

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

“ Sustainable development is the pathway to the future we want for all. It offers a framework to generate economic growth, achieve social justice, exercise environmental stewardship and strengthen governance. ”

Ban Ki-moon

The word of the season then appears to be sustainability. However, Pantech Group does not believe in waxing lyrical about sustainability. Through the years, the Group has practised a phrase borrowed from a song by Elvis Presley, “A little less conversation, a little more action”. We are firm in the belief that being a conscious corporate citizen is a necessity and is a cornerstone in driving future growth towards creating shared value for all.

We have reviewed our operations holistically to continuously walk the talk.

Businesses play an undeniably important role in society. The first step is to safeguard the wellbeing of our employees in order to sustain and develop the business in the longterm, in harmony with the communities in which we operate and impact.

We classified our activities into three main pillars: workplace and business continuity, responsible consumption and production, and education and community. Some of the initiatives broadly classified into one pillar may have overlapped with another.

Workplace and Business Continuity

In this section, we address the initiatives and activities in place that are best aligned with:

- Ensuring healthy lives and promoting wellbeing for all at all ages;
- Achieving gender equality and empowering all women and girls; and
- Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Pantech Group is dependent on the robustness of the oil and gas industry as a whole and the availability of projects. Having said this, the oil and gas industry relies heavily on continuous maintenance works to ensure safe operations and compliance with international standards. To this end, Pantech Group is buffered against downturns in oil and gas activities as the Group has a steady flow of maintenance contracts that will be ongoing regardless of the overall state of the industry.

The oil and gas industry is one where regulations and compliance are absolutely critical. All products manufactured for use in the oil and gas sector must meet stringent standards, both domestically and internationally. Pantech

Group products are all certified by relevant bodies and the Trading division sources from certified mills with appropriate ISO standards whose products are of international standards. The procurement department conducts thorough strict checks to ensure suppliers comply with regulatory requirements.

Pantech Group views workplace safety as paramount, and safe working environments are crucial in allowing for maximum productivity without distractions or mishaps. We continue to conduct relevant briefings and trainings for our staff on a regular basis.



Fire Drill & Evacuation Practice

Health, safety and environment (HSE) awareness and personal protective equipment (PPE) trainings to identify and communicate potential dangers in specific tasks and the workplace in general as well as fire and evacuation drills were regular occurrences.



Audiometric Test

Sustainability and Corporate Social Responsibility (cont'd)

Other activities initiated to improve employee health and wellbeing include audiometric tests to ensure staff can remain alert to potential dangers and as a noise conservation programme, basic first aid workshops, emergency response trainings (ERT) by the Fire and Rescue Department of Malaysia (BOMBA) to teach proper use of fire-fighting equipment and emergency protocols. Some sessions included emergency responses to scenarios involving electricity and chemical spillage.



Basic First Aid Practice

At Pantech Group, we strongly advocate women and their abilities. Our board comprises 30% women directors. Their knowledge and advice has been invaluable to helping steer the company, even in trying markets.

We maintain our firm belief that developing employee skills and knowledge through training and workshops and providing adequate employee benefits is key to attracting and retaining top talent. Successfully retaining talent translates to having a considerable number of long service staff.



Annual Dinner 2017 - Recipients of long service awards



Annual Dinner 2017

In turn, we organise annual dinners in which we recognise staff with long service awards for those who have worked for 5 years, 10 years and 15 years in Pantech Group.

Pantech Group is also actively engaging with local communities to provide employment to locals. Together with increased automation on the factory floor, it will reduce dependency on foreign labour.

Responsible Consumption and Production

Under responsible consumption and production, we have included the four tenets of:

- Ensuring access to affordable, reliable, sustainable and modern energy for all;
- Ensuring sustainable consumption and production patterns;
- Ensuring availability and sustainability of water and sanitation for all; and
- Taking action to combat climate change.



Rainwater Harvesting System

For our operations in Pantech Galvanising Sdn Bhd (PGSB) and Pantech Stainless & Alloy Industries Sdn Bhd (PSA), the blessing of regular rainfall due to Malaysia being a tropical country, is a boon. Both plants have rainwater harvesting systems to collect, store and recycle rainwater for production

Sustainability and Corporate Social Responsibility (cont'd)

purposes as well as for toilets, reducing the need for fresh water consumption. A total of seven rainwater catchment tanks are employed, three in PGSB and four in PSA. Each tank has the capacity to hold 10,000 gallons, giving Pantech Group an internal water reservoir of 70,000 gallons.



Waste Water Treatment Plant

In addition to that, both PGSB and PSA have their own dedicated waste water and sludge treatment facilities. These facilities treat and neutralise up to 240 cubic metres of acid water from pickling tanks daily before being discharged to general sewerage. The treated sludge is then disposed to licensed vendors to properly handle and process further.



Dust Collector System

Further caring for the environment, dust collector systems are installed in PGSB. These systems filter the air to prevent dust particles generated by the manufacturing processes from being discharged into the atmosphere, and thereby minimising emissions from the plants.

Education and Community

The final pillar focuses on the areas of:

- Ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all; and
- Reducing inequality.

In our effort to facilitate children to receive education, we organise a yearly back to school initiative applicable for all our staff members who have children in primary or secondary school. Each was given cash vouchers for them to purchase the necessary materials needed for the school year, such as textbooks, revision books or even uniforms. Furthermore, the Group assists in applying for education awards from certain Associations for those children who fulfill the criteria set by the Associations. It is hoped that receiving these awards and recognition will spur the children academically and encourage them to further their studies.



Air Scrubber System

On the emissions front, PGSB and PSA are equipped with a scrubber system. These scrubbers neutralise and remove acid fumes emitted during the pickling process.

Sustainability and Corporate Social Responsibility (cont'd)



Pantech Donation Drive Raises Funds for Penang Flood Victims

Pantech Group also conducted several outreach programmes to assist those in need. One such initiative was the donation drive for flood victims in Penang in November 2017. During the month of Ramadhan, Pantech Group directors, senior management and staff visited underprivileged and ailing families in Johor personally and contributed daily necessities such as rice, flour, sugar, cooking oil and cash. There is no greater deed to mankind than helping those in need. A little effort goes a long way for them.

Diversity is essential to a thriving organisation. As an organisation that values the contributions of foreign workers who play their role in the performance of the company, we held special appreciation for them in the form of annual dinner and vacation trip. Our workers regardless of origin are treated with the same respect and recognised for their contribution to the company.

Every entity has common but differentiated responsibilities. Pantech Group will continue to walk the talk on this path of a good and accountable steward of the trust of all stakeholders.



Staff visiting underprivileged families with contributions

