



COMMUNICATION ON PROGRESS (COP)

K-One Technology Bhd

Report for:-

UNITED NATIONS GLOBAL COMPACT

Assessment Date : 25 May 2021

Assessment Criteria : Communication on Progress in Human Rights, Labor,
Environment and Anti-Corruption.

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General

Period covered by Communication on Progress (COP)

From: 25 May 2020 To: 28 May 2021

Statement of continued support by the Chief Executive Officer (CEO)

Please provide a statement of your company's chief executive expressing continued support for the Global Compact and renewing your company's ongoing commitment to the initiative and its principles (Please include name and title of the chief executive at the bottom of the statement).

António Guterres

Secretary-General
United Nations
New York, NY 10017
USA

25 May 2021

Dear Honorable Secretary-General

In K-One, our commitment to the Global Compact's ten principles remains firm. Our vision and mission is to be an extraordinary innovator of technology products and solutions which enhance the comfort, connectivity and care in daily life, built upon values which are socially responsible and sustainable. Towards this end, we believe the Global Compact's principles are embedded within our K-One's business practices, policies and operations to achieve sustainability objectives. Our sustainability objectives cover environmental, social and corporate governance for sustainability in the long term and the communication of such objectives to be practised by our supply chain.

The COVID-19 pandemic is anticipated to linger on for a while despite of the accelerated rollout of the COVID-19 vaccinations at the beginning of 2021. The advice on precautionary steps taken by K-One to counter the increasing threat of Covid-19 such as work from home and briefed as to how to provide the same level of service to both our customers and suppliers or business partners as best as we can through alternative channels of communication such as Skype or Face Time apart from email or personal face-to-face meeting.

K-One's commitment and reaffirmation to the UN Global Compact's 10 principles and Sustainable Development Goals (SDGs) are in line with its vision and core values to build a responsible and sustainable culture in our corporate social engagements, business practices and policies. Investment funds are putting in sustainability objectives in the long term. During this pandemic period, K-One practices key priorities in helping the local community and supporting the education fraternity, the Management of K-One donating hand sanitizers to school children in the fight against COVID-19 infections.

We are continuously communicating our K-One's policies and procedures with regard to our adherence to the Global Compact's ten principles to all employees and related parties, including business partners, suppliers and other stakeholders where appropriate. We provide regular training to employees and other interested parties to promote environmental, health and safety as well as social and corporate governance for sustainability.

Looking ahead, as part of our efforts to operate with the gentlest environmental footprint possible and Sustainable Development Goals (SDGs) such as creating a safe and secure society, developing human resources that can respond to change, promoting healthcare, protecting and conserving the global environment and contributing to a Low-Carbon Society, we shall explore new ways that we can apply our technology to improve social and environmental concerns, which are in line with local/international standards and best practices.

Yours sincerely

Martin Lim
CEO
K-One Technology Bhd (K-One)

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Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses

Assessment, Policy and Goals

Description of the relevance of human rights for the company (i.e. human rights risk-assessment).

Description of policies, public commitments and company goals on Human Rights.

- Respect for freedom of speech.
- No discrimination on race, age, gender, religion and disability in hiring.
- Full implementation of minimum wage policy stipulated by the Malaysian government.
- Compliance to all local Employment/Labor Act policies.

Implementation

Description of concrete actions to implement Human Rights policies, reduce Human Rights risks and respond to Human Rights violations.

- Yearly staff dialogues with 2-way communication.
- Education of good health and safety practices for all levels of staff.
- Provision of adequate facilities such as dining area, drinking water, sick bay and rest area which are hygienic.
- Staff are not allowed to work overtime which exceeds that stipulated by the local Labor Act.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

Annual - Performance Based Review.

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Labour Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation

Assessment, Policy and Goals

Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.

- No hiring of staff below 18 years old.
- No compulsory overtime.
- Timely payment of salaries.
- No illegal deduction of wages.

Implementation

Description of concrete actions taken by your company to implement labour policies, reduce labour risks and respond to labour violations.

- All hired staff are above 18 years old.
- Biometric access system to monitor attendance of individual staff.
- All salaries are paid latest by last day of the month.
- Pay slips are provided to staff to indicate details of their wages.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

Annual – Performance Based Review.

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Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies

Assessment, Policy and Goals

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection

- *To provide hassle-free integrated one-stop technology solutions which are of quality, cost competitive, on-time delivery and environmentally friendly to customers in the consumer electronics, IoT, industrial, security surveillance, automotive, and medical/healthcare industries.*
- *To design, develop, manufacture and market products that are safe for their intended use and do not adversely affect the environment.*
- *To promote conservation, preservation of environment and prevention of pollution through management of significant environmental aspects.*
- *To meet or exceed all applicable legal and other requirements such as customer requirements through continuous improvement of our Quality and Environmental Management System. with commitment of all staff*

Implementation

Description of concrete actions to implement environmental policies, reduce environmental risks and respond to environmental incidents

- *Perform Aspect & Impact analysis for new production line and equipment set up.*
- *Yearly review on consumption of resources such as water, electricity and paper.*
- *Development of green materials in product and compliance tests such as XRF test.*
- *Use recycled paper for internal distribution documents to promote 3R practice.*
- *Implement conflict mineral reporting template in the supplier qualification process.*
- *Installed motion-sensing at the defined areas whereby lightings will be switched on/off automatically to conserve energy.*
- *Upgrade Practices for ISO 45001 standard to govern the prevention and infection of virus.*

Measurement of outcomes

Description of how the company monitors and evaluates environmental performance

- *Perform Aspect & Impact analysis by identifying the objectives and programs for meeting them (including improvement) for new production line and equipment set up.*
- *Development of green materials in product and compliance tests such as XRF test.*
- *Use recycled paper for internal distribution documents to promote 3R practice.*
- *Heads of Department ensure suppliers provide accuracy reporting as per conflict mineral reporting template in the supplier qualification process.*
- *Formation of pandemic control team to take precautionary steps to prevent widespread of COVID-19 infection.*

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Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Assessment, Policy and Goals

Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment).

Description of policies, public commitments and company goals on anti-corruption.

- *Intolerance towards corruption or bribery addressed in our Employees' Handbook.*
- *Bribery regarded as a major misconduct which includes acceptance of bribes directly by the employee or indirectly through members of the employee's family.*
- *Policies to address bribery are in place.*
- *All these contribute to the promotion of an ethical environment that makes corruption/bribery unacceptable.*

Implementation

Description of concrete actions to implement anti-corruption policies, reduce anti-corruption risks and respond to incidents.

- *Written Policy & Procedures in place to provide an effective means to individuals for reporting unethical/unlawful conduct which includes but not limited to taking or soliciting bribes.*
- *Our Board of Directors closely oversees the senior management's activities and with the assistance of the internal and external auditors, secures assurance concerning the state of our organization's system of internal control and risk management.*
- *Reasonable steps are taken to ensure that our books, records and overall financial reporting are transparent.*

Measurement of outcomes

Description of how the company monitors and evaluates anti-corruption performance.

- *Risk assessment* - *deciding where we should focus our resources in conducting anti-corruption audits.*
- *Pre-site planning and procedures* - *notification letter or other communication to the unit to be audited.*
- *Fieldwork* - *Test for compliance with the various elements of the anti-corruption compliance program.*
- *Reporting*