



THUMBPRINTS®

2022 ESG SUSTAINABILITY REPORT



Table of Contents

01 |

Chairman's Statement of Continued Support

02 |

About Thumbprints

03 |

ESG Targets & Commitments

04 |

Thumbprints' Sustainability Ratings

05 |

Thumbprints' Compliance Programme



01

Chairman's Statement of Continued Support



To our stakeholders,

We are pleased to reconfirm our support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, and Anti-Corruption.

In this annual ESG Sustainability Report we disclose our continuous efforts to integrate the Ten Principles into our business strategy, culture, and daily operations, and to contribute to the United Nations goals, particularly the Sustainable Development Goals.

Sincerely yours,

Mr. Tam Wah Fiong
Chairman



02

About Thumbprints

About Thumbprints

Honesty & Integrity

Honesty and Integrity has been Thumbprints' guiding principle since 1997. We define Honesty as saying what we mean, and meaning what we say; whereas, Integrity refers to doing the right thing even when nobody's watching. These principles are reinforced at all levels of our organization and are key factors in all our dealings and decisions, because we believe that trust is the foundation of long-term partnerships.

Vision: Community Enterprise

It is our aim to become a business that puts its employees first through profit-sharing and benefits. We believe in achieving growth through our continuous improvement program and partnership with our clients and suppliers, whilst maintaining the highest ethical standards.

Awards and Certifications



21

Awards &
Recognition

- ISO 9001:2015
- ISO 14001:2015
- ISO 37001:2016
- Forest Stewardship Council (FSC)





03

ESG Targets & Commitments



What is ESG?

ESG stands for **Environmental, Social, and Governance**. In recent years, with its increasing prominence among investors, it has become a measure of the resilience and sustainability of a business.

Employee happiness, increased productivity and sustainable development are among some of the many priorities of ESG and Sustainable Development Goals (SDGs) driven enterprises.

At Thumbprints, ESG is about more than just good intentions and publishing reports; it's about making meaningful, long-lasting changes through sustainable practices. Today, ESG is not just something we do but has become a part of our identity. We are continuously reviewing and improving our ESG efforts so that we can make genuine, tangible contributions to our community, environment and business.

Environmental

- Climate change
- Renewable energy
- Recycling
- Reduced carbon emissions
- Reduced waste

Social

- Diversity
- Human rights
- Supply chain
- Anti-discrimination
- Safety and health
- Data privacy

Governance

- Anti-bribery
- Leadership
- Decision making
- Risk mitigation
- Transparency
- Accountability

Our ESG Targets & Commitments

In support of the United Nations Global Compact 17 Sustainable development goals (SDGs) as well as Quality, Environmental, and Anti-bribery Policies, Thumbprints is committed to set challenging targets for continual improvement and require every personnel's commitment and cooperation to consistently deliver satisfactory results. We've set:



8

Environmental
Targets



6

Social Targets



4

Governance
Targets

8 Environmental Targets

- Not more than 3 bins of solid waste per month
- Increase recycling profit by 10% per year
- Reduce greenhouse emission of CO₂ by 19% in 2023 compared to 2020 levels
- Appoint competent person for scheduled waste and IETS by year 2023
- No compounding of offences for scheduled wastes and industrial effluent
- Reduction in water use and electricity use by 2% compared to previous year
- Reduce the generation of hazardous waste by 10% per year
- To save 330,000kg of CO₂ per year

Our ESG Targets & Commitments

6 Social Targets

- Ensure average monthly employee turnover is 1.83%
- No labour & human rights non-compliance per year
- Zero tolerance to discrimination and sexual harassment at workplace
- Ensure employees achieve a minimum of RM30,000 annual gross income by year 2023
- Ensure average time to hire is not more than 60 days
- Meet minimum training hours per employee

4 Anti-Bribery Targets

- Zero tolerance for bribery and corruption
- Zero tolerance for fraud
- 90% of suppliers, vendors and contractors to sign the integrity pact
- 80% of employees aware of whistleblowing procedure

Environmental Targets



ACHIEVED

We achieved the target - not more than 3 bins of solid waste per month

ACHIEVED

We managed to reach the target by increasing recycling profit by 10% per year



ACHIEVED

We managed to reduce greenhouse emission of CO₂ by 19% by 2023 from 2020 levels



Environmental Targets

To appoint competent persons for Scheduled Waste and IETS by year 2023

This target is partially achieved. The newly appointed competent person needs to complete training and prepare a Field Training Report (FTR) by 2023.



No compounding of offences for scheduled wastes & industrial effluent per year

Thumbprints failed to comply with local requirements for scheduled waste and Industrial effluent. This is likely due to the resignation of the competent person and poor handover causing mistakes. Remedial actions were taken to rectify non-compliance.



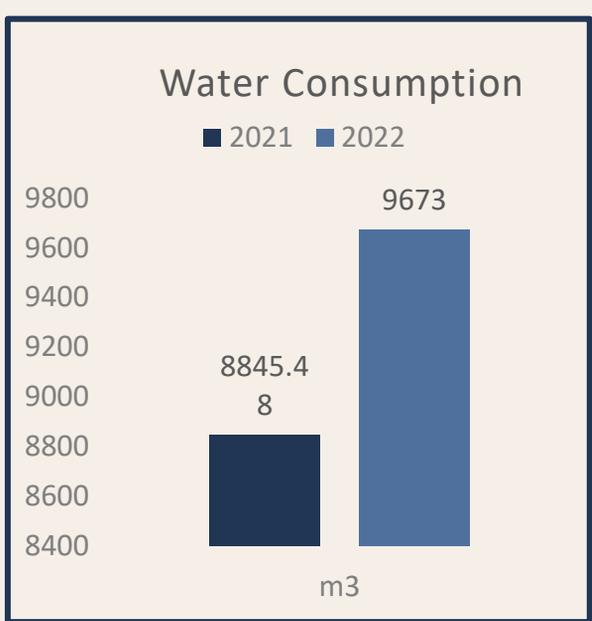
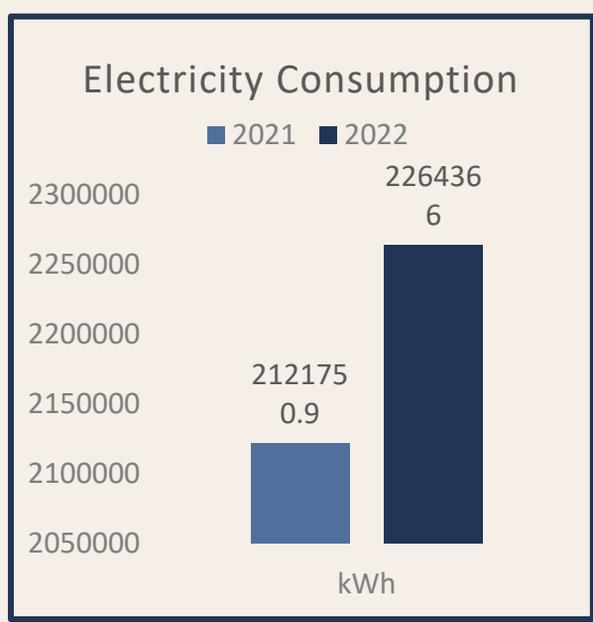
Environmental Targets

Reduction in water use and electricity use by 2% in comparison to the previous year

By the end of 2022, Thumbprints was unable to reach both targets. Water consumption had increased by 6.69% and electricity use had increased 4.59%.

Factory Extension

In February 2022, Thumbprints intended to utilize the empty space for operation and storage purposes in order to increase productivity. The factory extension consumed a lot of water and electricity.



Environmental Targets

Reduction in the generation of hazardous waste by 10% per year

In 2022 it was recorded that the amount of scheduled waste produced by Thumbprints was 27,086 kg compared to 2021 where the amount of scheduled wastes recorded was 26,447 kg.

A contributing factor to this could be the COVID-19 pandemic, during which Thumbprints was an essential service provider and was allowed to operate during the Movement Control Order whereby business volume increased.



To save 330,000kg of CO2 by 2022



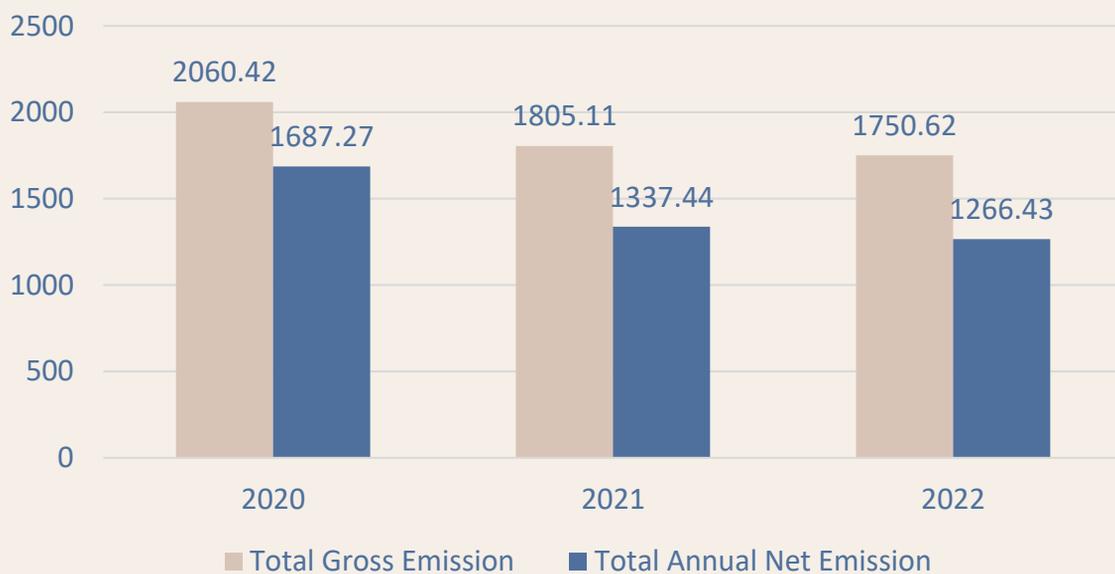
Solar panels are devices that generate and supply electricity by converting solar energy into electricity. It is one of our green initiatives to offset the greenhouse gasses (GHG) released by our main activities.

In 2022, Thumbprints was close to saving 330,000kg CO₂ by saving 329,829 kg CO₂.

Thumbprints' Carbon Footprint

Thumbprints has made serious efforts to protect the environment. Even though our practices comply with the Forest Stewardship Council® (FSC®) and the ISO 14001 standards, we calculate our own carbon footprint for good measure. We are committed to being part of the SDG goal to reduce global carbon dioxide emissions by 45 per cent by 2030 from 2010 levels, and reach net-zero emissions by 2050.

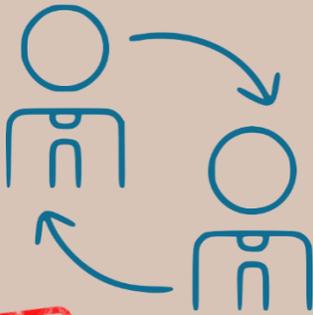
Thumbprints' Carbon Footprint



Thumbprints managed to reach the target reduced greenhouse emission (Scope 1 & Scope 2) by 19% from 2020 level.

To reduce greenhouse emission (Scope 1 & Scope 2) by 19% from 2020 levels	Year 2021	Year 2022
	21%	25%
	Achieved	Achieved

Social Targets



ACHIEVED

We ensure average monthly employee turnover is 1.83%



ACHIEVED

No labour & human rights non-compliance in 2022



ACHIEVED

We do not tolerate discrimination and sexual harassment at the workplace



ACHIEVED

We ensure employees achieve the minimum RM30,000 annual gross income by 2023

Social Targets

To ensure average time to hire is not more than 60 days

In 2022, Thumbprints was unable to reach the target by recording 97.5 days of average recruitment time out.



To achieve minimum training hours per employee

Thumbprints was close to the goal with 98% of staff having met the annual training hours. Staff who were unable to fulfil their training hours were absent due to hospitalization and/or maternity leave.



25 Training Hours
per year for employees

50 Training Hours
per year for HODs

Governance Targets

Zero tolerance for bribery and corruption

There were no bribery and corruption cases reported in year 2022.

ACHIEVED



Zero tolerance for fraud

No fraud cases were reported in the year 2022.

ACHIEVED



ACHIEVED



90% of suppliers, vendors & contractors signed the integrity pact

91.7% of Thumbprints' suppliers, vendors and contractors signed the integrity pact in year 2022.

ACHIEVED



80% awareness of the whistleblowing procedure among employees

97% of Thumbprints' employees are aware of the whistleblowing process.



04

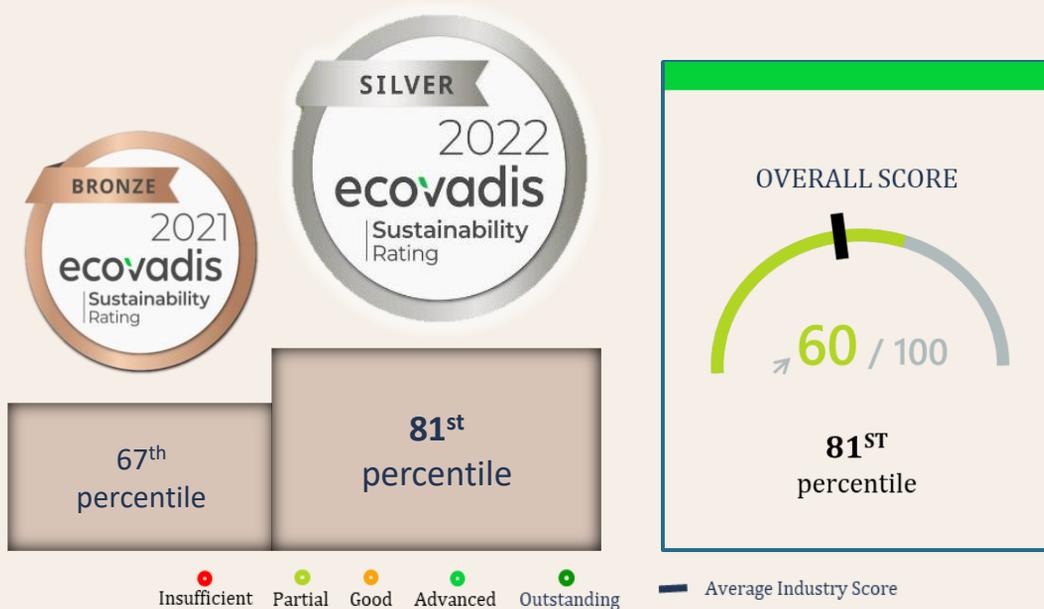
Thumbprints'
Sustainability
Ratings & Award

ecovadis is a recognized holistic sustainability rating. The platform assesses companies from all over the globe by measuring 7 management indicators; policies, endorsements, measures, certifications, coverage, reporting, and 360 Watch Findings, cross 21 sustainability criteria in four themes; environment, Labour & human rights, ethics, and sustainable procurement.

EcoVadis' assessments are based on CSR standards – Ten

Principles of the UN Global Compact, International Labour Organization (ILO) conventions, Global Reporting Initiative (GRI) standards, and ISO 26000. Based on the results, Thumbprints exceeds the industry average in each one of the themes.

As a global business, Thumbprints bear responsibility to positively impact our stakeholders. We aspire to apply all UN Sustainable Development Goals (SDGs) in all areas of our manufacturing processes and practices.



Thumbprints has been awarded a **Silver Sustainability Rating** – a step-up from our previous Bronze rating in 2021. With overall score of 60/100, Thumbprints has moved up the ladder from 67th percentile (2021) to 81st percentile, placed among the **top 25%** of all the companies assessed by EcoVadis.

Thumbprints' first ESG award

In early 2022, Thumbprints participated in the ESG World Summit & GRIT award 2022. The organizers, Corpstage and ESG Research Foundation, sought to spur businesses to adopt ESG practices while allowing others to share and showcase their success stories.

The assessment and scoring was conducted over a span of three months with three round of exacting evaluation.

We are delighted to announce that Thumbprints was awarded **Most Promising Transition under the Special category**. We are grateful for this recognition and will continue to grow our ESG practices.





05

Thumbprints' Compliance Program

The Walt Disney Company

The Walt Disney Company's International Labour Standards (ILS)

The Walt Disney Company's International Worker Standards Program seeks to promote safe, inclusive and respectable workplaces where Disney-branded products are manufactured. The International Labour Standards Program is a key component of the Walt Disney Company's corporate social responsibility and responsible supply chain efforts.

As a Disney licensee, Thumbprints is responsible for ensuring that Disney-branded products are manufactured in compliance with the ILS program.

FACILITY AND MERCHANDISE AUTHORIZATION

LICENSEE/VENDOR NAME: THUMBPRINTS LTD. SDN BHD	STREET ADDRESS: LOT24, Jalan RP3, Rawang Industrial Estate Rawang, 48000 Malaysia
CONTACT NAME, TITLE, E-MAIL ADDRESS: Chai Chin Leow Management Rep chaichin@thumbprints.com.my	TELEPHONE NUMBER: 60 360029800 ext.188

1. Facility Name (Place where Disney-branded product will be produced): Thumbprints Ltd Sendirian Berhad (FAC-014943)	1c. Facility Contact Telephone Number: 60 360029800 ext.188
1a. Facility Address: Lot 24, Jalan RP3 Rawang Perdana Industrial Estate Selangor, 48000 Malaysia	1d. Contact Name, Title and E-mail: Chai Chin Leow, Management Rep, chaichin@thumbprints.com.my
1b. Telephone Number: 60 360029800	1e. List all other names by which the Facility is known:

Once signed below by an authorized signatory of Disney Worldwide Services, Inc. or its affiliate (each individual an "Authorized Signatory"), the Facility and Merchandise Authorization (1) confirms that the above-named Licensee/Vendor is authorized to manufacture and/or distribute products bearing intellectual property of The Walt Disney Company and/or its affiliate(s) ("Disney") (which may include, without limitation, Marvel, Pixar and/or Star Wars-branded products) (collectively, the "Disney-Branded Products"), all in accordance with and subject to Licensee/Vendor's written agreement(s) with Disney and (2) may be processed by Licensee/Vendor to Customs authorities to confirm Disney's authorization to import/export Disney-Branded Products.

This Facility and Merchandise Authorization expires on the Expiration Date set forth below unless earlier revoked by Disney.

Notice to Licensee/Vendor: Disney hereby reserves all of its rights and remedies arising from any unauthorized use of this Facility and Merchandise Authorization. Without limiting the foregoing, any unauthorized use of the Facility and Merchandise Authorization by Licensee/Vendor, including without limitation submitting a Facility and Merchandise Authorization which has been revoked by Disney prior to the Expiration Date, may result in the termination of the applicable written agreement between Licensee/Vendor and Disney.

Authorized Signatory

Pauline Han
Digitally signed by Pauline Han
Date: 2022.03.07
07:42:19 +0800

Issuance Date: 2022/Mar/07
Expiration Date: 2025/Mar/07



SMETA (Sedex Members Ethical Trade Audit)

SMETA is an ethical audit methodology which encompasses all aspects of responsible business practice. As a multi-stakeholder initiative, SMETA was designed to minimize duplication of effort and provide members and suppliers with an audit format they could easily share.

SMETA audits use the **ETI Base Code**, founded on the conventions of the International Labour Organization, as well as relevant local laws.

Thumbprints undergoes the **SMETA 4-pillar audit (semi-announced)** annually. SMETA reports are published in the SEDEX system, ensuring transparency and efficient information sharing.

GENERAL INFORMATION					
Company Reference	ZC1016470	Company Type	Supplier (B Member)	Status	Active
		Industry Classification	C - Manufacturing > Other manufacturing		
				<input checked="" type="checkbox"/>	Opt In to Sedex Member Directory



Book Chain Project (BCP)

The Book Chain Project provides a publishing industry Code of Conduct for labour and environmental standards. It states the publishers' commitments to their suppliers and what they expect from their suppliers in return. The Code of Conduct is based on existing internationally-recognized Codes and Laws. Suppliers that do not already have an ethical audit can ask for a SMETA audit that is audited against this Code of Conduct.

Since 2021, Thumbprints has been participating in the BCP Environmental Questionnaire - a set of self-assessment questionnaire. Each set of answers submitted gives publishers an overview of Thumbprints' environmental performance over a 12-month period.

 The screenshot shows a dashboard titled 'ENVIRONMENTAL QUESTIONNAIRES [3] ?' with a 'NEW' button. It contains a table with the following data:

Start Date	Carbon Journey Maturity ⓘ	Scope 1	Scope 2	Scope 3	CO ₂ e Intensity
1 Jan 2022	Learning	✓	✓	✓	0.944 ⓘ
1 Jan 2021	Learning	✓	✓	✓	0.278 ⓘ
1 Jan 2020	Not Started	✗	✗	✗	



United Nations
Global Compact

United Nations Global Compact (UNGC)

The UN Global Compact is the largest corporate sustainability initiative involving over 15,000 companies across 160 countries. The initiative is an exhortation to businesses all over the globe to transform their operations and policies according to a set of universal principles (Ten Principles) that covers four (4) major areas; **human rights, Labour, environment and anti-corruption** – all of which aligns with Thumbprints’ own sustainability pillars.

It is Thumbprints’ goal as a social enterprise to not only uphold our most basic responsibilities towards people and our Earth but also to establish and secure long-term sustainability. As part of the effort, Thumbprints will be integrating the 17 Sustainable Development Goals (SDGs) into our business strategy and operations.



Thumbprints' Four Compliance Program Pillars

Compliance Governance and Culture

At Thumbprints, we deeply value our 'partner in business' philosophy, recognizing that it fosters mutual benefits. As we navigate our business goals, we've put in place rigorous policies, standards, and procedures anchored by a robust governance framework. This empowers Thumbprints to engage in ethical and principled business practices that not only fulfill our operational needs, but also aligns with the evolving societal expectations.

Awareness and Training

We administer an annual ethics training program aimed at effectively disseminating comprehensive ethics and compliance guidance. This training not only furnishes directives for overseeing ethical conduct but also cultivates a culture of professionalism.

Monitoring and Reporting

The annual social audit ensures that all Thumbprints employees comply with the local legislation, as well as our Business Code of Conduct. Furthermore, we have recently formulated Human Rights policies as part of our ongoing efforts to strengthen our proactive measures in safeguarding human rights within our business interactions with third parties.

Continual Improvement

We conduct ongoing evaluations of risks and opportunities to ensure that our compliance program is positioned to successfully attain its intended objectives. These assessments serve to provide confidence that our program is effectively enhancing positive outcomes, mitigating adverse effects, and driving continuous improvement.



ESG Sustainability Report 2022

24, Jalan RP 3,
Rawang Perdana Industrial Estate,
48000 Rawang, Selangor, Malaysia

+603 6092 9809 | www.thumbprints.com.my