

SUSTAINABILITY INTERIM STATEMENT as at 31 August 2024

The content provided in this document is intended for preliminary use and serves to complement the existing Sustainability Statement FY2024. Please note that this information is subject to updates and revisions as it will be incorporated into the new Pantech Group Sustainability webpage, currently under development. Any discrepancies or changes to the content will be reflected in the final version upon the launch of the new webpage.

Pantech Group is wholly committed to conducting business in a sustainable and ethical manner.

We strive to deliver products and services that create long-term value for stakeholders through human capital development and technology improvements, towards becoming an international leader in the provision of total solutions for fluid transmission systems.

Our endeavours are guided by STEEL - our values of sustainability, trustworthy & integrity, excellence, employee empowerment, and leadership & innovation.

SUSTAINABILITY PILLARS

To articulate Pantech Group's commitments and strategic objectives, we established three (3) main scopes of Sustainability initiatives that aim to bring positive impacts:

- **Sustainable Business Growth**

We keep abreast of emerging trends, industry regulations and best practices to remain agile and adaptable in consideration of a fluid environment to generate long-term value for stakeholders.

Opportunities are carefully evaluated and risks are monitored to optimise capital utilisation. Strategic investments allow us to improve Pantech Group's operation efficiency and capacity as we supply an extensive range of pipes, valves and fittings (PVF) to fulfil specific customer demands.

- **Environmental Protection**

Achieving a low-carbon economy is a shared goal. Pantech Group has adopted various environmental preservation initiatives to minimise our impact on climate change, such as harnessing renewable energy, efficient energy and water use, proper waste management and disposal, and carbon offsetting.

- **Workplace Management**

Pantech Group prioritises a safe and conducive working environment. We continuously strive to maintain a safe workplace, nurture and invest in talent, and champion inclusion and equality to foster the wellbeing of our people.

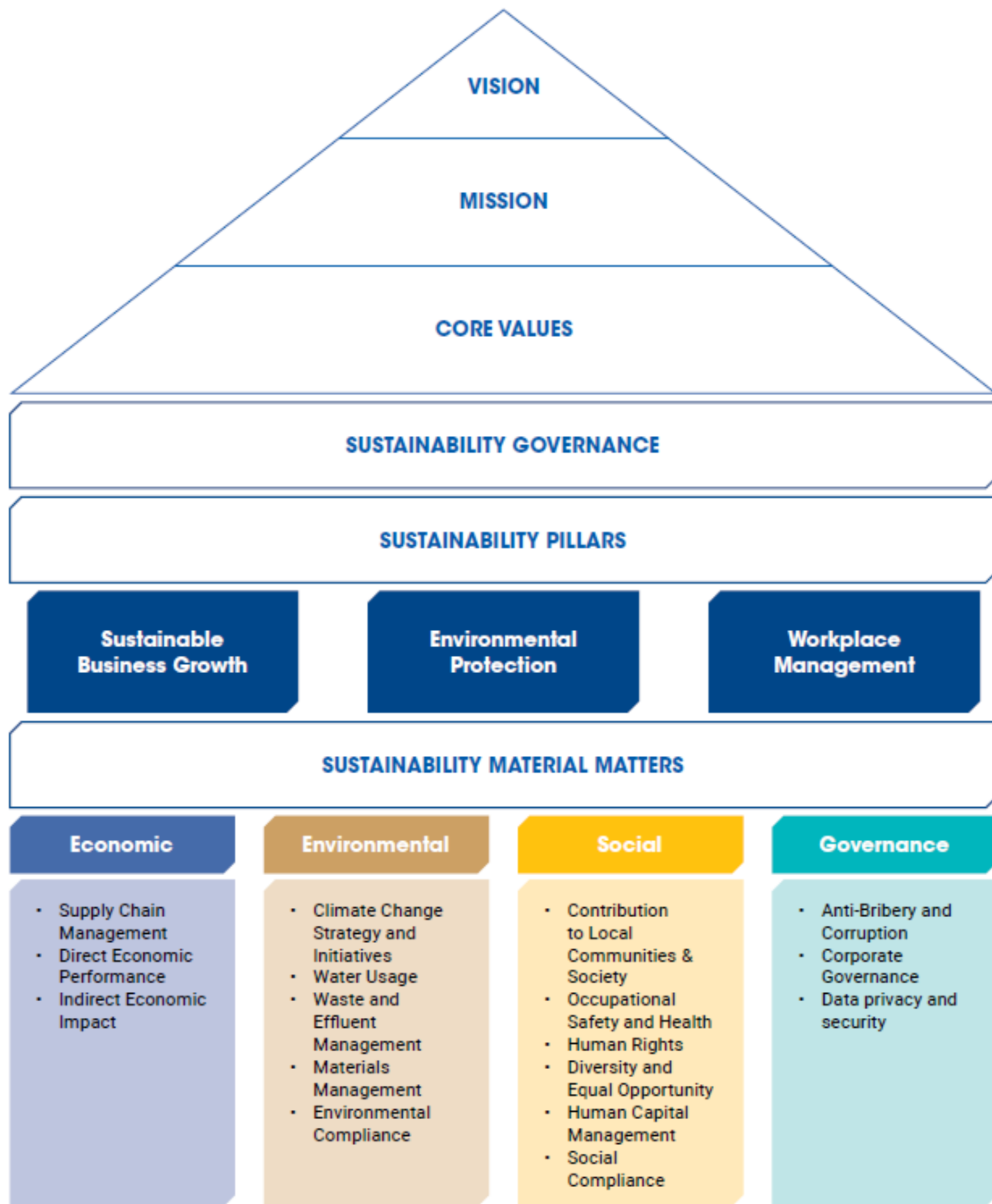
PANTECH proudly aligns with the United Nations Sustainable Development Goals (SDGs) as a foundational framework guiding our commitment to Sustainability. These 17 goals serve as the cornerstone of our Sustainability strategies and plans, guiding our efforts to make a positive impact on the world and contribute to a more sustainable and equitable future.

SUSTAINABLE DEVELOPMENT GOALS



1. **No Poverty:** Pantech Group addresses the goal of No Poverty by fostering local employment through job creation initiatives and contributing to charities that support needy families in our communities.
2. **Zero Hunger:** Seeks opportunities to contribute to Zero Hunger goal by engaging in initiatives that promote food security and alleviate hunger in local communities.
3. **Good health and well-being:** Pantech Group actively promotes good health within the organisation, ensuring the well-being of our employees. Our commitment including comprehensive workplace management, provide staff benefits including medical coverage and access to healthcare resources.
4. **Quality education:** Pantech Group fosters a culture of continuous learning and provides diverse training opportunities for staff.
5. **Gender Equality:** Championing workplace diversity and inclusions, ensuring equal opportunities for all genders.
6. **Clean water and sanitation:** Implementing water conservation measures to reduce usage, adopting environmentally friendly production processes by treating and filter pollutants to prevent water contamination.
7. **Affordable and clean energy:** Investing in renewable energy sources and encourages energy-efficient practices.
8. **Decent Work and Economic Growth:** In addition to job creation for local communities, Pantech Group implements robust health and safety measures within the workplace and fosters a supportive work environment that prioritizes employee well-being.

9. **Industry, Innovation and Infrastructure:** We strive to adhere to standards and regulations that promote sustainable growth in addition to investing in technologies that enhance infrastructure and foster innovation in our operations.
10. **Reduced Inequality:** Pantech Group incorporates elements of non-discrimination in its policies, fostering a workplace culture that promotes social equality.
11. **Sustainable Cities and Communities:** Pantech Group adopts sustainable practices to minimize environmental impact and ensure responsible business practices.
12. **Responsible Consumption and Production:** Dedicated to maximising resource efficiency and minimising waste generation by adopting the principles of 4R concept: Reduce, Reuse, Recycle and Recover.
13. **Climate Action:** Implements measures to reduce carbon footprint and promote climate-friendly practices.
14. **Life below Water:** Pantech Group actively implements water conservation practices within the operations and ensure proper handling and disposal of chemicals to prevent water contamination and harm to aquatic life.
15. **Life on Land:** Pantech Group implements recycling programs to reduce waste and also participates in tree planting initiatives, contributing to biodiversity conservation.
16. **Peace, Justice and Strong Institutions:** Pantech Group upholds the goal through ethical business practices, offering a secure reporting channel for misconduct and promote a diverse and inclusive workplace, contributing to a peaceful and just society.
17. **Partnerships for the Goals:** Collaborating with stakeholders to achieve Sustainability objectives.



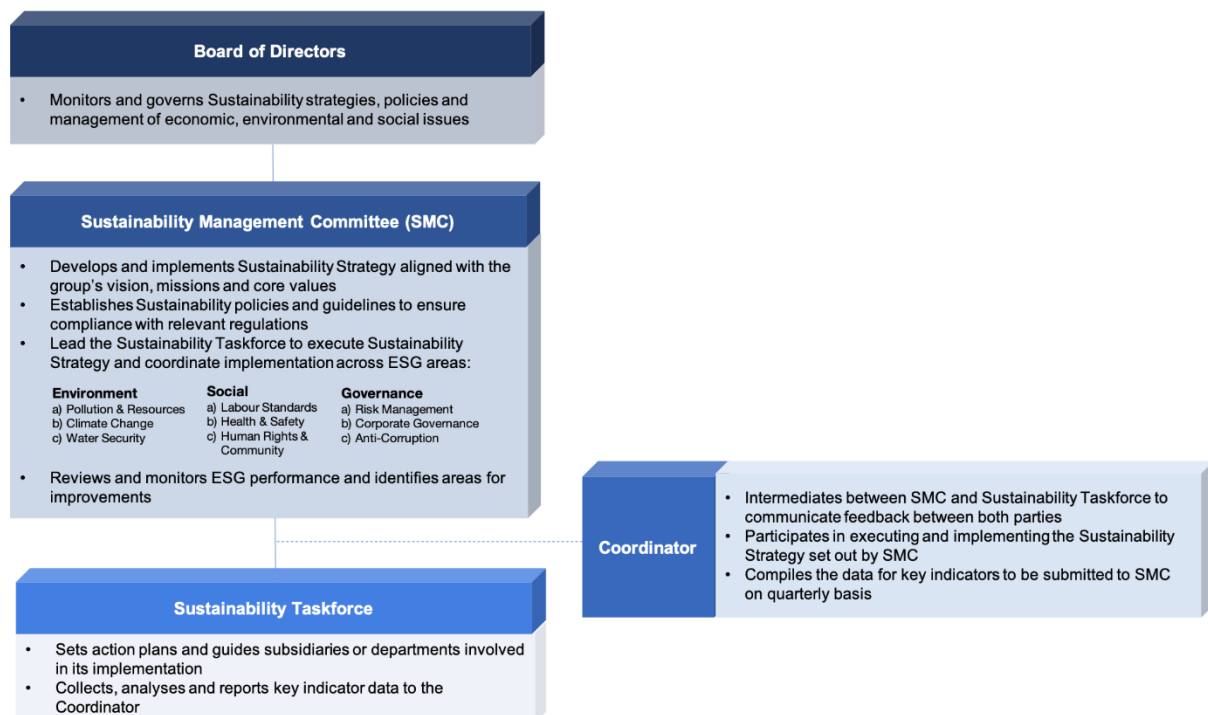
SUSTAINABILITY GOVERNANCE

Our Board of Directors (Board) serves as the custodians of Pantech Group’s Sustainability matters, initiatives and performance, ensuring that Sustainability is integrated into the Group’s strategic direction and business operations. The Board is supported by the Sustainability Management Committee (SMC) comprising all five Executive Directors of the Group. The committee supports the Board in overseeing Pantech Group’s Sustainability strategies, policies and practices.

The Board proactively reviewed SMC’s roles and responsibility to better align business and Sustainability priorities while effectively managing sustainability risks. The Board also continuously enhances its knowledge on sustainability matters, including climate-related risks and opportunities through capacity-building programs. These efforts ensure informed decision-making and effective oversight. Additionally, the Board periodically assesses relevant sustainability competencies to strengthen leadership and oversight. Key performance indicators (KPIs) related to Sustainability are integrated into performance evaluation of the Board and senior management to drive accountability.

The SMC considers the economic, environmental and social impacts of Pantech’s business activities. They develop and maintain a Sustainability Strategy that aligns with the Group’s vision, mission and core values. Their responsibilities include guiding decision-making by establishing policies and guidelines in compliance to relevant regulations, monitoring Pantech Group’s ESG performance against key indicators, evaluating policy effectiveness and setting targets.

The SMC identifies areas for improvements and develops corrective actions and is empowered to engage external consultation for objective input and guidance. They lead the implementation taskforce, coordinate the execution of Sustainability strategy and provide regular updates to the Board on the Group’s performance against set targets.




Enhanced Governance / Independence of Audit

Pantech Group has on the advice of the Audit Committee (AC) that is chaired by an Independent Non-Executive Director, adopted a policy that requires the lead partners involved in the external audit be rotated every seven years and observe a cooling-off period of at least five years before re-appointment. This practice is overseen by the AC and is consistent with professional standards required by the Malaysian Institute of Accountants.

Further reading can be found in the updated AC terms of reference at our website: <https://pantech-group.com/investor-relations/>.

Anti-Bribery and Corruption

Related UN SGDs	
Why is this important?	<ul style="list-style-type: none"> • Ethical conduct is a non-negotiable commitment at Pantech Group • Our core values emphasize honesty and integrity in all business activities • Ethical practices build trust, strengthen relationships with stakeholders and enhance stakeholder confidence in Pantech Group
Our Approach	<ul style="list-style-type: none"> • All employees are required to comply with local laws and Pantech’s Code of Ethics (CoE) • Zero-tolerance approach to corruption through Anti-Bribery & Corruption (ABAC) policy • Regular workshops and training sessions conducted to reinforce anti-bribery and corruption practices • A robust whistleblowing policy and secure channel for employees to report suspected wrongdoing
Our Performance	<p>1. Corruption-related Risk Assessment</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <p>100% of our operations within the reporting scope underwent the corruption risk assessment.</p> </div> <p>In November 2023, Pantech Group completed a voluntary corruption risk assessment for all our Manufacturing and Trading entities within the scope of this report.</p> <p>The comprehensive risk assessment has identified several risk areas rated as “Significant”.</p> <ul style="list-style-type: none"> • Collusion between initiator and suppliers/ customers • Leakage of confidential information/ leakage of company information • False medical certificates • Theft/ misuse of company assets

- Selective tendering/ quotation – manipulation of procurement process

The report also reported on the existing controls to mitigate the operations assessed as Significant risk, listed as follows:

- Conduct awareness or education program in the form of workshop or training sessions
- Enforcement of Code of Conduct and disciplinary actions
- Job rotation
- Conduct internal audit
- Conflict of interest declaration
- Incorporating ABAC policy into client/ supplier registration form, ensuring transparency and compliance throughout the business relationships
- Standard checklist for inspection with multiple approvals
- Robust inventory system to simplify asset tracking and help prevent theft, ensuring greater security over our resources
- Due diligence and proper monitoring system in place to prevent manipulation of procurement process

2. Anti-Bribery and Corruption Training


Employee by Function	Completion Rate (FY2024)
Management	98.63%
Administrative	99.50%
Operation	99.89%

Employee by Level	Completion Rate (FY2024)
Board of Directors	100.00%
Management	98.11%
Executive/supervisory	100.00%
Non-executive	99.77%

3. Bribery and Corruption Incidents

	FY2022	FY2023	FY2024
Confirmed incidents of corruption and action taken	0	0	0
Substantiated bribery cases reported	0	0	0
Substantiated corruption cases reported	0	0	0

Data Privacy and Cybersecurity

Related UN SGDs											
Why is this important?	<ul style="list-style-type: none"> • Effective cybersecurity measures prevent disruptions to operations caused by cyberattacks and ensures business processes continue without significant interruptions • Protecting sensitive data helps build and maintain customer trust • Proactively addressing data privacy and cybersecurity reduces the risk of vulnerabilities and threats, minimizing potential damage and ensuring a safer digital environment 										
Our Approach	<ul style="list-style-type: none"> • Robust IT infrastructure in placed with embedded cybersecurity measures • Limited data access to necessary personnel, with regular reviews to prevent unauthorised access • Periodic audits of data privacy and security controls • Advanced threat protection measures in placed including use of offsite backups, endpoint security and threat protection solutions for ransomware and malware detection • Strict protocols for managing sensitive information 										
Our Performance	<table border="1"> <thead> <tr> <th data-bbox="528 1151 890 1182"></th> <th data-bbox="890 1151 1050 1182">FY2022</th> <th data-bbox="1050 1151 1214 1182">FY2023</th> <th data-bbox="1214 1151 1374 1182">FY2024</th> </tr> </thead> <tbody> <tr> <td data-bbox="528 1182 890 1301">No. of substantiated complaints concerning breaches in data privacy and security</td> <td data-bbox="890 1182 1050 1301"></td> <td data-bbox="1050 1182 1214 1301"></td> <td data-bbox="1214 1182 1374 1301">0</td> </tr> </tbody> </table>				FY2022	FY2023	FY2024	No. of substantiated complaints concerning breaches in data privacy and security			0
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Policies In Effect

Pantech Group has formalised the following policies which state our commitment and stand.

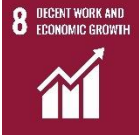
- Anti Bribery and Corruption Policy
- Environmental Policy
- Fit and Proper Policy
- Human Rights Policy
- Occupational Safety and Health Policy
- Whistle Blowing Policy

Readings of the Board Charter, Terms of Reference and policies are available on our website: <https://pantech-group.com/investor-relations/>.

SUSTAINABLE BUSINESS GROWTH

A sustainable business transcends growth in financial terms. It encompasses a healthy balance between economic wellbeing, environmental stewardship and social responsibility to create positive and lasting impact for stakeholders. Pantech Group strives to create value not only for our shareholders, but also for our employees, suppliers, vendors, customers and society at large.

Economic Performance

Related UN SGDs	
Why is this important?	<ul style="list-style-type: none"> Economic performance directly supports the creation of positive and lasting value for stakeholders Provide decent employment opportunities, which can cascade into economic development within local communities
Our Approach	<ul style="list-style-type: none"> Maintain a robust catalogue of pipes, valves and fittings Prudently managing cashflow and utilising capitals, guided by due diligence, monitoring, risk and opportunities assessment Continuous learning and improvement with relevant trainings


Our Performance

	FY2022 (RM'000)	FY2023 (RM'000)	FY2024 (RM'000)
Direct Economic Value Generated			
Revenue	751,479	1,037,839	946,631
Interest Income	1,573	2,270	4,309
	753,052	1,040,109	950,940
Operating Costs			
Materials, operating and administrative expenses	546,803	748,500	700,397
Selling and distribution expenses	30,813	48,606	24,996
	577,616	797,106	725,394
Employee Wages and Benefits			
Wages, salaries, defined contributions and others	57,148	67,052	68,564
Payments to Providers of Capital			
Interest payments	5,340	9,052	10,556
Dividend paid to shareholders	23,242	45,176	49,719
	28,582	54,228	60,276
Community Investments			
Contributions to charities, community and social programmes	129	112	107

	FY2022 (RM'000)	FY2023 (RM'000)	FY2024 (RM'000)
Payments to Government			
Tax expense	15,658	38,008	32,844
Economic Value Distributed	679,133	956,506	887,185
Economic Value Retained	73,919	83,603	63,755

Further reading on our financial reports are available on our website: <https://pantech-group.com/investor-relations/>.

Supply Chain Management

Related UN SGDs				
Why is this important?	<p>Pantech is committed to practice responsible sourcing with a focus on supply chain resilience. Our commitments include:</p> <ul style="list-style-type: none"> • All products and components are traceable to their origin • Support local businesses and fostering partnership with local SMEs whenever feasible • Encourage sustainability collaboration with suppliers 			
Our Approach	<ul style="list-style-type: none"> • Practice fair and ethical procurement • Conscious sourcing by including social and environmental considerations in procurement practices • Preference for local suppliers to support local economy whenever feasible • Foster open communication to build trust with suppliers and vendors 			
Our Performance		FY2022	FY2023	FY2024
	Proportion of spending on local suppliers			36%

ENVIRONMENTAL PROTECTION

Pantech Group is cognisant of the impact of our decisions and actions, and strives to integrate sustainability in all aspects in our operations, encompassing economic sustainability and consideration for our impact to the environment and society.

We are committed to addressing environmental challenges across six key areas: Climate Change, Energy Usage, Pollution, Resource Use, Waste Management and Water Usage.

We have in place the policies on our sustainability endeavours, including an Environmental Policy where we commit to E.A.R.T.H. Pantech Group has taken continuous initiative to reduce our generation of water and air pollution and waste to lessen our impact on the environment. We endeavour to use rain water and solar energy while consuming resources such as energy and water efficiently. Similarly, we dispose waste in a proper manner and increase carbon offsetting in cognisance of the dangers climate change poses to life on Earth. We work closely with public and private organisations aligned with the efforts of Pantech Group such as the Department of Environment, local city councils and qualified waste disposal companies to improve the environmental and social conditions of the communities in which we operate.


E – Environmental Management

A – Adherence to Laws and Regulations

R – Resource Efficiency

T – Transparency and Accountability

H – Heightened Environmental Awareness and Training

<p>Related UN SDGs</p>													
<p>Why is this important?</p>	<ul style="list-style-type: none"> • As a responsible company, we must protect the environment, reduce negative impact on the surrounding environment of our operations, and ensure the health and safety of the employees and surrounding communities • Enhance resource efficiency and reduces operational costs • Adhering to regulations in relation to emissions waste and resource use is crucial for business continuity and avoiding penalties • Addressing climate change reduces long-term risks, such as resource scarcity, extreme weather events and the related impacts on business operations 												
<p>Our Approach</p>	<ul style="list-style-type: none"> • Business strategies, plans and operations guided by Sustainability Policy and Environmental Policy, with a commitment to five areas aptly initialising EARTH • Introduction of Net Zero By 2050 Roadmap which outline our strategy with clear milestones in achieving net zero carbon emissions by 2050. • Regularly track and report on key environmental metrics • Invest in renewable energy, energy-efficient technologies and low-carbon solutions to reduce emissions and promote sustainability • Encourage climate-conscious practices among employees through awareness programs and trainings for sustainable actions • Collaborate with industry groups, governments and NGOs to support broader climate action, improve the environmental and social conditions of the communities in which we operate in. 												
<p>Our Performance</p>	<ul style="list-style-type: none"> • Energy <table border="1" data-bbox="384 1301 1353 1794"> <thead> <tr> <th data-bbox="384 1301 488 1395">FY</th> <th data-bbox="488 1301 691 1395">Energy Consumption (GJ)</th> <th data-bbox="691 1301 1353 1395">Remarks</th> </tr> </thead> <tbody> <tr> <td data-bbox="384 1395 488 1473">2022</td> <td data-bbox="488 1395 691 1473">122,816</td> <td data-bbox="691 1395 1353 1473"> <ul style="list-style-type: none"> • Reporting covered five entities (PSI, PSA, PGSB, PCSB, PKSB) </td> </tr> <tr> <td data-bbox="384 1473 488 1592">2023</td> <td data-bbox="488 1473 691 1592">137,524</td> <td data-bbox="691 1473 1353 1592"> <ul style="list-style-type: none"> • Reporting increased to six entities, following completion of UPESB acquisition in April 2022 </td> </tr> <tr> <td data-bbox="384 1592 488 1794">2024</td> <td data-bbox="488 1592 691 1794">144,134</td> <td data-bbox="691 1592 1353 1794"> <ul style="list-style-type: none"> • 69% of the energy consumption from electricity usage • 21% derived from natural gas usage (galvanising process) • 9% from diesel use </td> </tr> </tbody> </table>	FY	Energy Consumption (GJ)	Remarks	2022	122,816	<ul style="list-style-type: none"> • Reporting covered five entities (PSI, PSA, PGSB, PCSB, PKSB) 	2023	137,524	<ul style="list-style-type: none"> • Reporting increased to six entities, following completion of UPESB acquisition in April 2022 	2024	144,134	<ul style="list-style-type: none"> • 69% of the energy consumption from electricity usage • 21% derived from natural gas usage (galvanising process) • 9% from diesel use
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- Carbon Emissions

Emissions	FY2022 (tCO2e)	FY2023 (tCO2e)	FY2024 (tCO2e)
Scope 1	2,585	2,651	2,870
Scope 2	17,461	20,379	19,648
Scope 3 <i>(limited to business travel and employee commute)</i>			1,706
Total	20,046	23,030	24,224

- Water Withdrawal

We use the World Resource Institute (WRI) Aqueduct Water Risk Atlas Tool to identify the water stress level at our operation locations.

100% of our sites draw from municipal potable water with low stress levels i.e. below 10%.

Water Withdrawal by Source	FY2022 (m ³)	FY2023 (m ³)	FY2024 (m ³)
Municipal potable water	65,715	68,452	80,988
Rainwater Harvesting System	No data	7,702 ¹	10,552 ¹
Total	65,715	76,154	91,540

Note 1: Data for harvested rainwater usage is unfortunately incomplete in FY2023 and FY2024 due to recurrence of faulty meters. Moving forward we will schedule more checks on the meter to ensure better collection of data and reporting.

- Waste and Effluent Management

	FY2022 (MT)	FY2023 (MT)	FY2024 (MT)
Scheduled Waste (SW) generated	586	1,139	1,710
SW directed from disposal			1,453
SW directed to disposal			257

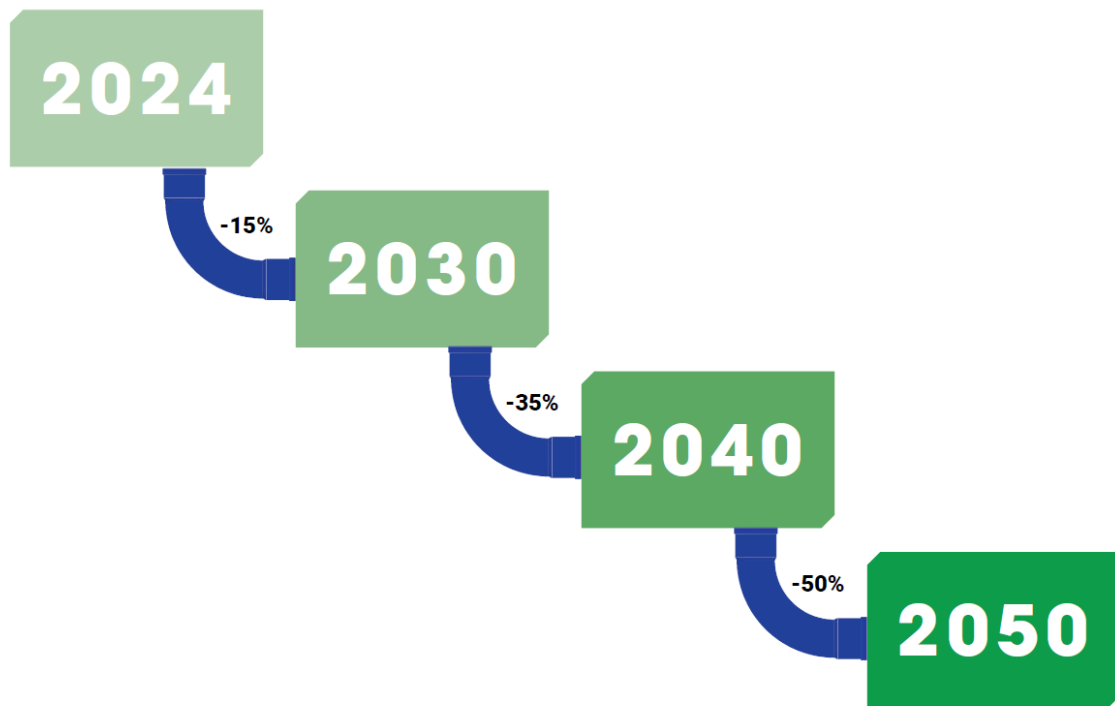
- Environmental Compliance

	FY2022 (RM)	FY2023 (RM)	FY2024 (RM)
Total amount of compounds received by local authorities/ regulatory bodies		93,000	27,000

Note: There is no incident of non-compliance with water quality/ quantity permits, standards and regulations. Please refer to the respective Sustainability Statements for details of the non-compliance incidents.

Our Commitment

“We strive to achieve net zero carbon emissions by 2050”



Net Zero by 2050 Roadmap (cont'd)

<p>Phase 1: 2024 – 2030 Target: 15% Reduction from baseline</p>	<p>Initiatives:</p> <ul style="list-style-type: none"> a) Solar installation: install solar panels to reduce reliance on grid electricity. b) Electric Vehicle (EV) forklifts: replace conventional forklifts with EV forklifts. c) Improve energy efficiency and optimise operational processes: conduct energy audits to understand current energy use and identify opportunities for improvement. We will also implement actionable recommendations, including equipment upgrades, process improvements, and behaviour changes, to reduce energy consumption, cut costs, and lower emissions. Progress will be tracked continuously to ensure sustained improvements through regular reviews and strategy adjustments.
<p>Phase 2: 2030 – 2040 Target: 35% Reduction from baseline</p>	<p>Initiatives:</p> <ul style="list-style-type: none"> a) Continue initiatives i.e. solar installation, enhanced energy efficiency through advanced energy management systems and optimisation of operational processes. b) Upgrade/transform infrastructure: explore opportunities to upgrade/transform existing infrastructure to reduce LNG use.
<p>Phase 3: 2040 – 2050 Target: Remaining reduction to net zero</p>	<p>Initiatives:</p> <ul style="list-style-type: none"> a) Technological innovations i.e. explore and implement new technologies to lower carbon emissions. b) Renewable energy: continue expanding solar and other renewable energy sources.

Note: The current Net Zero roadmap of Pantech Group is based on Scope 1 and Scope 2 carbon emissions. Our Scope 3 emissions presently cover limited areas, specifically business travel and employee commuting. We are collaborating with consultants to identify the full Scope 3 emissions before integrating them into our Net Zero roadmap.

“We must act now to...limit global temperature rise to 1.5°C, to avert the worst of climate chaos. The world can’t wait.”

United Nations Secretary-General António Guterres

Climate Change

Pantech Group recognises climate change as a significant factor that presents both risks and opportunities to our business. Our commitment to achieving Net Zero by 2050 reflects our proactive stance in addressing climate-related challenges. The changing environmental landscape, along with evolving regulations, has the potential to impact our operations and supply chains. However, it also opens up opportunities for innovation and growth as we adopt sustainable practices and develop low-carbon solutions. By anticipating these risks and seizing opportunities, we aim to enhance our resilience, improve operational efficiency, and contribute to global climate action.

Time Horizon	Risk	Opportunity
Short Term	Increased operational costs from carbon taxes and regulations; Disruptions due to floods and extreme weather events.	Implementation of energy-efficient technologies and practices, reducing emissions and operational costs.
Medium Term	Supply chain interruptions due to regulatory changes, shifting market demands for sustainable products.	Investment in renewable energy and sustainable supply chains, enhancing market competitiveness.
Long Term	Physical risks such as rising temperatures, sea levels, and severe weather affecting manufacturing sites.	Innovation and leadership in low-carbon solutions, positioning Pantech as a key player in sustainable industries.

By integrating these considerations into our strategy, Pantech Group is actively addressing short, medium, and long-term climate-related risks while capitalizing on the opportunities that arise from the global shift towards sustainability.

Climate Scenario Planning: 2-Degree Scenario

Pantech Group has conducted a climate-related scenario analysis aligned with the 2-degree Celsius target set under the Paris Agreement. This analysis evaluates potential future climate-related risks and opportunities based on the global shift towards limiting warming to below 2°C, examining both physical and transitional impacts. The scenario focuses on our key operations in Malaysia, considering the implications for both the manufacturing and trading divisions.

Time Horizon	Scenario	Business Impact	Response/ Opportunity
Short Term	Physical Risks: Floods affecting business operations	Operations need to be halted temporarily due to flooding. Loss of physical paperwork increases operational disruption.	Digitalisation of documents and operational processes to reduce losses and ensure business continuity in flood-affected areas.

	Transition Risks: Regulatory changes, such as carbon pricing and emission targets (aligned with 2°C scenario).	Increased operational costs due to compliance with new carbon taxes or emission regulations. This could impact the cost structure of both manufacturing and trading.	Investment in energy-efficient technologies, early adoption of cleaner fuels, and exploring renewable energy sources to minimize future regulatory costs.
Medium Term	Market Shifts: Growing demand for low-carbon products, and changes in customer preferences for sustainable supply chains.	Potential pressure from clients to deliver low-emission products, requiring adjustments in raw material sourcing and manufacturing processes.	Adoption of more sustainable materials, innovation in product offerings (e.g., low-carbon pipes, valves, and fittings), and further expansion into green markets.
Long Term	Physical Risks: Increased frequency of extreme weather events (flooding, rising sea levels) affecting production and logistics in Malaysia.	Disruption of manufacturing and supply chain operations due to extreme weather events, such as flooding in Malaysia, potentially leading to production and delivery delays.	Strengthening climate resilience through investments in flood-proof infrastructure and diversification of supply chain routes.

This scenario analysis highlights that Pantech Group, through proactive planning and adaptation, can mitigate risks and unlock opportunities in line with the global 2°C climate trajectory.

Focus Area	Our Pledge	Key Initiatives	Description
Energy efficiency	Energy is vital for economic growth and sustainable development. In Malaysia, it is primarily generated from non-renewable resources like natural gas and coal, which harm the environment. Recognising this impact, Pantech Group is committed to reducing its negative effects through efficient energy use and diversifying energy sources to support sustainable operations.	Reinforcing good practices	Reminders placed at strategic points throughout our buildings to encourage and remind all staff to adhere to good energy consumption practices e.g. switching off non-critical machineries, lights and air-conditioning system when not in use.
		Translucent roofing	Capitalise on natural sunlight to reduce use of lighting and electricity consumption, especially in warehouses.
		Solar photovoltaic (PV) systems	<ul style="list-style-type: none"> • 1,469.32 kWp solar PV system installed in PSI and energised in January 2023. • 2,800.24 kWp solar PV system installation is underway in PSA. Power-up is scheduled in FY2025. This addition is projected to offset a further 2,773 tCO2e annually.
		Daily monitoring	Surges in electricity use are reported to the Head of Production and Management team to verify and investigate reported incidences to reconcile consumption usage with on-going production activities and take remedial action.
Water security	Access to clean water is a fundamental right, and Pantech Group is committed to managing water resources responsibly. As a PVF solution provider, water is essential to our operations, and we strive to use only what is necessary to reduce our environmental impact and support local communities' access to clean water.	Use of World Resource Institute (WRI) Aqueduct Water Risk Atlas Tool	Identify water stress levels of our operating locations, for action if necessary.
		Rainwater harvesting	Eight rainwater catchment tanks were installed in two operation sites as part of our water management plan. The rain harvesting systems include collection, filtration, and storage systems with a total capacity of 0.27 ML, for non-potable use.
		Reinforcing good practices	Strategically placed notices to remind employees to switch off taps when not in use.

		Daily monitoring	Monitoring of water consumption usage to reconcile with on-going production activities and take remedial action.
Waste and effluent management	Pantech Group is dedicated to responsible waste and effluent management practices that protect the environment. We are committed to minimizing waste generation, ensuring proper treatment of effluents, and preventing pollution to safeguard the air, water, and soil quality in the communities where we operate.	Industrial Effluent Treatment Systems (IETS)	Three IETS installed to properly treat wastewater from manufacturing activities before disposal. The system comprises wastewater and sludge treatment facilities capable of treating and neutralising up to 0.126 ML of acid water per day.
		Proper storage	Scheduled waste (SW) is properly stored and managed from its collection to its final disposal by licensed contractors.
		Licensed vendors	Appointed licensed waste disposal companies to properly dispose scheduled waste from our operations.
		Air scrubber systems	Scrubbers neutralise and filter acidic fumes emitted from the pickling process; dust collectors systems supplement the scrubbers to filter air and keep release of dust particles within permissible limits.
		Recycling bins	Segregated and labelled collection bins for different material kinds available in our premises to promote more responsible consumption.
		Scrap metal contractors	Recycling contractors have access to recover valuable resources.
Climate action	Pantech Group is committed to proactive climate action by reducing our carbon footprint, enhancing energy efficiency, and transitioning towards renewable energy to support global efforts in mitigating climate change.	Use of EV forklifts	Replaced 6 aging diesel forklifts with EV ones to reduce emission footprint. Plans are afoot to gradually phase out the diesel models.

Environmental compliance	Pantech Group pledges to uphold strict environmental compliance by adhering to all regulatory standards and continuously improving our environment management system to protect the ecosystems where we operate.	Department of Environment	Continuous monitoring of air and water quality and waste management towards a safer environment for the communities around our operating sites.
		Local councils e.g. Majlis Bandaraya Pasir Gudang	Inspections and audits ensure continued compliance.
Resource Use	Pantech Group is dedicated to the responsible use of resources, striving for efficiency and sustainability in our consumption of energy, water, and raw materials, while reducing waste to minimize our environmental impact.	Digitalisation	Promote paperless workflows and digital processes to reduce paper consumption across the organisation.
		Material Reuse Programs	Implement thorough inspections of disposed steel materials to identify reusable scrap. Wherever possible, reprocess these materials into other products to help minimise waste and maximising resource efficiency within the business operations.

WORKPLACE MANAGEMENT

Pantech Group understands that our success and sustainability as a company is intrinsically tied to the wellbeing of our employees and those we serve and interact with. From our dedication to empower employees, to our commitment to good governance and engagements with local communities, we strive to embed social responsibility as a driving force of our business operations.

Occupational Safety and Health (OSH)

Employee safety and health is paramount in our business operations. Pantech Group strives to conduct business activities in a safe and responsible manner. We aim to achieve the goal of zero health and safety incidences for all employees, customers, visitors and contractors during their association with the Group every year.

To this end, we implement rigorous safety and health management systems that are continuously monitored and evaluated to mitigate risks of unwanted incidences by identifying potential hazards.

Our CARE Policy captures the essence of Pantech Group's safety culture and is embedded into our OSH policy.




C: Comply with the relevant legal and other OSH requirements

A: Aim to be an organization free from pollution, accidents and occupational diseases;

R: Reduce risks and eliminate hazard to promote a safe work environment;


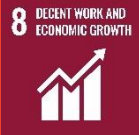
E: Empower directors, management and employees to engage in OSH consultation and communication, while fostering a culture of continual improvement.

<p>Related UN SGDs</p>													
<p>Why is this important?</p>	<ul style="list-style-type: none"> • A safe work environment reduces risk of accidents, injuries and health issues • Minimising accidents and health-related absences help maintain smooth operation, leading to higher efficiency and productivity • A commitment to safety improves employee morale, trust and retention • Adhering to OSH regulations prevents potential legal liabilities and fines 												
<p>Our Approach</p>	<ul style="list-style-type: none"> • Establish a robust Occupational Safety & Health (OSH) Policy supported by a management system (OHSMS) adhering to Occupational Safety and Health Amendment Act 2022 (OSHA 2022) and ISO 45001:2018 standard • Create Health, Safety and Environment (HSE) Working Committees to monitor and report safety performance in monthly meetings with senior management. • Ensure that safety initiatives are overseen by SMC chaired by executive director to maintain a high-level focus on health and safety • Implement rigorous safety and health management systems to assess risks, identify potential hazards, and reduce risk levels through continuous monitoring and periodic reviews • Conduct onboarding health and safety training for new employees, along with ongoing HSE and Personal Protective Equipment (PPE) training for staff and contractors • Mandate HSE briefings for external contractors before they begin work to ensure compliance with safety procedures on company premises • Foster a proactive safety culture, encouraging all employees to actively participate in maintaining a safe workplace • Hold weekly Toolbox Sessions led by HSE committees to facilitate open dialogue and reinforce safety practices • Work closely with the Board and management to regularly update safety and health procedures to aim for zero safety incidents 												
<p>Our Performance</p>	<p>1. Health and Safety Training Sessions</p> <table border="1" data-bbox="467 1653 1310 1944"> <thead> <tr> <th></th> <th>FY2022</th> <th>FY2023</th> <th>FY2024</th> </tr> </thead> <tbody> <tr> <td>Number of employees trained on Health and Safety Standards</td> <td>658</td> <td>537</td> <td>911</td> </tr> <tr> <td>Training hours on Health and Safety Standards</td> <td>669</td> <td>1,841</td> <td>3,454</td> </tr> </tbody> </table>		FY2022	FY2023	FY2024	Number of employees trained on Health and Safety Standards	658	537	911	Training hours on Health and Safety Standards	669	1,841	3,454
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2. Safety Incidents			
	FY2022	FY2023	FY2024
No. of Fatalities involving Employees	0	0	0
No. of Fatalities Involving Contractors	0	0	0
No. of Incidents	25	18	22
• Major Incidents	4	9	9
• Minor Incidents	21	9	13
Total Man-Hours Lost	2,236	3,924	4,640
LTIR (Employees)	2.37	1.44	1.48
<i>Note: Please refer to the respective Sustainability Statements for more details</i>			



Pantech Group will continue to emphasise good operational safety and health practices by assessing the risks of safety incidents in our operations. We are dedicated to contributing towards a sustainable future by maintaining a safe and conducive workplace with zero safety incidents.

Human Rights

Related UN SGDs	 
Why is this important?	<ul style="list-style-type: none"> • Embracing diversity and inclusion enhances the organisation's ability to access a wide range of knowledge, perspectives, and ideas • Promoting equal opportunities ensures a fair and respectful work environment for all employees, regardless of gender, race, religion, age, or nationality • Ensuring that every employee works in a dignified and respectful environment helps in fostering a positive workplace culture • A commitment to human rights attracts diverse talent and helps retain employees who value inclusivity and fairness • Adhering to human rights standards prevents discrimination and ensures compliance with laws and ethical practices
Our Approach	<ul style="list-style-type: none"> • We have formalised the Human Rights Policy in June 2023, outlining approaches to manage and mitigate negative human rights impacts with six key tenets: <ul style="list-style-type: none"> ○ Non-Discrimination

	<ul style="list-style-type: none"> ○ Fair Employment Conditions ○ Health and Safety ○ Freedom of Association and Collective Bargaining ○ No Forced and Child Labour, and ○ Free from Harassment and Abuse ● Established a secure, confidential whistleblowing channel for reporting policy breaches, labour practices issues or inappropriate behaviour, with protections for whistleblowers and thorough investigations. 			
Our Performance		FY2022	FY2023	FY2024
	No. of substantiated complaints involving human rights violations	0	0	0



Diversity, Equity and Inclusion

Related UN SGDs	 
Why is this important?	<ul style="list-style-type: none"> ● Leveraging a diverse range of knowledge, perspectives, and ideas enhances strategic decision-making and innovation, leading to more effective collaboration and problem-solving ● Ensures fair treatment and equal employment opportunities for all employees, regardless of gender, race, religion, age, or nationality ● Fosters a respectful and dignified work environment where discrimination is not tolerated, promoting a positive workplace culture ● Promotes a supportive environment that boosts employee morale and aids in retaining talent by creating a sense of belonging and fairness
Our Approach	<ul style="list-style-type: none"> ● Enforce a policy that prohibits discrimination and ensures fair treatment, and provides protection against harassment and abuse ● Actively cultivate an environment where employees from diverse backgrounds can contribute their unique talents and perspectives ● Provide platforms for employees to share perspectives and opinions, fostering open dialogue and collaboration ● Embrace the diverse strengths and talents of employees to support a harmonious workforce and enhance operational value ● Ensure fair wages, reasonable working hours, adequate benefits, and other forms of remuneration, complying with all applicable laws and regulations

Our Performance

Diversity, Equity & Inclusion	FY2022	FY2023	FY2024
Total Number of Employees	801	1,050	1,184
Percentage of employees by gender and age group by employee category			
Gender group by employee category			
By Function			
Management - Male	77%	77%	77%
Management - Female	23%	23%	23%
Administrative - Male	20%	23%	17%
Administrative - Female	80%	77%	83%
Operation - Male	95%	95%	95%
Operation - Female	5%	5%	5%
By Level			
Board of Directors - Male	90%	90%	90%
Board of Directors - Female	10%	10%	10%
Management - Male	73%	73%	72%
Management - Female	27%	27%	28%
Executive/ Supervisory - Male	56%	57%	55%
Executive/ Supervisory - Female	44%	43%	45%
Non-Executive - Male	84%	85%	88%
Non-Executive - Female	16%	15%	12%
Age group by Employee Category			
Local Employee - Under 30	40%	35%	31%
Local Employee - Between 30 - 50	50%	57%	57%
Local Employee - Above 50	10%	8%	12%
Foreign Employee - Under 30	57%	56%	54%
Foreign Employee - Between 30 - 50	43%	44%	46%
Foreign Employee - Above 50	0%	0%	0%
Percentage of directors by gender and age group			
Male	67%	67%	67%
Female	33%	33%	33%
Under 30	0%	0%	0%
Between 30 - 50	11%	11%	11%
Above 50	89%	89%	89%
Percentage of employees that are contractors or temporary staff	0.62%	0.48%	0.25%

Human Capital Management

<p>Related UN SGDs</p>	 				
<p>Why is this important?</p>	<ul style="list-style-type: none"> • Employees are the most valuable asset, and the company's success is closely tied to their development and performance • A well-managed workforce brings talent, dedication, and innovation, which are crucial for driving business growth and success • Development programs and a positive work environment empower employees to reach their full potential and contribute meaningfully • Investing in employee development and well-being leads to long-term value creation for the organization and its stakeholders • Strategic human capital management fosters a high-performing workforce, enhancing overall operational efficiency and productivity • Prioritizing employee growth and satisfaction helps attract and retain top talent, which is essential for sustained organizational success 				
<p>Our Approach</p>	<p>Our human capital management under the Human Resource department is guided by two of our core values to create an engaged and motivated workforce:</p> <table border="1" data-bbox="485 1182 1331 1655"> <tr> <td data-bbox="485 1182 756 1554"> <p>Employee Empowerment</p> </td> <td data-bbox="756 1182 1331 1554"> <p>Pantech Group invests in our employees' growth by supporting their pursuit of new skills and capabilities through relevant development courses. We foster an energetic and enthusiastic workforce by valuing individual contributions and promoting teamwork. We encourage employees to step up and lead by inculcating a nurturing culture of continuous learning and adaptability to make decisions based on critical thinking.</p> </td> </tr> <tr> <td data-bbox="485 1554 756 1655"> <p>Trust & Integrity</p> </td> <td data-bbox="756 1554 1331 1655"> <p>Our human capital practices are built on transparency and fairness, adhering to all local labour and employment laws.</p> </td> </tr> </table> <div data-bbox="512 1704 1305 1944" style="display: flex; justify-content: space-around; align-items: center; margin-top: 20px;"> <div style="border: 1px solid black; background-color: #00a0e3; color: white; padding: 10px; text-align: center;"> <p>Talent Acquisition and Retention</p> </div> <div style="border: 1px solid black; background-color: #76c73a; color: white; padding: 10px; text-align: center;"> <p>Talent Development and Upskilling</p> </div> <div style="border: 1px solid black; background-color: #c48e4a; color: white; padding: 10px; text-align: center;"> <p>Performance and Compensation</p> </div> <div style="border: 1px solid black; background-color: #f1c232; color: white; padding: 10px; text-align: center;"> <p>Leadership Pipeline</p> </div> </div>	<p>Employee Empowerment</p>	<p>Pantech Group invests in our employees' growth by supporting their pursuit of new skills and capabilities through relevant development courses. We foster an energetic and enthusiastic workforce by valuing individual contributions and promoting teamwork. We encourage employees to step up and lead by inculcating a nurturing culture of continuous learning and adaptability to make decisions based on critical thinking.</p>	<p>Trust & Integrity</p>	<p>Our human capital practices are built on transparency and fairness, adhering to all local labour and employment laws.</p>
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Talent Acquisition and Retention: Pantech Group builds a strong talent pipeline through merit-based hiring, competitive compensation, and fostering an inclusive work environment that attracts and retains top talent.

Talent Development and Upskilling: We prioritize continuous learning and employee development through leadership, technical, and soft skills training, ensuring a skilled workforce ready for future challenges.

Performance and Compensation: Pantech promotes a high-performance culture with goal-driven performance management, regular feedback, and competitive compensation to motivate employees and support their growth.

Leadership Pipeline: Pantech Group is committed to building a strong leadership pipeline through a comprehensive, multi-level training approach. We invest in employees at all levels, focusing not only on leadership development but also on skills necessary for advancement. Our supervisory development programs equip team leaders with the mentoring and guidance skills needed for future senior roles. By fostering a culture of internal growth and continuous learning, we ensure that our future leadership team is prepared to drive the company's success, while maintaining a strong focus on health and safety.

Our Performance

- Training






Training	FY2022	FY2023	FY2024
Total hours of training by employee category	1,852	3,583	7,340
By Function			
Management			609
Administrative			2,341
Operation			4,390
By Level			
Board of Directors			68
Management			726
Executive/ Supervisory			3,142
Non-Executive			3,404
Average Training Hours per employee			6.20

- Employee Retention and Attrition

	FY2022	FY2023	FY2024
Total number of employee turnover by employee category	89	269	117
By Function			
Management	0	4	3

	Administrative	42	44	46
	Operation	47	221	68
	By Level			
	Board of Directors	0	0	0
	Management	0	4	4
	Executive/ Supervisory	29	36	37
	Non-Executive	60	229	76
	Total new hires	49	245	220

Contribution to Community

Related UN SDGs	    
Why is this important?	<ul style="list-style-type: none"> • Pantech Group believes businesses have a duty to engage with their communities, fostering social inclusion and building resilience • Engagement with communities contributes to sustainable socioeconomic development for all • Pantech's activities focus on social welfare initiatives that empower individuals and unlock their potential • These initiatives build stronger ties with local communities, fostering a sense of shared purpose and mutual benefit
Our Approach	<p>We evaluate potential community initiatives based on the ability to contribute towards the four identified UN SDGs goals:</p> <p>SDG 3: Good Health and Well-being – Pantech Group supports initiatives that promote health and well-being, ensuring access to essential healthcare services and fostering healthier communities.</p> <p>SDG 4: Quality Education – We support educational programs and partnerships that provide quality learning opportunities, equipping individuals with the skills and knowledge necessary for personal and professional development.</p> <p>SDG 10: Reduced Inequality – Pantech advocates for social inclusion by supporting initiatives that address inequality and empower marginalized groups, creating a more equitable society.</p> <p>SDG 13: Climate Action – We engage in initiatives that promote climate resilience, environmental stewardship, and sustainable practices, helping mitigate the impacts of climate change.</p>

	<p>We focus on creating value beyond financial compensation by supporting both our employees and the wider community. Our annual Back-To-School Programme subsidises education expenses for employees with school-going children, helping to provide access to quality education. In addition to this internal initiative, Pantech collaborates with local organizations and stakeholders to implement community-focused initiatives, reinforcing our role as a responsible and engaged corporate citizen.</p>			
Our Performance		FY2022	FY2023	FY2024
	<p>Total amount invested in the community where the target beneficiaries are external to the listed issuer (RM'000)</p>	129	112	107
	<p>Total number of beneficiaries of the investment in communities</p>			3,961