Shan Poornam Sdn. Bhd.
A Cenviro Company

THE LINK BETWEEN INDUSTRIES, CONSUMERS AND ENVIRONMENT

SUSTAINABILITY REPORT

2023

SHAN POORNAM SDN. BHD.

SUSTAINABILITY REPORT 2023

ABOUT THIS REPORT

Scope & Coverage

Shan Poornam Sdn Bhd ("SPSB", "we", "our") is honoured to present our Annual Sustainability Report ("SR") or ("the Report") for 2023. This Statement provides an overview of SPSB's sustainability performance during the period of 1 January 2023 to 31 December 2023 ("FY2023"), unless stated otherwise. This Statement covers SPSB's sustainability performance and progress of our business operations in Malaysia. It includes data and insights on our environmental, social, and governance (ESG) practices, highlighting our commitment to sustainability and responsible business practices. This report covers SPSB's operation across six entities.

Reporting Framework

We have aligned this report with the Bursa Malaysia Sustainability Reporting Guide to ensure transparency and consistency in our reporting. Additionally, we have referenced the Global Reporting Initiative (GRI) Standards to further enhance our sustainability journey. Sustainability Reports have been published from 2019 to 2022, with the inaugural report under Bursa Malaysia guidelines released in 2023.

Emission Quantification

Emission quantification includes a detailed analysis of both direct and indirect emissions across 6 entities based on the equity share approach, ensuring a thorough understanding of the organisation's environmental impact. The assessment is conducted in accordance with the GHG Protocol Corporate Accounting and Reporting Standard (GHG Protocol) (WRI&WBCSD), ensuring that the methodology and reporting approach meet international standards. This report aligns with the principles of the GHG Protocol, focusing on the most relevant and significant emissions sources for SPSB.

Feedback & Inquiries

We welcome feedback, questions, and inquiries regarding this report and our sustainability practices. For further information or to engage with us on sustainability-related matters, please contact our Sustainability Team. (sustainability.enquiry@ensspm.com)

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CEO'S MESSAGE

Dear Stakeholders,

As we release our inaugural **Sustainability and Greenhouse Gas (GHG) Report for 2023**, we stand at a pivotal moment in our journey toward becoming a more sustainable, transparent, and responsible business. This report is more than a reflection of our achievements; it is a testament to our commitment to building a resilient, low-carbon future for Malaysia and beyond. This report represents not only our commitment to meeting Bursa Malaysia's sustainability reporting requirements but also our dedication to global best practices as outlined by the **Global Reporting Initiative (GRI)** standards. Our GHG inventory were developed by adopting GHG Protocol methodology to ensure adhere to a recognized standard.

At Shan Poornam, sustainability has long been a core principle of our operations. However, the urgency of climate action, evolving stakeholder expectations, and today's environmental challenges have deepened our resolve. As we align our efforts with global guidelines and track our GHG emissions with greater precision, we aim to provide a comprehensive, clear, and accountable picture of our sustainability journey.

Dato' Seri Selvakumar Shanmugam Chetty
CEO of Shan Poornam Sdn. Bhd.

In 2023, we took significant steps to measure, manage, and reduce our environmental impact, including the carbon footprint of our operations. Our GHG emissions data has been carefully compiled following the Greenhouse Gas Protocol and is reported to enhance transparency and drive accountability in our industry.

Our GHG emissions report covers Scope 1, 2, and 3 categories, including emissions from direct operations, electricity consumption, and our broader supply chain. This report prioritizes Scope 1 and Scope 2 emissions, which account for approximately 96% of our inventory. This year serves as the baseline for future year-to-year comparisons in these scopes. For Scope 3, we cover categories such as employee commuting, waste generated, and business travel.

For SR 2024, we will incorporate Product Carbon Footprint (PCF) reporting. This means that by purchasing our recycled products, customers can see the carbon footprint savings compared to using virgin materials. Additionally, from the waste collected by Shan Poornam in 2023, customers will know the amount of carbon footprint reduced.

This report reflects our dedication to social responsibility and governance as integral to our sustainability framework. As we integrate ESG (Environmental, Social, and Governance) considerations into our strategy, we remain committed to responsible business practices that create value for our shareholders, communities, and the ecosystems we impact. This marks the first step in a continual process of refining our sustainability goals, engaging stakeholders, and ensuring a positive legacy for future generations.

Looking forward, we are setting ambitious targets to reduce our carbon footprint and transition toward a low-carbon future. Achieving these goals will require collaboration across our value chain—from suppliers to customers, employees to investors—and we are committed to fostering these partnerships to drive meaningful change.

We are proud of the progress we have made, but we understand that sustainability is a journey, not a destination. This inaugural report marks the beginning of a new chapter in our environmental stewardship, laying the foundation for greater accountability, transparency, and commitment to addressing the climate crisis.

We thank our stakeholders for their trust and support and look forward to working together on our journey toward a more sustainable, resilient, and responsible future.

Warm regards,
Dato'Seri Selvakumar Shamugam Chetty
Chief Executive Officer
Shan Poornam Sdn. Bhd.

ABOUT SHAN POORNAM SDN. BHD.

Shan Poornam Sdn Bhd (SPSB) stands as a pioneering and leading regional entity in industrial waste management and processing. Licensed by the Department of Environment (DOE), SPSB specialises in the recovery and processing of both hazardous and non-hazardous solid and liquid waste. Notably, SPSB holds the distinction of being the first Prescribed Premise licensed by the Department of Environment (DOE) to manage metal chips and articles contaminated with spent coolant under **Schedule Waste Code 422**.

As an associate of Cenviro, a wholly owned entity of Khazanah Nasional Berhad, SPSB operates state-of-the-art facilities equipped with **ECO Green Technology** across four locations. These facilities collectively boast a processing capacity **exceeding 5,000 metric tonnes per month**, handling a diverse range of industrial waste, including electronic waste (e-waste), spent acids, alkaline solutions, solvents, sludge, dross, and non-ferrous metal scrap.

The company began in 1960 as a waste collection and used timber trading centre way before the concept of recycling became a known issue in Malaysia in the early 1990s'. Since then, the company has continued and expanded its business to include hazardous and non-hazardous e-waste and in 1996, became the first company licensed by the DOE to manage and process **Metal Chips and Articles Contaminated with Spent Coolant Under Schedule Waste Code SW 422**.

VISION

To be your one shop solution provider to transform hazardous waste including intellectual property to raw materials for same or other industries with full environmental compliance
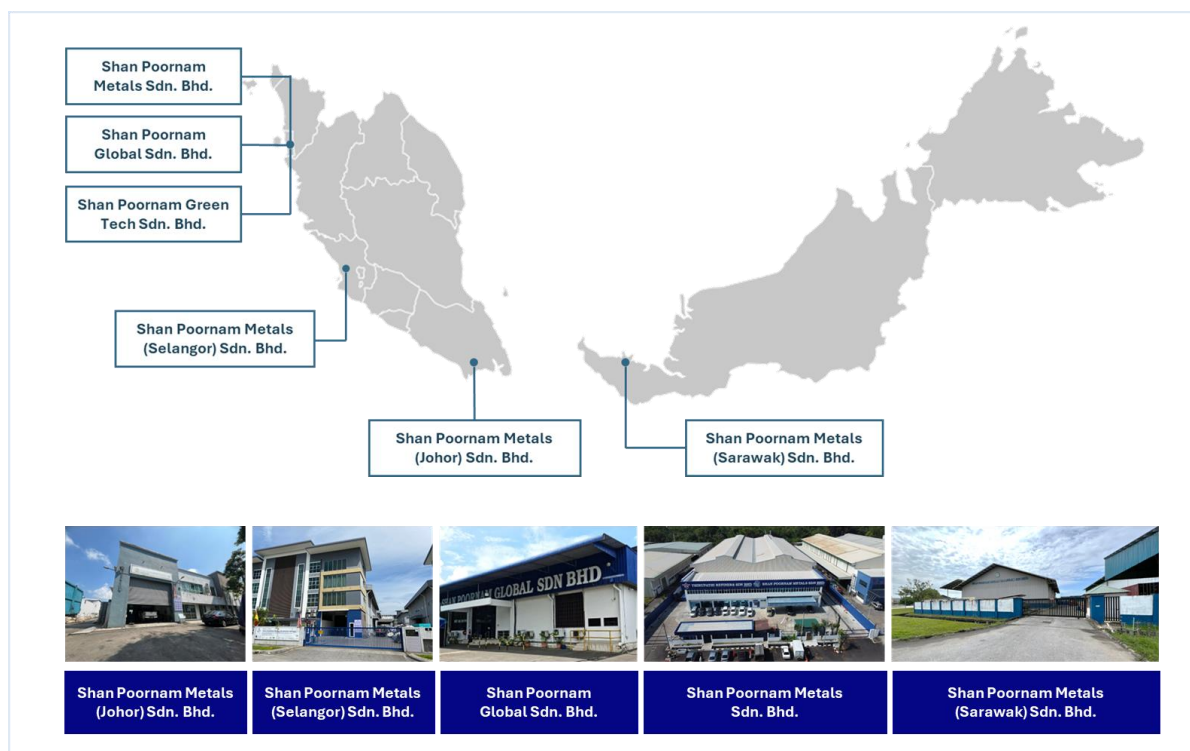
MISSION

Leader And Always Ahead of Others In:
- **Environmental Compliance**
- **Intellectual Property Right Protection**
- **Integrity**
- **Solution Provider for Asset Management**
- **Safe Working Environment**
- **Research and Development**

Operational Region

SPSB includes six independently run entities located across Malaysia including **Penang, Johor, Selangor** and **Sarawak.**

OUR CORPORATE MILESTONES

1960
- Conception of ENS Penang Collection Center (20K sqft)

1999
- Incorporation of Shan Poornam Sdn. Bhd. (HQ) - SPM

2000
- SPM strategized on Intellectual Property Rights Protection

2006
- Granted Full Recovery Licenses – Shan Poornam Metals (88K sqft)
- License to process Metal Chips and Articles Contaminated with Spent Coolant under Scheduled Waste Code SW 422

2007
- Incorporation of Shan Poornam Global (SPG) and Full Recovery Licenses (88K sqft)

2011
- Incorporation of SPM Sarawak and Full & Partial Recovery Licenses (63K sqft)
- Establishment of ENS4R Collection Centre.
- SPM was appointed by JICA, DOE & the Penang State Pilot Project on e-waste

2013
- Incorporation of SPM Johor and Partial Recovery Licenses (6K sqft)
- SPM acquisition of land (162K sqft)
- Strategize with DOE on E-Waste Alam Alliance
- Establishment of Shan Poornam Green Tech (SPGT) and applied EIA for Full Recovery License

2014
- Establishment of SPM Selangor Collection

2015
- SPM granted Partial Recovery License (114K sqft)
- SPM divested 40% shares to Cenviro Sdn Bhd (100% owned by Khazanah Nasional Berhad)

2020
- Shan Poornam Green Tech (SPGT) granted Full Recovery License and the 1st Household E-Waste License in Malaysia (48K sqft)

2021
- Inaugural Launching of Sustainability Report 2019/2020
- Highest Volume E-waste Collection Award by DOE (Recovery & Refining Facility Category)
- Awarded TAPA Facility Security Requirement (FSR) Level A

2022
- Awarded TAPA Trucking Security Requirements (TSR) Level 1
- SME HR Excellence Award 2022 Malaysia for Excellence in CSR Strategy (Bronze)

2023
- ESG Positive Impact Award 2022 (Large Company Tier) : Environmental Category - Responsible Consumption & Production (Silver)
- Human Resources Excellence Awards 2023:
    - Employee Experience Awards 2023 - Best Women Leadership Programme (Bronze)
    - Excellence in Employee Volunteerism (Silver)
    - Excellence in Crisis Management Planning (Silver)
    - Best HR Team (SME) (Silver)

OUR FINANCIAL PERFORMANCE

	2023
Revenue	RM 532,105,000
EBITDA*	RM 62,657,000
Profit Before Tax	RM 46,674,000
Profit After Tax	RM 33,748,000
Total Assets	RM 337,685,000
Total Liabilities	RM 179,568,000
Shareholder's Equity	RM 158,117,000
Return on Equity	0.21
Debt to Equity Ratio	1.14

*EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortisation

OUR GROUP STRUCTURE

Our Governance Structure

Dato' Seri Selvakumar A/L Shanmugam Chetty	Cenviro Recycling & Recovery Sdn Bhd (CRR)
60%	40%

Shan Poornam Sdn. Bhd. ("SPSB")

Investment Holding Company

100%   100%

Shan Poornam Metals Sdn. Bhd. ("SPM")	**Shan Poornam Global Sdn. Bhd. ("SPG")**
Management of Industrial Waste (mainly solid metals), Manufacturing of Secondary Aluminium Alloy Ingot	Management of Industrial Waste (Mainly solutions & sludges) including processing & recovering

100%   100%   100%   70%   30%

Shan Poornam Green Tech Sdn. Bhd.	**Shan Poornam Metals (Johor) Sdn. Bhd.**	**Shan Poornam Metals (Selangor) Sdn. Bhd.**	**Shan Poornam Metals (Sarawak) Sdn. Bhd.**
Household, Commercial & Industrial E-Waste	Collecting & Recycling of Scraps	Collecting & Recycling of Scraps	Collecting & Recycling of Scraps

Our Board of Directors

OUR GROUP STRUCTURE

Our Business Partners

OUR CERTIFICATES

EMS SPM Plot 34
- **ISO 14001:2015 -** Environmental Management System
- **OHSAS 18001:** Operational Health & Safety
- **ISO 9001:2015 -** Quality Management System

EMS SPG Plot 35
- **ISO 14001:2015 -** Environmental Management System
- **OHSAS 18001:** Operational Health & Safety

EMS SPM Plot 204
- **ISO 14001:2015 -** Environmental Management System
- **OHSAS 18001:** Operational Health & Safety
- **ISO 9001:2015 -** Quality Management System

Penang Green Office Certification (Plot 34)

OHSAS 18001 Conversion to ISO 45001 – OSHMS SPM Plot 34

OHSAS 18001 Conversion to ISO 45001 – OSHMS SPG Plot 35

EMS SPGT Plot 204
- **ISO 14001:2015 -** Environmental Management System
- **ISO 45001:2018 -** Occupational Health and Safety Management System
- **ISO 9001:2015 -** Quality Management System

R2:2013 - Responsible Recycling (R2) Rev. 7/2013 SPM Plot 34 and 204, and SPGT Plot 204

Transport Asset Protection Association (TAPA) TAPA TSR-2020 Trucking Security Requirements TSR Level 1

Transport Asset Protection Association (TAPA) Facility Security Requirements 2023 FSR Level A

UL 2809 – Aluminum Ingot SPM Plot 34

OUR AWARDS

2010 — **2011**

2010

Industrial
Excellence Awards
(MITI)

2011

- **Prime Minister's Hibiscus Award 2010/2011**
  - Notable Achievement in Environmental Performance
- **Prime Minister's Hibiscus Award 2010/2011**
  - Special Project Award
- **Recognised Articles by ISRI Sept/Oct 2011**
- **Media "New Strait Times**

2013 — **2012**

2013

- **Global Leadership Awards 2013**
  - Renewable Energy Sector
- **4th Middle East Business Leaders Awards 2013**
  - Leadership in Renewable Energy & Technology

2012

- **GreenTech Manufacturer Award 2012 - Gold**
- **Corporate Social Responsibility Leadership Awards 2012**

2014 — **2015**

2014

- **Global Leadership Awards 2014**
  - Excellence in Environmental Sustainability
- **Penang Green Office**

2015

- **Star Outstanding Business Awards 2015**
  - Best Green Initiatives Gold Award
- **Star Outstanding Business Awards 2015**
  - Best Innovation Platinum Award
- **International Awards for Excellence Leadership (Madrid, Spain)**

2021 — **2016**

2021

Highest Volume E-waste
Collection Award by DOE
(Recovery & Refining Facility
Category)

2016

- **SMEs Best Brands™ Award**
  - Corporate Branding (Green Renewable Energy)

2022 — **2023**

2022

- **PIKOM WCIT 2022 / Techfest 2022**
  - Industry Excellence Awards
- **HR Resources Online**
  - HR Excellence Awards 2022 Malaysia Excellence in CSR Strategy (Bronze)

2023

- **ESG Positive Impact Award 2022 (Large Company Tier)**
  - Environmental Category - Responsible Consumption & Production (Silver)
- **Employee Experience Awards 2023**
  - Best Women Leadership Programme (Bronze)
- **Human Resources Excellence Awards 2023**
  - Excellence in Employee Volunteerism (Silver)
  - Excellence in Crisis Management Planning (Silver)
  - Best HR Team (SME) (Silver)

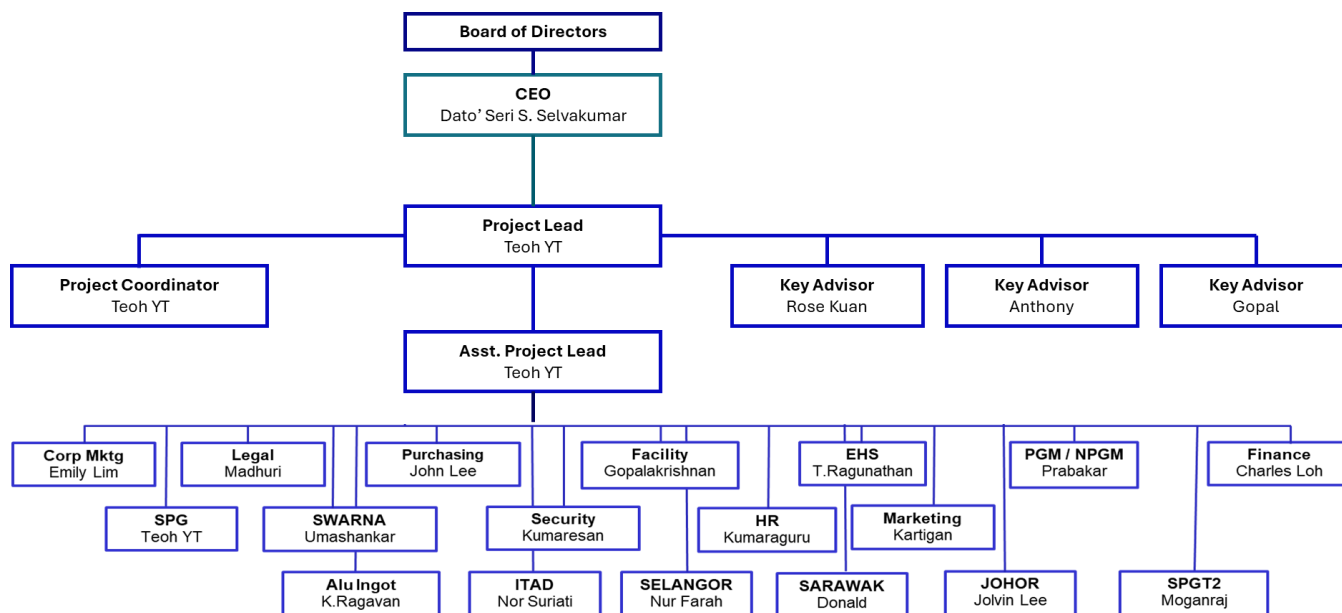# OUR APPROACH TO
SUSTAINABILITY

| ENVIRONMENT | SOCIAL | GOVERNANCE |

OUR APPROACH TO SUSTAINABILITY

Sustainability Governance

Sustainability governance ensures that SPSB integrate environmental, social, and governance considerations into their decision-making processes to promote long-term ecological balance and responsible resource management.

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                        ┌──────────────────────┐
                        │  Board of Directors  │
                        └──────────┬───────────┘
                        ┌──────────┴───────────┐
                        │         CEO          │
                        │ Dato' Seri S. Selvakumar │
                        └──────────┬───────────┘
                        ┌──────────┴───────────┐
                        │     Project Lead     │
                        │       Teoh YT        │
                        └──────────────────────┘
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	Board of Directors and CEO
Executive Leadership	Provides overall leadership and strategic direction for the company, including its sustainability initiatives. They ensure that sustainability is integrated into the company's business strategy and oversees all major decisions related to the company's sustainable development goals.

	Key Advisors and Tech Advisor
Strategic Advisors and Project Leadership	Provide expert guidance and strategic advice on various aspects of sustainability, corporate governance, and technology. They support the CEO in making informed decisions on sustainability initiatives, with Gopal specifically offering technical expertise on implementing and leveraging technology for sustainable practices within the company.
	Project Lead
	Oversees the ESG Framework Establishment and ensures the effective implementation of sustainability strategies across the organization.
	Project Coordinator
	Coordinates the efforts and activities related to the ESG Framework Establishment, ensuring that all teams are aligned and that milestones are met.

|	Department Leads
Operational Management	SPSB Sustainable Initiatives Lead: Directs the specific sustainability initiatives across various functions and regions, ensuring alignment with the overall sustainability strategy of SPSB.

OUR APPROACH TO SUSTAINABILITY

Approach to Stakeholder Engagement

SPSB engages with a diverse array of stakeholder groups that influence or are impacted by our activities. Our key stakeholders include **internal stakeholders and external stakeholders**. They were identified based on interconnectedness and interdependence to our business. Our stakeholders are as illustrated below:

Internal Stakeholders	External Stakeholders
Board of Director and Employees	Investors, Government Agencies, Customer, Suppliers, Local Community/Society, Academics and Industrial Peers

From the identified stakeholders, a stakeholder prioritisation was conducted and facilitated with a tool developed by **Bursa Malaysia: the Sustainability Reporting Guideline Third Edition**. The stakeholder prioritisation aims to identify and rank the stakeholders based on their level of influence and interest in the project. The stakeholders' prioritisation are as shown below:

Stakeholder Prioritisation for Shan Poornam
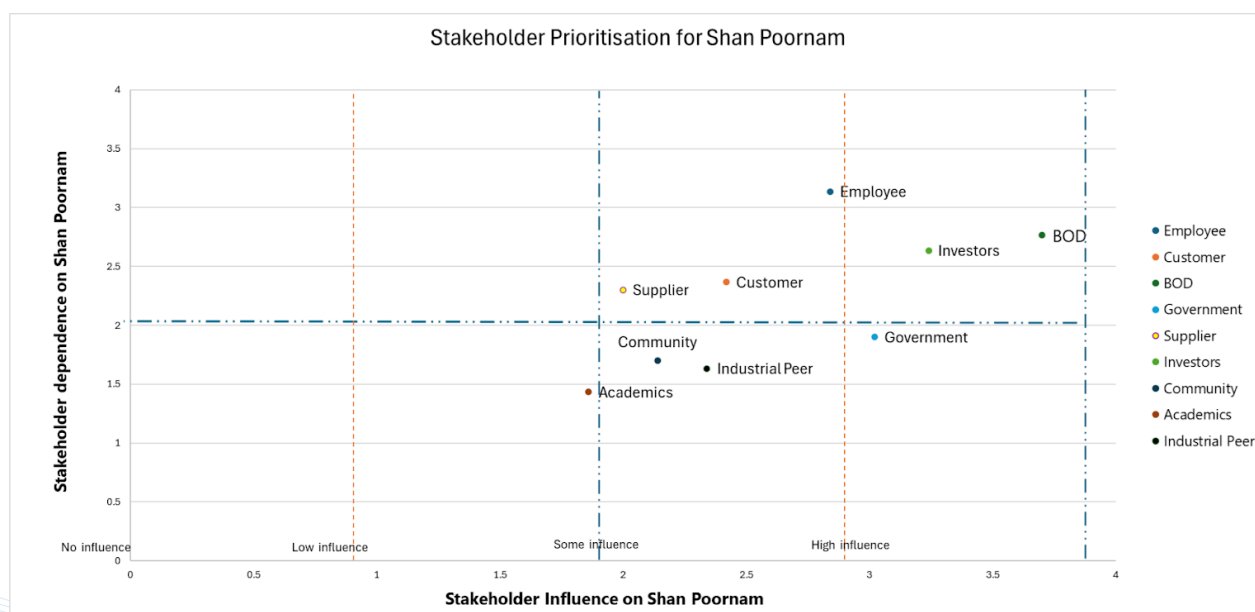
Regular engagements are held through engagement methods suitable for stakeholder groups. These engagements help us to identify relevant material issues and provide insights into emerging opportunities and risks whilst responding to their needs more effectively. For FY2023, we focused on engaging with internal stakeholders and proceeded with gathering information from desktop research for external stakeholders. Direct engagement with external stakeholders will be conducted during the next reporting cycle.

OUR APPROACH TO SUSTAINABILITY

Approach to Stakeholder Engagement

Our approach to engagements are as detailed below. The engagement plan are as detailed below:

Internal Stakeholders

Board of Directors	Employees
Objective of Engagement: • Career progression • On-going communication • Job security • Occupational health & safety	**Objective of Engagement:** • Career progression • On-going communication • Job security • Occupational health & safety

Engagement Platforms:
• Questionnaires (Pilot Test)
• Questionnaires (Finalised)

External Stakeholders

Investors	Government Agencies
Objective of Engagement: • Transparency & disclosure • Long term performance • Risk management	**Objective of Engagement:** • Legal compliances • Building trust & reputation
Customer	**Suppliers**
Objective of Engagement: • Affordability • Accessibility of network • Services transparency	**Objective of Engagement:** • Sound payment practices & vendor performance
Local Community/Society	**Academics**
Objective of Engagement: • Social requirement (contribution to the society. eg: charity)	**Objective of Engagement:** • Access to expertise • Validation & credibility • Innovation & best practice • Cross-sector collaboration

Industrial Peers

Objective of Engagement:
• Industry stewardship (best practice implemented by other industries)

Engagement Platforms:
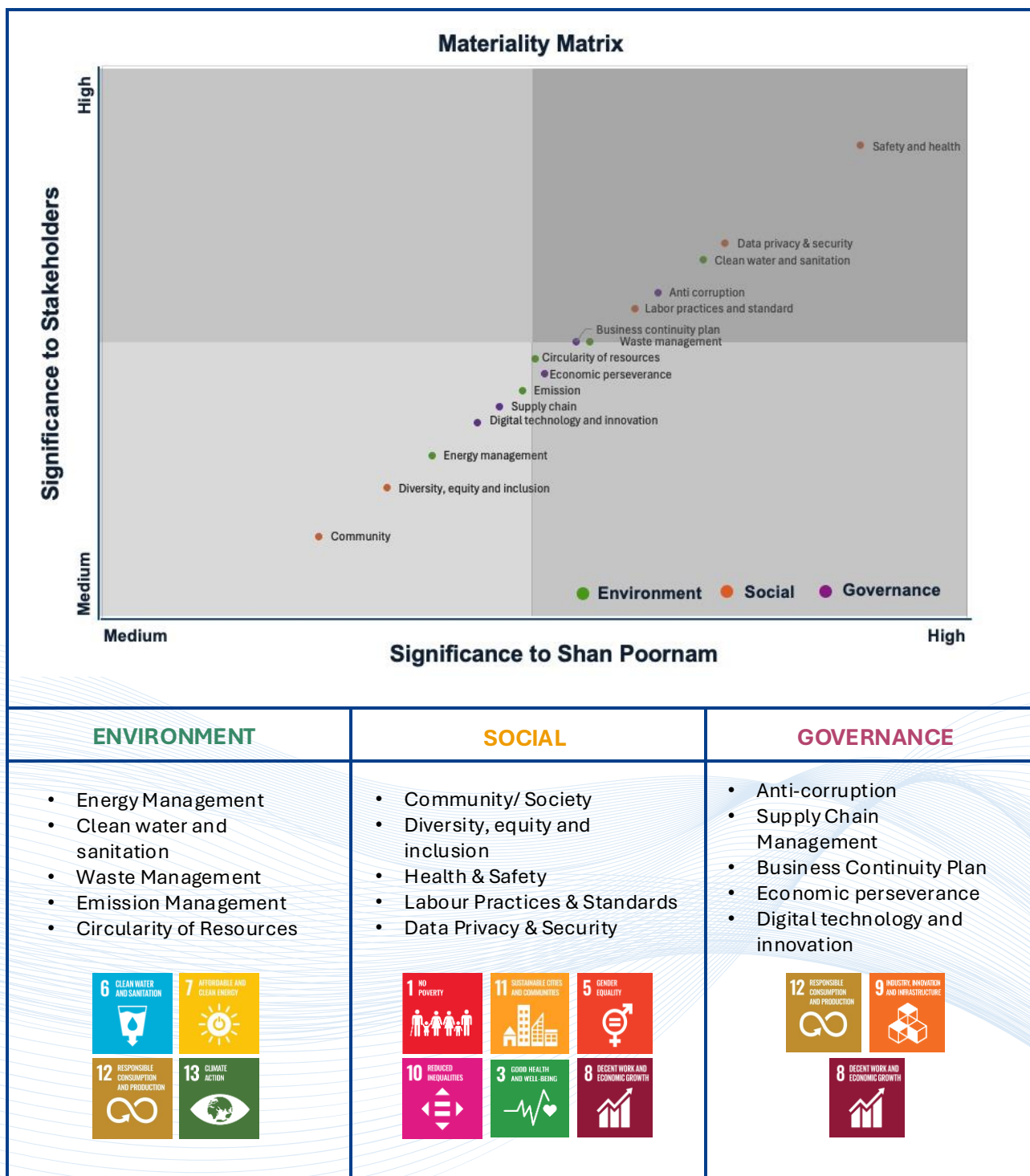• Situational analysis
• Desktop research

OUR APPROACH TO SUSTAINABILITY

Materiality Matters and Matrix

For FY2023, we have conducted materiality assessment to identify the matters significant to SPSB. Our approach includes a preliminary analysis, stakeholder engagement and prioritisation. The preliminary analysis was conducted to identify the common materiality matters reported. The materiality matters were derived from **Bursa's 11 common indicators and common matters reported by our peers**.

From the preliminary materiality matters derived, a survey was developed and conducted to determine the significance and influence of each materiality matter to our stakeholders by utilising Bursa's Materiality Matrix Toolkit.

The figure below illustrates the materiality matters by its ESG pillars.

Materiality Matrix

Significance to Stakeholders (High / Medium) vs Significance to Shan Poornam (Medium / High)

- Safety and health
- Data privacy & security
- Clean water and sanitation
- Anti corruption
- Labor practices and standard
- Business continuity plan
- Waste management
- Circularity of resources
- Economic perseverance
- Emission
- Supply chain
- Digital technology and innovation
- Energy management
- Diversity, equity and inclusion
- Community

Legend: ● Environment ● Social ● Governance

ENVIRONMENT	SOCIAL	GOVERNANCE
• Energy Management • Clean water and sanitation • Waste Management • Emission Management • Circularity of Resources	• Community/ Society • Diversity, equity and inclusion • Health & Safety • Labour Practices & Standards • Data Privacy & Security	• Anti-corruption • Supply Chain Management • Business Continuity Plan • Economic perseverance • Digital technology and innovation

OUR APPROACH TO SUSTAINABILITY

Risk Management

Effective risk management is crucial for ensuring long-term sustainability and resilience for SPSB. By integrating risk management into our strategic planning and operational processes, we aim to safeguard our stakeholders' interests, uphold regulatory compliance, and enhance our capacity to adapt to emerging challenges and opportunities. This proactive approach enables us to navigate uncertainties while maintaining our commitment to sustainable development and responsible corporate governance.

Matters	Risk	Opportunities
ENVIRONMENT		
Energy Management	• High energy consumption • High maintenance frequency and cost	• Invest in solar panel systems and develop contingency plans. • Invest in energy-efficient technologies and infrastructure • Develop training programs about energy efficiency practices
Clean water and sanitation	• Non-compliance of effluent discharged from premise • High water consumption • High maintenance frequency and cost • Reusing process water can result in accumulation of contaminants over time	• Regular monitoring on the effluent discharged • Encourage employees to adopt water-saving practices/install rainwater harvesting system to recycle water • Ensure compliance with regulations • Cost Savings: Recycled water reduces the demand for fresh water, leading to lower water procurement and treatment costs.
Waste Management	• Improper general waste disposal at site • Potential health hazards from improper waste management	• Provide recycling bins at premises • Encourage waste recycling practices among all level of employees
Emission Management	• Non-compliance with ambient air quality and stack emission • Climate change risk	• Set clear goals and timelines for emission reduction efforts • Install and regularly maintain air pollution control system to treat the air pollutant/dust • Ensure compliance with regulations
Circularity of resources	• Non-compliance with scheduled waste management standard and guideline • Recycling Practice Deficiency	• Ensure compliance with regulations • Invest in R&D, ensure product quality meets market standards • Achieve zero-waste objective using 5Rs Green Concept • Enhance recycling practices across operations
SOCIAL		
Community/ Society	• Potential perceptions – noise, odour, visual impacts from facility • Potential health and safety risks from emission, traffic congestion • Shortage of local general workers due to workers preference for MNC	• There is no risk of noise, odour, visual impact from our facility with our current continuous monitoring however enhancement will be done to continuously monitor further. • Community investment is an ongoing process however more enhancement will be done by allocating resources to support community projects, infrastructure improvement, and social programs • Continuous effort in Community engagement and stakeholder dialogue • Enhance in Engaging in corporate social responsibility (CSR) initiatives across the state in Malaysia
Diversity, equity and inclusion	• Lack of diversity leading to a homogeneous workforce	• Actively promote diversity enhances creativity and innovation
Health & Safety	• Workplace accidents • Non-compliance with occupational health and safety regulations • Noise generated from operational activities create disturbance and annoyance	• Develop EHS & R2 policies • Invest in OSH prevention. • Conduct safety training • Regular risk assessments • Enforce contractor safety standards

OUR APPROACH TO SUSTAINABILITY

Risk Management

Matters	Risk	Opportunities
SOCIAL		
Labour Practices & Standards	• Non-compliance with labour law • Employee turnover • Insufficient training programs may reduce productivity	• Ensure regulatory compliance (e.g., Immigration Act 1959/63) • Improving employee satisfaction and retention through quarterly employee satisfaction assessments • Increase training programs and encourage participation
Data Privacy & Security	• Data breaches leading to loss of sensitive information • Operational disruptions from cyber-attacks	• Employee security awareness training • Regular updates to privacy policies • Implement strong access controls
GOVERNANCE		
Anti-corruption	• Anti-corruption issue within organisation	• Provide anti-corruption training to all level of employees • Conduct anti bribery and corruption risk assessment and gap analysis
Supply Chain Management	• Inefficient supply chain practices • Unethical supplier practices	• Adopt sustainable procurement approach • Supplier performance monitoring
Business Continuity Plan	• Disruption to business continuity - equipment failures, pandemics, supply chain interruptions, policy changes	• Conduct regular risk assessment • Update BCP based on latest risk assessment and evolving threats • Maintain up-to-date contact details for key personnel • Plan personnel relocation/re-tasking during emergencies
Economic perseverance	• Economic volatility - fluctuation in market demand for recycled material, resource scarcity	• Diversify revenue streams by establishing partnerships with diverse waste generators or providing incentives to the suppliers • Expand market reach and product diversification
Digital technology and innovation	• Outdated technology may result in inefficiency, and higher maintenance cost • Ineffective waste management	• Research and develop new waste management techniques • Stay informed about technological trends and innovations within industry

ENVIRONMENT

Energy Management
Clean water and sanitation
Circularity of Resources
Waste Management
Emission Management

ENVIRONMENT

Our Commitment

SPSB has long practised a business culture that incorporates environmental responsibility and is a strong advocate of environmental conservation and sustainability. Its main business centres on **managing and reducing potential environmental hazards caused by excessive e-waste generation from industrial, commercial, and household sources**. The role as an environmental steward has become especially crucial due to the increasing stockpile of discarded and end-of-life electrical and electronic waste, an inevitable consequence of the progressive use of technology.

SPSB supports and commits to **United Nations Sustainable Development Goals (SDGs)**. In support of **SDG 12 – Responsible Consumption and Production**, we strives to achieve an optimal balance between operational efficiency and environmental sustainability.


The **Environmental Management System (EMS)** framework lays the foundation for continuous improvement in SPSB practices, processes, services, and solutions, including ways to minimise and mitigate the environmental impact and carbon footprint generated by its operations. SPSB's waste management strategy is driven by its commitment to the **5Rs Green Concept towards a Zero-Waste objective.** This is supported by the EMS framework which ensures that technologies and processes employed in SPSB contribute to a culture of continuous improvement of SPSB's environmental performance.

The company's closed-loop circular economy systems for processing both solid and liquid e-waste employ **the 5Rs Green Concept towards a Zero-Waste objective. Green Technology,** developed by our R&D team, enables the company to produce ECO Green products in the form of precious metal ingots. These ingots, which include Gold, Platinum, Palladium, Copper, and Silver, are up to 99.9% pure. ENS Secondary Aluminium Alloy ingots are also produced and customised to client specifications for reuse in their manufacturing processes.

ENVIRONMENT

Our Commitment

SPSB operates two distinct circular economy loops for its plant operations: **one for solid scheduled waste and one for liquid scheduled waste.** Both of these circular economy loops produce eco-friendly products that are reintegrated into the customer's raw materials supply chain, allowing them to be used for fabricating raw materials such as sputtering targets and precious metal bonding wire. The prescribed premises where the extraction process takes place uses advance technology, such **as the Swarna Furnace (Top Submerged Lance Furnace) with Clean Gas System complete with Scada System and PID Controllers for efficient energy saving and recovery operation.** This equipment and technology enable optimal recovery of up to 99%. ENS Secondary Aluminium Alloy ingots are also produced and customised to client specifications for reuse in their manufacturing processes.
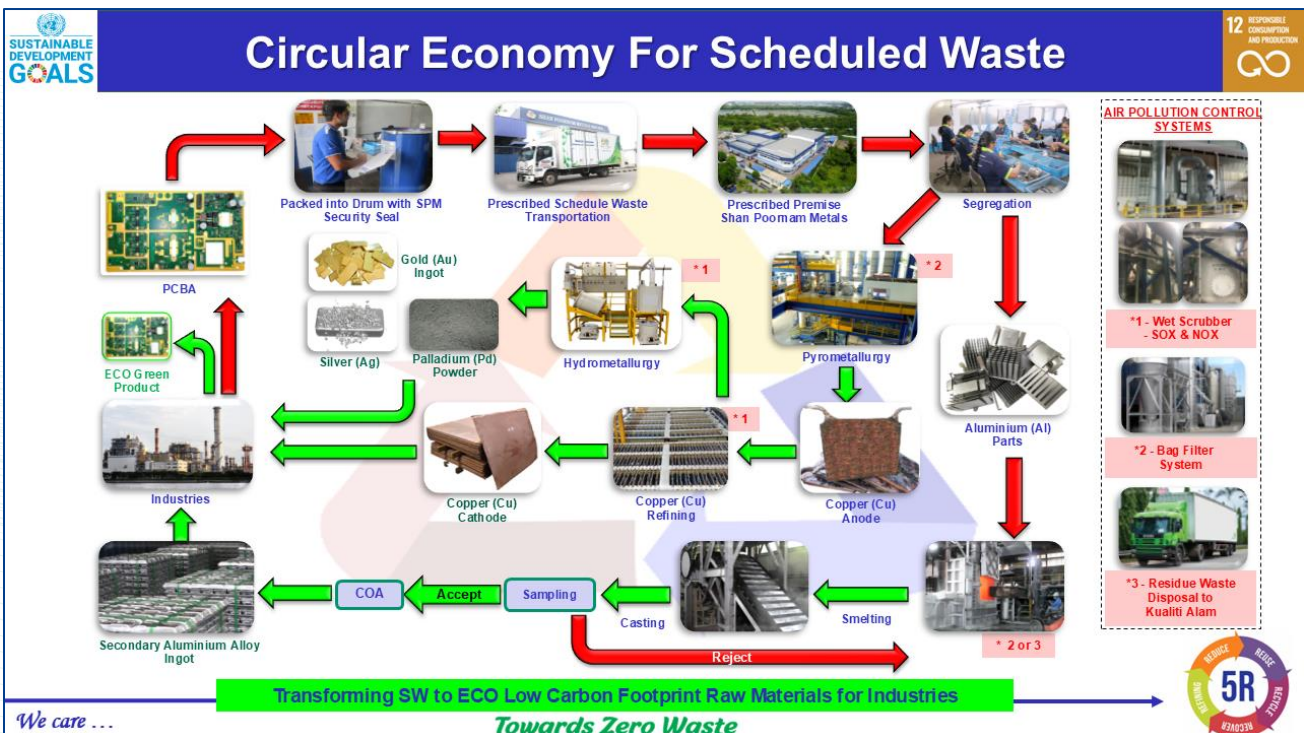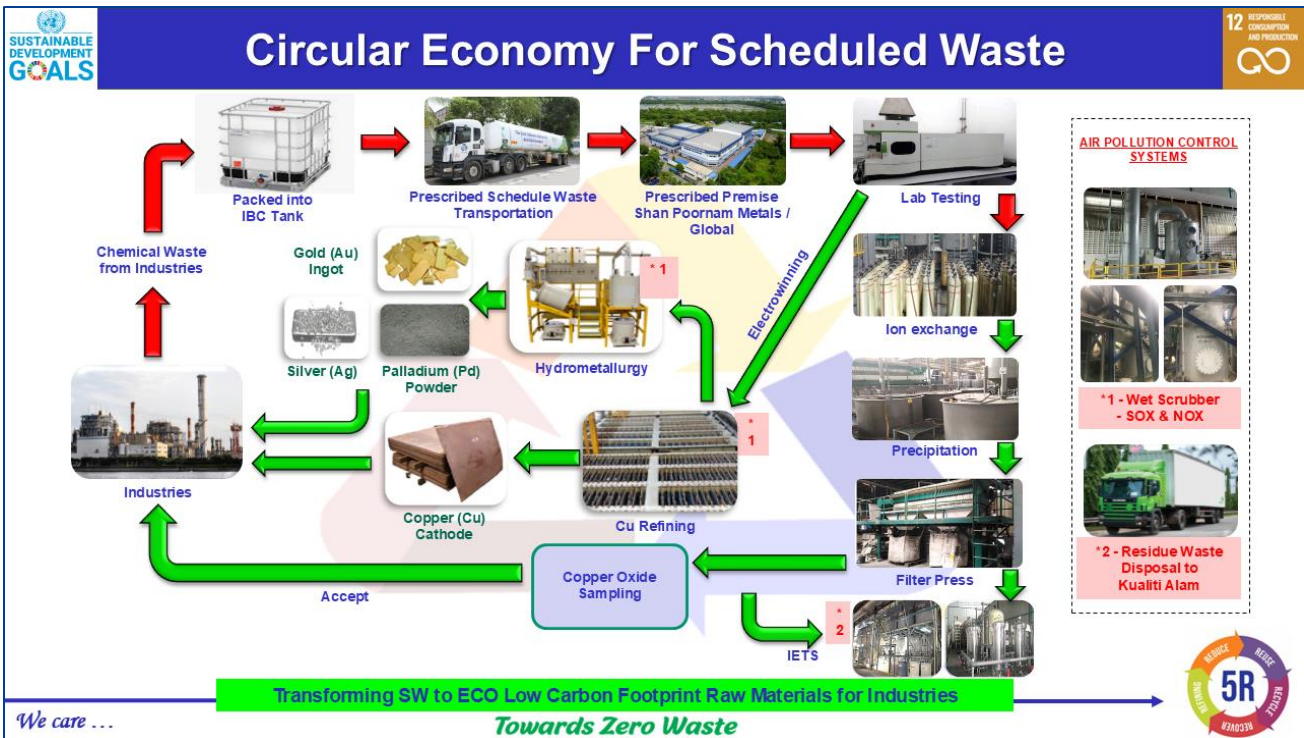
ENVIRONMENT

Our Commitment

SPSB is diligent in maintaining the operational efficiency of the **Air Pollution Control Systems** in place, which include the Post Combustion Chamber, Quencher, Bag Filters, and Scrubbers. Residual and/or hazardous waste produced is subsequently treated in SPSB's wastewater treatment plant. Residual waste that cannot be treated is transported to **Kualiti Alam Waste Management Centre** for safe disposal. In lieu of the above, SPSB sees itself as the link between industries, consumers, and the environment, forming a continuous cycle that begins with the collection of e-waste from the industrial, commercial, and household sectors. The cycle continues at SPSB plants where the precious metals are extracted, refined, and processed into ingots, which are then recycled back into the manufacturing industry for repurposing into new products for industrial, commercial, and consumer reuse.

In 2022, SPSB went into full swing operations to recycle and repurpose household organic and recyclable waste into **Bio-Charcoal.** This ENS product is made using green technology innovated by the company's R&D team, with operations conducted by Shan Poornam Green Tech Sdn. Bhd.

Rooftop Solar Panel at Shan Poornam Metals Sdn. Bhd.

Energy Management

Importance

As global energy demand continues to rise, coupled with the pressing need to address climate change, effective energy management is more important than ever. At SPSB, we focus on energy consumption control as well as energy efficiency improvements. By implementing good energy management practices, it can greatly benefit our business by significantly reducing operation costs, reducing environmental impacts, improving public health as well as compliance with regulations.

Our Performance

Total Energy Consumption (2023):

178,086.44 GJ

Our Approach

At SPSB, we are dedicated to improve our energy management across the operations. With electricity as the primary energy source for our operations, we go beyond to seek innovative solutions for better energy resource planning. We are committed to continually improving our energy efficiency and increasing the use of renewable energy to reduce our environmental footprint. We have set ambitious goals to increase energy efficiency and incorporate renewable energy.

As part of our renewable energy initiative, we have installed **solar panels** at one of our facilities since August 2023. These installations are anticipated to generate substantial cost savings by lowering our electricity bills through **TNB's Net Energy Metering (NEM) scheme**. In addition to the financial benefits, this initiative will significantly contribute to reducing our carbon footprint and minimising our overall environmental impact. By harnessing renewable energy, we are taking concrete steps towards a more sustainable future and demonstrating our commitment to environmental responsibility. We are also planning to install additional solar panels at our facilities as part of our continuous effort to reduce the environmental footprint.

ENVIRONMENT

Clean Water and Sanitation

Importance

Reducing water use is an essential part of our **environment stewardship**. Water efficiency is essential for sustainable operations, as it reduces the strains on natural resources, minimises environmental impact, and helps to lower costs. At SPSB, we are dedicated to conserving water resources, reducing water consumption in our operations and minimising the environmental impacts to the environment. By adopting an effluent management system, we aim to mitigate the risks associated with water pollution, ensuring the quality of the water bodies.

Our Approach

In adhering to environmental regulations, we are guided by local regulatory laws and jurisdictional guidance. We have installed **Industrial Effluent Treatment System (IETS)** at our plants to treat effluent generated from operations. Our effluent management is referring to guidelines set under **Environment Quality (Industrial Effluent) (Regulations) 2009 by the Department of Environment (DOE).** We monitor treated effluent discharged closely through our routine environmental monitoring program to ensure the receiving water bodies are not polluted by our operations. This initiative underscores our commitment to sustainability and environmental compliance, hence minimising the impact to the environment.

Our Performance

The overall water consumption by our company are as follows:

Total Volume of Water Used (2023):
87.53 ML

ENVIRONMENT

## Circularity of Resources

Importance

At SPSB, we prioritise circularity of resources and proper waste management to reduce our environmental impact and benefit the surrounding communities, especially in relation to our waste management business. We generate different types of waste, including scheduled waste and general waste. Improper waste management can have far-reaching consequences, including detrimental effects on air and water quality, soil contamination, and heightened risks of hazardous material exposure for both our employees and the surrounding communities in the areas where we operate. Recognising the severity of these potential impacts, it is imperative that we implement proactive measures to ensure responsible waste management practices across all our operations.

Our Approach

At SPSB, we implement closed-loop circular economy systems for processing both solid and liquid e-waste, employing the **5Rs Green Concept towards a Zero-Waste objective**. Our Green Technology, developed by our R&D team, enables us to produce ECO Green products in the form of precious metal which include Gold, Platinum, Palladium, Copper, and Silver are up to 99.9% purity. In 2022, we went into full swing operations to recycle and repurpose household organic and recyclable waste product made using green technology innovated by our R&D Team and operations are conducted by Shan Poornam Green Tech Sdn. Bhd.

In adhering to environmental regulations, we are guided by local regulatory laws and jurisdictional guidance. Our management of waste is referring to guidelines set under **Environmental Quality Act (EQA) 1974, and Environment Quality (Scheduled Waste) (Regulations) 2007 by the Department of Environment (DOE).**
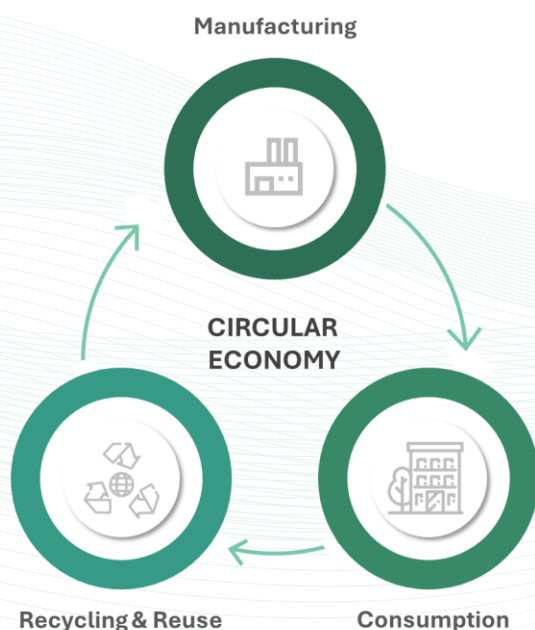
We also implement waste segregation practices for both scheduled waste and recyclable materials. Scheduled waste is meticulously categorised by type and stored securely in designated facilities equipped to handle such materials safely. This approach ensures compliance with environmental regulations, minimises potential hazards, and promotes effective recycling and waste management. By prioritising proper waste segregation and storage, we contribute to environmental sustainability and uphold our commitment to responsible waste management practices.

Additionally, waste recycling practices for recyclable materials are also implemented across our operations. Recycling bins are provided at our premise to encourage recycling activities among all employees. Recycling aligns with our principles of a circular economy, transforming waste management into a resource-efficient model. The waste management hierarchy prioritises source reduction and reuse over recycling, emphasising the importance of waste prevention and efficiency.

ENVIRONMENT

Circularity of Resources

Our Performance

As part of our ongoing commitment to promoting resource circularity, we actively incorporate waste recovery into our business operations. This approach not only reflects our dedication to sustainability but also highlights our role in closing the resource loop. Our performance metrics now include the waste materials we receive, which are subsequently processed and sold back to the industry. This process exemplifies our efforts to ensure that valuable resources are continuously reintegrated into the supply chain, reducing environmental impact and fostering a more sustainable industrial ecosystem.

Waste Code	Type of Waste	Unit	End-of-life	Total Weight of waste generated (MT)
SW103	Waste of batteries containing cadmium and nickel or mercury or lithium	MT	Disposal - cementation	3.45
SW104	Dust, slag, dross or ash containing arsenic, mercury, lead, cadmium, chromium, nickel, copper, vanadium, beryllium, antimony, tellurium, thallium or selenium excluding slag from iron and steel factory	MT	Recovery	166.55
SW110	Waste from electrical and electronic assemblies containing components such as accumulators, mercury-switches, glass from cathode-ray tubes and other activated glass polychlorinated biphenyl- capacitors, or contaminated with cadmium, mercury, lead, nickel, chromium, copper, lithium, silver, manganese or polychlorinated biphenyl			
SW409	Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil, or scheduled wastes			
SW410	Rags, plastics, papers or filters contaminated with scheduled wastes			
SW109	Waste containing mercury or its compound	MT	Physical chemical treatment	0.24
SW404	Pathogenic wastes, clinical wastes or quarantined materials	MT	Incineration	173.19
SW418	Discarded or off-specification inks, paints, pigments, lacquer, dye or varnish products containing organic solvent			
SW501	Any residues from treatment or recovery of scheduled wastes			
-	General Waste	MT	Landfill	128.61

Notes:
i. *Cementation disposal means a process of hardening or solidifying wastes by mixing the waste with cement and stabilisation. Once the wastes have been stabilised, it will be disposed of to landfill.*
ii. *Recovery means a process by which waste is transform in order to be used for a new purpose or to substitute materials within other industrial processes or products*
iii. *Physical chemical treatment means processes which combine physical and chemical treatment to treat the scheduled wastes*
iv. *Incineration means a process of destruction of waste material by burning*
v. *Landfilling means a process of burying waste in the ground in large amount*

ENVIRONMENT

Emission Management

Importance

In the face of escalating environmental challenges and growing global awareness, effective emission management has become a pivotal aspect of corporate responsibility and sustainability. Due to the increase in SPSB's business operations, we are committed to enhance our emission management to reduce our carbon footprint, hence, contribute to a sustainable future. Our aim to achieve a net-zero emission by 2050 is driven by our commitment to future sustainability in relation to our stakeholders.

Our Approach

With the goal of reducing our carbon footprint, SPSB has undertaken a comprehensive initiative to quantify our emissions. Emissions were quantified based on **GHG Protocol Corporate Accounting and Reporting Standard and ISO 14064:2018 - Greenhouse gases**. This effort encompasses **Scope 1, direct emissions from owned or controlled sources; Scope 2, indirect emissions from the generation of purchased electricity;** and **Scope 3, all indirect emissions (not included in scope 2) that occur in our value chain for the categories;** Water supply (Category 1: Purchased Goods and Services), Waste generation (Category 5: Waste Generated In Operations), Air and land business travel (Category 6: Business Travel) and Land travel employee commuting (Category 7: Employee Commuting). By meticulously measuring emissions across these three scopes, we are better positioned to implement targeted strategies for substantial and sustainable reductions.

In adhering to environmental regulations, we are guided by local regulatory laws and jurisdictional guidance. Our premises are well equipped with air pollution control systems in accordance with the specifications as specified under Environmental Quality (Clean Air) Regulations 2014. The air pollution control systems installed at our premises include post combustion chamber, quencher, wet scrubbers and bag filters to treat air pollutants and dust from the operations. To ensure the quality of our air emission, we are closely monitoring our air pollution control system to always comply with the stipulated limits by the Department of Environment (DOE).

Scope 1 – Direct Emissions
Direct emission from owned or controlled sources

Scope 2 – Indirect Emissions
Indirect emission from the generation purchased electricity

Scope 3– Indirect Emissions
Indirect emission that occur in value chain

Category 1 – Purchased Goods and Services (Water Supply)

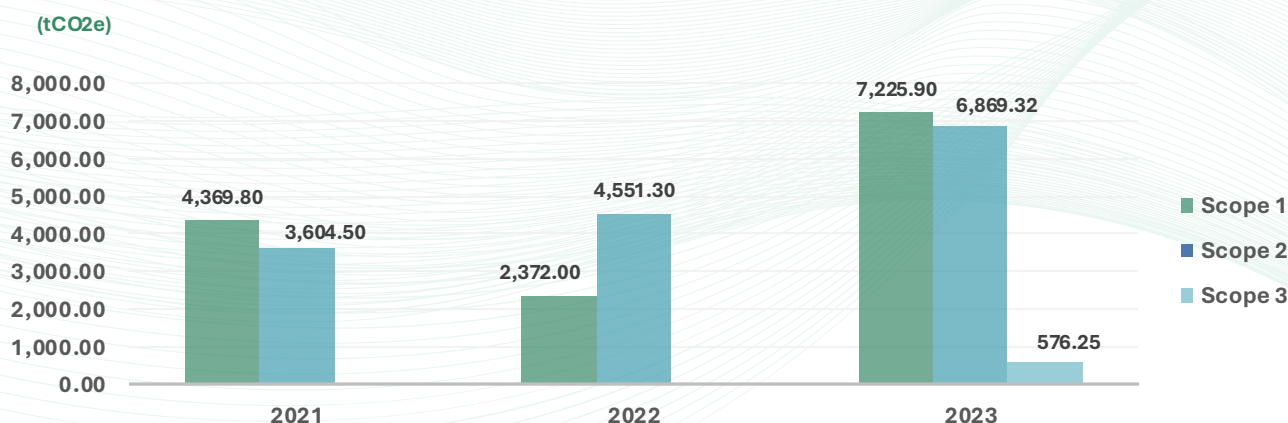Category 5 – Waste Generated in Operations (Waste Generation)

Category 6 – Business Travel (Air and Land Business Travel)

Category 7 – Employee Commuting (Land Employee Commuting)

Our Performance.

(tCO2e)

Year	Scope 1	Scope 2	Scope 3
2021	4,369.80		3,604.50
2022	2,372.00		4,551.30
2023	7,225.90	6,869.32	576.25

SOCIAL

Community/ Society
Diversity, equity and inclusion
Health & Safety
Labour Practices & Standards
Data Privacy & Security

SOCIAL

Our Commitment

At SPSB, our commitment to sustainability extends beyond environmental stewardship, embracing a profound dedication to social responsibility. Recognizing that our success is intricately linked to the well-being of our employees, the health of our communities, and the trust of our stakeholders, we focus our social sustainability efforts on four key areas: **Our People, Community/Society, Health & Safety, and Data Privacy & Security**.

Starting with **Our People,** we are dedicated to adopting a culture of diversity, equity, and inclusion (DEI). By valuing diverse perspectives and creating an inclusive environment, we drive creativity and innovation. Our adherence to high labour standards ensures that all employees are treated fairly and work in a safe, respectful, and supportive environment. This commitment not only enhances employee satisfaction and retention but also strengthens our reputation as an employer of choice.

Moving beyond the workplace, we recognize the importance of being an active and positive force within the **Community and Society** where we operate. We strive to contribute to the social and economic development of these communities through various initiatives designed to address local needs, support education and skill development, and promote environmental conservation. By building strong relationships with community stakeholders, we foster mutual growth and development.

Equally important is our continuous focus on **Health and Safety**. Ensuring the well-being of our workforce is utmost. We are dedicated to providing a safe and healthy work environment for all employees. Our comprehensive health and safety programs include regular training, strict adherence to safety protocols, and continuous improvement of our safety measures. We believe that a safe workplace not only protects our employees but also enhances their productivity and well-being.

In today's digital age, the protection of **Data Privacy and Security** is crucial. SPSB is committed to upholding the highest standards of data protection. We implement robust data privacy policies and security measures to safeguard the personal and sensitive information of our employees, customers, and partners. By maintaining thorough data privacy standards, we build trust with our stakeholders and ensure compliance with relevant regulations.

Through these focused efforts, we demonstrate our ongoing commitment to social responsibility. By prioritising our people, engaging with our communities, ensuring health and safety, and safeguarding data privacy, we aim to contribute to a more equitable and sustainable future. Our dedication to these principles not only supports our long-term success but also reinforces our role as a responsible and honourable corporate citizen.

In the following sections, we will depict into the specific approaches and initiatives that highlight our commitment, detailing how we sustain these efforts and continue to make meaningful progress in each of these important areas.

SOCIAL

Our People

Importance

Our people are the foundation of SPSB's success. Embracing diversity, equity, and inclusion (DEI) is essential for encouraging a dynamic and innovative work environment. By valuing diverse perspectives and creating an inclusive culture, we enhance creativity and improve decision-making. Moreover, adhering to high labour standards ensures that all employees are treated fairly and work in a safe, respectful, and supportive environment. This commitment not only boosts employee satisfaction and retention but also reinforces our position as an employer that truly values its workforce.

Our Approach

Diversity, Equity and Inclusion (DEI)

At SPSB, we strive to cultivate a workforce that mirrors the diversity of the communities we serve. Our DEI initiatives are pitched towards establishing an inclusive workplace where every employee feels valued and respected. To support work-life balance, we offer **special considerations to all employees**, meantime for female employees we emphasize on single mothers hiring, have facilities such as mother's lactation room, special parking for expecting mothers/OKU and designated women parking space and flexible working hours and more.

Furthermore, we proactively **recruit individuals from indigenous communities and retired armed forces members** in collaboration with, appreciating the unique perspectives and skills they bring to our organisation. This inclusive recruitment strategy enriches the cultural and experiential diversity within SPSB. By promoting an inclusive culture, we employ the full potential of our diverse workforce, driving innovation and adaptability in a rapidly evolving industry.

Our commitment to DEI extends beyond recruitment. **Regular training sessions** ensure that our employees understand the significance of these values and are equipped to contribute to an inclusive work environment. These sessions cover critical topics such as unconscious bias, cultural competency, and inclusive leadership, nurturing a workplace where every individual feels empowered to contribute their best.

SPSB is deeply committed to building an inclusive and supportive work environment, exemplified by our proactive efforts to **hire skilled workers and professionals with disabilities (OKU).** We believe that diversity enriches our workforce, and we strive to provide opportunities for all individuals, regardless of their abilities. SPSB has also **organised Sports Day 2023** involving futsal and badminton tournament. In addition to fostering inclusivity, SPSB proudly **celebrates the cultural richness** of our diverse workforce by recognizing and participating in various national and cultural festivities. These celebrations include **Deepavali, Chinese New Year, Hari Raya, and India's Independence Day with our Indian employees, Kathina prayers with our Myanmar employees, and Buka Puasa prayers during Ramadan with our Bangladeshi and local Muslim employees.** These events are not only celebrated within our workforce but are also extended to the broader community, with participation from Ustaz and Tahfiz students, reflecting our commitment to cultural harmony and community engagement. In support of diversity and inclusivity, we've celebrated **Women's Day** with appreciation gifts for our female staff.

SOCIAL

Our People

Christmas Celebration, 2023

Chinese New Year Celebration, 2023

Employee Birthday Celebrations, 2023

SOCIAL

Our People

Blood Donation Drive 2023

SPSB Sports Day 2023

Food Truck Festival 2023

Women's Day 2023

SOCIAL

Our People

Our Approach

Labour Practices and Standards

Maintaining high labour standards is a priority at SPSB. Our HR department ensures compliance with relevant statutory requirements, including the Immigration Act 1959 & 1963 and JTK Act 466 for our foreign workforce. We offer a range of benefits to support our employees' well-being and job satisfaction, including:

Standard Benefits: We are committed to providing our employees with benefits that accommodate to their diverse needs and ensure their well-being:

Heat, Dust and Chemical Allowance	Recognizing the challenging environments in which some of our employee's work, we provide specific allowances for heat, dust, and chemical exposure. These allowances are designed to compensate employees for the additional physical strain and potential health risks associated with their work conditions. This approach not only supports their health and safety but also acknowledges their dedication and resilience
On-Call Allowance	For employees who are required to be available outside regular working hours, we offer on-call allowances. These allowances recognize the additional effort and flexibility demanded by such roles, ensuring that employees feel valued for their availability and readiness to respond to work needs at any time.
Food Subsidies	To alleviate the cost of living and ensure that our employees have access to nutritious meals, we provide food subsidies daily. This benefit helps reduce daily expenses for our staff, contributing to their overall well-being and allowing them to focus more on their work without worrying about meal costs.
Transport Allowance	We offer a transport allowance to support our employees' commuting needs, helping to offset travel expenses and ensuring that getting to work is convenient and affordable.
Free Commuting for Foreign Workers	To further assist our foreign workers, we provide free commuting services, ensuring they have reliable and cost-free transportation to and from work.
Conducive Hostel Accommodation	In line with Act 446 - Workers' Minimum Standards of Housing and Amenities Act 1990, we provide conducive hostel accommodations that meet the required standards. This ensures a comfortable and safe living environment for our employees, contributing to their overall quality of life.
Attendance Allowance	To encourage consistent attendance and punctuality, we offer an attendance allowance. This incentive rewards employees who demonstrate reliability and commitment to their work.

In terms of special facilities, we have implemented various special facilities to support our employees with specific needs and promote inclusivity:

Special Parking Spaces	**Flexible Working Hours and Work-From-Home Programs**
We have designated parking spaces for pregnant and physically challenged staff. These spaces are conveniently located close to our facilities to ensure ease of access and provide comfort for those who may have mobility challenges.	Recognizing the diverse needs of our workforce, we offer flexible working hours and work-from-home programs. These initiatives are particularly beneficial for employees with family responsibilities, such as single mothers, allowing them to better balance their work and personal lives. This flexibility promotes a healthy work-life balance, reducing stress and increasing job satisfaction.

SOCIAL

Our People

Our Approach

Labour Practices and Standards

Health and Wellness: We place a high priority on the health and wellness of our employees, providing comprehensive support through various initiatives:

Comprehensive Insurance Coverage

Our employees are covered by extensive insurance plans that include health, dental, and vision care. In terms of insurance coverage, SPSB employees are provided with excellent tier-one medical insurance, ensuring they have access to top-quality medical services. This comprehensive coverage allows them to manage their health proactively and with confidence, knowing that their well-being is fully supported.

Medical Consultations with Visiting Doctors

To make healthcare more accessible, we arrange for visiting doctors to provide medical consultations on-site. This service allows employees to seek medical advice and treatment conveniently during their work hours, reducing the need for time off and ensuring that health concerns are addressed promptly.

Panel Clinic and Commuting Support

In addition to on-site consultations, SPSB partners with panel clinics to provide extended healthcare options. We also offer commuting services (Clinic Runs) to and from the clinic for our employees both during work hours and from their hostels, ensuring they have easy access to medical care without the hassle of transportation

In-house First Aid Room

Our First Aid Room is equipped to handle minor medical issues that may arise during work hours. It is staffed by trained personnel (In-house Nurse) who can provide immediate care and support for injuries or illnesses, ensuring that employees receive prompt attention and can return to work safely.

First Aid Training 2023

Weekly Recreational Activities

Recognizing the importance of work-life balance, SPSB organizes weekly recreational activities such as futsal, football, badminton, and cricket. These activities promote physical health, teamwork, and overall well-being, contributing to a positive and engaged workforce.

In-house Recreational Activities

Providing recreational activities in the workplace can boost employee morale and engagement. Keeping that in mind we also have set up in house recreational activities such as Carrom, Foosball & Table Tennis games in employees resting area. Participating in recreational activities together can foster better relationships among coworkers and improve teamwork. This can lead to improved mental health and productivity

AED Installations at All Plants

To further prioritize the safety and health of our employees, we have installed Automated External Defibrillators (AEDs) at all our plants. This critical equipment is part of our commitment to ensuring a safe working environment, providing immediate assistance in case of cardiac emergencies.

SOCIAL

Our People

Our Approach

Labour Practices and Standards

Additional health and Wellness Programs:

Mental Health Support

We have designated parking spaces for pregnant and physically challenged staff. These spaces are conveniently located close to our facilities to ensure ease of access and provide comfort for those who may have mobility challenges.

Wellness Programs

Recognizing the diverse needs of our workforce, we offer flexible working hours and work-from-home programs. These initiatives are particularly beneficial for employees with family responsibilities, such as single mothers, allowing them to better balance their work and personal lives. This flexibility promotes a healthy work-life balance, reducing stress and increasing job satisfaction.

Employee Talent Development

To remain competitive in a rapidly evolving industry, continuous learning and development are essential. SPSB mandates a **minimum of 48 hours of training per year for each employee,** ensuring they stay updated with the latest technological advancements and industry trends. This commitment to talent development fosters a skilled and specialised workforce capable of driving our organisation forward.

Our training programs cover a broad spectrum of topics, from technical skills to soft skills such as leadership and communication. We also offer specialised training in areas like digital transformation and strategic workforce planning to prepare our employees for future challenges. By investing in our employees' development, we not only enhance their capabilities but also ensure that SPSB remains at the forefront of innovation and industry leadership. These initiatives build on the foundations laid in previous years, demonstrating our sustained dedication to employee growth and development.

By offering a comprehensive range of benefits, special facilities, health and wellness initiatives, and continuous learning platform, SPSB ensures that our employees feel supported, valued, and empowered. This inclusive approach to employee care not only enhances their job satisfaction and productivity but also solidifies our reputation as a responsible and forward-thinking organisation.

To foster continuous learning and professional growth among our employees, SPSB actively encourages participation in various **industry-related events, conferences, and exhibitions**. In 2023, our employees took part in several exhibitions and roadshow. This also provide opportunity for SPSB indirectly create awareness and educate the local community, corporate members, leaders and school students on criticality and importance of environmental management.

SOCIAL

Our People

The E-waste Campaign for MGSW at Terrace, Menara Maybank from 14-18 June 2023, where they engaged with the public, corporate entities, and students to raise awareness about responsible e-waste management.

The MIDA-FMM Industrial Linkage Day at The Light Hotel, Seberang Jaya on 21 June 2023, offering our employees the opportunity to network and build relationships with other industry professionals, further enhancing their industry knowledge and professional connections.

The Malaysia Sustainability & ESG Conference 2023 at SPICE Convention Center, Penang on 17 July 2023, where our employees gained insights into sustainability and ESG trends, strengthening their expertise in these critical areas.

The MITI Day 2023 at Midtown PERDA Kubang Menerong, Tasek Gelugor on 30 July 2023, where they engaged with a diverse audience, sharing SPSB's sustainability initiatives and learning from other industry stakeholders.

The Hari Alam Sekitar Negara Negeri Perak at Dewan Perbandaran Taiping, Perak on 21 October 2023, which allowed employees to actively participate in environmental protection efforts, reinforcing their commitment to sustainability.

Job Fair 2023, offering insights into career opportunities within SPSB and showcasing our commitment to talent development and sustainable business practices.

The Penang ESG Conference & Exhibition 2023 at the Grand Ballroom, Olive Tree Hotel on 21-22 November 2023, providing an in-depth understanding of ESG principles and their application in our business operations.

SOCIAL

Our People

Our Performance

DEI:

Over the past three years, our efforts in promoting DEI have shown significant results. There has been a consistent increase in female representation in management, rising from **26.13% in 2021** to **31.58% in 2023.** Although the percentage of female executives slightly decreased in 2023, it remained strong, indicating effective efforts in maintaining gender balance. In non-executive and technical roles, the percentage of female staff has fluctuated, reflecting ongoing efforts to balance gender representation. However, female representation among general workers has remained low due to the nature of work which involves heat and dust, highlighting the need for our continued focus on gender diversity in this category.

Regarding age distribution, our management team has seen a slight increase in younger employees, demonstrating efforts to attract fresh talent. Executives and non-executive/technical staff categories have maintained a constant presence of young professionals, while general workers saw a **significant increase** in younger employees under 30, reaching **52.76% in 2023**. This indicates success in attracting a younger workforce across various roles.

These positive trends in DEI metrics are a direct result of our current approach to encouraging an inclusive and diverse workforce. The increase in female representation, particularly in management, aligns with our proactive recruitment strategies and special considerations for female employees. Our focus on providing facilities like mother's lactation rooms and flexible working hours for single mothers has helped create a more supportive and attractive environment for women, thereby enhancing gender diversity.

The stable presence of young professionals in executive and non-executive/technical roles reflects our ongoing efforts to attract fresh talent and provide opportunities for career growth and development. Our commitment to regular training on topics such as unconscious bias and inclusive leadership has empowered our employees to embrace diversity and contribute to an inclusive workplace culture.

The significant increase in younger general workers highlights the success of our inclusive recruitment strategy that targets a diverse pool of candidates, including younger individuals and those from different backgrounds. This inclination demonstrates that our approach to DEI is not only effective but also sustainable, as we continue to attract and retain a diverse workforce.

Employees By Gender, 2023

Female

General Worker: 2.94%
Non-Exec/Tech Staff: 22.76%
Executive: 51.92%
Management: 31.58%
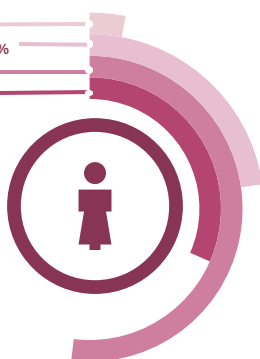
Male

General Worker: 97.06%
Non-Exec/Tech Staff: 77.24%
Executive: 48.08%
Management: 68.42%

SOCIAL

Our People

Our Performance

DEI:

Percentage of Employees by Gender

		Unit	2021	2022	2023
Percentage of employees by gender					
Management	Male	%	73.47	69.23	68.42
	Female	%	26.13	30.77	31.58
Executive	Male	%	45.45	40.57	48.08
	Female	%	54.55	59.43	51.92
Non-executive/Technical Staff	Male	%	79.07	72.55	77.24
	Female	%	20.93	27.45	22.76
General Workers	Male	%	97.36	94.54	97.06
	Female	%	2.64	5.46	2.94

Percentage of Employees by Gender

		Unit	2021	2022	2023
Percentage of employees by age group					
Management	<30	%	8.16	3.85	6.78
	30 - 50	%	75.51	82.69	76.27
	> 50	%	16.33	13.46	16.95
Executive	<30	%	46.59	46.23	48.08
	30 - 50	%	47.73	47.17	44.23
	> 50	%	5.68	6.60	7.69
Non-executive/Technical Staff	<30	%	37.21	39.22	40.00
	30 - 50	%	54.65	50.00	51.03
	> 50	%	8.14	10.78	8.97
General Workers	<30	%	31.96	29.78	52.76
	30 - 50	%	61.29	64.52	44.88
	> 50	%	6.74	5.71	2.36

SOCIAL

Our People

Our Performance

DEI:

Directors By Gender, 2023

Female: **8.33%**
Male: **91.67%**

Directors By Age Group, 2023

30-50: **41.67%**
>50: **58.33%**
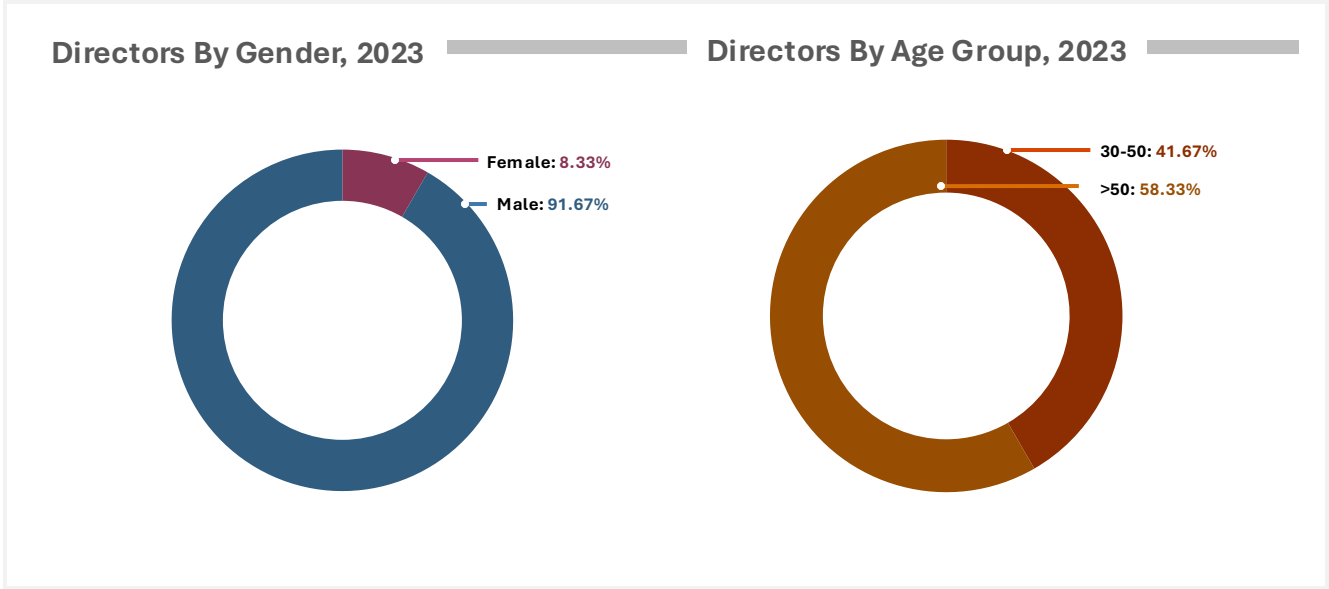
Percentage of Directors by Gender

		Unit	2021	2022	2023
Percentage of directors by gender					
	Female	%	8.33	8.33	8.33
	Male	%	91.67	91.67	91.67

Percentage of Directors by Age Group

		Unit	2021	2022	2023
Percentage of directors by age group					
	<30	%	0.00	0.00	0.00
	30 - 50	%	41.67	41.67	41.67
	> 50	%	58.33	58.33	58.33

SOCIAL

Our People

Labour Practices and Standards:

Over the past three years, our focus on continuous improvement and targeted development has yielded noticeable trends such as the total training hours for management decreased from 231.50 hours in 2021 to 117.00 hours in 2023, suggesting a more focused and strategic approach to training senior leaders. Executive training hours peaked at 296.00 in 2022 and adjusted to 219.00 in 2023, reflecting a targeted approach to executive development. In contrast, training hours for non-executive and technical staff significantly increased, from 88.00 hours in 2021 to 383.00 hours in 2023, showcasing our commitment to developing technical skills. General workers' training hours also saw a **notable rise** from 16.00 hours in 2021 to 267.00 hours in 2023, highlighting efforts to enhance the skills of general workers.

The percentage of employees who are contract-based **increased slightly to 0.98% in 2023**, reflecting our commitment to workforce flexibility. This shift is due to the transition of employees from permanent to contract roles upon reaching retirement age, demonstrating our dedication to maintaining continuity of employment beyond 60 years old. This approach ensures that valuable experience and expertise are retained within the organization, even after the traditional retirement threshold.

In terms of employee turnover, it showed a mixed trend. Management turnover remained relatively stable, with a slight increase to 10 in 2023. Executive turnover decreased from 22 in both 2021 and 2022 to 16 in 2023, indicating improved retention efforts. Non-executive and technical staff turnover fluctuated, with a decrease to 27 in 2023 from 31 in 2022. General workers' turnover remained high but slightly decreased to 51 in 2023, suggesting ongoing challenges in retaining general workers due to the nature of work.

The number of complaints on **human rights violations remained consistently zero** across 2021, 2022, and 2023, reflecting strong adherence to human rights standards. These indicate a part of our continuous commitment to improving our workforce's skills and well-being. By strategically focusing on specific training needs, we ensure that our employees are well-equipped to meet the demands of their roles. The increased use of temporary staff allows us to remain agile and responsive to changing operational needs. Our efforts to retain employees, particularly in executive roles, have shown positive results, as evidenced by the decrease in turnover rates. Lastly, our continuous adherence to human rights standards underlines our commitment to maintaining a respectful and fair work environment.

By offering a comprehensive range of benefits, special facilities, health and wellness initiatives, and a continuous learning platform, SPSB ensures that our employees feel supported, valued, and empowered. This inclusive approach to employee care not only enhances their job satisfaction and productivity but also sets our reputation as a responsible and forward-thinking organisation.

Total of Training Hours by employee category

	Unit	2021	2022	2023
Total of training hours by employee category				
Management	Hour(s)	231.50	216.00	117.00
Executive	Hour(s)	132.00	296.00	219.00
Technical Staff	Hour(s)	88.00	492.00	383.00
General Workers	Hour(s)	16.00	160.00	267.00

SOCIAL

Our People

Percentage of Contracted Employees

	Unit	2021	2022	2023
Percentage of employees that are contractors or temporary staff				
Contracted Employee	%	0.00	0.00	0.98

Employee Turnover

Total number of employees turnover				
Management	Number	9.00	7.00	10.00
Executive	Number	22.00	22.00	16.00
Non-executive/Technical Staff	Number	11.00	31.00	27.00
General Workers	Number	37.00	52.00	51.00
Number of complaints on human rights violations	Number	0.00	0.00	0.00

Community

Importance

Engaging with and supporting the community is a fundamental aspect of SPSB's social responsibility. Our commitment to the well-being of the communities where we operate is not only a moral obligation but also a strategic approach that strengthens our business and nurtures mutual growth and development. By investing in community initiatives, we build strong relationships with local stakeholders, which enhances our reputation and creates a supportive environment for our operations. Furthermore, these efforts help to address social and economic challenges, improving the overall quality of life for community members and contributing to a more stable and prosperous society.

For SPSB, community engagement provides several benefits. It helps us to understand the unique needs and challenges of the communities we serve, allowing us to fit our initiatives effectively. These efforts also contribute to a positive corporate image, which can lead to increased customer loyalty and stakeholder support. By encouraging a sense of shared success, we ensure that the community's growth and development align with our business objectives, creating a sustainable and mutually beneficial relationship.

SOCIAL

Community

Our Approach

At SPSB, our commitment to the community is demonstrated through a variety of initiatives aimed at making a positive impact both within and outside our organisation. Our Corporate Social Responsibility (CSR) efforts extend beyond mere financial support, encompassing educational programs, health initiatives, environmental sustainability, and community development.

Starting with our long-standing **Krishnamal Education Fund (KEF),** we provide scholarships for the children of our employees who excel academically, as well as for qualified Malaysian and international students pursuing their Pre-University, Foundation, Matriculation, Diploma, and Degree programs. This initiative highlights our dedication to encouraging educational opportunities and empowering the next generation. By investing in education, we not only help individual students but also contribute to the broader goal of building a knowledgeable and skilled workforce for the future.

In addition to educational support, we prioritise the **health and well-being** of our employees. Our CSR activities have included providing medical aids such as hospital beds, wheelchairs, and ventilators to staff members facing health challenges. This inclusive approach to employee care emphasises our commitment to the well-being of our workforce. By addressing the healthcare needs of our employees, we help them, and their families manage medical challenges more effectively, reducing stress and enhancing overall quality of life.

KRISHNAMAL EDUCATIONAL FUND

Our CSR efforts also extend to the broader community. For instance, our orphanage adoption activities and donations to various community programs have had a lasting impact. These initiatives are designed to support vulnerable groups and raise a sense of community solidarity. By directly engaging with and supporting orphanages, we provide essential resources and care to children who need it most, helping to improve their living conditions and prospects.

In 2021, our focus on **environmental sustainability** took centre stage with initiatives aimed at promoting recycling and e-waste recycling as a way of life. We believe that small actions can lead to significant changes, and by encouraging our employees and their families to adopt sustainable practices, we contribute to the reduction of our carbon footprint. This green initiative has been sustained and expanded over the years, reflecting our continuous commitment to environmental stewardship. Our recycling programs include educational workshops, community recycling drives, and partnerships with local recycling centres to ensure that electronic waste is disposed of responsibly.

By 2022, SPSB had set its role in **promoting sustainable economic practices and green growth.** We organised and participated in activities such as Organic Farming at our hostel, community clean-up events (*gotong-royong*), and beach clean-up initiatives. These activities not only benefit the environment but also promote a sense of community and collective responsibility. Organic farming projects, for instance, provide hands-on learning experiences for our employees and their families, promoting sustainable agriculture practices and self-sufficiency. Community clean-up events bring together employees, their families, and residents to improve the cleanliness and beauty of our surroundings, enhancing the quality of life for everyone involved.

SOCIAL

Community

Our Approach

While our commitment to CSR has always been robust, the financial landscape in 2023 has significantly increased to RM806,544.55. In 2022, we allocated RM52,811.68 to various CSR programs, and in 2021, we spent RM44,940.20. These figures reflect our consistent dedication to community support. We have made significant steps in previous years, but this does not mean we intend to stop. Therefore, our CSR agenda in 2023 continued this trajectory with several impactful programs:

Sumbangan Sempena Malam Apresiasi PDRM (March 2023)

This initiative aimed to express gratitude towards police officers, benefiting the police staff. By recognizing the hard work and dedication of law enforcement personnel, we strengthen our ties with local authorities and contribute to the overall well-being of those who protect our community.

Donation to Sri Kaliamman Temple (May 2023)

Focused on providing educational aid, this donation targeted students among our staff. Supporting educational initiatives within religious communities helps bridge gaps and provides additional resources for students to excel in their studies.

Temple Donation (August 2023)

This contribution supported temple renovations and community programs, enhancing facilities for public comfort. By improving religious and community spaces, we contribute to the cultural and spiritual well-being of our community members, ensuring they have safe and welcoming places to gather and worship.

Donation to Koperasi Warisan Polis Kuala Lumpur (October 2023)

Aimed at educational purposes, benefiting police staff. Providing educational support to law enforcement personnel and their families helps them achieve their personal and professional goals, fostering a culture of continuous learning and development within the police force.

Penang World Clean Up Day

Participation in beach clean up activities under Penang government, through the Penang Green Council (PGC). Shan Poornam have enthusiastically joined the cleanup efforts previously since 2022, included donation & beach clean-up at Karpal Singh Drive, on Sept 30.

Earth Hour Movement

Shan Poornam joined in the PGC programme by turning off non-essential lights for one hour as a symbolic gesture of solidarity in the fight against climate change on March 23 from 8.30pm to 9.30pm, involves selected areas of various plants & employees' home, in an effort to cut down on carbon emissions

BEFORE

AFTER

SOCIAL

Community

'1 Tree 1 Life: 111 Tree Planting Programme'

In conjunction with the 111th Anniversary of Penang Hindu Sabah (PHS) – Donation of RM 20,000. The commendable tree planting ceremony was in conjunction with PHS's 111th year anniversary celebrations, joining hands with the office of state Welfare and Environment Committee chairman Phee Boon Poh, Penang Hill Corporation (PHC), Penang Forestry Department, Penang Island City Council (MBPP) to hold the programme on Sept 30, at Penang Hill from 8.30am to 12:30pm.

New Sponsor Partner for Malaysian Hockey Confederation (MHC)

Sponsorship of RM 200,000 per year for a period of 2 years. The sponsorship given specifically to the National Hocky Squad

New Sponsor Laptop Donation @ SJK(T) Ladang, Bukit Mertajam

Donation of 15 units of laptops to SJK (T) Ladang, Bukit Mertajam

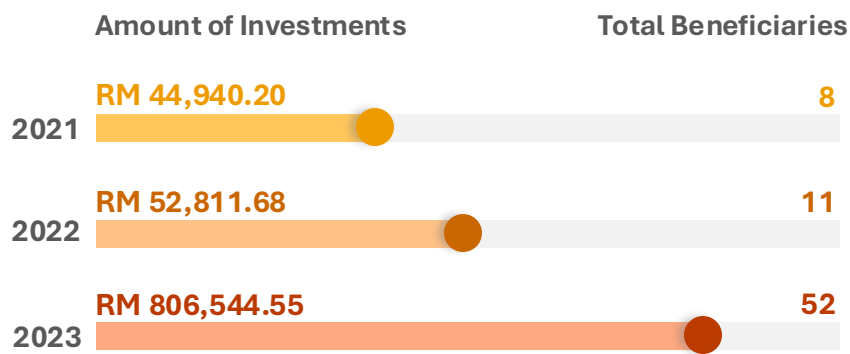### Dialogue session with Minister of Human Resources, YB Tuan V. Sivakumar

Involves participation of YB Dato' Seri Sundarajoo A/L Somu (Penang State Exco for Housing & Environment), YAB Tuan Kumaresan A/L Aramugam (State Assembly Representative of Batu Uban), industry players etc.

SOCIAL

Community

By engaging in these diverse CSR activities, SPSB not only contributes to the immediate needs of our community but also fosters long-term sustainable growth and development. Our approach is driven by a genuine commitment to making a meaningful difference, and we remain dedicated to expanding these efforts in the years to come. We believe that by working together with our community, we can create a more sustainable, equitable, and prosperous future for all. Our CSR programs are continuously evaluated and improved to ensure they meet the evolving needs of our community, reflecting our continuous dedication to social responsibility.

	Amount of Investments	Total Beneficiaries
2021	**RM 44,940.20**	**8**
2022	**RM 52,811.68**	**11**
2023	**RM 806,544.55**	**52**

Health and Safety

Importance

Recognizing the health and safety of our employees and stakeholders as vital, we at SPSB have constructed these principles into the organisation of our operations. Our commitment to maintaining a safe and healthy working environment is not merely a legal obligation but a moral necessity that emphasises our respect for our workforce. Acknowledging our employees as our most valuable assets, we prioritise their well-being, which in turn enhances their productivity and job satisfaction. Furthermore, a comprehensive health and safety program contributes to the sustainability of our operations and builds trust with our stakeholders, including employees, customers, suppliers, and the local community.

A safe working environment ensures that employees can perform their duties without fear of injury, which raises a culture of trust and accountability. This culture is critical for sustaining long-term operational excellence and achieving our business objectives. By minimising risks and preventing accidents, we reduce downtime, enhance efficiency, and maintain a motivated workforce. Moreover, our focus on health and safety extends to the local community, reflecting our commitment to social responsibility and environmental sustainability. By actively contributing to the welfare of the community, we strengthen our relationships with local stakeholders, enhance our corporate reputation, and ensure the long-term viability of our business.

SOCIAL

Community

At SPSB, our dedication to health and safety is formalised through our **Environmental, Health, Safety & R2 Policy,** established in 2018. The Environment, Health, Safety (EHS) Department is responsible for implementing all policies and procedures to protect the health, safety, and welfare of our employees and other stakeholders. This policy reflects top management's commitment to continuous improvement in the fields of environment, health, safety (EHS), and responsible recycling (R2).

We have set a Zero Accident Tolerance objective, emphasising our commitment to minimising and preventing risks and injuries. To achieve this, we regularly schedule safety and awareness training for all stakeholders, especially our staff. These training programs are incorporated into the induction program for new employees to ensure that safety is ingrained from the outset.

In 2023, our training initiatives included:

1. **Forklift Safety Training (February 2023)** – Targeted at supervisors and operators to ensure safe forklift operation.
2. **PPE Awareness (January 2023)** – Educating supervisors and operators on the proper use of personal protective equipment.
3. **Schedule Waste Management (Transportation) (February 2023)** – Focused on the logistics team and drivers to ensure safe waste handling during transport.
4. **Safe Handling of Hazardous Waste (March 2023) –** Training for supervisors, operators, and logistics personnel on the safe handling of hazardous materials.
5. **Safety at Workplace (March 2023) –** General safety training for supervisors and operators.
6. **Ergonomics at Workplace (March 2023)** – Targeted at external operation and EHS teams to improve workplace ergonomics.
7. **Health and Safety Awareness for Supervisors (April 2023)** – Enhancing supervisors' understanding of health and safety protocols.
8. **Permit to Work (PTW) Training (April 2023)** – Ensuring managers and supervisors understand PTW systems.
9. **Fire Fighting by Bomba (valid until 2024)** – Training ERT members in firefighting techniques.
10. **Emergency Response Preparedness/Fire Risk Training (May 2023)** – Preparing ERT members, supervisors, operators, and EHS staff for emergency situations.
11. **Compliance, Safety, Accountability at External Operations (June 2023)** – Focusing on supervisors and operators to ensure compliance with safety standards.
12. **First Aid Training (May 2023)** – Teaching ERT members, supervisors, operators, and EHS staff basic first aid skills.
13. **Use and Maintenance of First Aid Boxes (July 2023)** – Ensuring first aiders and supervisors can properly maintain first aid kits.
14. **Chemical Spillage Handling (July 2023)** – Training ERT members, supervisors, operators, and EHS staff on handling chemical spills.
15. **Hearing Conservation Program (July 2023)** – Educating supervisors on hearing conservation methods.
16. **Class Regulation (August 2023)** – Training supervisors and EHS staff on relevant regulations.
17. **Fit Test Training (August 2023)** – Ensuring ERT members, supervisors, operators, and EHS staff understand proper respirator fitting.
18. **Contractor Safety Briefing (October 2023)** – Briefing contractors, maintenance, and EHS teams on safety protocols.
19. **Hazard Identification, Risk Assessment, and Determining Controls (HIRADC) Training (November 2023) –** Training supervisors and managers on risk assessment and control.
20. **Crane Operator Competency Training (valid until December 2024)** – Ensuring operators and supervisors are competent in crane operation.

SOCIAL

Community

By investing in health and safety training and improvements, we highlight our commitment to our workforce's well-being. Maintaining a first-class safety record and stakeholders' trust is more important to us than short-term financial gain. This commitment is reflected in our performance metrics for 2023:

No. of fatalities:	**0**
Lost Time Injury Rate (LTIR):	**2.00**
No. of Employees Trained:	**177**

These metrics demonstrate our commitment to safety and our success in maintaining a safe working environment. **The LTIR of 2.00,** while an area for improvement, highlights the effectiveness of our training programs and safety protocols in minimising serious injuries.

In previous years, such as 2022 and 2021, our health and safety metrics were not as comprehensively tracked due to the earlier stages of our HSE standard implementation. However, the one fatality was recorded in 2021 at SPM Plot 34. We have ensured our consistent focus on preventing serious incidents with zero fatalities in 2022. The increased training and improved safety measures in 2023 reflect our ongoing efforts to enhance our health and safety culture.

By continually investing in health and safety training and improvements, SPSB not only protects its employees but also builds a culture of safety that fills the entire organisation. This commitment ensures that our workforce remains healthy, productive, and motivated, contributing to the overall success and sustainability of our business. Our proactive approach to health and safety underscores our dedication to being a responsible and trusted company, both within our industry and in the broader community.

Work-related Fatalities

	Unit	2021	2022	2023
Number of work-related fatalities				
Employees	Number	1	0	0

Lost Time Incident Rate

	Unit	2021	2022	2023
Lost time incident rate				
Employees	Number	N/A	N/A	2
Number of employees trained on health & safety standards	Number	N/A	N/A	177

SOCIAL

Data Privacy and Security

Importance

In the digital age, data privacy and security have become essential for businesses worldwide. At SPSB, protecting the intellectual property (IP) and sensitive data of our customers is a critical component of our operations. We understand that our reputation and success are closely tied to the trust our stakeholders place in our ability to safeguard their information. By ensuring structured data privacy and security measures, we not only comply with legal and regulatory requirements but also demonstrate our continuous commitment to maintaining the highest standards of integrity and confidentiality.

The importance of data privacy and security extends beyond compliance; it is fundamental to our relationships with customers, partners, and stakeholders. Effective data protection protocols enhance customer confidence in our services, raise loyalty, and distinguish us as a reliable and responsible business partner. Additionally, safeguarding data helps prevent potential financial losses, legal implications, and reputational damage that could arise from data breaches or IP theft. For SPSB, comprehensive data privacy and security practices are integral to our operational excellence and long-term sustainability.

Our Approach

At SPSB, we have implemented comprehensive measures to ensure the protection of customer assets and intellectual property (IP). Our strict protocols are designed to secure the entire lifecycle of data-sensitive e-waste, from collection to final disposition. Our operations emphasise the importance of IP protection through meticulous asset management and asset disposition processes.

1. Customer Asset Management and IP Protection:

- We employ rigorous protocols in accordance with the SPSB Security Sealed Management System and TAPA Trucking Security Requirements (TSR). These protocols begin at the point of collection, where GPS-equipped trucks are used to track and secure the transportation of e-waste to designated Prescribed Premises.
- Once data-sensitive e-waste arrives at our facilities, it undergoes a thorough de-manufacturing and data sanitisation process. This process ensures the complete protection of customer IP rights, providing confidence in SPSB's ability to handle sensitive information securely.
- Our commitment to security is further reinforced by our TAPA Trucking Security Requirements (TSR) Level 1 Security Standard System Accreditation. This certification underscores our dedication to maintaining the highest security standards for IP protection.

2. Policy Revision in 2023

- In 2023, we revised our policies to enhance our data privacy and security measures. This included updates to our computer control systems, specifically in terms of data backup and recovery methods. These revisions ensure that our data management practices are aligned with the latest industry standards and technological advancements.
- We also updated our IT and cyber security Standard Operating Procedures (SOPs) regarding disaster escalation alerts, escalation processes, and IT Disaster Recovery Plan (DRP) activation. These updates are designed to ensure that communication can be established quickly in the event of a disaster, involving key management and staff who can provide advice to achieve smooth technology and business recovery until normal operations are restored.

In terms of performance, SPSB has consistently demonstrated its commitment to data privacy and security. In 2023, we recorded zero substantiated complaints concerning breaches of customer privacy and losses of customer data. This achievement mirrors our performance in 2022 and 2021, highlighting our ongoing success in maintaining stringent data protection standards.

Number of substantiated complaints concerning breaches of customer privacy and losses of customer data (2023, 2022, 2021):

0

These metrics highlight our effectiveness in protecting customer data and maintaining their trust. Our proactive approach to data privacy and security has ensured that we have not experienced any breaches or data losses, reflecting our structured and resilient security approaches.

SOCIAL

Data Privacy and Security

Despite our strong performance in data privacy and security, we recognize the ever-evolving nature of cyber threats and the importance of continuous improvement. The revisions to our policies and SOPs in 2023 are part of our ongoing efforts to stay ahead of potential risks and enhance our security posture. By regularly updating our protocols and investing in advanced security technologies, we ensure that we can respond immediately and effectively to any emerging threats.

Moreover, our commitment to data privacy and security is not just about protecting information; it is about building and maintaining trust with our stakeholders. By demonstrating our dedication to safeguarding their data, we reinforce our reputation as a reliable and responsible partner. This trust is crucial for sustaining long-term relationships with customers, partners, and other stakeholders, ultimately contributing to the overall success and sustainability of our business.

Overall, at SPSB, data privacy and security are not just operational requirements but fundamental values that guide our interactions with stakeholders. Our comprehensive approach to data protection, coupled with our continuous efforts to improve and adapt, ensures that we remain a trusted and secure partner in the digital age. Our performance metrics reflect our success in maintaining high standards of data privacy and security, and we remain committed to upholding these standards in the years to come.

Our Performance

Number of substantiated complaints concerning breaches of customer privacy and losses of customer data.

	Unit	2021	2022	2023
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data.	Number	0	0	0

GOVERNANCE

Anti-corruption
Supply Chain Management
Business Continuity Plan
Economic perseverance
Digital technology and innovation

GOVERNANCE

Our Commitment

SPSB upholds a well-defined structure and set of processes designed to promote accountability and transparency throughout its operations. This commitment is a top priority, fostering trust, credibility, and meaningful engagement with investors, customers, employees, and other stakeholders.

The Board convenes **three times a year** to review the ABC Register, which documents all financial incomings and outgoings of the company, including incoming and outgoing gifts, donations, and sponsorships, as well as the Organization Anti-Corruption Plan (OACP). This process serves as the primary check and balance, ensuring thorough oversight of SPSB's financial activities, anti-corruption initiatives, and all transactions related to gifts, donations, and sponsorships. These reviews focus on evaluating internal controls related to key business processes, coordinating risk identification activities, and overseeing risk management processes.

To further reinforce compliance, the Board engages an external independent auditor to assess internal compliance and ensure that no violations of laws or regulations occur within the organization. This independent audit strengthens SPSB's commitment to transparency, integrity, and accountability.

The Board's oversight responsibilities include assessing the performance, risk management, operational effectiveness, financial controls, and regulatory compliance of each business unit.

To support these objectives, SPSB maintains a set of robust policies, including the **Code of Business Conduct and Ethics, Whistleblower Procedure, Personal Data Protection, Grievance Procedure, and Anti-Bribery and Corruption (ABC) Policy**. These policies are reviewed and updated as needed to ensure alignment with best practices and regulatory requirements.

SPSB also emphasizes awareness and compliance through structured briefings and training. All internal stakeholders, both new and existing, are required to attend training on ABC compliance and complete an annual quiz to assess their understanding. Additionally, internal stakeholders participate in twice-yearly briefings, while external stakeholders, such as vendors, attend an annual briefing. Customers are also required to acknowledge SPSB's ABC Compliance Declaration to affirm their commitment to upholding these standards.

Anti-corruption

Importance

Anti-corruption promotes ethical practices and integrity by establishing clear policies and standards, which are essential for maintaining trust and upholding moral principles in SPSB. These measures also protect public trust and confidence by demonstrating a commitment to transparency, accountability, and responsible governance, which are crucial for gaining public support and cooperation.

Our Approach

SPSB maintains a set of robust policies, including the Code of Business Conduct and Ethics, Whistleblower Procedure, Personal Data Protection, Grievance Procedure, and Anti-Bribery and Corruption (ABC) Policy. The Board actively oversees the implementation of this policy, ensuring that all procedures comply with Section 17A of the Malaysian Anti-Corruption Commission Act 2009, as well as other relevant legal requirements. This oversight includes monitoring adherence to anti-corruption measures, reviewing policy effectiveness, and addressing any legal issues that may arise. Through these efforts, the Board ensures that SPSB maintains the highest standards of integrity and compliance in its operations.

GOVERNANCE

Anti-corruption

Our Performance

|	Unit	2021	2022	2023
Percentage of employees who received anti-corruption training by employee category				
Management	%	100	100	100
Executive	%	100	100	100
Non-executive/Technical staff	%	100	100	100
General Workers	%	100	100	100
Contractors/Temporary staff	%	100	100	100
Percentage of operations assessed for corruption-related risks	%	100	100	100
Confirmed Incidents of corruption	Number	0	0	0
Number of actions taken	Number	0	0	0

Supply Chain Management

Importance

SPSB has a total commitment to encouraging ethical procurement methods and strengthening the resilience of our supply chain by integrating sustainability components all the way through the procurement process. Our strong conviction is economic expansion in the localities where we do business. To do this, we place a high priority on using local suppliers and business possibilities. We make sure that our suppliers share our expectations for sustainability regarding procurement procedures.

Our Approach

Our supply chain management encompasses both direct and indirect procurement. Direct procurement focuses on sourcing materials and services essential for marketing efforts, while indirect procurement deals with purchasing goods and services necessary for overall business operations.

During FY2023, we initiated documenting the proportion of our spending on local suppliers through Bursa's 11 common indicators. The findings of this study are detailed in the section below. This effort underscores our commitment to supporting the local economy and enhancing our supply chain sustainability by prioritising local procurement.

	2021	2022	2023
Proportion of Spending on Local Suppliers	89.4%	90.8%	89.4%
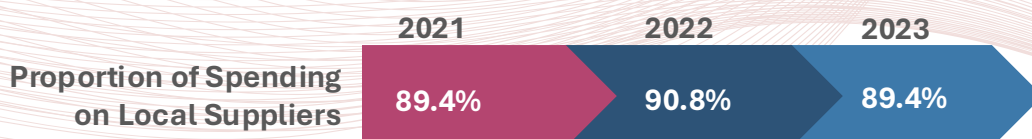
GOVERNANCE

Economic Perseverance

Importance

In assuring economic perseverance and continuity, a **Business Continuity Plan (BCP)** is essential to SPSB in ensuring that services continue uninterrupted during emergencies, which is crucial for maintaining public health and environmental safety. A BCP helps mitigate risks by identifying potential disruptions, such as natural disasters or equipment failures, and developing strategies to manage these challenges effectively, thereby minimising operational downtime and ensuring a swift recovery. Additionally, the BCP includes procedures for protecting our employees during emergencies, which is vital for maintaining a functional workforce and upholding the SPSB's services. It ensures regulatory compliance by helping SPSB meet environmental regulations and legal requirements even during crises, avoiding legal penalties and reputational damage.

Furthermore, our BCP secures financial stability by outlining strategies for minimising downtime and managing costs, thus protecting the company's revenue streams. SPSB's BCP process improves crisis management capabilities through the development of communication strategies, decision-making frameworks, and coordination mechanisms, and it promotes continuous improvement by regularly reviewing and updating the plan to adapt to changing risks and operational practices.

Our Approach

SPSB has undertaken a comprehensive **Business Impact Analysis (BIA)** to evaluate both organisational and departmental operations, aiming to identify potential weaknesses and establish critical functions and systems for prioritisation in our BCP. This detailed analysis involved assessing the potential impacts of various disruptions on our operations, including how they might affect our ability to deliver essential services and meet our business objectives. By systematically evaluating the consequences of disruptions on different business processes, we were able to identify key areas that require immediate attention and resource allocation in the BCP. The BIA also facilitated the development of strategies for minimising operational downtime, ensuring that our most crucial functions and systems are safeguarded and that we can quickly recover from potential disruptions. This proactive approach ensures that SPSB is well-prepared to maintain business continuity and resilience in the face of unforeseen challenges.

SPSB's Business Continuity Plan are designed based on:

- A Risk Assessment on external and internal business and organisational threats which include natural disasters, cyber-attacks, power outages and epidemics.
- Identification of primary tasks and personnel required to maintain key operations and preserve assets.
- Recovery strategies and contingency plans
- Maintenance of and accessibility to current and upload contact details of key relevant personnel.
- Plans for relocation and/or re-tasking of personnel during emergency period.
- Standard operating procedures on data back-up of all SPSB process and operations.
- Clear communication plans and channels to ensure smooth collaboration between all facets of the organisation.
- A buy-in from all personnel.

GOVERNANCE

Digital Technology and Innovation

Importance

As SPSB provides e-waste recycling services, it is crucial to address the increasing generation of e-waste driven by rapid technological innovation. The life cycle of electrical and electronic products is becoming shorter due to the continuous development of new technologies and the frequent introduction of upgraded devices, quickly rendering older models obsolete. This trend presents a growing environmental challenge, as the disposal and recycling of electronic waste require careful management to prevent harmful impacts on ecosystems and human health. To combat this outcome, SPSB leverages digital technology and innovation to enhance its recycling processes. SPSB efficiently processes e-waste, maximises material recovery, and minimises environmental impact. These technological advancements not only improve operational efficiency but also ensure that SPSB remains at the forefront of sustainable e-waste management practices.

Our Approach

In FY2022, SPSB participated as an exhibitor at the Pavilion International Trade Expo, organised by the Penang Chamber of Commerce in conjunction with the World Congress on Innovation and Technology (WCIT). This involvement not only allowed us to stay abreast of emerging technologies but also provided a platform to showcase our commitment to a greener world. Through our closed-loop economy system and green technology initiatives, we demonstrated our dedication to sustainable practices and environmental stewardship.

The SPSB R&D Team and Analytical Laboratories have been instrumental in driving the company's innovation and sustainable technology breakthroughs. Their dedicated efforts have paved the way for SPSB to emerge as an indisputable leader in green technology. Through continuous research and development, we have ideated and implemented cutting-edge solutions that not only enhance the company's operational efficiency but also significantly reduce its environmental footprint. As a result of their pioneering work, SPSB has garnered multiple prestigious awards and solidified its reputation as a trailblazer in the green technology sector. Their contributions underscore SPSB's commitment to sustainability and its vision of a greener future.

Our laboratories specialise in precious metals analyses and are dedicated to developing the most effective methodologies for the optimal extraction of targeted materials. Our services include:

Onsite sampling of liquid and solid materials

Purity analysis of the finished goods

Sample preparation for customer 3rd party analysis

Technical data preparation of unknown samples and materials

GOVERNANCE

Digital Technology and Innovation

Our Approach

SPSB has integrated advanced **SCADA (Supervisory Control and Data Acquisition)** systems within its SPGT 2 Copper Production facility. These systems allow operators to monitor and control the entire copper electrorefining process from a central location. Real-time tracking of critical parameters such as current density, temperature, and equipment status is possible, ensuring optimal performance and safety.

SCADA systems collect vast amounts of data from sensors and instruments across the refining process. This data is analysed to optimise process conditions, reduce energy consumption, and improve copper recovery rates. The ability to analyse historical data also aids in predictive maintenance, reducing downtime and extending the lifespan of equipment. Additionally, SCADA systems enhance safety by automatically triggering alarms or shutting down equipment in the event of failures. The systems also offer remote monitoring and control capabilities, allowing authorised managers to manage the refining process from off-site locations, providing flexibility and responsiveness, especially in emergencies.

In the realm of IT Asset Disposition (ITAD), SPSB utilises specialised technology to manage and repair hard disk drives (HDDs) with bad sectors. When dealing with bad sectors on an HDD, a comprehensive process is employed using an HDD test and repair station. This process involves:

1. **Initial Diagnosis:** The HDD is connected to the test station, which runs diagnostics to identify bad sectors across the disk surface. These sectors are logged for further action.

2. **Cutting (Isolating) Bad Sectors:** The test station marks bad sectors to prevent their use by the operating system or HDD firmware. If supported, sectors can be remapped to spare sectors, effectively isolating the damaged areas.

3. **Post-Repair Verification:** Diagnostics are rerun to ensure the stability of the HDD, followed by generating a detailed report on its health and any repairs made.

4. **Final Steps:** After repairs, the HDD is repartitioned and reformatted, with ongoing monitoring recommended to detect any new bad sectors.

It is essential to consider a few key points when dealing with HDD repairs, particularly when addressing bad sectors. Additionally, while cutting bad sectors can extend the lifespan of an HDD, it often indicates that the drive is ageing and may be nearing the end of its operational life. Therefore, regular backups and continuous monitoring are highly recommended to safeguard data and prevent potential future failures. This advanced approach to HDD repair underscores SPSB's commitment to utilising cutting-edge technology to extend the life of electronic components and reduce waste, aligning with our broader sustainability goals.

SPSB actively fosters a culture of innovation among its employees, exemplified by initiatives such as the Best Innovation Award. By promoting innovative thinking, SPSB not only enhances employee engagement and morale but also drives continuous improvement in our processes and technologies. This commitment to innovation empowers our workforce to develop groundbreaking solutions that propel SPSB forward in the competitive landscape and reinforce our position as a leader in sustainable practices.
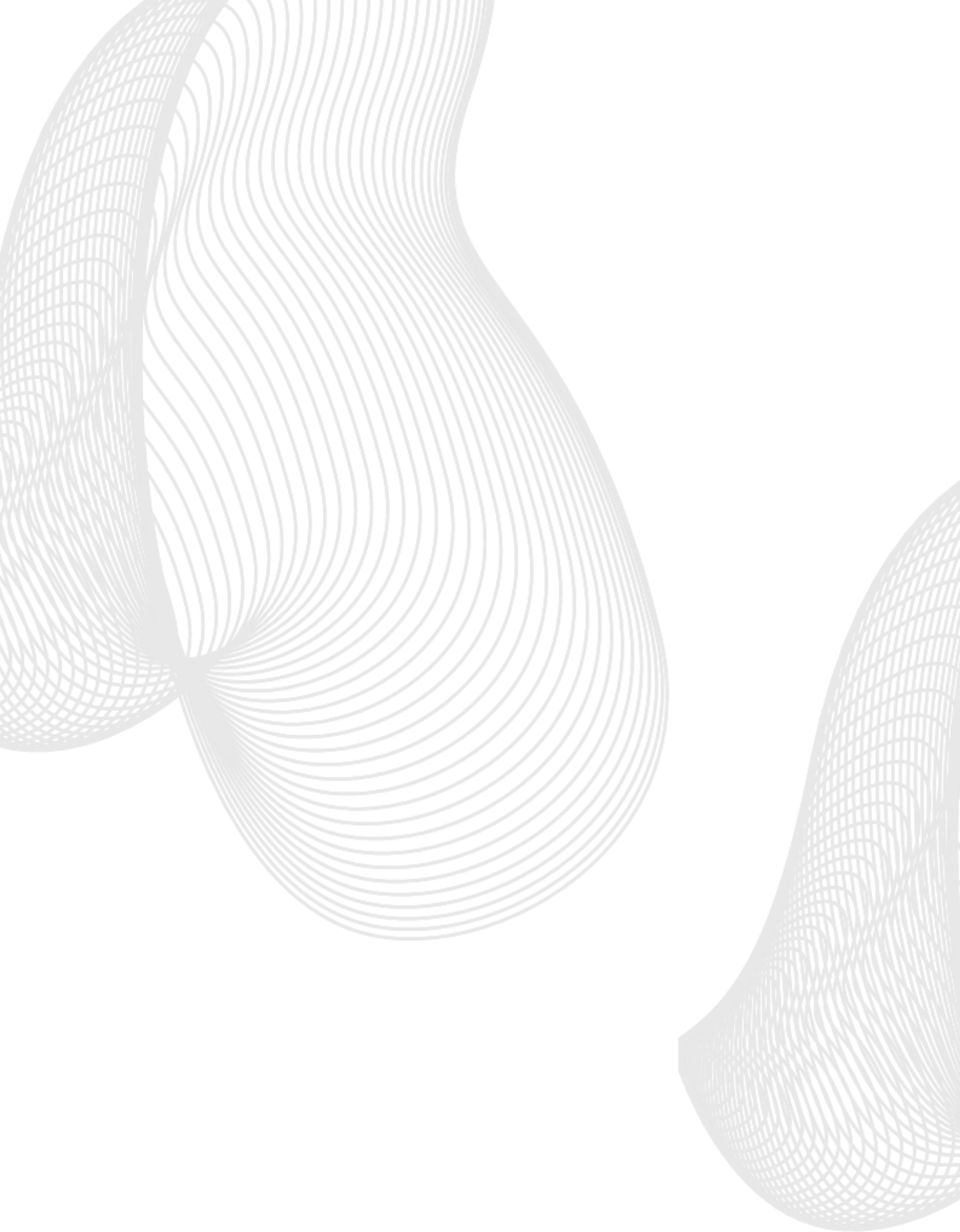
WAY FORWARD

WAY FORWARD

SPSB is deeply committed to sustainability, recognizing that our actions today shape the future of our planet and society. Our sustainability strategy is built on the pillars of environmental stewardship, social responsibility, and economic perseverance. We aim to integrate sustainable practices into every aspect of our operations, from emission and energy management to waste reduction and community engagement. By doing so, we not only fulfil our corporate responsibility but also enhance our operational efficiency, stakeholder trust, and long-term viability. This document outlines our strategic goals and initiatives across key areas to demonstrate our commitment to a sustainable future.

While the list of targets presented may not yet be comprehensive and not all targets have developed SMART goals with clear KPIs, the purpose of this strategy is to outline the directions for our sustainable development. It also serves as an evaluation of areas within environmental, social, and governance domains that require our attention and for which we have the resources and capacity to address. Our goals are categorised into short-term (1-2 years), mid-term (3-5 years), and long-term (6-15 years) targets.

ENVIRONMENT

Energy and Emission Management
Effective emission and energy management are essential for SPSB to address environmental challenges, reduce its carbon footprint, and enhance sustainability. By integrating structured emission and energy management practices, SPSB demonstrates its commitment to future sustainability and corporate responsibility.

Energy management			
Term	**Initiative**	**General Pathway**	**Goals**
Short-Term (1-2 years)	**Renewable Energy Integration**	Continue integrating renewable energy sources	• Develop a plan on installation of additional solar panels as part of continuous efforts to reduce the environmental footprint
	Training and Awareness	Promote energy conservation culture	• Develop training programs for employees to increase awareness about energy efficiency practices
Mid-Term (3-5 years)	**Energy Consumption Baseline**	Establish baseline of energy usage	• Conduct an energy audit • Identify main energy consumption sources
	Identify Energy Efficiency Opportunities	Improve energy efficiency and reduce consumption	• Upgrade equipment • Optimise processes • Implement energy-saving technologies • Consider energy recovery systems
	Financial Considerations	Ensure financial viability of initiatives	• Perform cost-benefit analyses for carbon reduction projects • Explore funding options (grants, subsidies) to support implementation of advanced technologies
	Performance Monitoring and Reporting	Track and report energy performance	• Implement robust monitoring systems • Regularly review and adjust strategies
Long-Term (6-15 years)	**Benchmarking**	Compare energy performance with industry standards	• Use benchmarking data to identify areas for improvement • Set competitive and realistic targets

WAY FORWARD

ENVIRONMENT

Energy and Emission Management

Emission Management			
Term	**Initiative**	**General Pathway**	**Goals**
Short-Term (1-2 years)	**Emission Quantification**	**Quantify emissions across Scope 1, 2, and 3**	• Measure emissions using GHG Protocol and ISO 14064:2018 • Identify major sources of emissions in each scope

	Enhance Group-level Carbon Footprint Assessment	**Include more sources of emissions from Scope 3 in the group-level GHG Inventory**	• Enhance GHG emissions quantification from Scope 3 by including emissions from:
			  • Category 1 – Purchased goods and services,
			  • Category 4 – Upstream transportation and distribution,
			  • Category 6 – Business travel at all levels,
			  • Category 9 – Downstream distribution and transportation.
			• Use results to develop reduction strategies

	Life Cycle Assessment	**Understand energy impact throughout product lifecycle**	• Conduct life cycle assessments • Use results to develop reduction strategies
Mid-Term (3-5 years)	**Air Pollution Control Systems**	**Enhance air pollution control system (post-combustion chambers, quenchers, wet scrubbers, and bag filters)**	• Ensure compliance with Environmental Quality (Clean Air) Regulations 2014
	Emission Monitoring and Reporting	**Monitor and report on emission levels**	• Conduct regular monitoring of air emissions • Report on emission levels and progress towards targets
Long-Term (6-15 years)	**Carbon Footprint Reduction Initiatives**	**Implement strategies to reduce carbon footprint**	• Develop and execute plans to achieve net-zero emissions by 2050 • Target reductions in emissions from operations and value chain
	Regulatory Compliance	**Adhere to local and international environmental regulations**	• Ensure ongoing compliance with Department of Environment limits • Regularly update policies to meet evolving regulations

WAY FORWARD

ENVIRONMENT

Circularity of Resources and Waste Management

At SPSB, we prioritise the circularity of resources and proper waste management to reduce our environmental impact and benefit surrounding communities, particularly through our waste management business. Effective waste management is essential to prevent negative consequences such as soil contamination, air and water quality degradation, and hazardous material exposure.

Circularity of Resources and Waste Management			
Term	**Initiative**	**General Pathway**	**Goals**
Short-Term (1-2 years)	**Waste Recycling Practices**	**Enhance recycling activities across operations**	• Encourage employee participation in recycling • Provide clear guideline for waste segregation • Transform waste management into a resource-efficient model
Mid-Term (3-5 years)	**Zero waste to landfill**	**Zero waste goals**	• Develop and execute plan to achieve Zero-Waste objective using 5Rs Green Concept
Long-Term (6-15 years)	**Green Technology Development**	**Develop and implement green technologies**	• Develop sustainable materials and products that minimise environmental impact • Collaborate with academic institutions and research centres to drive innovation in green technologies
	Regulatory Compliance	**Adhere to environmental regulations**	• Comply with Environment Quality (Scheduled Waste) Regulations 2007 and other related guidelines
	Global advocacy and leadership	**Industry leadership**	• Lead industry initiatives, share best practices towards circular economy

WAY FORWARD

ENVIRONMENT

Clean Water and Sanitation

Reducing freshwater use and ensuring clean water and sanitation are crucial aspects of SPSB environmental stewardship. Water efficiency is essential for sustainable operations as it reduces strain on natural resources, minimises environmental impact, and helps lower costs. SPSB is dedicated to conserving water resources, reducing water consumption, and minimising environmental impacts.

Clean water and sanitation			
Term	**Initiative**	**General Pathway**	**Goals**
Short-Term (1-2 years)	**Environmental Monitoring Program**	**Monitor treated effluent discharge**	• Conduct routine environmental monitoring • Ensure receiving water bodies are not polluted
	Pollution Prevention	**Spill prevention and response**	• Provide training on spill prevention and emergency response to all level of employees to minimise water contamination
Mid-Term (3-5 years)	**Water Efficiency Measures**	**Reduce water consumption in operations**	• Implement water-saving technologies • Install rainwater harvesting system to recycle water • Promote water conservation practices among employees
Long-Term (6-15 years)	**Regulatory Compliance**	**Adhere to local environmental regulations**	• Ensure continuous compliance with Environment Quality (Industrial Effluent) Regulations 2009 • Maintain up-to-date knowledge of regulatory changes
	Global water advocacy	**Industry leadership**	• Demonstrate industry leadership by sharing best practices, participating in water stewardship initiatives

WAY FORWARD

SOCIAL

Our People

The social aspect of SPSB focuses on the well-being, development, and inclusion of our workforce. Our people are the foundation of our success, and we are committed to fostering a dynamic, diverse, and inclusive work environment. By adhering to high labour standards and prioritising employee development, we aim to create a supportive and innovative workplace that drives SPSB forward.

Our People			
Term	**Initiative**	**General Pathway**	**Goals**
Short-Term (1-2 years)	**Diversity, Equity, and Inclusion (DEI)**	**Cultivate a diverse and inclusive workforce**	• Create a more inclusive and heterogenous workforce in recruitment strategies • Provide equity for male workforce
	Labour Practices and Standards	**Ensure fair treatment and compliance with labour laws**	• Comply with relevant statutory requirements • More focused and strategic approach to training senior leaders • Improving employee satisfaction and retention through quarterly employee satisfaction assessments
	Work-Life Balance Initiatives	**Support employees in balancing work and personal life**	• Allow flexible scheduling and telecommuting options • Offer additional support such as childcare services and parental leave
Mid-Term (3-5 years)	**Employee Talent Development**	**Foster continuous learning and skill development**	• Mandate a minimum of 48 hours of training per year for each employee • Offer specialised training programs in technical and soft skills
Long-Term (6-15 years)	**Performance Monitoring and Reporting**	**Track and report DEI and labour practices**	• Regularly document and analyse DEI metrics • Report on training hours and employee turnover rates

WAY FORWARD

SOCIAL

Community/Society

Engaging with and supporting the community is a fundamental aspect of SPSB's social responsibility. Our commitment to the well-being of the communities where we operate is not only a moral obligation but also a strategic approach that strengthens our business and nurtures mutual growth and development. By investing in community initiatives, we build strong relationships with local stakeholders, enhance our reputation, and create a supportive environment for our operations.

Community/Society			
Term	**Initiative**	**General Pathway**	**Goals**
Short-Term (1-2 years)	**Environmental Sustainability Initiatives**	**Promote recycling and sustainable practices**	• Conduct educational workshops and community recycling drives
	Local hiring initiatives	**Provide local employment**	• Prioritise hiring local residents • Promote economic development and community involvement
Mid-Term (3-5 years)	**Health, wellbeing and safety initiatives**	**Community health and safety programs**	• Provide health and wellness programs such as health screening for residents nearby • Collaborate with local authority to enhance safety measure
Long-Term (6-15 years)	**Sustainable Community Development**	**Invest in long-term community development projects**	• Allocate fund for community development projects (e.g: parks, infrastructure improvement) • Establish community centres that offer educational, cultural, and recreational activities
	CSR Initiatives	**Optimise CSR budget for impactful initiatives**	• Diversify targeted outreach • Enhance collaborations with local organisations to maximise impact • Ensure all CSR initiatives are aligned with United Nations Sustainable Development Goals (SDGs)
	Community outreach and education	**Provide scholarships and educational aid**	• Support academic excellence among local students • Assist qualified local students in pursuing higher education

WAY FORWARD

SOCIAL

Health & Safety

Recognizing the health and safety of our employees and stakeholders as vital, SPSB has integrated these principles into the core of our operations. Our commitment to maintaining a safe and healthy working environment is a moral necessity that emphasises our respect for our workforce. This commitment not only enhances employee productivity and job satisfaction but also contributes to the sustainability of our operations and builds trust with stakeholders.

Health & Safety			
Term	**Initiative**	**General Pathway**	**Goals**
Short-Term (1-2 years)	**Safety and Awareness Training**	**Regular safety training for all stakeholders**	• Enhance safety training in induction programs • Ensure 100% participation in safety and health training programs
	Performance Monitoring and Reporting	**Track and report safety and health related data**	• Regularly document and analyse safety and health performance
Mid-Term (3-5 years)	**Health and Wellness Programs**	**Promote overall well-being of employees**	• Offer flexible spending accounts for medical expenses • Install safety signage and alert at site • Continuous health screenings and monitoring programs • Develop fitness and wellness programs
Long-Term (6-15 years)	**Environmental, Health, Safety & R2 Policy**	**Formalise health and safety standards**	• Continuous improvement in EHS and R2 • Develop and execute plan to achieve Zero Accident Tolerance • Promote culture of safety and environmental responsibility throughout organisation • Integrate EHS and R2 considerations into all aspects of business operations and decision-making
	Compliance and Accountability	**Ensure compliance with safety regulations**	• Regularly update and review safety policies • Conduct internal audits and risk assessments

WAY FORWARD

SOCIAL

Data Privacy & Security

In the digital age, data privacy and security are paramount for businesses worldwide. At SPSB, protecting the intellectual property (IP) and sensitive data of our customers is a critical component of our operations. By ensuring structured data privacy and security measures, we not only comply with legal and regulatory requirements but also demonstrate our continuous commitment to maintaining the highest standards of integrity and confidentiality.

Data Privacy & Security			
Term	**Initiative**	**General Pathway**	**Goals**
Short-Term (1-2 years)	**Employee Training and Awareness**	**Enhance data security awareness among employees**	• Update employees on the latest security threats and preventive measures • Introduce a mandatory cybersecurity certification program for all employees • Develop an internal newsletter dedicated to cybersecurity updates and best practices
Mid-Term (3-5 years)	**Policy Revisions**	**Update data privacy and security measures**	• Update IT and cyber security SOPs for disaster response • Implement regular policy review cycles to ensure alignment with emerging threats and regulatory changes • Establish a cross-departmental data privacy committee to oversee policy implementation and compliance
	Third-Party Risk Management	**Enhance oversight of third-party data handling practices**	• Establish stringent vetting processes for third-party vendors handling sensitive data • Develop contractual obligations for third-party vendors to comply with the organisation's data protection standards
Long-Term (6-15 years)	**Performance Monitoring and Reporting**	**Maintain high standards of data protection**	• Develop robust data breach response and reporting mechanism • Implement continuous improvement programs based on performance monitoring data
	Advanced Security Technologies	**Invest in advanced data security technologies**	• Invest in AI and machine learning - based threat detection systems • Adopt blockchain technology for enhanced data integrity and security

WAY FORWARD

GOVERNANCE

Digital Technology and Innovation

In the realm of e-waste recycling, leveraging digital technology and innovation is essential for addressing the increasing generation of e-waste driven by rapid technological advancements. SPSB is committed to enhancing its recycling processes, maximising material recovery, and minimising environmental impact. This strategic approach ensures that SPSB remains at the forefront of sustainable e-waste management practices.

Digital Technology and Innovation			
Term	**Initiative**	**General Pathway**	**Goals**
Short-Term (1-2 years)	**Waste tracking system**	**Blockchain for waste tracking**	• Utilise blockchain technology to create a transparent and secure system for tracking waste • Tin recovery from PCBA before melting.
Mid-Term (3-5 years)	**Digital Technology and Innovation**	**Enhance recycling processes using digital technology**	• Invest in scalable and upgradable technologies • Stay informed about technological trends and innovations within industry • Introduce automation and AI in waste sorting and dismantling process.
Long-Term (6-15 years)	**R&D Investment**	**Drive innovation and sustainable technology breakthroughs**	• Continue research and development to ideate and implement cutting-edge • Enhance operational efficiency and reduce environmental footprint • to maximize • Feasibility study for waste heat boiler at TSL to produce electricity.
	Innovation Culture Promotion	**Foster a culture of innovation among employees**	• Promote innovative thinking through initiatives like the Best Innovation Award • Enhance employee engagement and morale • Drive continuous improvement in processes and technologies

WAY FORWARD

GOVERNANCE

Anti-corruption

Maintaining ethical practices and integrity is crucial for SPSB, and anti-corruption measures are integral to achieving this goal. Clear policies and standards help uphold moral principles and protect public trust by demonstrating a commitment to transparency, accountability, and responsible governance. This commitment is essential for gaining public support and cooperation.

Anti-corruption			
Term	**Initiative**	**General Pathway**	**Goals**
Short-Term (1-2 years)	**Anti-Bribery and Corruption Policy**	**Establish clear anti-corruption policies**	• Conduct regular audits to ensure compliance • Maintain accurate records of compliance activities • Ensure compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009
	Board Oversight	**Ensure effective policy implementation and compliance**	• Actively oversee implementation of anti-corruption measures • Establish a dedicated anti-corruption committee within the board • Review and approve anti-corruption initiatives and budgets • Monitor adherence and review policy effectiveness
Mid-Term (3-5 years)	**Training and Awareness Programs**	**Promote a culture of integrity and transparency**	• Enhance anti-bribery training sessions for employees • Increase awareness about anti-corruption policies and procedures
Long-Term (6-15 years)	**Compliance Monitoring and Reporting**	**Ensure ongoing compliance with anti-corruption standards**	• Regularly monitor compliance with anti-corruption measures • Establish reporting mechanisms for potential breaches

WAY FORWARD

GOVERNANCE

Supply Chain Management

SPSB is dedicated to fostering ethical procurement methods and enhancing the resilience of our supply chain by integrating sustainability components throughout the procurement process. By prioritising local suppliers and business opportunities, SPSB aims to drive economic expansion in the localities where we operate. This commitment ensures that our suppliers adhere to our sustainability expectations and contributes to the overall sustainability of our supply chain.

Supply Chain Management			
Term	**Initiative**	**General Pathway**	**Goals**
Short-Term (1-2 years)	**Ethical Procurement Practices**	**Encourage ethical procurement methods**	• Implement and monitor ethical procurement guidelines • Ensure supplier compliance with sustainability expectations
	Circular Supply Chain Management	**Enhance the sustainability of the supply chain**	• Implement sustainable sourcing practices • Develop partnerships with suppliers who adhere to circular economy principles
	Local Procurement Prioritization	**Support local economy through procurement**	• Increase proportion of spending on local suppliers • Document and analyse spending on local suppliers
	Direct and Indirect Procurement	**Manage direct and indirect procurement processes**	• Optimise sourcing of materials and services for marketing • Streamline purchasing of goods and services for business operations
Mid-Term (3-5 years)	**Supply Chain Resilience**	**Strengthen supply chain resilience**	• Integrate sustainability components in procurement • Enhance supplier evaluation and selection processes
	Sustainability Indicators	**Measure and report on sustainability performance**	• Utilise Bursa's 11 common indicators and GRI standard • Regularly document and report sustainability metrics
Long-Term (6-15 years)	**Supplier Collaboration and Engagement**	**Foster strong relationships with suppliers**	• Conduct regular supplier audits and assessments • Provide training and support for suppliers to meet sustainability standards

WAY FORWARD

GOVERNANCE

Economic perseverance and Business Continuity

Ensuring economic perseverance and business continuity is critical for SPSB to maintain uninterrupted services during emergencies. A robust Business Continuity Plan (BCP) is essential to mitigate risks, protect employees, ensure regulatory compliance, secure financial stability, and improve crisis management capabilities. This comprehensive approach enables SPSB to manage potential disruptions effectively, minimising operational downtime and ensuring a swift recovery.

|	Economic Perseverance and Business Continuity		
Term	**Initiative**	**General Pathway**	**Goals**
Short-Term (1-2 years)	**Diversification of revenue streams**	**Enhance revenue streams**	• Establish partnerships with diverse waste generators • Provide incentives to waste generators
	Supply Chain Resilience	**Strengthen supply chain stability**	• Identify critical suppliers and assess their resilience and risk profiles • Develop alternative sourcing strategies to ensure continuity of supply chain during disruptions
	Recovery Strategies and Contingency Plans	**Ensure swift recovery from disruptions**	• Establish recovery strategies for key operations • Develop contingency plans for maintaining services
	Communication Plans and Channels	**Ensure smooth collaboration during emergencies**	• Maintain and update contact details of key personnel • Develop clear communication channels
	Data Backup Procedures	**Protect data integrity**	• Implement standard operating procedures for data backup • Ensure accessibility and security of data
Mid-Term (3-5 years)	**Market expansion**	**Adapt to current market demand**	• Expand market reach and product diversification
Long-Term (6-15 years)	**Continuous Improvement of BCP**	**Adapt to changing risks and operational practices**	• Regularly review and update the BCP • Incorporate feedback and lessons learned from past incidents

WAY FORWARD

In our quest for sustainability, SPSB has implemented comprehensive strategies that address the critical aspects of environmental management, social responsibility, and economic stability. Our emission management initiatives focus on quantifying and reducing greenhouse gas emissions, maintaining stringent air pollution control measures, and striving for regulatory compliance. Concurrently, our energy management strategy emphasises the integration of renewable energy sources, enhancing energy efficiency, and establishing robust monitoring systems.

We have also prioritised the circularity of resources through our innovative waste management practices, including closed-loop systems and advanced recycling technologies. Our dedication to clean water and sanitation ensures that we responsibly manage water resources, adhering to environmental regulations and minimising our environmental footprint.

On the social front, SPSB is committed to fostering a diverse and inclusive workforce, providing comprehensive health and wellness programs, and engaging with the community through impactful corporate social responsibility initiatives. Our efforts in these areas not only improve the quality of life for our employees and community members but also reinforce our reputation as a responsible and forward-thinking organisation.

In conclusion, SPSB's sustainability strategy is a testament to our unwavering commitment to creating a better, more sustainable world. By continuously improving our practices and staying true to our core values, we strive to lead by example in the waste management industry and beyond. Our integrated approach to sustainability ensures that we remain resilient, innovative, and socially responsible, ultimately contributing to a greener, healthier, and more equitable future for all.
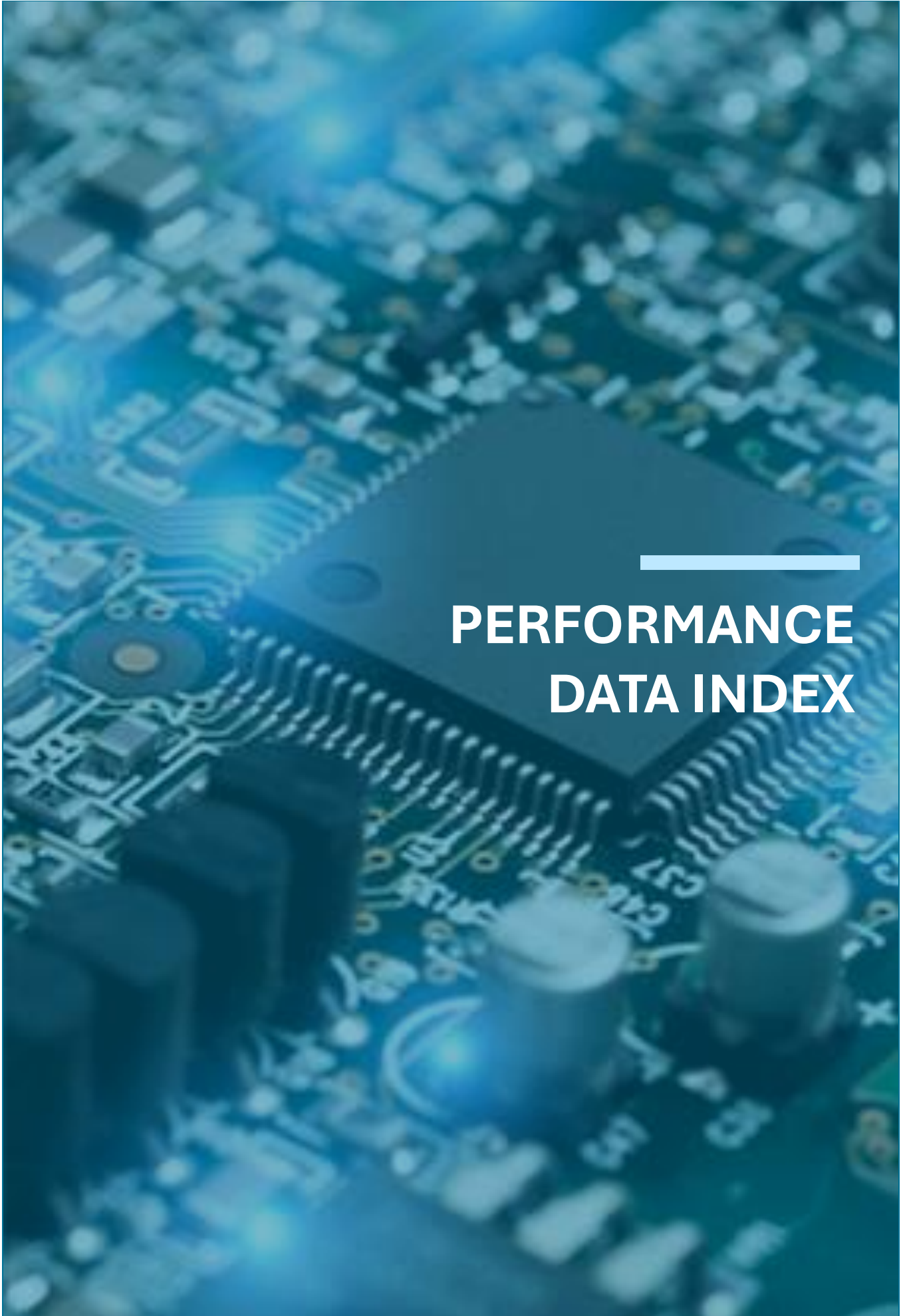
PERFORMANCE DATA INDEX

PERFORMANCE DATA INDEX

Detail	Page Number	Unit	2021	2022	2023
Environmental					
Total energy consumption	26	GJ	-	-	178,086.44
Total volume of water used	27	ML	-	-	87.53
Waste generated (disposal)	29	MT	-	-	3.45
Waste generated (recovery)	29	MT	-	-	679.97
Waste generated (physical chemical treatment)	29	MT	-	-	0.24
Waste generated (incineration)	29	MT	-	-	174.85
Waste generated (Landfill)	29	MT	-	-	108.77
Scope 1 Emission	30	tCO2e	4,369.00	2,372.00	7,225.90
Scope 2 Emission	30	tCO2e	3,604.50	4,551.30	6,869.32
Scope 3 Emission	30	tCO2e	-	-	576.25
Social					
Percentage of employees by gender					
Management (male)	41	%	73.47	69.23	68.42
Management (female)	41	%	26.13	30.77	31.58
Executive (male)	41	%	45.45	40.57	48.08
Executive (female)	41	%	54.55	59.43	51.92
Non-Executive / Technical staff (male)	41	%	79.07	72.55	77.24
Non-Executive / Technical staff (female)	41	%	20.93	27.45	22.76
General workers (male)	41	%	97.36	94.54	97.06
General workers (female)	41	%	2.64	5.46	2.94
Percentage of employees by age group					
Management (<30)	41	%	8.16	3.85	6.78
Management (30-50)	41	%	75.51	82.69	76.27
Management (>30)	41	%	16.33	13.46	16.95
Executive (<30)	41	%	46.59	46.23	48.08
Executive (30-50)	41	%	47.73	47.17	44.23
Executive (>30)	41	%	5.68	6.60	7.69
Non-Executive / Technical staff (<30)	41	%	37.21	39.22	40.00
Non-Executive / Technical staff (30-50)	41	%	54.65	50.00	51.03
Non-Executive / Technical staff (>30)	41	%	8.14	10.78	8.97
General workers (<30)	41	%	31.96	29.78	52.76

PERFORMANCE DATA INDEX

Detail	Page Number	Unit	2021	2022	2023
Social					
General workers (30-50)	41	%	61.29	64.52	44.88
General workers (>30)	41	%	6.74	5.71	2.36
Percentage of directors by gender					
Female	42	%	8.33	8.33	8.33
Male	42	%	91.67	91.67	91.67
Percentage of directors by age group					
<30	42	%	0.00	0.00	0.00
30-50	42	%	41.67	41.67	41.67
>30	42	%	58.33	58.33	58.33
Total of training hours by employee category					
Management	43	Hour(s)	231.50	216.00	117.00
Executive	43	Hour(s)	132.00	296.00	219.00
Technical Staff	43	Hour(s)	88.00	492.00	383.00
General Workers	43	Hour(s)	16.00	160.00	267.00
Percentage of employees that are contractors or temporary staff					
Contracted employee	44	%	0.00	0.00	0.98
Total number of employees turnover					
Management	44	Number	9.00	7.00	10.00
Executive	44	Number	22.00	22.00	16.00
Non-Executive / Technical staff	44	Number	11.00	31.00	27.00
General workers	44	Number	37.00	52.00	51.00
Number of complaints on human rights violation	44	Number	0.00	0.00	0.00
Amount investment in community	48	RM	44,940.20	52,811.68	806,544.55
Total beneficiaries of community investment	48	Number	8	11	52
No. of Fatalities	50	Number	1	0	0
Lost Time Injury Rate (LTIR)	50	Number	N/A	N/A	2
No. of employees trained on health and safety standards	50	Number	N/A	N/A	177
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data.	52	Number	0	0	0

PERFORMANCE DATA INDEX

Detail	Page Number	Unit	2021	2022	2023
Governance					
Percentage of employees who received anti-corruption training by employee category					
Management	55	%	100	100	100
Executive	55	%	100	100	100
Technical Staff	55	%	100	100	100
General Workers	55	%	100	100	100
Contractors/Temporary staff	55	%	100	100	100
Percentage of operations assessed for corruption-related risks	55	%	100	100	100
Confirmed incidents of corruption	55	Number	0	0	0
Number of actions taken	55	Number	0	0	0
Proportion of spending on local suppliers	55	%	89.4	90.8	89.4

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