



# COMMUNICATION ON PROGRESS

to the United Nations Global Compact

**GEORG JORDAN MALAYSIA SDN BHD**  
**2021**



# Communication on Progress

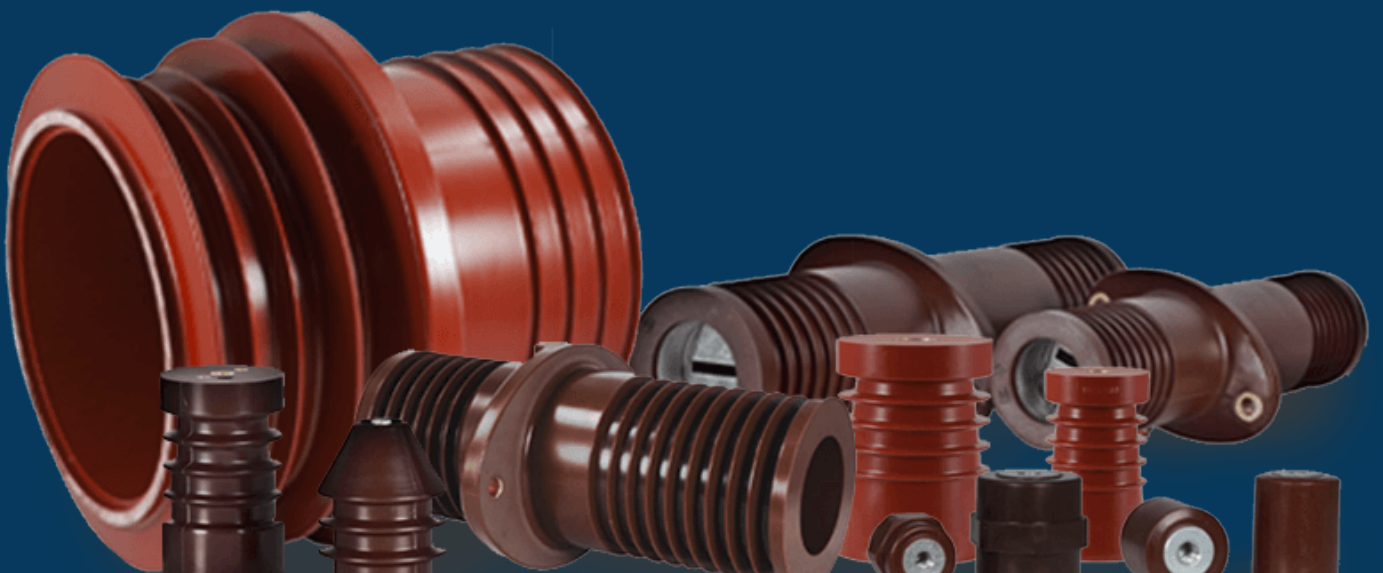
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## Statement of continued support by the Managing Director

The Covid-19 pandemic continues and hits us even harder this year with the Delta variant despite the roll-out of the Covid-19 vaccinations at the beginning of 2021. Throughout this challenging year, Georg Jordan Malaysia (GJM) is still reaffirming our commitment to the UN Global Compact's 10 principles and Sustainable Development Goals (SDGs). Hence, here is our Fourth Communication on Progress and we pledge to do our part in supporting the UNGC goals.

Being in this relentless global fight against Covid-19, sustainability remains our priority in GJM. We have continuously assessed and prioritized our actions and contributions to further align with the UN Sustainable Development Goals (SDGs). We ensure our corporate social engagements, business practices, and policies align with the UN SDGs and especially the Global Compact's 10 principles to achieve sustainability objectives in the long term. It has indeed been a year of impact amidst the challenging times. GJM achieved first EcoVadis Gold Medal 2021 for our sustainability efforts, placing us among the top 7 percent of companies assessed by sustainability rating specialist, EcoVadis.

We are continuously communicating our policies and procedures with regard to our adherence to the Global Compact's 10 principles to all employees and related parties, including suppliers, customers, and other stakeholders, where appropriate. GJM also undertook all necessary actions and precautions throughout this pandemic year to ensure the safety and wellbeing of our employees.

This Communication on Progress outlines GJM's commitments, management systems, and activities in the areas of human rights, labor, environment, and anti-corruption. We believe this will give a clear picture of GJM's actions aligned with UNSDG's course to achieve a more sustainable future for all.



Torsten Juchus,  
Managing Director



# Human rights



## PRINCIPLE 2

**Make sure that they are not complicit in human rights abuses.**

## PRINCIPLE 1

**Businesses should support and respect the protection of internationally proclaimed human rights; and**





## *Policies*

GJM is committed to conducting our business in a manner consistent with United Nations Universal Declaration of Human Rights and International Labor Standard. With this commitment, we work continuously on integrating human rights values into our business practices with our employees, and stakeholders. Social Compliance Policy, Environment Policy, and Health & Safety Policy were established as the foundation of our practices, procedures and initiatives on Human Right.

In 2021, we have separated our Environment, Health & Safety Policy into two different policies to clearly specify our objectives and create clear directions for both systems.

## *Georg Jordan's Code of Conduct*

Code of Conduct and Social Accountability Standards was developed to advocate and practice human rights in GJM. We protect the rights of employees and strive to maintain an inclusive work culture where each employee is respected and valued. We promote equal opportunities and treatment for our employees regardless of their skin color, race, nationality, social background, disabilities, and sexual orientation. All employees are allowed to practice their chosen religion and belief without prejudice.

We ensure that each individual under our employment is aware that their rights are enshrined in the code of conduct. New employee is introduced and briefed on this Code of Conduct during the induction training. Our Code of Conduct has been updated in 2021 by adding sustainable procurement practice in November 2021.

SDG 10 ~ to reduce inequality within and among countries.

GJM further expands these principles to our supply chain. We comply with the principles of non-discrimination with regard to supplier selection and treatment. We also cascaded our Code of Conduct and Social Accountability Standards to our supplier through Supplier's Code of Conduct that has been disseminated to our suppliers through 'General Requirement for Supplier.'

To make sure compliance with this code of conduct audits that have been conducted at our supplier premise also covers human right abuses as well. We want to ensure that the products we purchase are manufactured without any violation of human rights.

## *Harassment-free work environment*

Any form of inhumane treatment including mental or physical coercion and verbal abuse is strictly disallowed in the company. We are committed to providing a safe work environment that is free from all forms of discrimination and conduct that can be considered harassing or disruptive, including sexual harassment. Employees who are found guilty of convicting the abuses will be subjected to disciplinary action, up to termination of employment or even legal action.

To prevent human rights violations in the workplace, a grievance mechanism is available for employees to show their dissatisfaction towards unfair treatment, with procedures clearly written in the Workers Handbook. The complaints are reviewed at different levels until satisfactory solutions are provided.

GJM has an established Whistle Blowing Procedure for employees and external stakeholders to disclose any malpractice and misconduct in the organization. We provide protection, immunity, and anonymity to those who come forward. The accessibility of the Whistleblowing channel is ensured via multiple means such as e-mail and formal letters. In 2021, we have enhanced our reporting mechanism to ensure effective whistleblower procedures using an online form that is easily accessible by every employee and stakeholder. QR Code that directly linked to the online form was distributed to all employees through email, WhatsApp group chat, and displayed at the notice board.

SDG 8 ~ promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all

SDG 16 ~ to provide access to justice for all.

## *Health, Safety & Well-being*

GJM believes that safety should be of utmost importance not only to protect the welfare of employees but also to and comply with legal requirements and minimize the loss of profit and time. We are committed to provide a safe and healthy workplace for our employees and this is described in our stand-alone Health & Safety Policy. As mentioned earlier we have separated our Environment, Health & Safety Policy this year. GJM is also certified with ISO 45001:2018 which specifically emphasizes employee safety, reduces workplace risks, and creates better & safer working conditions through an effective Occupational Health and Safety Management System. Several actions are in place concerning employee health and safety such as health and safety risk assessment (HIRARC) is being reviewed regularly, provision of Personal Protective Equipment (PPE), and specific procedures are in place for handling chemicals and hazardous waste.

With employees' welfare in our mind, we ensure all our employees have access to basic health necessities. Filtered water dispensers, and washroom facilities, are easily accessible around the plant and well maintained. Our filtered water dispenser service provider is certified by the local health ministry. Free accommodation and transportation are provided to our employees who come from abroad. We also provide hot coffee tabletop dispensers for our office staff for their light refreshment at any time.

**SDG 6 ~ Ensure availability and sustainable management of water and sanitation for all.**

We are aware that sports are one of the most effective ways to deal with and handle stress and anxiety. Therefore the fully subsidized sports activities such as soccer and badminton game are still continued to be organized weekly. All employees who are fully vaccinated are welcome to join the game at a venue that complies with Covid-19 prevention rules set by our local authorities.

**SDG 3 ~ healthy lives and promote well-being for all at all age**

## *Safety Measures during Covid-19 Pandemic*

The pandemic has necessitated various initiatives to ensure the safety and continued well-being of our employees, contractors and business partners. We have implemented a number of procedures in our company which adhere to all standard operating procedures (SOPs) advocated by the Malaysian Ministry of Health and MITI

Since the first outbreak of COVID-19 in early 2020, our first priority has been to protect the well-being of our employees and their families. All our office staff and workers are clearly briefed to follow the precautionary SOPs strictly such as temperature screening daily, no entry without face mask, daily workplace and common areas sanitizing, establish social distancing guidelines and limit access for visitors. Besides that, swab-tests were arranged every biweekly for every employee.

In response to the Movement Control Order (MCO 2.0) imposed by the Government on mid of January 2021 the working arrangement for office staff was revised from work from home and work at office on rotation basis. Staff are constantly reminded to stay away from work if they have any COVID-19-like symptoms and to seek medical attention immediately. We also split break times to reduce contact between departments at the canteen. Muslim staff are encouraged to bring their own prayer mat and telekung, while the number of staff allowed inside the surau is limited according to its size.

GJM recorded 111 cases of COVID-19 in year 2021 till date. The affected area was closed to undergo sanitization process and the staff/ worker who are identified as close contacts were requested to do the swab test as well as undergo self-quarantine at home/ quarantine hostel.

GJM fully supported the roll-out of the Covid-19 Vaccination program by the Malaysian government to reduce virus transmission. We give one day MC for our employees on the day they took the vaccination to have a good rest. We are pleased to report that 100% of our employee are fully vaccinated.



## *Contribution to Society*

Since 2018, GJM employers and employees have been very supportive of charity events. Our Managing director had been emphasizing that “we shall contribute back to the society from the profit we had made in this business.” Various charity activities have been done throughout these years that benefit the needy society. The outbreak of COVID-19 has impacted the execution of CSR programs this year. Face-to-face activities need to be postponed due to Movement Control Order imposed by the Malaysian government. However, donations have been made directly to the church to help those in need.

SDG 2 ~ Ensure healthy lives and promote well-being for all ages

SDG 17 ~ Revitalize the global partnership for sustainable development

## *Personal Data Privacy Rights*

Georg Jordan also recognizes personal data privacy rights under Personal Data Protection Act 2010. Personal data provided to us are processed strictly for business or employment purposes only.

Due to the Covid-19 outbreak, apart from personal data such as basic identity, contact details, location information and travel history and information of close contacts, health status, and body temperature measurement which are considered as sensitive personal data are also being processed. This involved employees, contractors and visitors to protect the safety and health of individuals at the workplace as required under the Occupational Safety and Health Act 1994 ("OSHA"). We hold on to the principle of not disclosing personal data to third parties except only when required to do so by law and at the request of the individual providing the data.

## *Training & Internship*

We invest significantly in employee training because it deepens and broadens their knowledge and keeps them motivated. At the same time, the training programs are designed to enhance our employees' competencies, therefore, contribute to better individual performance as well as productivity. Our staff undergoes relevant training based on the findings or gaps derived from Training Needs Analysis which is conducted on a yearly basis.

Another training program which runs parallel is On-The-Job training, firm in the belief that this represents one of the most effective forms of learning. Our On Job Training program ascertain our workers receive hands-on training and also assessment and reassessment. All these training assessments are recorded in training software which will then generate a skill matrix for management to oversee the training effectiveness and adequacy for each worker.

We are also opened for internship program for undergraduate students who are currently pursuing their first degree/diploma in local universities/colleges however due to the Covid-19 outbreak in 2021 we didn't have any new intake throughout this year.

SDG 4 ~ Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

## Measurement of outcome

\*No human right violations were reported through various available Whistleblowing channel. We foresee to maintain this achievement throughout our operation for upcoming years ahead.

\*As for training, till date 22 professional trainings were conducted in year 2021 involving employees from all departments, total training hours are 80 hours.

\*The number of accidents from Jan 2021 to December 2021 were 2 cases with LTI frequency rate 3.12 and LTI severity rate 6.23





# Labor

## PRINCIPLE 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

## PRINCIPLE 5

the effective abolition of child labor; and

## PRINCIPLE 4

the elimination of all forms of forced and compulsory labor

## PRINCIPLE 6

the elimination of discrimination in respect of employment and occupation



## *Equal Opportunities*

GJM does not tolerate discrimination or harassment and eliminates all forms of discriminatory practices with respect to all aspects of employment, which includes race, skin color, religion, gender identity, age, social status, nationality, or sexual orientation. Employment was solely based on qualifications, skills, and achievements. Every employee is treated fairly and equally in terms of recruitment opportunities and career advancement. All GJM employees were given equal opportunity to grow within the company according to performance and potential.

We are committed to provide a diverse, inclusive, and fair work culture that values and celebrates differences. We have an open-door policy with regard to people who are disabled including physical and psychological disabilities and provide the opportunity for them to carry out functions that fit their abilities. Employees are encouraged to provide support to such workers/staff. In order to promote a minority inclusive environment, we also hired the Rohingya people who are being described by the United Nations in 2013 as one of the most persecuted minorities in the world. The Rohingya who owned the United Nations High Commission for Refugees (UNHCR) card are allowed to work in the company.

SDG 10 ~ Reduce inequality within and among countries

## *Women Empowerment & Age Diversity*

Women in Georg Jordan cover a significant share of managerial and executive positions. Several key departments in Georg Jordan are headed by women. We recognize the unique quality of women in the workplace, such as the ability of multitasking, self-discipline, persistence, attention to detail, and the ability to motivate others. We look forward to increasing the percentage of female employees to achieve a more balanced workforce.

GJM does not exclude or restrict any woman with pregnancy to work in the company. During pregnancy, staff shall not be assigned heavy work such as long-standing work or carry heavy things. Female staff shall be entitled to maternity leave in accordance with Part IX of the Employment Act 1955, which is 60 days.

Our hiring process does not discriminate against older-aged candidates for having elder employees in our organization can benefit both parties. To GJM, we found that they are usually more experienced, responsible, and loyal which are a major assets to the company. Whereas to the elder employee, by securing a job, they can remain active mentally besides the financial gain.

SDG 5 ~ achieve gender equality and empower all women and girls

## *Prohibit Forced Employment & Child Labor*

GJM has a zero-tolerance policy towards any form of forced labor or any involvement in human trafficking or modern slavery as it ethically wrong and against our Code of Conduct and Social Compliance Policy.

Our goal is to create an environment where our employees are motivated to contribute to the company. We strictly opposed to all forms of forced and compulsory labor as this will only create dissatisfied worker who will cause more harm than good to the organization. We practice fair employment and act in accordance with the Employment Act in Malaysia. Although we appreciate loyal employees, all our employees are free to leave based on the contractual terms which are based on Local Employment Laws.

GJM does not recruit child labor and condemns all forms of exploitation of children. We strictly adhere to the Children and Young Persons (Employment) Act 1966 and do not tolerate any breach of rules. GJM only recruits workers who are 18 years old and above which exceeded the ILO (International Labor Organization) requirements. All the jobs applicant is required to show their original identity card/ passport and a copy of the document will be kept together with their personal file.



GJM also engages with suppliers to eliminate forced, and child labor by emphasizing this requirement in our Code of Conduct and Social Accountability Standards disseminated to our suppliers. Through our Supplier's Code of Conduct, we request our suppliers implement similar policies, including the prohibition of forced, bonded, or compulsory labor, and the abolition of child labor.

SDG 8 ~ Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

## *Employees Right*

GJM recognizes the importance and value of having a strong dialogue with our employees. We respect an employee's right to join, form, or not to join a labor union, seek representation, bargain or not bargain collectively in accordance with local laws and without fear of retaliation, intimidation, or harassment.

However, to date, there is no worker's union was established although they are allowed to do so. Workers can openly communicate and share ideas and concerns with management regarding working conditions and management. Moreover, to facilitate the communication process, the management had appointed representatives from each nationality to voice out their request or grievance. We are committed to bargaining in good faith with such representatives when necessary.

Under the Whistleblowing procedure and the grievance mechanism, employees can freely voice out or report any misconduct or issues related to human rights/ employee rights. The reporting channels are being informed to workers through 'Workers Hand Book', posters and even 'Whatsapp' group chat.

## *Talent attraction & retention*

GJM always aim to have the best people in the company for mutual success & growth. This starts with recruiting the right people. For this purpose, the roles and responsibilities of each position in our organization are carefully identified. This allows us the accurately determine and recruit the right candidate with the required qualification, experience, and personal qualities.

We then continue to make efforts to engage more effectively with our employees, retaining and attracting our pool of talents through career development opportunities as well as positive work experiences for all. One of our approaches is Key Performance Index (KPI) where objective and expectation of each job function is established and monitored. With KPI as a guide and reference, an even more specific 'Management By Objectives' (MBO) was tailored to individual level. These 2 indicators were measured and reported monthly for each employee to know their performance. Our employees are rewarded monthly base on this MBO achievement in addition to the annual bonus.

Besides that, we also ensure that our wages and benefits are competitive. All our employees are protected with Employment Injury Scheme (EIS) under government's Social Security Organization (SOSCO) and enjoy medical coverage and term life policies based on their positions. We also provide maternity and compassionate leave on top of annual and sick leave.

Loyalty bonus was given for every 5 years of services. Company events such as the annual dinner couldn't be done this year due to Covid-19 pandemic however all employees received gifts during Christmas Eve celebration as a token of appreciation.

In view of the economic slowdown globally, many companies had to cut down their headcounts and also reduce employees' salary. However, we are pleased to say that despite the pandemic, GJM continued to recognize and appreciate its employees by paying out bonuses in early 2021 to all its eligible employees.

For further improvement, every year we conduct Employee Satisfaction Survey. From the feedback, the management gained a better understanding of employees' expectations and input on the company's operations and their work environment. The survey enabled the management to determine the strategy to attract, retain, and develop talents in a sustainable manner.

## *Compliance with Labor-related Laws*

A company must comply with laws and regulations, not only to protect its reputation but also because failure to do so could result in a variety of penalties that lead to additional costs. GJM is committed to achieving compliance with the Malaysian labor-related laws and endeavors to maintain a comfortable and healthy workplace environment. In order to ensure that the working conditions stay within the limit set in the Employment Act 1955, we strictly control working days and working hours. We do not force labor that requires excessive work or over-time work and so on

We also ensure that the compensation paid to workers comply with all applicable wage laws, including the implementation of the minimum wage policy, overtime hours, and legally mandated benefits. Our workers are compensated for overtime at pay rates greater than regular hourly rates. To ensure the overtime is properly monitored, we implemented biometric access system. We also ensure there is no illegal deduction of wages and timely payment of salaries is being practiced at all times. Payslip was provided to indicate the details of wages.

SDG 1~ End poverty in all its forms everywhere

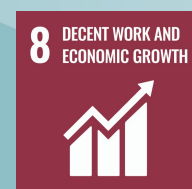
## *Measurement of outcome*

\*No violations of labor law were reported in 2021 till date.

\*We have conducted an Occupational & Health Survey (OH& Survey) in order to have better communication with our employees regarding working conditions. Based on the survey result, 97% of the employees who participated in the OH&S Survey are satisfied with the concern that was demonstrated by the management on safety and health.

\*ISO 45001:2018 off-side audit that was conducted by an independent accredited third party had found no non-conformance. We will continue to maintain the certification.

\*As of the year 2021, the percentage of women in top executive positions in the company is 27% while the percentage of women employed in relation to the whole organization that includes operators and supervisors is 16%. The employment rate for men is relatively higher than women on the shop floor is due to most of the roles are dealing with heavy physical activities. The percentage of minority group which is elderly (> 60 years old) is 1.7% while Rohingya workers is 7%





# Environment

## PRINCIPLE 7

Businesses should support a precautionary approach to environmental challenges;

## PRINCIPLE 8

undertake initiatives to promote greater environmental responsibility; and

## PRINCIPLE 10

encourage the development and diffusion of environmentally friendly technologies





## *Environmental Policy and Management System*

GJM concur that we have an ethical responsibility to protect the environment and obligation to comply with environmental laws and regulations. We are committed to protect the environment as part of every decision we make. Our very first stand-alone Environmental Policy provides a clearer framework on how we maintain environmental standards here in GJM. The policy is reviewed on a regular basis to ensure relevance to the current situation. We are keen to maintain our ISO 14001:2015 certification with renowned certification body, Afnor, to affirm that our efforts in environmental sustainability are adequate and in correct direction.

We strive to comply with all legal and other stakeholder's environmental requirements by systematically checking for related legal requirements and their updates. Our compliance to these requirements are assessed every year. Should we identify any risks related to our environmental actions, we will take the necessary steps to mitigate these risks to the greatest possible extent possible. Appropriate engineering control is also performed whenever feasible for high-impact processes. Environment aspect and impact analysis is performed for new or changed process and reviewed by yearly basis. For example, assessments of life cycle impact of products have been conducted and revised accordingly.

To prevent from being stagnant and complacent, our management system also ensures that continuous improvements are carried out for better environment preservation and conservation. We have established and maintained Environmental Management Program (EMP) as part of continual improvement by setting and reviewing environmental objectives and targets on yearly basis. At least 3 EMPs programs were set every year.

## *Efficient energy consumption & reduce GHG emissions*

As compared with our last Communication on Progress, this year we are taking active steps to define a firm strategy around reducing our GHG emissions. This commitment has led us to develop our first-ever GHG Emissions Inventory in 2021. It covers an in-depth analysis of our Scope 1 and Scope 2. The GHG emissions factor is based on the internationally recognized GHG protocol published by EPA, "Emission Factors for Greenhouse Gas Inventories," Table 1 Stationary Combustion Emission Factors, March 9, 2018 for Scope 1 emissions and Malaysian Green Technology Corporation for the Peninsular Grid for Scope 2 emissions & Institute for Global Environmental Strategies (2021), List of Grid Emission Factors, version 10.10.

We have included, in our computation of greenhouse gas (GHG) emissions, fuel consumption from vehicles that we own. For energy consumption, we have included energy consumed from non-renewable sources, such as electricity generated from our plant. We are fully aware that Scope 3 emissions form an important portion of our GHG emissions however we have not yet quantified our Scope 3 emissions for 2021. We will continue to monitor our progress and identify opportunities for improvement, together with setting ambitious but achievable targets within a roadmap for upcoming years. For Scope 1 emission, we are keen to reduce 5% of GHG emissions from 2019 level by 2027 while for Scope 2 emission, we have set intensity target to reduce GHG emission to 2.0 tonnes equivalent CO<sub>2</sub> per tonnes of output from 2019 level by 2027.

We continuously improve our facility to be more energy efficient. Some initiatives in energy management have been done, such as turning off the air conditioning system and light when the room is not occupied and turning off lights and air-conditioning during lunchtime for one hour. We also replaced faulty lights with LED lights which are more environmentally friendly. Sensors are installed on selected rooms doors to ensure the rooms are always close to reduce the air conditioning compressor from running at full capacity.

Some large upgrades of energy-efficient machinery and equipment were also done. Our purchasing department will opt for these technologies whenever a new machine or replacement is required including no purchase of product containing CFC.

For our production site, process optimization has been done that involved utilization of ovens space and “no door opening” during the curing process. The thermocouple in these ovens is connected to a centralized SCADA system that continuously monitors and detects any sudden temperature drop if the doors are opened. We also have identified energy wastage from air gun leakage that causes higher usage of air compressor therefore we immediately stop ordering the current model and purchase the new model with better quality. The oven door seals were also replaced with the new ones to improve the insulation thus reducing energy consumption.

SDG 7 ~ to ensure access to affordable, reliable, sustainable, and modern energy.

SDG 9 ~ build resilient infrastructure, promote sustainable industrialization and foster innovation.

SDG 13 ~ Take urgent action to combat climate change and its impacts.

## *Reduce, Reuse & Recycle*

GJM wish to minimize the impact of environmental footprint and we had encouraged our employees to act responsibly by performing reduce, reuse, and recycling activity. These activities can also generate some cost savings in waste disposal while contributing towards environmental sustainability.

As an insulator manufacturer company, we are using various chemical types and metal insert as our main raw materials. We are fully aware on the impacts of these chemicals to the environment. Therefore, we continuously monitor the usage of release agent used and set KPI for Epoxy Wastage during mixing and casting process. Various improvement has been done in order to achieve the target set. The mentioned metals, which are brass, copper and steel component, are then casted into epoxy to form our product. In case of defective product, we have the facilities to regain and reuse these metals instead of disposing the entire product.

Our process also requires the use of TCE as solvent degreaser to clean metal insert. In 2020, we have installed solvent recovery machine to recycle used TCE. Throughout year 2021, we continue to see how this effort continue to benefit in reducing our TCE consumption, while at the same time also reduces the hazardous waste.

GJM encouraged recycling among employees for several years, and there is a strong culture of recycling within the company. Recycling bins for paper, plastic and metals are placed in selected locations at our office and shop floors. While maintaining paper, metal and plastic recycling program, in 2021 we have added E-Waste (unused/ broken electric & electronic device) to the list. As for products end of life, we have used carton box as our packaging material for easy dismantle & recyclability. This year we further improved the packaging design by adding recycle logo on the carton box to encourage our customer to recycle the packaging.

SDG 9 ~ build resilient infrastructure, promote sustainable industrialization and foster innovation.

SDG 12 ~ ensure sustainable consumption and production patterns.

SDG 15 ~ sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss

SDG 13 ~ Take urgent action to combat climate change and its impacts.



## Responsible Waste Management

As a manufacturer of electrical insulator products, our operations produce a considerable volume of scheduled (hazardous) and nonscheduled waste (non-hazardous). Our objective is to reduce all waste produced and to dispose of our scheduled waste responsibly, according to the relevant regulations and guidelines.

Our plants produce several types of scheduled waste ("SW"), which are collected and disposed of by Department of Environment (DoE) approved licensed operators according to regulations. We continuously monitor our waste generation in our monthly KPI. In order to ensure all processes of Schedule Waste run well, we had appointed related personnel to attend the course of Certified Environmental Professional in Scheduled Waste Management (CePSWaM) to become a competent person. Scheduled waste training also was conducted for all related personnel on how to pack, label, and store the scheduled waste. Schedule waste collection points in our facilities are indicated with distinguished yellow color bin.

As for non-scheduled waste from the office & production, it was collected by solid waste collectors and deposited in municipal landfills according to DoE regulations.

SDG 11 ~ Make cities and human settlements inclusive, safe, resilient and sustainable.

## Water Management

Georg Jordan does not only committed to ensure access of clean water to our employees, but also equally responsible to the local environment and wider society to ensure water resources are not contaminated. Grease traps were installed at discharge point in our canteen to filter pollutant before releasing to public drain.

We abide by all DoE rules and regulations. Ensuring we do not pollute the riverine system, we treat our effluents before discharge and monitor their chemical oxygen demand (COD) as well as biochemical oxygen demand (BOD). The effluent discharge are periodically tested by accredited laboratory. Our sewerage system was also maintained by licensed sewerage contractor.

We also provide washroom facilities that are suitable for this company size. Women's sanitary facilities are also provided in the ladies.

SDG 6 ~ Ensure availability and sustainable management of water and sanitation for all.

SDG 14 ~ Conserve and sustainability use the oceans, seas and marine resources for sustainable development.

## Spillage

Georg Jordan manufacturing process requires the use of chemicals. We are aware and concern of the adverse effect of some of the chemical if accidentally release to water or soil. Secondary containment were applied at chemical handling and storage area. Barrier and absorbent socks were also installed to supplement the secondary containment. Workers who handle chemicals are trained on spillage emergency response procedure using spill kits which are easily accessible in our facility.

To further reduce the likelihood of spillage incidence, this year, GJM had ordered chemicals in IBC container instead of metal drum. This eases the process of withdrawing chemical where the operator only needs to turn the valve on IBC tank instead of having to tilt the entire metal drum.

SDG 14 ~ Conserve and sustainably use the oceans, seas and marine resources for sustainable development

## *Restriction of Hazardous Substances Directive ("RoHS") and Registration, Evaluation, Authorisation and Restriction of Chemicals Regulation ("REACH")*

Georg Jordan constantly maintaining its REACH and RoHS programs to ensure that the parts obtained from suppliers for the assembly of products are REACH and RoHS compliant. This includes compliance with the latest addition of RoHS 3 (EU Directive 2015/863) which adds four different phthalates (DEHP, BBP, BBP, DIBP) as new restricted substances in 2019. We are committed to design, developing, and manufacturing products that are safe for use. This directive is cascaded to our suppliers where their compliance is being monitored.

## *Measurement of Outcomes*

An off-site surveillance audit for ISO 14001:2015 Environment Management System was conducted on August 2021 by an accredited certification body (Afnor) with no non-conformance. Environment performance is reported to top management annually during Management Review Meeting.

Total energy consumption for 2021 is 2665MWh slightly increased than 2020 as business resume operation after Covid-19 Movement COnTrol Order lifted.

Total Scope 1 GHG emissions for 2021 is 13.69 tonnes CO<sub>2</sub>e and Total Scope 2 GHG emissions for 2021 is 1559 tonnes CO<sub>2</sub>e. We have choose 2019 as our base year. Our latest GHG inventory showed that we exceeded our CO<sub>2</sub>e emissions target for Scope 1 by 37% due to the reduction of fuel consumption however this is mainly due to the lower frequency and level of activity of the transportation during the movement control order (MCO) throughout 2021. For Scope 2, we are slightly falling behind to meet our intensity target due to lower productivity in 2021 however our CO<sub>2</sub>e emission have showed 20% reduction from base year, 2019.

Water consumption - 14.5Megalitres slightly higher than 2020

Hazardous waste generated - 13.7 tonnes which are equivalent to 0.03 ratio of hazardous waste generated over production productivity

Non-hazardous waste generated- 48.2 tonnes which is relatively lower than 2020.

GJM have established the Environmental Management Program (EMP) to identify, monitor and control the company's environmental performance. In 2021 E-waste collected is 821 kg

There were no fines and penalties on issues related to the environment during the period of reporting due to any non-compliance with environmental laws and regulations.





# ANTI CORRUPTION

## PRINCIPLE 10

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



## *Ethics & Integrity*

Integrity is one of GJM's core values. We have zero tolerance for fraud, bribery, and corruption in any form within the organization and take the most profound view of any attempt of corrupt practices by members of staff, contractors, and suppliers. It was supported by our Code of Conduct and Social Accountability Standards. We also apply the same values on anti-bribery and anti-corruption to our suppliers in Sustainable Procurement Policy and Supplier Code of Conduct. This framework ensures we conduct our business with the highest ethical standards under all laws and regulations in our country.

Our Code of Conduct and Social Accountability Standards clearly outline the guidelines and standards around how we ethically conduct our business. It is the responsibility of every person who represents GJM to understand and comply with our Code.

GJM whistle-blowing channel, as stated in the earlier part of this report, allows our stakeholders to report the misconduct of GJM employees, including Board Member. The whistle-blowing procedure does not only serve as a venue to complain about the violation of human right, but it can also be applied when an employee or stakeholder reasonably believe bribery or corruption has happened.

On top of that, we also address our action by establishing the Bribery Risk Assessment for the first time this year, and our score has indicated a low risk of bribery in the organization. However, we will be keen to ensure that adequate procedures are in place to counter bribery. During induction training, awareness training regarding corruption & bribery prevention was also given for each new employee. This year, we have also established a new Standard Operating Procedure regarding the anti-corruption due diligence program to demonstrate details and concrete steps to investigate any third parties that engage with the company to ensure anti-corruption compliance.

SDG 16 ~ Promote just, peaceful and inclusive societies

## *Fair & sustainable procurement*

We have established a Standard Operating Procedure for Purchasing Department that requires to conduct 'Commercial Comparison' before purchase any goods and services. This is to ensure our procurement decision are done solely based on integrity, quality and price competitiveness among suppliers.

Apart from that, all sensitive transactions that involved large amount of money will require Managing Director's authorization and approval. These purchase limit are controlled by our computer system, which would not allow the transaction to proceed without approval.

We fully aware that items purchased by our organization may have major impact on the environment along the supply chain if not properly managed. Therefore in 2021, we provide training to our purchasers on sustainability purchasing to ensure their understanding of social and environmental issues and their integration into the procurement function.

SDG 16 ~ Promote just, peaceful and inclusive societies



## *Measurement of Outcomes*

\*Georg Jordan financial and accounts was audited by Ernst & Young. As of the date of this report, there has been no findings related on bribery or corruption.

\*Zero reported incidents of corruption in year 2021

\*Zero fines/ penalties in 2021 in relation with corruption/ bribery

\*Zero employee disciplined or dismissed due to non-compliance with anti-corruption guidelines

