

# SUSTAINABILITY STATEMENT

## About This Statement

Our fifth Sustainability Statement (the Statement) is prepared as part of Pantech Group’s commitment to providing transparent and holistic disclosures to stakeholders.

Conducting business ethically is a non-negotiable in our mission to deliver quality products and services in a sustainable manner to create long-term value for stakeholders. This Statement illustrates the qualitative and quantitative information regarding Pantech Group’s Economic, Environmental and Social (EES) impact.

To articulate Pantech Group’s commitments and strategic objectives, we established three (3) main scopes of sustainability initiatives that aim to bring positive EES impact:

- Sustainable Business Growth**  
 Pantech Group’s priority is generating long-term value for stakeholders. We keep ourselves abreast of emerging trends, industry regulations and best practices through trainings and courses to remain agile and adaptable in consideration of a fluid business environment. Opportunities are carefully evaluated and risks monitored to optimise capital utilisation. Strategic investments allow us to improve Pantech Group’s operation efficiency and capacity as we supply a wide range of PVF to fulfil specific customer demands.
- Environmental Protection**  
 Achieving a low-carbon economy is a shared goal. Pantech Group has adopted carbon reducing initiatives to minimise our impact on the environment, such as efficient energy and water use, proper waste management and disposal, and carbon offsetting.
- Workplace Management**  
 Ensuring a safe and conducive workplace is integral to Pantech Group. We strive to maintain a safe and healthy workplace, nurture and invest in talent, and promote diversity, equality and inclusivity to support the wellbeing of our people.

| Sustainability Initiaves    | 3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 6 CLEAN WATER AND SANITATION | 7 AFFORDABLE AND CLEAN ENERGY | 8 DECENT WORK AND ECONOMIC GROWTH | 11 AFFORDABLE AND CLEAN ENERGY | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION |
|-----------------------------|------------------------------|---------------------|-------------------|------------------------------|-------------------------------|-----------------------------------|--------------------------------|---|-------------------|
| Sustainable Business Growth |                              |                     |                   |                              |                               | ●                                 |                                | ●   |                   |
| Environmental Protection    |                              |                     |                   | ●                            | ●                             |                                   |                                |   | ●                 |
| Workplace Management        | ●                            | ●                   | ●                 |                              |                               | ●                                 | ●                              |   | ●                 |

## Sustainability Statement (cont'd)

### Reporting Approach

This Statement is prepared in accordance with Bursa Malaysia's Sustainability Reporting Guide (2022). It focuses on the material sustainability matters for Pantech Group. This Statement also aligns with global sustainability agendas and the United Nations Sustainable Development Goals (UN SDGs).

As part of our ongoing effort to enhance disclosure to our stakeholders, this Statement is prepared with guidance from the Integrated Reporting <IR> Framework, wherever relevant and possible.

### Scope of Report

This Statement covers the period from 1 March 2022 to 28 February 2023. For the purpose of this Statement, data is consolidated across Pantech Group's subsidiaries mentioned below, unless otherwise stated.

Our report covers all wholly-owned subsidiaries which:

1. Have business operations within Malaysia
2. Have substantial magnitude revenue contribution or impact to Pantech Group

These subsidiaries fall under 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.

### Sustainability Governance

Our Board of Directors (Board) are custodians of Pantech Group's Sustainability matters, initiatives and performance, with the goal of assimilating sustainability into our strategic direction and business operations.

The Sustainability Management Committee (SMC) supports the Board in overseeing Pantech Group's Sustainability strategies, policies and practices.

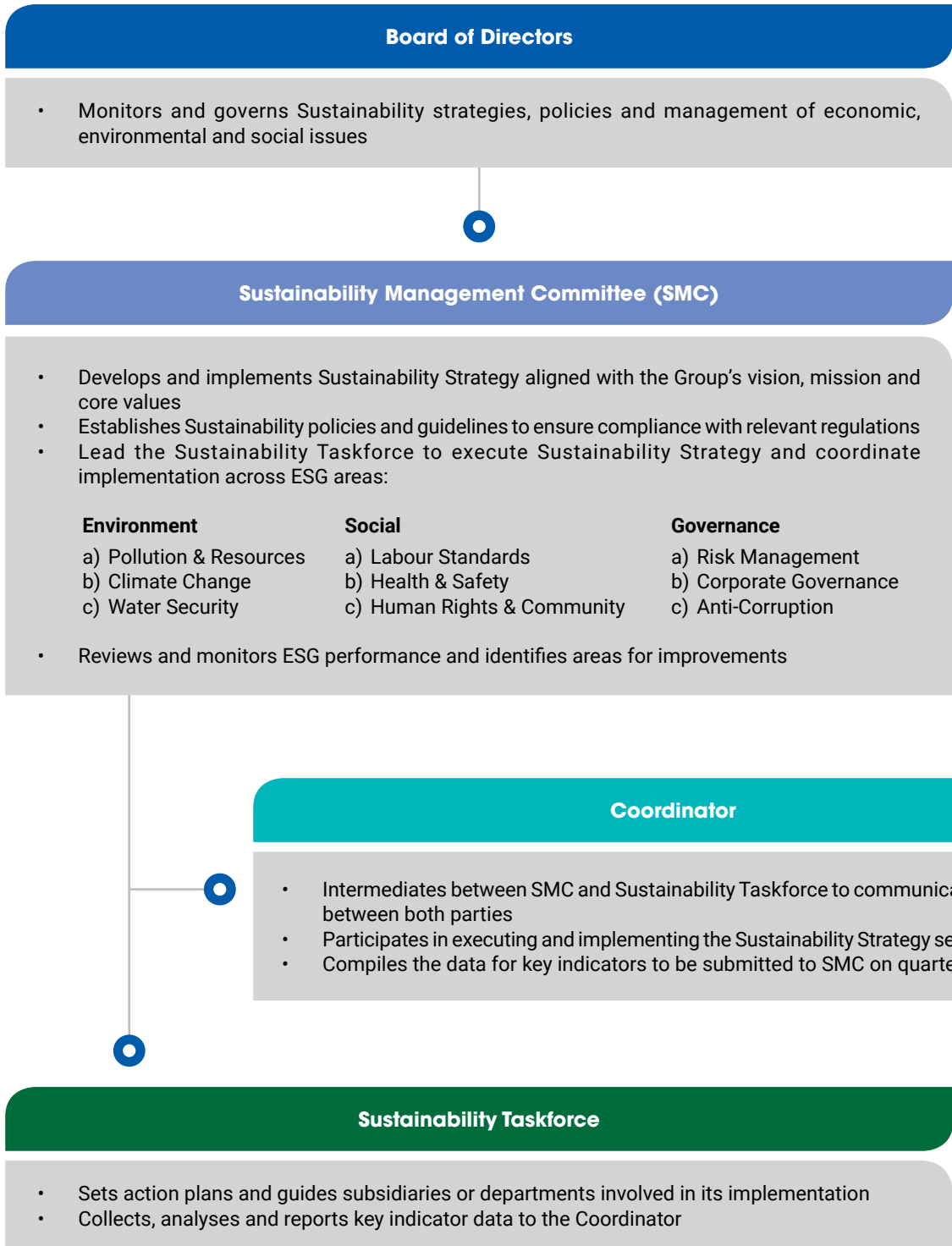
The Board proactively reviewed SMC's roles and responsibility during the financial year with the view to better integrate business and Sustainability priorities as well as effective management of sustainability risks. To drive the way forward for Pantech Group's Sustainability, an updated term of reference is set to take effect in mid calendar year 2023.

The SMC is tasked with developing and implementing a Sustainability Strategy that aligns with the Group's vision, mission and core values. Other mandates include guiding the Group's decision-making by establishing policies and guidelines in compliance to relevant regulations, reviewing and monitoring Pantech Group's ESG performance against key indicators, and evaluating policy effectiveness and setting targets. The committee identifies areas requiring improvements and develops respective corrective actions. The SMC is to update the Board on Pantech Group's performance against targets on a regular basis, and has been empowered to engage external consultation to provide objective input and guidance.

In FY2023, the SMC and the Sustainability Taskforce members had reviewed and evaluated the implementation of Pantech Group's existing Sustainability Strategy. As a result, our mission statement and core values now incorporate Sustainability as a key focus in our business strategy.

Sustainability Statement  
(cont'd)

Sustainability Governance (Cont'd)



## Sustainability Statement (cont'd)

### Materiality Assessment

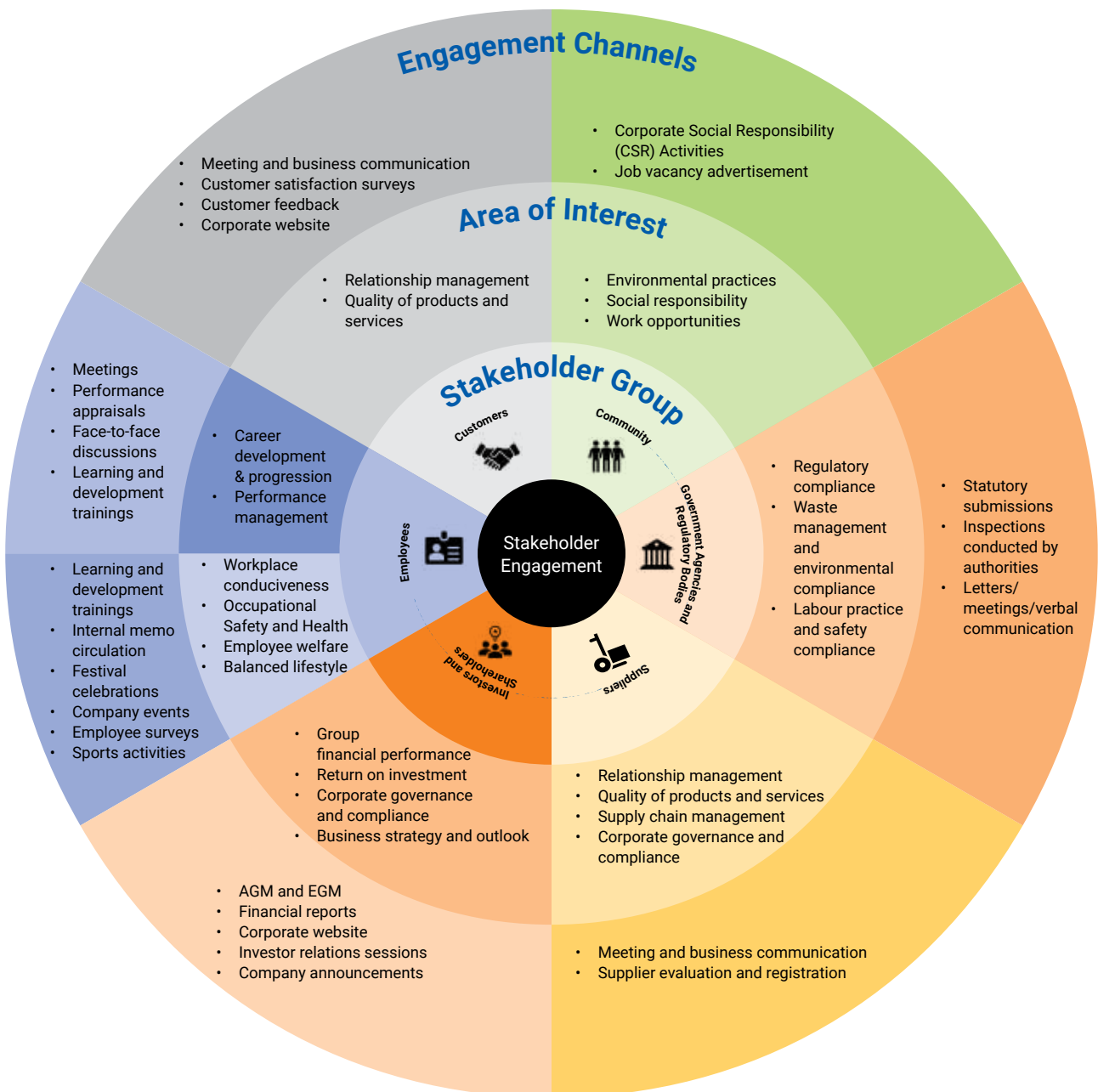
To align the relevance of our existing sustainability and material matters to our stakeholders, Pantech Group initiated a full-scale materiality assessment in November 2022. The assessment aims to collate valuable information on material matters based on our stakeholders' areas of concerns.

The materiality assessment survey is still underway; its results will be evaluated and reported in the next financial year's Sustainability Statement. Assessments of such scale will be conducted once every three (3) years, and limited-scaled assessments will be conducted annually to

keep Pantech Group informed of potential changes in our stakeholders' material matters.

### Stakeholders Engagement

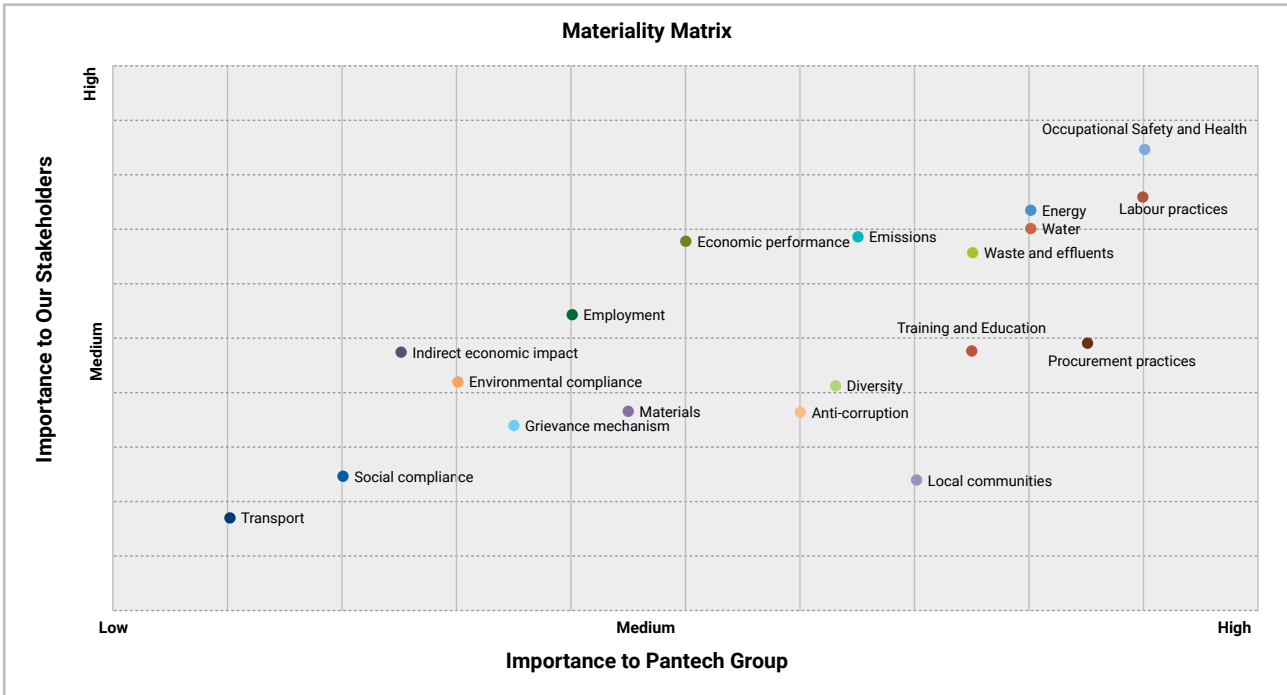
We engage our stakeholders in proactive manner to align stakeholder interest with our business strategy. By obtaining stakeholders' feedback through identified and established channels, we are able to achieve better decision-making in our operations.



## Sustainability Statement (cont'd)

### Materiality Matrix

Pantech Group's FY2023 material matters are mapped below in accordance to importance to our stakeholders.



## ECONOMIC

### Sustainable Business Growth

A sustainable business transcends positive growth on financial statements. It encompasses a healthy balance between economic well-being, environmental stewardship and social responsibility to create positive and lasting impact for stakeholders. By pursuing sustainable business growth, Pantech Group creates value not only for our shareholders, but also for our employees, suppliers, vendors, customers and the wider society.

### Economic Responsibility

With presence in 70 countries, Pantech Group's operations have a wider economic effect in our stakeholders, in particular for our customers. Our business has a socio-economic impact beyond internal stakeholders in multiple operating locations with a ripple effect on the value chain.

Sustainability Statement  
(cont'd)

**ECONOMIC**

**Economic Responsibility (Cont'd)**

In FY2023, Pantech Group generated a total revenue of RM1.04 billion, of which 92% was distributed to stakeholders. The economic value generated and distributed (EVG&D) arising from our business operations is illustrated below.

|   | <b>FY2022<br/>RM'000</b> | <b>FY2023<br/>RM'000</b> |
|---|--------------------------|--------------------------|
| <b>Direct Economic Value Generated</b>                      |                          |                          |
| Revenue   | 751,479                  | 1,037,839                |
| Interest income   | 1,573                    | 2,270                    |
|   | <b>753,052</b>           | <b>1,040,109</b>         |
| <b>Operating Costs</b>                                      |                          |                          |
| Materials, operating and administrative expenses            | 546,803                  | 748,500                  |
| Selling and distribution expenses                           | 30,813                   | 48,606                   |
|   | <b>577,616</b>           | <b>797,106</b>           |
| <b>Employee Wages and Benefits</b>                          |                          |                          |
| Wages, salaries, defined contributions and others           | 57,148                   | 67,052                   |
|   | <b>57,148</b>            | <b>67,052</b>            |
| <b>Payments to providers of capital</b>                     |                          |                          |
| Interest payments   | 5,340                    | 9,052                    |
| Dividend paid to shareholders                               | 23,242                   | 45,176                   |
|   | <b>28,582</b>            | <b>54,228</b>            |
| <b>Community Investments</b>                                |                          |                          |
| Contributions to charities, community and social programmes | 129                      | 112                      |
|   | <b>129</b>               | <b>112</b>               |
| <b>Payments to Government</b>                               |                          |                          |
| Tax expense   | 15,658                   | 38,008                   |
|   | <b>15,658</b>            | <b>38,008</b>            |
| <b>Economic Value Distributed</b>                           | <b>679,133</b>           | <b>956,506</b>           |
| <b>Economic Value Retained</b>                              | <b>73,919</b>            | <b>83,603</b>            |

Please see the section on our Social impact on page 36 – 43.

Sustainability Statement  
(cont'd)

**ECONOMIC**

**Quality Assurance and Professional Certification**

We are mindful that a company’s business reputation speaks volumes to stakeholders. Pantech Group is iron-willed in providing quality assurance and affirmation that our operations comply with the applicable laws, environmental regulations and health and safety standards to our customers.

Pantech Group is determined to uphold strict industry regulations for our extensive range of PVF products. We relentlessly conduct meticulous Quality Control (QC) checks that involve assessment throughout the manufacturing process to assure the quality of our goods. These stringent QC checks serve to confirm that our products meet all requirements and specifications. Products that are not up to par are segregated to be disposed of as scrap metal via a qualified contractor, ensuring that we honour our environmental obligation.

Pantech Group’s integrity also lies in the supply chain. All our products and its components are traceable to its origin, which are recorded and updated in our dedicated document archive. We remain vigilant in our supply and procurement process to maintain supply chain integrity.

In addition to stringent processes, Pantech Group also holds certifications and accreditations from various regulatory bodies. These certifications prove our products meet the necessary criteria for entry into different markets, thus gearing Pantech Group to be an international leader in the provision of total solutions for gas and fluid transmission systems.

We defend these certifications by subjecting our operations, processes and products to audit and scrutiny by the regulatory bodies and accreditation organisations. With our teams’ collective effort, shortcomings are identified and rectified for continued compliance and quality assurance as part of continuous improvement efforts.

The certificates Pantech Group holds:

| Entity                                       | Certificate                               | Certification Body                                      |
|--|---|---|
| Pantech Corporation Sdn Bhd                  | ISO 14001:2015                            | SGS United Kingdom Ltd Systems & Service Certification  |
|  | ISO 14001:2015                            | SGS (Malaysia) Sdn Bhd Systems & Services Certification |
|  | ISO 45001:2018                            | SGS (Malaysia) Sdn Bhd Systems & Services Certification |
|  | ISO 9001:2015                             | LRQA Limited  |
| Panaflo Controls Pte Ltd                     | ISO 9001:2015                             | LRQA Limited  |
| Pantech Steel Industries Sdn Bhd             | ISO 9001:2015                             | Lloyd's Register Quality Assurance Ltd                  |
|  | EU Certificate of Quality System Approval | EU Certificate - Lloyd's Register Nederland             |
|  | Approval of Manufacturer Certificate      | DNV   |
| Pantech Stainless & Alloy Industries Sdn Bhd | ISO 9001:2015                             | Lloyd's Register Quality Assurance Ltd                  |
|  | ASTM A 312/A 312M & A 403/A 403M          | Sirim QAS International Sdn Bhd                         |
|  | SPAN                                      | Suruhanjaya Perkhidmatan Air Negara                     |
|  | EU Certificate of Quality System Approval | LRQA Nederland B.V.                                     |

Sustainability Statement  
(cont'd)

**ECONOMIC**

| Entity  | Certificate   | Certification Body                                   |
|---|---|--|
| Pantech Stainless & Alloy Industries Sdn Bhd (Cont'd) | Standards Compliance for Welded Stainless Steel Pipes | Construction Industry Development Board (CIDB) Johor |
|   | NSF/ANSI/CAN 61                                       | NSF International                                    |
|   | Approval for Water Supply Products                    | Jabatan Air Negeri Sabah                             |
|   | Approval for Water Supply Products                    | Pihak Berkuasa Air Negeri Sarawak                    |
| Nautic Steels Ltd                                     | ISO 9001:2015   | LRQA Limited   |
| Pantech Galvanising Sdn Bhd                           | ISO 9001:2015   | Transpacific Certifications Limited                  |
| Unity Precision Engineering Sdn Bhd                   | ISO 9001:2015   | LRQA Limited   |

**Procurement Practices**

In procurement processes, impartiality is paramount. Pantech Group adheres to a fair procurement process that promotes equal opportunities for all existing and potential suppliers and vendors. At the same time, we uphold compliance with relevant laws, regulations and internal policies throughout our procurement function.

Our suppliers and vendors are vetted and are appointed based on the quality of material, reliability, lead time and cost. We work closely with our suppliers and communicate our expectations of doing business in accordance with the highest ethical standards.

Pantech Group has open communication channels with suppliers and vendors in an effort to foster a collaborative relationship with mutual trust and respect. Such relationships are evinced as some vendors have journeyed with Pantech Group for over decades. Nevertheless, we remain unbiased and diligent in ensuring procurement is conducted responsibly. Our procurement team follows established guidelines and procedures to promote competitiveness and avoid any potential conflicts of interest.

Fortifying our position as a One-Stop Centre for PVF, maintaining optimal inventory levels is an important skill that is honed over time and experience. Being able to meet customers' expectations and requirements in a timely manner solidifies our business proposition. Our procurement team keeps a tight rein on this through careful planning and strategising to minimise the risk of costly excess or product obsolescence.



Sustainability Statement  
(cont'd)



# ENVIRONMENTAL

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

Our business, especially the Manufacturing Division, requires significant amount of energy and water in its operations. We continuously seek ways to improve efficiency, minimise our consumption and withdrawal, and adopt good waste management practices. We have engaged an external consultant who is advising and guiding Pantech Group on our Environmental, Social and Governance adoption journey, which includes developing a Sustainability Policy that incorporates indicators for Climate Change, to be tabled in FY2024.

## Energy

Energy powers our everyday lives. It is a crucial aspect for economic growth and sustainable development. In Malaysia, energy is mainly generated from non-renewable sources, such as natural gas and coal, which deals significant damage to the environment in the long run.

Understanding this, Pantech Group is committed to minimising our negative impact through efficient energy usage and diversification of energy sources as this is a key resource in the operation of our business. Our manufacturing division, particularly PSI, consumes the highest portion of energy, while our trading offices consume the least energy.

With operations dotted in nine locations, Pantech Group has implemented energy efficiency measures across board for cumulative impact to our overall energy consumption and to the environment.

Reminders are placed at strategic locations throughout our buildings to encourage and remind all staff to adhere to good energy consumption practices, such as turning off non-critical machineries, lights and air-conditioning system when not in use. These simple acts to reduce consumption have been rolled out across all subsidiaries.

With our key operating locations sitting near the equator, Pantech Group is blessed with an abundance of sunshine. We installed translucent roofing in all five warehouses to capitalise on natural lighting and reduce energy consumption. During the financial year, we replaced 2,160 square metres of translucent roofing across 2 building blocks.

In addition, Pantech Group also completed the installation of the planned grid connected photovoltaic system at PSI as reported in the last year's annual report. Harnessing the power of solar, the 1,469.32 kWp system, which came online in January 2023, produced around 741.5 GJ (206 MWh) of electricity in less than two months. Based on Energy Commission, Malaysia (Suruhanjaya Tenaga)'s guideline on the emission factor of 0.78 tCO<sub>2</sub>e/ MWh, we avoided approximately 160 tCO<sub>2</sub>e within this short period.



Grid connected photovoltaic system

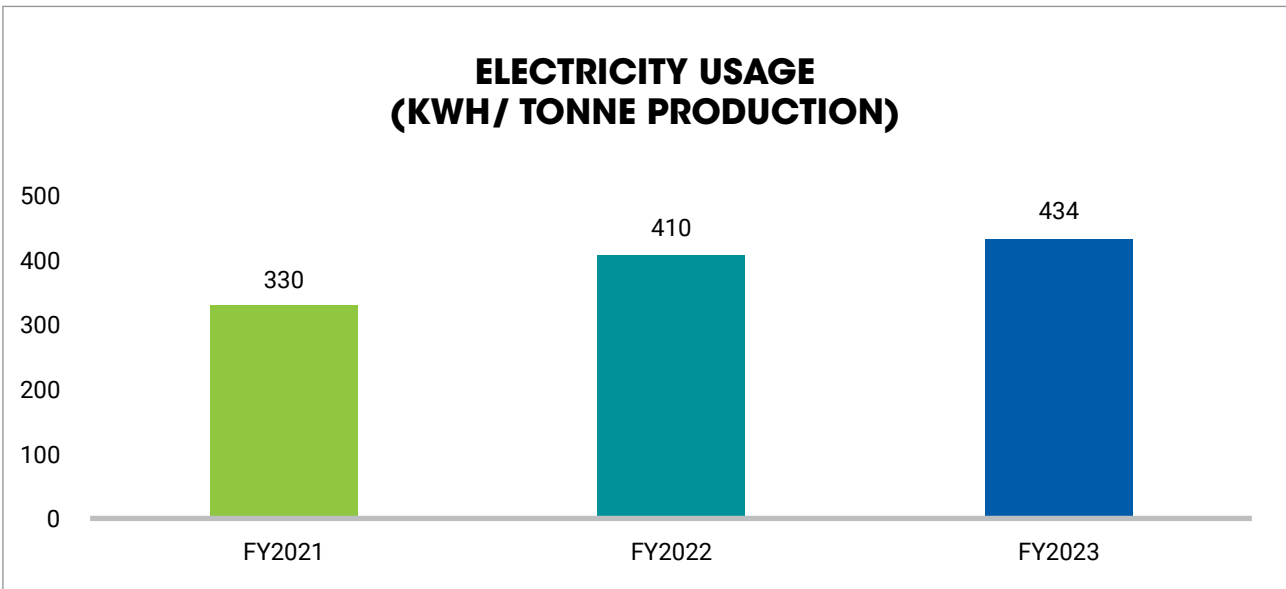
Sustainability Statement  
(cont'd)

**ENVIRONMENTAL**

**Energy (Cont'd)**

The energy-efficiency measures are complemented by a daily monitoring system. Electric surges are reported to the Head of Production and Management team, who are tasked with verifying and investigating such surges to ensure that the electricity consumption usage aligns with the on-going production activities and to identify risks of electrical damages, hazards and wastage, which may be detrimental to our operations.

Electricity intensity is tracked at the Manufacturing Division excluding UPE. Our electricity intensity increased 5.85% to 434 kWh/tonne production as PSA and PSI operated at maximum capacity, while a two-month production disruption at PGSB caused a decrease in the output level before normalising.



Data from Manufacturing Division in Malaysia (excluding UPE)

Pantech Group has taken another step forward towards setting a carbon-reduction target. In an effort to enhance our disclosure on environmental impact, Pantech Group adopted the calculation and monitoring of our carbon emissions, in accordance to Peninsular Malaysia’s grid electricity emission factor published by Energy Commission, Malaysia. The total Scope 2 emissions for FY2023 was 17,474 tCO2e.

**Water**

Access to clean water is a fundamental human right. Pantech Group is conscious of the need to manage our water resources responsibly and sustainably. As a manufacturer of PVF, water is a critical resource input in our operations. We endeavour to use only what is necessary to minimise our water withdrawal, thereby reducing our environmental impact and ensuring access to clean water for local communities.

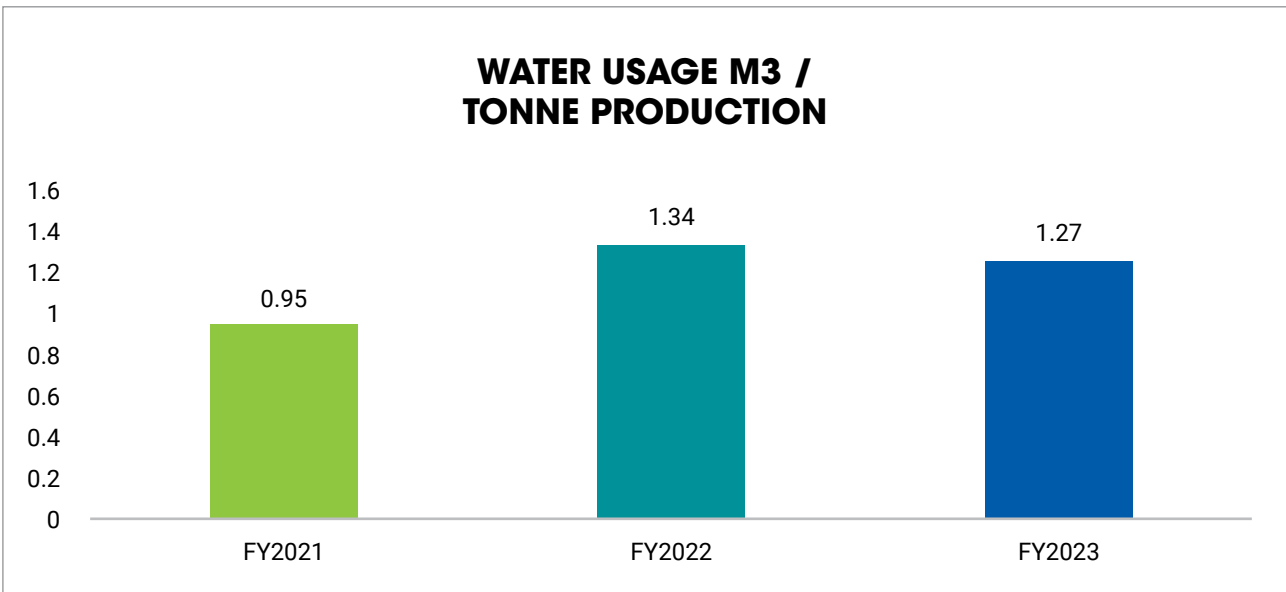
To reduce water withdrawal from municipal source, we have rain harvesting systems which include collection, filtration, and storage systems. Eight rainwater catchment tanks with a total capacity of around 270 cubic metres (70,790 gallons) are installed in PGSB and PSA. At least 7,702 cubic metres (7.7 ML) of rainwater or the equivalent of more than three Olympic sized swimming pools were harvested for operational use.

Sustainability Statement  
(cont'd)

**ENVIRONMENTAL**

**Water (Cont'd)**

With our teams' collective effort in meticulous production planning, daily monitoring of water usage, timely inspections of water pipes and utilisation of harvested rainwater, we reduced our water usage (m3/tonne production) at the Manufacturing Division by 5.22%.



Data from Manufacturing Division in Malaysia (excluding UPE)

**Effluents, Waste and Emissions**

In caring for the environment, three (3) Industrial Effluent Treatment Systems (IETS) are installed at PGSB and PSA to ensure that wastewater from our manufacturing activities are treated properly and accordingly before disposal. This system comprises wastewater and sludge treatment facilities capable of treating and neutralising up to 126 cubic metres of acid water per day from pickling tanks.

Pantech Group engages licensed vendors to ensure that sludge from our operations are handled properly and taken for onward processing according to regulations.

Air scrubber systems are also in place to neutralise and filter acidic fumes emitted from the pickling process. Dust collector systems supplement the scrubber systems by filtering air and preventing the release of dust particles into the atmosphere.

Pantech Group continuously assesses the need for additional waste management solutions. To date, the industrial effluent treatment system, air scrubber system, and dust collector system have helped the Group's waste management initiatives.

Sustainability Statement  
(cont'd)

**ENVIRONMENTAL**

**Effluents, Waste and Emissions (Cont'd)**



Industrial Effluent Treatment System



Air Scrubber System



Dust Collector

In FY2023, Pantech Group received three compounds amounting to RM93,000 issued by the Department of Environment (DOE) and Majlis Perbandaran Pasir Gudang (MBPG) to our factories in Johor. The inspections and audits helped improve our compliance. We undertook remediation and rectification works to adhere to good practices.

- Repair work on IETS with installation of new sensors, pumps and supporting equipment
- Installation of online analyser on IETS to enhance monitoring and recording
- Installation of alarm system on the Air Scrubber System
- Inspection and maintenance of the Waste Water Treatment Plant (WWTP) system
- Recalibration of the pH controller of water treatment plant
- Engaged contractor to clean drainage system
- Conducted training sessions to operational staff handling the machineries.

Pantech Group will continue investing on waste management trainings for our employees to emphasise the importance of caring for the environment and mitigate potential environmental risks.

The effluent, waste and emission management implemented is supported by a monitoring system that meets the requirements set out by the Department of Environment. This includes:

- Daily testing of the water discharged;
- Testing of water discharged conducted by a third-party laboratory on a weekly basis;
- Testing of effluent or sewage by a third-party laboratory on a weekly and monthly basis;
- Daily performance monitoring of air scrubbers; and
- Annual inspection of air scrubber conducted by a third-party vendor.

The results of the monitoring system are recorded and reported to the management on a timely basis ensuring proper action is taken if there are any abnormalities.

Sustainability Statement  
(cont'd)



**SOCIAL**

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

**Employee Empowerment**

Human capital development is an essential element in Pantech Group’s ability to create long-term value for stakeholders. Aligned with this, Pantech Group has identified three core themes to attract, nurture, develop and retain top talents:



**Employee Development**

One of Pantech Group’s core values is to empower employees to create an energetic and enthusiastic workforce through talent management and development.

In promoting a work environment where employees are encouraged to step up and lead, Pantech Group encourages a culture of continuous learning and adaptability to nurture their growth as they make decisions based on critical thinking. We support our employees in their endeavour to acquire new skills and capabilities through courses that benefit their personal development.

Working towards our vision to be a leader in the provision of total solutions for gas and fluid transmission systems requires a habit of prioritising safety among our workforce. We conduct regular trainings on health, safety, and environment (HSE) and personal protective equipment (PPE) in our effort to promote a safe and conducive workplace. These sessions help ensure that our employees have the necessary knowledge and skills to maintain a safe working environment.

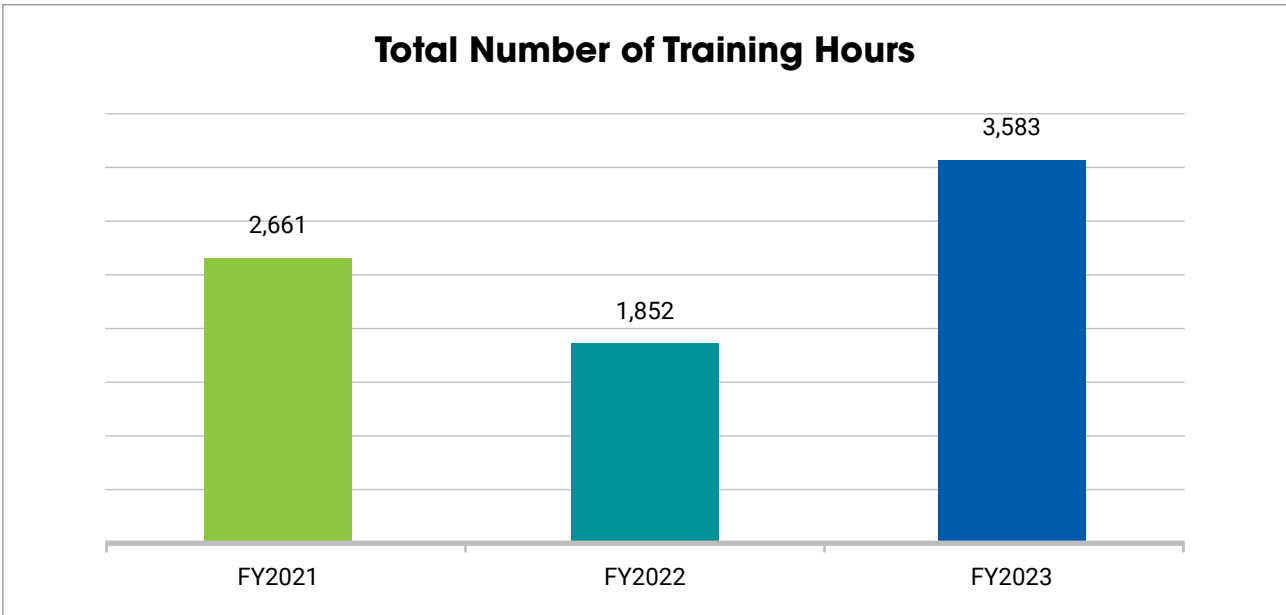
Beyond equipping with HSE and PPE know-how, Pantech Group also develops the skills and knowledge in areas such as manufacturing and operational skills, quality assurance, sales & marketing, internal audit and sustainability among others. These employee development initiatives which increase individual skillsets benefit the team as a whole and contribute positively to their personal career progression.

Sustainability Statement  
(cont'd)

**SOCIAL**

**Employee Development (Cont'd)**

In line with this, FY2023 saw an increase in employee participation in training programmes. Correspondingly, training hours increased 93% in the financial year in review, with an average of 5.21 training hours per local employee, exceeding our target training hours by 30%.



\* Topics covered in Others: Sustainability, Finance and Purchasing, Human Resources and Information Technology, Product Knowledge and Shipping.

Sustainability Statement  
(cont'd)

**SOCIAL**

**Employee Development (Cont'd)**

Pantech Group resumed events that recognised employees for their contribution (Annual Dinner) and foster camaraderie (Team Building) following Malaysia’s transition in endemicity.

36 long-service staff who have been with the Group for 5, 10, 15 and 20 years were given special honour during the Dinner, while the Team Building event saw cross-level and divisional participation. Both initiatives were participated by directors, management, executives and non-executive staff.

**Employee Wellness**

A safe working environment transcends reporting zero incidences. It upholds the right of a person to return home safely to loved ones after a day’s work.

**Operational Safety and Health (OSH)**

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

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

Our safety procedures are reviewed and updated periodically to ensure the continued safety of our staff. Our CARE Policy captures the essence of Pantech Group’s safety culture.



Pantech Group has 15-minute weekly Toolbox Sessions for the Production floor and Warehouse departments to encourage healthy dialogue on workplace safety. These sessions provide the opportunity to reinforce safety basics and communicate updates on safety related matters.

Our scheduling of regular safety related training sessions for employees contributed to the steady decline of safety incidents of Pantech Group since FY2020. There were 18 incidents (9 major, 9 minor) recorded in FY2023 compared to 25 incidents (4 major, 21 minor) recorded in FY2022. However, the total man-hours lost increased by 75% as there were more major incidents which required temporary production halt of the sections involved for investigation and remediation. None of the incidents resulted in fatal injuries.

For the year under review, Pantech Group recorded a Lost Time Incident Rate (LTIR) of 1.48. LTIR reflects loss of productivity associated with safety incidents and is calculated according to Bursa Malaysia’s Sustainability Reporting Guide (3rd Edition).

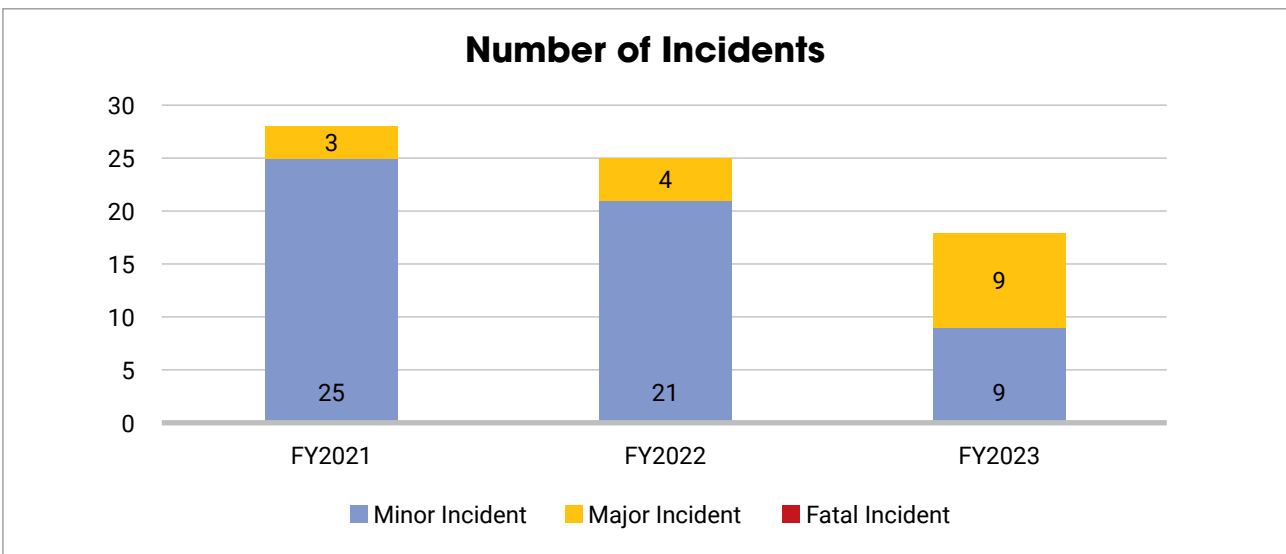
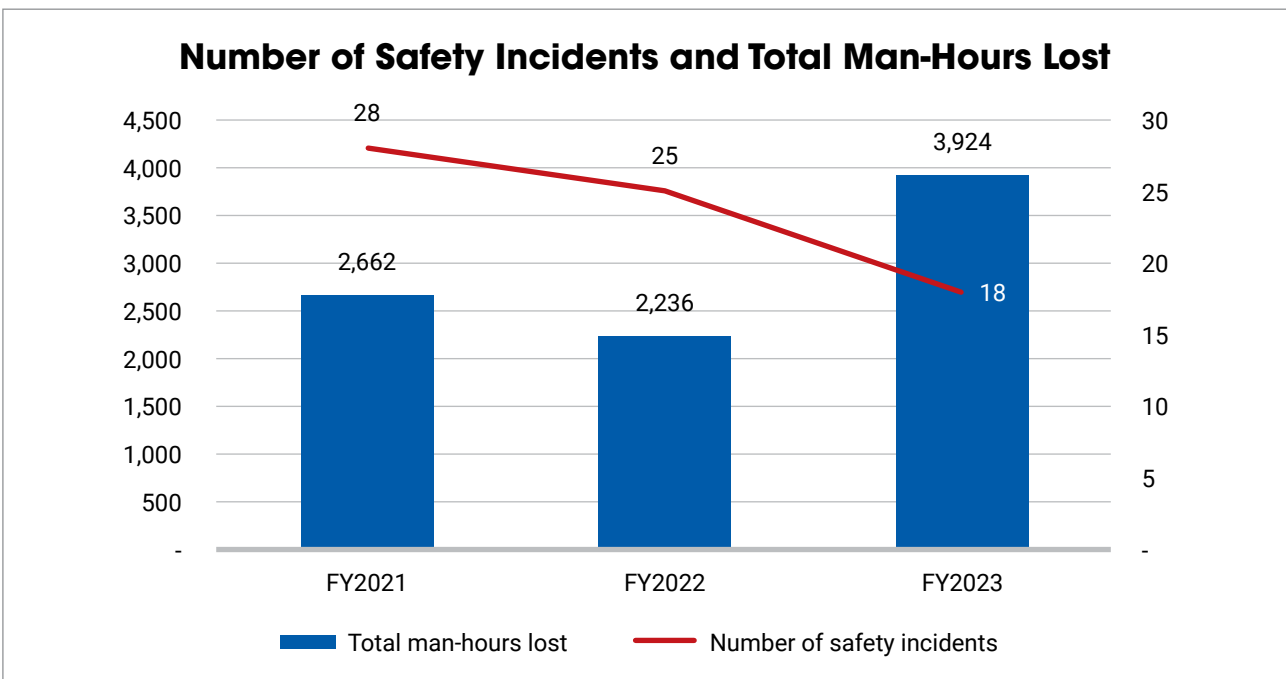
Sustainability Statement  
(cont'd)

**SOCIAL**

**Operational Safety and Health (OSH) (Cont'd)**

All safety incidents were carefully investigated, with necessary precautionary and remedial actions taken to ensure that they are addressed at the root cause level.

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





Sustainability Statement  
(cont'd)

**SOCIAL**

**Operational Safety and Health (OSH) (Cont'd)**

| Type of Incidents | Description  |
|-------------------|--|
| Fatal             | <ul style="list-style-type: none"> <li>Incidents that result in death</li> </ul>   |
| Major             | <ul style="list-style-type: none"> <li>Incidents that result in non-fatal injury but cause permanent disability</li> <li>Prolonged but non-permanent disability with absence from work or on medical leave (MC) of more than 3 weeks</li> </ul>                                  |
| Minor             | <ul style="list-style-type: none"> <li>Incidents that result in minor injuries but not permanent disability</li> <li>Not critical or life threatening, minor abrasions, bruises, cuts and first aid type injury</li> <li>Absence from work or MC of less than 3 weeks</li> </ul> |

**Diversity and Equal Opportunities**

Pantech Group practises inclusivity and values diversity in all its forms, including race, religion, gender, age, sexual orientation, disabilities and nationality. We appreciate that every employee has the right to work in an atmosphere of respect, dignity and fairness. Discrimination in any form whatsoever is not tolerated.

Our diverse workforce comprises individuals from different backgrounds who bring on board their own individual experiences, knowledge and perspectives. This collaborative and inclusive approach creates a harmonious workforce which has the benefit of enhancing the value of our operations.

FY2023 saw an uptick in headcount to address the increase in production demand. Pantech Group expanded employment by 31% which also helped promote social and economic opportunities for individuals and families. The completion of UPE's acquisition contributed to the headcount increase.

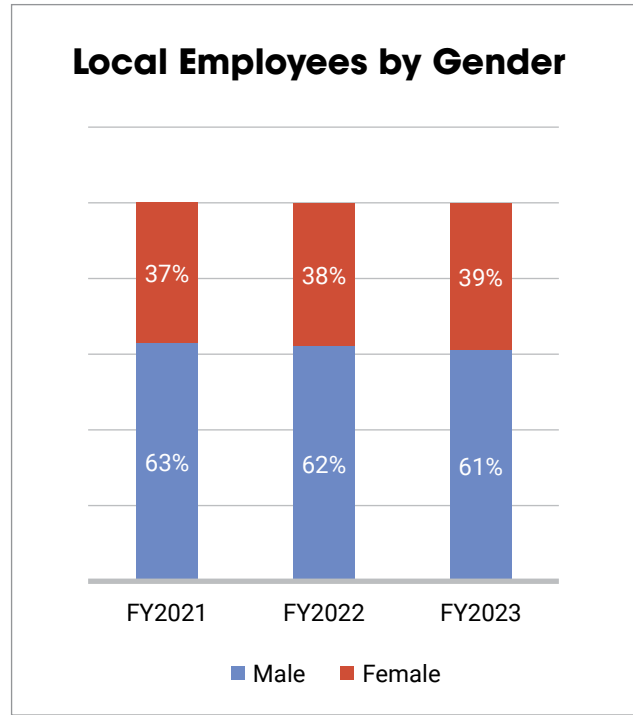
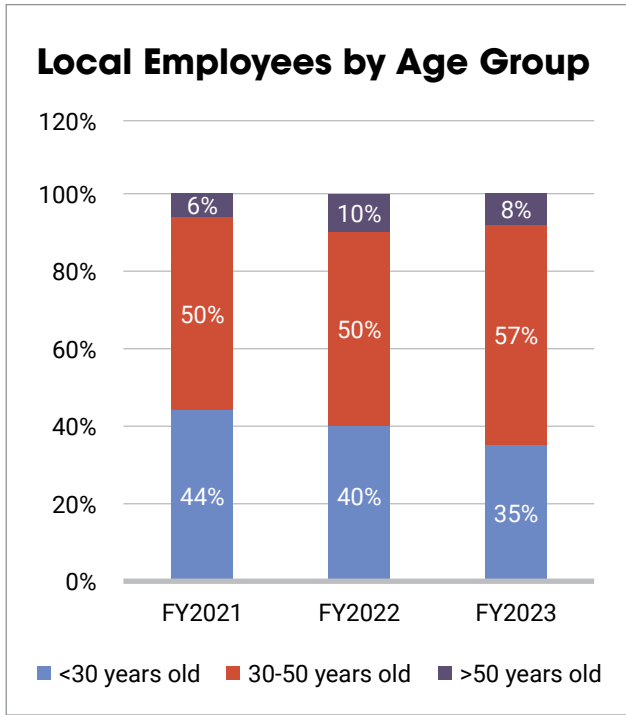
92% of Pantech Group's local employees are below 50 years old, reflecting the Group's dedication in investing in our employees' growth and development, while providing work opportunities for young talents. Meanwhile, the majority of our Board comprises directors above 50 years old with experience and nous honed over the years. Their valuable insights, industry expertise and professional networks contribute to sound strategic guidance, supporting informed decisions.

Our gender ratio continues to improve as it had over the last three financial years. 39% of our local workforce is female, and one third of the Board are represented by female directors. Our operations comprise production and warehouse departments, which predominantly consist of male workers due to the physically demanding nature of the work. Nevertheless, we recognise the importance of gender diversity and are committed to creating opportunities for female employees in administrative roles. We are pleased that 64% of our non-Operation workforce are female. We believe in providing equal opportunities for career advancement and fostering a work environment that embraces the diverse strengths and talents of our employees.

Sustainability Statement  
(cont'd)

**SOCIAL**

**Diversity and Equal Opportunities (Cont'd)**



**Anti-Corruption and Bribery**

Ethical standards in all our business activities is an unwavering commitment of Pantech Group’s. This is reflected by our core value to conduct business with honesty and integrity at all times, to develop trust and strengthen relationships with stakeholders.

Our policies and procedures are guided by our Code of Ethics, which outlines our risk mitigation efforts for bribery and corruption risks in all our dealings. This is complemented by Pantech Group’s Anti-Corruption & Bribery policy which is regularly communicated to both internal and external stakeholders.

In addition, we have a robust Whistleblowing policy in place for staff to safely report any suspected misconduct or illegal behaviour without fear of retaliation. All reports will be subject to an internal inquiry and subsequently, if found in breach, commensurate action will be taken.

In this respect, Pantech Group is pleased to announce that there were no corruption or bribery incidences reported in FY2023.

**Human Rights**

Respect for human beings is a moral obligation at Pantech Group. Respecting and promoting human rights is fundamental to achieving sustainable growth. Pantech Group has developed a human rights policy that outlines our approach to managing and mitigating potential negative human rights impact, and is in the process of being ratified by the Board for implementation. We are committed to improving our human rights performance in line with updated guidelines issued by key authorities.

Sustainability Statement  
(cont'd)

**SOCIAL**

**Community**

As part of Pantech Group's commitment to sustainability, we believe in creating value that extends beyond financial compensation for our employees – by helping to shape the future of their loved ones. Our annual Back to School Programme continued in its 12th year to help employees with school-going children in both primary and secondary school by subsidising education expenses and encourage kids to stay in school. In FY2023, the programme benefitted 88 employees, impacting 126 children's future through access to quality education.

Pantech Group also implemented initiatives that centre on community and social contribution. We work closely with local organisations and stakeholders to identify areas where we can make a positive impact as we strive to be a responsible and engaged corporate citizen.

We believe that these initiatives can help build stronger and more resilient communities, in addition to addressing social and environmental challenges.

Our community and social contribution initiatives in the financial year under review are listed below for reference.

Sustainability Statement  
(cont'd)

**SOCIAL**

Community Initiatives

**CSR**



**Soup Kitchen**  
KECHARA

**2**  Pantech Group contributed to Kechara Soup Kitchen in their mission to provide sustenance, medical care and welfare aid to 17,000 people among local marginalised community.



**4**  We extended support for the works of Trinity Community Children Home in providing a safe and nurturing sanctuary for 25 underprivileged children.



**3**  Since 2018 we have been supporting the National Stroke Association of Malaysia (NASAM) to help make rehabilitation programmes more accessible to stroke survivors in Malaysia.

**10** 



**4**  Pantech Group supported a Soroptimist International Iskandar Puteri (SIIP) project with Kiwanis Careheart that provides therapy for people with learning disabilities in form of herbal garden farming and conservation of mother nature.



**3**  Pantech Group facilitated the purchase of a brand-new dialysis machine and supported the daily operating expenses of the Kulai Rotary Haemodialysis Centre by the Rotary Club Foundation.

**10**  Approximately 85 kidney patients receiving dialysis treatment at the Centre benefit from this support.



**4**  We collaborated with SIIP in the restoration of ecological balance and biodiversity by participating in mangrove replanting activity at Tanjung Piai National Park, Kukup, Johor with the International Women Association.

A total of 23 employees led by our executive director, participated in the programme to plant 53 mangrove seedlings and cleaned up 63kg of rubbish collected from the swamp.

In total, Pantech Group channelled close to RM112,000 in FY2023 to help sustain the communities around us.