



*the heart of business strategy*

**Nets Printwork Sdn. Bhd.** (131008-M)  
(Nets Group of Companies)



# BUILDING ESG COMMUNITY

**SUSTAINABILITY REPORT 2024**

**Nets<sup>eco</sup>**  
Towards greener pastures

## Building ESG community

We believe the future of business is collaborative and sustainable. While we are pursuing strategic diversification to unlock new value and opportunities, our true north remains unwavering: embedding Environmental, Social, and Governance (ESG) principles at the heart of everything we do.

To bring this to life, we are actively building an ESG community by partnering with pioneers in sustainable agriculture, food innovation, carbon management, publishing, and consultancy. Together, we are creating a vibrant ecosystem where like-minded SMEs can connect, grow, and amplify their positive impact. In this community, we don't just co-exist—we complement and elevate one another, proving that the most sustainable growth is shared growth.



## Acknowledgement

This Sustainability Report is the efforts of representative from different department. We would like to thank the team:

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## About Nets Group

Nets Group of Companies headed by **Nets Printwork Sdn Bhd (NPW)** when it was first established in 1997 by a group of qualified and experienced specialists with diversified backgrounds in creative design, printing and marketing. The company was set up to provide a complete printing solution to marketing, communications and publishing needs of companies at competitive prices as well as fast turnaround time in Malaysia.

In 2014, restructuring exercise was carried out where we consolidated four companies, namely **Nets Impression Sdn Bhd (NI)**, **Nets Creative Station Sdn Bhd (NCS)**, **Nets MYTalents (M) Sdn Bhd (NMT)** and **FPA Online Sdn Bhd (FPA)** under **Nets Printwork Sdn Bhd**. All four of the companies are certified with ISO 14001:2004 in July 2010, ISO 9001:2008 in September 2010, Forest Stewardship Council (FSC®) in January 2011, and Programme for the Endorsement of Forest Certification (PEFC).

In October 2020. In October 2012, NetsEco received the GreenTAG and 2015 the MyHijau Mark certificate of endorsement under the MyHijau Programme. In February 2013, we obtained 4 stars rating for the SME Competitiveness Rating for Enhancement (SCORE) issued by SME Corp Malaysia.

We believe we can add real value both commercially and environmentally to the marketing, communication and publication needs of companies. We achieve this through the integration of a high-quality creative design solution and green technology development.



*the heart of passion*

## Vision

To be the sustainable corporation  
to shape the eco lifestyle in Asia



## Mission



For our environment

Reducing CO<sub>2</sub> emission and pollution; Promote and Implement environmental conservation.



For our market  
place/ client

To provide new value and solutions through our products and services.



For our workplace/  
employee

To provide our employees with opportunities for self-development in a challenging environment.



For our community

To establish ties and develop a responsible corporate citizen.

Guiding principles and conduct for management.

## Brand Values



**Belief**

We believe we can inspire our stakeholder with new eco value adds to help them feel good and live healthily as a responsible corporate citizen.



**Integrity**

We are consistent in our commitment to honour moral, ethical values and principles.



**Innovative**

We always find ways to improve on our products and services to meet new requirement, new market and customer needs.



**Gratitude**

We are thankful to the stakeholders and environment that support our daily operation and future development.



## NetsEco

NetsEco is the green arm of Nets Group of Companies, driven by the Sustainability Department, Nets Printwork Sdn Bhd. Initially NetsEco was created in view of the dire need to save the planet and preserve its natural resources from the continuous environmental damages caused by the printing industry. Its focal objectives are set on conserving resources and reducing waste, planting seeds of sustainability into young minds, and creating a higher demand for eco print and packaging material products.

Working in strong collaboration with local and overseas counterparts, NetsEco has taken the lead in addressing the issue related to carbon footprint, green procurement, eco labels, corporate social responsibilities for the sustainable development of company and industry and the planet.

NetsEco has been actively involved in conceptualizing and producing new eco service and eco product for the green industry. NetsEco aspires to meet the needs of emerging economies in the region through strategic partnerships. In 2014, NetsEco obtained the Malaysian Brand Certificate from The National Mark Logo.

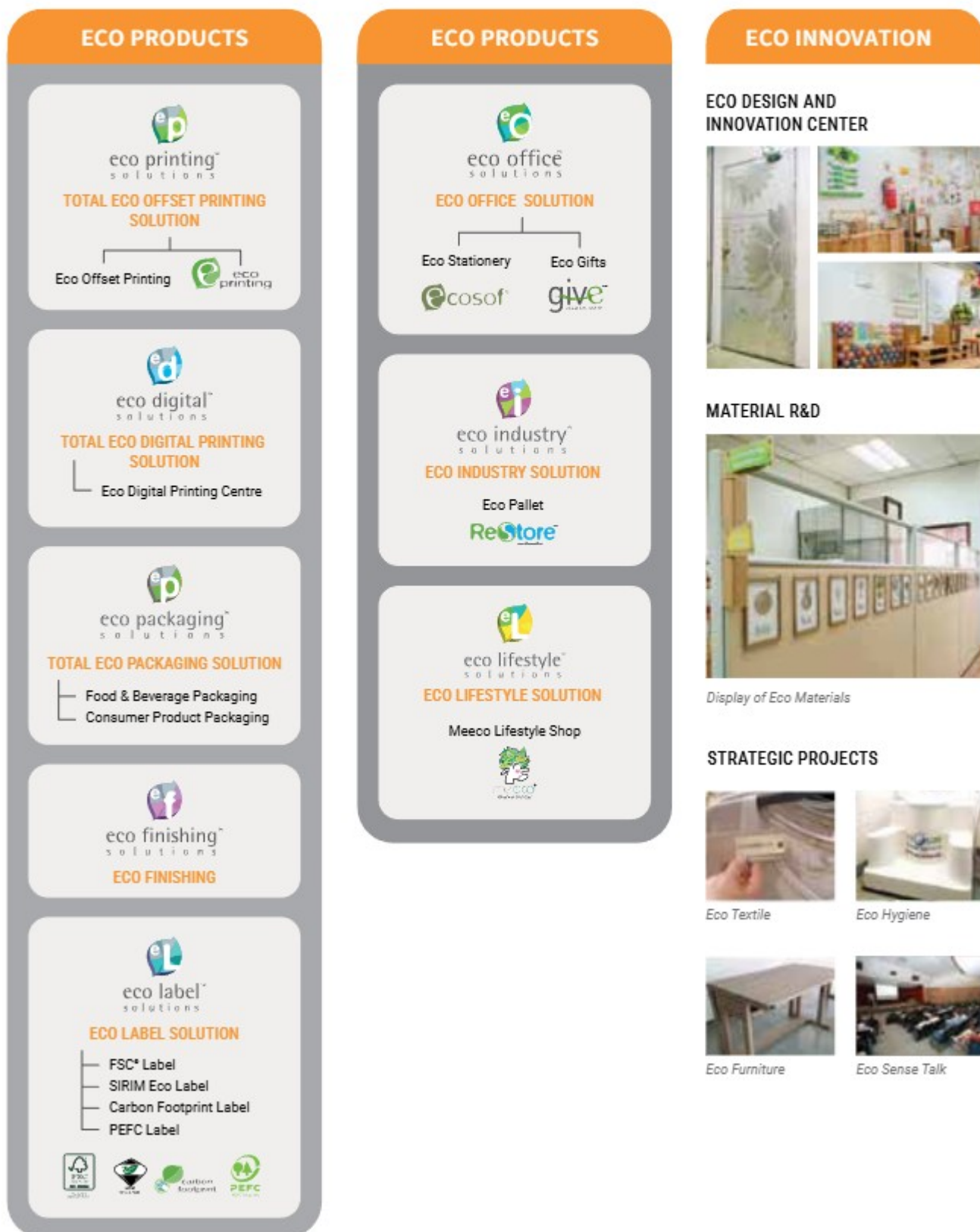
NetsEco offers solution for sustaining our future and green technology development.





## Services and Products

We ensure our services and products are aligned with the NetsEco's vision and mission.



## Membership

We ensure our services and products are aligned with the NetsEco's vision and mission. We are affiliated with industry both local and internationally.

Since	Association	Membership	Membership No
27/7/2010	Malaysia Printers Association (MPA)	Life ordinary member	0269/08/10/SL/L
27/11/2011	Malaysian Institute of Management (MIM)	Group member	GM021168
02/10/2014	United Nation Global Compact (UNGC)	Participants	GCMYB02
11/12/2018	Malaysia Green Building Council (MGBC)	Corporate Member	C0500

### CERTIFICATE



Malaysia Printers Association (MPA) Certificate



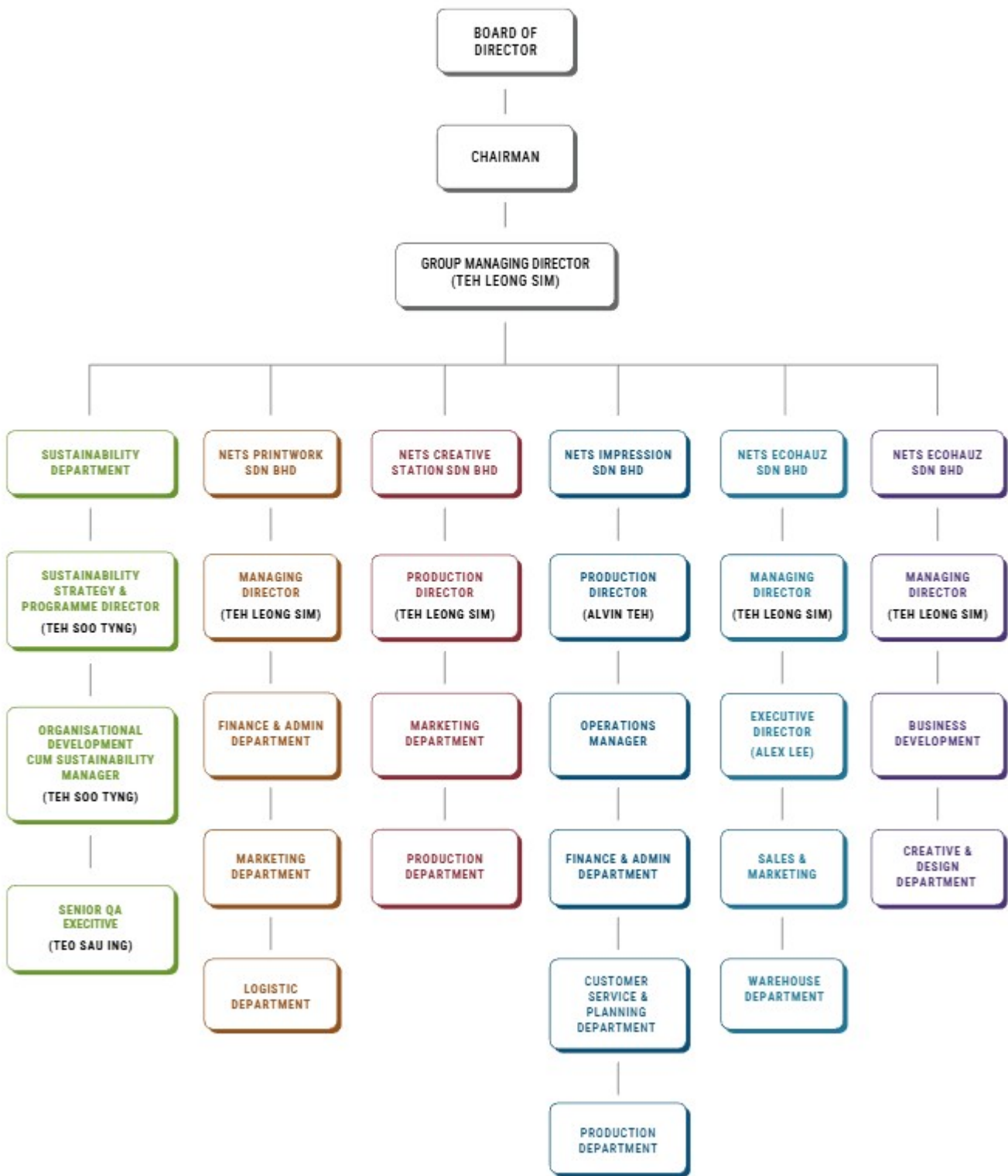
Malaysia Institute of Management (MIM) Certificate



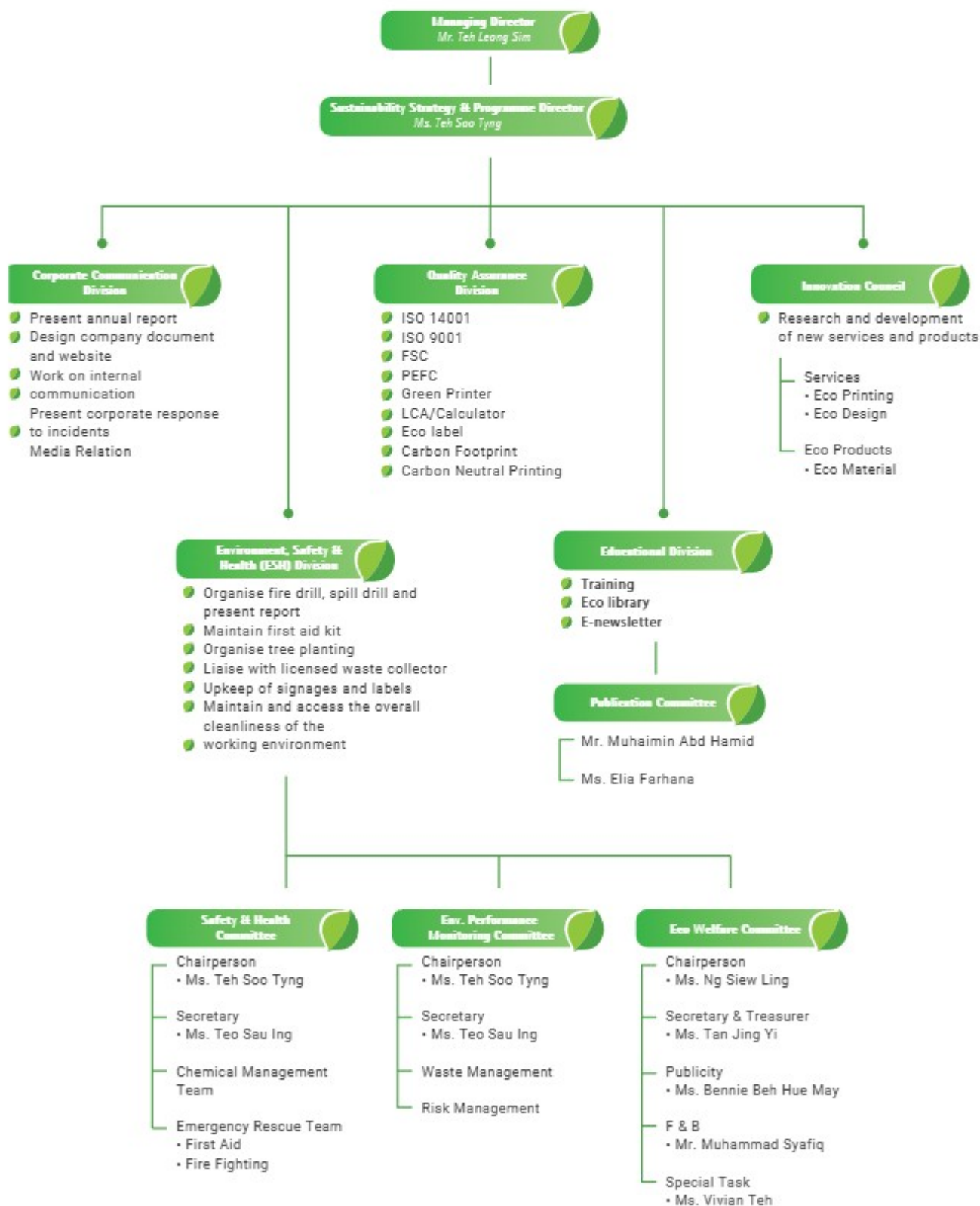
Malaysia Green Building Council (MGBC) Certificate



# Nets Group Of Companies Company Organisation Chart



## Corporate Sustainability Organisational Chart



## Our Approach to Reporting

This report is prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards. Even though we are not a listed entity, our report is prepared to also comply with Bursa Malaysia's Main Market Listing Requirements on Sustainability Reporting.

Most recent previous report: Sustainability Report 2023 published in October 2024.



## Scope of Report

### Reporting Period

1 January 2024 to 31 December 2024

### Content selection process

1. Identify material topics of significance to the operation of Nets Printwork.
2. Review other published sustainability report to determine the content selection to ensure that the coverage is comprehensive and complete.

### Coverage

This Sustainability Report covers the organisation's initiatives in Malaysia. The report is published annually.

### Audience and distribution

This report is available to all stake shareholders on [www.netsgroup.com.my](http://www.netsgroup.com.my)

### Reference and Guidelines

- GRI Sustainability Reporting Framework
- ISO 26000: Guidance on Social Responsibility

### Feedback

For further information and comments please contact:

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Sustainability Strategy and Programme Director

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## MESSAGE FROM MANAGING DIRECTOR



As the year proved to be challenging, **NetsEco** continues to be a strong advocate of sustainability solutions. This year we have achieved notable achievement as the only Malaysian company winding the SL25 award. This Honours List recognized only 25 companies in Asia Pacific that is doing well by doing good by Stewardship Asia Centre. Eco printing is still our core business with a combined revenue of RM 19.5 mil, mainly from the domestic market and a total of 63 employees of people.

Following the development of various platform for carbon emissions management, energy management and a total Environment, Social and Governance (ESG) management, we also started to explore digital solution with more established service provider for our ESG monitoring. For example, the dashboard showed us an overview of our carbon accounting for Scope 1, Scope 2 and Scope 3.

In order to stay relevant, we continue to track global trends and ensure we address the environment, economic and social issues that have the greatest impact on our business. I am pleased to report that no governance issues that require special attention took place at this time.

I would like to take this opportunity to thank all our employees, suppliers, partners and friends for joining us in this sustainability journey.

**Teh Leong Sim**  
Managing Director

A handwritten signature in black ink, appearing to be 'Teh' followed by a stylized 'L' and 'S'.

## MESSAGE FROM SUSTAINABILITY DIRECTOR



At NPW, sustainability has always been the central aspect of our corporate management. This can be seen through our green practices that are expressed through our building, management system, equipment and materials as well as comprehensive policies and processes.

### Environmental Initiatives

Following the newly launched DIAF-ESG Grant by MIDA, our management is more committed to invest in new certification such as B-Corp certification and the digital platform for ESG related monitoring. We have attempt to address the climate risk reporting based on the IFRS standard in this report. We are also dedicated to advancing our carbon emission reporting by expanding the data scope of Scope 1 by adding the refrigerant used for the reporting year.

### Social Initiatives

In 2024, we have appointed an Occupational Safety and Health Coordinator to oversee and promote a safe and healthy working environment. We took six interns from Taiwan to join our structure internship programme (SIP) to support industrial design project. We continue to play our role as one of the industry advisory board panel for INTI Center of Art and Design (ICAD) and Asia Pacific University (APU), exchanging ideas and experiences with other experts from different industries.

### GOVERNANCE INITIATIVES

We continue to not just maintain all our ISO and eco labels certifications but going beyond compliance to create long term value. We have reviewed and published some key policies in our website.

We are grateful that our initiatives continue to receive international recognition this year as we bagged the SL25 Award in Singapore. We remain steadfast with our commitment to stay relevant and competitive as part of the green industry, while remaining consistent with our vision and mission. We thank you for your continued interest in our ESG Report.

## STAKEHOLDER ENGAGEMENT





Stakeholder Group	Issues of Concern	Method of Engagement (Approach & Frequency)
 Customer	<ul style="list-style-type: none"> <li>Product Quality</li> <li>Service Performance</li> <li>Environmental Impacts</li> </ul>	<ul style="list-style-type: none"> <li>Customer service interaction, contact through website, showrooms, IGEM, meetings, conferences, and green events</li> <li>Yearly customer satisfaction questionnaire</li> <li>Customer complaint form</li> <li>Regular plant tour</li> </ul>
 Government	<ul style="list-style-type: none"> <li>Legal Compliance</li> <li>Increase public awareness</li> </ul>	<ul style="list-style-type: none"> <li>Direct contact, working groups, conferences, and green events</li> <li>Compliance</li> <li>Support the green purchasing agenda by creating eco products and listed at MyHijau Directory with a total of 1 service and 28 products.</li> </ul>
 Employee	<ul style="list-style-type: none"> <li>Safety, Health and Environment Practices</li> <li>Benefits and Compensation</li> <li>Career Planning and Development</li> </ul>	<ul style="list-style-type: none"> <li>Direct contact, email, and whatapps</li> <li>Eco Welfare activities (at least 4 in a year)</li> <li>Training (at least 4 hours for a person per year)</li> <li>Formal and informal briefings (at least once a month)</li> <li>Employee satisfaction survey</li> </ul>
 Media, NGOs	<ul style="list-style-type: none"> <li>Corporate Citizenship</li> <li>Environmental Compliance</li> </ul>	<ul style="list-style-type: none"> <li>Direct contact, green events, sponsorship, press release, and official launch at event</li> <li>Periodic communication via enewsletter and Meeco facebook</li> <li>Media interviews</li> </ul>
 Investors	<ul style="list-style-type: none"> <li>Economic Performance</li> </ul>	<ul style="list-style-type: none"> <li>Direct contact</li> <li>Regular communication</li> </ul>
 Industry Competitors	<ul style="list-style-type: none"> <li>Economic Performance</li> <li>Value Added Services</li> </ul>	<ul style="list-style-type: none"> <li>Industry networking events such as DRUPA</li> <li>Contact through agent, external provider, and events</li> </ul>
 External Provider	<ul style="list-style-type: none"> <li>Product and Service Performance</li> <li>Environmental Performance</li> </ul>	<ul style="list-style-type: none"> <li>Direct contact, meetings, and briefing</li> <li>Green Supplier Circle</li> <li>Compliance</li> <li>Site inspections, especially for FSC subcontractor</li> </ul>
 Banks	<ul style="list-style-type: none"> <li>Economic Performance</li> </ul>	<ul style="list-style-type: none"> <li>Direct contact, meetings, and briefing</li> <li>Audited Reports and compliance for funding purpose</li> </ul>

## MATERIALITY

We use materiality analysis to identify social and environmental changes and opportunities that are important to our stakeholders.

To ensure our Sustainability Reports disclose the most relevant and significant information to our stakeholders, our materiality analysis comprises the following steps:

1. Identify internal and external issues concerning stakeholders.
2. Review issues identified align with vision.
3. Focus on priority issues based on mission and strategies for 2024
4. Analyse the level of materiality

We developed a material aspect and boundaries to identify the significant issues and the materiality level defines the amount of disclosure in this report.

## MATERIAL ANALYSIS PROCESS



### MATERIAL ASPECT

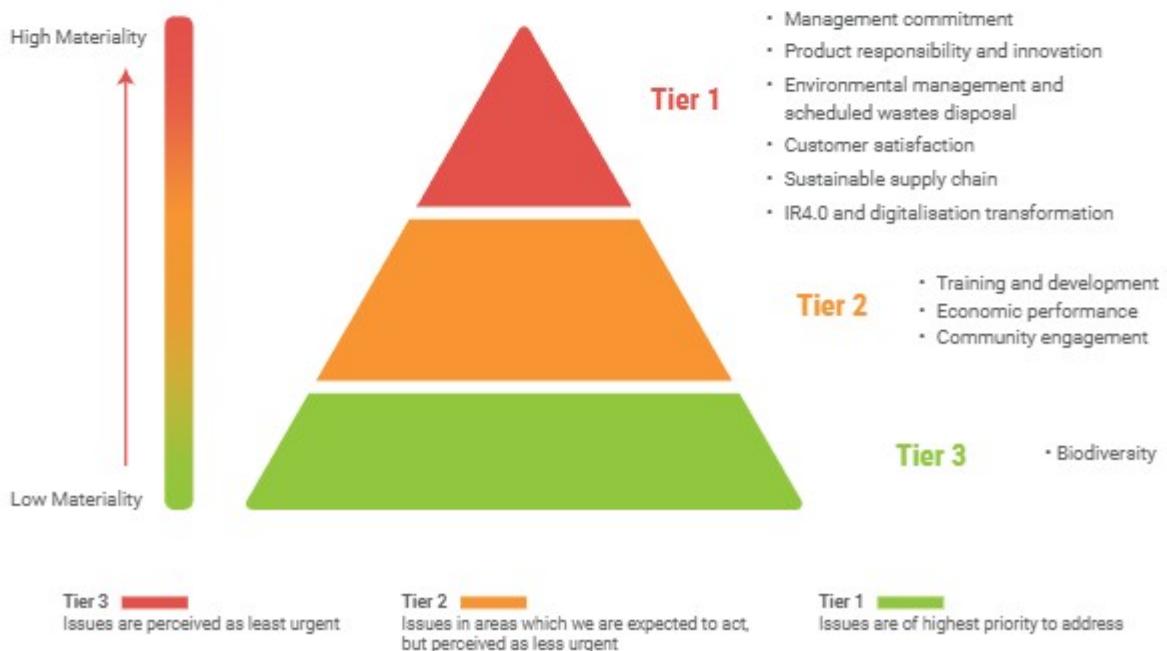
### BOUNDARY WITHIN ORGANISATION

### BOUNDARY OUTSIDE THE ORGANISATION

Management Commitment	High impact as the top management will allocate the relevant resources to change from conventional to green.	Impact to the external provider to offer greener product. Customer is impacted as they now have a choice for eco printing.
Environmental Management and Scheduled Wastes Disposal	High impact as it reflects our compliance to the act and regulation of scheduled waste.	High impact as it differentiates us from another conventional printer.  Reduce negative impact to environment.
Economic Performance	High impact as the initial investment to turn green is high and we need to be able to sustain as a business entity.	Impact to the sponsorship or community activities in terms of printing and eco product support.
Sustainable Supply Chain	Relevant in terms of green technology and raw material assurance.	Customer will benefit from certified eco product and help to contribute positively toward the environment.
Customer Satisfaction	High impact as it will reflect on our economic performance.	Relevant for company reputation.
Product Responsibility and Innovation	Relevant in terms of quality assurance for eco product.	High impact as it will differentiate our product from another self-claim green product. The Eco Label provides outreach to eco conscious customer.
Employee Engagement – Training and Development	Relevant as engaged employees contribute towards a high-performance/ productivity.	Customer experience is positively enhanced when employees perform well.
IR 4.0 Technology	Production optimization and transforming into a smart green factory to enable real time quality and cost control.	Improve customer experience with responsive interaction with customer enable by the new infrastructure

TYPE OF RISKS	RISK RELATED TO MATERIAL MATTERS	STRATEGY TO ADDRESS THE RISK
Operational risk	Management Commitment	<ul style="list-style-type: none"> <li>Follow the Business Continuity Management framework</li> </ul>
	Employee Engagement – Training and Development	<ul style="list-style-type: none"> <li>Develop talent nurturing programme</li> <li>Review to enhance the compensation and benefits</li> </ul>
	IR 4.0 Technology	<ul style="list-style-type: none"> <li>Install cybersecurity measures, data privacy management</li> </ul>
Legal and regulatory risk	Environmental Management and Scheduled Wastes Disposal	<ul style="list-style-type: none"> <li>Conduct climate risk assessment</li> <li>Follow and update the regulatory requirements</li> </ul>
Market risk	Economic Performance	<ul style="list-style-type: none"> <li>Diversify our offerings and increase our source of supplies</li> </ul>
	Product Responsibility and Innovation	<ul style="list-style-type: none"> <li>Establish partnership with innovator for development of new product</li> </ul>
Credit risk	Sustainable Supply Chain	<ul style="list-style-type: none"> <li>Green Supplier Circle to tighten the relationship with our green supplier</li> </ul>
Reputation risk	Customer Satisfaction	<ul style="list-style-type: none"> <li>Continue to monitor and maintain quality of services and products</li> </ul>

## THE VARIOUS LEVELS OF RISK EFFECTING OUR BUSINESS





## Risks to Opportunities

The competition in the printing marketplace is tense.



### RISKS

- Risks
- Lower demand for paper-based printing due to paperless campaign.
- Lower budget for advertisement
- Long term health risk for the operators in the press room.
- More competitors offering lower printing price.



### OPPORTUNITIES

- Opportunities
- Print on demand is available with our Digital Print Centre.
- Eco printing concept: Print only when you need it, print for a good purpose.
- Choose vegetable-based ink (lower VOCs), lower usage of chemicals, employees can work in a healthier and safer environment.
- Eco printing with **SIRIM** Eco Label and **CFP** label is our differentiating factor compared to other printers.

## Sustainable Culture

We continue working towards creating sustainability culture not just in office but also at home and the society around us. We like to see every stakeholder is taking up at least one green practices in their daily life and able to share with others through our platform.

## Compliance

Our customer can now be confident that we:

- Conform with international recognised environmental management standards.
- Have programmes to minimize waste and environmental impacts on land, water and atmosphere.
- Have machine that minimize the use of resources such as paper and ink
- Conform to SIRIM Eco label standards
- Comply with all regulations and other requirements

## SUSTAINABILITY JOURNEY OF 2024

### 18 MARCH 2024





Internal Auditor Training for selected staff to be our ISO internal auditor

### 23 OCTOBER 2024

**Nets Printwork** has been recognised as Malaysia's only recipient in the **esteemed Steward Leadership 25 (SL25) 2024** awards at Asia Pacific level, organised by the Stewardship Asia Centre in collaboration with INSEAD Hoffmann Global Institute for Business and Society, WTW, and The Straits Times

### 15 NOVEMBER 2024

**Nets Impression** has won the Golden Eagle Award 2024 organised by **Nanyang Siang Pau**

SDG	Our Contributions
	<ul style="list-style-type: none"> <li>• We comply to the ISO 14001 Environmental Management System including scheduled waste management regulations.</li> <li>• We took the initiative to publish sustainability report online for others to learn how we integrate sustainable practices.</li> <li>• We promote green purchasing via our Eco Office Initiative Project and participate in the MyHijau Directory which is our government initiative to promote the sourcing and purchasing of green products and services in Malaysia. This programme was approved by the Green Technology and Climate Change Council (MTHPI) on 23 October 2012.</li> <li>• We share information about eco printing, eco innovation and eco design through conference, talk, exhibition and social media to create awareness for sustainable development and lifestyles. We help companies in energy, oleo chemical, FMCG, finance, telecommunication industry to print their sustainability report. (12.6.1)</li> </ul>
	<ul style="list-style-type: none"> <li>• We have also selected 6 Taiwan students and one local student to have internship at our company. (17.6.1)</li> </ul>
	<ul style="list-style-type: none"> <li>• We support the national Feed in Tariff (FIT) initiatives by installation of solar panels to improve our awareness on renewable energy and climate change mitigation. (13.2.1)</li> <li>• We choose to use the vegetable oil-based ink which has lower volatile organic compounds (VOCs) to reduce air pollution. (3.9.1)</li> <li>• We conduct the chemical health risk assessment to help to reduce the illnesses from hazardous chemicals.</li> </ul>
	<ul style="list-style-type: none"> <li>• We practice equal pay for work for women and men. (8.5.1)</li> <li>• We follow the self-regulation and provide training on safety and health to all employees.</li> </ul>

## SUSTAINABILITY GOAL



Contributing to SDGs

### Environment - Energy goal

Sustainable Production towards net zero carbon emission by 2050

**Status: In progress**



Contributing to SDGs

### Marketplace -Market Expansion

To increase awareness of **NetsEco** brand internationally (increase to 2% sales of total sales) via our eco service portfolio, eco labeled product mix and eco innovation.

**Status: Not achieved, no international sales**



Contributing to SDGs

### Community - Eco Design Talent Goal

To increase the number of eco designer by 20% via stakeholder collaboration, internship and education programmes.

**Status: Not achieved. Only 5 interns.**

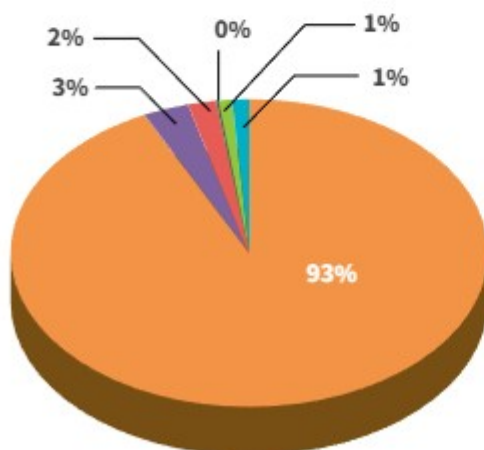


Contributing to SDGs

### Workplace - Training & Development

95% participation in employee training programme & development programmes.

**Status: Not achieved, only 85 %.**



## ENVIRONMENTAL INVESTMENT RATIO

- Prevention of Global Warming
- Eco-products Development
- Environmental Communication
- Environmental Education
- Waste Reduction & Pollution Prevention
- Others



## The Strategy for Sustainable Civilisation

We firmly believe that a sustainable civilisation is the ultimate aim to go green. First, we need to cultivate the green thinking which comprises of living in harmony and growing together in an ecosystem. Hence, we embark onto activities that are able to create higher awareness to all our stakeholder. The activities are educational and up to date. To be catalyst for the green economy, we develop eco products, practice green procurement and embrace green technology. We are committed to build green culture which integrates the elements of truth, kindness and beauty. To reach common good, we shape eco lifestyle. Furthermore, with the development of environment related literature, we will have a better life for future generations.

In 2018, we adapted the 17 Sustainable Development Goals of the United Nation. In the progress of adaptation, we updated our poster on "The Strategy for Sustainable Civilisation" and paste it at prominent public places at our premises and present it in our sustainable report so that all stakeholders are able to see it. We also introduce SDGs in our ESH training to employees.



# ENVIRONMENT

Conservation is a state of harmony  
between men and land.

– Aldo Leopold







## Climate Change

### Climate Governance

The Sustainability Committee oversees climate-related risks and opportunities with the support from Board of Director (BOD). They set the target and monitor the performance on climate-related risks and opportunities during the quarterly EPMC meeting. The control is using established reference such as Task Force on Climate-related Financial Disclosure (TCFD), Intergovernmental Panel on Climate Change (IPCC) and International Financial Reporting Standards (IFRS S2).

### Climate related scenario analysis for physical risk and transition risk

We conducted scenario analysis based on the IPCC Representative Concentration Pathway (RCP) 8.5 / 4.3°C and 2.6 / 1.8°C scenarios.

#### IPCC RCP 8.5

This climate scenario projects a significant rise in global temperatures (4.3°C by 2100) due to rapid GHG emissions growth, resulting in a broad spectrum of environmental impacts.


#### IPCC RCP 2.6

This climate scenario projects a modest increase in the global mean temperature (1.8°C by 2100), with a subsequent decline in GHG emissions by mid-century and the eventual attainment of net negative GHG emissions in the latter half of the century.

## Climate related Risks





### I. Physical Risk (Acute and Chronic)

Climate scenario aligning with RCP8.5 Limited climate action leading to global warming of 4 °C above pre-industrial levels by 2100.

Risk	Risk Description	Potential Financial Impacts	Time Horizon	Strategies
<b>Flood</b> 	<b>Low risk</b> The frequency of flash flood has increased in recent years due to impervious surfaces that prevent water absorption and also the rubbish blockage in the drainage system.	<ul style="list-style-type: none"> <li>Reduction in revenue due to the disruption in supply chain</li> <li>Increase of cost due to damage of facilities, machineries, materials and goods.</li> </ul>	Short term	<ul style="list-style-type: none"> <li>Check the drainage system, ensure proper collection of rubbish</li> <li>Increase stakeholders' awareness of the importance of a clean environment.</li> </ul>




### II. Transition Risk

Climate change scenario RCP2.6 aligned with the goals of the Paris Agreement and requires steep global annual emissions reduction, sustained for decades, to stay within a 1.5 °C carbon budget.

Risk	Risk Description	Potential Financial Impacts	Strategies
<b>Policy and Legal</b> 	<b>Medium Risk</b> There are emerging regulations on carbon tax, sustainability reporting (eg. IFRS S1 and S 2), carbon pricing like Carbon Border Adjustment Mechanism (CBAM). There are also revised version of the environmental regulations (eg. Environment Quality Act (Amendment) 2024	<ul style="list-style-type: none"> <li>• Increase of compliance cost for local and international standards</li> <li>• Increased operating cost for sustainability reporting</li> <li>• Increased remediation cost to meet the net zero target</li> </ul>	<b>Short term</b> <ul style="list-style-type: none"> <li>• Update company's policies to align with climate action</li> <li>• Maintain annual audit for ISO 14001, ISO 9001, FSC, PEFC, SIRIM Eco Label, etc.</li> </ul> <b>Long term</b> <ul style="list-style-type: none"> <li>• Regular update on the legal requirement</li> <li>• Engage with suppliers that comply with standard requirements</li> </ul>
<b>Technology</b> 	<b>Low Risk</b> There is limited affordable decarbonization technology.	<ul style="list-style-type: none"> <li>• High cost to deploy the decarbonization technology.</li> <li>• Potential investment loss in R&amp;D for low carbon solution</li> </ul>	<b>Short term</b> <ul style="list-style-type: none"> <li>• Acquire low carbon/ renewable technology</li> <li>• Implement energy management system to measure and better manage our energy consumption</li> <li>• Maintain the solar panels to ensure consistent performance</li> </ul> <b>Long term</b> <ul style="list-style-type: none"> <li>• Work with eco designer on product innovation and upcycling of waste material</li> </ul>
<b>Market</b> 	<b>High Risk</b> There is a shift in customer preferences for low-carbon products. Company may need to write off equipment/ machinery that is unable to meet low-carbon requirements and invest in new equipment/ machinery/ certification to stay competitive and relevant in the market.	<ul style="list-style-type: none"> <li>• Loss of revenue due to increased competition in meeting the shift in customer preference for low-carbon products</li> <li>• Increased investment in GHG emission reduction technology, but low customer demand</li> </ul>	<b>Short term</b> <ul style="list-style-type: none"> <li>• Conduct Life Cycle Assessment (LCA) to develop product carbon footprint</li> <li>• Acquire sustainability related certification to differentiate our value from others, eg. B Corp</li> </ul> <b>Long term</b> <ul style="list-style-type: none"> <li>• Maintain Eco Printing solutions</li> <li>• Implement digital platform to offer speedy response to customers</li> </ul>
<b>Reputation</b> 	<b>Medium Risk</b> There will be potential reputational damage due to non-compliance with regulatory and statutory requirement. The new generation prefer to work with company that is committed to low carbon/ green practices.	<ul style="list-style-type: none"> <li>• Increased cost to settle litigation cases and fines arising from non-compliances.</li> <li>• Loss of talent and increase recruitment cost</li> <li>• Loss of revenue due to slow conversion to low carbon economy</li> </ul>	<b>Short term</b> <ul style="list-style-type: none"> <li>• Participate and winning ESG related award</li> <li>• Update communication on low-carbon solutions and increase sustainability disclosures</li> </ul> <b>Long term</b> <ul style="list-style-type: none"> <li>• Update stakeholders on our climate related strategies through training and green supplier circle</li> </ul>

Note: Short-Term: 0-3 years Medium-Term: 3-5 years Long-Term: > 5 years

## Climate related Opportunities

Opportunity	Opportunity Description	Potential Financial Impacts	Strategies
<b>Resource Efficiency</b> 	<ul style="list-style-type: none"> <li>Replacing non-renewable energy with renewable energy solution.</li> <li>Optimise resource and energy consumption</li> </ul>	<ul style="list-style-type: none"> <li>Reduce operational cost or achieve cost saving such as electricity cost through renewable energy</li> <li>Increase revenue margin due to reduce operational cost</li> </ul>	<b>Medium term</b> <ul style="list-style-type: none"> <li>Change the type of fuel used for our in-house fleet.</li> <li>Collaborate with others for circular economy</li> <li>Implement the digital platform to capture and monitor our machinery electricity consumption</li> </ul>
<b>Market</b> 	<ul style="list-style-type: none"> <li>As the market shifts towards a more sustainable direction, our low-carbon solution may be preferred by customers.</li> <li>Our carbon footprint-labelled products and carbon offset solutions provide data for customers' reporting purpose.</li> </ul>	<ul style="list-style-type: none"> <li>Increase revenue through access to emerging market</li> <li>Increase market share by expanding the customer base</li> </ul>	<b>Long term</b> <ul style="list-style-type: none"> <li>Sourcing low-carbon technologies and products</li> <li>R&amp;D for innovative and eco labelled products</li> </ul>
<b>Reputation</b> 	<ul style="list-style-type: none"> <li>As one of the few players offering the low-carbon solutions, company will enjoy the first-mover advantage.</li> </ul>	<ul style="list-style-type: none"> <li>Increase revenue through publicity opportunities via offline and online media</li> </ul>	<b>Short term</b> <ul style="list-style-type: none"> <li>Increase company brand visibility by introducing our low-carbon solution</li> </ul>

Note: Short-Term: 0-3 years    Medium-Term: 3-5 years    Long-Term: > 5 years



### Self-Regulation Initiative

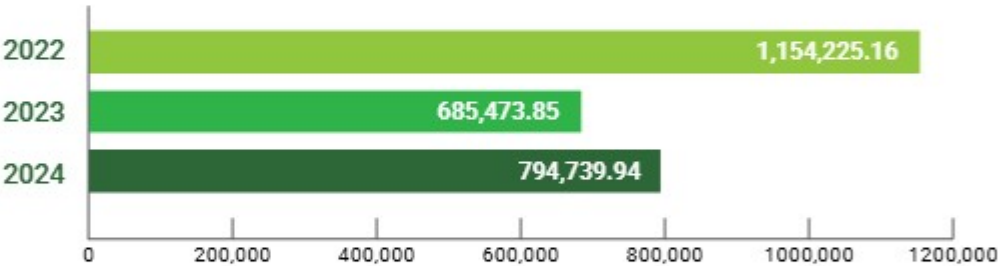
We have internally developed monthly checkpoints procedure for regular auditing purpose. When the “Guidance Document on Implementation of Self-regulation Initiative in Industrial Manufacturing Premises” was issued by the Department of Environment (DOE), we had formed the Environmental Regulatory Compliance Monitoring Committee (ERCMC) and Environmental Performance Monitoring Committee (EPMC) to have regular meetings to review findings and to assure corrective actions are taken.

### Material Usage and Wastage

Data for materials usage from 2022 to 2024

Annual Usage Volume (kg)	 PAPER	 INK	 PLATE
2022	1,154,225.16	7,384.00	11,564.79
2023	685,473.85	4,095.00	9,320.38
2024	794,739.94	4,015.00	11,392.58

  
PAPER USAGE  
2022 - 2024



  
INK USAGE  
2022 - 2024

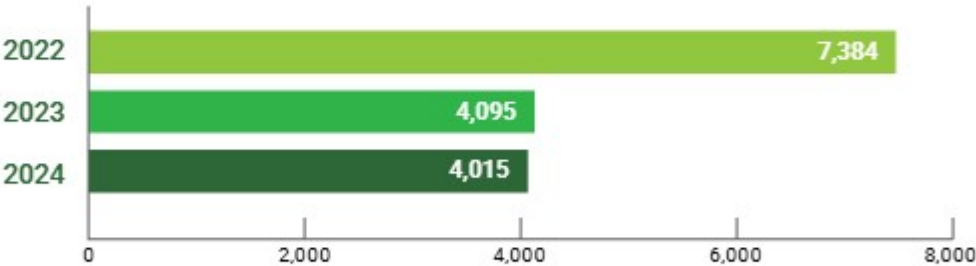
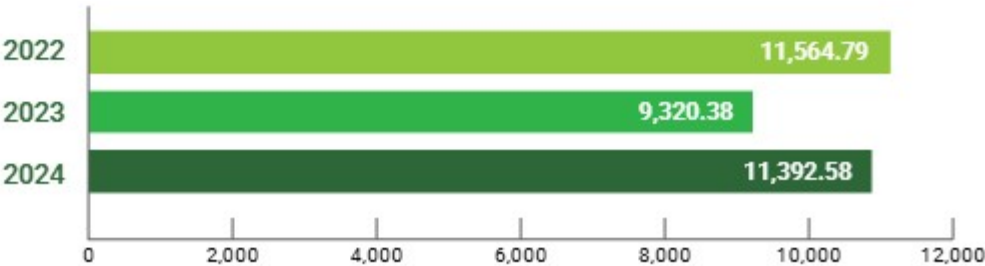


  
PLATE USAGE  
2022 - 2024



Data for waste materials from 2022 to 2024

Materials	Annual Volume (pcs)		
	2022	2023	2024
Waste Plate	102	155	136



WASTE PLATE  
2022 - 2024



## UTILITY USAGE

2022



Electricity (kWh)  
**512,133**



Water (m³)  
**2,174**

2023



Electricity (kWh)  
**505,429**



Water (m³)  
**2,145**

2024



Electricity (kWh)  
**538,442**



Water (m³)  
**2,100**

Comparing  
2022 and 2024



Electricity (kWh)

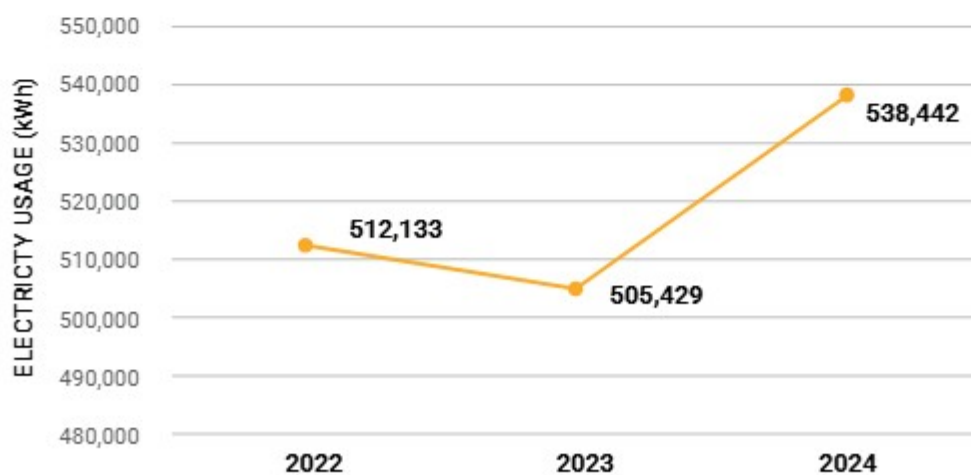
↑ **5%**



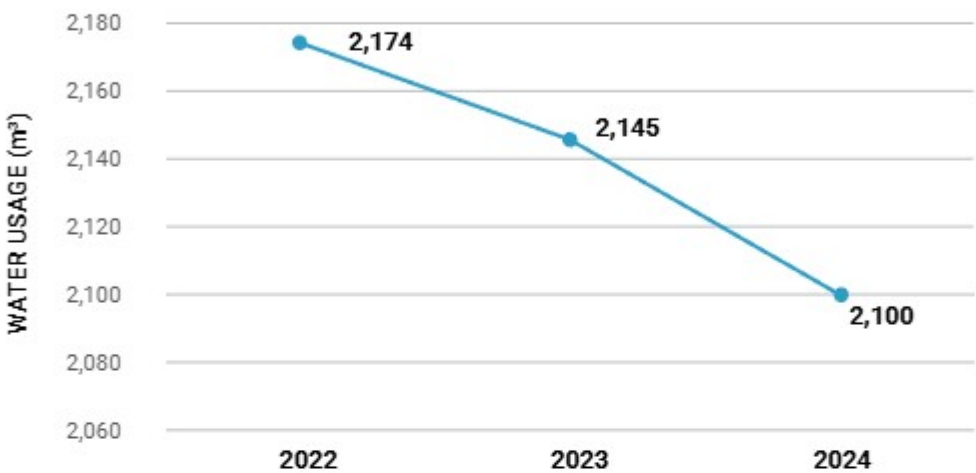
Water (m³)

↓ **3.4%**

## UTILITY (ELECTRICITY) USAGE 2022 - 2024



UTILITY (WATER) USAGE 2022 - 2024



WATER INTENSITY  
(m³/ number of staff)

Year of 2022	36.2
Year of 2023	33.0
Year of 2024	33.3



## Raw Material

The two main raw materials for the printing process are paper and ink. We are committed to improve our raw material usage through sustainable supply chain.

### Vegetable-based ink

Lower volatile organic compounds (VOCs) ink is used in our production site. The following are the comparison of VOC level of normal ink and vegetable-base ink.

#### Petroleum-based inks



30 ~ 35 % of VOCs

#### Soybean Oil based inks



0-4 % of VOCs

When we change our machine in 2011, we change to use all vegetable-based inks. The usage of vegetable-based ink is aligned with our environment policy. It provides a new choice to our client to jointly contribute to reduce the contaminant to the air.

Besides the soy based, the printing ink that we are using consist of the tung oil and linseed oil.



Tung Nut



Linseed

### FSC® certified paper

The paper material is sourced from well managed forest and other controlled sources in accordance with the requirement of the Forest Stewardship Council (FSC®) – an international, non-profit association founded in 1993 with the intent “to shift the market to eliminate habitat destruction, water pollution, displacement of indigenous people and violence against people and wildlife that often accompanies logging.” We are committed to sell printed material that is made from FSC® certified paper.



FSC Awareness Training



The mark of responsible forestry

### PEFC certified paper

We are certified with The Programme for Endorsement of Forest Certification (PEFC) in 2020. When you see the PEFC label, it means that the forest-based material within the product comes from a PEFC-certified forest. PEFC CoC certification tracks forest-based products from sustainable sources to the final product. It demonstrates that each step of the supply chain is closely monitored through independent auditing to ensure that unsustainable sources are excluded.

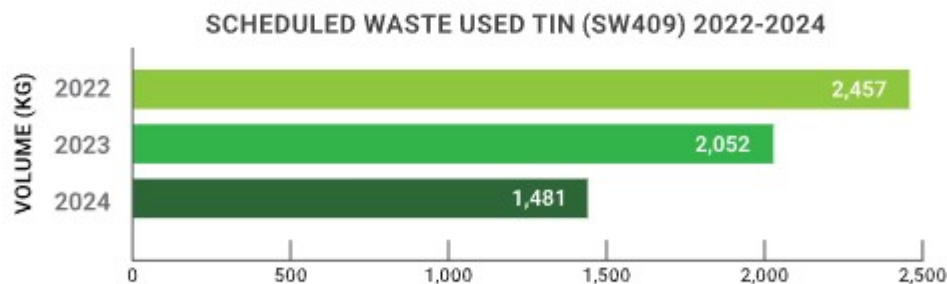
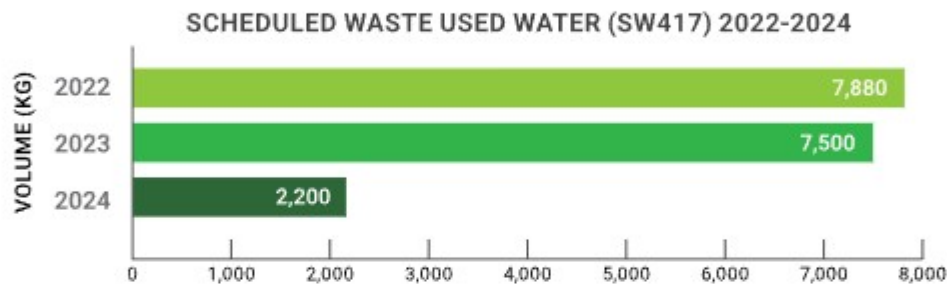


## Scheduled Waste Management

The scheduled waste management is controlled under the Environmental Quality Act (Scheduled Wastes) Regulations 2005. Ms. Teh Soo Tyng is the competent person for Certified Environmental Professional in Scheduled Waste Management (CePSWaM).

The scheduled waste collected by licensed contractor, Tex Cycle Sdn Bhd:

Scheduled Waste	Volume (kg)		
	2022	2023	2024
Used Water (SW417)	7,880	7,500	2,200
Used Rags (SW410)	4,906	4,463	3,232
Used Tin (SW409)	2,457	2,052	1,481



We choose Tex Cycle not just because they are ISO 14001 certified, but also of the green practices in the factory. The used water is recycled in their factory while the used rag is upcycled into spill kit.

COMPARISON TOTAL QUANTITY  
OF SCHEDULED WASTE (KG)  
FOR 2022 AND 2024

  
Used Water  
↓ **72%**

  
Used Rags  
↓ **34%**

  
Used Tin  
↓ **40%**

## Waste Management

We are transitioning into a circular economy. We try to turn our waste into product, to ensure that the remaining waste is handled in the best possible way.

### Recycling



To date, we have recycled 73,323 kg of used water, 40,951 kg of used cloths, 14,084 kg of used tin since year 2010. The value generated from transportation of recycling waste paper is RM 4,550.00 per year.

We recycled wood from the wooden box that carried our new press machine, into furniture in our pantry and workplace.



### Reuse



We also reuse the packaging paper of our raw material to pack our finished goods.



We reuse the wood in the plate packaging box to make the frame of our signage.



## Sustainable Supply Chain Management

Sustainable supply chain management is the management of raw materials and services from suppliers to manufacturer / service provider to customer and backed with improvement on social and environmental impacts explicitly considered.

**100%** new suppliers were evaluated using the supplier evaluation form which include environmental criteria.

**100%** of paper used in the office is FSC® certified and recycled paper starting from August 2012.

**100%** use of recycling material for packaging of printed material.

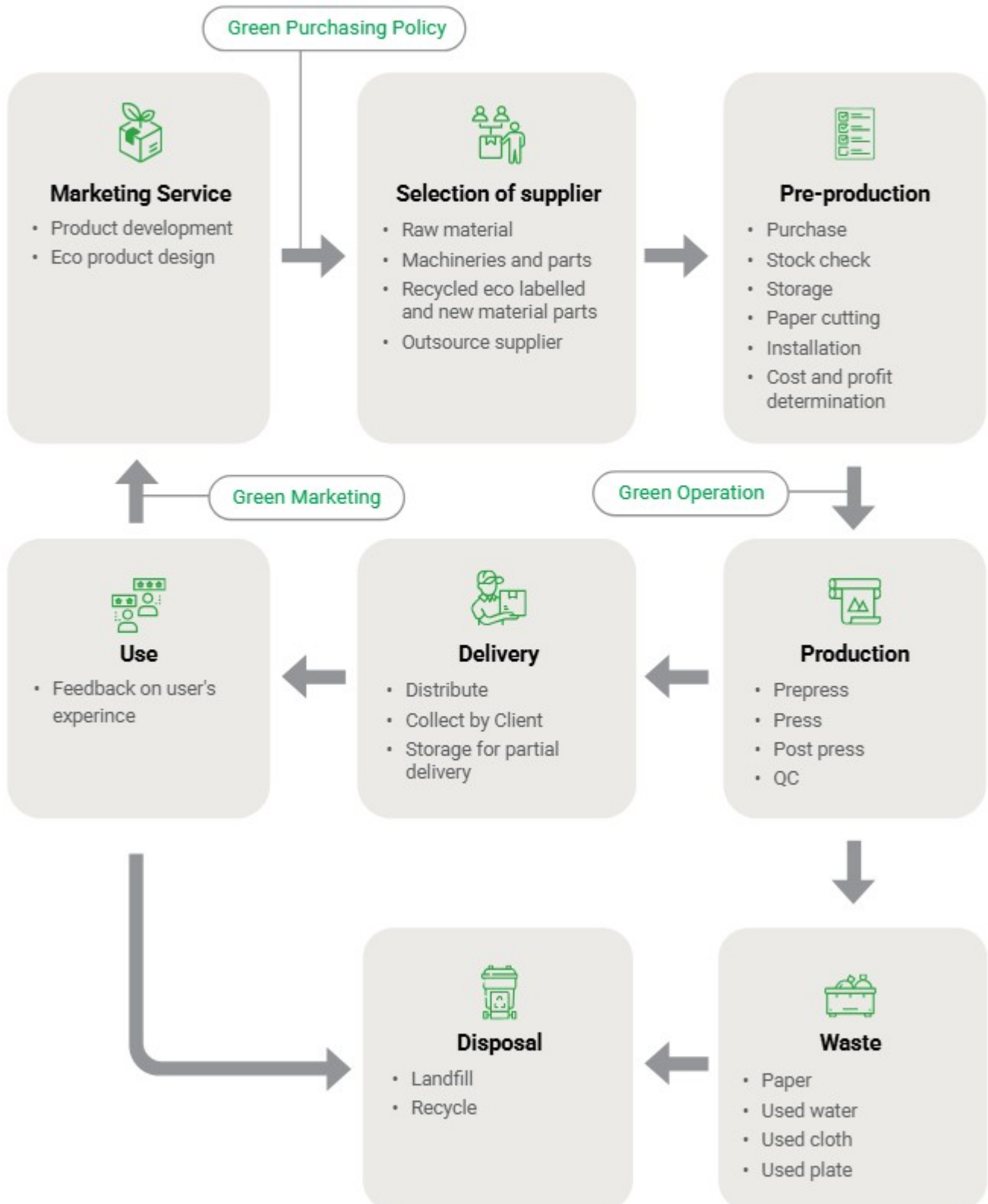
**12.3%** of our supplier obtained such certificates.

**100%** of our suppliers are either locally based or have local regional offices.

We managed to influence the increase of number of FSC® paper supplier from one (1) supplier (2010) to four (4) suppliers (2024).



## SUSTAINABLE SUPPLY CHAIN MANAGEMENT



## Another Green Value Carbon Neutral Press

All our printing machines is labelled with carbon neutral, the total carbon offset is 147.8 tonnes CO<sub>2</sub>e. Each of Carbon Neutral Press machine is attached with carbon offset certificate.



CO2 Certificate SX52-4

## Product Stewardship

We are currently the license holder for SIRIM Eco Label for printed material. Our printed material complies with SIRIM Eco Label scheme.

Internally, we established our Green Purchasing Policy to ensure a higher level of green compliance in our procurement process. The Green Purchasing checklist was developed, it also serves as a guideline to enhance ethical supply chain management.

## Eco Label

We took the Life Cycle Management approach in our product production process. We are the license holder for SIRIM Eco Label for printed material. All the product that required SIRIM Eco Label shall fulfill the Eco Label scheme requirement. Our printed materials follow the guidelines of eco label scheme. Both Mr. Teh Leong Sim and Ms. Teh Soo Tyng was the working group member in developing the criteria document for printing ink, paper printed material, and printing services in 2018.



license holder for SIRIM Eco Label

## Environmental Objectives and Target

We have established objectives and targets to improve the environmental performance. The result was shared with the employees during meeting. We encourage local hiring to reduce the energy use in commuting.

### Objectives 1

#### Objectives

Reduce electricity consumption

#### Target

0.04465 kWh per total monthly sales

#### Action Plan



- To place a sticker mentioning "Save electricity, Our Responsibility; Switch off when not in use" on the power points to remind employees to switch off the electricity when not in use.
- To switch off the air con after working hours, only left one or two for the overtime workers.
- To install solar panel in 2017 to reduce electricity consumption via the FIT programme.

#### Average 2024 Results

0.04343 kWh per total monthly sales

#### Achievement Level

Achieved

### Objectives 2

#### Objectives

To increase the purchase of paper product from FSC® /PEFC sources

#### Target

≥ 10% by year end

#### Action Plan

- To increase awareness through Eco Sense Talk.
- To include FSC® and PEFC paper as one of the criteria for SIRIM Eco Label for printed material.

#### Average 2024 Results

15%

#### Achievement Level

Achieved

## Sustainable Workplace Initiatives

1. Create Sustainability Manager and Sustainability Department to lead the initiatives.
2. Develop Sustainability Roadmap, Sustainability/ CSR Policy, and Green Purchasing Policy.
3. Establish Committees: Eco-Welfare, ESH Committee, Waste Management Committee, and Publication Committee.
4. Create promotional material to create awareness i.e. sticker, poster, newsletter, brochures, booklet, sustainability reports.
5. Establish paper recycling bin, practice 100% recycling.
6. Slowly replace the stationeries to eco stationeries, e.g. A4 paper, staple, pen, pencils.
7. Start monitoring of energy, i.e. electricity and fuel.
8. Obtain eco-label and carbon footprint label for our product.
9. CSR Leave.
10. Production cutter will cut the waste paper if any into A4 size for office usage.
11. Reuse/ recycle building material/ furniture for the renovation of new office.
12. Replacing fluorescent light tube with T5 or LED light tube when there is a need to change the existing light tube.



## Carbon Footprint

We are not only calculating the carbon emissions of the company we can also offer the carbon footprint label for the printed material starting 2011.

Emissions Scope	Category	Nets Emissions
Scope 1	Direct GHG Emissions	Company-owned vehicles*; Refrigerant usage**
Scope 2	Indirect GHG Emissions	Electricity
Scope 3	Indirect GHG Emissions	Employee-owned vehicles

\*Data based on lorry, van and motorcycle used for transporting finished goods and materials used for organisation's operation and event.

\*\*Refer to refrigerant used on office's air conditioners.

### Carbon Emission Year 2024

Emissions Scope	Total usage per year	Carbon emission (kgCO <sub>2</sub> e) per year	Percentage of total carbon emission		
			2024	2023	2022
<b>Scope 1</b> ▪ Company-owned vehicles  ▪ Refrigerant usage	15,085 litres  6 kg	40,206.45  1,656.9	8.1%  0.3%	2.3%  -	2.7%  -
<b>Scope 2</b>	538,442 kWh	408,139.04	82.3%	91.1%	89.5%
<b>Scope 3</b>	290,634 km	46,177.03	9.3%	6.5%	7.8%
<b>Total</b>	<b>496,174.42</b>		<b>100%</b>		
<b>Carbon Efficiency</b> (kgCO <sub>2</sub> e /million RM revenue)	<b>29,611</b>				

In 2024, we considered GHG emission of refrigerant during servicing of company premises air conditioners. The emission is categorized to emission Scope 1.

#### Notes:

- Source of emission factors:  
 Petrol and diesel consumption by company-owned vehicles- IPCC 2006  
 Refrigerant- DEFRA 2024, Australia NGAF 2024  
 Electricity – Peninsular Malaysia Energy Commission 2021  
 Fuel consumption by employee-owned vehicles- DEFRA 2024
- Carbon Efficiency: kgCO<sub>2</sub>e/ million RM revenue



### Energy Saving Initiatives

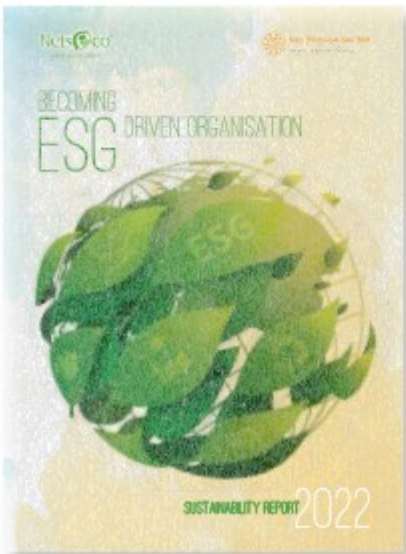
We managed to obtain the approval from Sustainable Energy Development Authority Malaysia (SEDA) to install solar panel at the capacity of 0.018MW. The installation took place in August 2017.

On the data of FY2024, 4.8% of our energy portfolio is from renewable resources, i.e. solar energy.



SEDA approval, installation of solar panel

### Carbon Footprint and SIRIM Eco Label Printed Quantity 2011 - 2024



Samples of printed material with SIRIM Eco-Label and Carbon Footprint (CFP) label

## LIST OF ECO LABELS FOR PRINTED MATERIAL



### Eco Printing

We produce eco products that conforms to our eco policies.



### Eco Design

This label indicate that material and supplier are carefully selected to produce eco products that conforms to our eco design principles.



### FSC

The paper material is sourced from well managed forest and other controlled sources in accordance with the requirement of the Forest Stewardship Council (FSC).



### PEFC

The paper material is sourced from well managed forest and other controlled sources in accordance with the requirement of the Programme for the Endorsement of Forest Certification (PEFC).



### Eco Paper

We are committed to source for various recycled paper and paper from responsible forest management.



### Eco Ink

We offer vegetable based inks specially formulated with lower Volatile organic compounds.



### Carbon Footprint

We are pleased to introduce our value added eco labeling that will reveal the amount of greenhouse gases (GHG) emitted throughout the product life cycle. This helps us in recommending the appropriate environmental impact reduction action.

## MyHijau Mark

NetsEco eco printing service and Eco Labelled product has also obtained MyHijau Mark. MyHijau Mark is Malaysia's official green recognition scheme endorsed by the Government of Malaysia, bringing together certified products and services that meet local and international environmental standards under one single mark.



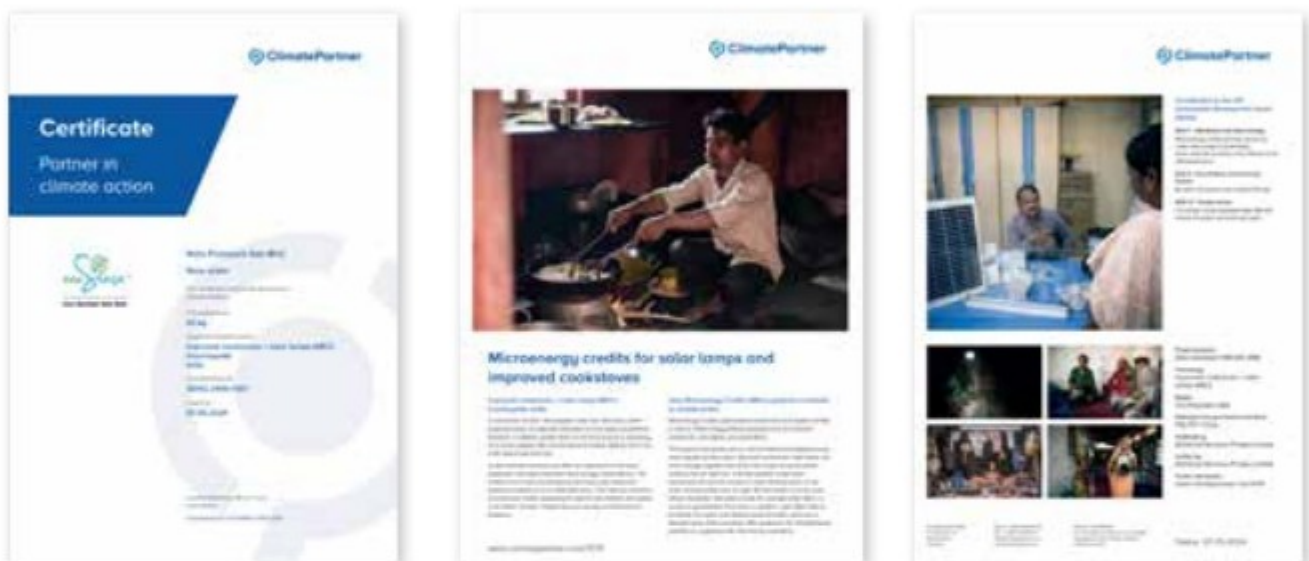


## Eco Innovation and Eco Design

The Eco Innovation and Design Centre was set up with a vision to awaken the eco sense in Asia through eco design and innovation in product and project development. We had signed two MoU with two different institutions, i.e. APU, Malaysia and National Kaohsiung First University of Science and Technology, Taiwan to work on development of new product. We have also signed as Industry Taker for SIRIM project.

## Carbon Neutral Option

We are working with our strategic partner Eco Sentido Sdn. Bhd. to offer carbon neutral option for our client. Now our client can choose to buy carbon credit from certified carbon offset projects to fully offset the carbon emission from the printed material.



Our Sustainability Report 2020 is the first carbon neutral printed material registered by Eco Sentido Sdn. Bhd.

# **SOCIAL**

**It never will rain roses. When we  
want to have more roses we must  
plant trees.**







# Workplace.

## Fair Pay and Benefits

The company regularly reviews employees' salaries and benefit packages. Our production operators receive minimum wages in accordance with statutory requirements. Our foreign workers are given similar benefits as other Malaysian employees.

All regular full-time employees and part-time employees who have worked for at least 10 years are eligible for recognition with a long service award. Besides the sales personnel, production employees are also entitled to commissions if the sales target is met.

A confirmed employee will be granted two (2) paid days off on the happy occasion of his/her first legal marriage.

Maternity and paternity leave entitlement is available.

Employees who suffer bereavement are entitled to up to two days of compassionate leave each year.

We understand the importance of lifelong learning for our employees and allow eligible employees to sign up for short courses that are relevant to their current job scope.

## Workforce Diversity

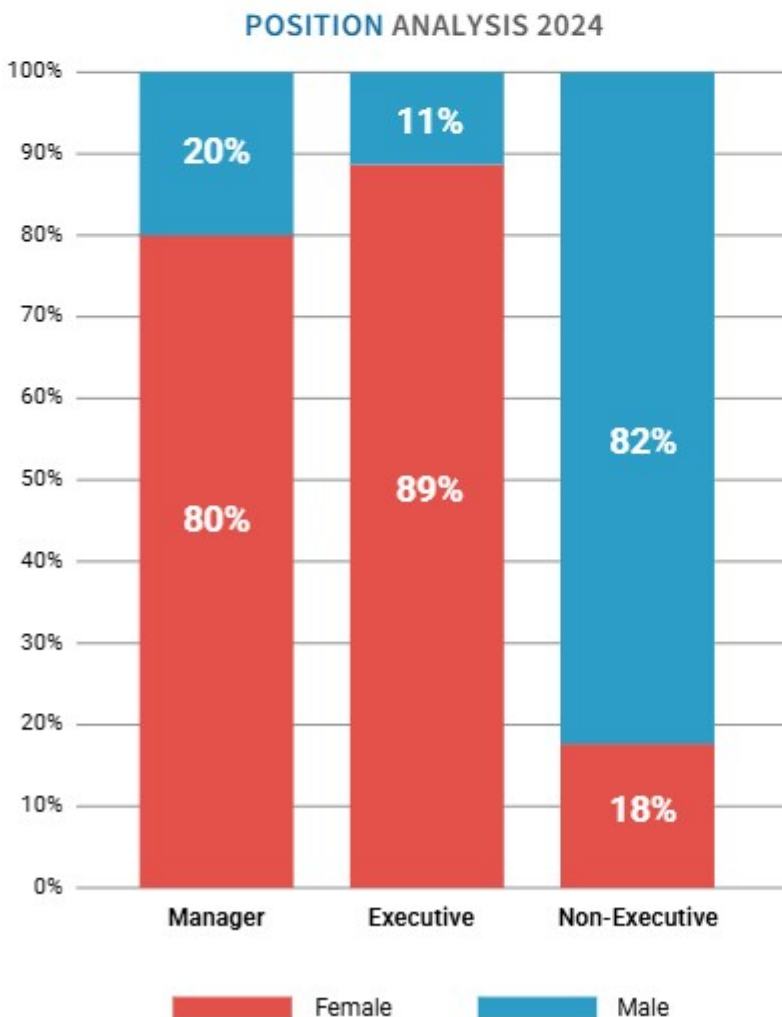
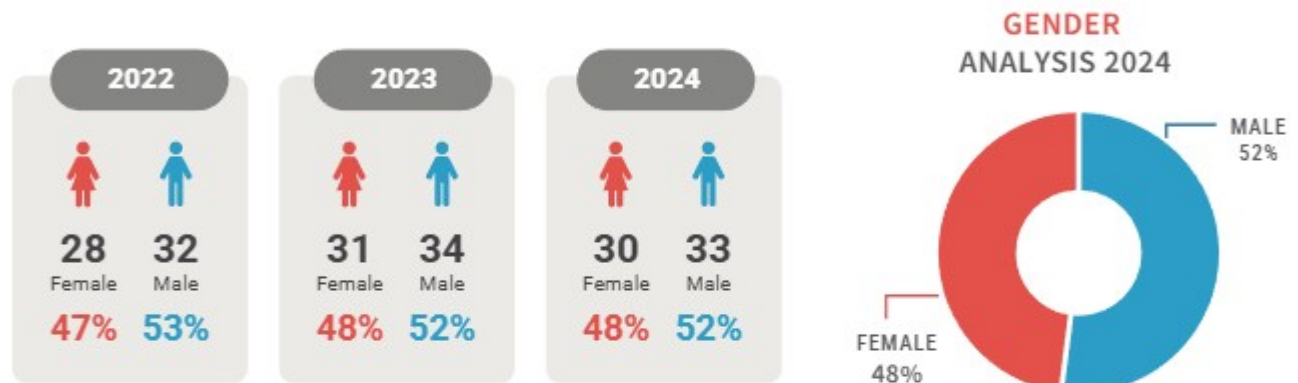
We recruit local talents and advertise via online service providers such as Jobstreet and MyFutureJobs.

We support higher education institutions in providing internship for their students not just local, also international students as well as lecturer.

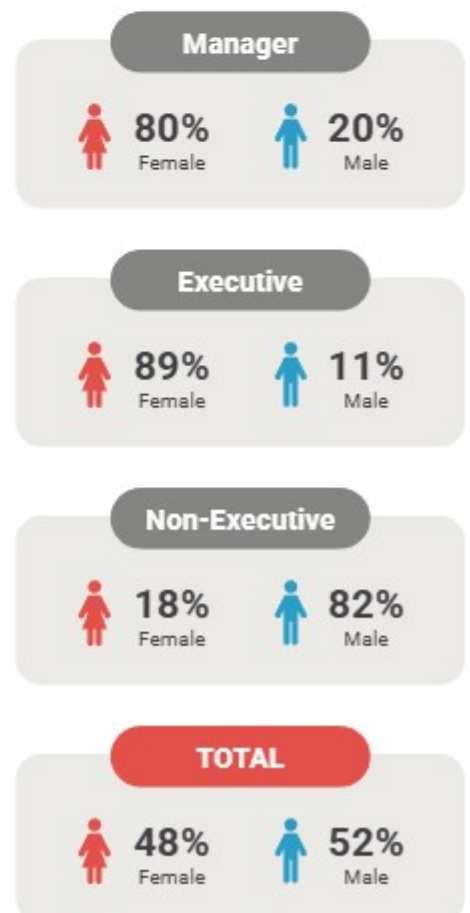
## Diversity Indicators

### Gender

Our managerial level consists of 78% female. There is no discrimination in pay or position between the men and women within the company. Our salary ratio between men and women is 1:1. Percentage of female and male employees almost same from year 2022 to 2024.



The table below shows the gender ratio for position in the company.

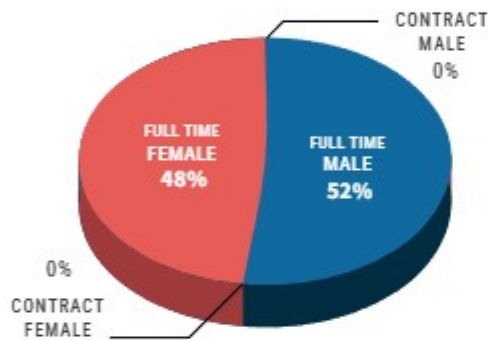


## WORKFORCE

The table below shows the gender ratio for full time and contract positions.

Workforce	Percentage %
Full Time Female	48%
Full Time Male	52%
Contract Female	0%
Contract Male	0%

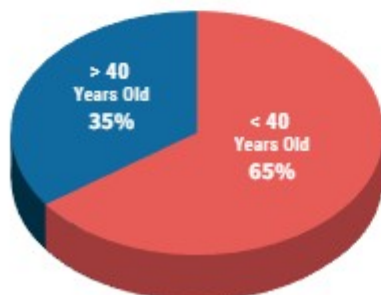
WORKFORCE ANALYSIS 2024



## WORKFORCE AGE PROFILE

Year	18-40 years old (youth)	Above 40 years old
Quantity of 2022	40 (67%)	20 (33%)
Quantity of 2023	44 (68%)	21 (32%)
Quantity of 2024	41 (65%)	22 (35%)

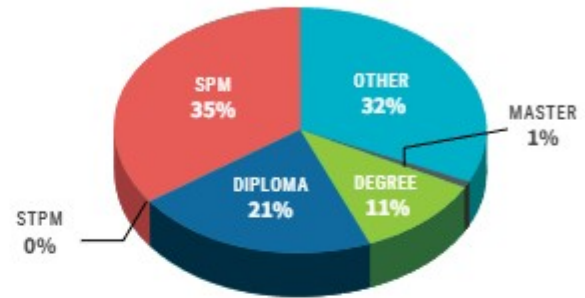
AGE ANALYSIS 2024



## QUALIFICATION

There were 33% of our employees obtained tertiary education level.

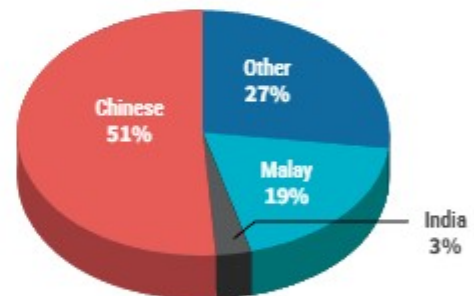
QUALIFICATION ANALYSIS 2024



## ETHNICITY

In 2024, the ethnicity of our employees comprised of 51% Chinese, 27% Other, 19% Malay, and 3% Indian.

ETHNIC ANALYSIS 2024



## YEAR OF SERVICE

36% of our employees work for more than 5 years.

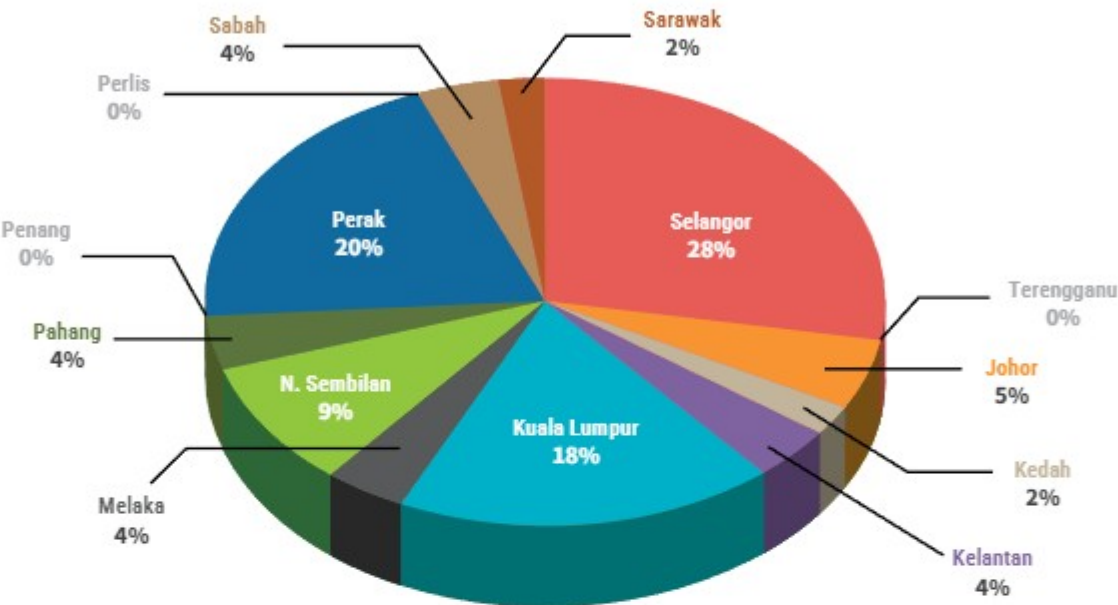
YEARS OF SERVICE ANALYSIS 2024





### LOCAL VS NON-LOCAL

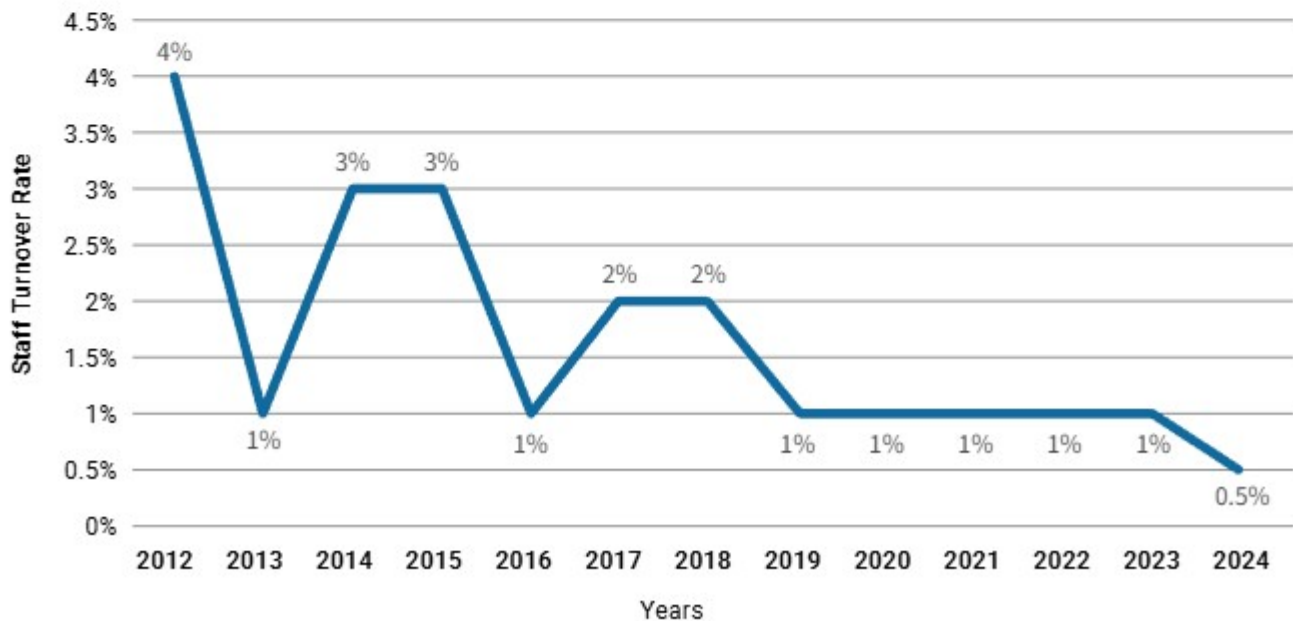
45% of our workforce comes from Klang Valley (Selangor and Kuala Lumpur). We encourage local hiring to increase job opportunities for the local community and reduce carbon footprint caused by work-related travel. Therefore, our sourcing and recruitment policies adhere to our Sustainability Strategies.



### TURNOVER RATE

The turnover rate decreased to 0.5% in 2024. The ages of those people who left ranged from 18 to 40 years old. Among those who left, 40% were female and 60% were male.

STAFF TURNOVER RATE 2012-2024



## Eco Welfare Committee

We established the Eco Welfare Committee in September 2009. Our goal was to achieve 95% of employee engagement in development activities and we reached 100% in 2024. The committee is chaired by the Sustainability Strategy & Programme Director and includes representatives from the respective companies. The objectives of the committee are:

1. To show appreciation to the contribution of employees by providing extra benefits to employees.
2. To improve morale, to shape behavior and commitment of employees by organizing activities that will strengthen the relationship and team building among the employees of Nets Group.



Spring Cleaning



Hari Raya and Myanmar New Year Celebration



Chinese New Year Celebration

## Training

We regularly conduct internal training for our employees, covering topics such as Quality Policy, Environmental Policy, Emergency Response and First Aid. Additionally, we conduct fire drill annually to ensure all employees able to evacuate the premises within 3 minutes.

Employees are trained on anti-corruption policies based on UNGC Ten Principles during Induction Programme, as well as ISO 9001:2015, ISO 14001:2015, and FSC\* awareness.

Number of  
Employees

**79**

Total Number of  
Training per year

**15**

Average Training  
Hours per employees

**2.7 hours**

Training Attendance  
Rate (%)

**90%**

The following are some of the training programme which we have conducted in-house:

Internal	External
Carbon footprint & ESG Awareness	ISO 9001:2015 & ISO 14001:2015 Internal Audits
Fire Drill	
Spill Drill	
Chemical Handling in Workplace	
Environment, Safety and Health	Fire Extinguisher Usage
FSC & PEFC Awareness	
FSC Post Audit Refresher	



Spill Drill Training



ISO Internal Audits Training



## Human Rights

There were no incidents of violations related to discrimination, child labour, rights of indigenous people, forced or compulsory labour. There is a formal grievance procedure entitled in the employee handbook, and no grievance regarding labour practices have been filed.

Every employee is welcome to contribute their suggestions through an email: [suggestion@netsgroup.com.my](mailto:suggestion@netsgroup.com.my) or NetsGroup Whatsapp group.

## Performance Appraisal

We conduct performance appraisals on a yearly basis. The performance appraisal forms are filled out not only by the employee but also by their peers and superior to help the Head of Department (HOD) assess individual performance. One-on-one discussions on career development between the employee and HOD are held whenever needed. In 2015, we included CSR initiatives as one of the performance measures

## Safety and Health

We are committed to ensuring a safe and healthy working environment for all employees. No accidents have been reported since 2009. We established the Environment, Safety, and Health (EHS) Committee in 2009 for each building, as required by the ISO 14001 standard. The Safety and Health Policy was introduced in 2012. We established Safety & Health Committee in 2024 to monitor workplace safety & health issue. Meanwhile we had renewed Chemical Health Risk Assessment (CHRA) in 2024.



## Stop Work Procedure

Employees are empowered to stop work if non-conformance found in the production process.

## Health and Safety Indicators

KPI	Target	Quantity or Percentage
Workplace accidents	Spill	0
Sickness absence frequency	Sickness Absence Leave / Total Medical Leave	Average of 13%

## Eco Office Initiatives Approach



### Green Purchasing

#### Action

- In line with our green purchasing policy, we have gradually changed some of our stationery into eco stationeries to reduce the depletion of natural resources and minimise environmental impact at disposal stage.
- Purchase toilet tissue made from post-consumer recycled paper.
- Packing unit in production department started to use recycled stretched film for packing purpose.

#### Impact

- Our green purchasing rate (FSC<sup>®</sup> paper, vegetable-based ink and recycled stretched film) averages 7.64% per year.



### Green Operation

#### Action

- Recycling 100% of used water, used rags, used tin and paper.
- In the process of replacing the lights used for exit sign with LED lights and office lighting with T5 lights to reduce electricity consumption.
- Installed the fingerprint attendance capture system to reduce the manual tracking of attendance.
- Installed the new server to centralize the information management system.

#### Impact

- Our operations currently do not have negative or significant potential impacts on local communities.
- More companies around our area have started positioning themselves as green printing providers, and we've taken note of this trend.



### Green Engagement

#### Action

- Engagement is about building quality relationship with people that is important to the company.
- Eco Welfare Committee has organised several activities to enhance understanding among stakeholders.
- We continue to communicate both internally (through meeting, conference, training and ESH) and externally (via Eco Sense SIP, Industry Placement Programme and talks) to promote green awareness and nurture a green culture around us.

#### Impact

- Our operations currently do not have negative or significant potential impacts on local communities.
- More companies around our area have started positioning themselves as green printing providers, and we've taken note of this trend.



#### Action

- We continue to align with the call for transformation under IR4.0 to ensure an integrated system for eco printing and eco packaging.

#### Impact

- Improve productivity, reduce reliance on foreign labour and improve service quality and accuracy.





# Community:

## SOCIAL COMMUNITY ENGAGEMENT

Our Corporate Social Responsibility (CSR) Policy centered on two core themes: Environment Protection and Community Education. The objective: To establish ties and develop a responsible corporate citizen. We would like to see people around us, able to make a personal commitment to play a more active role in social community work. We are not only changing our business offering but also continuously evaluate our impact to the community.

## Educational Programme

In year 2024, we accept 6 interns from foreign institutions and 1 intern from local institutions. All of the interns accomplished their projects with innovation and creative ideas. Besides that, we welcome student visits from The One Academy and Asia Pacific University to explore knowledge in sustainable printing and packaging industry.



APU visit



## Eco Sense

Philosophy of the logo of Eco Sense represent three dimensions of sustainability, **Environment**, **Economy**, and **Social**. 'S' represents infinity which means that there are infinite ways to improve our common planet.

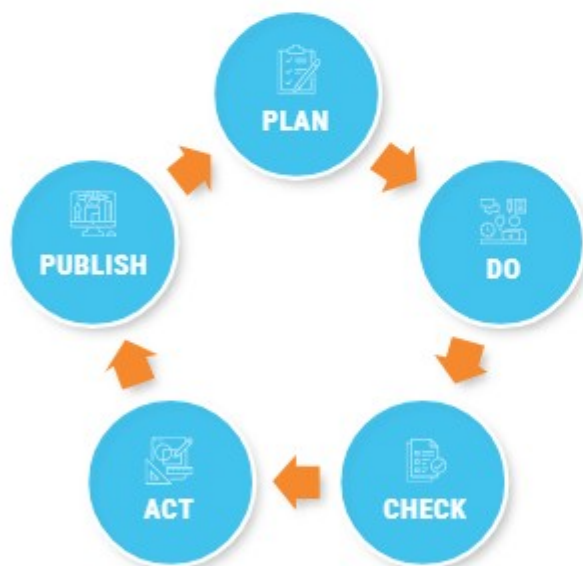
Tagline is "Awaken the sense of sustainability". We believe everyone has the seed of sustainability in them because we want improvement in our life. Hence we need to awaken our senses so that we are aware of the impact of our action to the environment, society and economy.



## Eco Sense Structured Internship Programme (SIP)

We have started to offer internship to local and international students starting 2017 with the aims for the following learning outcomes:

- To strengthen customer to work more effectively to meet client's dateline.
- To communicate information and concepts visually.
- To identify opportunities with solutions for eco materials.



Year	Local Institutions	Foreign Institution
2017	5 (3 female, 2 male)	NA
2018	2 (2 female)	4 (2 female, 2 male)
2019	3 (1 female, 2 male)	6 (3 female, 3 male)
2020	3 (3 females)	NA
2021	2 (1 female, 1 male)	NA
2022	1 (1 male)	4 (4 female)
2023	2 (2 female)	8 (3 female, 5 male)
2024	1 (female)	6 (4 female, 2 male)



Interaction between interns and few Malaysia design institution.

# GOVERNANCE

Whatever is worth doing is worth doing well.





## Corporate Governance

The Board of Directors of Nets Group is committed to adhere to good Corporate Governance practices. We are the signatory to the United Nations Global Compact (UNGC) since 2014. Ten principles that cover Human Rights, Labour, Environment and Anti-Corruption is the priority of board directions and strategies.

### Board Structure

The Board of Directors comprises of three members. All directors are responsible for the day-to-day business operations of the Group.

No	Director In Charge
1	<b>Mr. Teh Leong Sim</b>
2	<b>Mr. Teh Leong Hai</b>
3	<b>Mr. Teh Leong Sing</b>

### Board Independence and Effectiveness

The Board of Directors have a collective responsibility for the management and oversight of the Group. **Mr. Teh Leong Sim** is the Managing Director since 2013. He drives the overall business directions. He is assisted by the rest of the rest of the Directors and senior management staff members.

### Communication and Transparency

The Board of Directors practice open door policy where employees are always welcome to provide recommendations or suggestion to enhance the future of the company.



## Green Purchasing Policy

The Green Purchasing Policy is a guide for our purchasing officer to reduce environmental impact on our purchasing decisions by buying goods and services from suppliers or subcontractors.

### Green Purchasing Policy

**Nets Group** committed to reduce environmental impact of our purchasing decision by buying goods and services from supplier or subcontractor who shared the same commitment towards the environment. We strive our best to achieve and maintain a high standard of environmental management in our business endeavours. As such, Nets Group has established GREEN PURCHASING POLICY below as part of its commitment towards sustainability. This Policy is communicated to all employees and supplier(s).

#### Dealing with third party supplier:

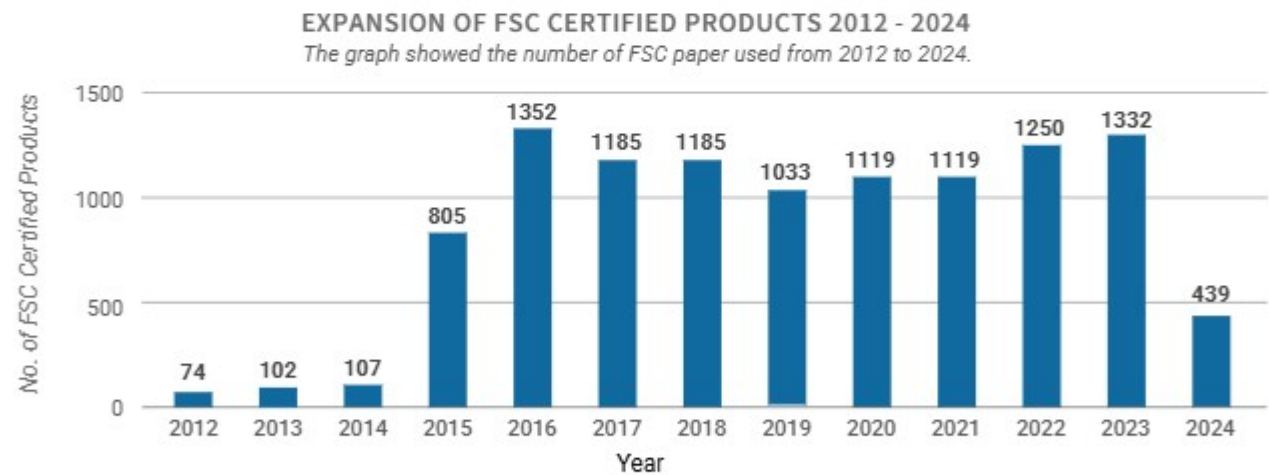
- ◆ We optimise resource efficiency in raw material usage planning
- ◆ Preference should be given to those products with lower quantities of heavy metals, less pollutants
- ◆ Preference should be given to those who can provide carbon footprint / energy consumption data
- ◆ Preference should be given to those using clean technology in their production plant
- ◆ Ensure paper, wood products purchased is certified by independent third party audit such as from Forest Stewardship Council (FSC) / Programme for the Endorsement of Forest Certification (PEFC), non wood / low tree or with recycled content
- ◆ Preference should be given to those who ensure packaging is reusable, recyclable / compostable and use at the minimum amount necessary for product protection
- ◆ Establishing strategic partnership with organisations that is ISO14001 accredited and/or with established recycling/recovery programme
- ◆ We look for those who take the initiative to update us with sustainability related information, new eco products and services
- ◆ Preference should be given to bulk purchase whenever possible

#### At Our Office

- When practicable, we shall replace inefficient lighting with energy efficient lighting
- When practicable, we shall replace inefficient air condition equipment with energy air condition equipment
- Remanufactured toner cartridges should be used in all copiers and printers whenever feasible
- Cleaning solvents should be biodegradable, phosphate free
- All documents shall be printed and copied on both sides to reduce the use and purchase of paper, whenever practical
- All scheduled waste to be disposed through Tex Cycle Sdn Bhd
- All recyclable waste to be disposed through recycling programme

# OUR SUPPLIERS

100% local supplier



The volume of FSC recycled paper used in 2024 is:



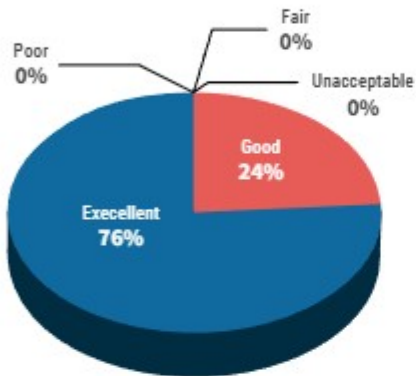
To improve the transparency of our supply chain, we work closely with our paper and finishing suppliers. We collect and verify documents to ensure the legality of paper and material sources. So far, there have been no instances of human rights violations. We have also included human rights and social impact criteria in our supplier evaluation assessment.

## Transparency and Disclosure

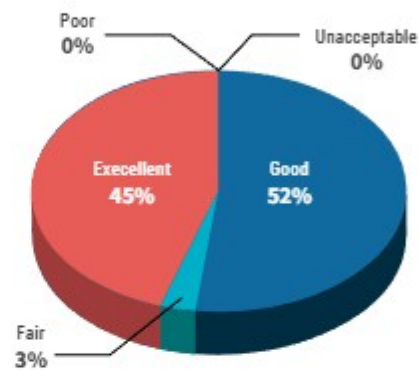
### Customer Satisfaction Surveys

We conduct customer satisfaction survey yearly and analyse result for further improvement on our services and product. In align with our Quality Policy, we prioritise customer satisfaction in specified category and foster for continual improvement.

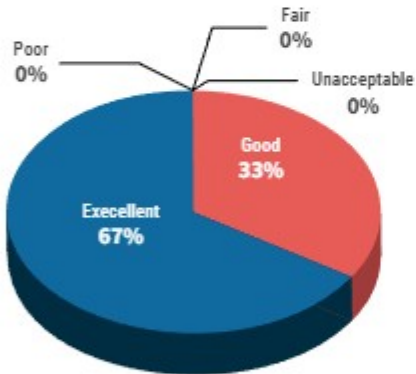
STAFF COURTESY  
& HELPFULNESS



PRODUCTS VARIETY



SPEED OF SERVICES



PRODUCT'S QUALITY



QUALITY OF SERVICES



VALUE OF MONEY





## CUSTOMER SATISFACTION LEVEL COMPARISON 2024 AND 2023

Satisfaction level	Year 2024 33 pcs					Year 2023 46 pcs				
	Excellent	Good	Fair	Poor	Unacceptable	Excellent	Good	Fair	Poor	Unacceptable
1. Staff courtesy & helpfulness	76%	24%	0%	0%	0%	67%	33%	0%	0%	0%
2. Speed of services	67%	33%	0%	0%	0%	63%	37%	0%	0%	0%
3. Quality of services	67%	30%	3%	0%	0%	61%	39%	0%	0%	0%
4. Products variety	45%	52%	3%	0%	0%	50%	50%	0%	0%	0%
5. Product's quality	58%	39%	3%	0%	0%	59%	39%	0%	0%	0%
6. Value of money	33%	55%	12%	0%	0%	50%	50%	0%	0%	0%

## Anti-corruption

### Corruption

We are committed to eliminating fraud and corruption by ensuring all activities are conducted ethically and to the highest possible standards of transparency and accountability. Employee are trained on the implications of anti-corruption concept during the annual ESH training.

### Anti-Competitive Behaviour

There were no incidents or penalties for violations involving anti-competitive, anti-trust and monopolistic practices.

### Public Policy

We are committed to support the green public policy development. We have not made contributions to or received significant contributions from political organisations. There is no sale of banned or disputed products.

## Risk Management

### Customer Information

All communications comply with the cultural, legal and ethical standards. Customer information is kept and maintained in the highest confidentiality. Any customer complaints will be kept at the complaints log following the ISO 9001 procedure.

### Cybersecurity and IR 4.0

We aim to protect our customers' information and prevent the potential cybersecurity threats, hence we set up our own server with security controls, such as firewall, on-going attack awareness, threat situation report, etc. Following the coming implementation of IR 4.0 project, we will improve further the security monitoring guide.

## Sustainable Finance

### MARKET PRESENCE

The 2024 business still focus on serving domestic market.



SALES DISTRIBUTION

## Benchmarking

### Marketing and Communication

We continue to provide information of our existing and potential business due plans to the public and stakeholder initiatives through newsletter, facebook and website. In 2013 we published our first Sustainability Report 2011. Our sustainability report had won the ACCA Malaysia Sustainability Reporting (MaSRA) award for the past years and Asia Sustainability Reporting Award (ASRA) in 2021.



We have developed several brochures to enable potential customers to assess whether their printing service providers adhere to eco-friendly printing practices. The brochures include:



Eco Printing



Eco Lamination



Eco Design



Carbon Footprint



Eco Label



Green Communication



Eco Paper



Eco Office



Eco Innovation



Eco Pallet



Digital Printing



Eco Packaging



The eco printing label shows our commitment and initiatives in going beyond changing the material used for printing, we move further to change our methodology and machine towards more environmentally friendly to qualify our service as eco printing. We look into the lifecycle of the printed material and calculate the carbon footprint.

## ECO PRINTING

We had developed a few brochures to enable the potential customer to evaluate their printing service provider whether they are practicing eco printing. The brochures include:

### Material

We use vegetable-based ink, recycled content or Forest Stewardship Council (FSC\*) certified paper.



### Methodology

We implement the Environmental Management System (EMS) in accordance with ISO 14001 standard and maintain FSC\* Chain of Custody certification.

We implement the waste management using the 3Rs concept i.e. Reduce, Recycle and Recover.



### Machine

We replace the conventional machine with new models featuring carbon neutral operation and enhanced energy efficiency.







We have not faced any significant incidents of non-compliance with regulations relating to marketing communications, our products and services.

## Product Responsibility

We strive to exceed customer expectations by delivering aesthetically pleasing and environmentally friendly products at accessible prices. In collaboration with product designers, we continue to expand our product portfolio.

To maintain quality and sustainability, we have developed an evaluation checklist that ensures all products meet the minimum requirements for eco-product. We actively foster innovation and product development to drive more sustainable solutions. Our eco products are searchable and listed in the [www.myhijau.my](http://www.myhijau.my)



## Compliance

As a company that is ISO 14001, ISO 9001, SIRIM Eco Label, Forest Stewardship Council (FSC®), and Programme for the Endorsement of Forest Certification (PEFC) certified, we believe in compliance with laws and other requirements. With the guidance of ISO, FSC® and PEFC, we developed the Standard Operating Procedures (SOPs). Training is provided to our employees to ensure they are fully engaged in and compliant with these standards. Our ISO 14001 certified locations account for approximately 90% of total product output. There were no significant fines incurred for environmental non-compliance.



## GRI INDEX

Disclosure	Reporting requirements	page Reference
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<b>CRI 201: Economic Performance 2016</b>		
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<b>GRI 204: Procurement Practices 2016</b>		
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Disclosure	Reporting requirements	page Reference
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<b>GRI 303: Water and Effluents 2018</b>		
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303-4	Water consumption	22
<b>GRI 305: Emissions 2016</b>		
305-1	Direct (Scope 1) GHG emissions	30
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305-5	Reduction of GHG emissions	30
<b>GRI 306: Waste 2020</b>		
306-2	Management of significant waste-related impacts	21, 22
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<b>GRI 308: Supplier Environmental Assessment 2016</b>		
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414-1	New suppliers that were screened using social criteria	-
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418-1	Substantiated complaints concerning reaches of customer privacy and losses of customer data	55

## Self-Declaration

Based on our own evaluation, we have obtained Compliance with the GRI 4 reporting guidelines.

**Ms. Teh Soo Tyng**  
Sustainability Strategy & Programme Director

## GLOSSARY-SUSTAINABILITY AND PRINTING INDUSTRY

### Carbon Footprint Label

The label shows how much CO<sub>2</sub> and other greenhouse gases emitted within the product life cycle.

### Carbon offsetting

The act of mitigating greenhouse gas emissions by funding projects that reduce their impact, such as sustainable power generation, changes in land use and forestry.

### Carbon Neutral Print Programme (CNPP)

A carbon offsetting programme to offset the carbon emission of print job for print buyer with Nets Group of companies.

### Circular Economy

A circular economy is an industrial system that is restorative or regenerative by intention and design. It replaces the end-of-life concept with restoration, shifts towards the use of renewable energy, eliminates the use of toxic chemicals, which impair reuse and return to the biosphere, and aims for the elimination of waste through the superior design of materials, products, systems, and business models.  
– World Economic Forum

### Forest Stewardship Council (FSC®)

An international organisation that has developed standards emphasising environmentally – and socially – responsible criteria to certify and label wood products from well-managed forests.

### Programme for the Endorsement of Forest Certification schemes (PEFC)

An independent, non-profit, non-governmental organisation, founded in 1999 which promotes sustainably managed forests through independent third party certification. The PEFC provides an assurance mechanism to purchasers of wood and paper products that they are promoting the sustainable management of forests.

### ISO14000 Series Environmental Management Systems

ISO14000 is a series of international standards on environmental management. It provides a framework for the development of an environmental management system and the supporting audit programme. The main thrust for its development

came as a result of the Rio Summit on the Environment held in 1992.

### Post-Consumer Waste (PCW)

Waste collected after the consumer has used and disposed of it.

### Recycled paper

Paper made from old paper that has been de-inked and processed chemically.

### Recycle

The term “recycle” refers to the process in which an item or its components are used to create something new.

### Reduce

Keeping purchases to a minimum is an important way of reducing the toll on the Earth’s resources.

### Reuse

“Reuse” is a broad term that combines reusing materials and using items that have reusable qualities.

### SDGs

Sustainable Development Goals (SDGs) was approved during the UN General Assembly at New York in 2015. There are a total of 17 goals to be achieved by 2030 in order to create a better than more sustainable future for all.

### SIRIM Eco Label

A product will be independently tested and verified against preset criteria before the organisation is allowed to use SIRIM QAS International’s Eco Labelling mark on its product, packaging and promotional materials.

### Soy ink

An alternative to petroleum-based ink that contains lower levels of VOCs and is biodegradable. Sustainable soy ink consists of non-GMO soybean oil.

### Totally Chlorine Free (TCF)

Paper made from 100% virgin fibre (including alternative fibre from sources other than trees) that is unbleached or bleached with non-Chlorine compounds. TCF cannot apply to recycled papers, because the source fibre cannot be determined.

**Vegetable-based inks**

Inks made from vegetable byproducts, including soy.

**Virgin fibre**

Wood fibre, or paper pulp, that has never been recycled.

**Volatile Organic Compound (VOC)**

A highly evaporative, carbon-based chemical substance, which produces noxious fumes; found in many paints, caulks, stains, and adhesives. VOCs include chemical compounds which at high concentrations can lead to irritation of the nose and pharynx, and have been associated with

leukemia, childhood asthma and other respiratory disorders.

**Woodfree paper**

Paper consisting of chemical pulp fibres. It does not contain any mechanical pulp beyond a permissible content of 5% by mass.

**Source from**

[http://www.minxcreative.co.uk/?page\\_id=437](http://www.minxcreative.co.uk/?page_id=437)  
<http://homeguides.sfgate.com/>

**ECO VALUES - PRINTED WITH ENVIRONMENT CONSIDERATION**

Looking into the lifecycle of the eco printing process, this communication material is produced with carefully selected eco material and with concepts of 3R.



**Reuse** : The printing plate become a waste when client do not want to reprint. Hence, we print on the blank side of the used plate to turn it as the cover.



**Printing** : We work with selected printer with eco-featured machine to provide a minimised environmental impact printing experience. We only print based on demand.



**Toner** : The Safety Data Sheet of the toner used showed no significant hazards on environment with intended use.



**Paper Cover** : FSC Mix 70% Brisk Vouge white 290gsm  
**Inner** : FSC Mix 70% Brisk Vouge white 120gsm



**SIRIM Eco Label** : This printed material is certified as SIRIM Eco-Labelled product. However the printed contents have nothing to do with Eco-labelled mark.

**Carbon Footprint label :**

This time we are using digital printing as only a few copies were printed. The total carbon footprint (CFP) of printing this book is kgCO<sub>2</sub>e, hence the CFP per book is KgCO<sub>2</sub>e.



Carbon neutrality means that the carbon footprint of this printed product has been calculated on the basis of internationally recognised standards and fully offset by supporting certified carbon offset projects. We have selected the Forest Protection project that followed the Verified Carbon Standard (VCS) and contributing to three SDGs i.e. (SDG 3, SDG 8 and SDG 13).





“Contented mind is the greatest blessing  
a man can enjoy in this world.”



**Nets Printwork Sdn Bhd** (433000-M)  
*the heart in Business Strategy*

**No. 48, 50, 52, 56 & 58**

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**NetsEco**

Towards greener pastures

Certified by



ISO 14001 : 2015 Certified  
ISO 9001 : 2015 Certified



The mark of  
responsible forestry



Total Eco Solutions



\*Use Recycled Paper or Sustainable Paper\*  
SIRIM ECO 028 : 2011  
License No.: EL000004

The printed material is certified as  
SIRIM Eco-labelled product.  
However, the content is excluded from  
the scope of Eco-Labelled Mark.

Awards & Recognition



Prime Minister's Hibiscus Award  
2021/22  
SME Award  
Exceptional Achievement in  
Environmental Performance