SUSTAINABILITY
STATEMENT

ABOUT PANTECH GROUP HOLDINGS BERHAD

Pantech Group operates as a leading One-Stop Centre for pipes, valves, and fittings (PVF), with a strong presence across three countries serving an international market. Our head office in Malaysia acts a hub, catering to diverse range of industries including petroleum (onshore and offshore), petrochemical, electrical & electronics sectors. Sustainability is a core principle for Pantech Group. We are wholly committed to conducting business in a sustainable and ethical manner. We integrate sustainable practices throughout our Trading and Manufacturing divisions, aiming to deliver comprehensive solutions while minimising environmental impact and upholding social responsibility. This commitment to sustainability is a key driver for our long-term growth and success. It allows us to contribute positively to the communities we serve and operate within.

OUR CORE BUSINESSES

TRADING DIVISION	MANUFACTURING DIVISION
The Trading Division offers a comprehensive portfolio exceeding 30,000 PVFs and ancillary products, sourced globally. Combined with project management expertise and customer insights, this Division delivers a seamless One-Stop Centre experience, ensuring customers receive the right solutions quickly. Revenue: RM510.98 million Inventory: RM198.11 million	Pantech's Manufacturing Division produces both standard and custom-made pipes and fittings to international standards across five facilities. This Division leverages in-house expertise, sustainable practices, and precision metalworking to deliver high-quality products for customers. Revenue: RM435.65 million Total Capacity: 87,800 metric tonnes and 60,000 hours

More information on our businesses and financial performance can be read on pages 19 to 26.
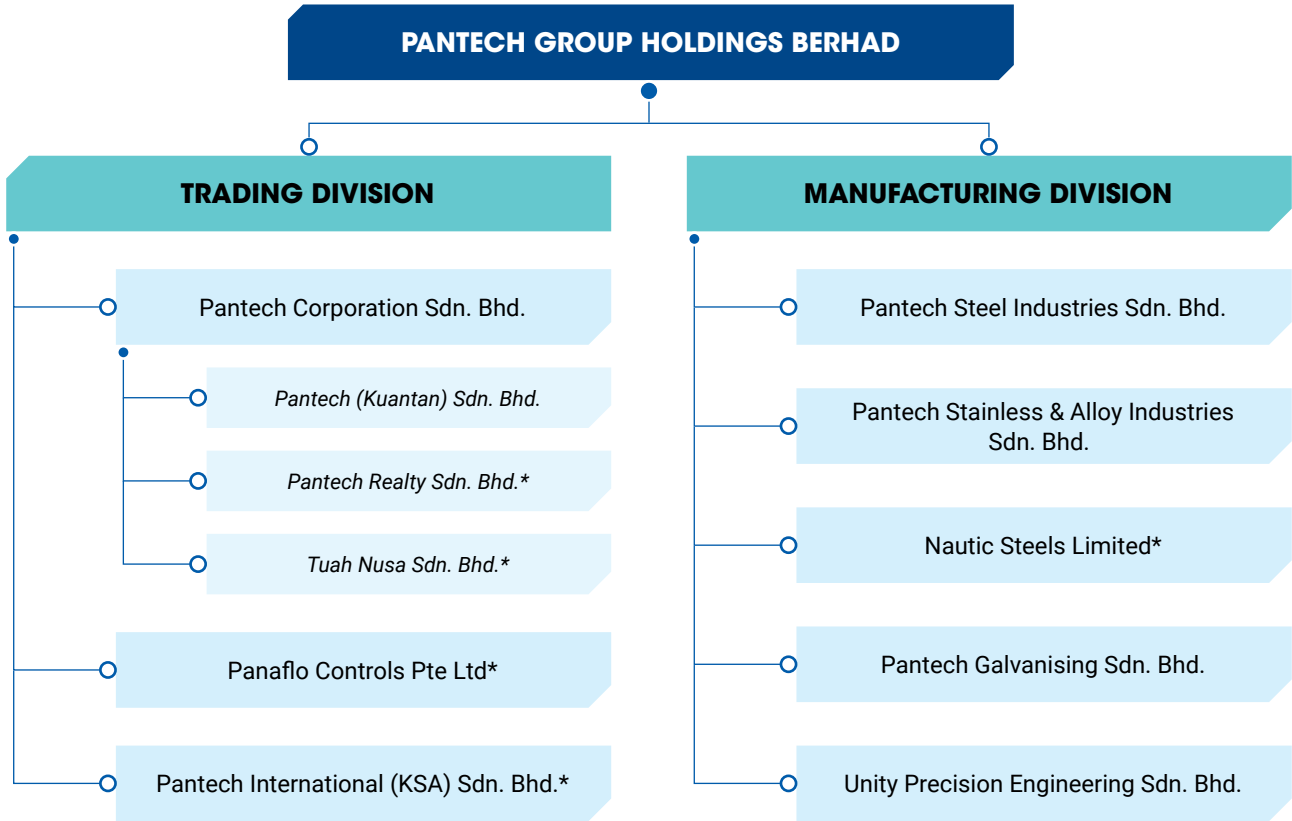
OUR OPERATING LOCATIONS

Pantech Group maintain operating bases in Malaysia, Singapore and the United Kingdom. The Trading Division operates with warehouses in Malaysia and Singapore, while our Manufacturing Division has production plants in Malaysia and the United Kingdom.

Further details on our operating locations and key developments are on pages 19 to 26.

SUSTAINABILITY STATEMENT
(Cont'd)

GROUP STRUCTURE AND OPERATING ENTITIES

PANTECH GROUP HOLDINGS BERHAD

TRADING DIVISION

- Pantech Corporation Sdn. Bhd.
  - *Pantech (Kuantan) Sdn. Bhd.*
  - *Pantech Realty Sdn. Bhd.**
  - *Tuah Nusa Sdn. Bhd.**
- Panaflo Controls Pte Ltd*
- Pantech International (KSA) Sdn. Bhd.*

MANUFACTURING DIVISION

- Pantech Steel Industries Sdn. Bhd.
- Pantech Stainless & Alloy Industries Sdn. Bhd.
- Nautic Steels Limited*
- Pantech Galvanising Sdn. Bhd.
- Unity Precision Engineering Sdn. Bhd.

Note: The following have been excluded from our reporting scope:
a)   Pantech Realty Sdn. Bhd. as this is real estate holding company for our assets and is not involved in the trading or manufacturing operations, therefore has minimal impact on Pantech Group's overall sustainability performance.
b)   Tuah Nusa Sdn. Bhd. as this company functions as our sales arm and does not have significant impact on Pantech Group's overall sustainability performance.
c)   Panaflo Controls Sdn. Bhd. as this is a sales office in Singapore and has minimal impact on Pantech Group's overall sustainability performance and progress.
d)   Pantech International (KSA) Sdn. Bhd. as this is a dormant company and has no ongoing operations.
e)   Nautic Steels Limited in the United Kingdom as their contribution is minimal to the Group in totality. We strive to build capacity and incorporate this unit into our report in the near future.

ABOUT THIS STATEMENT

Pantech Group is pleased to present our FY2024 Sustainability Statement ("Statement") which contains an overview of the Group's sustainability performance and progress during the reporting cycle of 1 March 2023 to 29 February 2024.

This Statement is prepared as part of our ongoing commitment to providing holistic disclosure to stakeholders.

Restatement of information or data can be found in the Performance Data table on pages 64 to 68.

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SUSTAINABILITY
STATEMENT
(Cont'd)

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SCOPE AND BASIS OF SCOPE

Unless stated otherwise, this Statement covers Pantech Group's wholly-owned subsidiaries which:
1.   Have business operations in Malaysia, and
2.   Have substantial revenue contribution or impact to the Group.

These subsidiaries fall under the said scope:
•   Pantech Corporation Sdn. Bhd.
•   Pantech Galvanising Sdn. Bhd.
•   Pantech (Kuantan) Sdn. Bhd.
•   Pantech Stainless & Alloy Industries Sdn. Bhd.
•   Pantech Steel Industries Sdn. Bhd.
•   Unity Precision Engineering Sdn. Bhd.

We excluded the following from our reporting scope:
a)   companies that are not directly involved in the business, functions as sales offices, or are dormant, and therefore have insignificant or no impact on Pantech Group's overall sustainability performance and progress
b)   our operations in the United Kingdom; explanation follows the note in Group Structure and Operating Activities

This year's scope has expanded to include full year data for Unity Precision Engineering Sdn. Bhd. following completion of acquisition at the end of April 2022.

REPORTING FRAMEWORK

This Statement is prepared on the basis of Bursa Malaysia's Listing Requirements and Bursa Malaysia's Sustainability Reporting Guide. Additional reference has been made to Bursa Malaysia's Illustrative Sustainability Report to enhance our disclosure through visual representation in a coherent manner.

FEEDBACK

We welcome and encourage our stakeholders to share their feedback about this Statement to help us continue improving our disclosure practices. Stakeholders can write to info@pantechcorp.com.

SUSTAINABILITY GOVERNANCE

Pantech Group prioritises sustainability by integrating it into our core corporate governance framework. This ensures sustainability considerations are embedded across the organisation, both strategically and operationally. To achieve this, we have broadened the responsibilities of the Board of Directors to encompass sustainability elements in the Board Charter. Pantech Group's Board remains ultimately accountable for the Group's strategic direction on sustainability, with ongoing support from relevant committees.

A Sustainability Management Committee (SMC) chaired by our Executive Chairman supports the Board in carrying out strategic management of the organisation's material sustainability matters. Supporting the SMC is our Sustainability Taskforce comprising senior management and representatives from the companies included in the reporting scope. The taskforce manages the Group's day-to-day material sustainability matters by way of policies, principles and procedures.

The SMC plays a critical role in integrating sustainability into our business practices. They consider the economic, environmental, and social impacts of our activities when formulating a Sustainability Strategy aligned with the Group's vision, mission, and core values.

The SMC's wide-ranging responsibilities include:
•   Guiding decision-making by establishing policies and guidelines that comply with regulations.
•   Monitoring ESG performance against key indicators and evaluating policy effectiveness.
•   Evaluating policy effectiveness, identifying areas for improvement and developing corrective actions.
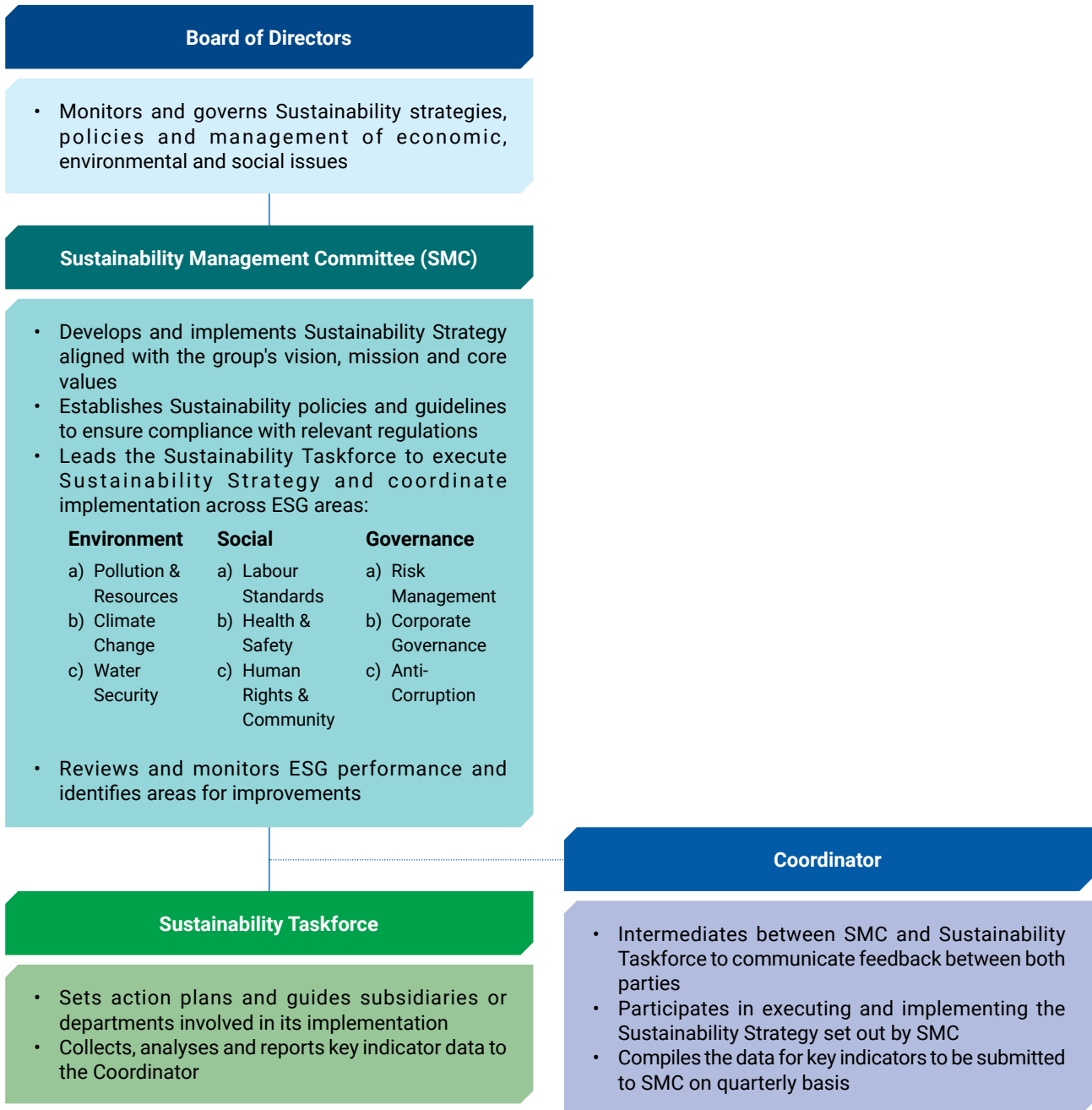•   Leveraging external consultation for objective insights.

SUSTAINABILITY STATEMENT
(Cont'd)

SUSTAINABILITY GOVERNANCE (CONT'D)

The SMC's wide-ranging responsibilities include (cont'd):
- Leading the Sustainability Taskforce to implement and coordinate strategy execution.
- Providing regular updates to the Board on the Group's progress towards sustainability goals.

Board of Directors

- Monitors and governs Sustainability strategies, policies and management of economic, environmental and social issues

Sustainability Management Committee (SMC)

- Develops and implements Sustainability Strategy aligned with the group's vision, mission and core values
- Establishes Sustainability policies and guidelines to ensure compliance with relevant regulations
- Leads the Sustainability Taskforce to execute Sustainability Strategy and coordinate implementation across ESG areas:

Environment	**Social**	**Governance**
a) Pollution & Resources	a) Labour Standards	a) Risk Management
b) Climate Change	b) Health & Safety	b) Corporate Governance
c) Water Security	c) Human Rights & Community	c) Anti-Corruption

- Reviews and monitors ESG performance and identifies areas for improvements

Coordinator

- Intermediates between SMC and Sustainability Taskforce to communicate feedback between both parties
- Participates in executing and implementing the Sustainability Strategy set out by SMC
- Compiles the data for key indicators to be submitted to SMC on quarterly basis

Sustainability Taskforce

- Sets action plans and guides subsidiaries or departments involved in its implementation
- Collects, analyses and reports key indicator data to the Coordinator

The Board of Directors continuously strengthens its knowledge on sustainability, including climate-related risks and opportunities. They attend capacity-building programmes to ensure informed decision-making and effective oversight of these critical matters. The Board also ensures relevant sustainability competencies are assessed periodically to strengthen leadership and oversight. Key performance indicators (KPIs) are embedded into performance evaluation of the Board and senior management to drive accountability. More reading about this can be found in our Corporate Governance Report.

SUSTAINABILITY GOVERNANCE (CONT'D)

Independence of Audit for Greater Governance

On the advice of the Audit Committee (AC) helmed by an Independent Non-Executive Director, Pantech Group requires the lead partners involved in the external audit process to be rotated every seven years and observe a cooling-off period of at least five years before re-appointment. The AC oversees this practice, and is consistent with professional standards required by the Malaysian Institute of Accountants.

Further reading can be found the AC terms of reference on our website.

Policies In Effect

The following policies are in effect:
• Anti Bribery and Corruption Policy
• Environmental Policy
• Fit and Proper Policy
• Human Rights Policy
• Occupational Safety and Health Policy
• Sustainability Policy
• Whistle Blowing Policy
• Code of Ethics

The Board Charter, Terms of Reference and policies are available for reading on our website https://pantech-group.com/investor-relations/.

STAKEHOLDER ENGAGEMENT

Pantech Group has a broad range of stakeholder groups that have an effect on or are affected by our business activities. Stakeholders are identified based on their overall influence and dependence on our Economic, Environmental, Social and Governance impact. These include employees, regulators, customers, suppliers, investors, and the communities in which we operate.

To align their interests with our business strategy, we proactively engage them through established channels to obtain their input on matters of importance to them. Such interactions help us ascertain material matters and provide insights into emerging opportunities and risks.

Stakeholder group	Engagement channels	Fwocus areas	Our responses
Employee	**Ongoing** - Internal communications (i.e. memo, emails) - Meetings and discussions - Sports activities - Festive celebrations **As needed** - Learning and development trainings **Annually** - Performance appraisals - Employee surveys - Company events	- Career development & progression - Performance management - Workplace conduciveness - Occupation safety and health - Employee welfare - Balanced lifestyle	- Transparent communication with employees - Training and upskilling opportunities for professional and personal development - Occupational safety and health sessions to reinforce good practices as shared responsibility - Merit-based evaluation and career growth trajectory

SUSTAINABILITY
STATEMENT
(Cont'd)

STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholder group	Engagement channels	Focus areas	Our responses
Government Agencies and Regulatory Bodies	**Ongoing** - Statutory submissions - Participation in government/ regulatory events **As needed** - Scheduled/ad hoc meetings - Scheduled inspections - Written communications	- Regulatory compliance - Waste management and environmental compliance - Labour practice and safety compliance	- Full compliance with regulatory requirements - Adoption of practices outlined in the Malaysian Code on Corporate Governance - Aware of and support initiatives driven by government or regulatory bodies
Customers	**Ongoing** - Customer visits - Customer satisfaction surveys - Meetings and business communication - Participation in exhibitions / trade shows - Corporate website	- Quality of products and services - Relationship management	- Offer comprehensive range of quality PVF that meet their requirements with quick turnaround - Adhere to strict international quality standards - Visits to customer sites to better understand their needs and challenges
Suppliers	**Ongoing** - Supplier evaluation and registration - Supplier visits - Meetings and business communications - Participation in exhibitions / trade shows	- Supply chain management - Relationship management - Quality of products and services - Corporate governance and compliance	- Comply with Procurement policies and procedures - Supplier visits for firsthand understanding of processes and procedures in place, including new technology
Investors and Shareholders	**Ongoing** - Corporate website **Annually** - General meeting - Annual report **Quarterly** - Public filings - Investor relations sessions **As needed** - Extraordinary general meetings - Company announcements	- Financial performance - Return on investment - Corporate governance and compliance - Business strategy and outlook	- Timely updates on strategy and financial performance via investor briefings and announcements - Uphold good governance practices - Outline, monitor and disclose sustainability targets and performance
Community	**Ongoing** - Corporate responsibility initiatives **As needed** - Job vacancy advertisements	- Environmental practices - Social responsibility - Work opportunities	- Support community welfare through contributions and assistance programmes

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SUSTAINABILITY
STATEMENT
(Cont'd)

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MATERIAL MATTERS

We are aware that material matters can directly and indirectly impact our long-term value creation for our stakeholders. Periodic assessments are conducted to review and align Pantech Group's strategies, resource allocation, performance management and reporting. These assessments help us address stakeholders' evolving concerns about Economic, Environmental, Social and Governance matters that significantly influence our ability to create value.

Pantech Group conducted and concluded a comprehensive materiality assessment in FY2024 to gauge continued relevance of our prioritised Economic, Environment, Social and Governance impacts arising from day-to-day activities. Based on the results, we have introduced an updated set of material matters that are aligned with our priorities and stakeholder expectations.

From our engagements, the material matters have been aligned with Pantech Group's priorities and stakeholder expectations.

Notable changes:

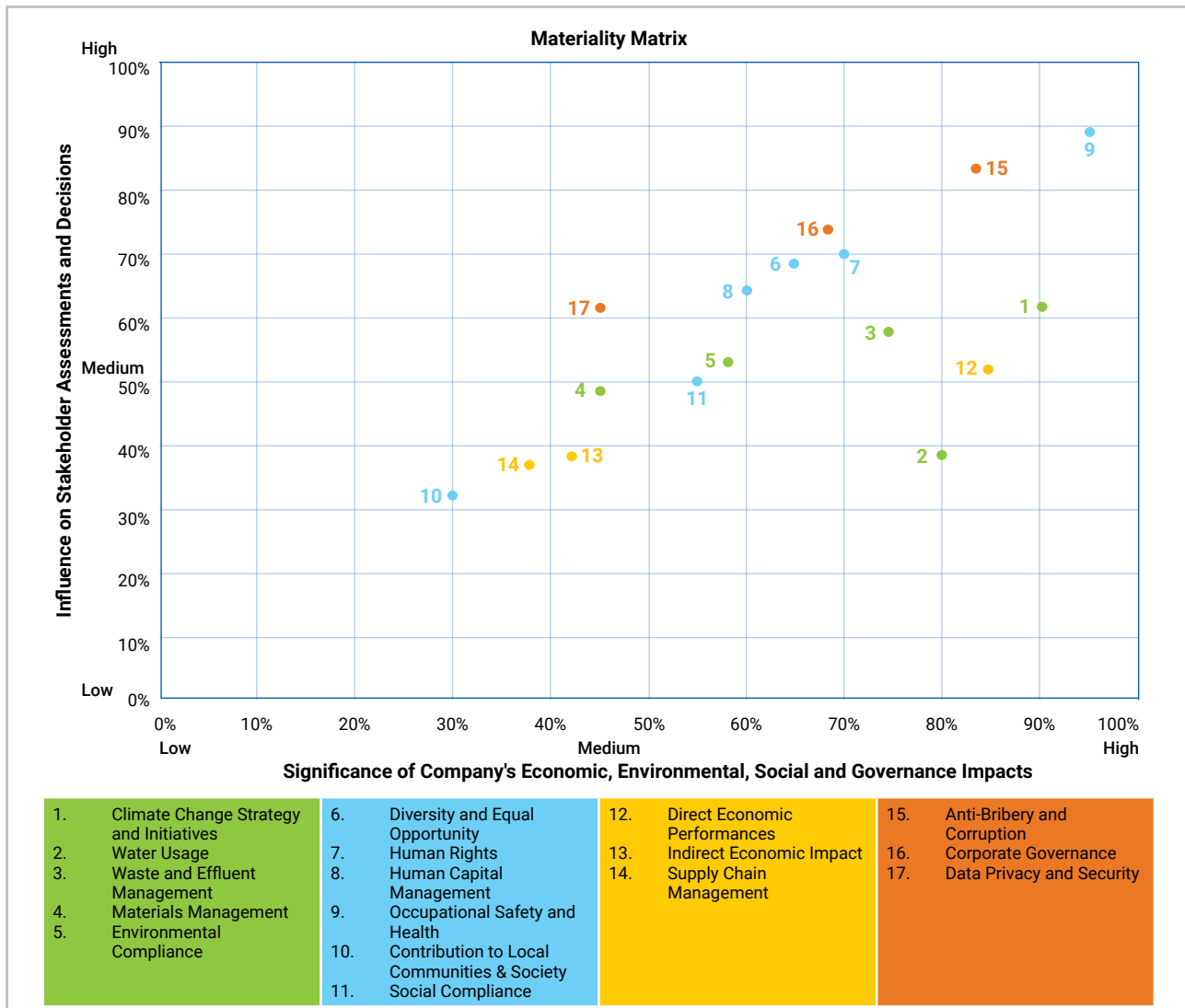| Previous Material Matter	Updated Material Matter	Remarks
Procurement practices	Supply Chain Management	Updated to better reflect broader scope, including responsible sourcing with ESG considerations and support of local suppliers whenever possible.
Energy; Emissions; Transport	Climate Change Strategy and Initiatives	Regrouped the material matters under the overarching theme of "Climate Change Strategy and Initiatives" to streamline our approach, enhance the management of climate change issues, and ensure a more cohesive and effective strategy in addressing our environmental impact.
Materials	Materials Management	Revised for better clarity.
Water	Water Usage	
Waste and Effluents	Waste and Effluent Management	
Training and Education; Labour practices; Employment; Grievance Mechanism	Human Capital Management; Human Rights	Reorganised these material matters under two new themes i.e. "Human Capital Management" and "Human Rights". This change is in the spirit of aligning our focus on developing and managing our workforce with an emphasis on skills development and fair labour practices, while also ensuring a strong commitment to upholding and protecting human rights throughout our operations.
Diversity	Diversity and Equal Opportunity	Revised for better clarity.
Local Communities	Contribution to Local Communities & Society	
Anti-Corruption	Anti-Bribery and Corruption	Revised for better clarity.
	Corporate Governance	New material matter identified through the materiality assessment process. Definition: Accountability at the highest level in addressing sustainability issues. Organisations with strong corporate governance culture will be better positioned in managing sustainability risks and opportunities.

SUSTAINABILITY STATEMENT
(Cont'd)

MATERIAL MATTERS (CONT'D)

Previous Material Matter	Updated Material Matter	Remarks
	Data Privacy and Security	New material matter identified through the materiality assessment process.

Definition: Identify cyber security risks and implement actions to prevent breaches of customer privacy and losses of customer data. |

Our engagement showed Occupational Safety & Health remained the top consideration. It is noteworthy that greater proliferation of sustainability literacy sees Climate Change Strategy and Intiatives being scrutinised more by stakeholders, which is reflected in it being in the priority quadrant. Other focus areas are direct Economic Performance, Waste and Effluent Management, Environmental Compliance, Human Rights, Diversity, Equity and Inclusion, Human Capital Management, Social Compliance, and Corporate Governance.

The SMC reviewed the updated materiality matrix, informed by the recent materiality assessment process, and this was subsequently endorsed by the Board of Directors.

Our material matters are outlined in this chart which depicts the importance of each material matter based on its influence on stakeholder assessments and decisions.

Materiality Matrix

1.	Climate Change Strategy and Initiatives	6.	Diversity and Equal Opportunity	12.	Direct Economic Performances	15.	Anti-Bribery and Corruption
2.	Water Usage	7.	Human Rights	13.	Indirect Economic Impact	16.	Corporate Governance
3.	Waste and Effluent Management	8.	Human Capital Management	14.	Supply Chain Management	17.	Data Privacy and Security
4.	Materials Management	9.	Occupational Safety and Health				
5.	Environmental Compliance	10.	Contribution to Local Communities & Society				
		11.	Social Compliance				

SUSTAINABILITY
STATEMENT
(Cont'd)

RISKS AND OPPORTUNITIES OF MATERIAL MATTERS

Our risk management processes help build readiness and resilience through the identification and management of potential risks encountered by Pantech Group. This framework integrates corporate, financial and operational risks.

Component	Risks	Opportunities
Economic Performance	Lacklustre economic performance corroding ability create and distribute value.	Sustainable financial performance delivers long-term value for stakeholders and attracts new investors.
Supply Chain Management	Disruptions in supply chain due to unethical practices by suppliers and poor supplier compliance can lead to production delays and reputational damage.	Sustainable sourcing practices and strong supplier relationships can ensure a stable supply chain, reduce risks, and enhance corporate reputation.
Occupational Safety and Health	Workplace incidences, health hazards and non-compliance with safety regulations can lead to loss in productivity and legal liabilities.	Implementing robust safety and health measures contributes to conducive environment for enhanced productivity.
Human Rights	Breaches in human rights practices can result in legal penalties, loss of business partnerships and significant reputational damage.	Strong human rights practices reinforce Pantech Group's reputation as a responsible employer.
Diversity, Equity and Inclusion	Discriminatory employment practices can lead to a toxic workplace culture and reputational damage.	Inclusive and empowering work culture helps attract and retain talent with greater breadth of experience and viewpoints to create an inclusive workplace culture that drives innovation.
Human Capital Management	Low employee morale and inadequate training can result in high turnover rates and decreased productivity.	Investing in human capital through training, development and engagement initiatives leads to a skilled workforce, higher employee satisfaction and improved performance.
Contribution to Local Communities and Society	Negative impacts on local communities can lead to opposition and legal challenges.	Positive community engagement and contributions enhance corporate reputation and build strong community relations.
Anti-Bribery and Corruption	Lapse in corporate governance structure and practices can lead to reputational damage, legal penalties, loss of business opportunities and erosion of stakeholder trust.	Effective corporate governance practices enhance business integrity and build stakeholder trust.
Data Privacy and Cyber Security	Data breaches and inadequate cyber security can lead to financial losses and damage to customer trust.	Robust data privacy and cyber security measures help to protect sensitive information which enable Pantech Group to maintain trust among stakeholders.

SUSTAINABILITY FRAMEWORK

Pantech Group's sustainability framework aligns with our business strategy and is guided by our vision and mission and underpinned by our STEEL core values. The framework outlines our focus areas which are:
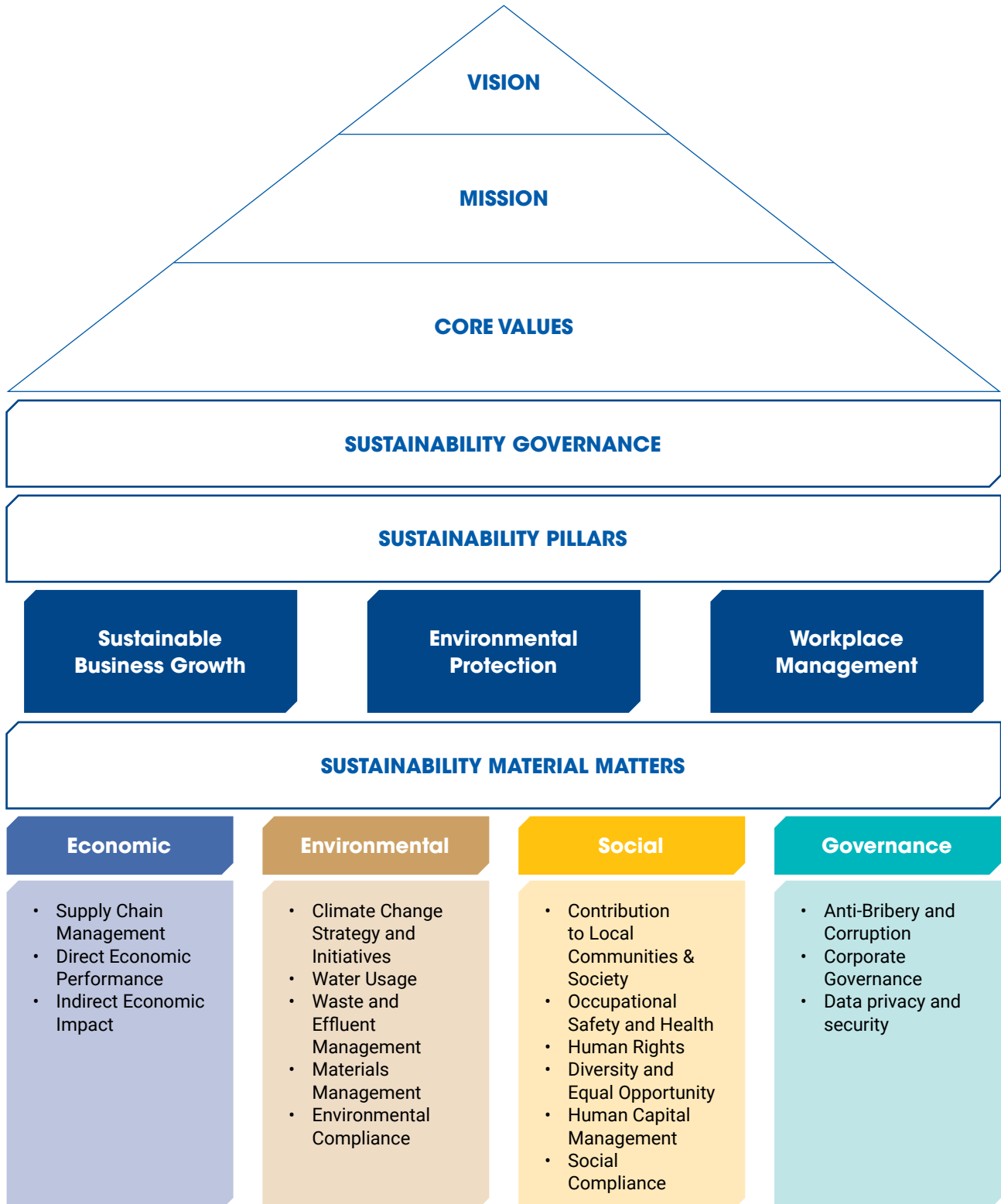- Sustainable Business Growth
- Environmental Protection
- Workplace Management

SUSTAINABILITY STATEMENT
(Cont'd)

SUSTAINABILITY FRAMEWORK (CONT'D)

We aim to deliver on the objectives across our focus areas by addressing the concerns related to our material matters. FY2023 forms the baseline year against which we set targets to monitor our performance and progress. We strive to make continuous improvements towards these targets in respect of the UN SDGs.

VISION

MISSION

CORE VALUES

SUSTAINABILITY GOVERNANCE

SUSTAINABILITY PILLARS

Sustainable Business Growth	Environmental Protection	Workplace Management

SUSTAINABILITY MATERIAL MATTERS

Economic	Environmental	Social	Governance
• Supply Chain Management • Direct Economic Performance • Indirect Economic Impact	• Climate Change Strategy and Initiatives • Water Usage • Waste and Effluent Management • Materials Management • Environmental Compliance	• Contribution to Local Communities & Society • Occupational Safety and Health • Human Rights • Diversity and Equal Opportunity • Human Capital Management • Social Compliance	• Anti-Bribery and Corruption • Corporate Governance • Data privacy and security

MANAGEMENT APPROACH TO MATERIAL MATTERS

Sustainable Business Growth - Economic Performance

Related UN SDGs:
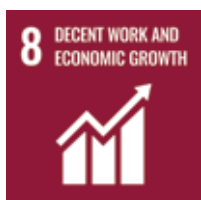
Why is this important?

As a business, Pantech Group's going concern and economic performance directly supports the creation of positive and lasting value for stakeholders. We are mindful of our responsibility in providing decent employment opportunities, which can cascade into economic development within local communities. We ensure long-term resilience by strategically deploying resources to generate and share value with our stakeholders.

Our approach

Our approach to sustaining good economic performance is by executing on our business strategy, as outlined in pages 16 to 18. This includes maintaining a robust catalogue of PVF and other fluid transmission solutions that meet specific customer requirements, prudently managing cashflow and investing into upgrades for efficiency, and bolstering existing revenue generating streams while exploring complementary opportunities.

We utilise capitals carefully, guided by monitoring and assessment of risk and opportunities. To remain agile and adaptable to the dynamic business environment, Pantech Group practises continuous learning and improvement with relevant trainings.

With presence in over 70 countries, our operations have a wider economic effect on our stakeholders, especially customers who depend on our PVF for fluid transmission systems to keep their operations flowing.

Our performance

In FY2024 Pantech Group generated a total of RM946.63 million in revenue, of which 93.7% was distributed to stakeholders. The economic value generated and distributed (EVG&D) arising from our business operations is illustrated in the table below.

	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	700,399
Selling and distribution expenses	30,813	48,606	24,996
	577,616	797,106	725,395
Employee Wages and Benefits			
Wages, salaries, defined contributions and others	57,148	67,052	68,564

SUSTAINABILITY STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Sustainable Business Growth - Economic Performance (Cont'd)

Our performance (cont'd)

	FY2022 RM'000	FY2023 RM'000	FY2024 RM'000
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	60,275
Community Investments			
Contributions to charities, community and social programmes	129	112	107
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

Economic – Supply Chain Management

Related UN SDGs:

Why is this important?

Pantech Group prioritises responsible sourcing with a focus on supply chain resilience an sustainability. We have built a reputation over time as a trusted leader in the provision of total solutions for gas and fluid transmission systems through our commitment to integrity. This commitment is reflected in our:

- **Traceable Materials**
  All products and components are traceable to their origin, which are documented and updated by our dedicated Mill Cert department. We maintain rigorous controls throughout our supply chain and procurement process to ensure integrity.
- **Local Focus**
  We firmly believe in supporting local businesses and contributing to economic growth in the communities where we operate. We do this by prioritising local sourcing for administrative and operating expenses, and also fostering partnerships with local SMEs whenever feasible.
- **Sustainability Collaboration**
  We aim to gradually introduce and encourage awareness of our sustainability expectations pertaining to procurement practices are extended to our suppliers, which include contractors, service providers, and consultants. Our goal is to align them with our sustainability objectives.

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Economic – Supply Chain Management (Cont'd)

Our approach

We uphold a fair and ethical procurement practice.

To ensure equal opportunity, we provide a level playing field to all potential and existing suppliers through a transparent selection process based on objective criteria such as quality of material, reliability, lead time and cost.

Pantech Group strives to maintain conscious sourcing and procurement by taking into account social and environmental considerations. We plan to gradually communicate our relevant policies including Anti Bribery and Corruption, Environmental, Human Rights, Occupational Safety and Health and Whistle Blowing to existing and potential suppliers. We also ensure compliance with all applicable laws, regulations and internal policies throughout our procurement function.

Cognisant of our role in the wider supply chain, we prioritise sourcing products and services from local suppliers to the best extent possible. This not only contribute positively to the local economy but also reduces our logistics carbon footprint at the same time. Due to the nature of our business, raw materials for our Manufacturing Division and purchases of trading goods under our Trading Division mainly come from overseas. Functions such as administrative and operating purchases are locally sourced.

Pantech Group fosters open communication and builds trust with our suppliers and vendors, aiming for mutually beneficial relationships. This collaborative relationship promotes a win-win partnership. Relationships notwithstanding, the Group does not compromise our objectivity in upholding responsible procurement practices. Our team follows established guidelines to ensure competitiveness and avoid conflicts of interest.

Our performance

	FY2024
Proportion of spending on local suppliers	36%

Social – Occupational Safety and Health

Related UN SDGs:

Why is this important?

At Pantech Group, employee and contractor health and safety are paramount. We take proactive approach by creating safe and healthy work environments in all our business operations and workplaces. We firmly believe that a healthy, safe, and conducive work environment is essential for preventing injuries and illnesses. By proactively managing safety and creating a culture of well-being, we aim to keep everyone working at their best, ultimately contributing to increased efficiency and productivity.

SUSTAINABILITY STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Occupational Safety and Health (Cont'd)
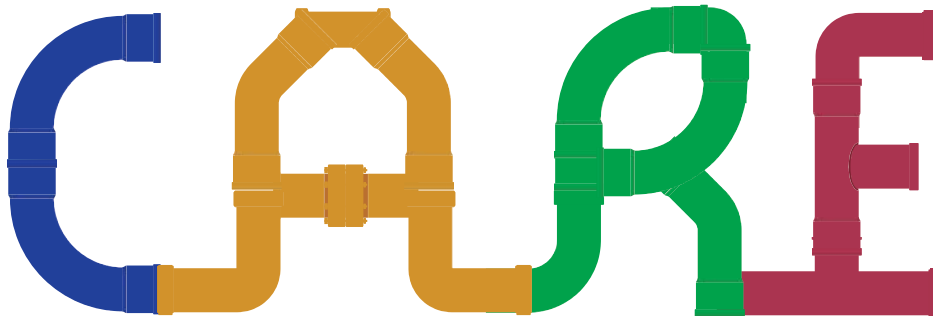
Our approach

Pantech Group's Occupational Safety & Health (OSH) Policy outlines our approach to conducting business operations in a safe and responsible manner. Our OSH Policy is built upon a robust Occupational Health and Safety Management System (OHSMS) that adheres to the requirements of the Occupational Safety and Health Amendment Act 2022 (OSHA 2022) and ISO 45001:2018 standard.

To ensure ongoing improvement and effective communication, Health, Safety and Environment (HSE) Working Committees are established across relevant divisions and companies. The HSE Working Committees need to join monthly Heads of Department meetings, which is attended by directors and senior management, to present updates on safety performance.

Our Sustainability Management Committee is chaired by our Executive Chairman/ Group Managing Director, supported by four (4) Executive Directors. Directors of subsidiaries sit in the Sustainability Taskforce which oversees implementation of initiatives.

We have rigorous safety and health management systems in place to assess risks, identifying potential hazards and reducing risk levels. These systems are continuously monitored and periodically assessed for their effectiveness. The HSE committees collaborate with the Board and management to revise safety and health procedures when necessary, aiming for zero safety and health incidences for all stakeholders.

Our CARE Policy, updated in July 2023 following a Board meeting, captures the essence of Pantech Group's safety commitment and culture, and is embedded into our OSH Policy.

| Comply with the relevant legal and other OSH requirements | Aim to be an organisation free from pollution, accidents and occupational diseases | Reduce risks and eliminate hazards to promote a safe work environment | Empower directors, management and employees to engage in OSH consultation and communication, while fostering a culture of continual improvement |

Progressing towards being a leader in the provision of total solutions for gas and fluid transmission systems calls for prioritising safety among our workforce. We provide health and safety training during the onboarding of new employees. Regular trainings on HSE and Personal Protective Equipment (PPE) are conducted to promote a safe and conducive workplace for all. This extends to external contractors who are subject to mandatory HSE briefings before beginning work at our premises.

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Occupational Safety and Health (Cont'd)

Our approach (cont'd)

Embedding a culture of safety throughout our organisation and ensuring the highest standards of safety and preventing workplace incidences, we actively encourage each employee to embrace a proactive approach to occupational safety and health and actively contributes to maintaining a safe workplace. Weekly Toolbox Sessions, led by the HSE committees at the respective subsidiary promote open dialogue and reinforce safety practices.

Our performance

Health and safety sessions

Pantech Group takes an inclusive approach to workplace safety and employee development. In FY2024, a total of 911 persons were given various formal trainings on Health and Safety Standards, totalling 3,454 hours. These sessions reflect our commitment to equipping employees with the required knowledge to actively contribute to workplace safety.

	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

We strive to ensure that all workers return home safely at the end of the day. Regular safety related sessions helped Pantech Group maintain a track record of zero fatalities in our premises.

Unfortunately, there was an increase of incidences recorded in the reporting period traceable to inadequate material handling techniques. Following a thorough investigation to identify the cause and any systemic failures, we have implemented corrective measures. These measures included briefing all production workers on the cause and providing guidance on the correct material safe handling technique. Other measures implemented include installation of safety guards & signs, improving safety elements, housekeeping, reviewing the maintenance procedure, and if necessary, enhancing supervision.

Our commitment to continuous improvement extends to our preventive measures, ensuring we minimise the risk of a recurrence in the future.

Correspondingly, Pantech Group recorded a Lost Time Incident Rate (LTIR) of 1.48 for FY2024. LTIR reflects loss of productivity associated with safety incidents and is calculated according to Bursa Malaysia's Sustainability Reporting Guide.

	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

* Restatement of LTIR reflecting total manhours previously erroneously recorded
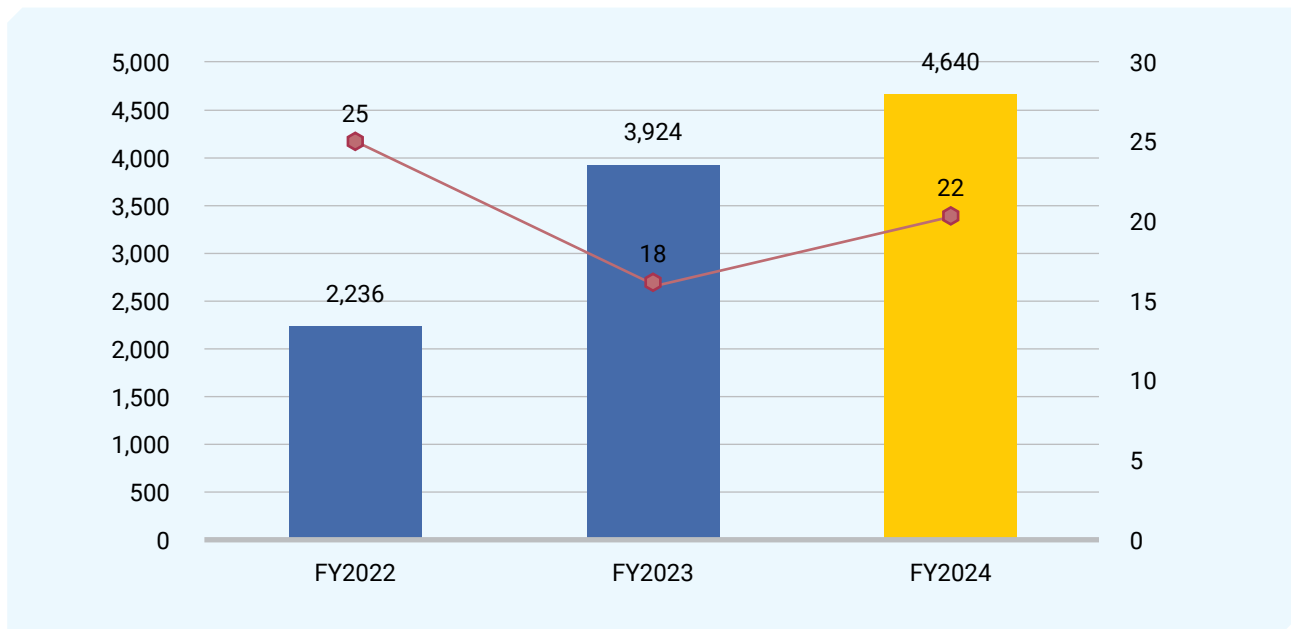
SUSTAINABILITY STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Occupational Safety and Health (Cont'd)

Our performance (cont'd)

Incident Type	Description
Fatal	• Incidents that result in death
Major	• Incidents that result in non-fatal injury but cause permanent disability • Prolonged but non-permanent disability with absence from work or on medical leave (MC) of more than 3 weeks
Minor	• Incidents that result in minor injuries but not permanent disability • Not critical or life threatening, minor abrasions, bruises, cuts and first aid type injury • Absence from work or MC of less than 3 weeks

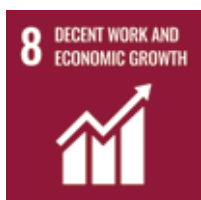**Number of Safety Incidents and Total Man-Hours Lost (Employees)**

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Human Rights

Related UN SDGs:

Why is this important?

Pantech Group is unwavering in our commitment to human rights. We believe respecting and upholding human rights across our business operations is not just a responsibility, it is a non-negotiable moral obligation. We are dedicated to fostering a work environment where human rights are respected and actively promoted. We firmly believe that strong human rights practices complemented by fair and ethical treatment for all employees, contribute to a more productive workforce and a healthy, positive healthy work culture.

Our approach

We support the UN Guiding Principles on Business and Human Rights, International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and International Bill of Human Rights. Furthermore, we adhere to applicable laws and regulations in our operational footprint, which include but are not limited to Malaysia's Employment Act 1955.

We are committed to upholding human rights in line with guidelines issued by key authorities. Our commitment is reflected in our Human Rights policy which was formalised in June 2023. The policy outlines our approach to managing and mitigating potential negative human rights impact and comprises six tenets:
- Non-Discrimination
- Fair Employment Conditions
- Health and Safety
- Freedom of Association and Collective Bargaining
- No Forced and Child Labour
- Free from Harassment and Abuse

In addition to fair wages, we commit to competitive compensation and decent living quarters for our workers. We prioritise training programs to ensure all employees, including foreign workers, can perform their jobs safely and effectively.

We have an established secure and confidential whistleblowing channel, as outlined in our Whistle Blowing Policy. This empowers employees and other stakeholders to report, without fear of retaliation, potential breaches of company policy, labour practices, disputes or inappropriate behaviour. All reports are thoroughly investigated while protecting the whistleblower's identity, and necessary actions are taken based on the findings.

Our performance

Pantech Group continued to have no substantiated grievances surrounding lapses in human rights in our reporting period.

	FY2022	FY2023	FY2024
No. of substantiated complaints involving human rights violations	0	0	0

We will continue observing human rights practices to maintain our track record and reputation.

SUSTAINABILITY STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Diversity, Equity and Inclusion

Related UN SDGs:

Why is this important?

Pantech Group recognises that diversity and inclusion are not just the right thing to do, but also a strategic advantage by way of accumulation of, and ability to tap into a wide range of knowledge, perspectives, and ideas. We are firmly committed to equal employment opportunities and actively promote diversity across all aspects of our organisation, including gender, race, religion, age, and nationality. We believe that every employee has the right to work in a respectful, dignified, and fair environment free from discrimination of any kind.

Our approach

We reclassified the previously-titled Diversity and Equal Opportunity to Diversity, Equity and Inclusion (DEI) to better describe our focus on creating a work environment where everyone feels welcome, respected, and has the opportunity to thrive, regardless of their background or identity.

Our DEI efforts go beyond prohibiting discrimination, as outlined in our Human Rights Policy, and ensuring fair treatment as stipulated in our compensation and benefits practices. The policy also provides for employees to be free from harassment and abuse. We actively cultivate an inclusive environment where employees from diverse backgrounds can contribute their unique talents and perspectives.

We recognise the strength that comes from a workforce rich in experience, knowledge, and ideas. We provide employees with platforms to share perspectives and opinions, fostering open communication and collaboration. This inclusive approach embraces the diverse strengths and talents of our employees, supports a harmonious workforce and enhances the value of our operations.

We champion equitable treatment and just working conditions to all our employees. This translates to providing fair wages, reasonable working hours, adequate benefits and other forms of remuneration that comply with all applicable laws and regulations. We believe a well-supported and fairly compensated workforce is essential for fostering a sense of belonging and ensuring everyone has the opportunity to grow.

Our performance

	FY2022	FY2023	FY2024
Total employees	801	1,050	1,184

As an employer that believes in nurturing talents and investing into their growth and development, 42.7% of our workforce are below 30 years old (FY2023: 42.9%), and 94.1% are below age 50.

Employees By Age Group	FY2022	FY2023	FY2024
<30	43.3%	42.9%	42.7%
30 - 50	49.3%	52.7%	51.4%
>50	7.4%	4.4%	5.9%

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Diversity, Equity and Inclusion (Cont'd)
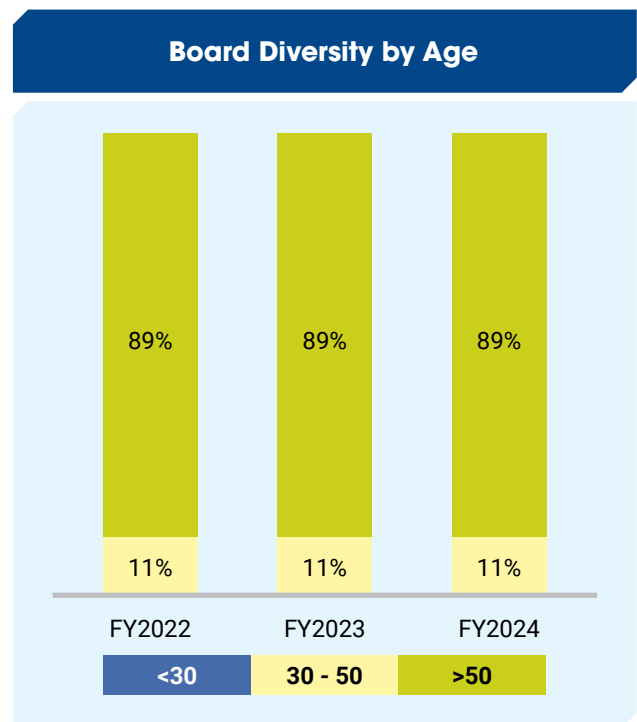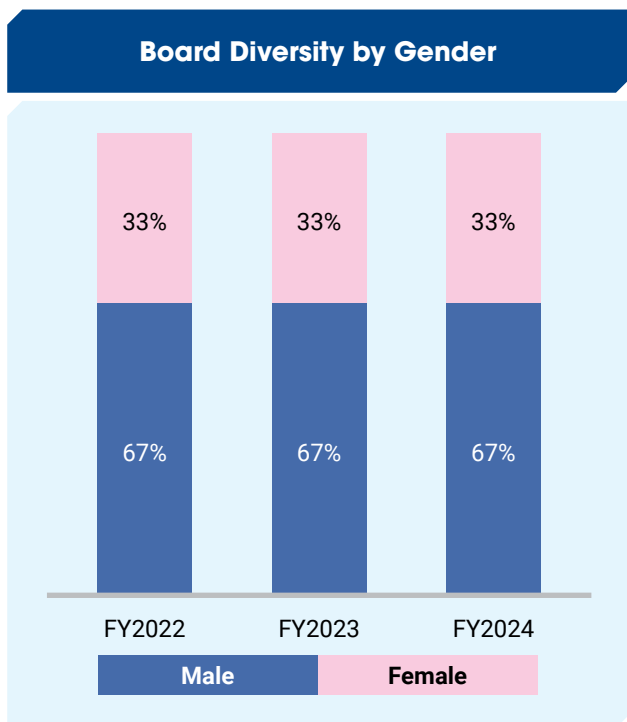
Our performance (cont'd)

To provide us with strategic vision and guidance, our Board consists primarily of individuals above 50 years. They are instrumental in steering the company and giving sage advice for us to make better informed decisions.

Board Composition by Gender	FY2022	FY2023	FY2024
Male	67%	67%	67%
Female	33%	33%	33%

Board Composition by Age Group	FY2022	FY2023	FY2024
<30	0%	0%	0%
30 - 50	11%	11%	11%
>50	89%	89%	89%

With operations involving the manufacture of PVF, physically taxing work is necessitated within our premises. Due to this nature, our workforce is skewed towards the male gender.

Nevertheless, our gender ratio continues to see improvement as we provide equal opportunity in more office-bound roles. This enabled us to improve our local workforce female composition to 40%, up from 39% previously. In totality, 66.7% of non-Operation employees are female (FY2023: 64%), and one-third of the seats in our Board are helmed by women.

Board Diversity by Gender

	FY2022	FY2023	FY2024
Female	33%	33%	33%
Male	67%	67%	67%

Male   Female

Board Diversity by Age

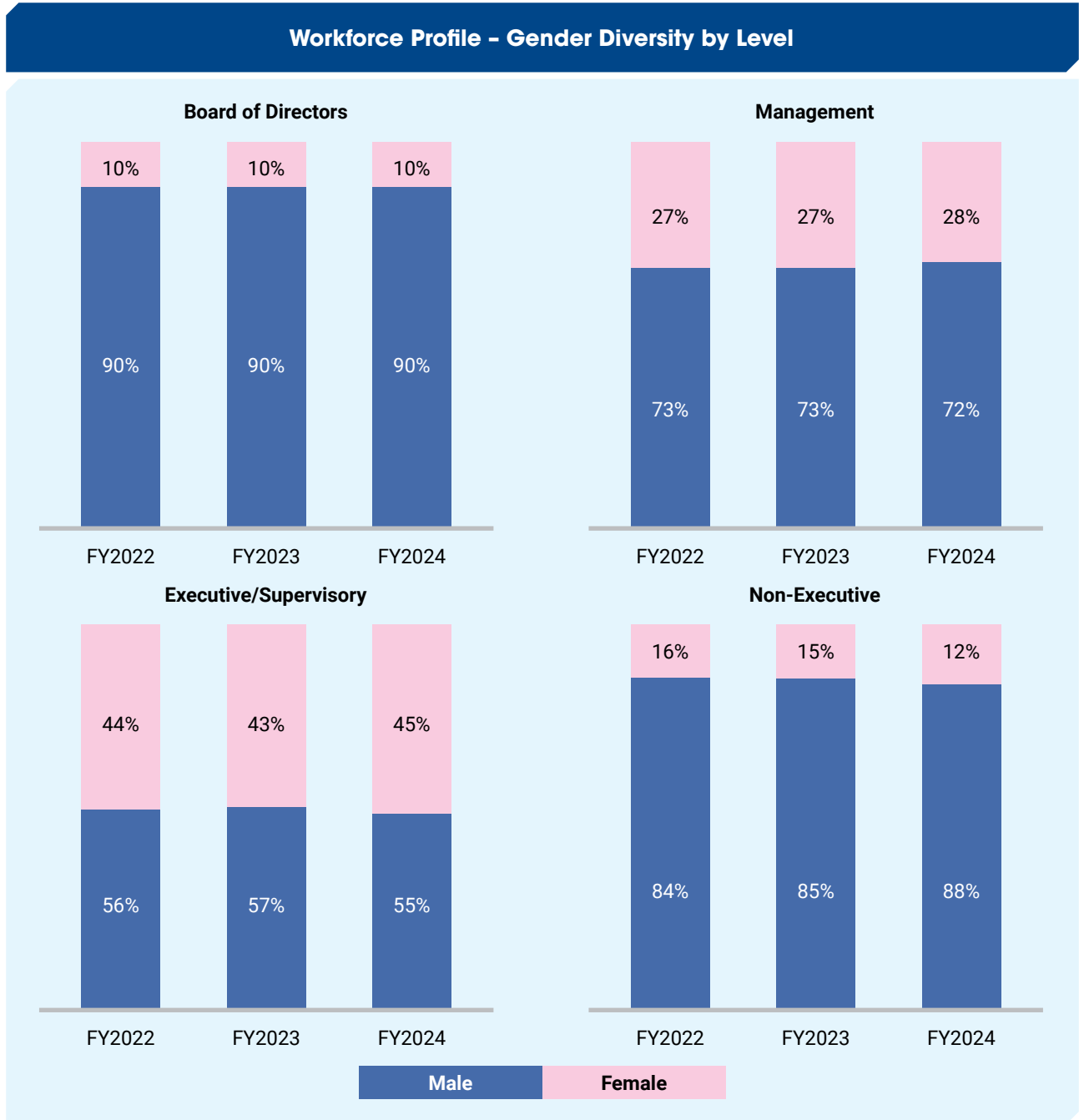|	FY2022	FY2023	FY2024
>50	89%	89%	89%
30 - 50	11%	11%	11%

<30   30 - 50   >50

SUSTAINABILITY
STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Diversity, Equity and Inclusion (Cont'd)

Our performance (cont'd)

Workforce Profile – Gender Diversity by Level

Board of Directors

	FY2022	FY2023	FY2024
Female	10%	10%	10%
Male	90%	90%	90%

Management

	FY2022	FY2023	FY2024
Female	27%	27%	28%
Male	73%	73%	72%

Executive/Supervisory

	FY2022	FY2023	FY2024
Female	44%	43%	45%
Male	56%	57%	55%

Non-Executive

	FY2022	FY2023	FY2024
Female	16%	15%	12%
Male	84%	85%	88%

Male   Female

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Diversity, Equity and Inclusion (Cont'd)

Our performance (cont'd)

Workforce Profile – Gender Diversity by Function

Management

	FY2022	FY2023	FY2024
Female	23%	23%	23%
Male	77%	77%	77%

Administrative

	FY2022	FY2023	FY2024
Female	80%	77%	83%
Male	20%	23%	17%

Operation

	FY2022	FY2023	FY2024
Female	5%	5%	5%
Male	95%	95%	95%

Male   **Female**

SUSTAINABILITY STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)
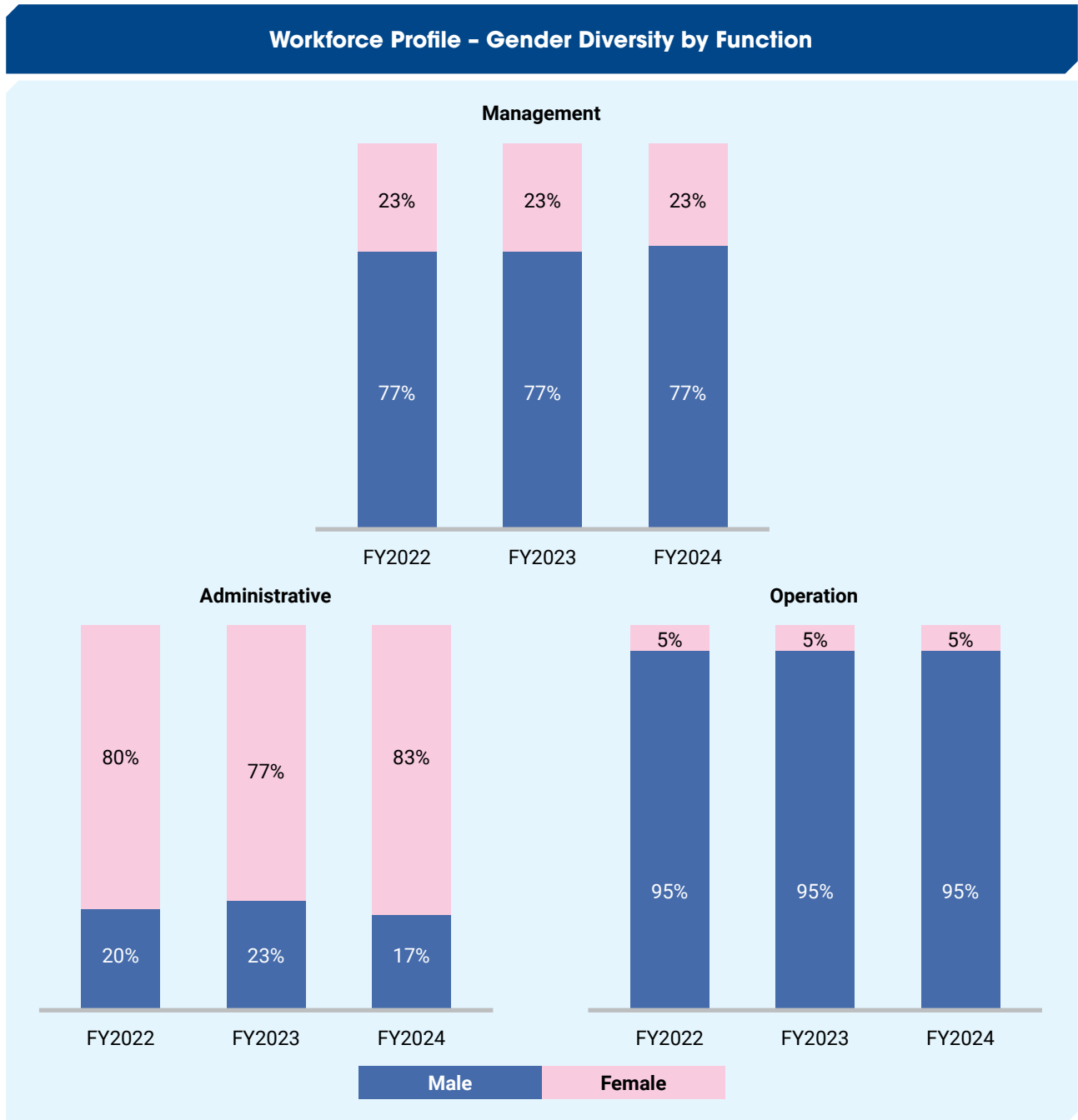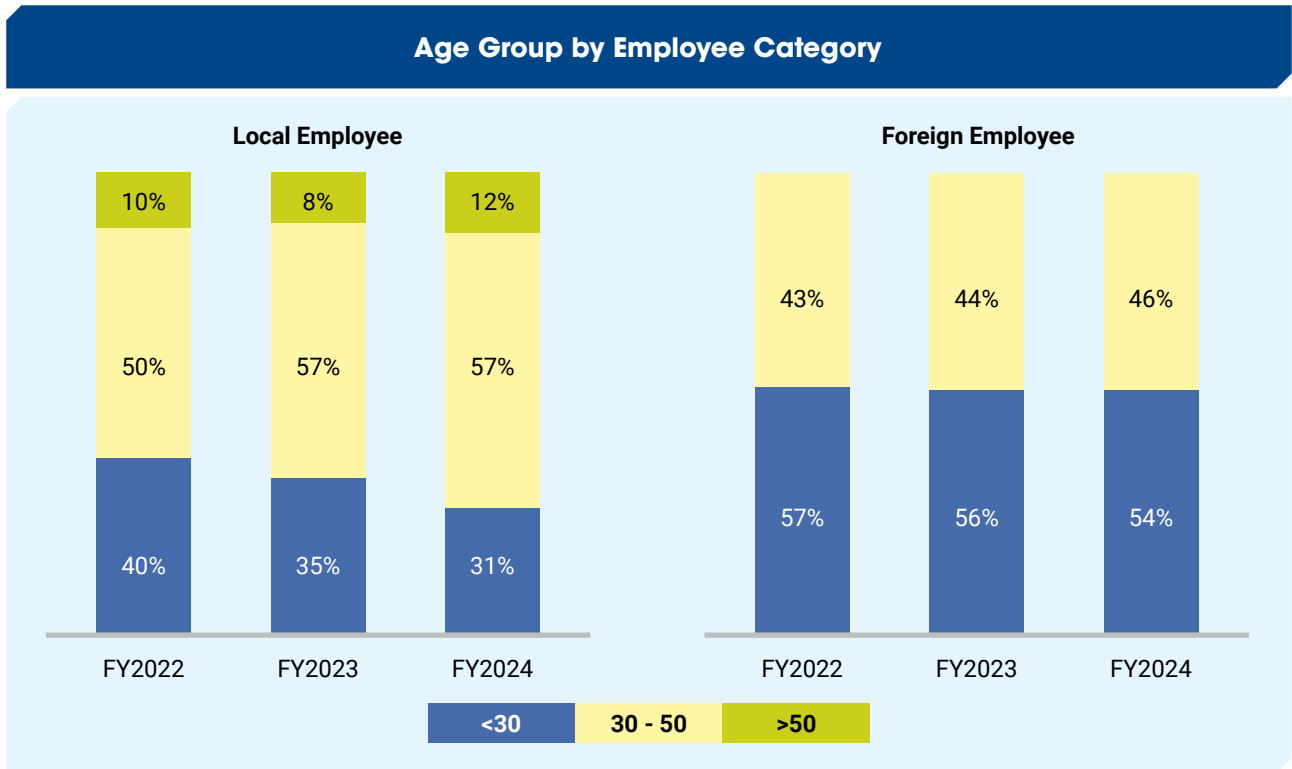
Social – Diversity, Equity and Inclusion (Cont'd)

Our performance (cont'd)

Age Group by Employee Category

Local Employee

	FY2022	FY2023	FY2024
>50	10%	8%	12%
30 - 50	50%	57%	57%
<30	40%	35%	31%

Foreign Employee

	FY2022	FY2023	FY2024
30 - 50	43%	44%	46%
<30	57%	56%	54%

Legend: **<30**   **30 - 50**   **>50**

Social – Human Capital Management

Related UN SDGs:

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

Why is this important?

Pantech Group recognises that our employees are our most value asset and the continued success of our company is intrinsically linked to the development of our people. Their talent, dedication, and innovation are the driving force behind our success and growth. We are committed to fostering a high-performing workforce through strategic human capital management practices.

By investing in our people, through both development programmes and a positive work environment, we empower them to reach their full potential and contribute to the long-term value creation for Pantech Group and our stakeholders.

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Human Capital Management (Cont'd)

Our approach

Our human capital management under the Human Resource department is guided by two of our core values to create an engaged and motivated workforce:

Employee Empowerment	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.
Trust & Integrity	Our human capital practices are built on transparency and fairness, adhering to all local labour and employment laws.

Our strategic human capital management focuses on these key pillars:

Talent Acquisition and Retention	Talent Development and Upskilling	Performance and Compensation	Leadership Pipeline

Our strategic framework fosters a culture of talent development, recognising individual contributions and empowering leaders to be agile. We design training programmes that unlock employee potential and drive continuous performance improvement.

Talent Acquisition and Retention

Building a strong and sustainable talent pipeline is crucial for Pantech Group's future success. We achieve this through effective talent attraction and recruitment practices, guided by merit-based hiring, focusing on skills, experience, and alignment with our values, culture, and vision. By attracting top talent without bias, we build a strong employer brand, leading to increased customer loyalty and improved organisational performance.

Beyond attraction, we retain top performers through competitive compensation and benefits packages, a positive work environment, and clear career development pathways. Additionally, we actively promote diversity and inclusion, fostering a workplace where everyone feels valued and empowered to contribute.

Talent Development and Upskilling

Evolving our approach to employee empowerment, we have renamed the initiative to Talent Development and Upskilling. This shift reflects our commitment to fostering a skilled, resilient, and agile workforce prepared to thrive in an ever-changing market.

SUSTAINABILITY
STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Human Capital Management (Cont'd)

Our approach (cont'd)

Talent Development and Upskilling (cont'd)

Pantech Group fosters a culture of continuous learning by investing in a comprehensive suite of development programmes. This includes leadership development, technical skills training, and soft skills development, all designed to equip our employees with the knowledge and skills needed to thrive in an ever-evolving business landscape.

We leverage both internal expertise and external subject-matter experts to deliver these programmes, ensuring our employees gain valuable knowledge on a wide range of topics relevant to our business and sustainability goals. These programmes address current and emerging skills trends, ensuring our workforce remains competitive and adaptable in a dynamic business environment. In FY2024, we continued this commitment by offering diverse programmes like onboarding, leadership development, upskilling courses aligned with job functions, industry leader seminars on sustainability, and curated in-house safety programmes.

Performance and Compensation

Pantech Group fosters a high-performance culture that fuels individual and team success. Our focus of being result-driven, accountable, collaborative, and striving for shared success underpin our performance-oriented culture.

This is achieved through a combination of clear performance management practices and competitive compensation and benefits. Our performance management system sets defined goals aligned with individual roles and company objectives. We provide regular, constructive feedback to encourage continuous improvement and empower employees to take ownership of their professional development. Additionally, we foster a culture of open communication and offer engaging programmes to create a stimulating and motivating work environment. We offer competitive compensation and benefits packages.

Leadership Pipeline

Pantech Group recognises the importance of building a strong leadership pipeline from within. We achieve this through a comprehensive training programme that extends across all levels of the organisation. This ensures a continuous flow of talent prepared to take on future leadership roles.

Our multi-level training approach cultivates future leaders via:
*   **Investing in All Levels**: The majority of our training programmes are for employees outside of managerial positions. This empowers individuals with the skills and knowledge necessary for advancement, promoting a culture of internal growth.
*   **Supervisory Development**: We recognise the importance of supervisory roles in leadership development. We organised our training sessions specifically tailored for supervisory levels, equipping them with the skills necessary to mentor and guide their teams. This prepares them for the natural progression to more senior leadership positions.
*   **Comprehensive Training Focus**: We go beyond basic skills training. Our programmes address a wide range of topics including governance (anti-bribery & compliance), quality assurance, information technology, and manufacturing skills. This equips all employees with the necessary knowledge and skills to function effectively in their roles and contribute to the organization's success.
*   **Safety & Health as Core Focus**: While leadership development is crucial, employee safety and well-being remain paramount. We maintain a strong focus on health and safety training throughout all levels of the organisation.

This multi-level approach ensures a well-rounded leadership pipeline. By investing in the development of all employees, Pantech fosters a culture of continuous learning and empowers individuals to reach their full potential, paving the way for a strong future leadership team.

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Human Capital Management (Cont'd)

Our approach (cont'd)

Building a Sense of Belonging
By actively engaging with our employees, we cultivate a strong sense of community and proactively address their needs. In FY2024, we conducted a series of targeted employee engagement activities, including:

1. Employee appreciation programmes such as annual dinners and long service awards
2. Festive celebrations
3. Back-to-School programme for employees with school going children

By prioritising employee development, fostering a culture of trust and empowerment, and offering competitive rewards and recognition, Pantech Group strives to build a high-performing and engaged workforce. This approach not only drives our continued success but also contributes to the sustainability and long-term value creation for stakeholders.

Our performance

FY2024 set the record for Pantech Group in terms of total training hours attended by employees, more than doubling the hours of the previous year. The 220 sessions attended for a total of 7,340 hours logged translates to an average of 6.2 hours of training per employee, which exceeds our set target of at least 4 hours per employee (+55%). FY2024 is the first year in which Pantech Group formally collected data on human resource metrics.

Total Number of Training Hours
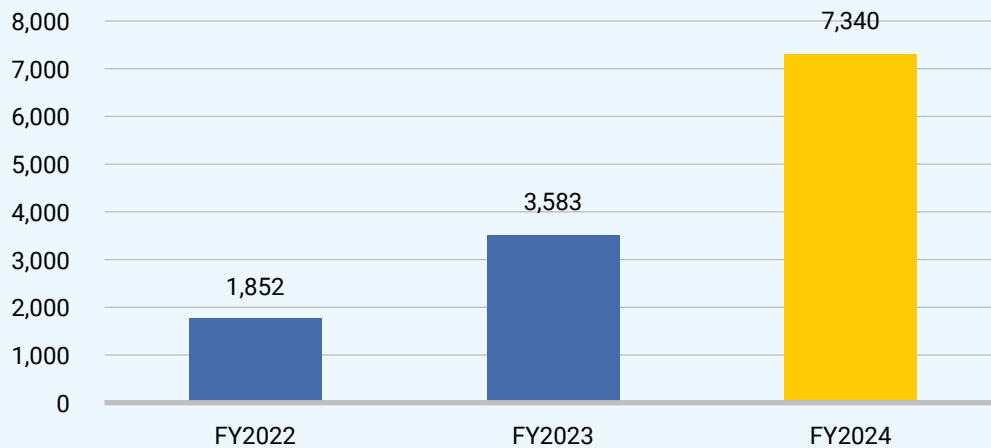
Employee by Level	FY2024
Board	68
Management	726
Executive/supervisory	3,142
Non-executive	3,404
TOTAL	**7,340**

SUSTAINABILITY STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Human Capital Management (Cont'd)

Our performance (cont'd)

Employee by Function	FY2024
Management	609
Administrative	2,341
Operation	4,390
TOTAL	**7,340**

	FY2024
Overall average training hours per employee	6.2

We have a target of an average of at least 4 training hours per employee.

Training Hours By Topics

Others 9%
Production 5%
Management Skills 5%
QAQC 6%
ABAC 10%
IT 18%
Health and Safety 47%
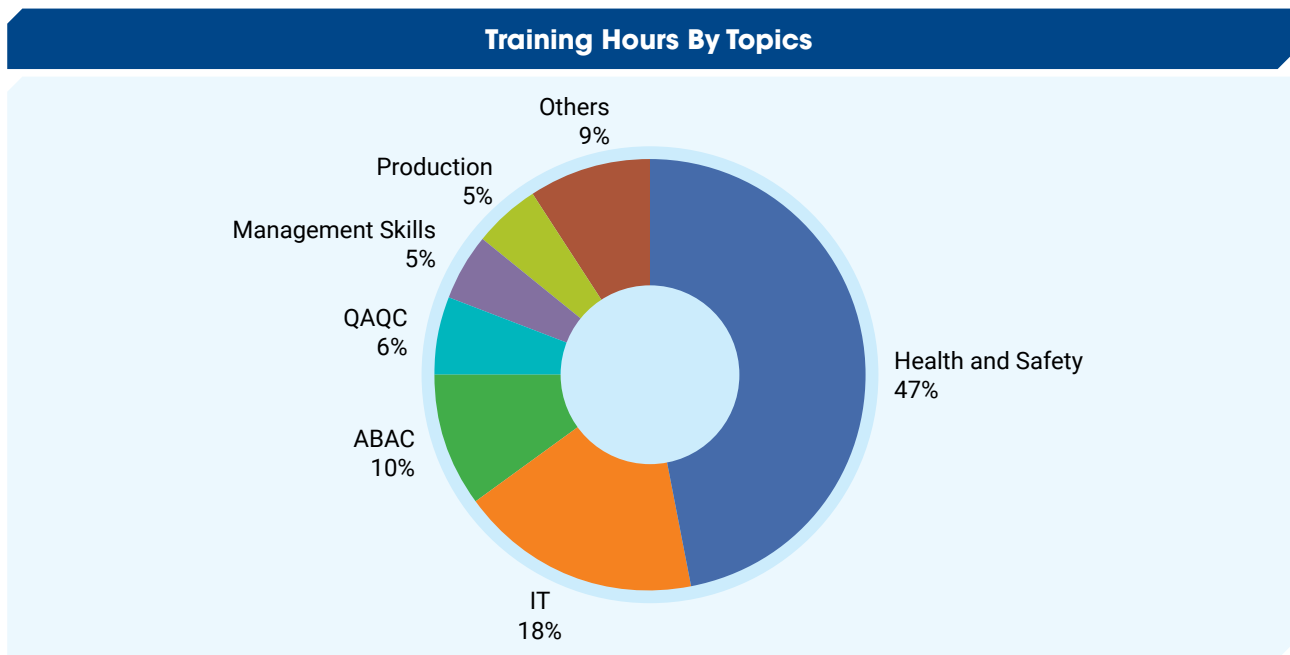
Other topics include Sustainability, HR and Leadership Skill.

Employee Retention and Attrition

We continue to provide our employees with a stable income source to support their families. Our headcount continued to grow in FY2024, with 220 new hires.

New Hires	Male	Female	Total
< 30	114	39	153 (70%)
30 − 50	55	10	65 (29%)
> 50	2	0	2 (1%)
TOTAL	**171**	**49**	**220**

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Human Capital Management (Cont'd)

Our performance (cont'd)

A breakdown in voluntary turnover is provided below.

	Male	Female	Total
By Age Group			
< 30	45	25	70 (60%)
30 – 50	26	17	43 (37%)
> 50	4	0	4 (3%)
By Level			
Board	0	0	0
Management	2	2	4 (3%)
Executive/supervisory	18	19	37 (32%)
Non-executive	55	21	76 (65%)
By Function			
Management	1	2	3 (3%)
Administrative	13	33	46 (39%)
Operations	61	7	68 (58%)

	FY2024
New hire rates (%)	20.9%
Turnover rates (%)	11.1%

Social – Contribution to Community

Related UN SDGs:

Why is this important?

Pantech Group firmly believes that businesses have a responsibility to actively engage with their communities. This fosters social inclusion, builds resilience, and creates a more favourable environment for everyone, ultimately driving sustainable socioeconomic development. Our commitment to being a responsible corporate citizen is reflected in our targeted community engagement and impact activities, focusing on areas like social welfare to empower individuals and unlock their full potential. Our social welfare initiatives strengthen our connection with the communities we operate in, fostering a sense of shared purpose and mutual benefit. This collaborative approach ensures long-term prosperity for both Pantech Group and the communities we serve.

SUSTAINABILITY STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Contribution to Community (Cont'd)

Our approach

We evaluate potential community initiatives based on the ability to contribute towards the UN SDGs. Where feasible, we support the same organisations or initiatives annually to amplify impact and drive positive change.

Our performance

In FY2024, we continued to invest into the community where the target beneficiaries are external to us. Pantech Group contributed RM107,000 in financial and non-financial assistance to a non-governmental organisation, schools, and a children's home. Non-financial assistance include but are not limited to contribution of computers to support education.

Highlights of our community investment initiatives are as follows:

No.	Activity/ Recipient	Remarks
1	Tabung Kebajikan dan Pendidikan Pertubuhan Buddhist Tzu-Chi Merits Malaysia	Supported the organisation of an event which aimed to raise environmental awareness as well as a workshop to create eco enzymes.
		Contributed to the relief efforts for Turkiye-Syria earthquake victims and flood victims in Johor.
2	National Stroke Association of Malaysia (NASAM)	Provided stainless-steel training stair to the centre.
		Sponsored a team to join the Happy Walk that aimed to raise funds for NASAM's operational needs.
		Contributed to fix wiring and install new air-conditioner for patients' benefit.
3	Pusat Kebajikan Care Haven Bhd	Supported the organisation's operations to provide care and assisted-upbringing for underprivileged children.
4	UTAR Education Foundation	Contributed to the development and operation of UTAR Hospital to benefit patients.
5	SJKC Pei Chih	Contributed computers to the school which can benefit its 1,700 students.
6	Trinity Community Children	Provided computers to the organisation which has 25 children under their care for their use.
7	SJK(C) Johor Jaya	Contributed to upgrade the school facilities including science lab, school library, classrooms and lecture buildings which can be utilised by its 2,000 students.

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Social – Contribution to Community (Cont'd)

Our performance (cont'd)

Highlights of our community investment initiatives are as follows: (cont'd)

No.	Activity/ Recipient	Remarks
8	Hospital Sultanah Aminah	Organised a blood donation campaign and encouraged employees to donate blood. 68 employees voluntarily donated blood which can benefit up to 204 recipients in need, based on the World Health Organisation.
9	Kechara Soup Kitchen	Provided used computers for use in Orang Asli tutoring centres and distribution to vulnerable families.

Direct beneficiaries: 61; Indirect beneficiaries: 3,900

Environment – Climate Change

Related UN SDGs:

Why is this important?

We recognise that we have a role to play in addressing climate change matters. We are cognisant that our energy consumption, water withdrawal, and GHG emissions contribute to climate change impacts. Understanding the importance of environmental stewardship, we are committed to proper waste and effluent management practices that safeguard air and water quality, minimise soil contamination, and prioritise the safety of our employees and the communities in the areas where we operate.

Our approach

Pantech Group aims to reduce the impacts our operations leave on the environment in our effort to deliver long-term value to stakeholders. This aim is enshrined in our **Environmental Policy,** with a commitment to five areas aptly initialising EARTH:

E	A	R	T	H
Environmental Management	Adherence to Laws and Regulations	Resource Efficiency	Transparency and Accountability	Heightened Environmental Awareness and Training

SUSTAINABILITY STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Environment – Climate Change (Cont'd)
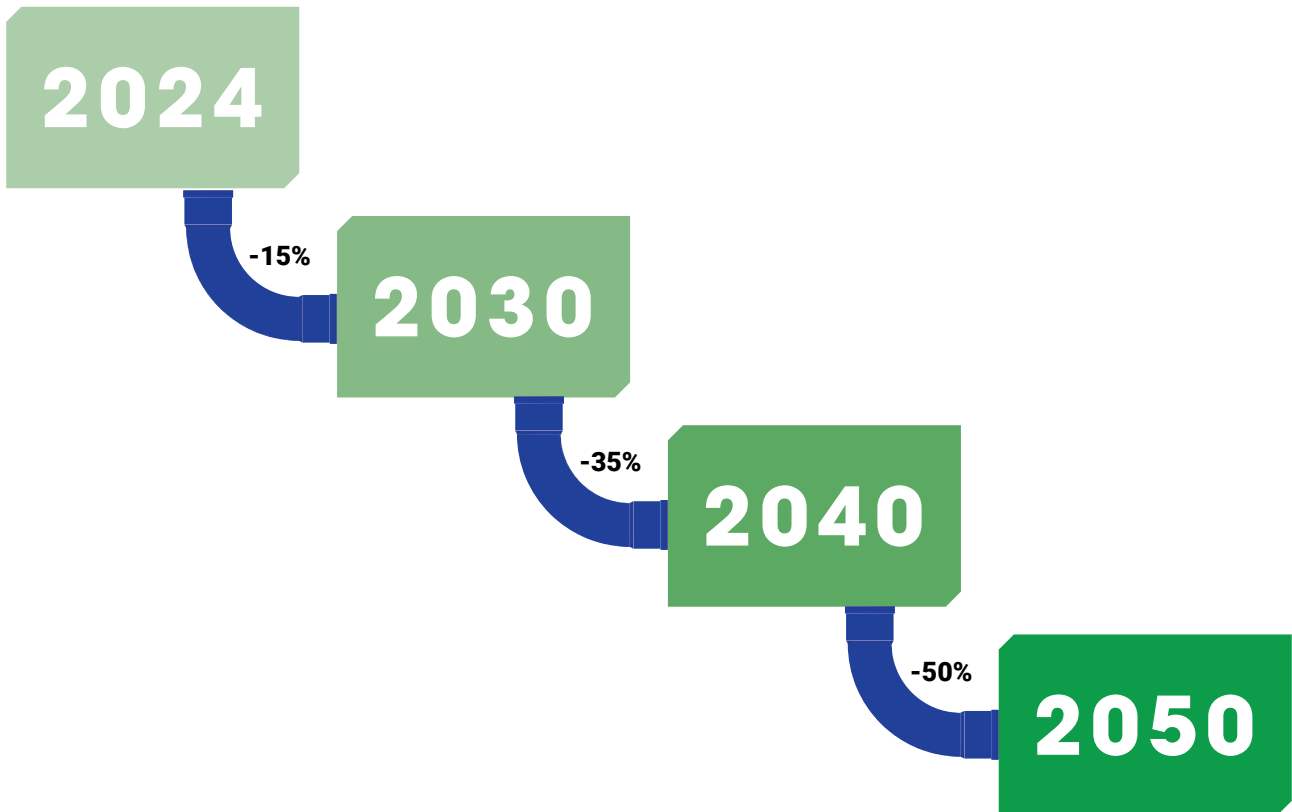
Our approach (cont'd)

We strive to achieve net zero carbon emissions by 2050 by enhancing resource efficiency and applying conservation measures in our operations to reduce GHG emissions. Pantech Group has a **Sustainability Policy** which incorporates indicators for Climate Change. The policy reflects our commitment to bring positive Economic, Environmental and Social (EES) impact and integrate sustainability principles, UN SDGs, and other applicable international standards and goals, into our strategic decision-making processes.

We also engaged an external consultant to advise us on our ESG journey. Their input helped us develop our capacity for GHG emissions recording and target setting.

Net Zero by 2050 Roadmap

> **We strive to achieve net zero carbon emissions by 2050**

We introduced a roadmap which outlines our current strategy and structure in achieving net zero carbon emissions by 2050. We will continue monitoring our emissions and adjust our reduction strategies in response to market changes and new technological advancements, ensuring our approach remains effective and aligned with industry best practices.

2024

-15%

2030

-35%

2040

-50%

2050

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Environment – Climate Change (Cont'd)

Our approach (cont'd)

Net Zero by 2050 Roadmap (cont'd)

Phase 1: 2024 – 2030 Target: 15% Reduction from baseline	Initiatives: 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.
Phase 2: 2030 – 2040 Target: 35% Reduction from baseline	Initiatives: 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.
Phase 3: 2040 – 2050 Target: Remaining reduction to net zero	Initiatives: 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.

Pantech Group's Sustainability Policy was tabled and approved by the Board in October 2023. With this policy guiding our way forward, we are acting on it step by step:

Monitoring and Managing

In line with our net-zero ambition, Pantech Group adopted the calculation and monitoring of our carbon emissions, for data-based target setting, with FY2024 being the baseline year for reduction targets. We track our climate-related performance using these metrics:
- Energy consumption (GJ)
- Water consumption (m3)
- Scope 1 and Scope 2 emissions (tCO2e)
- Waste generated and disposed (MT)

Responding via Strategic Initiatives

We invest into initiatives that reduce our consumption and emissions.

Focus Area	Key Initiative	Description
Energy efficiency	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.

SUSTAINABILITY
STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Environment – Climate Change (Cont'd)

Our approach (cont'd)

Responding via Strategic Initiatives (cont'd)

Focus Area	Key Initiative	Description
Energy efficiency	Solar photovoltaic (PV) systems	• 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	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 form part of our rain harvesting systems which 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	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	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	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.

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Environment – Climate Change (Cont'd)

Our performance

Energy

Energy powers every single machine on our production floors. We previously reported our energy consumption based solely on electricity usage. This year we recalculated our energy consumption to be more representative of our actual consumption, taking into consideration non-renewable fuel consumed. The updated figures are tabulated below:

FY	Energy Consumption (GJ)	Remarks
2022	122,816*	• Reporting covered five entities (PSI, PSA, PGSB, PCSB, PK)
2023	137,524*	• Reporting increased to six entities, following completion of UPE acquisition in April 2022
2024	144,134	• 69% of the energy consumption from electricity usage • 21% derived from natural gas usage (galvanising process) • 9% from diesel use

*   *Restated to better align with Bursa Malaysia's Sustainability Reporting Guideline*

Energy Consumption (GJ)
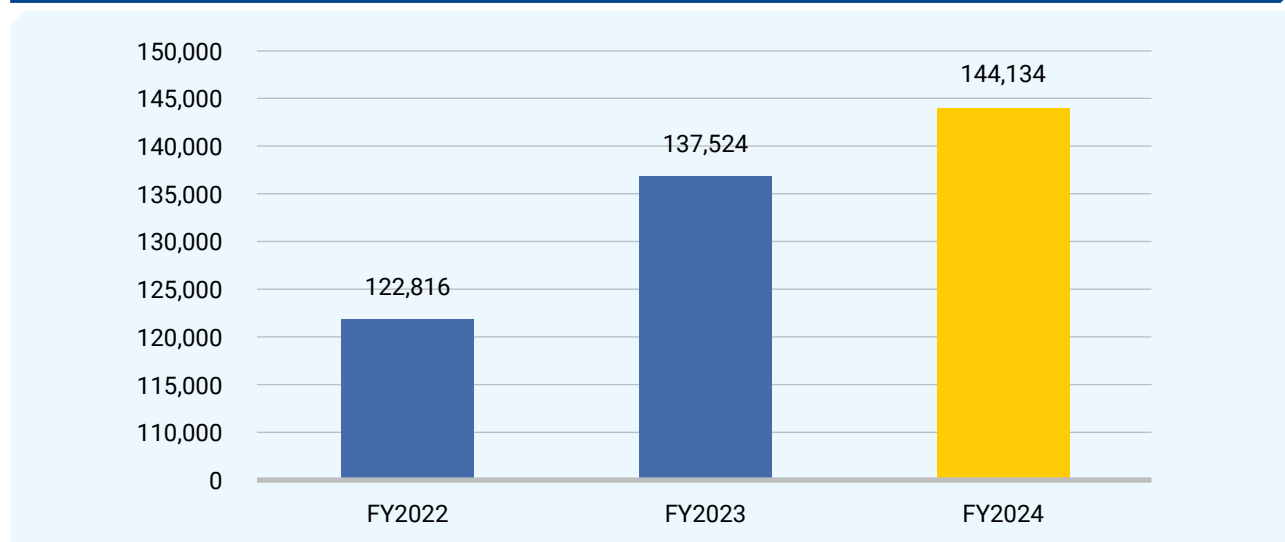
The increase in total energy consumed is in tandem with the greater production output at PSI and the full year consumption reporting for UPE. This consumption figure is inclusive of the renewal energy generated from PSI's solar installation. Pantech Group is progressively installing more solar PV capacity.

Carbon emissions

Reducing our emissions is part of our action plan as we strive towards net zero by 2050. For this reporting period, Pantech Group engaged an external GHG consultant to assist us in our calculation of GHG in the spirit of more accurate disclosure. We track our Scope 1 and Scope 2 emissions.

The Group's Scope 1 comprised stationary sources from fuel such as liquified petroleum gas (LPG), liquified natural gas (LNG), acetylene gas and carbon shielding gas at the manufacturing facilities, and mobile sources from fuels such as petrol and diesel to power our fleet of vehicles and forklifts.

SUSTAINABILITY
STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Environment – Climate Change (Cont'd)

Our performance (cont'd)

Carbon emissions (cont'd)

Our reduction in Scope 2 emissions compared to the previous year is attributable to the fully commissioned solar PV system installed in PSI. During the year, the total carbon emissions avoided enabled by use of the solar PV system at PSI is 1,277.79 tCO2e.

Emissions (tCO2e)	FY2022	FY2023	FY2024
Scope 1	2,585	2,651	2,870
Scope 2	17,461*	20,379*	19,648
Total	**20,046***	**23,030***	**22,518**

* *Note: Upon reviewing our available data, we noticed discrepancies in our Scope 2 disclosures for FY2022 and FY2023. This has been amended in this year's report.*

FY2024 Emissions

Category	Scope 1 Emissions	Scope 2 Emissions
Manufacturing Division	84%	95%
Trading Division	16%	5%

This FY2024 emissions recorded forms the baseline upon which we are setting our emissions reduction target, in line with our net zero ambitions. We are seeking consultancy on limited Scope 3 data disclosure as guided by Bursa Malaysia.

Water

Water is a critical component in our manufacturing process. We are committed to managing our consumption, ensuring that increase corresponds to higher production output.

Water Usage Source	FY2022 (m3)	FY2023 (m3)	FY2024 (m3)
Municipal potable water	65,715[1]	68,452[1]	80,988
Rainwater Harvesting System	No data	7,702[2]	10,552[2]
Total	**65,715[1]**	**76,154[1]**	**91,540**

Note 1: We restated the water consumption data after review revealed that usage at one warehouse was overlooked.

Note 2: 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.

> **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%.**

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Environment – Climate Change (Cont'd)

Our performance (cont'd)

Water (cont'd)

In FY2024, there was an increase in water consumption, mainly due to:
- 43% more water usage at UPE due to increase in production, which also contributed to increased revenue;
- 30% increase in water usage in PSA due 16% increase in pipes production;
- 16% increase of water usage in PSI due to greater production volume.

Waste and effluent management

Guided by our Environmental Policy, we take steps to use resources efficiently and recover valuable resources where possible via a Recycle and Recover approach.

In an effort to improve disclosure of waste and effluent management, we began formally recording how our SW is processed. Of the 1,710 tonnes of SW disposed, 85% (1,453 MT) was treated and recycled or reused for other purposes while the remaining 257 MT was treated and disposed.

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

Environmental compliance

During the financial year, Pantech Group received RM27,000 in compounds from the Department of Environment (DOE), a significant decrease from the RM93,000 in FY2023. Nevertheless, this falls short of our target of zero compounds, maintaining compliance with regulations and best practices at all times.

Together with the authorities, we identified irregularities in SW storage and disposal procedures, as well as inadequate scrubber maintenance and a faulty pH meter. We have since rectified these and reminded employees to be more mindful and to adhere to industry guidelines. The rectification works include:
- More frequent scheduled scrubber maintenance, including inspection conducted by third-party vendor
- Proper storage, labelling and disposal of SW by production floor, to be checked by HSE team for accountability
- Upgrading and expansion of the SW storage area.

We will continue to invest in waste and effluent management trainings for employees to emphasise the importance of caring for the environment and the well-being of employees and the surrounding community.

Governance – Anti-Bribery and Corruption

Related UN SDGs:

SUSTAINABILITY STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Governance – Anti-Bribery and Corruption (Cont'd)

Why is this important?

At Pantech Group, ethical conduct is paramount. Conducting ourselves ethically in all business activities is a non-negotiable commitment for all at Pantech Group. Our STEEL core values reflect this, as we dedicate ourselves to conducting business honesty and with integrity at all times to develop trust and strengthen relationships with all stakeholders. It is a win-win situation that reinforces stakeholder confidence in Pantech Group.

Our approach

All Pantech Group employees are expected to abide by all national, provincial and local laws, ordinances, regulations of their localities, as well as our Code of Ethics (CoE). The CoE communicates our fundamental principles of honesty, impartiality and fairness, as well as guides our policies and procedures in all our dealings. This applies in any situation involving customers, suppliers and other related parties of our business. We embed the principles of honesty, impartiality, and fairness in our operations to eliminate the possibility of bribery and corruption.

Pantech Group reinforces our zero-tolerance approach to corruption through our Anti-Bribery & Corruption (ABAC) policy. This non-negotiable stance, along with CoE and other policies and guidelines, is mandatory for all employees and communicated to all stakeholders. We recently incorporated ABAC acknowledgement as a mandatory field in our new client registration form. New hires of Pantech Group are formally introduced to these principles, values, CoE, ABAC, and other policies and procedures during the onboarding process.

We conducted workshops and training sessions on anti-bribery and corruption throughout the year to reinforce the message and expected conduct of all Pantech Group staff. The Board and SMC oversee both the CoE and ABAC implementation.

We have established a confidential whistleblowing channel for stakeholders to lodge any suspected wrongdoing or breaches via email, or mail without fear of retaliation. As outlined by our Whistle Blowing Policy, all reports will be subject to an internal investigation and subsequently, if found in breach, commensurate action will be taken. Our CoE, ABAC, Whistle Blowing Policy and other policies are published on our website (https://pantech-group.com/investor-relations/) for accessibility by all stakeholders.

Our performance

Corruption-related Risk Assessment

In November 2023, Pantech Group completed a voluntary corruption risk assessment for all our Manufacturing and Trading entities within the scope of this report.

> **100% of our operations within the reporting scope underwent the corruption risk assessment.**

Anti-Bribery and Corruption Training

All employees are required to complete the trainings on ABAC, which were held in several sessions throughout the year to enable more participation. These trainings are either a refresher or introduction to the ABAC concept. Almost all employees completed at least one session.

Employees who complete the training will be prompted with the ABAC policy at the end of the session and must declare acknowledgement and acceptance the policy before their module is considered complete. New employees are also required to sign acknowledgement of the ABAC policy.

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Governance – Anti-Bribery and Corruption (Cont'd)

Our performance (cont'd)

Anti-Bribery and Corruption Training (cont'd)

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%

We endeavour to ensure all employees, new and existing, complete at least one ABAC training.

Bribery and Corruption Incidents

Pantech Group is pleased to report that once again we recorded zero incidents of corruption across our operations during the financial year.

	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

Governance – Data Privacy and Cybersecurity

Related UN SDGs:

Why is this important?

In the wake of the digital surge post-2020, digitalisation has become an industry standard rather than a competitive differentiator. While it streamlines workflows and fosters flexibility, it also exposes data, particularly sensitive personal information, to heightened cybersecurity threats. We hold a paramount responsibility to manage these cybersecurity threats, especially when it comes to safeguarding sensitive information like personal data, and prevent any potential breaches or compromising situations.

SUSTAINABILITY STATEMENT
(Cont'd)

MANAGEMENT APPROACH TO MATERIAL MATTERS (CONT'D)

Governance – Data Privacy and Cybersecurity (Cont'd)

Our approach

We adhere to strict data privacy and security controls in handling data. Our website has a general Personal Data Protection notice that outlines how the Group collects and uses personal data. On the IT infrastructure front, we maintain robust cybersecurity practices that are embedded within our operations and processes.

On the aspect of our people dealing with the information, our CoE outlines the strict prohibition of any suspicious or illegal intelligence gathering, adhering to all regulatory requirements in the different regions where we operate. We take reasonable measures to ensure we collect data by lawful means and remain forthcoming about how we use the gathered data. Only personnel required for the completion of duty are afforded access. User access and activities are reviewed to prevent unauthorised access or misuse of authority. This protects our reputation and to avoid the occurrence of any unethical business behaviour.

Pantech Group conducts periodical audits on the adequacy of our data privacy and security control measures in mitigating breaches. Beyond just a firewall and email filtering, we have routine offsite backups and use endpoint security with threat protection solutions that can detect script emulation, zero-day exploits, and targeted and password-protected malware commonly associated with ransomware. The solution also uses information on known threats to discover ransomware through pattern and reputation-based analysis.

Pantech Group adheres to strict protocols in handling highly sensitive information such as bank details changes and payment request to help protect both the company and the stakeholder it is dealing with.

Our performance

FY2024 is our first year disclosing matters on data privacy and security in response to an increasing emphasis on its materiality to our operations. There were zero substantiated breaches reported or experienced in the year.

	FY2024
No. of substantiated complaints concerning breaches in data privacy and security	0

SUSTAINABILITY PERFORMANCE REPORT

Indicator	**Unit**	**FY2022**	**FY2023**	**FY2024**	**Target**
Economic Performance					
Economic value generated (i.e., revenue and other income)	RM '000	753,052	1,040,109	950,940	–
Economic value distributed (i.e., operating costs, employee wages and benefits, payments to providers of capital, payments to government, and community investments)	RM '000	679,133	956,506	887,185	–
Economic value retained	RM '000	73,919	83,603	63,755	–
Anti-Bribery and Corruption					
Percentage of employees who have received training on anti- corruption by employee category					
By Function					
Management	Percentage			98.63	–
Administrative	Percentage			99.50	–
Operation	Percentage			99.89	–

SUSTAINABILITY
STATEMENT
(Cont'd)

SUSTAINABILITY PERFORMANCE REPORT (CONT'D)

Indicator	Unit	FY2022	FY2023	FY2024	Target
Anti-Bribery and Corruption (cont'd)					
Percentage of employees who have received training on anti- corruption by employee category (cont'd)					
By Level					
Board of Directors	Percentage			100.00	–
Management	Percentage			98.11	–
Executive/ Supervisory	Percentage			100.00	–
Non-Executive	Percentage			99.77	–
Percentage of operations assessed for corruption-related risks	Percentage			100.00	–
Confirmed incidents of corruption and action taken	Number	0	0	0	–
Substantiated bribery cases reported	Number	0	0	0	–
Substantiated corruption cases reported	Number	0	0	0	–
Health & Safety					
Number of Fatalities involving Employees	Number	0	0	0	Zero fatality annually
Number of Fatalities involving Contractors	Number	0	0	0	Zero fatality annually
Number of employees trained on health and safety standards	Number	658	537	911	–
Total hours of training on Health and Safety Standards	Hours	669	1,841	3,454	–
Number of safety incident	Number	25	18	22	–
Major Incident	Number	4	9	9	–
Minor Incident	Number	21	9	13	–
Manhours Lost	Hours	2236	3924	4640	–
Lost Time Incident Rate ("LTIR")	Rate	2.37	1.44	1.48	–
Cybersecurity & Data Protection					
Number of substantiated complaints concerning breaches of customer privacy or losses of customer	Number			0	–
Climate Change					
Total energy consumption	Gj	122,816	137,524	144,134	–
Total Carbon Emissions in tonnes of CO2e	tCO2e	20,046	23,030	22,518	–
Scope 1 emissions in tonnes of CO2e	tCO2e	2,585	2,651	2,870	Reduce Scope 1 & 2 emissions by 15% from the FY2024 baseline by FY2030
Scope 2 emissions in tonnes of CO2e	tCO2e	17,461	20,379	19,648	
Human Capital Management					
Total hours of training by employee category	Hours	1,852	3,583	7,340	–
By Function					
Management	Hours			609	–
Administrative	Hours			2,341	–
Operation	Hours			4,390	–

SUSTAINABILITY STATEMENT
(Cont'd)

SUSTAINABILITY PERFORMANCE REPORT (CONT'D)

Indicator	Unit	FY2022	FY2023	FY2024	Target
Human Capital Management (cont'd)					
By Level					
Board of Directors	Hours			68	–
Management	Hours			726	–
Executive/ Supervisory	Hours			3,142	–
Non-Executive	Hours			3,404	–
Average Training Hours per employee	Hours			6.20	Average 4 training hours per employee
Total number of employee turnover by employee category	Number	89	269	117	–
By Function					
Management	Number	0	4	3	–
Administrative	Number	42	44	46	–
Operation	Number	47	221	68	–
By Level					
Board of Directors	Number	0	0	0	–
Management	Number	0	4	4	–
Executive/ Supervisory	Number	29	36	37	–
Non-Executive	Number	60	229	76	–
Total new hires	Number	49	245	220	–
Diversity, Equity & Inclusion					
Total Number of Employees	Number	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	Percentage	77%	77%	77%	–
Management - Female	Percentage	23%	23%	23%	–
Administrative - Male	Percentage	20%	23%	17%	–
Administrative - Female	Percentage	80%	77%	83%	–
Operation - Male	Percentage	95%	95%	95%	–
Operation - Female	Percentage	5%	5%	5%	–
By Level					
Board of Directors - Male	Percentage	90%	90%	90%	–
Board of Directors - Female	Percentage	10%	10%	10%	–
Management - Male	Percentage	73%	73%	72%	–
Management - Female	Percentage	27%	27%	28%	–
Executive/ Supervisory - Male	Percentage	56%	57%	55%	–
Executive/ Supervisory - Female	Percentage	44%	43%	45%	–
Non-Executive - Male	Percentage	84%	85%	88%	–
Non-Executive - Female	Percentage	16%	15%	12%	–

SUSTAINABILITY
STATEMENT
(Cont'd)

SUSTAINABILITY PERFORMANCE REPORT (CONT'D)

Indicator	Unit	FY2022	FY2023	FY2024	Target
Diversity, Equity & Inclusion (cont'd)					
Age group by Employee Category					
Local Employee - Under 30	Percentage	40%	35%	31%	–
Local Employee - Between 30 - 50	Percentage	50%	57%	57%	–
Local Employee - Above 50	Percentage	10%	8%	12%	–
Foreign Employee - Under 30	Percentage	57%	56%	54%	–
Foreign Employee - Between 30 - 50	Percentage	43%	44%	46%	–
Foreign Employee - Above 50	Percentage	0%	0%	0%	–
Percentage of directors by gender and age group					
Male	Percentage	67%	67%	67%	–
Female	Percentage	33%	33%	33%	–
Under 30	Percentage	0%	0%	0%	–
Between 30 - 50	Percentage	11%	11%	11%	–
Above 50	Percentage	89%	89%	89%	–
Percentage of employees that are contractors or temporary staff	Percentage	0.62%	0.48%	0.25%	–
Human Rights					
Number of substantiated complaints concerning human rights violations	Number	0	0	0	Zero substantiated complaints concerning human rights violations annually
Supply Chain Management					
Proportion of spending on local suppliers	Percentage			36%	–
Community Investment					
Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM '000	129	112	107	–
Total number of beneficiaries of the investment in communities	Number			3,961	–
Water Management					
Total volume of water used	m3	65,715	76,154	91,540	–
	Megalitres	65.715	76.154	91.540	–
Volume of water used sourced by municipal potable water	m3	65,715	68,452	80,988	–
Volume of water used sourced by rainwater harvesting system	m3		7,702	10,552	–
Waste Management					
Scheduled Waste generated	MT	586	1,139	1,710	–
Scheduled Waste directed from disposal	MT			1,453	–
Scheduled Waste directed to disposal	MT			257	–

SUSTAINABILITY
STATEMENT
(Cont'd)

SUSTAINABILITY PERFORMANCE REPORT (CONT'D)

Indicator	Unit	FY2022	FY2023	FY2024	Target
Environmental Compliance					
Total Amount of Compounds received by local authorities/ regulatory bodies	RM		93,000	27,000	–

Indicators

Restated	External Assurance

ASSURANCE STATEMENT

To strengthen the credibility of our report, we have engaged an external auditor to perform assurance in accordance with recognised assurance standards for selected indicators in our Sustainability Statement.

Please refer the following for the Independent Limited Assurance Report provided by Grant Thornton Malaysia PLT.

**INDEPENDENT LIMITED ASSURANCE REPORT
TO THE MEMBERS OF**

PANTECH GROUP HOLDINGS BERHAD
(Incorporated in Malaysia)
Company Registration No: 200601013856 (733607-W)

Independent Limited Assurance Report on Subject Matter Information in Pantech Group Holdings Berhad's Sustainability Statement 2024

We, Grant Thornton Malaysia PLT ("Grant Thornton") were engaged by Pantech Group Holdings Berhad ("Pantech Group") to provide limited assurance on selected material sustainability indicators ("Subject Matter Information") as reported by Pantech Group in its Sustainability Statement for the year ended 29 February 2024 ("Sustainability Statement").

Limited Assurance Conclusion

Based on the work we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of what we say in the remainder of this report.

Subject Matter Information

The scope of our work was limited to assurance over selected material sustainability indicators reported in the Pantech Group's Sustainability Statement, as presented below.

Underlying Subject Matter	Units	Page location of Annual Report
Total energy consumptions	Gigajoules	Page 59
Total volume of water used	Meter cube	Page 60
Total hours of training by employee category	Hours	Page 51-52
Average training hours per employee	Hours	Page 52
Number of work-related fatalities	Number	Page 41
Lost time incident rate	Rate	Page 41
Number of employees trained on health and safety standards	Number	Page 41
Training on anti-corruption by employee category	Percentage	Page 63
Operations assessed for corruption related risks	Percentage	Page 62
Confirmed incidents of corruption and action taken	Cases	Page 63

SUSTAINABILITY
STATEMENT
(Cont'd)

Independent Limited Assurance Report on Subject Matter Information in Pantech Group Holdings Berhad's Sustainability Statement 2024 (cont'd)

Subject Matter Information (cont'd)

Our assurance is with respect to the year ended 29 February 2024 Subject Matter Information only and we have not performed any procedures with respect to earlier periods or any other information included in the Pantech Group's Sustainability Statement and, therefore, do not express any conclusion thereon.

Reporting Criteria

The Subject Matter Information needs to be read and understood together with the Reporting Criteria, which Pantech Group is solely responsible for selecting and applying.

The reporting criteria adopted for reporting the Subject Matter Information are based on Pantech Group's internal sustainability reporting guidelines along with their definitions and calculation methodologies as disclosed within the Sustainability Statement ("Reporting Criteria").

Board of Directors and Management's Responsibilities

The Directors and Management of Pantech Group are responsible for:
· the design, implementation and maintenance of internal control relevant to the preparation and presentation of Subject Matter Information that is free from material misstatement, whether due to fraud or error;
· selecting and/or establishing suitable Reporting Criteria;
· measuring or evaluating and presenting the Subject Matter Information in accordance with the Reporting Criteria; and
· the preparation of the Sustainability Statement and the Reporting Criteria and their contents.

Our responsibilities

We are responsible for:
· planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information has been prepared in accordance with the Reporting Criteria;
· forming an independent limited assurance conclusion, based on the work we have performed and the evidence we have obtained; and
· reporting our limited assurance conclusion to Pantech Group.

Our Quality Management and Independence

Our firm applies Malaysian Approved Standard on Quality Management, ISQM 1, Quality Management for Firms that Perform Audits and Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Assurance standards and level of assurance

We performed a limited assurance engagement in accordance with the approved standard for assurance engagements in Malaysia, International Standard on Assurance Engagements 3000 (Revised), "Assurance Engagements other than Audits and Reviews of Historical Financial Information" ("ISAE 3000 (Revised)"). This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement.

Independent Limited Assurance Report on Subject Matter Information in Pantech Group Holdings Berhad's Sustainability Statement 2024 (cont'd)

Assurance standards and level of assurance (cont'd)

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks which vary in nature from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not report a reasonable assurance conclusion.

Work performed

Considering the circumstances of the engagement our work included, but was not restricted to:
• assessing the suitability of the Reporting Criteria as the basis of preparation for the Subject Matter Information;
• conducting interviews with management and relevant staff at group level and selected business unit level concerning sustainability strategies and policies for material issues, and the implementation of these across the business operations;
• assessing the risk of material misstatement of the Subject Matter Information, whether due to fraud or error, and responding to the assessed risk as necessary in the circumstances;
• conducting interviews with relevant management of Pantech Group and examining selected documents to obtain an understanding of the processes, systems and controls in use for measuring or evaluating, recording, managing, collating and reporting the Subject Matter Information;
• conducting interviews with sites, selected on the basis of a risk analysis including the consideration of both quantitative and qualitative criteria;
• performing analytical procedures for consistency of data with trends and our expectation;
• performing selected limited substantive testing including agreeing a selection of the Subject Matter Information to corresponding supporting information;
• considering the appropriateness of a selection of selected unit conversion factor calculations and other calculations used by Pantech Group to prepare the Subject Matter Information including by reference to widely recognised and established conversion factors;
• considering the organisational boundary of Pantech Group for the reporting of Subject Matter Information;
• evaluating the overall presentation of the Subject Matter Information; and
• reading the Sustainability Statement and narrative accompanying the Subject Matter Information
in the Sustainability Statement with regard to the Reporting Criteria, and for consistency with our findings.

Inherent Limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Sustainability Statement may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Sustainability Statement, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Intended use of this report

This limited assurance report, including our conclusion, is made solely to Pantech Group in accordance with the terms of the agreement between us. Our work has been undertaken so that we might state to Pantech Group those matters we are required to state to them in an independent limited assurance report and for no other purpose. We have not considered the interest of any other party in the Subject Matter Information.

To the fullest extent permitted by law, we do not accept nor assume responsibility and deny any liability to any party other than Pantech Group for our work or this report, or for the conclusion we have reached.

SUSTAINABILITY
STATEMENT
(Cont'd)

Independent Limited Assurance Report on Subject Matter Information in Pantech Group Holdings Berhad's Sustainability Statement 2024 (cont'd)

Intended use of this report (cont'd)

Our report is released to Pantech Group on the basis that it shall not be copied, referred to or disclosed, in whole (save for Pantech Group's own internal purposes) or in part, without our prior written consent.

Grant Thornton Malaysia PLT
(201906003682 & LLP0022494-LCA)
Chartered Accountants

Kuala Lumpur
Date: 28 June 2024

SUSTAINABILITY
STATEMENT
(Cont'd)

SUSTAINABILITY PERFORMANCE REPORT EXTRACTED FROM ESG REPORTING PLATFORM/BURSA LINK

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Board of Directors	Percentage	100.00
Management	Percentage	98.11
Executive/Supervisory	Percentage	100.00
Non-Executive	Percentage	99.77
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	1.48
Bursa C5(c) Number of employees trained on health and safety standards	Number	911
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	144,134,306.00
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Board of Directors	Hours	68
Management	Hours	726
Executive/Supervisory	Hours	3,142
Non-Executive	Hours	3,404
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.25
Bursa C6(c) Total number of employee turnover by employee category		
Board of Directors	Number	0
Management	Number	4
Executive/Supervisory	Number	37
Non-Executive	Number	76
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Board of Directors Under 30	Percentage	0.00
Board of Directors Between 30-50	Percentage	21.00
Board of Directors Above 50	Percentage	79.00
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	63.00
Management Above 50	Percentage	37.00
Executive/Supervisory Under 30	Percentage	31.00
Executive/Supervisory Between 30-50	Percentage	57.00
Executive/Supervisory Above 50	Percentage	12.00
Non-Executive Under 30	Percentage	53.00
Non-Executive Between 30-50	Percentage	46.00
Non-Executive Above 50	Percentage	1.00
Gender Group by Employee Category		
Board of Directors Male	Percentage	90.00
Board of Directors Female	Percentage	10.00
Management Male	Percentage	72.00
Management Female	Percentage	28.00
Executive/Supervisory Male	Percentage	55.00
Executive/Supervisory Female	Percentage	45.00
Non-Executive Male	Percentage	88.00
Non-Executive Female	Percentage	12.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	67.00
Female	Percentage	33.00
Under 30	Percentage	0.00
Between 30-50	Percentage	11.00
Above 50	Percentage	89.00
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	36.00
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	107,000.00

Internal assurance   External assurance   No assurance   (*)Restated