



ORIENTAL FASTECH MANUFACTURING VIETNAM
(wholly owned subsidiaries of YBS International Berhad)

Sustainability report 2021



Lot 26 , Dai Lo Doc Lap , Vietnam Singapore Industrial Park
Binh Hoa Ward , Thuan An City , Binh Duong Province.
Vietnam
Website: www.ybsinternational.com

Statement of Continue Support

To all:

I am pleased to confirm that Oriental Fastech Manufacturing Vietnam (OFM Vietnam) reaffirms its support of the Ten Principles of the United Nations Global compact in the areas of Human Rights, Labour, Environment and Anti-corruption.

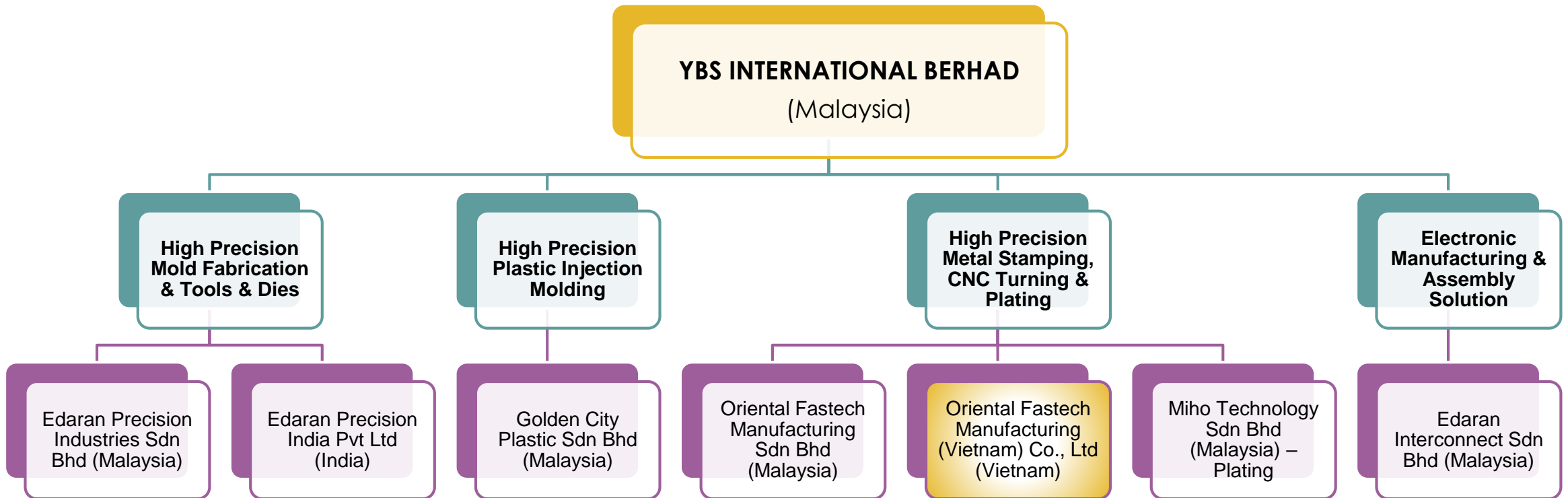
In this annual Communication on Progress, we describe our actions to continually improve and integrate the Global Compact's principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Yong Chan Cheah

YBS International Group Managing Director

YBS GROUP STRUCTURE



Content

- 1. CEO statement of continued support for the UN Global Compact and its ten principles**
- 2. Description of actions or relevant policies related to Human Rights**
- 3. Description of actions or relevant policies related to Labour**
- 4. Description of actions or relevant policies related to Environment**
- 5. Description of actions or relevant policies related to Anti-Corruption**
- 6. Description of actions or relevant policies related to Sustainable Procurement**

OFM VIETNAM QUALITY MANAGEMENT SYSTEM

Certificate

Standard **ISO 9001:2015, ISO 14001:2015 and
ISO 45001:2018**

Certificate Registr. No. 01 100 127569, 01 104 127569 and 01 113 127569

Certificate Holder:



ORIENTAL FASTECH MANUFACTURING (VIETNAM) CO., LTD
26 Dai Lo Doc Lap, Viet Nam-Singapore Industrial Park,
Binh Hoa Ward, Thuan An City, Binh Duong Province, Vietnam

Scope:

Manufacture of Metal Components (Automatic Turning,
Metal Stamping, Mechanical Assembling)

Proof has been furnished by means of an audit that the
requirements of ISO 9001:2015, ISO 14001:2015 and ISO
45001:2018 are met.

Validity:

The certificate is valid from 15.07.2020 until 22.05.2022.
First certification 2016

15.07.2020

TÜV Rheinland Cert GmbH
Am Grauen Stein • 51105 Köln

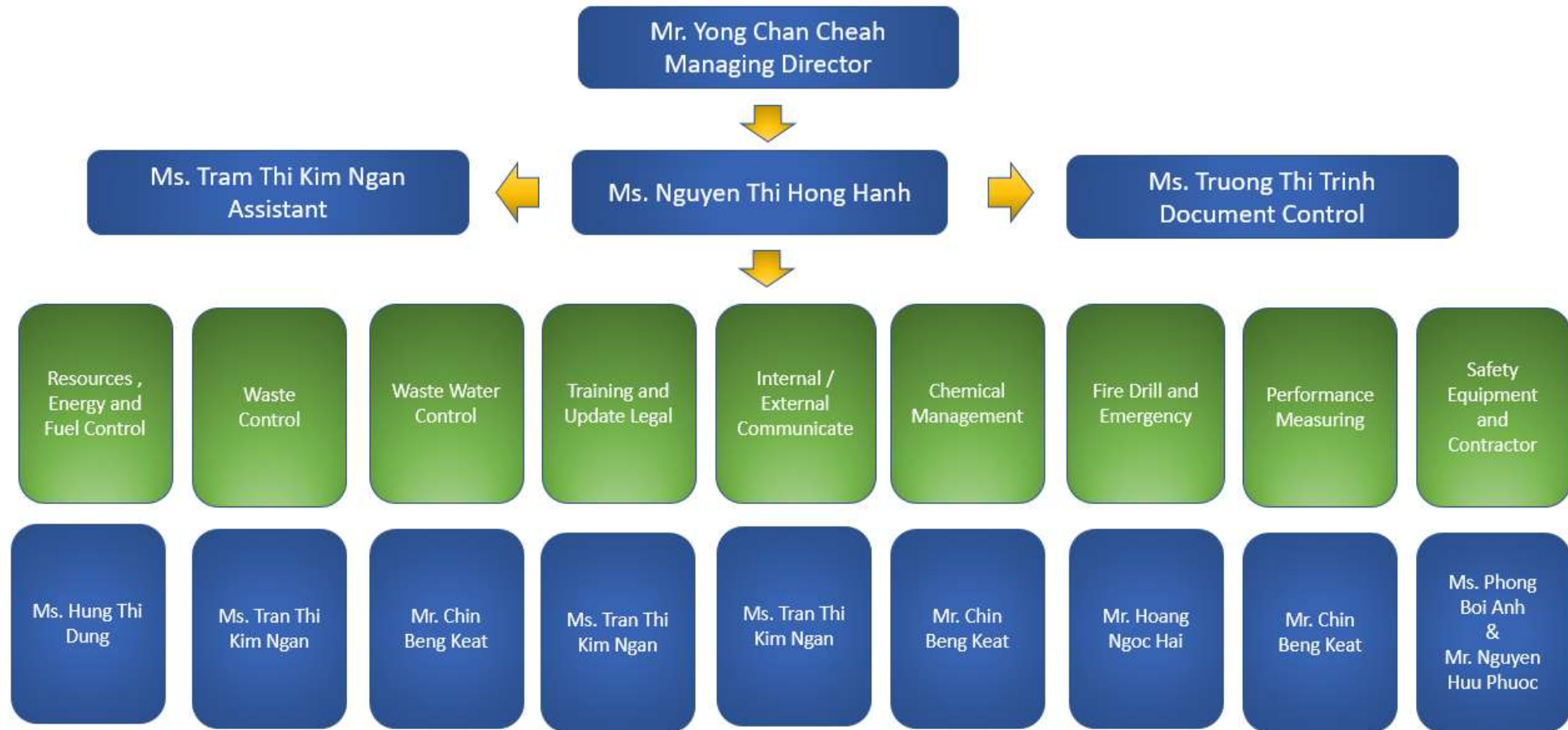
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- ▶ ISO 9001:2015
- ▶ ISO 14001:2015
- ▶ ISO 45001:2018



ROHS compliant

Health and Safety Team Member 2021



Human Right

Assessment, policy and goals

OFM Vietnam is committed to ensuring that our working environment is free from discrimination and harassment. Discrimination and harassment in our workplace will not be tolerated under any circumstances and disciplinary action will be taken against any employee or subcontractor who breaches this policy.

Discrimination and harassment occurs when a person is victimized in the workplace on the basis of but not limited to the following criteria: Race, Color, Gender, Religion, Disability, Sexual Orientation, Pregnancy or Age and shall include exposure to racial or ethnic jokes, offensive profanity, intimidating behavior and exposure to unwanted sexual flirtations.

OFM Vietnam goals is all employees to respect the dignity of each individual , receive fair treatment and able to voice out for any behaviors that against company policy.

The company had provided a clear and transparent guideline for the benefit that each employee entitle. Such guideline including entitle salary , work day & rest time , career opportunity ...etc.

Human Right

Assessment, policy and goals

Any employee who believes that he or she has been the subject of, or has witnessed, an incident of discriminant and harassing conduct should report the matter promptly. The employees should report instances of discriminant and harassing conduct either to a person in the reporting employee's supervisory chain, or to top management .

No any employee shall be punished or discriminated against for honestly reporting behaviors that against company policy to the management

It is an important fundamental of company policy that the reporting of behaviour in breach of policy is encouraged in order to correct and promote appropriate standards of conduct at all times.

Human Right

Implementation

OFM is providing annual corporate social responsibility training to all the employee. The contain is including human right topic.

The purpose is to refresh and update the new policy to all related parties.

Human Resources dept. is responsible for supervising the implementation of company policy. Other departments are responsible for keeping the work environment free of harassment or abuse.

All the hiring process , promotion , termination and remuneration was transparent and documented. OFM Vietnam employee also will be represented by the Labour Union committee.

Each employee will conduct an annual survey that including human right and labour right. Employee are feel free to provide opinion and scoring system to OFM Vietnam.

Human Right

Implementation

Such document was highly confidential and only able to access by top management and labor union committee

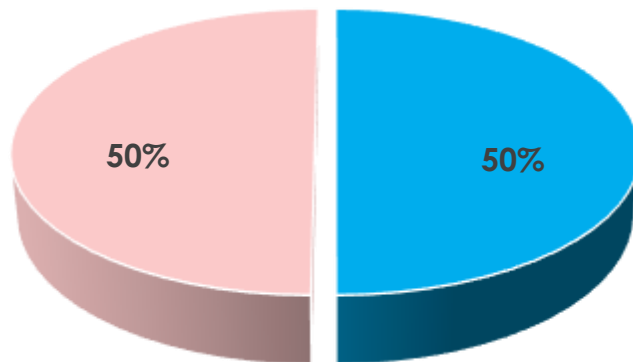
If an employee feel uncomfortable and would direct report to the top management. They can visit our group website : <https://www.ybsinternational.com/images/pdf/WhistleBlowingPolicy.pdf> for the whistle blowing procedure.

Human Right

Measurement of Outcome

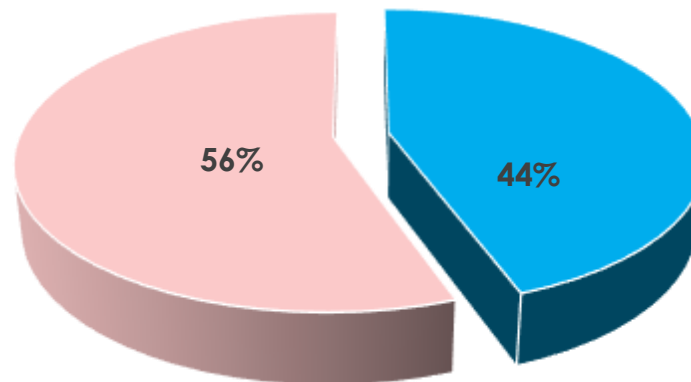
1) Male & Female % at company

Top Management



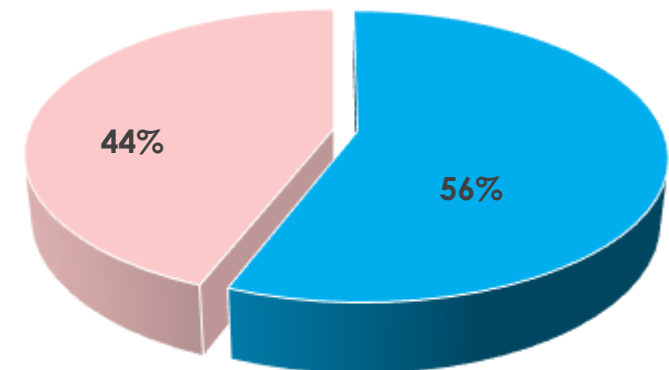
■ Male ■ Female

Middle Management



■ Male ■ Female

Employee



■ Male ■ Female

Human Right

Measurement of Outcome

2) Employee turn over rate

	Y2020 Annual %	Y2021 Annual %
White collar	11.0%	3.6 %
Blue collar	38.0 %	26.0%

The turn over rate was improve compare to y2020.

The major reason that employee resign was worry the covid-19 situation at Binh Duong province and plan to back to home town at north of Vietnam.

Covid-19 pandemic had hit Vietnam during Jun ~ December. The pandemic was focus at South of Vietnam and Binh Duong province was the 2nd highest number of cases in Vietnam.

Human Right

Measurement of Outcome

3) Report for violation

Source	Y2021 Incident
Annual Survey	0
Whistle Blowing	0
Labour Union	0
Human Resources Department	0

There's no report filed on human rights violation for past 12 months result from annual survey result, whistle blowing , labour union and human resource department.

Labour

Assessment, policy and goals

OFM Vietnam supports Global compact's Fundamental and Principles on Labour Rights.

OFM Vietnam will ensuring that our working environment with non-discrimination, prohibition of child and enforced labour, safety environment and freedom of association , the right to engage in collective bargaining.

Ensure the activities of OFM Vietnam pursuant to the labor code of the Socialist Republic of Vietnam that including government's decrees , guiding articles of the Labor Code regarding labor discipline and responsibility.

Promote work life balance within the company with adequate salary , rest time , holiday , insurance...etc.

Labour

Implementation

OFM Vietnam was certified by ISO 45001:2018.

Internal and External audit will be conduct every year by third party to ensure our company operate in safety.

OFM Vietnam prohibited for child labor and forced labor in our company. There are strict age verification process to verify and ensure all the employee is above 18 years old.

OFM Vietnam will organize necessary training for work place safety and skills development to ensure all employee able to work in safe environment and enhance their future carrier.

Annual assessment will be evaluate with standardize performance metrics to avoid any bias.

Annual survey will be conduct among employee.

If an employee feel uncomfortable and would direct repot to the top management. They can visit our group website : <https://www.ybsinternational.com/images/pdf/WhistleBlowingPolicy.pdf> for the whistle blowing procedure.

Labour

Implementation

OFM Vietnam also providing benefit including but limited as per below :

• Annual leave , sick leave , maternity leave ...	• Annual medical check up
• Weekly rest day	• Covid-19 vaccination
• Over time paid	• Insurances
• Skill , knowledge and safety training	• Long service award
• Elite staff program	• Safety equipment for work
• Free lunch	• Flexi working hour for new mom up to 6 months

Beside this , OFM Vietnam will also organize internal special event as employee appreciation.

Labour

Implementation



- Skill , knowledge and safety training
- Annual medical checkup and Covid-19 prevention

Labour

Implementation



Internal special event

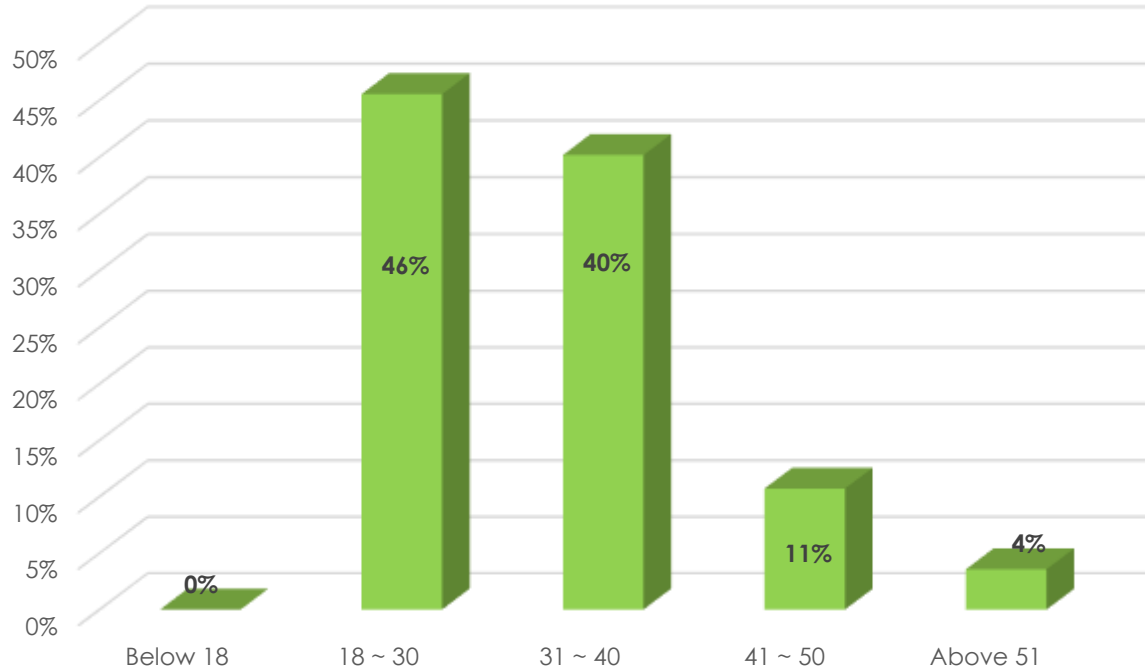


Annual Union meeting and employee survey

Labour

Measurement of Outcome

1) Employee age



Age	Employee %
Below 18	0 %
18 ~ 30	46%
31 ~ 40	40%
41 ~ 50	11%
Above 51	4%

OFM Vietnam do not had employee below age 18

Labour

Measurement of Outcome

2) Accident rate

	Incident	Target
Major Accident	0	0
Minor Accident	0	2 <
Nearly Accident	0	8 <
Violence	0	0
Explosion / Fire	0	0

No workplace accident happen for the over past 12 months.

Labour

Measurement of Outcome

3) Report of Violation

Source	Incident
Annual Survey	0
Whistle Blowing	0
Labour Union	0
Human Resources	0

There's no report filed on human rights violation for past 12 months result from annual survey result, whistle blowing , labour union and human resource department.

Environment

Assessment, policy and goals

OFM Vietnam is committed to ensuring that our working environment will minimize the impact the hazardous and pollution to the surrounding environment.

In order to ensure the activities of OFM Vietnam pursuant to the government's decrees of the Socialist Republic of Vietnam regarding environment issue.

Environment

Implementation

OFM Vietnam was certified by ISO 14001:2018.

Internal and External audit will be conduct every year by third party to ensure our company operate in environmental friendly.

OFM Vietnam will organize environment testing with 3rd party for air , sound and water for each quarter. Such checking with help OFM Vietnam continue monitor our result.

Start from Y2020 , OFM is recording our Co2 emission and publish the result as an initiative to reduce the Co2. OFM had attend 2 seminar in Y2021 for better understanding for the Co2 emission

OFM Vietnam purchasing staff had been go through training to purchase the raw material from supplier that able to meet RoHS or REACH compliant.

OFM Vietnam also provide the training for pollution incident prevention such as emergency action plan for chemical splash

Labour

Measurement of Outcome

1) Third Party waste water checking result

Waste Water Checking	Testing criterial	Completeness	Result
Q1'21	9	Done	Acceptable
Q2'21	9	Done	Acceptable
Q3'21	9	Done	Acceptable
Q4'21	9	Done	Acceptable

OFM Vietnam testing result is meeting the target of environment

Labour

Measurement of Outcome

2) Third Party Air condition checking result

Air Condition Checking	Testing criterial	Completeness	Result
Q1'21	5	Done	Acceptable
Q2'21	5	Done	Acceptable
Q3'21	5	Done	Acceptable
Q4'21	5	Done	Acceptable

OFM Vietnam testing result is meeting the target of environment

Labour

Measurement of Outcome

3) Hazardous Waste Spill Incident

	Incident	Target
Q1'21	0	0
Q2'21	0	0
Q3'21	0	0
Q4'21	0	0

There are no hazardous waste spill incident happen at Y2021.

Labour

Measurement of Outcome

4) Electric usage and Co2/KW under scope 2

Y2021	Q1	Q2	Q3	Q4
Electric usage Kw	148,370	209,748	151,139	172.943
CO2 (kg) /KW	64,096	90,611	65,292	74,711

- Apply grid emission factor for Country (kgCO₂e/kWh) as 0.432
- Scope 1 data is not available because OFM Vietnam do not apply forklift + company transportation and also not using fuel to general heat and power

Business Ethics

Assessment, policy and goals

OFM Vietnam is committed to conduct its business transparently with integrity in a legal and ethical manner.

The Group has adopted a zero-tolerance policy and complied with the government's decrees of the Socialist Republic of Vietnam and any of its amendments or other applicable anti- bribery and corruption laws.

No individual will be discriminated against or suffer any sort or manner of retaliation for raising genuine concerns or reporting in good faith on violations or suspected violations of the Policy

Business Ethics

Implementation

OFM Vietnam had set up Anti-Bribery and Corruption Policy (“ABC Policy” or “the Policy”) provide guidelines on business conduct on both bribery and corruption to prevent the non-compliance that may occur in the course of business activities within the company.

This Policy applies to all directors (executive and non-executive), employees (including full-time, part-time, contract, temporary or interns) and any other person providing services for or on behalf of the Group, which may include but not limited to vendors, contractors, sub-contractors, consultants, transporter, agents, intermediaries and representatives of the Group (collectively, “applicable persons”).

All employee are request to provide self acknowledgment signature for the policy and training on awareness of ABC Policy and its compliance shall be provided on a regular basis to all existing directors and employees.

Employee can direct email to our group whistle blowing email address for any business ethic reporting.
website : <https://www.ybsinternational.com/images/pdf/WhistleBlowingPolicy.pdf>

Business Ethics

Measurement of Outcome

1) Report of Violation

Source	Incident
Whistle Blowing	0
3 rd Party Financial Audit	0

There's no report filed on corruption violation for past 12 months

Sustainable Procurement

Assessment, policy and goals

OFM Vietnam would like to extend our commitment to next level with access our supplier policies , performance that related with human right , labour and green environment.

This is to ensure our partner carry the same target and goals with OFM Vietnam

Sustainable Procurement

Implementation

OFM Vietnam had developed standard operation procedure for supplier selection criteria and supplier assessment.

For Y2021 supplier audit , OFM Vietnam decided to continue to perform online audit due to the Covid - 19 pandemic.

The situation for Covid - 19 had become serious in Vietnam since Apr'21 and South of Vietnam had facing a full lock down from Jul'21 till Oct'21.

OFM Vietnam will select top 5 spending supplier to perform performance review and audit.

OFM Auditor had conduct the audit activity with using meeting software such as zoom , Microsoft , skype...etc to conduct the interview and audit.

Sustainable Procurement

Measurement of Outcome

1) Summary of action

	Actual	Target	Result
Supplier Audit	5 supplier	5 Supplier	Pass

Acknowledgment	Actual	Target	Result
Green Environment	16 supplier	16 supplier	Pass
RoHS	16 supplier	16 supplier	Pass
Conflict Mineral	12 supplier	12 supplier	Pass
Non disclosure	15 supplier	15 supplier	Pass



END OF REPORT

THANK YOU