

SUSTAINABILITY STATEMENT

At Johan Holdings Berhad ("JHB"), we continue reinforcing our sustainability commitments and enhancing our value chain by integrating Economic, Environmental, Social and Governance ("EESG") practices into all our business activities. We strive to embed best practices to foster meaningful and long-lasting relationships with all our stakeholders and contribute significantly to national growth.

ABOUT THIS STATEMENT

This statement presents the various measures we have implemented to address the Group's material sustainability issues. We have also aligned this statement with the eleven (11) common sustainability indicators, which follow the latest edition of the Bursa Sustainability Framework.

Scope and Boundary

This statement covers JHB's entire operations and entities in which the Group holds a controlling interest or management control. Unless otherwise stated, the disclosed performance data apply to the whole Group.

Reporting Period

This statement features our EESG activities from 1 August 2023 to 31 July 2024 ("FY2023/24"); historical information from previous years was included to provide readers with a basis for comparison.

Reporting Cycle

Annually, coinciding with our financial year.

Reporting Guidelines

Principal Guidelines

- Bursa Malaysia's *Sustainability Reporting Guide (3rd Edition)*
- Malaysian Code on Corporate Governance 2021 ("MCCG")

Reference Guidelines

- Task Force on Climate-Related Financial Disclosures
- United Nations Sustainable Development Goals ("UN SDGs")

Assurance Statement

The Group's Internal Audit Department has reviewed this Sustainability Statement, in compliance with Practice Note 9 published by Bursa Malaysia Securities Berhad, to strengthen our reporting credibility.

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The indicators and scope covered by the Internal Audit Department's review were as follows:

Material Matter	Scope
Anti-corruption	i) Percentage of employees who have received training on anti-corruption by employee category; ii) Percentage of operations assessed for anti-corruption related risk; iii) Confirmed incidents of corruption and action taken
Community / Society	i) Total amount invested in the community; ii) Total number of beneficiaries
Diversity	i) Percentage of employees by gender and age group for each employee category; ii) Percentage of directors by gender and age group
Health & Safety	i) Number of work-related fatalities; ii) Lost time incident rate (LTIR); iii) Number of employees trained on health and safety standards
Labour Practices & Standards	i) Total hours of training by employee category; ii) Percentage of employees that are contractors or temporary staff; iii) Total number of employee turnover by employee category; iv) Number of substantiated complaints concerning human rights violations; v) Total number of new hires
Supply Chain Management	Proportion of spending on local suppliers
Data Privacy & Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data
Energy Management	Total energy consumption
Water Management	Total volume of water used
Waste Management	i) Total waste generated; ii) Total waste diverted from disposal; iii) Total waste directed to disposal
Emissions Management	i) Scope 1 emissions in tonnes of CO ₂ e; ii) Scope 2 emissions in tonnes of CO ₂ e

Conclusion: Nothing has come to our attention that has caused us to believe there is any material misstatement of the reviewed data.

Connect with us:

We welcome your feedback. Email us at: jhb@johanholdings.com.my

APPROACH TO SUSTAINABILITY

Our sustainability work starts from the top, with sustainability governance overseeing our EESG footprints. Against the backdrop of a complex and challenging market environment, we continually address our sustainability matters by having regular engagements with our stakeholders, identifying risks and opportunities, and formulating a framework so that we can continuously improve.

SUSTAINABILITY STATEMENT

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SUSTAINABILITY GOVERNANCE

Sustainability Governance Structure



Board of Directors ("BOD")

The Board under the leadership and direction of the Chief Executive Chairman is responsible for driving sustainability in the Group, with direct oversight over EESG material sustainability matters.

The Board integrates sustainability factors when exercising its duties, including the development and implementation of the Group's strategies and business plans.

Scope of responsibilities:

- Oversees the conduct of assurance activities pertaining to the Group's sustainability reporting processes.
- Approves sustainability strategy and targets, policies, materiality assessment process and outcome, and the sustainability statement.
- Oversees the management of material sustainability matters.
- Monitors the implementation of sustainability strategies and policies and performance against targets.

The Board is assisted by the Sustainability Working Committee in carrying out its sustainability responsibilities.

Sustainability Working Committee ("SWC")

The SWC comprises the Head Office's Key Senior Management and the Heads of the respective operating subsidiaries. The SWC reviews all sustainability commitments, including setting important initiatives and sustainability growth plans, subject to the Board's approval.

SWC meets at least half-yearly to discuss relevant sustainability matters and issues. The Head Office General Manager – Operation normally chairs the meetings. He is the designated person within the SWC to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of Johan Group.

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Scope of responsibilities:

- Develops sustainability strategy and policies, and recommends revisions to the Board.
- Ensures the implementation of sustainability strategy is aligned across Johan Group.
- Reviews the materiality assessment process and outcome.
- Reviews the sustainability statement prior to approval by the Board.
- Recommends and develops the sustainability-linked KPIs as part of the Board's and Senior Management's performance evaluation scorecard.

The SWC reports to the Chief Executive Chairman on sustainability matters that could impact Johan Group. All the relevant matters will be reported to the Board for deliberation and approval.

Sustainability Working Groups

Sustainability Working Groups are set up at the respective operating units. Each comprises the Departmental Head of the respective operating units.

Scope of responsibilities:

- Consolidates sustainability report and data.
- Undertakes the materiality assessment process.
- Aligns practices on the ground with the organisation-wide sustainability agenda and strategy.
- Executes and monitors sustainability activities and performance against targets.

The respective Sustainability Working Groups report to the SWC half-yearly on relevant sustainability matters.

Audit Committee ("AC")

The AC is a Board Committee comprising solely of Non-Executive Directors with a majority of Independent Directors. The AC reviews the adequacy and integrity of the Group's internal control systems and processes. The AC scrutinises the links between the sustainability matters and financial performance. The AC ensures the integration of sustainability and climate-related risks and opportunities within the Risk Management Framework.

Risk Management Committee ("RMC")

The RMC is currently comprised of the Chief Executive Chairman, Group Managing Director, General Manager - Operation and Senior Manager – Finance. The RMC is supported by the sub-RMCs established at the respective operating subsidiaries. The RMC identifies and reviews relevant material risks including sustainability-related risks, and ensures appropriate actions are taken. The RMC evaluates overall sustainability-related risks and opportunities, with a focus on climate-related issues.

Remuneration Committee ("RC")

The RC is a Board Committee primarily responsible for reviewing the remuneration of Directors and Senior Management. The RC reviews the Directors' and Senior Management's performance including evaluation against agreed sustainability-linked KPIs.

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STAKEHOLDER ENGAGEMENT

We practise an open-door policy, continuously engaging with our diverse group of stakeholders to identify risks and opportunities and determine areas that can be updated to current best practices. By maintaining this year-round connection with them, we are able to clearly understand their expectations and readily respond to their latest concerns. The following table illustrates how our actions strengthen our relationships with our various stakeholder groups.

Stakeholder Groups	Concerns	Response and Communication Channels
Investors/ Shareholders	• Profitability and Growth • Communication	• Opportunities for sustained business growth • Accurate, timely, consistent and fair disclosure of corporate information • Attendance of shareholders at the Group's AGM to facilitate interaction with the Management
Employees	• Career Development • Health and Safety	• Employee training • Performance and remuneration reviews • Health and safety structure • Department of Occupational Health and Safety compliance • Monitoring of health and safety measures
Supply Chain	• Beneficial Relationships	• Local sourcing • Ethics and transparency • Sustainable sourcing
Government	• Regulatory Compliance	• Updating of licenses and permits • Compliance with all regulations • Compliance training
Community	• Community Relationships • International Reputation	• Philanthropic activities • Human rights protection • Keeping abreast of international best practices • Observing religious and traditional activities
Customers	• Product Quality • Data Privacy and Security • Responsible Representation	• ISO 9001 and other healthcare-related standards • Measures for privacy protection and security • Compliance with marketing/advertising standards

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MATERIAL MATTERS

Sustainable development can be achieved by adopting sound principles and best practices. Thus, cognisant of our role in building a better and more sustainable future, we have assessed the EESG sustainability issues pertaining to our operations.

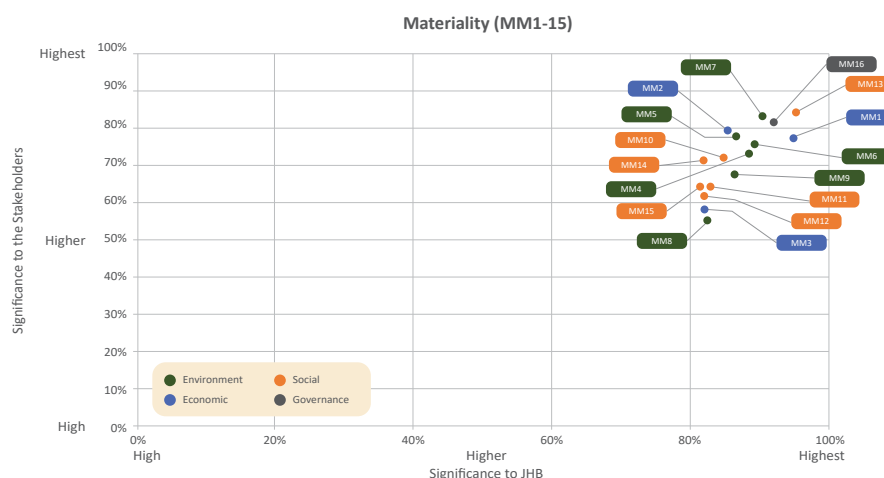
In the year under review, we reviewed the sustainability matters that the Group and our stakeholders have deemed most significant. This allows us to allocate adequate resources to generate innovative solutions that will address the identified issues. Our materiality assessment process consists of the following stages:



Materiality Matrix

There have been no changes in our business and operation, hence, our material sustainability issues remain unchanged from the previous year. Our material issues are consistent with emerging global concerns and current best practices. The items mapped on the upper right-hand quadrant of the matrix are perceived as most significant by both the Group and our stakeholders, where applicable.

The Group's top four material issues are Governance, Ethics and Compliance; Customer Satisfaction; Economic Performance; and Materials.



MATERIAL MATTERS

Economy:

- MM1: Economic Performance
- MM2: Supply Chain Management
- MM3: Community Development

Environment:

- MM4: Environmental Compliance
- MM5: Water Management
- MM6: Waste Management
- MM7: Materials
- MM8: Biodiversity
- MM9: Climate Change

Social:

- MM10: Health and Safety
- MM11: Training and Education
- MM12: Diversity and Inclusivity
- MM13: Customer Satisfaction
- MM14: Customer Privacy
- MM15: Local Community

Governance:

- MM16: Governance, Ethics and Compliance

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SUSTAINABILITY RISK MANAGEMENT

Sustainability opportunities and risks are integral to our business and operational strategies. Each of the sustainability issues that are relevant to our business model, industry, and location is addressed by the Risk Management Committee ("RMC"), supported by the sub-RMCs established at the respective business segments. The RMC is tasked with enforcing and applying a robust and sound sustainability risk management framework, aligned with the ISO 31000 risk management standard and compliant with the Malaysian Code on Corporate Governance 2021.

All our new and upcoming projects as well as existing operational activities undergo risk assessment procedures. The sub-RMCs organise periodic meetings to assess sustainability through risk identification, analysis, treatment, and monitoring of EESG impacts. These meetings are conducted to assess governance risk registers that are applicable to our business operations. Our compliance with all quality, environmental health and safety standards is also evaluated during these meetings. The results of these reviews are presented to the RMC before they are reported at the Audit Committee meetings on a half-yearly basis.

The table below lists all our material matters, their risk descriptions, and how we take advantage of the opportunities presented.

MATERIAL MATTERS	RISKS	OPPORTUNITIES
ECONOMIC		
MM1: Economic Performance	Financial performance that does not meet stakeholders' expectations.	Improving financial results will instil confidence in investors and deliver long-term value to stakeholders.
MM2: Supply Chain Management	- Forex fluctuations that will affect price stability. - Unexpected delays in the delivery of materials will affect operations / production.	- Close monitoring and effective hedging will mitigate forex risks that in turn will ensure price stability in procurement. - Effective stock and logistics management will minimise stock out risks and reduce stock holding costs.
MM3: Community Development	Insufficient engagement with the local communities may result in lack of understanding / negative perception of Company activities.	Active engagement with the local communities will promote a positive image of the Company.
ENVIRONMENT		
MM4: Environmental Compliance	Non-compliance with regulatory requirements that may attract penalties and reputational damage.	Close and effective monitoring will ensure regulatory compliance and portray a positive image as a responsible and environmentally conscious organisation.
MM5: Water Management	Potential contamination of water due to spilled chemicals.	Effective treatment and recycling of wastewater will reduce utility costs.
MM6: Waste Management	Potential contamination due to ineffective storage / disposal processes.	Effective waste management, e.g. recycling green waste for compost fertiliser use, will help to build the Company's green credentials.

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MATERIAL MATTERS	RISKS	OPPORTUNITIES
MM7: Materials	Procuring sub-standard materials will result in high production rejects / low-quality products.	Stringent supplier selection and quality control will ensure supply of quality materials which in turn will minimise production rejects and ensure consistent production output.
MM8: Biodiversity	Lack of biodiversity conservation.	Maintaining green surroundings will have a positive impact on employees' physical health that in turn may boost productivity.
MM9: Climate Change	Adverse climate change, e.g. heat wave, drought, storm etc. can wreak havoc on people's livelihoods.	The increasing use of green and renewable energy will help to protect the environment and reduce utility costs.
SOCIAL		
MM10: Health and Safety	Accidents / injuries at the workplace will lead to loss of time and reputational damage.	Cultivating a safety culture in the workplace will improve employees' well-being and productivity.
MM11: Training and Education	Inability to catch up with new technology / work process due to lack of necessary skill / knowledge.	Continuous employee training programmes will ensure a competent and knowledgeable workforce.
MM12: Diversity and Inclusivity	Misunderstanding among workers of different genders, social and ethnic backgrounds may result in high employee turnover and limit talent attraction.	Encouraging interaction / communication among workers will facilitate mutual understanding. This will help to develop a diverse and inclusive workforce that can attract and retain talent.
MM13: Customer Satisfaction	Potential loss of customers due to late delivery, compromised product quality or slow after-sales services.	Proper procedures and controls will mitigate this risk and improve customer satisfaction that will help to retain and expand clientele.
MM14: Customer Privacy	Potential reputational damage and legal repercussions due to customer data leakage.	Strict data control and strong IT security system will instil confidence among customers.
MM15: Local Community	Inadequate support of the local communities may result in misunderstanding / complaints, e.g. environmental issues.	Active support and engagement with the local communities, e.g. participating in local activities on recycling, cleanliness, crime prevention etc. will facilitate mutual understanding / earn their support.
GOVERNANCE		
MM16: Governance Compliance and Ethics	Lack of timely updates on new requirements may result in non-compliance.	A structured approach in keeping up-to-date information of new requirements and effective corporate governance practices will enhance the Company's reputation among stakeholders.

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SUSTAINABILITY FRAMEWORK

We hold ourselves accountable for achieving our commitments. Our framework hinges on our Sustainability Approach, which drives our EESG performance and engages our internal and external stakeholders.



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OUR APPROACH TO MATERIAL MATTERS

The Group's sustainability matters are grouped into EESG themes, consisting of 16 issues significant to us and our stakeholders. These issues arise from our business, operations, products, and services. The material sustainability matters are interrelated but are not of equal importance. This section addresses these matters and the efforts we make to drive sustainability in our Group.

ECONOMY

In lockstep with Malaysia's national growth agenda and the UN SDGs, we strive to foster inclusive economic growth that can drive progress, create decent jobs, and improve living standards. In line with SDG 17 (Partnerships for the Goals), we collaborate with our supply chain and community to realise our commitment to sustainable development. Listed below are the Group's material matters associated with a sustainable economy.



MM1: Economic Performance

The Group's economic performance is the most material issue amongst our economic sustainability matters. Our businesses stem from a strategic decision to build financial growth through diversification and an emphasis on sustainability. Our business segments contribute to the Gross National Product and foreign exchange earnings. JHB's direct economic contributions include the revenue that we generate, the employment that we create, the taxes that we pay, as well as the investments in the growth and expansion of our business operations.

Material Matters MM1: Economic Performance MM2: Supply Chain Management MM3: Community Development	Direct Economic Contribution (RM'000)			
		FY2024	FY2023	FY2022
	Revenue	22,609	21,042	22,036
	Tax (expenses) / Credit	(194)	55	(33)
	Employee Wages	11,476	13,934	13,985

MM2: Supply Chain Management

Supply Chain Principles

We expect our vendors to abide by the highest standards of ethical behaviour and principles. Our policy mandates that all our business transactions must be conducted in an ethical, transparent and honest manner and in compliance with all applicable laws, regulations and best practices. Our suppliers and vendors must also adhere to fundamental human rights, labour practices and the Group's policies.

Local Purchasing

In FY2024, of the RM40,168,272 spent on suppliers, RM22,028,221 was spent on local suppliers, corresponding to 55% of the total. This percentage is a significant decrease from 85% in FY2023 due to alternative supplier development and price competitiveness.

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Proportion of Spending on Local Suppliers			
Period	Total amount spent on all suppliers (RM)	Total amount spent on local suppliers (RM)	Proportion of spending on local suppliers (%)
FY2024	40,168,272	22,028,221	55
FY2023	45,008,300	38,047,285	85
FY2022	41,351,845	28,708,365	69

MM3: Community Development

Our glove manufacturing facility is situated in a rural area. This gives the local people an opportunity to work in familiar surroundings instead of migrating elsewhere for employment. All our employees are locally hired, and local sourcing is prioritised whenever possible. In addition, our Hospitality and Healthcare divisions favour produce and products from the local communities.

The quaint coastal town of Lumut in Perak is the setting for Johan's venture into the hospitality industry. The Orient Star Resort Lumut is well-situated, facing the renowned holiday destination of Pangkor Island. It is easily accessible, attracting local and overseas visitors from Kuala Lumpur, Penang, Ipoh, and Singapore throughout the year. This influx of tourists generates demand for the products and services offered by the locals, thereby providing employment and business opportunities that uplift their standard of living.

ENVIRONMENT

Environmental protection, involving the preservation and restoration of natural resources and ecosystems, is foundational to the realisation of the SDGs. It has a direct impact on SDG 13 (Climate Action), SDG 14 (Life Below Water), and SDG 15 (Life on Land), which all stress the urgent need to mitigate environmental degradation, conserve biodiversity, and foster sustainable use of our natural resources.

Environmental Commitments:

- Compliance
- Continuous improvement
- Set targets and periodic reviews
- Collaborate with stakeholders
- Support the national agenda
- Adopt best practices
- Allocate resources

Furthermore, the environment and socioeconomic development are so intricately linked that growth cannot be sustainable without considering its environmental dimensions. This means that poverty eradication and lasting prosperity cannot be achieved if natural capital is degraded or lost.

Considering these concepts, we address the six sustainability matters listed below by embedding environmental best practices and operating procedures that ensure effective implementation, accountability and compliance.



Material Matters

- MM4: Environmental Compliance
- MM5: Water Management
- MM6: Waste Management
- MM7: Materials
- MM8: Biodiversity
- MM9: Climate Change

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MM4: Environmental Compliance

We apply all the relevant standards and best practices in our environmental management systems. We have initiated procedures that will fulfil the specifications prescribed by the Department of Environment (“DOE”), and we adhere to the following main acts and regulations:

- Environmental Quality (Amendment) Act 2024
- Environmental Quality Act 1974
- Scheduled Wastes Act 1974
- Environmental Quality (Scheduled Wastes) Regulation 2005
- Environmental Quality Clean Air 2014
- Environmental Quality Industrial & Sewage 2009

To prevent non-compliance, we have monitored and reviewed our standard procedures against pertinent regulations and standards and further enhanced our processes. In the year under review, we are pleased to disclose that we have maintained a zero-non-compliance record and have not been imposed any fines or penalties for any of our operational activities that may exert negative environmental impacts.

MM5: Water Management

Sustainable water management refers to careful water utilisation and responsible disposal of wastewater to ensure that society’s current and future ecological, social, and economic needs are fulfilled. Consistent with these principles, we have allocated resources to manage our water consumption and effluents. No water is withdrawn from or discharged to any bodies of water, such as rivers, lakes, or ponds. In addition, no water is sourced from the ground or boreholes.

Water Treatment, Reuse and Recycling

Wastewater to be discharged is first treated using a Wastewater Treatment Plant (“WWTP”), an industrial effluent treatment system. Responsible water usage behaviour is inculcated in our employees at all our business divisions. We closely monitor for potential leaks and increases in water consumption. Our Hospitality division has policies in place on towel placement and laundering service to minimise laundry loads, conducts regular piping maintenance to prevent leaks, and adheres to water-efficient pool-cleaning schedules. Our Healthcare production lines are equipped with water and air filtration systems to reduce and neutralise the chemicals in our wastewater and exhaust before discharge. All hazardous effluents from our WWTP are treated by a hazardous waste contractor accredited by the DOE.

Period	Water Indicators (megalitres)		
	Water Withdrawal Data or Total Volume of Water Used		
	Other Water Sources	Municipal Potable Water	Total
FY2024	0	104.88	104.88
FY2023	0	96.49	96.49
FY2022	0	124.52	124.52

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MM6: Waste Management

The Group has appointed a Certified Environmental Professional in Scheduled Waste Management to ensure that our scheduled waste is managed properly in accordance with regulatory requirements. We apply the 3R (Reduce, Reuse and Recycle) principle in all our business activities. Wastes are segregated and properly labelled with specific spaces allotted for scheduled and non-scheduled waste. All general wastes are sent for recycling.

At our offices, we initiated the “No More Plastics” programme to actively discourage the usage of single-use plastics, such as straws, cups and cutleries. This campaign aims to raise awareness about the harm caused by plastic waste and encourage all employees to reduce its use.

Waste Indicators (metric tonnes)				
Period	Waste Generation			% of waste recycled vs. generated
	Recycled (diverted from disposal)	Non-recycled (directed to disposal)	Total	
FY2024	10.70	4.59	15.29	69.98%
FY2023	6.37	33.94	40.31	15.80%
FY2022	0.77	9.79	10.56	7.29%

MM7: Materials

The Group is committed to reducing and even altogether avoiding the consumption of natural resources, particularly virgin materials. Our industrial products supplier adopts extraction and refining technologies that minimise the use of virgin materials, whilst our industrial products are made of 85% recycled materials.

MM8: Biodiversity

Our operational sites and raw material sources are not located in biodiversity-sensitive zones; thus, we have no impact on biodiversity. Nevertheless, our environmental commitment encompasses the protection of all aspects of the Earth’s environment: air, soil, and water. With this commitment, we can care for biodiversity and address other environmental protection agendas.

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MM9: Climate Change

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (“TCFD”)

The effects of climate change are widespread on a global scale, affecting nearly all economic sectors. The extent of the impacts of climate-related risks varies by sector, industry and geography.

Below is our initial statement, structured in the thematic areas that represent the basic elements of tackling climate change. The Board will review and consider setting relevant targets toward reducing our carbon footprint.

Governance

We have yet to create a governance structure specifically for climate change. Our SWC is directly involved in evaluating the financial impacts, risks and opportunities and reporting metrics for compliance with the TCFD.

Strategy

We will assess the resilience of our Group's businesses against various climate-related probabilities, mitigate our impacts, and adopt a suitable approach.

Metrics

Shown below are our Scopes 1 and 2 emissions. In the next financial year, we will calculate our Scope 3 emissions to fully understand our greenhouse gas (“GHG”) emissions.

GHG Emissions (tCO ₂ e)		
Period	Scope 1	Scope 2
FY2024	2,895	656
FY2023	1,536	381
FY2022	4,145	550

Definitions	
Scope 1	Direct GHG emissions from the consumption of petrol and diesel, natural gas and LPG by sources owned or controlled by our Group.
Scope 2	Indirect GHG emissions from the consumption of purchased electricity.
GHG Framework	GHG protocol.
Emission Factor	The rate of tCO ₂ e for Scopes 1 and 2 was extracted from the UK Government’s GHG Conversion Factors.

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Climate Change Risks	Potential Financial Impacts
Our Transition Risks are listed below: Policy and Legal Risks refer to the enhanced emission reporting guidelines and the updated national and international regulatory requirements for our products and services. Technology Risk is the cost of transitioning to lower-emission technologies. Market Risk indicates the changes in behaviour and preference of customers looking for substitute products or similar products with lower emissions. Reputational Risk is the increase in stakeholder concern if the company does nothing to tackle climate change.	Transition Risks will increase operating costs because we must invest resources to reduce risks. These investments will be focused on new technologies that will allow us to reduce our emissions and comply with new regulatory and statutory standards. This will help to strengthen our customers' loyalty to our products and services.
Physical Risks consist of Acute and Chronic Risks. Acute: Increased severity of extreme events such as floods and droughts. Chronic: Changes in precipitation, weather patterns and rising temperatures.	Any acute or chronic changes in temperature will result in availability issues and potential price increases for raw materials. Investments to reduce water intensity and recyclability will be considered. Changes in weather patterns could affect deliveries.
Climate Change Opportunities	Potential Financial Impacts
Resource Efficiency can be achieved by using a more efficient production and distribution process. At the same time, applying waste and water recycling and rainwater harvesting can reduce the volume of resources and water consumed. Energy can be collected from many renewable sources and augmented by access to government energy policy incentives.	Operation costs can be reduced through efficiency gains and cost reductions. Water consumption can be reduced by harvesting rainwater and reducing water intensity. Government incentives for renewable energy policies can offset the initial costs of solar power installation and payments to public utility companies.

The table below shows our energy consumption for the past three financial years.

Energy Consumption (GJ)					
Period	Electricity	Fuel	Gas	Total Energy	Megawatts
FY2024	11,410	167	52,824	64,401	17,889.18
FY2023	6,516	115	28,081	34,712	9,642.23
FY2022	10,073	118	76,442	86,633	24,064.74

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SOCIAL



Material Matters

MM10: Health and Safety
MM11: Training and Education
MM12: Diversity and Inclusivity
MM14: Customer Privacy
MM15: Local Community

Our operations are conducted in a manner consistent with international best sustainability practices. We proactively engage with and support our stakeholders and have enacted policies to promote commitment to Human Rights, Inclusion and Diversity, Health and Safety, and care for the communities in which we operate.

Our Social Commitments

- Prevent and disallow all practices of child labour, forced labour or modern slavery, excessive working hours, bullying or sexual and power harassment.
- Disallow any form of discrimination, respecting everyone's diversity in race, religion, gender, age, physical ability, nationality and ethnicity.
- Support freedom of association and the right to collective bargaining.
- Apply equal-opportunity practices, providing equal work as well as merit-based employment, skills development, and promotion.
- Engage with the relevant stakeholders on human rights issues.
- Inculcate awareness and train employees, business partners and the community.
- Establish risk assessments on human rights impacts on an ongoing basis, as part of the Group's normal business processes.

MM10: Health and Safety

One of our top material sustainability matters is the health and safety of our workforce, business partners and the communities in which we operate. We demonstrate this commitment through:

- Performing sound and sufficient assessments of risks and opportunities.
- Setting performance targets.
- Eliminating hazards and reducing occupational health and safety risks.
- Implementing a robust health and safety management system.
- Finding areas for improvement.
- Stakeholder involvement

We target to have zero lost time incidents in the next financial year.

The Group ensures that all our activities do not threaten the health and safety of all our stakeholders. Our health and safety compliance efforts meet the requirements prescribed by the Department of Occupational Safety and Health ("DOSH"). Our employees undergo health and safety training that we organise in partnership with private, public and NGO training centres, such as the National Institute of Occupational Safety and Health ("NIOSH"), St. John Ambulance of Malaysia, the Malaysian Rubber Council and Malaysia Civil Defence Force.

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Health and Safety Data

Employee Health and Safety Data				
Period	Total number of hours worked in the reporting period	Number of lost time injuries	LTIR ¹	Work-Related Fatality
FY2024	354,000	4	2.26	0
FY2023	364,000	0	0	0
FY2022	594,000	0	0	0

[1] LTIR is calculated as a rate where the number of lost time incidents during the reporting period are expressed per the total number of hours worked as at the end of the reporting period.

FY2024 Types of Health and Safety Training	No. of Hours	No. of Employees
Kursus Kesedaran Keselamatan dan Kesihatan Pekerja (Sektor Perhotelan)	24	3
Occupational Safety and Health Coordinator	24	1
Halal Industry Awareness	40	5
Total	88	9

MM11: Training and Education

All new recruits undergo onboarding training to help them get acquainted with the Group's business and equip them with the information they need to perform their duties. Employees also attend seminars and training as needed to help them stay abreast of developments in the legal and regulatory environment and sharpen their skills.

The relevant contractors and subcontractors are also subjected to induction training. This provides them with the necessary information on our company policies, SOPs, and practices.

In the year under review, 177 employees underwent a total of 328 hours of external training, as summarised below. This averages to approximately 2 hours of training per employee.

Training Data

Total Hours of Training by Employee Category					
Period	Senior Management	Management	Executives	Non-Executives	Total
FY2024	8	56	104	160	328
FY2023	49	96.5	408.5	108	662
FY2022	0	0	169	168	337

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Remuneration and Benefits

Nurturing the welfare and well-being of our employees raises their morale and ignites their motivation to work productively. It also translates to longer retention of employees and results in a shared commitment to the Group's success. Our pay scale abides by the national minimum wage law and is competitive when benchmarked against our industry peers. Additionally, we uphold all regulations on equal pay and equal work.

Our employee benefits include a wide array of health and welfare programmes based on length of service and position. Our employees enjoy comprehensive outpatient, hospitalisation and dental coverage and other applicable allowances. All employees are also covered with personal accident insurance.

MM12: Diversity and Inclusivity

The Group recognises the benefits of having a diverse set of employees and BOD, including having a broader pool of high-quality employees, improved employee retention, and enhanced access to different perspectives and ideas. Diversity includes, but is not limited to, gender, age, ethnicity, cultural background, religious belief, race, language, physical ability, freedom of association and nationality.

All recruitments and partnerships are made on merit. The BOD must be effective as a whole in the context of their collective skills and experiences with due regard to the benefits of diversity. Selection of the Group's entire workforce, including our BOD and Senior Management, is based on objective criteria and merit, with due regard to diversity in skills, experience, age, cultural background, gender, religion, race and ethnicity. To view our Diversity and Inclusion Policy, please visit: <https://www.johanholdings.com/wp-content/uploads/2022/06/Diversity-and-Inclusion-Policy-JHB-20.06.2022.pdf>

Workforce Data

Percentage of Employees by Gender and Age Group			
	FY2024	FY2023	FY2022
Gender			
Male	64%	61%	67%
Female	36%	39%	33%
Age			
<30 Years	29%	34%	48%
30-50 Years	47%	47%	37%
>50 Years	24%	20%	15%

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Percentage of Employees by Age, Gender and Employee Category					
FY2024	Gender		Age		
Employee Category	Male	Female	<30 Years	30-50 Years	>50 Years
Senior Management	92%	8%	0%	25%	75%
Management	43%	57%	0%	57%	43%
Executive	39%	61%	25%	46%	29%
Non-Executive	71%	29%	38%	47%	15%
Total	64%	36%	29%	47%	24%

Percentage of Directors by Gender and Age Group			
	FY2024	FY2023	FY2022
Gender			
Male	80%	80%	80%
Female	20%	20%	20%
Age			
<30 Years	0%	0%	0%
30-50 Years	20%	20%	0%
>50 Years	80%	80%	100%

Total Number of Employee Turnover by Employee Category			
	FY2024	FY2023	FY2022
Senior Management	3	4	1
Management	3	8	3
Executive	5	18	8
Non-Executive	58	126	135

Employment Type			
	FY2024	FY2023	FY2022
Contractual	14%	8%	4%
Permanent	86%	92%	96%
TOTAL	100%	100%	100%

Employee Turnover			
	FY2024	FY2023	FY2022
Total new hires	25	37	225
New hire rate	14.12	20.33	75.76
Turnover rate	40.11	85.71	49.49

SUSTAINABILITY STATEMENT

cont'd

MM13: Customer Satisfaction

Our customers' values are important in creating and implementing our sustainability initiatives. Our strategic direction is to build long-term relationships with our customers by not just delivering quality products, but also ensuring their sustainability.



Quality Management Systems

We have specialist teams that are committed to ensuring that our products meet the highest quality standards. Our rigorous quality assurance processes conform with standards set by global accreditation bodies. Our products meet the exacting requirements of international certifications, including ISO 9001:2015, European Norm ("EN"), American Society for Testing and Materials ("ASTM") and *Conformité Européenne* ("CE").



Innovation



Innovation is fundamental to the success of our business. Our Healthcare division leverages on innovative technologies to ensure the sustainability of our operations. Our strong R&D competencies help us to maintain this edge, thereby ensuring that we stay ahead of the competition and meet the evolving needs of the markets we serve.

Our state-of-the-art glove manufacturing plant features fully automated, high-capacity production lines to achieve maximum production efficiencies. We continue to invest in R&D activities to ensure that our internationally certified product offerings stay ahead of the competition.

SUSTAINABILITY STATEMENT

cont'd

MM14: Customer Privacy

We abide by the Malaysian Personal Data Protection Act 2010 (“PDPA”), which protects the private data of our customers, partners and other stakeholders. We also follow all other applicable personal data protection laws of the countries where we operate as a global supplier. We ensure that all data is protected from unlawful access by unauthorised parties through legal, administrative, and technical procedures. In the year under review, we maintained our flawless record, with no incidents of privacy, cybersecurity or data breaches since the Group’s inception.

No. of Substantiated Cybersecurity Complaints	
FY2024	0
FY2023	0
FY2022	0

MM15: Local Community

Our operations play a crucial part in the economic development of our surrounding communities, thereby raising their quality of life. As community partners, we foster meaningful long-term relationships that respect diversity and create lasting benefits through the following:

- Practising local sourcing and hiring
- Improving the quality of life
- Engaging with employees and the community
- Conducting due diligence
- Maintaining open dialogue

Community Engagement

Maintaining close ties with our surrounding communities is important for us as we continue to operate our business in an inclusive manner.

In the year under review, we invested in the clean-up and beautification of *Klinik Kesihatan Pekan Gurney*, which was an initiative undertaken with residents in the vicinity. We also hosted a breaking of fast for five underprivileged families and distributed *bubur lambuk*, a traditional Malaysian rice porridge typically enjoyed during the holy month of Ramadan, to Muslims around the Al-Adly mosque, the vibrant heart of the community in Lumut, Perak. A total of 10 of our employees participated in these community projects.

Period	Total amount invested in the community (RM)	Total number of beneficiaries
FY2024	4,567.91	486
FY2023	2,152.17	30
FY2022	2,675.83	920

The Group maintains professional memberships and associations with the following bodies to ensure it stays aligned with industry standards, gains access to specialised resources, and fosters strong networks within its field. These affiliations provide opportunities for ongoing professional development, contribute to the Group’s reputation, and support its commitment to best practices and innovation.

Through active participation in these organisations, the Group is able to stay informed on regulatory changes, leverage expert insights, and engage in advocacy efforts that shape the future of the industry. Moreover, these memberships offer a platform for knowledge exchange and help strengthen the Group’s competitive position within the market.

- 1) Malaysian Rubber Glove Manufacturers Association
- 2) Malaysia Medical Device Registration
- 3) Malaysian Association of Hotels

SUSTAINABILITY STATEMENT

cont'd

Human Rights

Our employment and recruitment practices safeguard the human rights of every individual. We strictly follow a Code of Conduct that clearly states the directives that employees must follow regarding diversity and inclusivity, fair working hours and wages, decent accommodation, as well as other human rights risks, such as slavery and human trafficking.

No. of Substantiated Human Rights Complaints	
FY2024	0
FY2023	0
FY2022	0

We fully subscribe to fair labour practices. We recognise the rights of all individuals as set forth in national laws and regulations and international agreements. Our policies are aligned with the United Nations Guiding Principles on Business and Human Rights (“Guiding Principles”), the International Labour Organization (“ILO”) core conventions, and the Universal Declaration of Human Rights (“UDHR”).

We have established a Whistleblowing Policy, which creates a platform for employees and stakeholders to lodge reports in good faith without fear of reprisal. In the year under review and since our Group was established, there has been no reported incident of human rights violation.

GOVERNANCE

MM16: Governance, Ethics and Compliance



We expect all our employees and business partners to exhibit only the highest standards of professional conduct, in accordance with our key policies. These policies undergo regular reviews to make sure that they are relevant to the current risks and opportunities, sustainability trends, and regulatory and societal changes. Our policies are published on our website and disseminated to employees and business partners.

Our employees and business partners must practise integrity and respect in all activities, as prescribed by our Code of Conduct and Ethics. The Code outlines our ethical and behavioural policies. As stated in our Anti-Bribery and Anti-Corruption (“ABAC”) Policy, we condemn all acts of bribery and corruption in accordance with the Malaysian Anti-Corruption Commission (Amendment) Act 2018. In addition to our sustainability and other key policies, our Whistleblowing Policy provides a platform where our stakeholders can anonymously raise concerns about possible breaches of policies and other questionable practices without fear of reprisal or retaliation.

In FY2024, our stakeholders reported no incidents of bribery and corruption in our operational activities. There was also no reported incident of human rights violations, child labour, or discrimination against employees and the community. Anti-corruption training and new recruit onboarding inductions are conducted throughout the year.

Grievance Procedures

As aforementioned, our Whistleblowing Policy provides a platform where our stakeholders can anonymously raise concerns about possible breaches of policies and other questionable practices without fear of reprisal or retaliation.

If necessary, the person receiving the report will conduct an investigation promptly, with assistance from the Group Human Resources Department and Group Internal Audit Department. Appropriate disciplinary action will be taken for breach of trust, compliance, and ethics. No individual will be discriminated against or suffer any act of retaliation for reporting in good faith violations or suspected violations.

SUSTAINABILITY STATEMENT

cont'd

Governance Data

Percentage of Employees Who Have Received Training on Anti-Corruption by Employee Category				
Period	Employee Category	Total number of employees	Number of employees who received training	% of employees who received training
FY2024	Senior Management	12	3	25%
	Management	21	11	52%
	Executive	28	9	32%
	Non-executive	116	71	61%
FY2023	Senior Management	15	0	0%
	Management	20	0	0%
	Executive	31	0	0%
	Non-executive	116	0	0%
FY2022	Senior Management	19	0	0%
	Management	23	0	0%
	Executive	41	0	0%
	Non-executive	214	0	0%

Percentage of Operations Assessed for Corruption-Related Risks				
Period	Total number of operations	Total number of operations assessed for corruption risk	% of operations assessed for corruption risk	Confirmed incidents of corruption and action taken
FY2024	7	4	57%	0
FY2023	7	0	0%	0
FY2022	7	0	0%	0

SUSTAINABILITY STATEMENT

cont'd

PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2024
Economic Performance		
Revenue	MYR	22,609,000.00
Tax expenses	MYR	194,000.00
Employee wages	MYR	11,476,000.00
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	25.00
Management	Percentage	52.00
Executive	Percentage	32.00
Non-executive	Percentage	61.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	57.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	4,567.91
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	486
Employees participated in community impact programmes	Number	10
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	0.00
Senior Management Between 30-50	Percentage	25.00
Senior Management Above 50	Percentage	75.00
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	57.00
Management Above 50	Percentage	43.00
Executive Under 30	Percentage	25.00
Executive Between 30-50	Percentage	46.00
Executive Above 50	Percentage	29.00
Non-executive Under 30	Percentage	38.00
Non-executive Between 30-50	Percentage	47.00
Non-executive Above 50	Percentage	15.00
Gender Group by Employee Category		
Senior Management Male	Percentage	92.00
Senior Management Female	Percentage	8.00
Management Male	Percentage	43.00
Management Female	Percentage	57.00
Executive Male	Percentage	39.00
Executive Female	Percentage	61.00
Non-executive Male	Percentage	71.00
Non-executive Female	Percentage	29.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	80.00
Female	Percentage	20.00
Under 30	Percentage	0.00
Between 30-50	Percentage	20.00
Above 50	Percentage	80.00
Gender diversity - Male	Percentage	64.00
Gender diversity - Female	Percentage	36.00
Age diversity - Under 30	Percentage	29.00
Age diversity - Between 30 - 50	Percentage	47.00
Age diversity - Above 50	Percentage	24.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	17,889.18
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	2.26

Internal assurance External assurance No assurance

(*)Restated

SUSTAINABILITY STATEMENT

cont'd

Indicator	Measurement Unit	2024
Bursa C5(c) Number of employees trained on health and safety standards	Number	9
Total hours worked	Hours	354,000
Number of lost time injuries	Number	4
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	8
Management	Hours	56
Executive	Hours	104
Non-executive	Hours	160
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	14.00
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	3
Management	Number	3
Executive	Number	5
Non-executive	Number	58
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Average training hours per employee	Hours	2
Total new hires	Number	25
New hire rate	Percentage	14.12
Turnover rate	Percentage	40.11
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	55.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	104.880000
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	15.29
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	10.70
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	4.59
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	2,895.00
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	656.00
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	-

SUSTAINABILITY STATEMENT

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