

# TBK & SONS HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

**Stock Code : 1960**

## 2019

Environmental, Social and  
Governance Report



## ABOUT THIS REPORT

TBK & Sons Holdings Limited (the “**Company**”) and its subsidiary (the “**Group**”, “**We**”, or “**Our**”) presents this Environmental, Social and Governance (“**ESG**”) Report for the year ended 30 June 2019 (the “**Reporting Period**” or “**FY19**”), in accordance with the ESG Reporting Guide (the “**Guide**”) as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”).

## REPORTING SCOPE

This report covers the Group’s principal businesses in the civil and structural works in the oil and gas industry in Malaysia. Our policies in connection with the material ESG issues arising from our principal business for the FY19, along with our performances around the issues are disclosed in this Report.

## ESG GOVERNANCE

As we consider ESG commitment as a part of our fiduciary duty, we pledge to embed the ESG considerations into our decision making process. To achieve this, we have developed a core governance framework to ensure the alignment of ESG governance with our strategic growth, while advocating ESG integration into our business operations. The structure of our corporate social responsibility is divided into two components, namely the Board of Directors (the “**Board**”) and an ESG sub-committee.

The Board holds the overall responsibility for the Group’s ESG strategy and reporting by overseeing the overall governance and progress of the Group’s ESG management systems, high-level policies, commitments, strategies and objectives. With the objective of better managing ESG performance of the Group, its corresponding issues and potential risks, the Group has formed an ESG sub-committee to formulate policies and translate them into actions, while facilitating the exchange of best practices with other benchmarked companies. The members of the ESG sub-committee comprises of the Chief Executive Officer and senior management of different departments.







The ESG sub-committee is accountable for the collection and analysis of ESG data, tracks and evaluates internal ESG performance, reports major issues to the Board on a semi-annual basis, ensures compliance with ESG-related laws and regulations, as well as preparing the ESG report. Our ESG sub-committee arranges meetings semi-annually to assess the effectiveness of the current policies and procedures, and establish proper solutions to improve overall ESG policy performance. At the meetings, discussions on the existing and upcoming plans are held to monitor and manage the Group’s strategic goals in sustainable development, potential risk mitigation and measures in minimising negative impacts to our business operations.

On top of the Group’s comprehensive risk management framework and robust internal control systems, an independent internal control consultant has been engaged for the Group’s annual internal control assessment to identify potential risk and control deficiencies with the recommendations of necessary improvements.

## Stakeholder Engagement

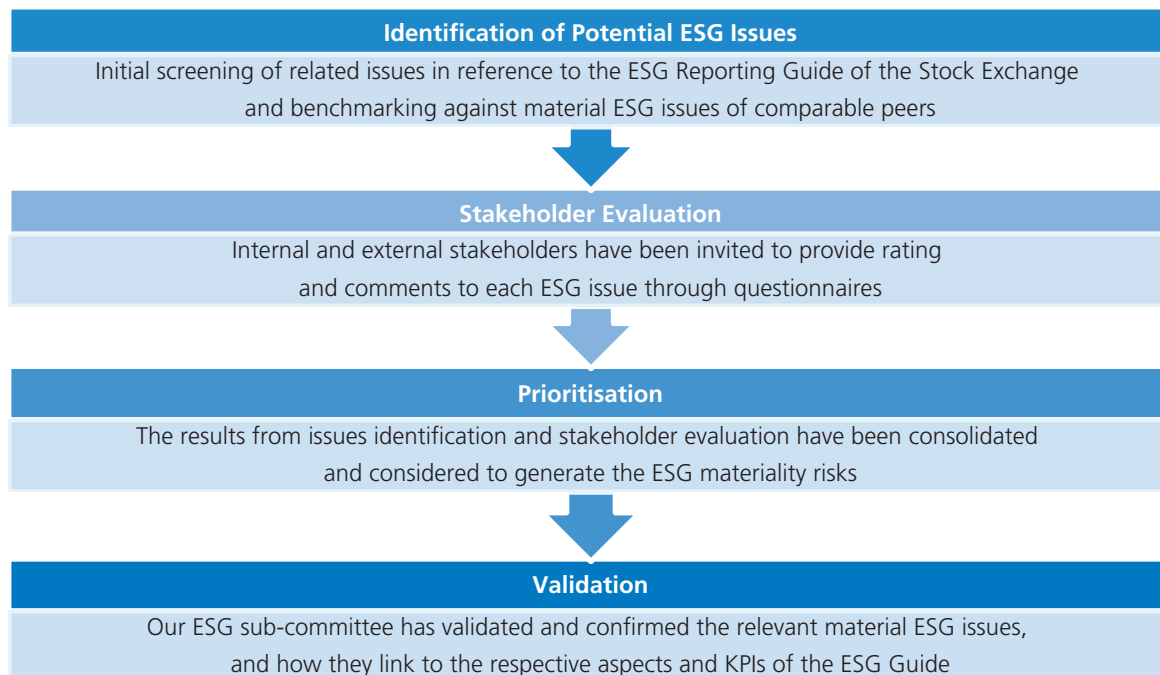
We are dedicated in fulfilling stakeholders' expectations by truly understanding all their concerns and integrating such expectations through our ESG practices, with the ultimate purpose of maximising the greater economic output and business value while aligning with the Group's long term sustainable development goals.

To facilitate effective communication and maintain ongoing relationship with the stakeholders, the Group established an internal and external stakeholder engagement process that involves the identification and clarification of such expectations with our stakeholders, ranging from shareholders, employees, clients, investors, vendors and subcontractors, government and supervising authorities and community. The following list summarises our diverse communication channels that actively engage with our stakeholders:

Stakeholder Groups		Engagement Methods
	Employees	<ul style="list-style-type: none"><li>• Meetings and Briefings</li><li>• Employee Trainings</li><li>• Company Activities</li><li>• Company Policies</li></ul>
	Clients	<ul style="list-style-type: none"><li>• Satisfaction Surveys</li><li>• Client Feedback</li></ul>
	Investors and Stockholders	<ul style="list-style-type: none"><li>• Annual General Meeting</li><li>• Annual and Interim Report</li><li>• Corporate's Website</li><li>• Press Release and Announcements</li></ul>
	Vendors and Subcontractors	<ul style="list-style-type: none"><li>• Business Meeting</li><li>• Performance Evaluation</li><li>• Quotation and Tendering Processes</li><li>• Field Visits</li></ul>
	Government and Supervising Authorities	<ul style="list-style-type: none"><li>• Written Correspondence</li><li>• Submission of Statutory Reports</li><li>• Involvement in Public Consultation</li></ul>
	Community	<ul style="list-style-type: none"><li>• Community Services</li><li>• Press Releases (if necessary)</li></ul>

## Materiality Assessment

Through a stakeholder engagement process based on the aforementioned channels, we have conducted a materiality assessment with our stakeholder groups to identify corresponding ESG issues and assess the materiality to the Group's operations. The following outlines the procedures of the assessment:



A materiality assessment matrix is plotted to present the results obtained from the questionnaires:



Categories	#	ESG Issues
General	1	Compliance
A1	2	Air Emission and Carbon Footprint
A1	3	Waste Management
A2	4	Efficient Use of Resources
A3	5	Environmental Impacts from Business Operations
B1	6	Recruitment, Compensation, Promotion, Dismissal, and other Employee Benefits
B1	7	Diversity and Equal Opportunity
B2	8	Workplace and Occupational Health and Safety
B3	9	Employee Development and Training
B4	10	Anti-child and Forced Labour
B5	11	Sustainable Procurement
B6	12	Service Quality Assurance
B6	13	Data Privacy and Protection
B7	14	Anti-corruption and Anti-fraud
B8	15	Community Investment

## ENVIRONMENT

As we become increasingly connected with our environment, the Group recognises our desire for clean environment and our responsibility as a corporate citizen. Hence, we aim to reduce the adverse environmental impact of our business operations to the minimal. As such, we understand and align our long-term value drivers in order to achieve sustainable value creation. ESG practices were essentially integrated into the fundamental of our business strategy and operational practices, with an ultimate goal of conducting our businesses in the most environmental-friendly manner, in order to create greater long-term sustainable value for both the Group and the environment.

### Aspect A1: Emissions

As a company in the oil and gas civil works industry, services offered by us have relied heavily on large vehicle fleet and machineries for our ongoing business operations. Owing to such nature, we are wholly dedicated to controlling emission of air pollutants, greenhouse gases and waste disposal from our business operations. We also ensure full compliance and stringent conformity to corresponding environmental laws and regulations. The air emission and handling of hazardous and non-hazardous wastes have been managed in compliance with the Malaysian Environmental Quality Act 1974, EQ (Clean Air) Regulations 1978 and the Environmental Quality (Sewage and Industrial Effluents) Regulations 1979.

During the Reporting Period, no material cases of non-compliance on environmental laws and regulations were identified.

#### *Air Emission and Carbon Footprint*

Our major source of air emission is contributed from transportation and logistics activities of vehicles. Due to our business nature of providing civil and structural work services, it is relatively more preferable to use heavy-duty vehicles for executing the construction tasks although they are often considered less fuel-efficient. The remote locations of our projects lead to extensive travels required for goods transportation from our suppliers and project team. However, we aim to incorporate air emission reduction in our sustainable practice. The Project Managers have been performing efficient planning on the deliveries in order to minimise the number of trips made for transporting goods. All the vehicles of our Group were arranged for regular maintenance and repair services by qualified personnel. This approach ensures the vehicle emissions to comply in accordance with emission standards and improve the fuel consumption efficiency of the mobile vehicles.

The table below illustrates the emissions of Nitrogen Oxides, Sulphur Oxides and Particulate Matter from the use of vehicles of our Group during the Reporting Period:

Emission	Unit	2019
Nitrogen Oxides (NO <sub>x</sub> ) <sup>1</sup>	Kg	6,450.08
Sulphur Oxides (SO <sub>x</sub> ) <sup>2</sup>	Kg	24.74
Particulate Matter (PM)	Kg	514.08

<sup>1</sup> The emissions of Nitrogen Oxide and Particulate Matter are calculated by using the emission factors and the estimated distance travelled by the vehicle. The calculation methodology stated in the Stock Exchange's "Reporting Guidance on Environmental KPIs" was adopted, including the emission factors. The distance travelled by the vehicle is estimated based on the fuel consumption ratio of the vehicle.

<sup>2</sup> The emission of Sulphur Oxides is calculated by using the emission factors and the units of fuel consumed by the vehicle. The calculation methodology stated in the Stock Exchange's "Reporting Guidance on Environmental KPIs" was adopted, including the emission factor.

The greenhouse gases emissions generated during the Reporting Period was approximately 4,191,864.95 kg carbon dioxide equivalent (“CO<sub>2</sub>e”)<sup>3</sup>, with an intensity of 21.61 kg CO<sub>2</sub>e/K’Revenue (RM). Aside from the mobile vehicle emissions, another major source of the greenhouse gases is electricity consumption of the Group. Coverage on the series of continuous measures undertaken in scaling down our carbon footprint is demonstrated in Section A2 Efficient Use of Resources.

### *Waste Management*

Waste generation by our business operations is closely monitored. Our Group has established appropriate guidelines on the methods in waste handling and disposal. Stringent requirements have been in place that all waste, particularly the chemical waste, generated at the construction sites should be packed and stored securely with proper labelling. The disposal of waste should be approved and documented for internal review. The practices adopted by our responsible personnel are in compliance with the legislation, namely the Waste Disposal Ordinance. Our goal in upholding the principles of waste management is to reduce adverse implications to the environment through our waste management mechanism.

During the Reporting Period, the hazardous waste generated from our business operations, which includes lead acid batteries, lubricating oil, fluorescent lamps and waste oil, collected and organised by a certified contractor<sup>4</sup> at construction site. The major non-hazardous waste produced at our Group was 2,122.71 kg of paper. A licensed specialist was engaged to handle the recycling of non-hazardous waste. This ensures the efficiency of resources use and reduce potential impact of waste to the environment. For the waste minimisation purpose, the Group strives in reducing the usage of common office consumables. We have launched various paperless initiatives including engaging the employees in nurturing the paper-saving practices such as double-page printing, use recycling paper for internal documents and promoting paper saving message in the emails.

## **Aspect A2: Uses of Resources**

### *Efficient Use of Resources*

The main sources of our resource consumption are the fuel consumed by vehicles, plant and machinery used for our service provisions and electricity utilised for lighting, air-conditioning, and office utilities. The resource consumption utilised by our Group during the Reporting Period is summarised in the table as follows:




Resource	Consumption		Intensity	
	2019	Unit	2019	Unit
Electricity	132,112.00	kWh	0.68	kWh/K’Revenue (RM)
Petroleum	166,914.64	L	0.86	L/K’Revenue (RM)
Diesel	1,384,262.17	L	7.13	L/K’Revenue (RM)

Note: Owing to our business nature, no packaging materials were used and the related disclosure was not applicable.

<sup>3</sup> Carbon emissions were calculated based on the “Greenhouse Gas Protocol” published by World Resources Institute and World Business Council for Sustainable Development, “Reporting Guidance on Environmental KPIs” published by the Stock Exchange, “Guidelines to Account for and Report on Greenhouse Gas Emission and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong” by Hong Kong Environmental Protection Department and Electrical and Mechanical Services Department, and Emission Factors published by Malaysian Green Technology Corporation.

<sup>4</sup> As the hazardous waste generated from our business operations was handled by third party contractors, no relevant data shall be tracked and obtained to support our disclosure. However, we pledge to improve our communications with the relevant third party contractors to implement a more comprehensive controls on documentation of hazardous waste data for future disclosure.

Owing to our business operation model, the use of diesel and petroleum for our vehicle fleets highly depends on external factors such as location of the projects and size of the civil works. The relatively high diesel consumption during the Reporting Period, was due to the large scale and extensive project duration that spans for years. Although it is relatively difficult for us to control the usage of diesel and petroleum for our service operations, we endeavour to contribute towards more efficient use of resources in all facets of our operations. Our resources-savings initiatives are summarised below:

Approaches	Common Practices
 <p>Green Initiatives</p>	<ul style="list-style-type: none"> <li>• Adjust air conditioning temperature to 25 degree Celsius at office</li> <li>• Switch off lighting, air-conditioning and office equipment when unattended</li> <li>• Monitor electricity consumption from our office operations regularly</li> </ul>
 <p>Regular Maintenance</p>	<ul style="list-style-type: none"> <li>• Perform regular inspection on our physical assets to ensure their durability</li> <li>• Maintain checklist for vehicle maintenance to prevent reduction in fuel efficiency</li> </ul>
 <p>Employee Awareness</p>	<ul style="list-style-type: none"> <li>• Engage employees by providing regular training on best practices and tips on electricity, water and paper saving</li> <li>• Communicate environmental awareness messages via emails and posters</li> </ul>

### Aspect A3: The Environment and Natural Resources

#### Noise Control for Construction Site

As our business operations involve heavy machineries and equipment, we are fully aware of the noise pollution generated at the construction sites and committed in protecting the workers from excessive noise in their working environment. Hence, our Group strictly adhere to all the applicable local laws and regulations in Malaysia, including the Factories and Machinery Act 1967, Environmental Quality Act 1974 and Environmental Quality (Motor Vehicle Noise) Regulations 1987.

As an illustration on the controls taken by our Group, noise test and controls are performed on a regular basis before the construction works commence to ensure that the noise generated is within acceptable parameters as outlined in the local law and regulations. Our Project Manager performs close scrutiny and onsite inspection to detect and prevent potential violation on the laws and regulations.

### *Environmental Impacts from Business Operations*

We are wholly committed to mitigating negative environmental impacts linked with our business activities, and strive to drive towards a common vision of managing environmental processes across the Group with the development of an environmental performance standard. The Group is currently in the progress of establishing the ISO 14001:2015 accreditation environmental management system with the purpose of strengthening our Group-wide emphasis on consistent improvement and environmental stewardship throughout our business.

An incident response team has been established in our environmental management system and it was formed to deal with any incidents that will potentially bring adverse implications to the environment. The team manages the incident handling mechanism including incident detection and documentation, detailed investigation and analysis, remedial action plan and incident closure. The management system is reviewed by the management on an annual basis and performance of the environmental impact is measured based on the review results.

## **SOCIAL**

### **Aspect B1: Employment**

#### *Recruitment, Promotion, Performance Appraisals, Termination, and other Employee Benefits*

The Group recognises employees as the most important asset to drive our business performance. It is our objective to nurture an inclusive and harmonious working environment. By upholding our values of trust, respect and compassion, we believe that it will boost our employees' sense of belonging and retain the top talents.

We have established an Employment Policy and Employee Handbook to govern the entire processes in human resources management, which cover recruitment and selection, working hours, rest period, attendance, performance appraisal and promotion, termination, workplace discipline and other employee benefits and welfare. Our Employment Policy is reviewed on a regular basis and updated if required, for ensuring the applicability of its terms and condition and compliance with the latest labour laws and regulations.

All of our labour related policies are in compliance with ordinances and its respective codes of practices in Malaysia, which includes the Employment Act 1955, Industrial Relations Act 1967 (and their latest amendments), Employment Provident Fund Act 1991, Employers' Social Security Act 1969, Minimum Wage Order 2012 and Minimum Retirement Age Act 2012.

During the Reporting Period, the composition of our employees by gender is as below:

<b>Gender</b>	<b>Number of Employees</b>	<b>%</b>
Male	422	91.34
Female	40	8.66
Total	462	100.00

Our employees are offered with a competitive remuneration package in order to attract and retain talents. The remuneration policy is formulated based on the Group's core principles, namely ability, competitiveness and fairness. Employee remuneration is determined on the basis of market levels, profitability of the Group, regulatory requirements, and individual performances assessed through our performance appraisal mechanism. The remuneration package also includes the entitlement of other benefits subject to their position and length of service with the Group. These benefits range from employer's contribution to Employees Provident Fund, Social Security Organisation and Employment Insurance System in accordance with the Malaysian statutory provisions, as well as other voluntary provisions including health screening package, medical benefit, annual leave, medical and hospitalisation leave, compassionate leave, maternity leave and marriage leave.

It is stipulated in our Employment Policy that the standard working hours for full-time employees is eight. We acknowledge the importance for our employees to maintain a proper work-life balance as this could ensure both their physical and mental health and further improve overall work productivity. To bolster the social bonding between our colleagues and the management, we organise employee gathering and social activities such as luncheons, annual dinners and festive gatherings during Hari Raya Aidilfitri, Chinese New Year and Deepavali.

As we believe that the employee satisfaction is the key to productivity and quality, we devote continuous efforts to boost their morale at the workplace. Employee satisfaction surveys are conducted on a regular manner to collect feedback from the employees and understand their concerns for the Group. The survey results will be consolidated and reviewed for future action plan from the management.

#### *Diversity and Equal Opportunity*

We advocate the principle of equal employment opportunities and diversity within the Group without any forms of discrimination. Discrimination including unjust or prejudicial treatment to anyone due to certain personal characteristics, such as race, gender, ethnicity, religion, age, and marital status, is strictly forbidden.

According to the Code of Conduct, all decision-making processes ranging from recruitment, performance evaluation to interpersonal relations should be conducted solely based on meritocracy such as individual performances, skill sets, qualifications and experience. Employees should conform to the equal opportunity policy and treat other colleagues with respect and dignity.

As an established service company in Malaysia, we value racial diversity at workplace and respect all employees regardless of their race and ethnicity. In respect of each other's religious beliefs, we uphold employment policies that supports this racial diversity. For example, Muslim male employees are entitled to extended lunch hours to fit obligations to perform Friday prayers. We strive to understand both the social and cultural complexities inherent in embracing differences to promote an equal and fair workplace.

During the Reporting Period, no material cases of non-compliance on employment and labour laws and regulations were identified.

## **Aspect B2: Health and Safety**

### *Workplace and Occupational Health and Safety*

Occupational health and safety of our employees is of the utmost priority for our business operations. We believe that a safe and healthy workforce is the core to drive future success. To ensure this, our service line is certified in accordance with the internationally recognised OHSAS 18001:2007, the Occupational Health and Safety Assessment Series, that ensures sound performance and promotes a robust workplace safety management system. All of our workplace and occupational health and safety policies are in compliance with regulations in Malaysia including but not limited to the Construction Industry Development Board Act 1994, Factories and Machinery Act 1967 and Occupational Safety and Health Act 1994.

For each of our engaged projects, the Project Manager is directly responsible for the individuals assigned for each site, to oversee the project operations and make prompt responses. The management will be reported on a timely basis in the event of any notifications or alarms of unsettled hazards in the workplace. The Group has established an emergency response team which comprises of an on-scene commander, wardens, first aid team, fire rescue team and oil spill team, with ongoing supervision and monitoring of the Project Manager. The team is formed specifically to handle any project-based emergencies, crisis management and disaster recovery protocols. The team is accountable for responding to emergency incident, taking appropriate action in the initial minutes, and minimising vulnerabilities and threats to the employees and business operations.

All new recruits are required to attend the Operational Health and Safety Induction conducted by the Project Manager or the Safety and Health Officer within the first week of reporting. Upon completion of the induction programme, they shall undergo on-the-job trainings based on their responsibilities, to learn the proper way of operating relevant machineries and tools before offering services to our clients. Other workplace safety activities such as regular safety trainings and fire drills are conducted in order to maintain and refresh our employees' awareness and knowledge on safety.

Onsite employees are provided with and required to wear necessary personal protective equipment ("**PPE**"), depending on their work nature. To raise the safety awareness of our employees, the requirements on the use of PPE is highlighted in our Employee Handbook and in every site briefing. In addition, we have implemented a set of workplace safety measures to protect our employees. A formalised incident management mechanism has been established and relevant information is communicated to all the employees. This increases the employees' awareness and familiarity in handling process and reduce risk of unorganised controls in the event of incident occurrence.

Furthermore, periodic risk assessments are performed to identify and mitigate any potential risks arising from workplace, and to cultivate a safe, healthy and conducive working environment for our employees. As part of our occupational health and safety management system, our on-site project management team is responsible for conducting workplace inspections on a daily basis to identify and record hazards. All the observations and corrective action plans are documented in the Unsafe Condition and Unsafe Act Register.

During the Reporting Period, no material cases of non-compliance on health and safety related laws and regulations were identified.

### **Aspect B3: Development and Training**

#### *Employee Development and Training*

To nurture a professional workplace alongside with the aim of fulfilling our employees' personal development, we provides enormous supports for our employees in their pursuance of continuous professional training. New recruits is required to attend induction programme, safety trainings and on-the-job trainings to encourage flexibility and adaptability at workplace. During the Reporting Period, our employees participated in a wide array of training courses ranging from general to technical aspects. The coverage of topics include company introduction, code of conduct, employee handbook, hazardous chemical handling, working at height, traffic control, evacuation awareness and other safety related subjects. A training matrix is maintained by the Group for gap analysis purposes to ensure that required competencies of employees are satisfied, and as a tool for managing the development of our talents.

The Group's resource allocation in the employee development initiative elevates all employees as a whole to support their personal growth and professional advancement. To equip the employees with desirable skills set and competencies, the Group had arranged training sessions which were conducted by external professional bodies covering the topics in corporate governance, regulatory awareness, tax planning and strategies. Under our performance appraisal mechanism, supervisors are obliged to provide timely constructive feedbacks to the employees on their accomplishments and areas of improvements at work.

### **Aspect B4: Labour Standards**

#### *Anti-Child and Forced Labour*

Our Group strictly complies with the labour standards in Malaysia, specifically the Children and Young Persons (Employment) Act 1966 that stipulates the prohibition of engaging child and young person in any kind of our operations. Employment of children, who are below the legal age as set in the labour standards, is outlawed through our stringent screening processes conducted by the Human Resources Department. All of our employees must have reached the statutory age and possess identification documents before the commencement of work. Supervisors are encouraged to monitor and report to the Project Manager or Head of Department if any suspected non-compliance instances such as child and forced labours for our business operations.

During the Reporting Period, no material cases of non-compliance on child and forced labour laws and regulations were identified.

## **Aspect B5: Supply Chain Management**

### *Sustainable Procurement*

The Group prioritises the quality of suppliers, subcontractors and service providers in order to sustain top notch standards of our service offerings to the clients. We collaborate and maintain stable partnership with a network of suppliers and subcontractors who possess qualifications or expertise in their respective fields.

Based on our standard supplier evaluation mechanism, we perform close monitoring on the suppliers' business practices through onsite inspections. Any observations of non-compliances during the site visit will be reported immediately to the management. Corrective action plan to remediate the identified risks on a timely manner is expected. During the selection process of new suppliers and annual supplier review, pre-set criteria including production capacity, quality, performance, risk and environmental impact is assessed. We consider sustainability commitment of suppliers as a crucial component in our consideration, and we highly value suppliers that could differentiate from their peers and enforce controls to minimise adverse implications of operations to the environment.

Our Group operates on the principle of transparency. During the selection process of major suppliers, a formal tendering and procurement mechanism is in place with entire selection process being scrutinised by the management to ensure openness and fairness of the procedure.

## **Aspect B6: Product Responsibility**

### *Service Quality Management*

We are devoted in providing top quality services and delivering excellent customer experience. The Group developed a Quality Management System ("QMS") Manual which has been accredited with ISO 9001:2015 certification. It provides guidelines to our employees for meeting our objectives as follows:

- To provide consistent, reliable and effective services to satisfy the demands and expectations of our clients;
- To comply with all relevant standards, statutory and regulatory requirements;
- To provide appropriate training for employees to enhance skills and knowledge to match with quality requirements of works and services; and
- To monitor and improve the effectiveness of QMS by conducting periodic internal reviews, inspections, feedback collection and enhancement.

In terms of resource allocation, the management invested heavily in fields such as human resources, health and safety, professional trainings, infrastructure and equipment to ensure maintenance of a high quality service.

We welcome our customers to provide feedbacks on our service provisions via the customer satisfaction survey and other informal communication channels. Complaints handling mechanism has been established for ensuring a thorough investigation is conducted with timely implementation of appropriate remedial actions. All complaint cases and details are documented to reduce the possibility of re-occurrence in the future.

### *Data Privacy Policy*

In this digital age, we are dedicated to safeguard our customer and employee information by keeping personal and proprietary data confidential, secured and protected. Privacy is an organisation-wide matter, and by its nature requires a consistent approach throughout the organisation. Hence, data protection controls have been implemented in our Group, and its corresponding guidelines are established in compliance with the Malaysian Personal Data Protection Act 2010 and the Hong Kong Personal Data (Privacy) Ordinance. Based on our Code of Conduct, disclosure or transfer of the Group's internal data to other entities without prior consent from the management, unauthorised access and misuse of information are strictly prohibited. Violation of the Code of Conduct is a major misconduct that shall be subject to disciplinary action including dismissal and judicial proceedings.

Regarding our information system controls, we applied sufficient system security to grant access right to designated personnel according to their job duties and prevent unauthorised access to our system resources, information and personal data. The transfer of personal data to a third-party data processor is allowed only if the third party agreed to comply with terms and conditions stipulated under the data privacy policy with adequate security measures in place. Furthermore, proper review mechanism has been implemented to approve any sorts of amendment within the system to establish accountability, prevent risk of inappropriate access grants and decrease uncertainties of potential misuse of data.

During the Reporting Period, no material cases of non-compliance on service quality and data privacy related laws and regulations were identified.

### **Aspect B7: Anti-corruption**

#### *Anti-corruption and Anti-fraud*

The Group has zero tolerance against all forms of corruption, bribery, extortion, money-laundering and other fraudulent activities in relation to our business operations. Anti-corruption policy of the Group complies with the Anti-Corruption Commission Act 2009 in Malaysia. Employees are expected to uphold professional ethics, integrity, values and standards when dealing with our Group's finance, products, partnerships and public image. Potential conflicts of interest that may increase the risk of bribery and bid-rigging will be monitored. If there is any perceived, potential or actual conflict of interest, employees are required to report to the management immediately.

Moreover, a whistle-blowing mechanism has been established, which provides a confidential channel to report on wrongdoings, fraudulent and unethical acts. A designated independent investigation team is responsible to deal with the reported issues and may escalate to relevant regulatory or enforcement authority whenever necessary. Awareness towards prevention of bribery has been boosted among employees and management levels through trainings.

During the Reporting Period, no cases of non-compliance in connection with corruption-related laws and regulations were identified.

## **Aspect B8: Community Investment**

### *Supporting the Community*

As corporate social responsibility is at the core of our culture, we embrace corporate citizenship through our proactive engagement in community services. We encourage our employees and other stakeholders to serve and support the community wholeheartedly to create an impact that matters. During the Reporting Period, our Group had made donations of RM115,000 to support the school expansion projects of certain primary and secondary schools in Malaysia. Moving forward, we aim to encourage our employees to participate actively in different charitable and voluntary community activities as we believe that our talents could be leveraged to contribute to the society.