

# Sustainable Development Report



ECONOMIC



ENVIRONMENT



SOCIAL

This Sustainability Report ("Report") sets out PESTECH International Berhad ("PESTECH" or "the Company") and its subsidiaries (the "Group") efforts and activities undertaken to continue engaging and collaborating with our stakeholders in the push for sustainability agenda forward in the communities we serve.

## REPORTING PERIOD AND SCOPE

Our Sustainability report for the financial year ended 30 June 2022 ("FY 2022") has been prepared in accordance with Appendix 9C Part A (29) Practice Note 9 of the Main Market Listing Requirements ("MMLR"), Sustainability Reporting Guide and Toolkits issued by Bursa Securities Malaysia Berhad ("Bursa Malaysia") and made reference to United Nations Sustainable Development Goals ("UNSDG") and Global Reporting Initiatives ("GRI").

## OUR APPROACH

PESTECH's approach towards sustainability includes focusing on developing and creating sustainable energy generation for development and construction of electrical infrastructure for the global community, which resonates with its vision to be 'Consistently Dependable & Value Add as a Sustainable Electrical Infrastructure Builder'.

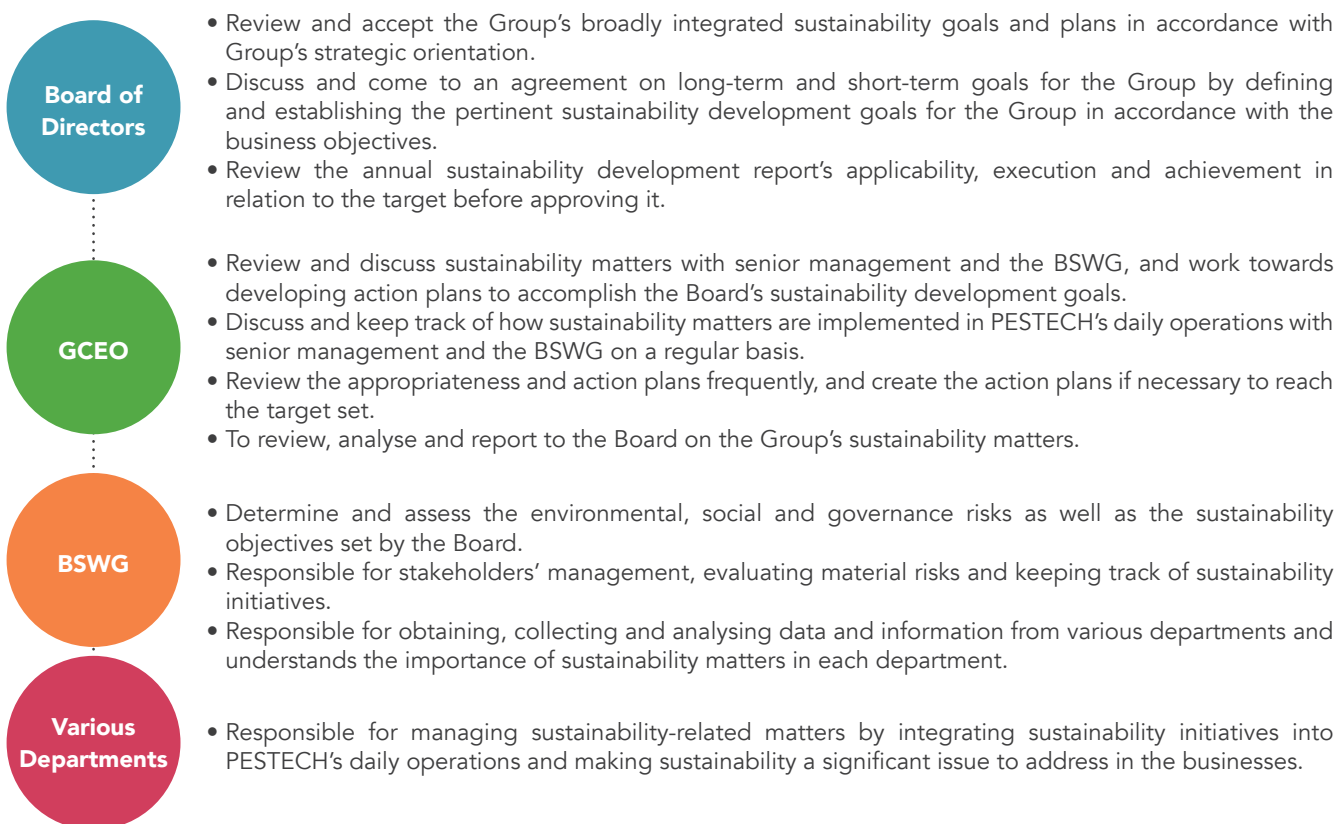
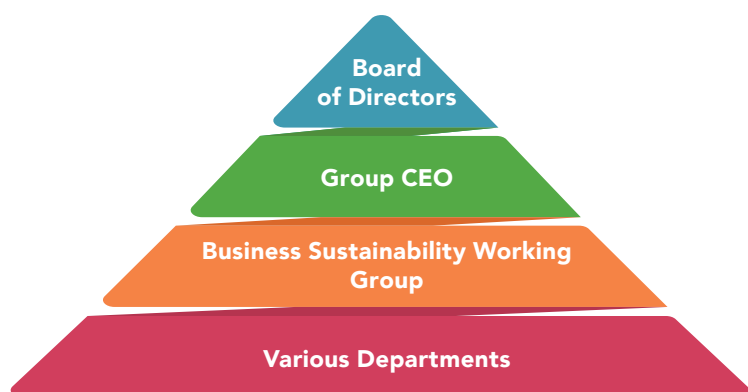
## OUR COMMITMENT TO BUSINESS SUSTAINABILITY

PESTECH commits towards contributing to sustainability agenda within its operations by setting goals and adopting programs that work towards fulfilling sustainable economic development underpinned with strict governance and social responsibility. The resources and human capital development of the Group are skewed towards offering sustainable development of electrical infrastructure for the grid and transportation system.

## SUSTAINABILITY GOVERNANCE STRUCTURE

A four-tier sustainability governance structure has been formed comprising the Board, Group Chief Executive Officer ("GCEO"), Business Sustainability Working Group ("BSWG") and personnels from various departments.

The roles and responsibilities of each level of the structure are described below:



During the financial year under review, while we stride towards driving our sustainability initiatives across the organisation, the evolving disclosure recommendations of various reporting frameworks are becoming more robust and demand to meet certain sustainability requirements has gradually become a business norm when we are dealing with our stakeholders. Under the Task Force on Climate-Related Financial Disclosures ("TCFD"), the 11 disclosure recommendations span four (4) different areas, i.e. governance, strategy, risk management, and metrics and targets have posed heightened need for an effective implementation of sustainability to be in place.

# Sustainable Development Report













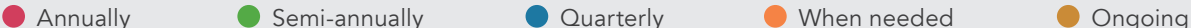
On 26 September 2022, Bursa Malaysia Securities Berhad ("**Bursa Malaysia**") had made an amendments to the MMLR in relation to an enhanced sustainability reporting framework, where the implementation of amendments will be undertaken on a phased approach, spans from the period from 31 December 2023 to 31 December 2025.

With the pressure on businesses to act on the sustainability agenda will only increase with time, during the financial under review, PESTECH had engaged with Tricor Axcelasia Sdn. Bhd. to develop an enhanced sustainability framework for the Group to ensure the prevailing standards and requirements of a well-established sustainability framework are being addressed for our Company, to uphold a more comprehensive sustainability reporting and foster a sustainability culture within the Group.

## STAKEHOLDER ENGAGEMENT

Our key stakeholders are identified through issues which are material based on their impact on the Group's operations and the relevance to the business. In engaging with our stakeholders, we pursue various approaches to enable them to understand our business operations and seek their feedback and input on matters that are relevant to them.

The communication channel we engaged with stakeholders include conventional documents, electronic documents, web-based media platforms and face-to-face communications as follows:

Stakeholders	Engagement Platform	Frequency	Stakeholder Interests, Main Topics
 <b>Shareholders/Investors</b>	<ul style="list-style-type: none"> <li>Annual/extraordinary general meetings</li> <li>Financial results briefings</li> <li>Bursa Malaysia announcements</li> <li>Corporate website</li> <li>Social Media</li> <li>Press releases</li> </ul>		<ul style="list-style-type: none"> <li>Financial sustainability and returns</li> <li>Business prospects</li> <li>Investment plans</li> <li>Corporate exercises</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>Customer Satisfaction Survey</li> <li>Meetings and briefings</li> <li>Company's website</li> <li>Site visits</li> </ul>		<ul style="list-style-type: none"> <li>Products and services reliability/quality</li> <li>New technologies</li> <li>Customer support</li> </ul>
 <b>Suppliers, Subcontractors and Vendors</b>	<ul style="list-style-type: none"> <li>Engagement with suppliers</li> <li>Factory visits and meetings</li> </ul>		<ul style="list-style-type: none"> <li>Collaboration for business opportunities</li> <li>Contract negotiation</li> <li>Procurement processes</li> <li>Fraud and bribery awareness</li> <li>New business opportunities and future development</li> </ul>
 <b>Local Authorities/ Regulators/ Government Agencies</b>	<ul style="list-style-type: none"> <li>Meetings and briefings</li> <li>Site visits</li> <li>One-to-one engagements</li> </ul>		<ul style="list-style-type: none"> <li>Regulatory and operational compliance</li> <li>Changes in the regulatory framework and electricity industry</li> <li>Environmental, health and safety management</li> <li>Promotion of joint industry programs</li> </ul>
 <b>Employees</b>	<ul style="list-style-type: none"> <li>One-to-one engagements</li> <li>Meetings and briefings</li> <li>Newsletters</li> <li>Social media</li> <li>Sporting events and activities</li> <li>Training sessions</li> <li>Webinars</li> </ul>		<ul style="list-style-type: none"> <li>Employee benefits</li> <li>Well-being and workplace culture</li> <li>Health and safety of employees</li> <li>Talent and skills development</li> <li>Employee satisfaction</li> </ul>
 <b>Local Communities</b>	<ul style="list-style-type: none"> <li>Participation in community projects and activities</li> </ul>		<ul style="list-style-type: none"> <li>Contribution for victims suffered from natural disasters</li> <li>Accessible and reliable supply of electricity</li> <li>Contribution to community development</li> </ul>
			

## MATERIALITY ASSESSMENT AND KEY SUSTAINABILITY MATTERS




We regularly assess existing material sustainability matters as part of our continuous efforts to ensure the applicability and relevance to our business operation and stakeholders due to the rapidly changing environment. We assess materiality based on two dimensions: relevant to PESTECH and relevant to stakeholders.

The following table highlights our material sustainability matters and the mapping of our sustainability matters to UNSDG:

Sustainability matters		UNSDG reference			
Governance and Economic					
Sustainable Electric Infrastructure Development		7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	11 SUSTAINABLE CITIES AND COMMUNITIES	
Ethical Business Conduct and Culture		16 PEACE, JUSTICE AND STRONG INSTITUTIONS			
Customer Satisfaction		9 INDUSTRY INNOVATION AND INFRASTRUCTURE			
Anti-Bribery and Anti-Corruption		16 PEACE, JUSTICE AND STRONG INSTITUTIONS			
Environment					
Energy Efficiency and Emissions		7 AFFORDABLE AND CLEAN ENERGY	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	
Recycling Program		3 GOOD HEALTH AND WELL-BEING	12 RESPONSIBLE CONSUMPTION AND PRODUCTION		
Environmental Compliance		16 PEACE, JUSTICE AND STRONG INSTITUTIONS			
Social					
Health and Safety		3 GOOD HEALTH AND WELL-BEING	8 DECENT WORK AND ECONOMIC GROWTH		
Diversity and Equal Opportunity		5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH		
Employment		3 GOOD HEALTH AND WELL-BEING	5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH	10 REDUCED INEQUALITIES
Training and Development		4 QUALITY EDUCATION			
Engagement with communities		1 NO POVERTY	4 QUALITY EDUCATION	11 SUSTAINABLE CITIES AND COMMUNITIES	

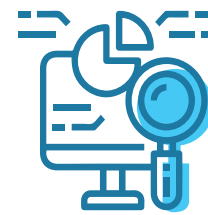
## Sustainable Development Report

We define each of the sustainability matters and mapped it to GRI standards as follows:

Pillar	Material Issue under GRI	Material Sustainability Matters	Definition
 <b>Governance and Economic</b>	Economic Performance	Sustainable electric infrastructure development	Focusing on financial performance and execution of infrastructure development in a sustainable manner
	Ethical Business Conduct and Culture	Code of Conduct	Reinforce ethical conduct within the business culture
	Customer Engagement	Customer Satisfaction	Value customer's feedback and improve customer satisfaction
	Anti-Corruption	Anti-Bribery and Anti-Corruption	Provide awareness amongst internal and external stakeholders on Anti-Bribery and Anti-Corruption Policy
 <b>Environmental</b>	Energy and Emission	Energy Efficiency and Emission	Collate energy use and greenhouse gases emissions ("GHGs") at our operations
	Waste Management	Recycling Program	Implement waste-management related practices at offices and work sites
	Environmental Compliance	Environmental Compliance	Comply with applicable laws and regulations relevant to environment
 <b>Social</b>	Occupational Health and Safety	Health and Safety	Prioritise occupational health and safety of all employees at offices and work sites
	Diversity and Equal Opportunity	Diversity and Equal Opportunity	Diverse and equal opportunity for all employees
	Employment	Employment	Equal employment opportunity with diversity and talent development
	Training and Education	Training and Development	Continuous training and development for employees for re-skilling and up-skilling to be in tandem with the Company's growth
	Local Communities	Engagement with communities	Provide aids/assistance and improve the quality of life of the community through various forms of corporate social responsibility activities



# ECONOMIC



## ROOFTOP SOLAR FOR GARMENT FACILITY IN CAMBODIA

High electricity costs and growing sustainability requirements from buyers are significant challenges for many garment factories in Cambodia. Faced with pressures from international buyers to reduce environmental footprints, our solar team in PESTECH (Cambodia) Plc. ("PCL") is poised to position itself as a "Sustainable Electrical Infrastructure Builder" to offer their solar expertise and know-how to the business community in the Cambodia.

In FY 2022, PCL had executed a rooftop solar project for TotalEnergies Renewables (Cambodia) Co., Ltd for the design and build of a 750kWp grid-tier rooftop PV power generation system for a cut and sew apparel manufacturing facility in the Kandal Province, Cambodia.

## Sustainable Development Report

The scope of work include the provision of full turnkey design, engineering, procurement, manufacture, construction, erection, installation, testing and commissioning of the rooftop PV system. The estimated total solar generation is 1,032MWh per annum.

### **LSS FARM: 20MW SOLAR PHOTOVOLTAIC POWER PLANT: BAVET CITY, SVAY RIENG, CAMBODIA**

Our first large-scale solar ("LSS") farm project in Bavet City, Svay Rieng Province, Cambodia was completed in January 2022. It was named as LSS Surya to pay tribute to the sun that generates life and energy. The installation of solar panels that use sunlight as a source of energy to generate direct current electricity guarantees clean energy source and reduces GHGs into the atmosphere. Total solar generated by Surya LSS Farm from February 2022 to 20 October 2022 is 26,162,909kWh.

### **ROOFTOP SOLAR FOR A POULTRY FARM IN MALAYSIA**

At the homefront, we were engaged to execute a rooftop solar project for a poultry farm in Melaka, Malaysia. The project was completed in August 2022. The estimated solar energy generated for the next 20 years is 5.4GWh or 270,000kWh per annum.



### **EV CHARGING**

PESTECH believes that the rise of electric vehicles gives us an excellent opportunity to install more EV charging stations in commercial and residential areas. Our attempt to encourage the construction of EV charging points within commercial areas and buildings is to stimulate the shift towards picking up EV ownership in Malaysia because the majority of the carbon footprint in the city is produced by automobiles on the road.

The number of electric vehicles in South East Asia is expected to grow at least 34% CAGR between 2022 – 2030. With that comes the need for EV charging infrastructure. PESTECH is positioned to be a player in the ecosystem by providing end-to-end solutions for EV charging. During FY 2022, we have launched the PlugInfinite EV Charging Management Platform. PlugInfinite is an integrated platform to manage the EV charging ecosystem. Coupled with EV chargers of various capacities from 7kW to over 200kW, we are aiming to be the technology partner for clients to establish charging hubs across the nation.

As an introductory and promotion of PlugInfinite application as an integrated platform to manage the EV charging ecosystem, the Group, through its subsidiary PESTECH Energy Sdn. Bhd., had initiated the installation of two (2) units of EV chargers at Main Place Mall.

### **CUSTOMERS' SATISFACTION**

We value our customers' feedback through the conduct of Customer Service Survey. Our project team gathers our customers' feedback on the products, services and EPCC projects. If relevant, suggestions and comments from them will be taken into consideration for further improvements in our project undertakings. Whenever required, we will request for meetings with customers to understand and discuss about their dissatisfaction to ensure their comments are being addressed.

As of FY 2022, the customer service survey indicated that the customer satisfaction for PESTECH Sdn. Bhd. is 73.21% (FY 2021: 74.5%) while for PESTECH Energy Sdn. Bhd., the net performance score is 100% (FY 2021 : 100%).



## CODE OF CONDUCT

PESTECH has a formalised Code of Conduct that sets out the fundamental principles and guidelines for all employees to uphold high ethical business standards and apply these values in all aspects of the Group's business and dealing with its stakeholders. All employees were made known of the core values in the Code of Conduct upon recruitment where they are required to sign-off their pledge for adherence to the Group's Code of Conduct. The Code of Conduct is published on our Company's website at [www.pestech-international.com](http://www.pestech-international.com).

## ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

PESTECH's Anti-Bribery and Anti-Corruption Policy, Guidelines and Procedures ("**ABAC**") aims to extend our commitment towards conducting our business ethically with utmost integrity for all its operations locally and overseas. The ABAC is accessible on our Company's website at [www.pestech-international.com](http://www.pestech-international.com).

PESTECH adopts a zero-tolerance position on all forms of bribery and corruption in all aspects of our business operations. The ABAC sets out the policy, guidelines and procedures concerning improper solicitation, bribery, and other corrupt activities that may potentially arise within the organisation. The ABAC outlined the do's, don'ts' and limitations when it comes to provision of entertainment and corporate hospitality, restricted gift, corporate contributions, political contributions, dealing with public officials and third parties, amongst others, the areas where bribery or corruption may potentially occurred.

Nonetheless, employees are reminded that the ABAC shall not be taken as exhaustive, should he/she encounters any kinds of situation that may potentially resulted him to be violated of the ABAC or alleged to be involved in any bribery or corruption activities, he must report to the Compliance Officer of the company as soon as possible. Mandatory online training and assessment on ABAC were provided to employees and refresher training will be conducted on annual basis.

The Company also provides all directors, management staff, employees, vendors of PESTECH and its subsidiaries as well as members of the public with mechanisms to confidentially and anonymously bring to the attention of the Board of Directors ("**Board**") any concerns related to matters relating to code of business conduct and ethics, legal issues and accounting or audit matters, through the dedicated whistleblowing channel.



In FY 2022, there was zero case reported of proved bribery or corruption (FY 2021: zero case reported) and whistle-blowing cases in relation to ethical business practices, or any suspicious corruption or unethical behaviour (FY 2021: zero incidents).

## DATA SECURITY AND PROTECTION POLICY

PESTECH established its first edition of Information Security Policy ("**IS Policy**") in year 2011. The IS Policy was further developed into the current Data Security and Protection Policy in year 2022 ("**DSP Policy**"), which outlines the importance of security and protection of all information-related assets of the Company. The DSP Policy established an integral framework for assurance and protection of information system protection against threats, errors, failures, disturbances, falsifications, sabotages, violations of confidentiality, interruptions of business operations, thefts and natural disasters.

## INFORMATION TECHNOLOGY POLICY

The Information Technology Policy ("**IT Policy**") dated 18 March 2022 outlines the appropriate standard usage of all technology assets that PESTECH owns or rents and applies to all employees, contractors, consultants, temporaries, and other workers at PESTECH, including all personnel affiliated with third parties, including vendors and customers.

### Target for FY 2023

- ZERO incidents of non-compliance with MMLR
- 90% Customers' satisfaction
- ZERO incidents on non-compliance with anti-corruption regulations
- 100% response rate on Whistle-Blower complaints



## Sustainable Development Report

# ENVIRONMENT










### CLIMATE CHANGE RESPONSE

PESTECH is committed to reduce environmental impact through our sustainable practices by decreasing waste and utilising resources efficiently in our operations. PESTECH believes that our pro-active environmental management initiatives will bring a win-win proposition for our natural environment and community. As mandated under the MMLR going forward, PESTECH will be compiling more relevant data and information to monitor the impact of our operation to the climate change and will include climate-related risks and opportunities as part of our risk assessment.

Several green initiatives were undertaken across various parts of PESTECH business operations, aiming at minimising our climate change and environmental impact.

## ENERGY CONSUMPTION IN FACTORY AND OFFICE

PESTECH adopts energy efficiency measures within our offices, project sites, workshops and other premises in managing energy consumption to promote sustainable operations and efficient use of energy resources, such as the following:

	Installation of energy saving Light-Emitting Diodes ("LEDs") bulbs for internal office lighting
	Installation of motion sensors in the office common areas to reduce energy use and cost
	Installation of solar lights for building perimeter lighting as well as at the project sites
	Maximise the entry of natural light in office building
	Plan the usage and movement of heavy machineries to generate savings on energy consumption
	Switch off lights and other office equipment during lunch hour and before leaving the office
	Unplug equipments that drains energy when they are not in use

PESTECH had initiated its own installation of PV systems at its office and factory rooftops under Net Energy Metering Scheme 3.0 introduced by the Government that encourages the usage of renewable energy in Malaysia.

The 114kWp rooftop solar installed at our Shah Alam's head office produced 148,685kWh (\*equivalent to 95.01 tCO<sub>2</sub> for) FY 2022 [FY 2021: 148,994kWh (\*equivalent to 95.20 tCO<sub>2</sub>)].

Subsequently, a 189kWp rooftop solar was installed at our Bukit Beruntung's factory and had produced 54.77MWh (\*equivalent to 35.00 tCO<sub>2</sub>) since installation from July 2022 to October 2022.

## \*CO<sub>2</sub> Avoidance

As electricity generation from renewable resources displaces the generation of power from conventional fossil fuels, the generation of RE therefore reduces the overall greenhouse gas emissions from the fossil fuel power stations connected to the grid system.

A study by MGTC entitled "Study on Grid Connected Electricity Baselines in Malaysia (Year 2012, 2013 & 2014)" assessed the overall average emission factor for Peninsular Malaysia, Sabah and Wilayah Persekutuan Labuan.

CO<sub>2</sub> are made under the calculation of Energy Production (MWh) baseline by year as follows :

- 2016: Baseline CO<sub>2</sub> for Peninsular - 0.639 tCO<sub>2</sub>/ MWh, Sabah and Wilayah Persekutuan Labuan : 0.512 tCO<sub>2</sub>/ MWh

(Extracted from <https://www.seda.gov.my>)

### Target for FY 2023

We continue to explore alternative methods to conserve energy, reduce the carbon footprint and be more energy efficient in our operations.

## RECYCLING PROGRAMME

PESTECH regularly monitors its waste management procedure by looking for new ways of recycling methods to reuse, reduce and recycle. By recycling, reusing and reducing waste, the amount of waste sent to landfills is minimised where it directly reduces emissions, pollution, and contamination to the environment.

### a. Hazardous Waste

Hazardous waste generation and characterisation are factors that affect environmental sustainability.

Thus, proper hazardous waste disposal through a qualified and certified waste collector is a requirement in PESTECH's operating procedures to ensure we strictly comply with the local environmental authorities' requirements. While we continue to practise the concept of 3Rs, i.e. Reduce, Reuse and Recycle, we are constantly looking into new ways and efforts to manage the waste generated at our offices and work sites.

## Sustainable Development Report

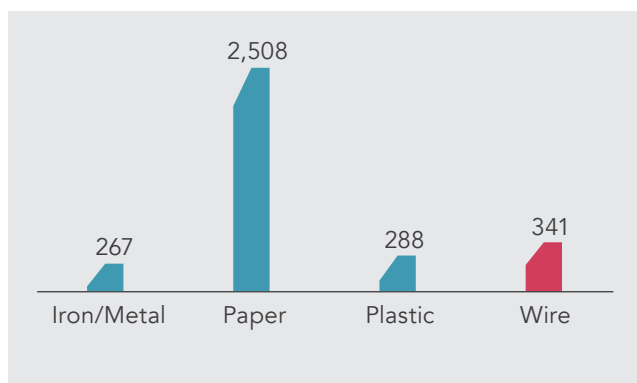
We have one (1) personnel who is a Certified Scheduled Waste Competent Person registered and recognised by the Department of Environment to monitor and ensure our waste management is in compliance with the relevant environmental rules and regulations.

In FY 2022, PESTECH had a total collection of 104.80kg (FY 2021: 267.60kg) of hazardous wastes consists of e-waste, clinical waste, contaminated soil, debris, chemical container, rags, absorbent pads and etc.

### b. 3Rs - Reduce, Reuse and Recycle

3R is a long-standing practice and all employees are compelled to practice 3R, i.e. reduce – creating less waste, reusing and recycling of waste. Over the years, the 3R practice has reaped positive feedback where our employees has becoming more aware that everyone shall be social responsibly to the well-being of the nature, whether at home or at work.

In FY 2022, PESTECH had a total waste collection of 3,411kg (FY 2021: 3,702kg) of materials sent for recycling. The components of the waste collected are as below:-



### c. Environmental Compliance

PESTECH is dedicated to protecting the environment and abiding by all applicable environmental laws and regulations in its business operation. To practice environmental control and enhance its environmental performance, the Group has an environmental policy in place that is in accordance with the Environmental Quality Act 1974 ("EQA") and ISO 14001:2015 Environmental Management System.

Our employees are advocated to fully comprehend our environmental standards and other aspects of environmental matters in order not to expose our businesses to any regulatory risk. With effective policies and procedures in place, there were no sanctions resulted from non-compliance in our operations in FY 2022 (FY 2021: Zero non-compliance case).

PESTECH has taken proactive measures to remedy any environmental issues to meet the environmental compliance standards. We collaborate with our external contractors/sub-contractors that work with us to comply and commit to adherence to our policy in protecting the environment.

The Group continues to put in place relevant monitoring measures to protect and preserve environmental biodiversity. Some of our operating companies have obtained the Certification of ISO 14001:2015 EMS and EQA, in which they are required to perform environment impact assessment for all the projects they are undertaking.

To continue be in compliant with the standards and requirements in these certifications, we spell out our request for supporting document in terms of availability of environmental standards before we engage in any business dealings with suppliers and vendors.

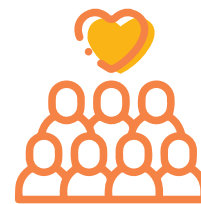
#### Target for FY 2023

- To maintain ZERO incidents of environmental non-compliance
- To maintain ZERO fines imposed by environmental authorities





# SOCIAL



## HEALTH AND SAFETY

We acknowledge and understand the importance of providing a safe and healthy working environment for all employees. To provide a safe workplace for all employees, a Quality, Health, Safety and Environment ("QHSE") policy statement is in place and being communicated to and well-understood by all employees.

The Health, Safety & Environment Committee ("HSE") was established since 2010 to assist in the development of HSE rules and a safe system of the workplace as well as to review the effectiveness of the HSE programs to be in line with the prevailing laws and regulations.

Our health and safety is implemented in accordance with the duly certified ISO 45001:2018 Occupational Health and Safety ("OHS") Management systems standard. The standard requires PESTECH to provide a safe and healthy workplace for employees by setting out proper process and procedures in preventing work place injury and occupational ill health.

## Sustainable Development Report

From time to time, PESTECH will provide OHS training to employees not only to promote health and safety awareness at work place, but also to obtain feedback from employees about work place safety and to provide guidance on emergency response.

In FY 2022, training/briefing conducted to nominated employees that were related to health and safety were:

Training program held in FY 2022
Refresher Programme – Overhead Crane Safety and Prevention Training
Refresher Programme – First Aid Training
Emergency Response Preparedness Induction Training
Chemical Handling & Chemical Spillage Training
Fire Prevention & Fire Extinguisher Training
Working at Height Training
Emergency Evacuation Training
Working at Height & Scaffolding Awareness Training
Drug Abuse Awareness
Overhead Crane Safety Handling Training
Monthly QHSE Awareness Programme

Continuous efforts and measures were taken to priorities occupational health and safety by tracking and monitoring our occupational health and safety indicators in a proper reporting.

During FY 2022, our Health and Safety Performance is as below:

Years	FY 2022	FY 2021
Number of fatalities	0	0
Number of major accident <i>Accidents that cause employees to be on medical leave for more than four (4) calendar days</i>	0	0
Number of minor accident <i>Accidents that cause employees to be on medical leave for four (4) calendar days and below or without any</i>	0	1
Number of near miss <i>An unplanned accident that has the potential to cause but does not result in human injury, environmental or equipment damage, or an interruption to the Group's normal operations</i>	2	10
Lost Time Injury ("LTI")	0	0

### Target for FY 2023

- To maintain zero workplace fatalities and non-compliance
- To continuously monitor and reduce the number of accident cases to zero number of accident cases
- To continuously monitor and maintain/reduce the number of LTI to an acceptable level

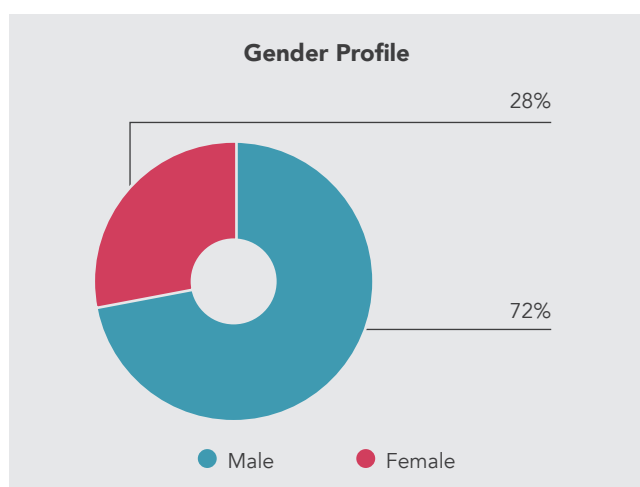
## COVID-19 RESPONSE

In response to COVID-19 pandemic, PESTECH continues to maintain our focus on the health and safety of our employees and customers. We implement our COVID-19 response measures at our office as well as embedding the measures in our daily business operations to ensure their well-being as per the guidelines set by the Government. COVID-19 Positive and Close Contact Policy are in place for the employees' health and well-being.

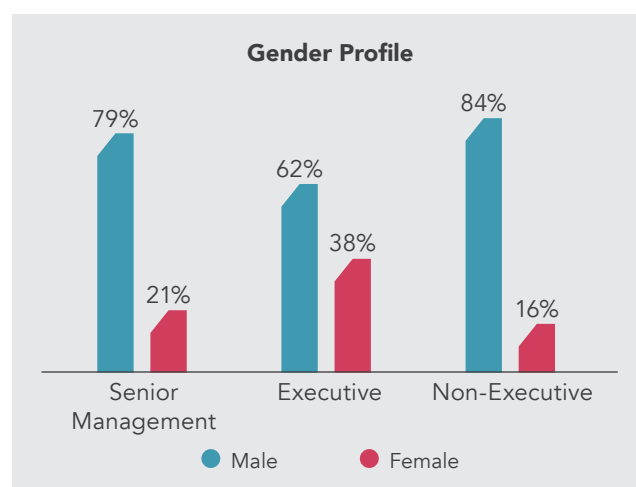
## DIVERSITY AND EQUAL OPPORTUNITY

PESTECH promotes a working culture that is characterised by appreciation, respect and equality in opportunity. Our talents are assessed based on merits, regardless of age, gender, ethnicity, nationality, religion, marital status, education background and physical ability. We believe that by embracing a diverse workforce, drawing people together from different countries will churn greater ideas and perspectives as well as facilitate the exchange of knowledge which is vital for PESTECH to advance its path globally. As a project-based company, our diverse workforce in different countries gives us a competitive edge where we may allocate our resources more effectively depending on the project locations. Our employees will have the opportunities to garner wider exposure and experience by working at different countries wherever the projects are, under different working environment, condition and culture.

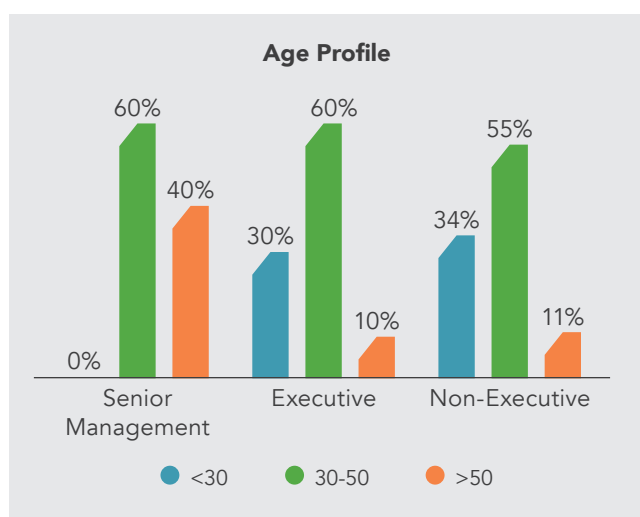
In FY 2022, PESTECH recorded a total workforce of 780, constituting 72% of male and 28% female respectively.



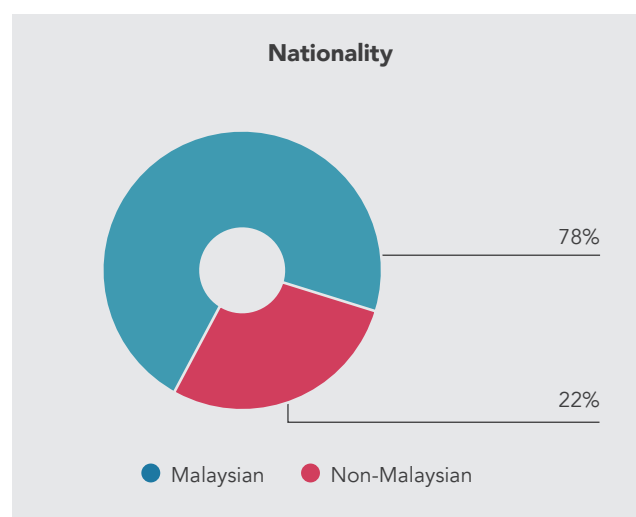
Workforce Distribution by Gender



Workforce Gender Distribution by Level



Workforce Age Distribution by Level



Employee Nationality



# Sustainable Development Report

## TRAINING AND DEVELOPMENT

Continuous training and development is crucial for re-skilling and up-skilling our employees so that they are able to keep abreast with the latest developments and serve the new requirements in the market. At the minimum, training needs will be assessed through our semi-annually performance evaluation process, to identify the key areas for an employee to improve and grow further. Other than external trainings, in-house trainings especially in the area of health and safety were being conducted from time to time as a refresher training.

For FY 2022, the accumulated total hours of training, amounting to 2,234 hours at a total cost of RM13,948.53.

### Target for FY 2023

- To increase the training hours annually for employees and to carry out refresher training on health and safety matters
- No breach of employment laws

## ENGAGEMENT WITH LOCAL COMMUNITIES

PESTECH is committed to contributing to the development and wellbeing of the communities in which we operate. Under the slogan "CARE" which was initiated in 2018 and stands for Community, Advancement, Recuperation, and Environment, we pledge to contribute back to the community where we financially support the underprivileged and deserving in our community.

In FY 2022, a total of RM831,867 (FY 2021: RM231,826.88) donations were made to various bodies to fund further education opportunities and improve the living conditions of those underprivileged.

No.	CSR Activities	Amount	Purpose
1.	Flood donation for Raub Community	RM29,987	Necessity items which include kettles, rice cookers, mattresses, pillows, blankets and foods were distributed to 570 families who have lost their homes and belongings.
2.	Flood donation for employees	RM40,000	Financial assistance were provided to employees whose place of residence were seriously impacted by flood.
3.	Cambodian Red Cross	RM162,546 (USD35,000)	To support the organisation in aiding emergency assistance, disaster relief, and disaster preparedness education.
4.	Contribution to Kriyalakshmi Mandir Shree Sai Gurukul ("KMSSG") Charitable Society Kuala Lumpur	RM30,000	To fund meals for students who come from the urban poor family.
5.	Persatuan Penjagaan Kanak-Kanak Terencat Akal (Johor)	RM30,000	To aid the association in improving the living environment of the center and provide the underprivileged children with better supporting equipment.
6.	Hospis Malaysia Treasure Hunt 2021	RM30,000	To support Hospis Malaysia in providing professional community palliative care to those with life-limiting illnesses.
7.	Beach Cleaning & Mangrove Seed Planting	RM9,334	In collaboration with Malaysia Nature Society ("MNS"), PESTECH had organised Beach Cleaning and Mangrove Seeds Planting with Children from Rumah Cahaya Kasih Bestari at Pantai Bagan Lalang, Selangor. In total, we have collected 28kg of wastes and planted 244 of mangrove seeds.
8.	Persatuan Tindakan Sosial Selangor	RM500,000	To provide assistance to schools and students, who are from the underprivileged families.
		<b>RM831,867</b>	

### Target for FY 2023

- Continue to pursue the existing CARE program
- Continue to engage and support the local and external communities



### PESTECH SCHOLARSHIP PROGRAMMES

As part of our effort in giving back to society, we established an undergraduate/postgraduate scholarship programme in 2019 to provide education sponsorship, training and opportunities to new talents. We believe that sustainable talent building is vital to thrive in a volatile and competitive business environment as the talent of our future leaders is critical to our future success.

The objective of the Scholarship Programmes is to create a vibrant and sustainable talent pipeline by providing education sponsorship, training and opportunities to the selected scholars. Since 2019, scholarships were offered to qualified students based amongst others, their academic achievements, involvement in extracurricular activities, personality and etc. Upon completion, scholars are required to bond themselves on employment with PESTECH for three (3) to five (5) years. To-date, a total up to 9 scholars were sponsored under this programme.

