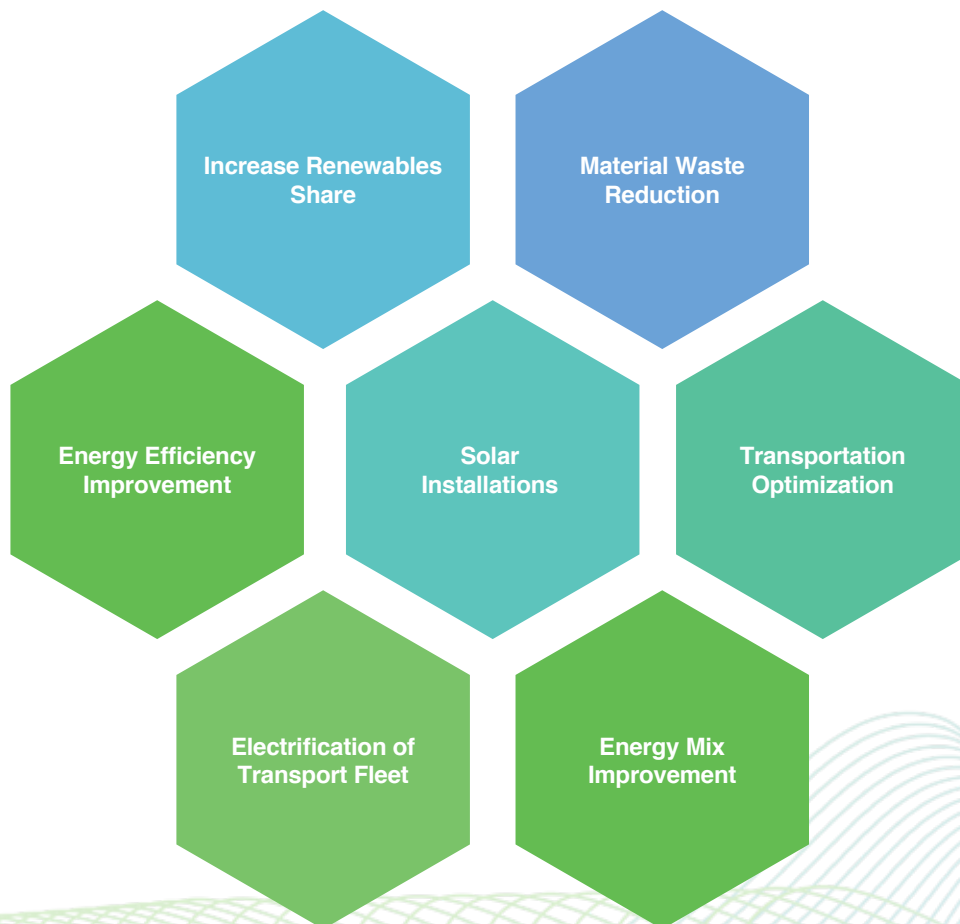
¹² <https://www.agbi.com/infrastructure/2023/08/uae-invests-in-battle-against-severe-flooding/>

CLIMATE AND SUSTAINABILITY GOVERNANCE

The risk management process takes into consideration both the impact and likelihood of the risks identified. Group Risk Committee (“GRC”) meeting is held half-yearly, and the agenda covers risk governance updates and risk review. In Q4 2022, new climate-related risks on ‘increased severity of extreme weather events such as cyclones and floods, rising mean temperatures and rising sea levels’ was reviewed during the GRC meeting, and its risk assessment including its likelihood, financial impact and risk rating was reviewed in the same meeting.

We will start integrating the outcome of the analysis where feasible into our Enterprise Risk Report and work on implementing the mitigation strategies as appropriate to our business. We have already taken some initiatives to reduce our footprint and avoid going into the high emissions scenario. We are taking a phased approach to reporting our carbon emission and climate-related disclosure together with target setting for carbon reduction. In FY2022, we reported our Scope 1 and 2 GHG emissions from the year 2020 to 2022 and adopted the TCFD recommendations to identify the climate-related risks and opportunities. In FY2023, we will be reporting our carbon impact in more quantitative terms. We will disclose the relevant Scope 3 emissions and set a carbon reduction target in quantitative terms. We have also conducted this qualitative scenario analysis to understand the impacts and possible opportunities. In FY2024, we will monitor our performance against our carbon reduction targets in more quantitative terms. We target to develop SBTi targets that align with the 1.5°C scenario and conduct quantitative scenario analysis in the near future.

Acknowledging the importance of climate action, we are actively implementing strategies to decarbonize our operations, aligning with Singapore’s decarbonization pledge for net zero by 2050.



CLIMATE AND SUSTAINABILITY GOVERNANCE






Stakeholder Inclusiveness

GRI 2-29

New Toyo actively values our stakeholders' perspective, priorities and selection criteria. We identify stakeholders as one that can impact or be impacted by the New Toyo's business and strategic directions. We are committed to ongoing communication and active engagement to foster long-lasting relationships and address any negative impacts resulted from our operations.

Through various communication channels and platforms, we maintain regular communication with our stakeholders to understand and balance their interests.

Stakeholder Engagement

Stakeholders	Engagement Approaches	Interests and Concerns	Our Responses
Customers 	<ul style="list-style-type: none"> Annual Customer Satisfaction Survey Regular meetings 	<ul style="list-style-type: none"> Consistent product and service quality Sustainability policies and performance Compliance with applicable laws and regulations Sustainability reporting 	<ul style="list-style-type: none"> Maintain ISO 9001 certification Regular communication with customers for targeted response to their needs Uphold our Group Sustainability Policy and the complementary environmental policies Uphold our Code of Conduct and Supplier Code of Conduct Review and improve our sustainability data management and sustainability reporting
Shareholders and investors 	<ul style="list-style-type: none"> Biannual results announcements Annual Reports Annual General Meetings ("AGM") Regular online stock exchange releases 	<ul style="list-style-type: none"> Financial performance Stable growth Sustainable returns 	<ul style="list-style-type: none"> Timely financial statements announcement Include latest announcements on our website
Suppliers 	<ul style="list-style-type: none"> Regular meetings Emails and phone calls Supplier evaluation and assessments 	<ul style="list-style-type: none"> Compliance with applicable laws and regulations Workplace safety 	<ul style="list-style-type: none"> Acknowledgement of our Supplier Code of Conduct prior to onboarding Ongoing risk assessment for all production sites
Employees 	<ul style="list-style-type: none"> Performance evaluation Regular floor walks 	<ul style="list-style-type: none"> Fair remuneration Professional development Occupational health and safety Career advancement 	<ul style="list-style-type: none"> Maintain competitive remuneration Conduct regular performance review Ongoing risk assessment for all production sites
Local community 	<ul style="list-style-type: none"> Community engagements 	<ul style="list-style-type: none"> ESG-related performance Career opportunities 	<ul style="list-style-type: none"> Maintain community engagement and outreach Monitor and improve sustainability performance

CLIMATE AND SUSTAINABILITY GOVERNANCE





Materiality Assessment

GRI 2-12, 2-14, 2-29, 3-1, 3-2, 3-3











In 2023, we have engaged with our customers through meetings, customer’s sustainability survey questionnaire and email exchanges. Internally, discussions on ESG issues took place via quarterly board papers, board meetings, ongoing discussion and regular email exchanges. Taking into account the outcome of 2022’s stakeholder engagement survey, the material topics identified are then benchmarked against five peers in the paper packaging industry with comparable size and scale to New Toyo.

The materiality assessment resulted in 15 material topics for FY2023 sustainability reporting, 13 of which are consistent with our material topics in FY2022. “Biodiversity” is one of the two new topics included as it is unanimously considered to be material by our customers and our peers. “Supplier Environmental Assessment” is the other new topic to replace “Responsible Sourcing” from FY2022 sustainability report.

The list of material topics validated and approved by the Board and mapped to UN SDGs is shown below.

Material Topics	UN SDGs	Our Commitment and Efforts
Environmental Care		
Emissions (GRI 305)	 	First-year data collection for key categories of Scope 3 emissions, ongoing implementation of emission reduction initiatives, submission of commitment letter to SBTi in FY2024 and setting group-level target for net zero emissions.
Energy (GRI 302)	 	Ongoing implementation of energy-efficiency initiatives, submission of commitment letter to SBTi in FY2024 and setting group-level target for net zero emissions.
Water and Effluent (GRI 303)	 	Optimisation of water consumption, monitoring of risks of water availability, treatment of effluent prior to disposal and setting group-level reduction target.
Material (GRI 301)		Monitoring of material consumption, increase proportion of renewable materials and optimisation of recycled input materials.
Biodiversity (GRI 304)		Implementation of Supplier Code of Conduct and setting group-level target for net zero deforestation.
Supplier Environmental Assessment (GRI 308)		Implementation of Supplier Code of Conduct and setting group-level target for net zero deforestation.
Waste (GRI 306)	 	Improvement in waste management through lean manufacturing and recycling, and setting group-level reduction target.

CLIMATE AND SUSTAINABILITY GOVERNANCE

Material Topics	UN SDGs	Our Commitment and Efforts
Supplier Of Choice		
Product and Service Quality ¹³ (GRI 416)		Maintenance of quality management system to minimise reject, and ensure compliance with applicable laws and regulations.
Anti-Corruption (GRI 205)		Communication of anti-corruption policies to employees and suppliers, and disclosure on communication coverage.
Responsible Employer		
Employment (GRI 401)		Fostering inclusive employment practices and upholding employee benefits.
Occupational Health and Safety (GRI 403)	 	Provision of healthcare and accident insurance, conducting regular safety training, implementation of Occupational Health and Safety management system. Ongoing monitoring of work-related injuries and setting group-level target for zero accidents.
Training and Education (GRI 404)		Monitoring of average training hours by employee categories and gender, and provision of upskilling programmes to our employees.
Diversity and Equal Opportunity (GRI 405)	 	Disclosure of employee demographics by gender and age, upholding non-discriminatory policy and setting targets for women in management roles.
Local Communities (GRI 413)		Investment in local communities through social and charitable engagements to promote social and economic inclusion.
Economic Performance		
Economic Performance (GRI 201)		Promotion of inclusiveness and investment in local communities while growing shareholder value.

¹³ Product and Service Quality is reported with reference to GRI Topic Standard for Customer Health and Safety.

MOVING FORWARD IN SUSTAINABILITY AS A GROUP

We recognise the need to be future-oriented and target-driven in our sustainability journey. This year, New Toyo ushers in new direction and priorities in our sustainability strategy by setting multiple group-level targets spanning the environmental, social and governance aspects.

Our Targets

<p>Carbon Neutral by 2040</p> <p>(Absolute Scope 1 and 2 emissions)</p>	<p>Net zero emissions by 2050</p> <p>(Absolute Scope 1 and 2 emissions)</p>	<p>50% reduction in Scope 1 & 2 emissions intensity by 2030¹⁴</p> <p>(Scope 1 and 2 GHG emission intensity per production volume)</p>	<p>30% energy from renewable sources by 2030</p> <p>(Absolute renewable energy consumption)</p>
<p>25% reduction in total waste generated by 2030¹⁴</p> <p>(Total waste generated from operation)</p>	<p>35% reduction in total water withdrawn by 2030¹⁴</p> <p>(Total water withdrawn for operation)</p>	<p>Net zero deforestation of managed forests in our supply chain and net positive impact on forests in our supply chain by 2030</p> <p>(Coverage of sustainable sourcing policy and supplier ESG engagement survey)</p>	
<p>ZERO child labour in our operations</p> <p>(Child labour incidence rate)</p>	<p>ZERO accidents Group-wide each year</p> <p>(Number of work-related injuries for employees)</p>	<p>30% women in management roles</p> <p>(Gender distribution at management level)</p>	<p>FULL adherence to Company Code of Conduct</p> <p>(Number of Code of Conduct violations)</p>

Governance, data and disclosure

<p>ANNUAL reporting on our progress</p>	<p>External 3RD party verification of GHG emissions</p>	<p>Commitment for reporting in line with TCFD framework</p>	<p>Ongoing disclosure via CDP</p>
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¹⁴ We are in the midst of setting the base year.

ENVIRONMENTAL CARE

9% reduction in Scope 1 and 2 absolute emissions compared to FY2022

Initiated
RENEWABLE ENERGY adoption

Commitment to **SBTI** target setting by 2024



EXTERNAL VERIFICATION
Scope 1 and 2 emissions

SCOPE 3
emissions accounting for major categories

Conducted qualitative
SCENARIO ANALYSIS

Energy Efficiency and Decarbonisation

GRI 302, 305

Our Climate Change Policies

GRI 3-3, 302-4, 305-5

We understand our role and responsibility in combating climate change. Realising that our energy consumption and the corresponding emissions are drivers for global warming, we are committed to reduce our environmental footprint to support low-carbon economy and align our actions with global efforts such as UN SDGs Goal 7, 9, 12 and 13. Guided by our Group Sustainability Policy, we are aiming for net-zero emissions in line with the Paris Agreement. We endeavour to base our decision on scientific climate data and integrate climate considerations into our business practices. Aside from active collaboration with stakeholders to establish market standards for a low-carbon economy, we also plan to link internal incentives and Key Performance Indicators (“KPIs”) to our climate strategy and strive to maintain transparency regarding climate risks and opportunities through our annual sustainability reports.

To minimise our climate impacts, New Toyo prioritizes compliance with environmental regulations and laws, while also promoting the use of renewable resources to reduce reliance on fossil fuels. We believe in enhancing energy efficiency, minimizing pollutants released during operations, and sourcing goods and services that align with our environmental values. Starting from our identification of climate-related risks in 2022 and furthered by the scenario analysis in this report, our effort to assess climate-related risks and implement adaptive measures is continual to warrant the sustainability of our operations.

Our Energy Efficiency, Decarbonisation Initiatives and Scope 3 Inventory

GRI 3-3, 302-4, 305-5

Our existing energy efficiency initiatives include replacement of traditional incandescent lamps with LED lights, installation of solar panels on site, switching to inverter and environmentally friendly gases for air-conditioning system, installation of fiber boards on the rooftop for better insulation of our factories for thermal insulation, regular maintenance of machinery, replacement of diesel forklifts with electric forklifts and cultivating good practices such as switching off lighting, machine and equipment when not in use, and setting room thermostat to 24°C. While our performance monitoring effort for these initiatives is still ongoing, we were able to quantify the diesel consumption saving due to adoption of electric forklift as approximately 2,500 litres.



We started building our Scope 3 GHG emission inventory in 2023 to guide our decarbonisation efforts. This year, we are prioritising our data collection effort for the Top 3 categories, which cover 96% of our total Scope 1, 2 and 3 emissions. Our Top 3 categories identified through financial spend analysis, in descending order of priority, are Purchased goods and services, End-of-life treatment of sold products and Upstream transportation and distribution, which accounted for 141,175 tCO₂e of Scope 3 emissions¹⁵ in FY2023. Mindful of our significant upstream emissions due to purchased materials, we are actively sourcing for renewable and recyclable alternatives through collaboration with suppliers. We also plan to cut down emissions from business travel by utilizing alternative meeting techniques and opting for biofuel when feasible.

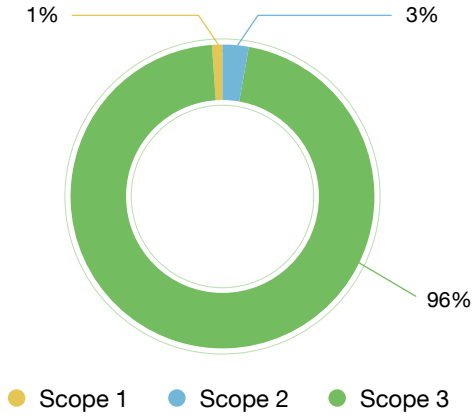
¹⁵ Emissions from Purchased goods and services were based on hybrid method, End-of-life treatment of sold products based on waste-type-specific method, Upstream transportation and distribution based on distance-based method. Industry average EFs used were from USEPA Supply Chain GHG EF and DEFRA. GHG covered include CO₂, CH₄ and N₂O.

ENVIRONMENTAL CARE

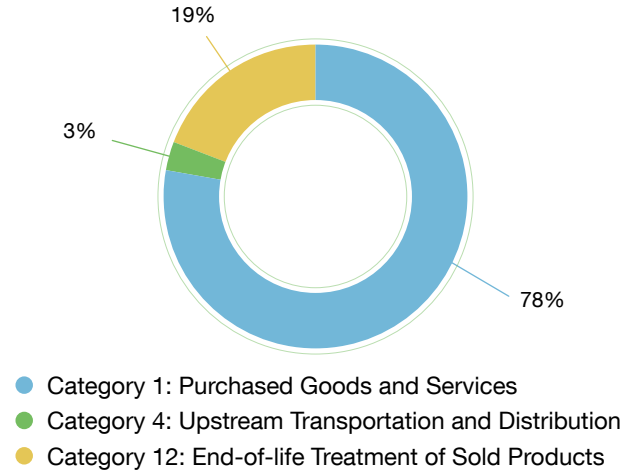
Energy and Emissions in FY2023

GRI 302-1, 302-2, 302-3, 305-1, 305-2, 305-3, 305-4

Breakdown of GHG Emissions



Breakdown of Scope 3 Emissions



Breakdown of Energy Consumption



ENVIRONMENTAL CARE

The computation of activity data is based on invoices, receipts and electricity bills within the organisational boundary of Specialty Paper Division. In FY2023, the energy sources with the most significant consumption for New Toyo were diesel and electricity. The computation of emissions is based on GHG Protocols and using market-based approach for Scope 2 emissions, with the sources of conversion factors (“CFs”) and emission factors (“EFs”) included in the footnote. For emissions, Global Warming Potential (“GWP”) from Intergovernmental Panel on Climate Change (“IPCC”) Fifth Assessment Report (“AR5”) were used.

Scope 1			Scope 2	
Diesel	Petrol	LPG ¹⁸	Electricity ²⁰	Green Energy
589,224	13,910	1,262	5,521,006	150,000
litre ¹⁶	litre ¹⁷	litre ¹⁹	kWh ²¹	kWh ¹³
21,536	462	32	19,876	540
GJ	GJ	GJ	GJ	GJ
41,906			540	42,446
GJ			GJ	GJ
Total non-renewable energy consumption			Total renewable energy consumption	Total energy consumption in FY2023

ENERGY INTENSITY

0.413 TJ/\$ million revenue

1.30 GJ/ton of production

GHG Emissions

Scope 1 Emission²²

1,615 tCO₂e

Scope 2 Emission²³

3,773 tCO₂e
(Market Based)

Scope 2 Emission²³

3,890 tCO₂e
(Location Based)

Scope 3 Emission²⁴

141,175 tCO₂e

146,563 tCO₂e

Total Scope 1, 2 (Market Based) and 3 emissions in FY2023

EMISSIONS INTENSITY

(based on Scope 1 and 2 (Market Based) Emissions)

52.44 tCO₂e/\$ million revenue

0.17 tCO₂e/ton of production

EMISSIONS INTENSITY

(based on Scope 1, 2 (Market Based) and 3 Emissions)

1,426 tCO₂e/\$ million revenue

4.50 tCO₂e/ton of production

New Toyo's Non-renewable and Renewable Energy Consumption, and Scope 1, 2 and 3 Emissions in FY2023

¹⁶ CFs based on 2006 IPCC Guidelines, Energy Chapter 1 Table 1.2 and Chevron diesel fuel tech review

¹⁷ CFs based on 2006 IPCC Guidelines Energy Chapter 1 Table 1.2 and Intechopen.

¹⁸ LPG consumption excluded usage for cooking at PBC's hostel.

¹⁹ CFs based on 2006 IPCC Guidelines and IEA AMF TCP

²⁰ NTVN consumed 382,253 kWh of solar-powered electricity from solar panel on-site. However, NTVN does not own the environmental attribute of the solar energy consumed.

²¹ Conversion from kWh to GJ based on NEA calculator-for-reckonable-ghg-emissions-from-fuel-combustion-(16-mar-21)

²² Scope 1 EFs were sourced from 2006 IPCC Guidelines for National Greenhouse Gas Inventories, Energy Chapter 1 (Table 1.2 and 1.4) and Energy Chapter 3 (Table 3.2.1 and Table 3.2.2). GHG covered include CO₂, CH₄ and N₂O.

²³ Grid electricity EFs for Singapore and Vietnam were from IGES v11.3 under Operating Margins, Malaysia based on 2019 grid EF from Malaysia Biennial update report (“BUR”) BUR 4 on UNFCCC website, and UAE based on 2020 grid EF from DEWA Climate Change Report 2021.

²⁴ Emissions from Purchased goods and services were based on hybrid method, End-of-life treatment of sold products based on waste-type-specific method, Upstream transportation and distribution based on distance-based method. Industry average EFs used were from USEPA Supply Chain GHG EF and DEFRA. GHG covered include CO₂, CH₄ and N₂O.

ENVIRONMENTAL CARE

Recalculation of Past Year Emissions²⁵

GRI 305-1d, 305-2d, 305-3e

We are in the midst of setting our base year for emissions monitoring. Aligning with our latest adoption of Operating Margin for grid electricity emission and inclusion of emission from solar-energy consumption, we recomputed emissions from FY2021 to FY2022 and the change in EFs resulted in up to 12% increase from the original total emissions.

Renewable Energy Consumption in FY2023

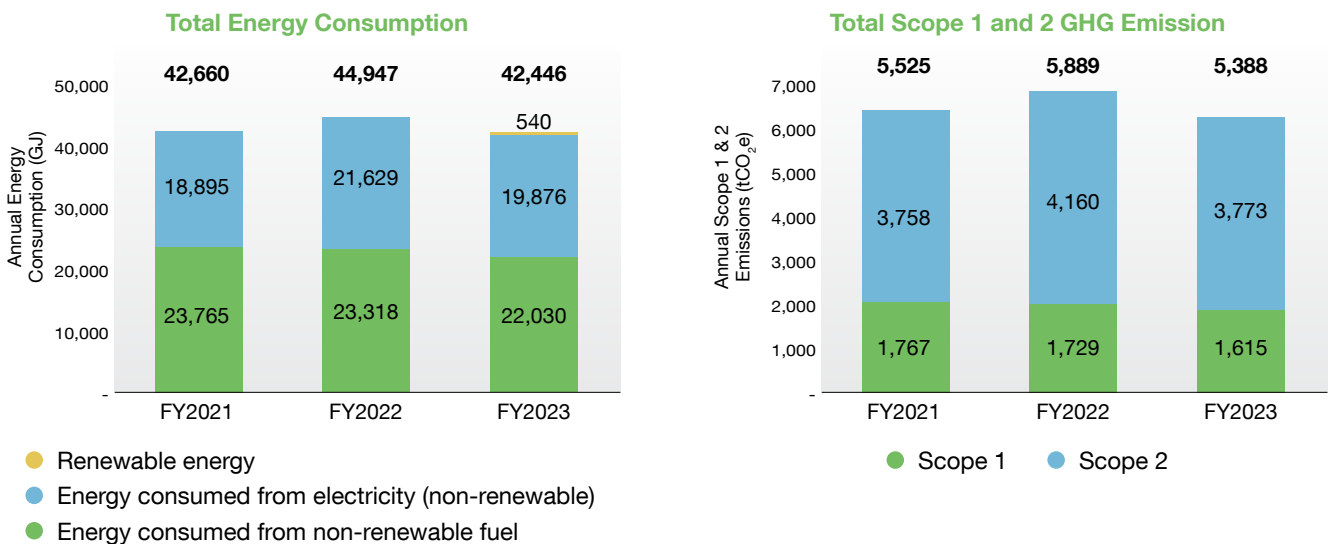
GRI 302-4, 305-5

We subscribed to the Green Energy Tariff programme by Malaysia’s government to increase our renewable energy consumption starting from August 2023. Moving forward, we will be buying International Renewable Energy Certificates (“I-REC”) to partially offset our GHG emissions from purchased electricity in FY2024.

Year-on-Year Performance in Energy and Emissions and Targets

GRI 302-4, 305-5

Our non-renewable energy consumption dropped by 7% this year compared to FY2022 due to reduction of diesel and electricity consumption.



Continuing our decarbonisation journey to meet the 1.5°C goal by the Paris Agreement, we are actively preparing to submit our commitment letter to SBTi within year 2024, committing the Group to carbon neutral by 2040 and net zero by 2050.

New Toyo’s Performance against Energy and Emissions Targets set in Sustainability Report FY2022

Targets	Performance		
	FY2021	FY2022	FY2023
To align effort towards Singapore’s decarbonization pledge of net zero emissions by year 2050	Non-Renewable Energy Consumption (GJ)		
	42,660	44,947	41,906
	Emissions (tCO ₂ e)		
	5,525	5,889	5,388
To develop Scope 3 inventory			Identified Top 3 categories for prioritisation of data collection in 2023

²⁵ Recalculation is based on the general 5% significance threshold.

Water and Security GRI 303

New Toyo's Interaction with Water GRI 3-3, 303-1, 303-2

We acknowledge that water scarcity is a global crisis. We place great importance on sustainable water usage as it is essential to our operations. Our operations rely on water for cleaning, while water use in production is minimal - mostly for cooling and production of water-based coatings. Aware of our operations in water stressed areas, we are mindful of the environmental implications of our water withdrawal.

The availability of high-quality freshwater is also critical for our supply chains, particularly those involved in sourcing pulp and other essential raw materials for paperboard production. Water plays a crucial role in preserving the quality of our upstream materials. For example, freshwater is essential to produce pulp and paper. Any disruptions in our supply chain, possibly stemming from the unavailability of key components or raw materials like water, could adversely impact sales and customer relationships, resulting in unforeseen costs. Therefore, consistent access to high-quality freshwater is an integral aspect of our value chain.

Our Water Policy, Risk Assessment and Management Approach GRI 3-3, 303-1, 308-1

We are committed to responsible water management, including efficient water use, pollution prevention, and sustainable practices to safeguard water as a critical natural resource. With two facilities located in water stressed areas (Ho Chi Minh and Dubai), we acknowledge the potential impact of our operations in exacerbating the water stress level of these areas. As such, we strive to incorporate effective water management practices in our daily operations to promote responsible water consumption and water reuse. While our operations are not water-intensive, we are aware of concerning effluents produced by the pulp and paper industries. As such, we make sure to communicate our stance on water conservation to all suppliers via our Supplier Code of Conduct and supplier ESG engagement survey, ensuring they understand our need for their commitment to minimising natural resource consumption.

We adopt Enterprise Risk Management framework for our risk identification and management. When evaluating water risk, New Toyo considers a range of contextual factors and stakeholders. We consider water availability and quality as part of our strategy to maintain our expected production levels to sustain profitability and meet shareholders' expectations. Furthermore, other water risks such as the impact on suppliers' ability to deliver raw materials, our compliance with water-related regulations and our employees' access to water, sanitation, and hygiene ("WASH") services are integral considerations to safeguard the sustainability of our operations.

Our approach to managing water resources is as follows.

Water Consumption Reduction

- Implementation of responsible water management practices
- Investment in water-saving technologies
- Promotion of water conservation culture

Sustainable Water Usage Transition

- Targeted approach for operations in water-stressed areas
- Ongoing effort to improve water efficiency without compromising our operations

Monitoring and Assessment

Regular assessments and monitoring of water-related risks to identify potential challenges, assess the effectiveness of mitigation measures, and adapt our strategies to changing conditions

Stakeholder Education

Educating our employees and stakeholders about water conservation practices and their vital roles in achieving our water sustainability objectives

Setting Measurable Targets

Setting specific, measurable targets related to water consumption reduction and wastewater recycling

ENVIRONMENTAL CARE

Water Stewardship

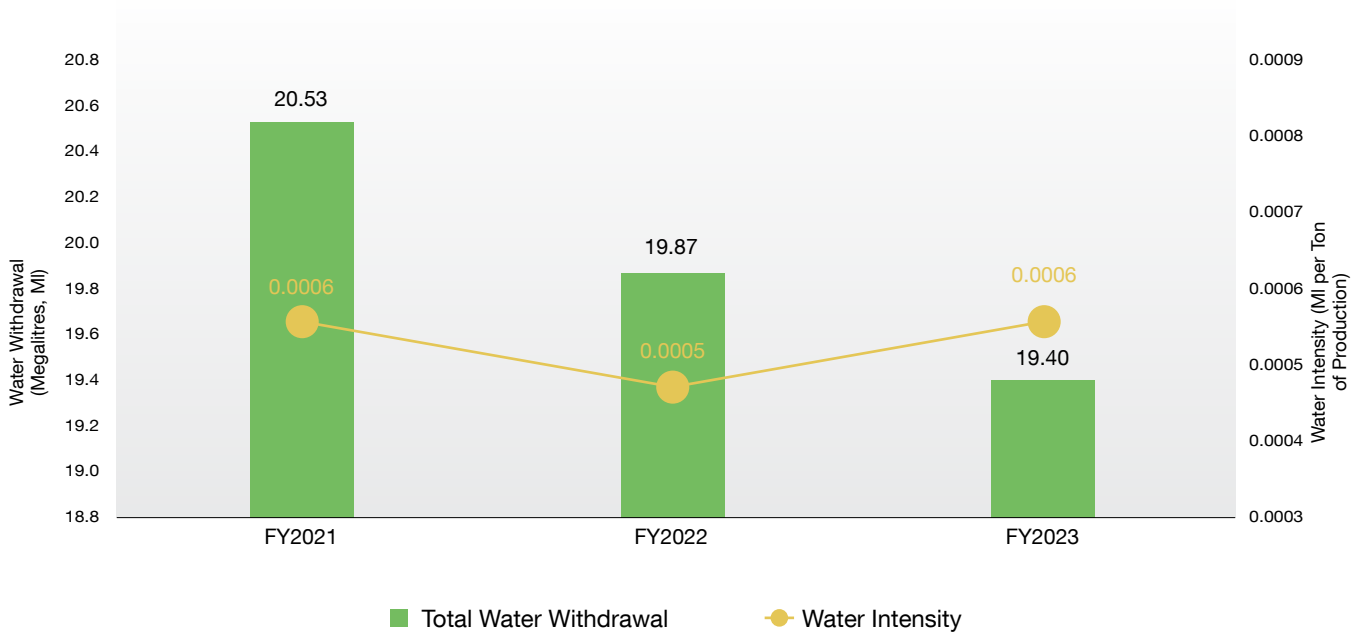
GRI 3-3, 303-1, 303-2

We are actively implementing water conservation practice to increase water efficiency and reduce the water consumption of our operation. Through the implementation of a variety of conservation methods and the optimization of our operational procedures, we have effectively achieved a consistent decrease in overall water usage over the past few years. At PBC, we track fluctuations in water consumption by scrutinizing water bills to identify any indications of leaks. At NTVN, we have adjusted drain valves for toilets and canteen faucets to a moderate setting to conserve water. Similarly, at NTA, we conduct training sessions to promote employee awareness of water conservation, monitor monthly water consumption, regularly inspect water piping to prevent leaks, install water-saving devices such as self-closing taps, and repurpose wastewater from water purifiers for cleaning purposes. We are also optimising our process through upgrade of process control and implementation of automation system in manufacturing processes, optimisation of water-chemical mix ratio and improvement of measurement and dosing techniques.

When it comes to effluents, we understand the potential impacts of water pollutants carried in our effluents on water ecosystem. Our PBC and NTVN’s effluents are treated on-site using before discharging to local sewerage system, and the resulting sludge from the treatment are reported under the section Waste. We also regularly sample and test our effluents through Vietnam Laboratory Accreditation Scheme (“VILAS”)-accredited third-party lab in compliance with local regulations. NTA engages licensed third parties for treatment of NTA’s effluents.

Water Performance and Target

GRI 303-3, 303-4, 303-5



ENVIRONMENTAL CARE

We compile our monthly water withdrawal through utility bills, but do not monitor our water discharge and water consumption due to the limitation of our resources. Our total water withdrawal in FY2023 was 19.4 Megalitres, 78% of which was from freshwater sources such as rivers and reservoirs, while the remaining 22% was from seawater. NTVN and NTG are situated in water stress areas, contributing 39% and 22% respectively to our total water consumption. NTVN depends on municipal water supply, with the Dong Nai River in Vietnam serving as its ultimate water source. Meanwhile, NTG's municipal water supply is sourced from the sea.

Overall, FY2023 sees that our water withdrawal reduced by 2% compared to that of FY2022, while our water intensity increased compared to FY2022 due to lower production volume.

This year, we are streamlining our water conservation effort by setting water target at Group level, determined to reduce our total water withdrawn by 35% as we approach 2030.

Water Intensity Performance against Water Target set in Sustainability Report FY2022

Target	Water Intensity (MI per S\$ million revenue) (change compared to previous year)		
	FY2021	FY2022	FY2023
Achieve optimal water intensity	0.205	0.157	0.189

Materials and Biodiversity

GRI 301, 304, 308

New Toyo, Forest and Paper

GRI 3-3, 304-1, 304-2, 308-2c

We provide paper packaging solutions for consumer staples sector. With our products relying heavily on timber materials such as paper and board, we understand that our demand can potentially become a driver for unsustainable timber harvesting, deforestation and ecosystem conversion. To the best of our understanding, we are not operating within or in close proximity to protected areas of high biodiversity value.

Our Biodiversity Policy and Management Approach

GRI 3-3, 304-3

In alignment with our commitment to “no net deforestation”, our Biodiversity Policy has three main principles: acknowledgement of potential impacts, identification and understanding exposure to biodiversity risks, and setting targets. Our biodiversity risks lie with our suppliers. Therefore, we manage our biodiversity risks through our Supplier Code of Conduct, where we declare our preference for suppliers that minimise consumption of natural resources. Our suppliers are also encouraged to provide transparent and regular reporting on their biodiversity protection initiatives. Furthermore, we explore collaborative opportunities with our suppliers through joint projects on reforestation and habitat restoration to enhance biodiversity conservation in regions where raw materials are sourced.

Supplier Environmental Assessment

GRI 308-1, 308-2

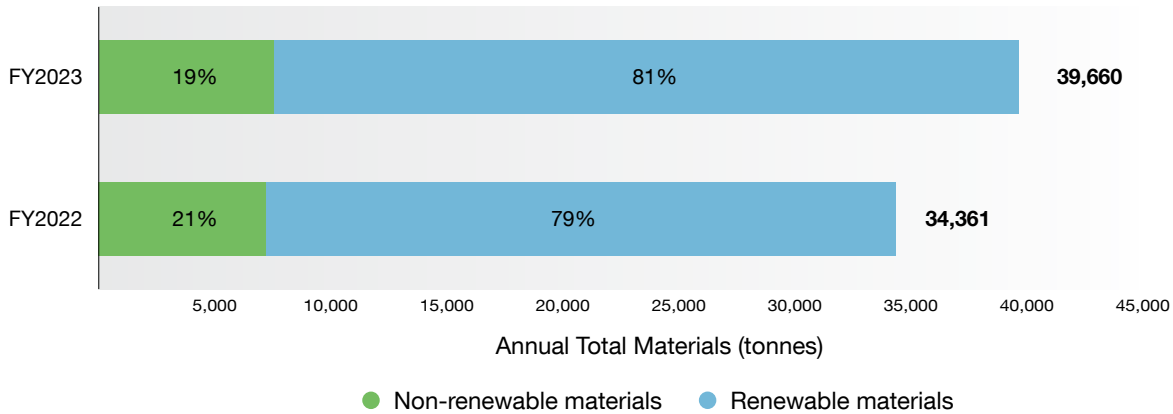
Our environmental stewardship is clearly stated in our New Toyo Group Supplier Code of Conduct. Prior to onboarding, all suppliers are required to formally commit to minimize consumption of natural resources, reduce greenhouse gas outputs and improve waste management in the course of their operations throughout our engagement. After onboarding, we continue to assess and review our suppliers' efforts in emissions reduction, biodiversity conservation and climate-related commitment through questionnaires, meetings and site inspections. We commit to using responsibly-sourced paper materials.

Our greatest GHG emission source is from purchased goods and services, while upstream transportation and distribution also significantly contribute to our overall emissions. In our decarbonisation plan for Scope 3 emissions, we started engaging suppliers to trace our indirect emissions from upstream in an effort to reduce our carbon footprint collectively.

ENVIRONMENTAL CARE

Our Material Consumption GRI 304-3

Total Materials for Primary Production



The renewable materials used for production of our primary products comprised of paper, paperboard and paper core. In FY2023, our total renewable materials used was 32,127 tonnes. The non-renewable materials used for production were aluminium foil, glue and ink, amounting to 7,533 tonnes in FY2023. The 18% and 6% increase in renewable and non-renewable materials used, respectively, were attributable to improvement in data collection.

Our recycled input materials include paper core, chipboard, duplex and kraft paper. In FY2023, our recycled input materials have reduced, in spite of increase overall material used, due to improvement in data collection.

Our assessment of sustainability impact at each stage of our product value chain is ongoing. As we commenced our effort in building Scope 3 emissions inventory this year, we can gain further insight of the carbon footprint of our materials at cradle-to-gate stage. While we streamlined our ESG priorities to focus on other ESG topics, we will continue to track our material consumption and recycled input materials.

Performance and Target

Performance against Material Targets set in Sustainability Report FY2022

Targets	Performance		
To assess the sustainability impact at each stage of product value chain	In FY2023, we continued to engage suppliers based on environmental criteria. Our total Scope 1 and 2 emissions reduced by 9% and our total energy consumption reduced by 6%, while our water withdrawal dropped by 2.3%. We reached 100% recycling rate for non-hazardous waste, and 93% recycling rate out of total waste. We also started data collection to monitor our Scope 3 emissions including emissions from end-of-life treatment of our products. We recognised the drop in percentage of recycled input materials.		
To increase recycled material content used	Percentage of Recycled Input Materials		
	FY2021	FY2022	FY2023
	3.2%	3.2%	2.3%

Waste and Circularity GRI 306

Waste Generation GRI 3-3, 306-1, 306-2

Waste from our operations could contribute to unsustainable consumption of natural resources and potentially result in pollution of the environment. Our primary waste stream in FY2023 was our core raw material: paper, which includes paper, paper cores, boards and paper foils. While waste generation typically fluctuates proportionately with production volume, we also understand that process inefficiencies could potentially contribute to it. On the other hand, 53% of our hazardous waste was waste solvent in FY2023. Through years of waste monitoring, we are able to correlate the volume of our hazardous waste to our production volume and the frequency of job change.

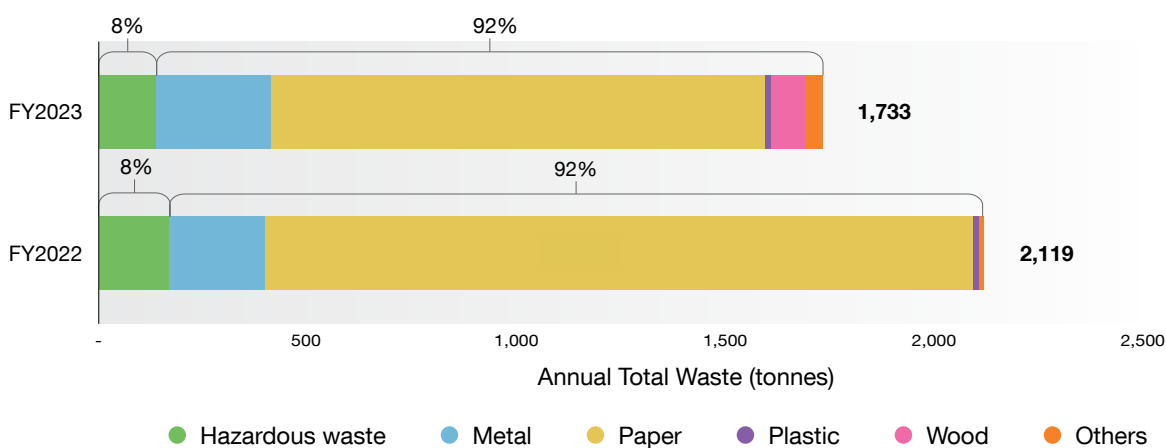
Waste Policy and Management GRI 3-3, 306-1, 306-2

Guided by our Climate Change policy, we are committed to minimise our environmental footprint through collaboration with our suppliers and promotion of the 3Rs – Reduce, Reuse and Recycle. Our “Reduce” initiatives extend from lean manufacturing and efficient use of raw materials to product design and product range and process optimisation. We strive to minimise inefficiencies in production process to minimize material waste and use inks and glues approved by Food & Drug Administration (“FDA”) to reduce hazardous waste. We are exploring ways to reuse materials and waste. For “Recycle”, our focus is on reducing the consumption of non-recyclable materials and replacing them with renewable and recyclable packaging materials. Endeavouring to redirect our waste away from landfills or incineration, we are proud to say that all our non-hazardous waste was recycled offsite²⁶ in FY2023. For hazardous waste, we engage licensed third-party waste disposal vendors²⁷ for recycling and other means of disposal.

Each of our facilities has established its own waste monitoring system. Generally, we designate a specific area for waste storage. Monitoring is conducted monthly in compliance with local waste regulations.

Waste Performance and Target GRI 306-3, 306-4, 306-5

Annual Waste Composition

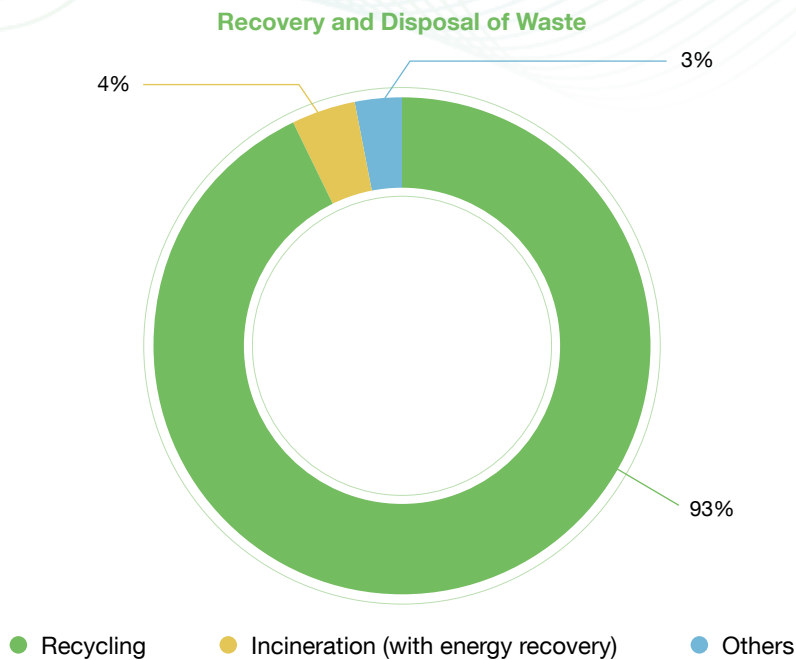


New Toyo's FY2022 and FY2023 Total Weight of Waste and Composition

²⁶ Laminated paper is one of the non-hazardous waste from PBC's operation. As laminated paper cannot be recycled locally, our waste collection vendor, licensed by the Malaysia Department of Environment (“DOE”), exports it overseas for recycling.

²⁷ NTA engages waste disposal vendor listed in the toxic industrial waste collector list. PBC's vendor is DOE-licensed and being listed on the Malaysia government portal, eSWIS. NTG's vendor is JAFZA Freezone Authorised Waste Collector. We have not validated whether these vendors' disposed our waste in accordance with their contractual obligations.

ENVIRONMENTAL CARE



Our total waste in FY2023 was 1733 tonnes. In comparison to FY2022, we achieved a 18% reduction in waste this year, with the primary factor contributing to this decrease being the reduction in paper waste. Our hazardous waste comprised of chemical waste and sludge from wastewater treatment.

We have seen a positive impact as a result of our waste reduction initiatives. Continuing our effort, we have set group-level target to reduce 25% of our total waste generated by 2030.

Performance against Waste Targets set in Sustainability Report FY2022

Targets	Performance		
Continue to track and monitor our waste generation	Total Waste Generated		
	FY2021	FY2022	FY2023
	Data not tracked	2119 tonnes ²⁸	1733 tonnes
Identify opportunities for improvement to enable circular economy in our processes	We reduced total waste generated by 18% in FY2023 compared to FY2022. Total recycling rate in FY2023 was 93% compared to 69% in FY2022.		
Divert waste away from landfill or incineration	Recycling Rate of Non-Hazardous Waste		
	FY2021	FY2022	FY2023
	Data not tracked	73%	100%
	Recycling Rate of Hazardous Waste		
	FY2021	FY2022	FY2023
Data not tracked	27%	18%	

Note: We improved our data collection and started tracking weight of hazardous waste generated and waste disposal outcome from FY2022.

²⁸ Higher waste in FY2022 primarily due to the increase in non-hazardous waste (18% more than FY2021), which is attributable to increase in PBC's production and waste from test runs when developing new products. FY2022 was the first year we monitored our hazardous waste.

SUPPLIER OF CHOICE

ISO 9001

certification for all
manufacturing facilities

Consistently maintaining a

“GOOD”

rating for customer
satisfaction performance



Engagement with customers towards

**SUSTAINABLE
PACKAGING**

UPHOLD our
Code of Conduct and
Supplier Code of Conduct

SUPPLIER OF CHOICE

Product and Service Quality

GRI 416

Our Quality Assurance

GRI 3-3

Our products are primarily used for FMCG, which require quality barrier from air, oxygen, moisture as well as oil and grease. On top of standard packaging requirement, we are also exploring eco-friendly packaging alternatives to keep up with market's growing preference for sustainable packaging solutions. We understand that poorly designed products from us could potentially result in contamination to the consumer goods, environmental pollution and increase in waste going to landfill or incinerator. Achieving and maintaining ISO 9001 certification is a part of our efforts to prevent these potential impacts from materialising. As we diligently uphold our Mission and Vision, ISO 9001 certification of all manufacturing facilities under our Specialty Paper Division is a testimony to our consistent delivery of high-quality products and services. By maintaining this certification, we are also minimising both internal and external rejections, thus reducing resource consumption and increasing cost savings across materials, energy, transportation and labour.

We ensure strict compliance with regulatory requirement governing packaging materials and safety standards to safeguard consumer safety. We also remain transparent to our customers when it comes to information on the safety of materials we used in packaging. Our packaging designs prioritise consumer safety through inclusion of tamper-evident seals. To instil confidence in our products and services, we encourage our customers to visit our manufacturing sites, where they can first-hand observe our operations and be confident of our compliance with product specifications, applicable laws and regulations.

Our Approach towards Sustainable Packaging

We aim to actively involve customers at the forefront of the FMCG and labelling industries, where demand exists for recyclable packaging solutions and the reduction or elimination of tertiary packaging to minimize material usage. Our customer engagement strategy encompasses the provision of product literature, tailored product education, collaborative sessions to explore packaging alternatives, and trials of potential packaging solutions to facilitate successful conversion. The impact of our engagement was evidenced by a deeper understanding of our product range among customers and the constructive feedback gathered from our collaborative sessions. Additionally, our customers enhanced their comprehension of our initiatives to reduce packaging waste through these engagements.

Quality Target and Performance

GRI 416-2

There was no non-compliance concerning product and service quality or customer health and safety in FY2023. As New Toyo pivot towards other ESG topics to streamline its sustainability efforts at group level, New Toyo will reassess the need to set target for this topic in the near future.

Performance against Product and Service Quality Target set in Sustainability Report FY2022

Target	Performance		
	FY2021	FY2022	FY2023
To maintain at minimum a "Good" performance rating in FY2023.	4 out of 5 average rating (Good)	4 out of 5 average rating (Good)	4 out of 5 average rating (Good)

Anti-Corruption

GRI 2-27, 205

Our Anti-Corruption Policy

GRI 3-3

Our commitment to zero corruption is unwavering. Combating all forms of corruptions from within and outside, we have comprehensive policies covering conflict of interest, bribery, fraud, illicit trading, anti-competition and money laundering as included under Section Policies and Practices while our management and staff alike are inculcated with this value. Our whistle-blowing procedure is transparent and communicated to all staff for voicing up of misconduct without fear of reprisal. Detail of our whistle-blowing policy can be found under the Subsection Whistle-blowing.

Management and Prevention of Corruption

GRI 205-2b,c,e, 205-3, 2-27

Two out of four of our production facilities have full coverage of anti-corruption policies communication to suppliers, amounting to 174 suppliers (63% out of total suppliers for raw materials and logistics).

New Toyo has in place a Code of Conduct applicable to all employees and which covers policies relating to ethical conduct, including conflicts of interest within or outside the Group. It also provides policies on the acceptance of gifts, hospitality, or other favours that each employee is tasked to follow with strict assurance. The Code of Conduct is made available to all employees and our Board of Directors upon onboarding to ensure compliant practices and behaviour.

Performance and Target

In FY2023, there were no instances of corruption reporting or confirmed incidents of corruption. There were also no instances of non-compliance with laws and regulations.

We aim to maintain zero occurrence of corruption incident.

RESPONSIBLE EMPLOYER

46% women in management roles

38% reduction in rate of recordable work-related injuries compared to FY2022



0 ill-health cases reported

1% reduction in employee turnover compared to FY2022

RESPONSIBLE EMPLOYER

Human Capital and Diversity

GRI 2-7, 2-8, 2-30, 401, 405

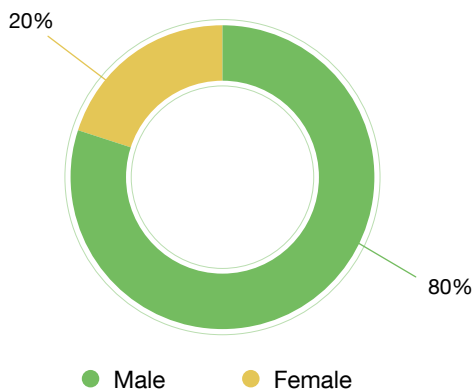
New Toyo recognises employees as our asset. As much as our employees dedicate their time and effort to support our operations, we strive to reciprocate by providing safe and conducive work environment. We provide our employees with reasonable leave benefits including parental leave, health and medical benefits, work-injury insurance and retirement provision to support their well-being, health and work-life balance.

Our operation in Malaysia has collective bargaining and collective agreement under the trade union. Our commitment to open communication and good corporate governance is implemented through our whistle-blowing policy, where staff may raise concerns in confidence about wrongdoing, malpractice or possible irregularity without fear of reprisal.

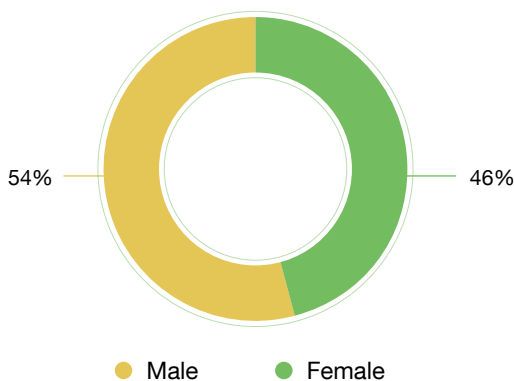
Employee Demographics

GRI 2-7a, 2-8, 405-1

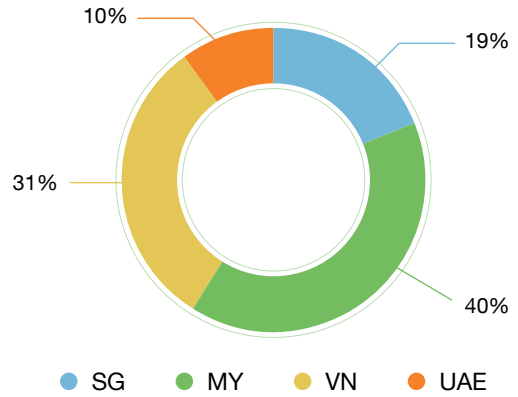
Employee by Gender



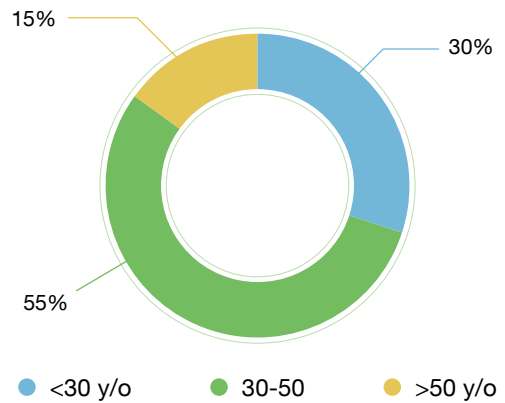
Female in Management



Employee by Country



Employee by Age Group



As of 31 December 2023, New Toyo has a total of 444 employees, excluding 5 independent directors out of the 7 Board members, as per outcome of data compilation based on personnel records from human resource departments of all our subsidiaries. For non-employee workers, we have 44 service contract workers helping us with security and facility maintenance, and as drivers.

We have balanced gender proportion at the Senior Management and Management levels and strive to work towards increasing the gender balance at other employee categories. As our operations are of manufacturing nature, which is traditionally perceived as physically demanding and hazardous, we are still trying to overcome the industrial stereotype to improve gender diversity at working level.

RESPONSIBLE EMPLOYER

Employee Headcount by Gender and Employee Category	Male	Female
Board	6	1
Senior Management	4	5
Management	16	12
Senior	37	15
Junior	104	51
Non-Clerical	196	4
Total (excluding Board)	357	87

Employee Headcount by Age and Employee Category	Under 30 years old	30-50 years old	Over 50 years old
Board	-	-	7
Senior Management	-	5	4
Management	-	17	11
Senior	5	22	25
Junior	26	118	11
Non-Clerical	103	81	16
Total (excluding Board)	134	243	67

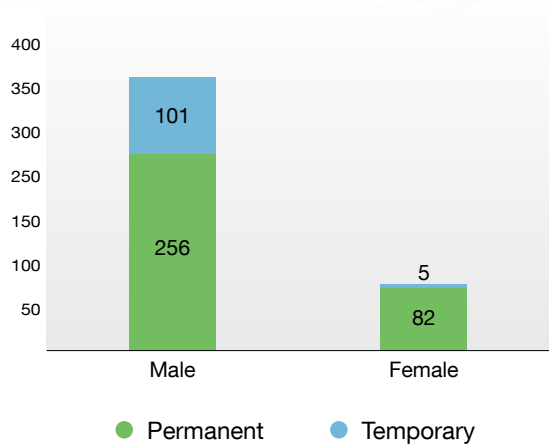
Permanent, Temporary, Full Time and Part Time

GRI 2-7b, 2-8

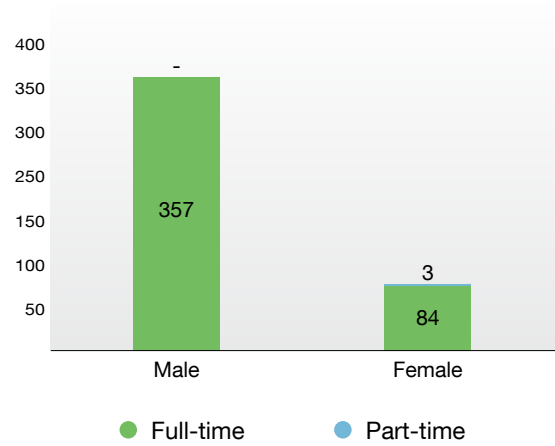
New Toyo's recruitment procedure aims to attract, select and retain the most appropriate candidate. Our selection criteria cover candidates' skills, qualifications and previous experience. We do not have non-guaranteed hour employee in 2023.

RESPONSIBLE EMPLOYER

Employee by Employment Contract & Gender



Employee by Employment Type & Gender



New Hires and Turnover

GRI 401-1

New Toyo strives to retain our talents while strengthening our faculty through new hire. We compute the total hire and turnover data based on total employees by 31 December 2023. In FY2023, our total hire rate was 16% while our total turnover rate was 21% out of the total employee population of 444 people. Below table shows new hire and turnover rate for our operations in Singapore, Malaysia, Vietnam and Dubai.

	Singapore			Malaysia			Vietnam			UAE		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Total number of new employee hires	6	14	4	27	105	46	4	24	20	9	19	3
Total number of new employee hires (By Gender)												
Male	4	8	2	21	99	40	3	22	16	9	18	3
Female	2	6	2	6	6	6	1	2	4	0	1	0
Total number of new employee hires (By Age Group)												
Under 30 years old	0	2	0	24	76	24	2	15	4	8	17	2
30-50 years old	3	9	3	2	29	20	2	9	14	1	2	1
30-50 years old	3	3	1	1	0	2	0	0	2	0	0	0
New employee hires rate	1.6%	3.0%	0.9%	7.4%	22.6%	10.4%	1.1%	5.2%	4.5%	2.5%	4.1%	0.7%

RESPONSIBLE EMPLOYER

	Singapore			Malaysia			Vietnam			UAE		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
New employee hires rate (By Gender)												
Male	66.7%	57.1%	50.0%	77.8%	94.3%	87.0%	75.0%	91.7%	80.0%	100.0%	94.7%	100.0%
Female	33.3%	42.9%	50.0%	22.2%	5.7%	13.0%	25.0%	8.3%	20.0%	0.0%	5.3%	0.0%
New employee hires rate (By Age Group)												
Under 30 years old	0.0%	14.3%	0.0%	88.9%	72.4%	52.2%	50.0%	62.5%	20.0%	88.9%	89.5%	66.7%
30-50 years old	50.0%	64.3%	75.0%	7.4%	27.6%	43.5%	50.0%	37.5%	70.0%	11.1%	10.5%	33.3%
Over 50 years old	50.0%	21.4%	25.0%	3.7%	0.0%	4.3%	0.0%	0.0%	10.0%	0.0%	0.0%	0.0%
Total number of employee turnover	11	18	10	19	47	70	31	33	12	4	2	1
Total number of employee turnover (By Gender)												
Male	8	14	3	17	43	54	26	26	10	4	1	1
Female	3	4	7	2	4	16	5	7	2	0	1	0
Total number of employee turnover (By Age Group)												
Under 30 years old	4	4	2	12	29	34	3	14	2	4	2	0
30-50 years old	4	9	6	7	18	23	26	18	9	0	0	1
Over 50 years old	3	5	2	0	0	13	2	1	1	0	0	0
Employee turnover rate	3.0%	3.9%	2.3%	5.2%	10.1%	15.8%	8.4%	7.1%	2.7%	1.1%	0.4%	0.2%
Turnover rate (By Gender)												
Male	72.7%	77.8%	30.0%	89.5%	91.5%	77.1%	83.9%	78.8%	83.3%	100.0%	50.0%	100.0%
Female	27.3%	22.2%	70.0%	10.5%	8.5%	22.9%	16.1%	21.2%	16.7%	0.0%	50.0%	0.0%
Turnover rate (By Age Group)												
Under 30 years old	36.4%	22.2%	20.0%	63.2%	61.7%	48.6%	9.7%	42.4%	16.7%	100.0%	100.0%	0.0%
30-50 years old	36.4%	50.0%	60.0%	36.8%	38.3%	32.9%	83.9%	54.5%	75.0%	0.0%	0.0%	100.0%
Over 50 years old	27.3%	27.8%	20.0%	0.0%	0.0%	18.6%	6.5%	3.0%	8.3%	0.0%	0.0%	0.0%

Note: Percentages calculated based on regional total.

RESPONSIBLE EMPLOYER

Parental Leave

GRI 401-3

We update our parental leave policies according to the latest employment practices by local regulations. 181 employees were entitled to parental leave in FY2023.

	Female	Male
Employees Entitled to Parental Leave	88	93
Employees That Took Parental Leave in FY2023	5	2
Employees That Return to Work after Parental Leave Ended	5 (100%)	2 (100%)
Employees That Return to Work after Parental Leave Ended and Still Employed 12 Months after Return	3 out of 3 (100%)	4 out of 4 (100%)

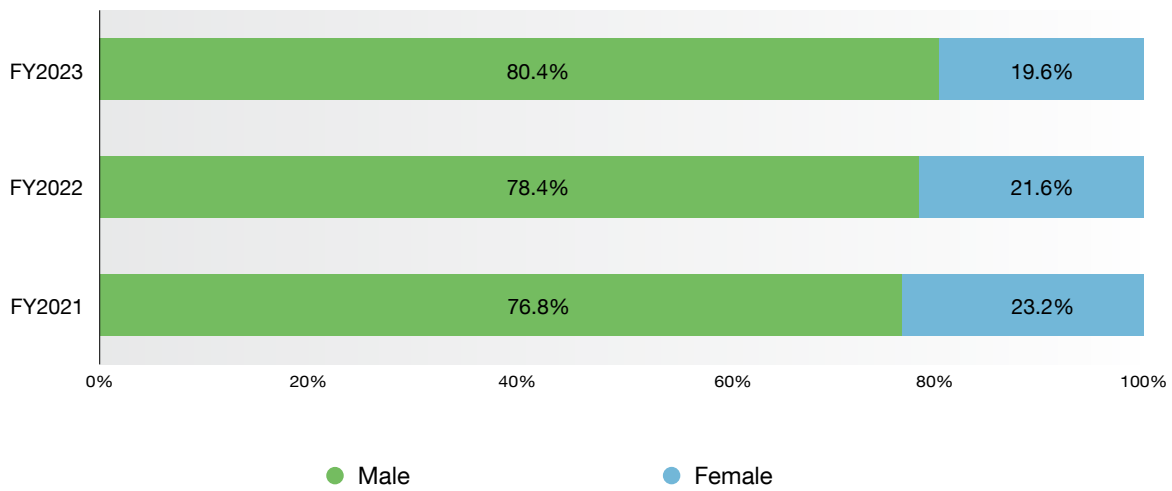


RESPONSIBLE EMPLOYER

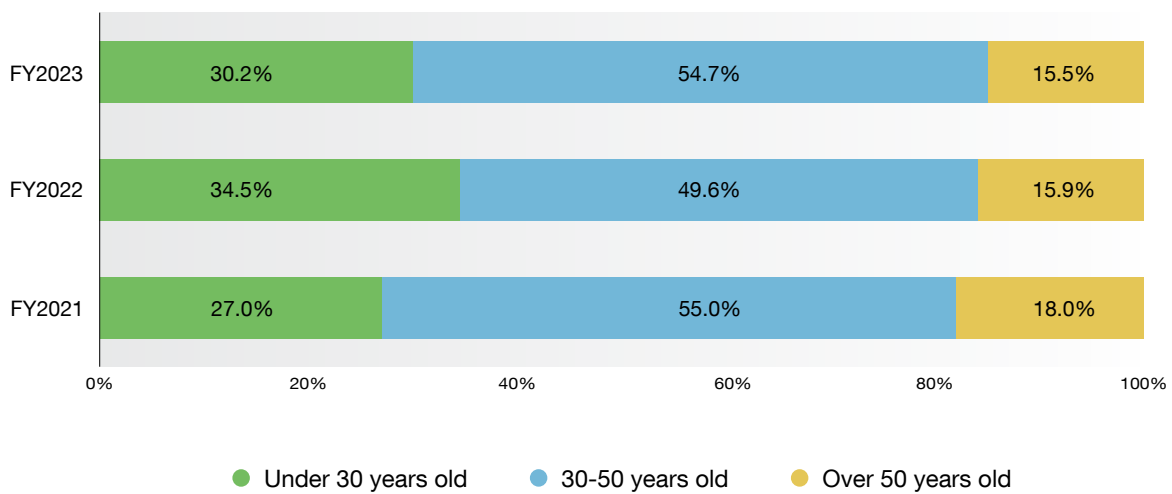
Diversity GRI 3-3, 405

New Toyo respects and highly values its diverse employee population. We have unwavering ethical commitment towards promoting a workplace that is respectful of personal differences and free of discrimination and harassment. We strive to provide work environment that are free of discrimination and harassment based on age, ancestry, color, marital status, medical condition, mental disability, physical disability, national origin, race, religion, gender, sexual orientation or veteran status. Misconducts related to abusive, insulting and offensive actions of any kind are reportable through whistle-blowing channel or grievance mechanism, and are punishable with immediate disciplinary action up to and including termination of employment. New Toyo also takes all allegations of harassment seriously including sexual and racial harassment and prohibits all forms of discrimination. Besides, we uphold a non-discriminatory recruitment procedure that bases candidates selection on their skills, qualifications and previous experience.

Percentage of Employees by Gender



Percentage of Employees by Age Group



Performance and Target

This year, New Toyo set group-level target to maintain 30% of women in management roles.

Performance against Employment and Diversity Target set in Sustainability Report FY2022

Target	Performance
Gender and age diverse workforce	In FY2023, our female employees in management were 46%. Compared to FY2022, female employees dropped by 2%, resulting in 80.4% of male employees and 19.6% of female employees. Age distribution-wise, we have approximately 5% more employees between the age of 30 to 50.



Occupational Health, Safety and Wellbeing

GRI 403

Risk Management for Occupational Health and Safety

GRI 3-3, 403-1, 403-2, 403-4, 403-8

Maintaining a safe and conducive work environment is our utmost priority. We understand that all occupations have its potential work-related health hazard, which could be detrimental to the well-being of our employees when left unchecked and unmonitored. As such, most of our facilities have either Occupational Health and Safety (“OHS”) management system or Risk Assessment and Management System in place to cover all our employees²⁹ and our operational activities. We appoint at least one qualified safety officer at each production facilities to manage OHS-related risks and incidents. From identification of risks based on experience and survey to management of risks through corrective and preventive actions, our safety officers work with employees through feedback and reporting of hazard and incidents. Source of report is kept private for protection against reprisal.

OHS Initiatives

GRI 403-3, 403-5, 403-6

We cover our employees at NTA, PBC, NTVN and NTG with medical reimbursement, health insurance, accident insurance and/or yearly health screening. Recognising the importance of training and refresher courses on OHS, safety trainings are regularly conducted for all level of employees, while our non-clerical employees are trained on driving light vehicle including forklift, working at height and operating heavy machinery. At PBC, we organised sports activities to encourage workers to foster adoption of an active lifestyle.



Work-related Injury and Ill Health

GRI 403-9, 403-10

We define work-related injury as injury that happens during working hours while an employee is performing their job responsibilities. Common work-related injuries for our operations include cuts, abrasion and bruise, but we do not rule out the possibilities of injuries arise from slips and falls, heavy lifting and exposure to chemicals. New Toyo is continuously monitoring the occurrence of work-related injury as a part of our injury prevention efforts. In FY2023, there were 16 recordable work-related injuries, all of which involved male employees and due to cut, abrasion and bruise. This is an improvement from FY2022, where the rate of recordable work-related injuries reduced from 5.56 to 3.46 injury per 200,000 hours worked.

²⁹ Non-employee workers are not covered under our OHS system.

RESPONSIBLE EMPLOYER

	Work Related Injuries	
	No. of cases	Rate (based on 200,000 working hrs)
Fatalities as a result of work-related injury	0	0.00
High-consequence work-related injuries (excluding fatalities)	0	0.00
Recordable work-related injuries	16	3.46
Number of lost workdays		246
Number of hours worked		924,169

Our definition of occupational ill health is illness due to workplace conditions. Our paper packaging production may expose our employees to hazardous chemicals, noise, heat and machinery. To manage these risks, we believe that prevention is better than cure. We strive to ensure proper communication and understanding of operating instruction when it comes to handling of chemicals and operating heavy machinery. We also provide appropriate and standard personal protection equipment (“PPE”). Besides, NTA conducts annual industrial hygiene monitoring to maintain safety of the site. In FY2023, we were able to maintain zero occurrence of ill health. There was also no work-related injury and ill health involving non-employee workers in FY2023.

Performance and Target

We set target in FY2022 to improve health and safety awareness of employees through increased training programs and maintain zero fatalities in our operations. While training programs conducted in FY2023 were comparable to FY2022, we remain active in reviewing and improving the training program for implementation in the coming year. As for maintaining zero fatalities, we are proud to have maintained the zero-fatality streak since FY2017. Therefore, we are setting a long-term target to maintain zero fatalities until 2030.

Workforce Development

GRI 404

Career Development for Our Employees

GRI 3-3

We foster a culture of continuous learning to provide professional development opportunities to employees through skills upgrading and training. We offer both external and in-house training programs to empower them and unlock their potential. We also offer financial assistance for courses related to the employees’ roles and responsibilities.

Our Promotion and Transfer Policy aims to provide employees with opportunities for career growth and advancement. Employees are encouraged to plan their career path and apply to job openings within New Toyo according to their skills and qualifications. Before an offer is made, we have a process in place to help the identified candidate make informed decision.

Appraisal of employees’ performance is conducted at least once a year by the immediate manager. We use performance appraisals to recognize employees’ strengths and improve employees’ weaknesses. To provide opportunity for discussion of performance and set objective, goals and development plan for the coming year, employee will be informed in advance of the timing of the appraisal interview. We also encourage ongoing feedback and assessment through regular meet up between employees and their direct manager.

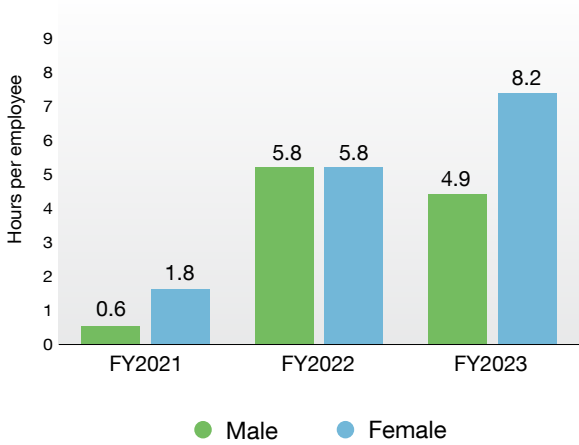
We prioritize identifying potential and ambition within our organization to assume emerging leadership positions through our appraisal and promotion process.

RESPONSIBLE EMPLOYER

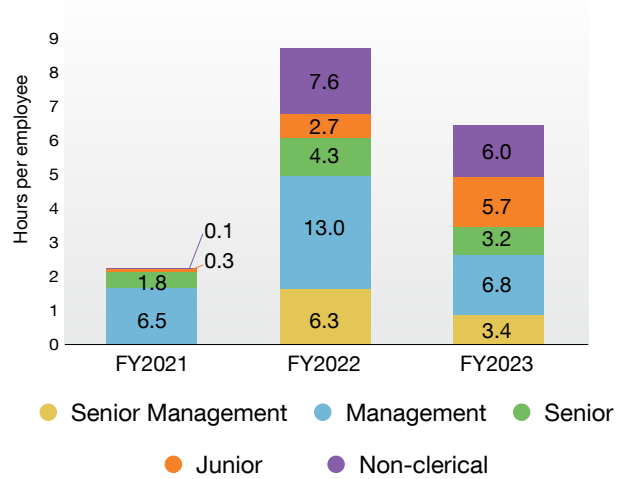
Training and Education Performance

GRI 404-1, 404-2, 404-3

Average Training Hours by Gender



Average Training Hour by Employee Category



Management level employees received the most hours our training in FY2023, with the training provided covering finance and ESG topics. General trainings provided to Senior, Junior and Non-clerical employees included occupational first aid and safety training. At NTA, sustainability training was provided to all administrative staff. PBC provided Junior level staff with training on tax and budget preparation.

We continue to review and prioritise our sustainability effort to ensure timely management of all risks facing New Toyo. We will also continue to explore avenues to foster learning and support our employees in honing their talents for their professional growth, thereby enhancing our organization in the long run.

RESPONSIBLE EMPLOYER

Community Engagement

GRI 413

New Toyo values the community among which where we operate. We believe our Group Sustainability Policy and the supporting environmental policies are effective in protecting the local community against disruption to their lives and livelihood. Our fair recruitment policy also strives to create job opportunities for the locals.

New Toyo works on giving back to the community through regular social and charitable engagement. We supported Singapore Island Country Club May Day Charity 2023 to benefit 14 beneficiaries across various charitable causes, including health, community support, disabilities, children and the elderly. In Malaysia, we contributed to local social and cultural activities by supporting local secondary school, Chinese temple and cultural association through donation. In Vietnam, we sponsored 10 scholarships under the Nguyen Thi Minh Kahi Scholarship as part of our collaboration with Ho Chi Minh City Women's Union. Being recognised as Ho Chi Minh City ("HCMC") Green Business, we also sponsored the HCMC Union of Business Association for their causes in sustainability and decarbonisation.



ECONOMIC PERFORMANCE

GRI 201

New Toyo is committed to grow shareholder value through quality products and services. We believe in collective growth with our local communities, such that we strive to prevent potential negative impacts on small businesses and employment opportunities. Therefore, we believe in full compliance with all applicable laws and regulations and prioritise fair compensation and treatment for our employees. We also invest in local communities through donations and sponsorships.

New Toyo distributed approximately 20% of our revenue to key stakeholders – 8% to employees, 1% to government in countries where we operate, and 3% to capital providers. The economic value retained was 7% of our revenue.



INDEPENDENT VERIFICATION STATEMENT



Science Based Assurance in
Quality, Safety & Sustainability.

Independent Limited Assurance Opinion to New Toyo International Holdings Ltd on Scope 1 and 2 Greenhouse Gas Emissions for Calendar Year 2023

To the Management of New Toyo International Holdings Ltd,

Introduction

Intertek Deutschland GmbH (hereinafter referred to as "Intertek"), represented in this project by the sustainability team, was commissioned by New Toyo International Holdings Ltd (hereafter referred to as "New Toyo") for independent third-party verification of their Scope 1 and 2 Greenhouse Gas (GHG) Emissions (the "GHG Statement") to be included in New Toyo's Sustainability Report 2023 for calendar year 2023 (i.e. from 1st January 2023 to 31st December 2023). The verification was performed in accordance with ISO 14064-3 'Specification with guidance for the verification and validation of greenhouse gas statements'.

Objective

The objective of this limited assurance review was to confirm whether any objective evidence existed to suggest that New Toyo's GHG Statement for 2023 was not accurate, complete, consistent, transparent, or suggested material errors or omissions.

Intended Users

The intended users of this assurance statement are New Toyo's management and stakeholders. Intertek's responsibility in performing this task was limited to the verification of the GHG Statement, in accordance with the agreed scope of work. This assurance engagement was based on the assumption that the data and information provided to us is authentic and complete.

Responsibilities

New Toyo's Management was solely responsible for defining the goal and scope, the organization's GHG information system, data maintenance and reporting procedures in accordance with that system, including the data collection, inventory, calculation and determination of GHG emissions for the organization.

As agreed with New Toyo's Management, Intertek's responsibility was to provide assurance and express an independent limited assurance opinion on New Toyo's GHG Statement based on verification following the assurance scope and criteria stated below. Intertek does not accept or assume any responsibility for any other purpose or to any other person or organization.

This document represents Intertek's independent and balanced opinion on the content and accuracy of the information and data held within.

Assurance Scope

The organizational boundary followed the operational control approach. The verification covered GHG emissions activities from five locations under New Toyo's operational control that are included in New Toyo's Sustainability Report 2023 (i.e. Singapore, Malaysia, Dubai and Vietnam) for the period of 1st January 2023 to 31st December 2023.

The verification covered 100% of total Scope 1 and 2 GHG emissions in 2023, which included the following activities:

- Scope 1: Direct GHG Emissions
- Scope 2: Purchased Electricity (including renewable energy) – Market-based

The GHG Statement follows the criteria of the World Resources Institute's (WRI) *Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard* (hereafter referred to as the 'GHG Protocol Standard') and ISO 14064-1 'Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals'.

Assurance Criteria

Intertek conducted the verification work in accordance with requirements of 'Limited Assurance' procedures as per the following standard:

- ISO 14064-3 'Specification with guidance for the verification and validation of greenhouse gas statements'

The criteria in which the GHG Statement was compared against was:

- WRI *GHG Protocol – A Corporate Accounting and Reporting Standard*; and
- ISO 14064-1 'Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals'

A limited assurance engagement involved performing procedures to obtain evidence about the quantification of emissions and related information in the GHG Statement. Source data verification was undertaken during the assurance process, where available.

A materiality level of 5% was applied.

INDEPENDENT VERIFICATION STATEMENT

Methodology

Intertek performed verification work using risk-based approach to obtain the information, explanations and evidence that were considered necessary to provide a limited level of assurance. The verification was conducted by desktop review regarding New Toyo's GHG Statement and supporting records for 2023. Data and information supporting New Toyo's GHG Statement were historical in nature and proven by evidence. Our assurance task was planned and carried out from March 2024. The verification included the following:

- Review of processes and systems used to gather and consolidate data.
- Examined and reviewed documents, data and other information made available digitally.
- Conducted a virtual interview with data managers.
- Assessment of the appropriateness of various emission factors and conversion factors used by New Toyo.
- Review of input data on sample basis for the duration of 1st January 2023 to 31st December 2023 through New Toyo's GHG calculation spreadsheet and raw data files.
- Recalculation of GHG emissions based on the data provided.
- Appropriate documentary evidence was obtained to support our conclusions on the GHG Statement.

Findings

Intertek found that sufficient and appropriate evidence was provided to support material emissions. The criteria were applied appropriately for material emissions. Therefore, Intertek found that no modification was required to the GHG Statement.

Conclusion and Assurance Opinion

Intertek reviewed selected GHG activities of New Toyo International Holdings Ltd ("New Toyo") for the reporting period of 1st January 2023 to 31st December 2023 to a limited level of assurance. The verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification.

Based on the data and information provided by New Toyo, Intertek concludes with limited assurance that there is no evidence that the GHG Statement are not materially correct, are not a fair representation of the GHG information, as well as are not prepared in accordance with the WRI *GHG Protocol – A Corporate Accounting and Reporting Standard* and ISO 14064-1 'Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals'.

The reported GHG emissions for 2023 are equal to:

Scope	GHG Emissions (tonne CO ₂ e)
Scope 1	1,615
Scope 2 (Market-based)	3,773
Total	5,388

This opinion shall be interpreted with the GHG Statement of New Toyo as a whole.

Intertek's Competence and Independence

Intertek ensures the selection of appropriately qualified and impartial individuals as the verifiers. The selected verifiers have over 10 years of experience working on GHG accounting and verification projects. They were not involved in the preparation of New Toyo's GHG Statement.

Intertek adheres to the requirements of ISO 14064-3 in its verification works. The verification was internally reviewed to ensure that the approach applied was rigorous and transparent. The verification team was not involved in any other Intertek projects with New Toyo.

No member of the verification team has a business relationship with New Toyo, its Directors or Managers beyond that is required of this assignment. No form of bribe has been accepted before, throughout and after performing the verification. The verification team has not been intimidated to agree to do this work, change and/or alter the results of the verification. The verification team has not participated in any form of nepotism, self-dealing and/or tampering. If any concerns or conflicts were identified, appropriate mitigation measures were put in place, documented and presented with the final report. The process followed during the verification is based on the principles of impartiality, evidence, fair presentation and documentation. The documentation received and reviewed supports the conclusion reached and stated in this opinion.

On behalf of Intertek



Monisha Monachan
Assistant Manager
Intertek Assuris



Yi Hang Yu
Senior Manager – Climate Change & Sustainability
Intertek Assuris
3 April 2024

GRI CONTENT INDEX

Statement of use New Toyo International Holdings Ltd has reported with reference to the GRI Standards for the period 1 January 2023 to 31 December 2023.

GRI 1 used GRI 1: Foundation 2021

GRI Standard	Disclosure Number	Disclosure	Location
GRI 2: General Disclosures 2021	2-1	Organizational details	About New Toyo (Pg. 1)
	2-2	Entities included in the organization's sustainability reporting	Overview of Sustainability Report (Pg. 3)
	2-3	Reporting period, frequency and contact point	Overview of Sustainability Report (Pg. 3)
	2-4	Restatements of information	Restatements of Information (Pg. 3)
	2-5	External assurance	Assurance and Review (Pg. 3)
	2-6	Activities, value chain and other business relationships	About New Toyo (Pg. 1)
	2-7	Employees	Human Capital and Diversity (Pg. 39-41)
	2-8	Workers who are not employees	Human Capital and Diversity (Pg. 39)
	2-9	Governance structure and composition	Sustainability in Our Board (Pg. 7) Annual Report > Board of Directors (Pg. 7-9) Annual Report > Corporate Governance (Pg. 19-37)
	2-10	Nomination and selection of the highest governance body	Annual Report > Corporate Governance (Pg. 23-26)
	2-11	Chair of the highest governance body	Sustainability in Our Board (Pg. 7)
	2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance and Leadership (Pg. 8) Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 11)
	2-13	Delegation of responsibility for managing impacts	Sustainability Governance and Leadership (Pg. 8)
	2-14	Role of the highest governance body in sustainability reporting	Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 11)
	2-15	Conflicts of interest	Sustainability in Our Board (Pg. 7) Annual Report > Corporate Governance (Pg. 19) Annual Report > Other Information Required under the SGX-ST Listing Manual (Pg. 133)
	2-16	Communication of critical concerns	Whistle-blowing (Pg. 7)
	2-17	Collective knowledge of the highest governance body	Sustainability in Our Board (Pg. 7)
	2-18	Evaluation of the performance of the highest governance body	Annual Report > Corporate Governance (Pg. 26-27)
	2-19	Remuneration policies	Annual Report > Corporate Governance (Pg. 27-28)
	2-20	Process to determine remuneration	Annual Report > Corporate Governance (Pg. 27-28)

GRI CONTENT INDEX

GRI Standard	Disclosure Number	Disclosure	Location
GRI 2: General Disclosures 2021	2-21	Annual total compensation ratio	The Company will not be providing this information due to confidentiality constraints.
	2-22	Statement on sustainable development strategy	Message from the Board (Pg. 6)
	2-23	Policy commitments	Policies and Practices (Pg. 9-10)
	2-24	Embedding policy commitments	Sustainability Governance and Leadership (Pg. 8) Policies and Practices (Pg. 9-10)
	2-25	Processes to remediate negative impacts	Sustainability Governance and Leadership (Pg. 8) Whistle-blowing (Pg. 7) Policies and Practices (Pg. 9-10)
	2-26	Mechanisms for seeking advice and raising concerns	Whistle-blowing (Pg. 7)
	2-27	Compliance with laws and regulations	Anti-Corruption (Pg. 37)
	2-28	Membership associations	2023 Highlights (Pg. 5)
	2-29	Approach to stakeholder engagement	Stakeholder Inclusiveness (Pg. 20)
	2-30	Collective bargaining agreements	Human Capital and Diversity (Pg. 39)
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Materiality Assessment (Pg. 21-22)
	3-2	List of material topics	Materiality Assessment (Pg. 21-22)
Economic Performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Economic Performance (Pg. 49)
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Economic Performance (Pg. 49)
	201-2	Financial implications and other risks and opportunities due to climate change	Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 11-19)
	201-3	Defined benefit plan obligations and other retirement plans	Human Capital and Diversity (Pg. 39-45) Annual Report > Notes to the Financial Statements (Pg. 100-102)
Anti-Corruption			
GRI 3: Material Topics 2021	3-3	Management of material topics	Anti-Corruption (Pg. 37)
GRI 205: Anti-Corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	Anti-Corruption (Pg. 37)
	205-3	Confirmed incidents of corruption and actions taken	Anti-Corruption (Pg. 37)
Material			
GRI 3: Material Topics 2021	3-3	Management of material topics	Materials and Biodiversity (Pg. 31)
GRI 301: Materials 2016	301-1	Materials used by weight or volume	Materials and Biodiversity (Pg. 32)
	301-2	Recycled input materials used	Materials and Biodiversity (Pg. 32)
Energy			

GRI CONTENT INDEX

GRI Standard	Disclosure Number	Disclosure	Location
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Energy Efficiency and Decarbonisation (Pg. 25-28)
	302-2	Energy consumption outside of the organization	Energy Efficiency and Decarbonisation (Pg. 25-28)
	302-3	Energy intensity	Energy Efficiency and Decarbonisation (Pg. 27)
	302-4	Reduction of energy consumption	Energy Efficiency and Decarbonisation (Pg. 25, 26, 28)
Water and Effluent			
GRI 3: Material Topics 2021	3-3	Management of material topics	Water Security (Pg. 29-30)
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Water Security (Pg. 29-30)
	303-2	Management of water discharge-related impacts	Water Security (Pg. 29-30)
	303-3	Water withdrawal	Water Security (Pg. 30-31)
Biodiversity			
GRI 3: Material Topics 2021	3-3	Management of material topics	Materials and Biodiversity (Pg. 31)
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Materials and Biodiversity (Pg. 31)
	304-2	Significant impacts of activities, products and services on biodiversity	Materials and Biodiversity (Pg. 31)
Emissions			
GRI 3: Material Topics 2021	3-3	Management of material topics	Energy Efficiency and Decarbonisation (Pg. 25)
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Energy Efficiency and Decarbonisation (Pg. 26-28)
	305-2	Energy indirect (Scope 2) GHG emissions	Energy Efficiency and Decarbonisation (Pg. 26-28)
	305-3	Other indirect (Scope 3) GHG emissions	Energy Efficiency and Decarbonisation (Pg. 26-28)
	305-4	GHG emissions intensity	Energy Efficiency and Decarbonisation (Pg. 27)
	305-5	Reduction of GHG emissions	Energy Efficiency and Decarbonisation (Pg. 25-28)
Waste			
GRI 3: Material Topics 2021	3-3	Management of material topics	Waste and Circularity (Pg. 33)
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Waste and Circularity (Pg. 33)
	306-2	Management of significant waste-related impacts	Waste and Circularity (Pg. 33)
	306-3	Waste generated	Waste and Circularity (Pg. 33-34)
	306-4	Waste diverted from disposal	Waste and Circularity (Pg. 33-34)
	306-5	Waste directed to disposal	Waste and Circularity (Pg. 33-34)

GRI CONTENT INDEX

GRI Standard	Disclosure Number	Disclosure	Location
Supplier Environmental Assessment			
GRI 3: Material Topics 2021	3-3	Management of material topics	Materials and Biodiversity (Pg. 31)
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Supplier Environmental Assessment (Pg. 31)
	308-2	Negative environmental impacts in the supply chain and actions taken	Supplier Environmental Assessment (Pg. 31)
Employment			
GRI 3: Material Topics 2021	3-3	Management of material topics	Human Capital and Diversity (Pg. 39)
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Human Capital and Diversity (Pg. 41-42)
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital and Diversity (Pg. 39)
	401-3	Parental leave	Human Capital and Diversity (Pg. 43)
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	Occupational Health, Safety and Wellbeing (Pg. 45)
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Occupational Health, Safety and Wellbeing (Pg. 45)
	403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health, Safety and Wellbeing (Pg. 45)
	403-3	Occupational health services	Occupational Health, Safety and Wellbeing (Pg. 45)
	403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health, Safety and Wellbeing (Pg. 45)
	403-5	Worker training on occupational health and safety	Occupational Health, Safety and Wellbeing (Pg. 45)
	403-6	Promotion of worker health	Occupational Health, Safety and Wellbeing (Pg. 45)
	403-8	Workers covered by an occupational health and safety management system	Occupational Health, Safety and Wellbeing (Pg. 45)
	403-9	Work-related injuries	Occupational Health, Safety and Wellbeing (Pg. 45-46)
	403-10	Work-related ill health	Occupational Health, Safety and Wellbeing (Pg. 45-46)
	Training and Education		
GRI 3: Material Topics 2021	3-3	Management of material topics	Workforce Development (Pg. 46)
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Workforce Development (Pg. 47)
	404-2	Programs for upgrading employee skills and transition assistance programs	Workforce Development (Pg. 47)
	404-3	Percentage of employees receiving regular performance and career development reviews	Workforce Development (Pg. 47)

GRI CONTENT INDEX

GRI Standard	Disclosure Number	Disclosure	Location
Diversity and Equal Opportunity			
GRI 3: Material Topics 2021	3-3	Management of material topics	Human Capital and Diversity (Pg. 39, 44)
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Human Capital and Diversity (Pg. 39-40, 44)
Local Communities			
GRI 3: Material Topics 2021	3-3	Management of material topics	Community Engagement (Pg. 48)
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Community Engagement (Pg. 48)
Product and Service Quality			
GRI 3: Material Topics 2021	3-3	Management of material topics	Product and Service Quality (Pg. 36)
GRI 416: Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product and Service Quality (Pg. 36)

Recommendations	Location
Governance: Disclose the organization's governance around climate-related risks and opportunities.	
a. Describe the board's oversight of climate-related risks and opportunities.	Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 11)
b. Describe management's role in assessing and managing climate-related risks and opportunities.	Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 11) Sustainability Governance and Leadership (Pg. 8)
Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	
a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 11-18)
b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 13-18)
c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 13-18)
Risk Management: Disclose how the organization identifies, assesses, and manages climate-related risks.	
a. Describe the organization's processes for identifying and assessing climate-related risk.	Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 18)
b. Describe the organization's processes for managing climate-related risks.	Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 19)
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 19)
Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities, where such information is material.	
a. Disclose the metrics used by the organization to assess climate-related and opportunities in line with its strategy and risk management process.	Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 13-16, 19)
b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions, and the related risks.	Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 15, 19) Energy Efficiency and Decarbonisation (Pg. 25-28)
c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Climate-Related Risks and Opportunities: Scenario Analysis (Pg. 18-19) Moving Forward in Sustainability as a Group (Pg. 23)

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