

# SUSTAINABILITY STATEMENT





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### ECONOMIC

*Better Results from Better Practices*

Corporate Governance And Ethics  
Customer Satisfaction  
Innovation  
Supply Chain Management  
Privacy And Data Protection

### ENVIRONMENT

*Caring for our Planet*

Climate Change Management  
Energy Usage  
GHG Emissions And Climate Change  
Water Management  
Waste Management  
Product Stewardship

### WORKPLACE

*Caring for our People*

Employer of Choice  
Employee Gender, Diversity And Inclusion  
Employee Development And Talent Retention  
Human And Labour Rights  
Occupational Safety And Health  
Employee Welfare

### LOCAL COMMUNITIES

*Giving Back*

Local Communities



## SUSTAINABILITY STATEMENT

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### ABOUT THIS SUSTAINABILITY STATEMENT

Being a prominent player in the Outsourced Semiconductor Assembly & Test (“OSAT”) sector and one of Malaysia’s largest technology companies, we command an expansive built-up production area of about 2.15 million square feet spanning Malaysia, the Philippines, and China. This expansive reach endows our endeavours with far-reaching influence, resonating throughout economies, individual livelihoods, and ecological vitality. Hence, our duty is apparent; we are resolutely dedicated to nurturing a sustainable future. Through steadfast commitment, we seek to enhance the communal social, economic, and environmental framework, underscoring our profound responsibility to the well-being of all.



In line with Inari’s Core Values, we have integrated sustainability as a central part of our governance and everyday business processes. With this, we proudly present Inari Amertron Berhad and its subsidiaries (herein referred to as “Inari” or “the Group”) seventh Sustainability Statement (“Statement”), highlighting the Group’s performance in the economic, environment, workplace and local communities’ aspects of sustainability.

This Statement should also be read alongside other sections in this Annual Report namely Management Discussion and Analysis, Corporate Governance Overview Statement and Statement on Risk Management and Internal Control as well as our Corporate Governance Report, as sustainability efforts may be better contextualised and narrated in the respective sections.

### REPORTING PERIOD AND BOUNDARY

This Statement provides information on Inari’s sustainability performance for our operations in Malaysia, Philippines and China, and covers the financial reporting period from 1 July 2022 to 30 June 2023 (“FY2023”). Where possible, information from previous years has been included to provide comparative data.

# SUSTAINABILITY STATEMENT

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## REPORTING FRAMEWORK AND STANDARDS

We have prepared this Statement in compliance with the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad (“Bursa Securities”) and refers to Bursa Malaysia’s Sustainability Reporting Guide 3rd edition and Toolkits. Additionally, we have adhered to the best practice sustainability guidelines, standards and framework as follows:

- Global Reporting Initiative (“GRI”) Standards;
- United Nations Sustainable Development Goals (“UNSDGs”); and
- FTSE4Good Bursa Malaysia Index’s Environmental, Social and Governance indicators (“FTSE4Good”).

In addition, we work to align with Task Force on Climate-Related Financial Disclosures “TCFD” Recommended Disclosures on the 4 main pillars on Governance, Strategy, Risk Management and Metrics & Targets.

## ASSURANCE

This Statement has not been externally assured. Notwithstanding, the performance data published in this Statement have been assessed, validated and reviewed by the internal operations and Management team.

Regular audits/reviews are in place in relation to key risks, processes, and controls relevant to sustainability-related risks identified via the risk management process and the policies and procedures quoted in this Statement.

This Statement is reviewed and approved by the Board.

## AVAILABILITY

This Statement is available on the Company’s website at [www.inari-amertron.com](http://www.inari-amertron.com) in a downloadable PDF format.

## POINT OF CONTACT

To continuously improve on our sustainability efforts, we welcome and encourage our stakeholders to provide feedback pertaining to this Statement or our sustainability practices and initiatives. Comments and questions can be directed to our designated email address at [i-enquiry@inari-amertron.com.my](mailto:i-enquiry@inari-amertron.com.my).

## SUSTAINABILITY STATEMENT

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## OUR SUSTAINABILITY JOURNEY THUS FAR

## Our Vision &amp; Mission

- 1 Deliver Quality Service & Products To Our Customers
- 2 Treat Staff, Customers, Our Business Partners Fairly
- 3 Deliver Good Returns To Our Shareholders


## Our Key Beliefs

- I** **Integrity**  
*Need all levels to walk the talk at all times*
- N** **No Excuse**  
*Focus on the success formula*
- A** **Aligned Partnership**  
*Customers - Our Team - Suppliers*
- R** **Result Oriented**  
*To delight stakeholders, customers and employees*
- I** **Initiative**  
*Positive and Can-Do attitude*


2023

- Being voted as **Best Employer of the Year**
- Obtained **Green Energy Certificate** for our efforts in GHG Reduction by installing solar panels to move towards our goal in Net Zero by 2050.
- **Achieved** our short-term target on Scope 1 GHG Emission, water consumption and waste generation reduction.
- **Planted 1,765 trees** at our operation sites to **support local ecosystems** and improve air quality.


2022

- Our **Sustainability Policy** included our support to the **Paris agreement 2015's** goal to reduce global warming and the **Net Zero carbon emission by 2050**. This is evidenced by the inclusion of climate change risk and controls in annual Enterprise Risk Management assessment activities.
- Became a **listed Task Force on Climate-Related Financial Disclosures ("TCFD") supporter**. 
- Conducted a formal and objective **Board evaluation** by external consultant in accordance to MCCG Practice 6.1 to enhance the governance process.

2021

- Strengthen sustainability governance through the development and enhancement of the **Sustainability Reporting Handbook and Framework, Corporate Liability and Corruption Risk Management Framework**
- Became a **corporate member of Climate Governance Malaysia**, the Malaysian chapter of World Economic Forum's Climate Governance Initiative 

2020

- Included as one of the constituents of **FTSE4Good Bursa Malaysia Index** on 22 June 2020 
- Redesignated Sustainability Working Committee to **Sustainability and Integrity Working Group ("SIWG")**

2019

- Published third Sustainability Statement in accordance to **Global Reporting Initiative Standards**
- Mapped sustainability matters with **United Nations Sustainable Development Goals**

2018

- Board oversight on the implementation of sustainability strategy through the establishment of **Sustainability and Risk Management Committee**

2017

- Published **inaugural Sustainability Statement**
- Established **Sustainability Working Committee** which comprises Inari's management team and representatives from various departments
- Performed internal and external **Stakeholder Engagement & Materiality Assessment exercise**

## SUSTAINABILITY STATEMENT

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## OUR SUSTAINABILITY GOVERNANCE

## Setting the Tone from the Top

To embed sustainability throughout our organisation, we believe in adopting a tone from the top approach. Inari's sustainability governance is led by our Board of Directors who are responsible for considering economic, environmental, social and governance matters in the Group's business strategies.

Our Board of Directors is supported by the Sustainability and Risk Management Committee ("SRMC") in overseeing the sustainability matters of the Group, identifying principal risks and business sustainability strategies alongside the Senior Management, and ensuring their adherence to appropriate risk mitigation and sustainability efforts within the Group. The SRMC is assisted by the Group Chief Executive Officer ("Group CEO") and Group Chief Financial Officer ("Group CFO"), to provide the overall direction, lead strategic decision making and review sustainability implementation, and performance & risk management in an integrated manner.

Sustainability and Risk Management Committee	
Chairman	Datuk Phang Ah Tong <i>Independent Non-Executive Director</i>
Committee Members	Dato' Dr. Tan Seng Chuan <i>Executive Vice Chairman</i>
	Dato' Sri Chee Hong Leong, JP <i>Independent Non-Executive Director</i> <i>(Appointed to Board on 21 February 2023 and SRMC on 13 March 2023)</i>

The Sustainability and Integrity Working Group ("SIWG") will continue to be led by the Group CEO supported by the Group CFO and comprises the management team and representatives from various departments. The SIWG is responsible for undertaking the process of materiality assessment, as well as, executing and implementing sustainability initiatives and monitoring its progress. We have further strengthened our sustainability governance structure by the development and enhancement of the Sustainability Reporting Handbook and Framework, Corporate Liability and Corruption Risk Management Framework. These were done in alignment with, amongst others, the updated Malaysian Code on Corporate Governance ("MCCG") released in April 2021, particularly the Intended Outcome 4.0 which puts emphasis on sustainability management including climate change.

Further to becoming a corporate member of Climate Governance Malaysia, the Malaysian chapter of World Economic Forum's Climate Governance Initiative in 2021, our Board of Directors acknowledged and recognised climate change as a relevant long-term risk and/or opportunity to the business, thus, in FY2023, the Sustainability and Risk Management Committee namely, Datuk Phang, Dato' Dr. Tan and Dato' Sri Chee had exercised their oversight of the management of climate change risks by reviewing the risk profile facilitated by external consultant on the impact of climate change to the Company's operations and the relevant controls put in place by the Management through the Company's annual enterprise risk management assessment activities. The detailed risk management process on climate change related risk can be found on Climate Change Risk Management section of Inari's sustainability statement from page 52 to page 53. Meantime, the risk management process for other operations risk can be found in the Statement on Risk Management and Internal Control of Inari's FY2023 annual report.

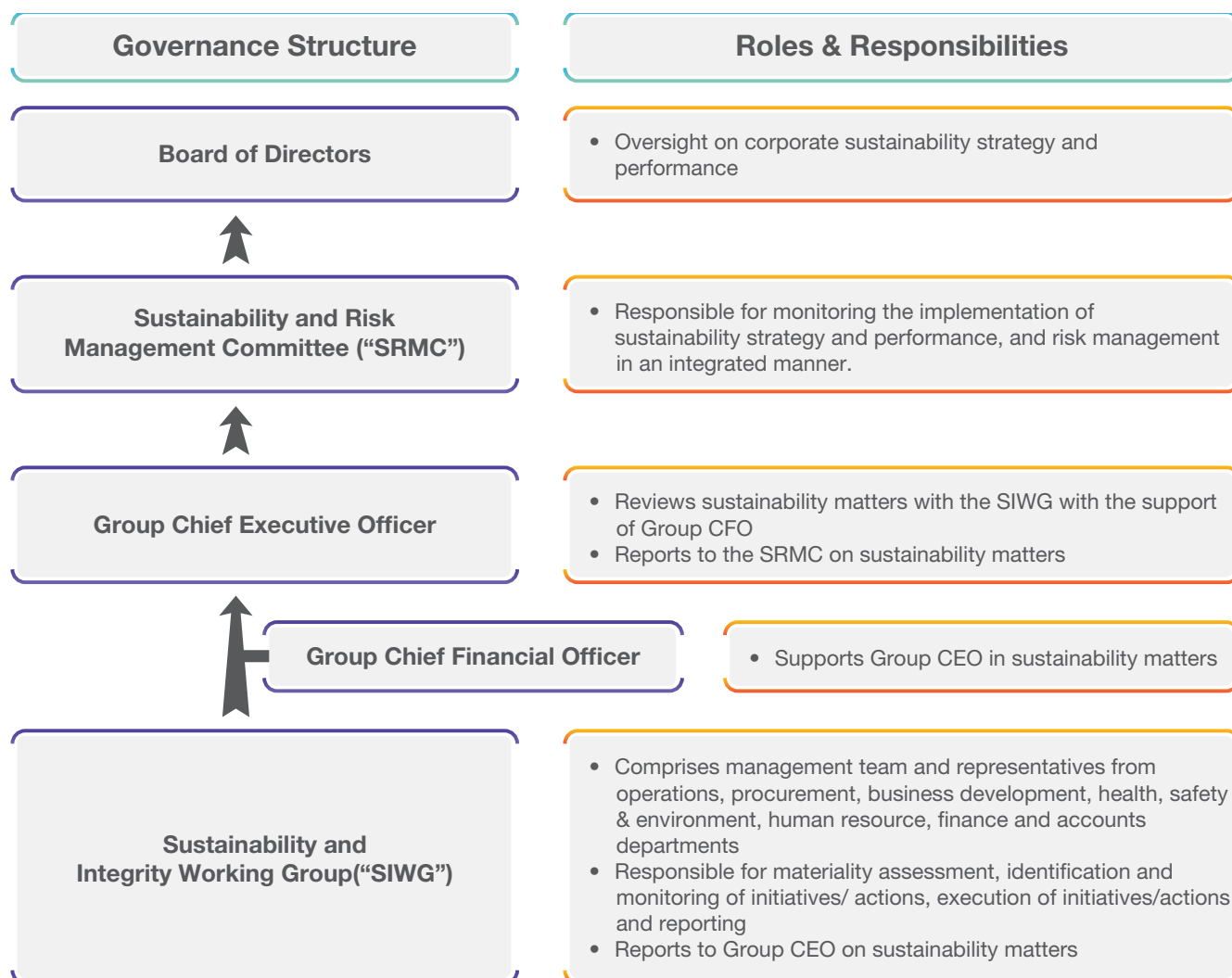
# SUSTAINABILITY STATEMENT

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## OUR SUSTAINABILITY GOVERNANCE (cont'd)

### Setting the Tone from the Top (cont'd)

The diagram below illustrates our sustainability governance structures along with their roles and responsibilities.



As stated in our Remuneration Policy and Procedures for Directors and Senior Management, our Directors and Senior Management incentives or remuneration pay are linked to Environmental, Social and Governance ("ESG") metrics including climate change, ensuring management accountability for the achievement of the Company's goals. In FY2023, the Group has established a comprehensive set of Key Performance Indicators ("KPIs") directly aligned with a range of critical ESG considerations. These KPIs encompass key aspects like climate change, product quality and safety, human rights and labour practices, occupational health and safety, talent cultivation and retention, and strict adherence to regulatory obligations.

To reflect the Company's commitment in transitioning into a net zero carbon business by year 2050, the Group will introduce carbon emission reduction as new KPI in the near future.

# SUSTAINABILITY STATEMENT

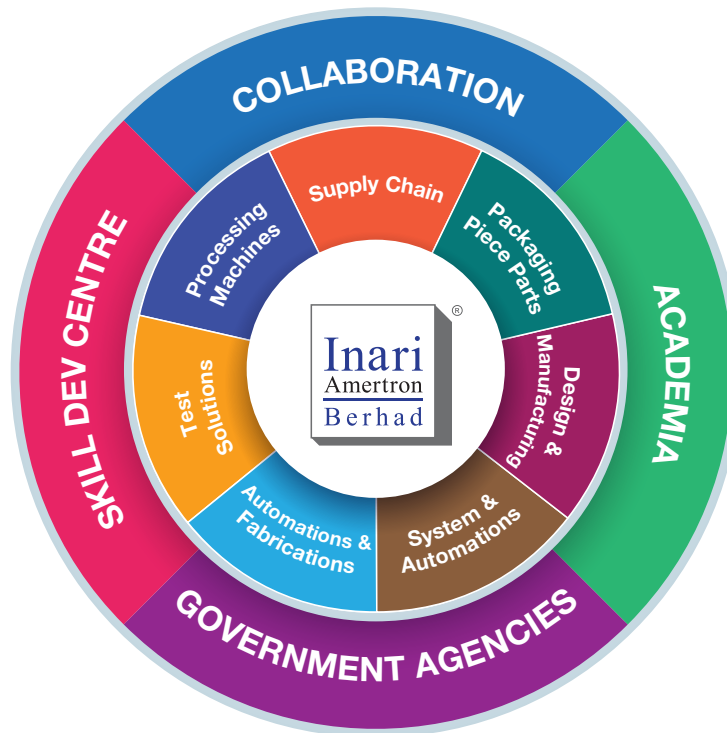
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## OUR SUSTAINABILITY POLICY

Our sustainability policy had been established with the following objectives:

- Outline Inari Group's sustainability approach to identify, analyse, evaluate, manage and monitor significant issues concerning sustainability for the Inari Group in the areas of:
  - Economic sustainability;
  - Environmental sustainability;
  - Workplace sustainability;
  - Ethics and integrity.
- Integrate the philosophy of sustainable development into all Inari Group's activities; and
- Provide guidance to management and employees on their roles and responsibilities towards the sustainability goals of Inari Group.

Above all, our Sustainability Policy focus on collaboration with various stakeholders as we believe collaboration is the foundation of success towards sustainable development. The Company can only achieve sustainable growth by optimizing all three factors in the sustainable equation: Profit, People and Planet.



This policy shall be reviewed periodically to ensure that it is always consistent with the business and market environment that Inari Group is operating in. In FY2022, we have enhanced our Policy to include our support to Paris Agreement 2015 and Net Zero Carbon Emission by year 2050.



## SUSTAINABILITY STATEMENT

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### OUR SUSTAINABILITY STRATEGY

Our sustainability strategy is fortified by our four (4) Sustainability Pillars, namely (i) Economic; (ii) Environment; (iii) Workplace; and (iv) Local Communities. To demonstrate our commitment towards sustainable development, we have integrated each pillar within our business value chain.

#### ECONOMIC

Inari promises to deliver quality services and products to our customers, uphold good business conduct and ethics and deliver good returns to our shareholders.

##### Material Sustainability Matters:

- Corporate Governance and Ethics
- Customer Satisfaction
- Innovation
- Supply Chain Management
- Privacy and Data Protection



#### WORKPLACE

Inari has systems in place to improve workplace wellbeing, respect human right, retain talent and bring untoward incidents at workplace to zero continuously.

##### Material Sustainability Matters:

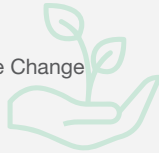
- Employee Gender, Diversity and Inclusion
- Employee Development and Talent Retention
- Human and Labour Rights
- Occupational Safety and Health
- Employee Welfare



Inari will continue to advocate green development across all our current and future business operations.

##### Material Sustainability Matters:

- Energy Usage
- Greenhouse Gas Emissions and Climate Change
- Water Management
- Waste Management
- Product Stewardship



#### ENVIRONMENT

Inari is committed to improve the wellbeing and living standard of its surrounding communities continuously.

##### Material Sustainability Matters:

- Local Communities



#### LOCAL COMMUNITIES

### CORPORATE MEMBERSHIP AND ASSOCIATION

Over the years, Inari contributes to the development of economic, environmental and social sustainability matters individually and collectively via business associations. We are a corporate member of the following associations and organisations:

- Clark Investors & Locators Association ("CILA")
- Climate Governance Malaysia ("CGM")
- Federation of Malaysian Manufacturers ("FMM")
- Malaysian Employers Federation ("MEF")
- Malaysian Investor Relations Association ("MIRA")
- Malaysia Semiconductor Industry Association ("MSIA")
- Penang Green Council ("PGC")
- Personnel Officers Association of the Philippines ("POAP"), Clark Human Resource Council ("CHRC") Philippines
- SEMI Global Industry Association ("SEMI")
- Semiconductor & Electronics Industries in the Philippines, Foundation Inc ("SEIPI")

## SUSTAINABILITY STATEMENT

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## CORPORATE MEMBERSHIP AND ASSOCIATION (cont'd)

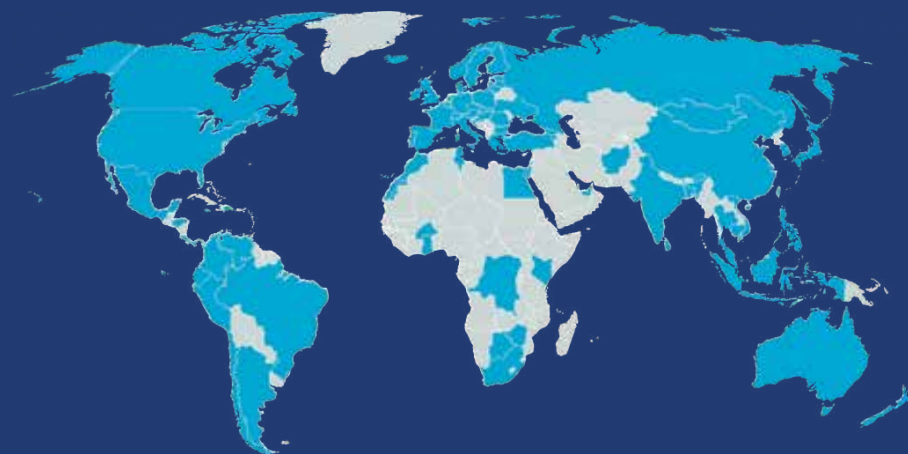
MSIA, SEMI and SEIPI are industry associations which gather companies involved directly or indirectly in the supply chain of the semiconductor industry. It serves as a platform to develop technology in the semiconductor industry and to advocate and build positive relationships with the government, agencies, and other industry associations (including chambers of commerce). On the other hand, MIRA is an association established by Bursa Malaysia with the objective to facilitate communication and foster closer relationships between public listed companies and the investor community.

In 2021, we became a corporate member of Climate Governance Malaysia, the Malaysian chapter of World Economic Forum's Climate Governance Initiative. In FY2022, we have enhanced our Sustainability Policy to show our support on the following:

- Paris Agreement 2015's goal to reduce global warming and limit temperature rise to no more than 1.5 degree; and
- Malaysia becoming a carbon-neutral nation by as early as 2050 in line with the 12th Malaysia Plan (2020-2025).

Since 2022, Inari became a listed Task Force on Climate-Related Financial Disclosures ("TCFD") supporter, which can be found online at <https://www.fsb-tcf.org/supporters/>. We believe that the TCFD recommendations provide a useful framework to increase transparency on climate-related risks and opportunities. This indicates our commitment to align our disclosures to the TCFD recommendations. This commitment seamlessly aligns with the stringent sustainability disclosure mandates of Bursa Securities, showcasing our proactive approach in meeting and exceeding industry standards.

## TCFD supports around the world



**4,000**  
supporters in  
**101**  
jurisdictions

Source:  
<https://www.fsb-tcf.org/support-tcf>

We strongly believe that our involvement with these memberships will add value in Inari's journey to achieve its economic, environment, social and governance goals and aspirations.











# SUSTAINABILITY STATEMENT

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## OUR SUSTAINABILITY METRICS AND TARGETS

At Inari, we constantly monitor our performance across our sustainability pillars. To further enforce our commitments, we have aligned our sustainability goals with the UNSDGs. We have identified and selected UNSDGs based on prioritisation of our sustainability initiatives and action plans.








The table below presents the overview of the sustainability goals and targets and our performance for FY2023.

Sustainability Strategy	Sustainability Goals	Performance in FY2023
<b>Economic</b> <ul style="list-style-type: none"> <li>Corporate Governance and Ethics</li> <li>Customer Satisfaction</li> <li>Innovation</li> <li>Supply Chain Management</li> <li>Privacy and Data Protection</li> </ul>    	<ul style="list-style-type: none"> <li>Practice good corporate governance and ethics</li> <li>Deliver good returns to our shareholders</li> <li>Meet customers' requirements</li> <li>Deliver quality services and products</li> <li>Zero breaches of privacy and data protection</li> <li>Promote purchases from local suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Zero cases of non-compliance and ethical issue</li> <li>Achieved revenue of RM1,354 million</li> <li>Achieved profit after tax of RM325 million</li> <li>Dividend payout ratio: 94.2%</li> <li>Responded to all queries received from customers</li> <li>Zero cases related to breaches of privacy and data protection</li> <li>Our Group's spending for local suppliers has increased over the years</li> </ul>
<b>Environment</b> <ul style="list-style-type: none"> <li>Energy Usage</li> <li>Greenhouse Gas Emissions and Climate Change</li> <li>Water Management</li> <li>Waste Management</li> <li>Product Stewardship</li> </ul>      	<ul style="list-style-type: none"> <li>Advocate green development to align with the Climate Governance Malaysia target to reduce global warming and the Net ZERO carbon emission by year 2050</li> <li>Zero non-compliance with local regulatory requirements for wastewater discharge</li> </ul>	<ul style="list-style-type: none"> <li>Minor increase in energy intensity from FY2022 (0.0000215 GJ/FOU) to FY2023 (0.0000273 GJ/FOU) due to increase in New Product Introduction ("NPI") activities from new and existing customers. However, we managed to obtain lower energy intensity over 5 years</li> <li>Minor increase of in GHG emissions intensity from FY2022 (0.00404 tCO<sub>2</sub>e/ FOU) to FY2023 (0.00501 tCO<sub>2</sub>e/ FOU) due to increase in New Product Introduction ("NPI") activities from new and existing customers. However, we managed to see a decrease in GHG emissions intensity over 5 years</li> <li>Increase of 15% in water intensity</li> <li>100% compliance with local regulatory requirements for wastewater discharge</li> </ul>

## SUSTAINABILITY STATEMENT

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## OUR SUSTAINABILITY METRICS AND TARGETS (cont'd)

Sustainability Strategy	Sustainability Goals	Performance in FY2023
<b>Workplace</b> <ul style="list-style-type: none"> <li>Employee Gender, Diversity and Inclusion</li> <li>Employee Development and Talent Retention</li> <li>Human and Labour Rights</li> <li>Occupational Safety and Health</li> <li>Employee Welfare</li> </ul>     	<ul style="list-style-type: none"> <li>Employee engagement survey satisfaction score above 90%</li> <li>Promote employee gender and diversity</li> <li>Continuous development for every employee</li> <li>100% completion rate for employee performance review</li> <li>Respect and achieve 100% compliance to human and labour rights</li> <li>Zero workplace injury case</li> </ul>	<ul style="list-style-type: none"> <li>Achieved an overall satisfaction score of 95% in employee engagement survey</li> <li>65% of female employees in the global workforce</li> <li>Achieved 44,129 of total training hours with an average of 7 hours per employee</li> <li>100% of employees received performance reviews</li> <li>Zero cases reported for forced/child labour, discrimination or grievances on human rights</li> <li>5 minor cases of workplace injuries at operations in Malaysia (1) and Philippines (4)</li> </ul>
<b>Local Communities</b> <ul style="list-style-type: none"> <li>Local Communities</li> </ul>  	<ul style="list-style-type: none"> <li>Contribute to the wellbeing and living standard of surrounding communities</li> </ul>	<ul style="list-style-type: none"> <li>724 interns hired this year with a total of 5,119 interns hired to date</li> <li>Contributed a total of RM276,480 in CSR initiatives in FY2023</li> <li>28,765 volunteered hours, contributed by employees on community services</li> </ul>



## SUSTAINABILITY STATEMENT

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### OUR COMMITMENT TOWARDS CLIMATE CHANGE

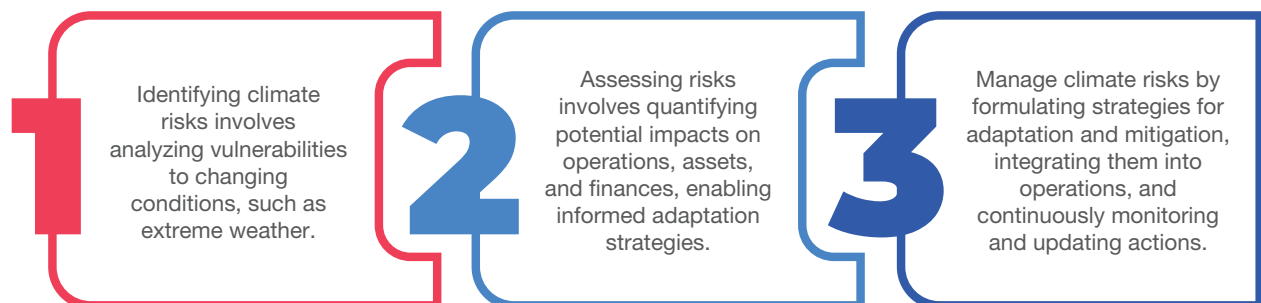
We acknowledged and recognised climate change as a relevant long-term risk and/or opportunity to the business, thus, we have set the following short-term and long-term goals to take part in positive change:

Theme	Indicator	Short term target (up to 5 years) - FY2022 actual as base year	Long term target (more than 5 years) - FY2022 actual as base year	Status in FY2023
Climate Change	Percentage reduction target (%) - scope 1 (tCO <sub>2</sub> e)	-3%	-5%	Achieved
Climate Change	Percentage reduction target (%) - scope 2 (tCO <sub>2</sub> e)	-2%	-3%	In-Progress
Climate Change	Percentage reduction target (%) - GHG Intensity (tCO <sub>2</sub> e / FOU)	-2%	-5%	In-Progress
Climate Change	Percentage reduction target (%) - Energy consumption (GJ)	-3%	-5%	In-Progress
Climate Change	Percentage reduction target (%) - Energy Intensity (GJ/ FOU)	-2%	-3%	In-Progress
Water Security	Percentage reduction target (%) - Water consumption (m <sup>3</sup> )	-3%	-5%	Achieved
Water Security	Percentage reduction target (%) - Water Intensity (m <sup>3</sup> / FOU)	-5%	-5%	In-Progress
Pollution & Resources	Percentage reduction target (%) - waste generation (mt)	-3%	-5%	Achieved
Pollution & Resources	Percentage target (%) - 3R	90%	90%	Achieved
Health & Safety	Percentage reduction target (%) - Number of injury incident	Zero injury	Zero injury	In-Progress

We will reach the goal by working on current and future energy-saving projects, making processes more energy-efficient, cutting down on greenhouse gas emissions, using less water, and improving how we operate to make less waste. We track progress each month and report to senior leaders to ensure we're on track. The actual performance is being measured against the targets set monthly and reported to the Senior Management to strive for achievement. The details of the actual performance are disclosed under the Environment section from Page 73 to Page 87 of this Sustainability Statement.

### CLIMATE CHANGE RISK MANAGEMENT

Climate Change related risks are integrated into the Group's overall risk management, the process of identifying, assessing and managing climate related risks is tabulated as follows:



## SUSTAINABILITY STATEMENT

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## CLIMATE CHANGE RISK MANAGEMENT (cont'd)

In FY2023, the following climate related risks have been identified and the corresponding measures that had been taken/ on-going to mitigate its impacts to the operations.

Climate Related Risks	Measures Taken/ On-going
Supply Chain Risk	<ol style="list-style-type: none"> <li>1. Alternative sources of Suppliers (Facilities/ equipment/materials to manage the supply chain issue).</li> <li>2. Keep buffer stock according to Customers requirement for key raw material.</li> <li>3. Early communication with Customers on foreseeable delays in delivery due to raw material shortages, Material Planner ("MP") liaises with Customers and Suppliers for recovery plan to minimise the impact.</li> <li>4. Yearly supplier performance monitoring and review.</li> </ol>
Climate Change Risk	<ol style="list-style-type: none"> <li>1. Salvage reverse osmosis water for toilet flushing and plant water.</li> <li>2. Available backup water retention in all plant (average retention up to 8 hours) to support basic requirements.</li> <li>3. Completed cost saving projects for water at all plants and green/self-generated energy.</li> <li>4. Elevate the ground level of all newly build or purchased building to prevent flood (i.e. ITSB is currently built above the minimum sea level requirement by Council).</li> <li>5. Emergency Response Preparedness.</li> </ol>

## LISTENING TO OUR STAKEHOLDERS

## Stakeholder Engagement

We understand the significant impact of those with a vested interest in our operations, and therefore, the success of our business is dependent on maintaining strong relationships with our stakeholders. Inari actively engages with our stakeholders through different types of platforms and channels to understand their priorities and expectations of the Group. By keeping lines of communications open, we intend to create meaningful dialogue to address stakeholders' concerns and build their confidence in us.

The table below summarises our key stakeholders, the engagement channels and their sustainability concerns. Through these engagements, there were no significant stakeholders concerns or issues with our operation.






Stakeholder Group	Type of Engagement	Sustainability Concerns	Frequency
<b>Customers</b> 	<ul style="list-style-type: none"> <li>• Customer satisfaction surveys</li> <li>• Audit on operations</li> <li>• Meetings</li> <li>• Real-time production status updates</li> </ul>	<ul style="list-style-type: none"> <li>• Building of long-term relationships</li> <li>• Product quality, timely delivery, productivity and efficiency</li> <li>• Product innovation</li> <li>• Demonstration of good economic, environmental, social and governance adherence and practices</li> </ul>	<ul style="list-style-type: none"> <li>• As and when needed</li> <li>• On-going</li> <li>• Annually</li> </ul>

# SUSTAINABILITY STATEMENT

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## LISTENING TO OUR STAKEHOLDERS (cont'd)

### Stakeholder Engagement (cont'd)

Stakeholder Group	Type of Engagement	Sustainability Concerns	Frequency
<b>Employees</b> 	<ul style="list-style-type: none"> <li>• Volunteer programmes</li> <li>• Hotline</li> <li>• Feedback boxes</li> <li>• Annual appraisal</li> <li>• Townhall meetings</li> <li>• Employee surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Safe and healthy working environment</li> <li>• Ensure law-abiding operation</li> <li>• Fair remuneration and compensation packages</li> <li>• Diversity and equal opportunity for career advancement</li> <li>• Employee development and talent retention</li> <li>• Sustainable growth and development of organisation</li> <li>• Human rights</li> <li>• Work-life balance</li> </ul>	<ul style="list-style-type: none"> <li>• As and when needed</li> <li>• On-going</li> <li>• Annually</li> </ul>
<b>Senior Management</b> 	<ul style="list-style-type: none"> <li>• Management review</li> <li>• Operational review</li> <li>• Various communications meetings and sessions</li> </ul>	<ul style="list-style-type: none"> <li>• Economic, environmental, social and governance matters</li> <li>• Achievement of key performance indicators</li> <li>• Human resource management</li> <li>• Ethics, integrity and regulatory compliance</li> <li>• Anti-corruption and bribery</li> </ul>	<ul style="list-style-type: none"> <li>• On-going</li> <li>• Monthly</li> <li>• Quarterly</li> <li>• Annually</li> </ul>
<b>Shareholders</b> 	<ul style="list-style-type: none"> <li>• Analysis briefing</li> <li>• Financial results reporting</li> <li>• Annual General Meeting</li> <li>• Annual reports</li> <li>• Corporate website</li> <li>• Regular plant visits for further understanding of our operations</li> </ul>	<ul style="list-style-type: none"> <li>• Strong and sustainable financial performance</li> <li>• Continuous business growth and expansion plans</li> <li>• Demonstration of good economic, environmental, social and governance adherence and practices</li> <li>• Ensure transparency in financial reporting</li> <li>• Timely and accurate announcements and information on Inari's website</li> </ul>	<ul style="list-style-type: none"> <li>• As and when needed</li> <li>• On-going</li> <li>• Quarterly</li> <li>• Annually</li> </ul>
<b>Suppliers/ Business Partners</b> 	<ul style="list-style-type: none"> <li>• Supplier selection via pre-qualification and registration</li> <li>• Regular supplier performance evaluation</li> <li>• Due Diligence</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic partnerships</li> <li>• Fair tender practices</li> <li>• Ethics, integrity and regulatory compliance</li> <li>• Environment, health and safety governance matters</li> <li>• Social governance matters including human rights, child rights, non-harassment, non-discrimination, compliance with local laws on minimum wages and working hours and etc.</li> </ul>	<ul style="list-style-type: none"> <li>• As and when needed</li> <li>• On-going</li> <li>• Annually</li> </ul>
<b>Regulators</b> 	<ul style="list-style-type: none"> <li>• Participation in programmes organised by regulatory bodies</li> <li>• Engaging in dialogues with regulators</li> <li>• Participation in industry and government interest groups</li> <li>• Regular plant visits</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with relevant laws and regulations</li> <li>• Good corporate governance practices</li> </ul>	<ul style="list-style-type: none"> <li>• As and when needed</li> <li>• On-going</li> </ul>

## SUSTAINABILITY STATEMENT

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## LISTENING TO OUR STAKEHOLDERS (cont'd)

## Stakeholder Engagement (cont'd)

Stakeholder Group	Type of Engagement	Sustainability Concerns	Frequency
<b>Local Communities</b> 	<ul style="list-style-type: none"> <li>Volunteering programmes</li> <li>Engagement and participation in community and corporate social responsibility ("CSR") events</li> </ul>	<ul style="list-style-type: none"> <li>Financial and non-financial contributions to local communities</li> <li>Good corporate citizenship</li> </ul>	<ul style="list-style-type: none"> <li>As and when needed</li> <li>On-going</li> </ul>

## MATERIALITY ASSESSMENT

Our materiality assessment process enables us to identify and assess key risks and opportunities to ensure long-term sustainable growth. The assessment involves evaluating the significance of each sustainability issue based on its level of impact and influence on the Group. There are various factors taken into consideration including current economic, environmental, social and governance trends both locally and globally. The illustration below summarises our materiality assessment process.



The materiality assessment process generates the materiality matrix, a visual representation of the Group's priorities. Each material sustainability matter reflects the concerns and interests of our stakeholder groups as well as its significance to the Group's business operations.

We undertook a comprehensive materiality assessment to evaluate the significance of key identified sustainability matters to our Group and to our stakeholders. Our approach encompassed gathering insights from both internal and external stakeholders. This involved engaging with our customers, community, government agencies, investors, suppliers and employees.

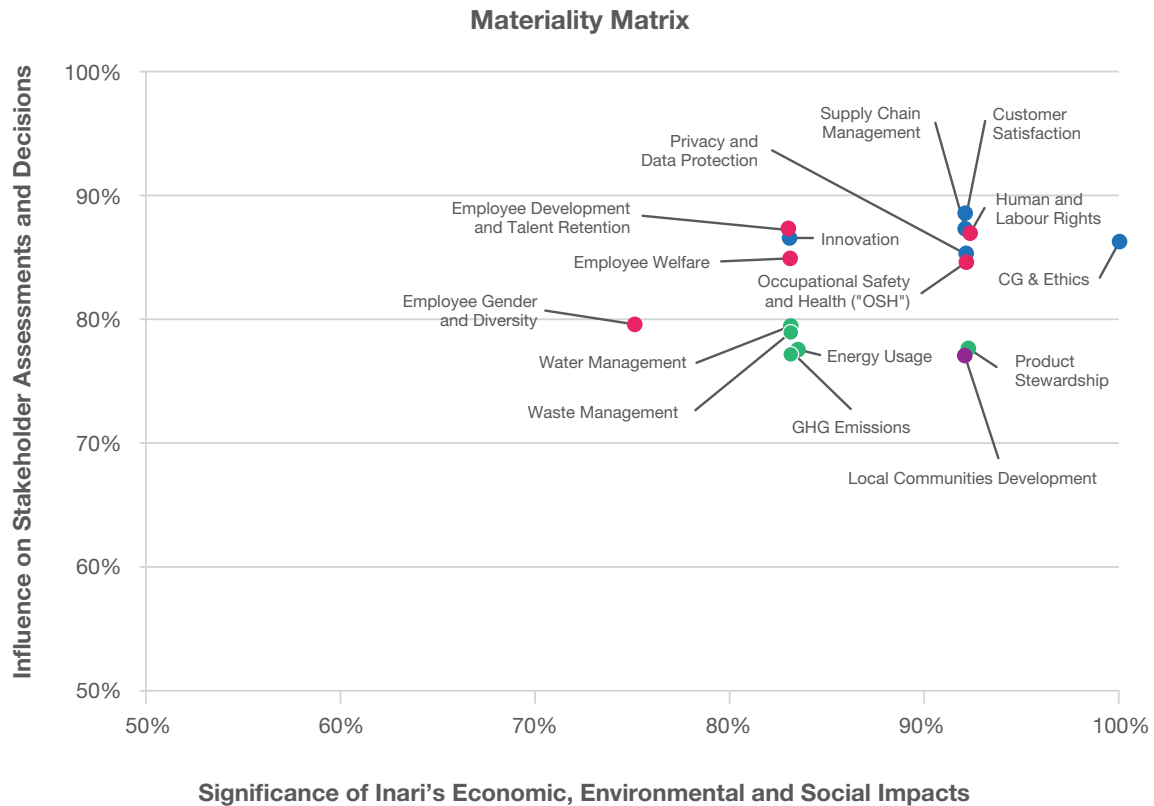


# SUSTAINABILITY STATEMENT

cont'd

## MATERIALITY ASSESSMENT (cont'd)

The inputs gathered were tabulated and plotted on a materiality matrix to illustrate the importance of each material sustainability matter based on the importance to our Group and importance to our stakeholders.



### Legend:

- Economic
- Environment
- Workplace
- Local Communities

# SUSTAINABILITY STATEMENT

cont'd

## MATERIALITY ASSESSMENT (cont'd)

Material Sustainability Matter	Description
<b>Economic</b>	
Corporate Governance ("CG") and Ethics	Ensuring compliance with regulatory requirements and corporate values that are translated into internal controls, processes or guidelines to ensure that the business is conducted in an ethical and responsible manner
Customer Satisfaction	Creating positive customer experience through quality products and services to ensure satisfaction
Innovation	Developing innovative solutions through collaborative efforts to synergise technologies, skills and other strengths for common benefits
Supply Chain Management	Managing our relationships with suppliers through fair procurement practices and ensuring they comply with the supplier code of conduct that include economic, environmental, social and governance requirements and responsibilities
Privacy and Data Protection	Protecting private information for our suppliers, employees and customers through robust internal cybersecurity controls
<b>Environment</b>	
Energy Usage	Efforts to improve energy consumption efficiency to mitigate the impact on climate change, amongst others
Greenhouse Gas ("GHG") Emissions and Climate Change	Implementing internal controls to better manage our carbon footprint
Water Management	Efforts to improve water consumption efficiency to mitigate the impact on climate change, amongst others
Waste Management	Efforts to decrease the generation of waste and to prevent waste from being directed to landfill
Product Stewardship	Efforts to ensure products are safe throughout its lifecycle including proper management of our hazardous waste
<b>Workplace</b>	
Employee Gender, Diversity and Inclusion	Embracing and promoting gender diversity and fostering an inclusive work environment
Employee Development and Talent Retention	Making efforts to retain employees and develop their capabilities through various training programmes
Human and Labour Rights	Protecting human and labour rights of our employees and addressing grievances accordingly
Occupational Safety and Health ("OSH")	Safeguarding the health and safety of our employees with robust internal controls and standard operating procedures. Tracking and monitoring of incidents and developing corrective actions to address them
Employee Welfare	Looking after the wellbeing of our employees through various employee engagement activities and employee survey
<b>Local Communities</b>	
Local Communities	Improving the wellbeing and living standard of its surrounding communities through various CSR programmes for the underserved. Hiring locally where possible to support the local economy and communities.

# SUSTAINABILITY STATEMENT

cont'd

## ECONOMIC

- Better Results from Better Practices

### CORPORATE GOVERNANCE AND ETHICS

#### Code of Business Conduct and Ethics

Inari fully recognises that good corporate culture will help employees comprehend and apply the Group's mission/ vision and beliefs clearly alongside policies established within their day-to-day work. Hence, the Board of Directors has established and adopted the Code of Business Conduct and Ethics for directors and employees which reflects the Board's commitment to maintaining the highest standard of ethical conduct and practices expected from the Directors and Employees of the Group.

The Code defines our high expectation of every employee to carry out good business practice and high personal conduct, with strict adherence to local laws and regulations. The Code also states explicitly that all forms of insider information and securities trading, bribery and corruption are prohibited. The Code also forbids employees and Directors from offering and accepting gifts, benefits or entertainment from third parties which may create a sense of obligation, compromise their professional judgment or create an appearance of doing so.

We continue to communicate and institutionalise the Code to all Directors and employees to ensure they uphold and are aligned with our ethical standards. Each employee will receive a copy of the Code which forms an integral part of the terms and conditions of employment. Annually, all Directors and employees are required to make declarations to observe strictly and apply the provisions encapsulated within the Code.

In addition, all employees (except trainees and direct labour) are required to complete the Declaration of Conflict-of-Interest Form to declare any form of relationship that may exist between themselves or their family members with any organisations, projects, contracts or business dealings involving the Group. Similarly, declarations by all Directors are required by completing the Conflict-of-Interest and Related Party Transactions Form on an annual basis and/or on needs basis to avoid or mitigate the risk of conflicting interests.

In FY2023, we did not record any cases of non-compliance and breach of ethical issues.

#### Anti-Corruption and Bribery Policy

Inari Group's businesses and operations are governed under an anti-bribery management system developed in conjunction with the introduction of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 which took effect on 1 June 2020. The system adopts a risk-based management approach and is supported by adequate procedures incorporating top-level commitment, corruption risk assessments, risk-based management measures, monitoring, review and reporting processes, and adequate communication and training with relevant stakeholders to enable the implementation of our Group-wide Anti-Corruption and Bribery Policy.

Number of employees who have received training on anti-corruption by employee category	FY2021	FY2022	FY2023
<b>Malaysia</b>			
Manager and above	65	73	56
Executive	282	366	382
Non-executive	675	949	1,036
<b>Philippines</b>			
Manager and above	8	5	11
Executive	9	12	19
Non-executive	803	761	1,271
<b>China</b>			
Manager and above	17	15	15
Executive	24	23	23
Non-executive	91	93	93

## SUSTAINABILITY STATEMENT

cont'd

**ECONOMIC** (cont'd)**- Better Results from Better Practices****CORPORATE GOVERNANCE AND ETHICS** (cont'd)**Anti-Corruption and Bribery Policy** (cont'd)

Our Anti-Corruption and Bribery Policy clearly states that Inari has zero-tolerance towards corruption and bribery. We strictly prohibit any of our directors, employees and associated third parties (which may include but not limited to suppliers, contractors, agents, consultants, outsourced personnel, distributors, advisors, government and public bodies including advisors, representatives and officials) from taking part in any form of corruption, bribery, extortion, embezzlement or any kind of money laundering activities.

Our Policy is approved and governed by our Board of Directors on the ethical framework, adequacy and integrity of the internal controls system in ensuring overall ethical health and compliance level with professional and ethical standards in managing risks of corruption, bribery and money laundering. The Policy covers salient areas pertaining to corruption and bribery such as gifts, entertainment, donations, and sponsorships. The Policy also necessitates strict adherence by all parties across the supply chain. Annually, we will review the Policy's relevance based on the latest regulations and requirements.

All parties, who are subject to our Anti-Corruption and Bribery Policy, are required to complete the Corporate Social Responsibility, Donation and Sponsorship Form and Due Diligence Checklist and obtain approval from the relevant approving authority if they intend to provide or receive any sponsorships, donations and contribution to charity or social projects on behalf of our Company.

At Inari, we do not make charitable donations or contributions to political parties. Although employees and associated third parties acting in their personal capacity are not restricted to making any personal political donations, Inari will not make any reimbursement for these personal political contributions.

Regular Corruption Risk Management ("CRM") assessment has been carried out across the Group based on the present and potential corruption risk. The assessment process considered the potential impact and likelihood of occurrence, effectiveness of controls in place and action plans taken to mitigate the corruption risk. Various enhancements to the current anti-corruption system, policies and procedures have been further adopted including the development and establishment of Group Corruption Risk Management Framework and Corporate Liability and Sustainability Reporting Handbook.

Percentage of operations assessed for corruption-related risks	Percentage (%)
FY2021	100
FY2022	100
FY2023	100

For FY2023, there were no reported incidents of corruption or breaches against our Anti-Corruption and Bribery Policy.

Total number of confirmed incidents of corruption	2021	2022	2023
Malaysia	0	0	0
Philippines	0	0	0
China	0	0	0



## SUSTAINABILITY STATEMENT

cont'd

### ECONOMIC *(cont'd)*

#### - Better Results from Better Practices

### CORPORATE GOVERNANCE AND ETHICS *(cont'd)*

#### Whistleblowing Policy and Procedures



“ We encourage employees to come forward and voice their concerns and report any misconduct occurring in the organisation. We view whistleblowing as a positive act that can make a valuable contribution to the Group's efficiency and long-term success. ”

Inari has put in place a Whistleblowing Policy and Procedures to promote high standards of ethical conduct and has established proper channels for whistleblowing.

This Policy outlines the various reporting channels to provide directors, employees, shareholders, suppliers, customers and other stakeholders who have a business relationship with Inari an avenue to report suspected wrongdoings, unethical behaviours or workplace grievances that may cause adverse impact to the Group. The types of reportable concerns and misconducts that can be reported through whistleblowing channel and mechanism include but are not limited to corruption and bribery, breach of the provisions in the Group's Code of Business Conduct and Ethics.

The whistleblowing reporting channels include making a report directly to the employees' immediate superior or to the designated officers, up to the Audit Committee Chairman. A report can be made verbally, written via email or via the whistleblowing disclosure form as set out in the Whistleblowing Policy and Procedures. Alternately, employees may make a report via a whistleblowing hotline that is managed by an independent third party.

The Group treats all reports in a confidential manner and at the same time, the whistleblower shall be accorded protection of confidentiality of identity to the extent reasonably practicable, and protection against any adverse and detrimental actions and retaliations of all forms. In FY2023, no non-compliance and breaches of ethical issues were reported through the whistleblowing channels.

Our policies and procedures namely the Code of Business Conduct and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures are made available on our Company's website at [www.inari-amertron.com](http://www.inari-amertron.com).

#### Corporate Governance and Compliance

Inari is committed to the principles and best practices of corporate governance as laid out in the Bursa Malaysia Listing Requirements and MCGG. We ensure that the standards of corporate governance are being observed throughout the Group with the ultimate objective of enhancing long-term shareholders' value and returns to our stakeholders. Details of our corporate governance framework and practices are presented in the Corporate Governance Overview Statement on pages 126 to 144 of this Annual Report as well as Corporate Governance Report which is available on the website of Bursa Malaysia.

#### Tax Governance

Taxation is important for Inari and for our stakeholders - therefore we actively monitor and manage our Group tax matters. We formulate our tax strategy based on the local tax regulatory requirements in the countries where we operate including Malaysia, Philippines and China. Our tax strategy is incorporated into audited financial statements which are audited by external auditors and approved by the Board of Directors with recommendation from Audit Committee.

## SUSTAINABILITY STATEMENT

cont'd

**ECONOMIC** *(cont'd)***- Better Results from Better Practices****CUSTOMER SATISFACTION**

Customer satisfaction is integral to the longevity of our business. We strive to understand and meet our customer's evolving expectations in delivering quality products continuously. We adopt a customer focused approach where any requests, concerns, or dissatisfaction are handled with close attention, urgency and confidentiality. We engage with our customers at every stage - from design and manufacturing to delivery to ensure tailored care when providing them with our services. Only by achieving consistent satisfaction from our customers, will we be able to build a trustful relationship.

Aside from regular meetings with customers, we respond to customer queries through the establishment of a systematic review process which is carried out periodically based on the working level and functions involved. For all gaps identified we ensure that the appropriate action items are set out to resolve these concerns.

To ensure we maintain quality within our products and services, we are guided by our Quality Policy that enables us to achieve our quality objectives and re-affirm our commitment to excellence. The below summarises the tenets of our Quality Policy:

- Maintain the application of Quality Management System ("QMS") based on ISO 9001:2015 QMS model in general
- Improve our QMS effectiveness continuously while maintaining the performance of our products
- Produce safe and useful products that comply with applicable statutory and regulatory requirements as well as customers' requirements and specifications
- Enhance the efficiency of manufacturing processes through elimination of wastage and reduction of process variances
- Deliver timely products and services, and consistently with zero defects
- Inculcate a mindset across our processing chain that quality is the responsibility of all and require their total involvement and commitment

**Branding and Reputation**

By building a strong brand reputation, we are able to gain trust with existing and new potential customers which in turn drives revenue and our bottom-line growth. Our brand reputation reflects our core values and strengthens confidence in our products and services. Through relentless effort, we strive to maintain an outstanding OSAT provider and to be best-of-class in our industry.

The quality of our products and services can be proven by the numerous awards we have received over the years. They are testament to our hard work and effort in delivering quality, technological solutions and operational excellence. Below lists the awards presented to our business in recognising Inari's efforts and achievements.

- Osram's Supplier Achievement Awards 2023
- Binary University of Management & Entrepreneurship Certificate of Leadership Excellence
- Bureau of Customs Port of Clark International Airport Plaque of Recognition - Top 5 Exporter for Year 2022
- Employees' Provident Fund, Georgetown, Penang - Recognition of Best Employer 2022
- The Edge Billion Ringgit Club Awards - Highest Returns to Shareholders over Three Years in 2022
- Osram's Supplier Achievement Awards 2022
- Recognition from the Institution of Engineers Malaysia for contribution in the Engineering Industry (Materials and Production) 2022
- All Executive Team 2019 - ASEAN Most Honoured Companies and Special Achievement Award for CEO and CFO organised by Investor Relations Professionals Association Singapore ("IRPAS")
- Industry Excellence Platinum Award 2019 organised by The Institution of Engineering and Technology ("IET") Malaysia Network

## SUSTAINABILITY STATEMENT

cont'd

### ECONOMIC *(cont'd)*

#### - Better Results from Better Practices

### CUSTOMER SATISFACTION *(cont'd)*

#### Branding and Reputation *(cont'd)*

- Asiamoney Awards 2019 for The Most Outstanding Company in Malaysia - Semiconductor & Semiconductor Equipment Sector
- Financial Times FT1000 High-Growth Companies Asia Pacific 2018
- Broadcom's Strong Partnership & Excellent Shipment Support for 2018
- MIRA Best CEO for Investor Relations (Mid Cap) 2018
- The Edge Billion Ringgit Club Awards - Highest Returns on Equity Over Three Years and Highest Growth in Profit After Tax Over Three Years in 2018; High Returns to Shareholders Over Three Years in 2016
- Broadcom's Best Supplier Award (Best Contract Manufacturers) for 2010, 2015 and 2017
- Forbes Asia 200 Best Under A Billion Company Award for 2014, 2015 and 2016
- Best Brands Blue Chip Award 2013 (Electronics Manufacturing) by the Brand Laureate SMEs



### INNOVATION



“ Think ahead and always stay relevant to the needs of our customers ”

Given the rapid pace of technological change in today's connected and digitalised world, aligning research and development goals to market opportunities is key to growing our business. We place importance on continuous improvement across our organisation and its value chain as we aim to strengthen our competitive advantage and stay ahead of our competitors. As such, innovation is woven deeply into our corporate culture, our people as well as the products and solutions we offer – a testament to innovation being placed at the center of everything we do. We ensure process efficiency and meet both market and customers' demand.

# SUSTAINABILITY STATEMENT

cont'd

## ECONOMIC (cont'd)

### - Better Results from Better Practices

## INNOVATION (cont'd)

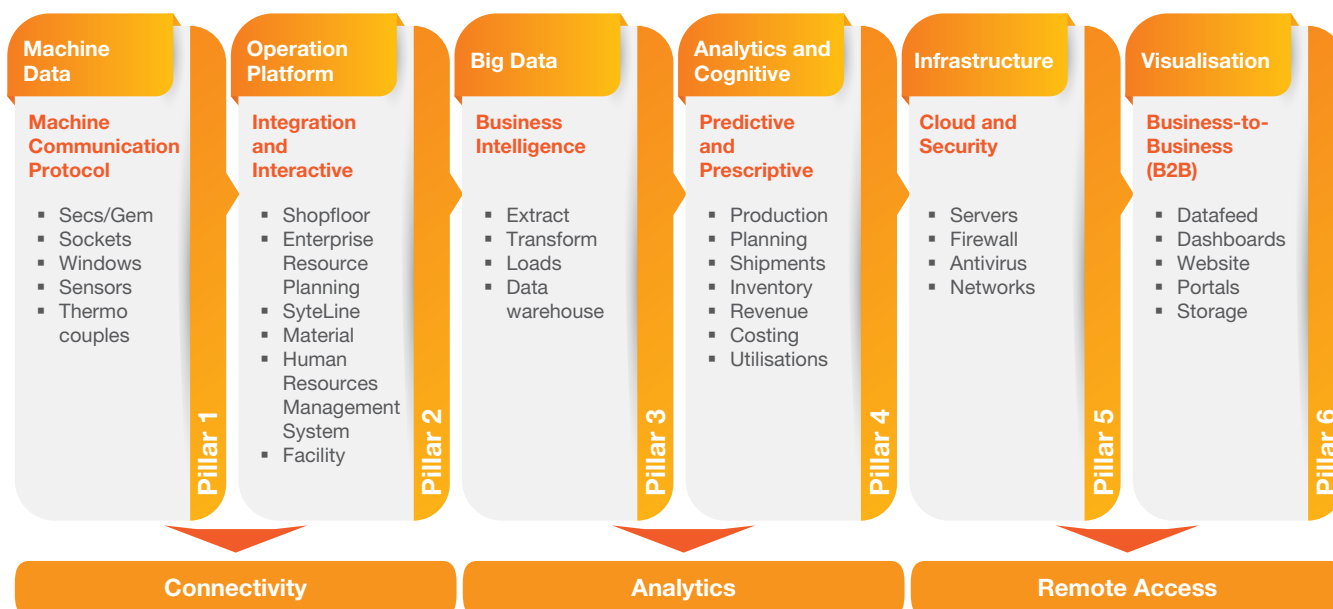
### Process Innovation and Industry 4.0

Presently, the world is witnessing how the new industrial revolution is advancing the manufacturing industry with the focus on interconnectivity, automation, machine learning and real-time data acquisition and processing. Companies are integrating and enabling technologies, including those of Internet of Things ("IoT"), cloud computing & analytics, and artificial intelligence & machine learning into production facilities and throughout their operations. Being one of the top industry players, Inari has embarked on this journey since 2017.

To ensure we are driving innovation continuously, our operations are guided by our six (6) Technology Advancement pillars, which comprise:

- (i) Machine Data;
- (ii) Operation Platform;
- (iii) Big Data;
- (iv) Analytics and Cognitive;
- (v) Infrastructure; and
- (vi) Visualisation.

### Inari's Technology Advancement Pillars





## SUSTAINABILITY STATEMENT

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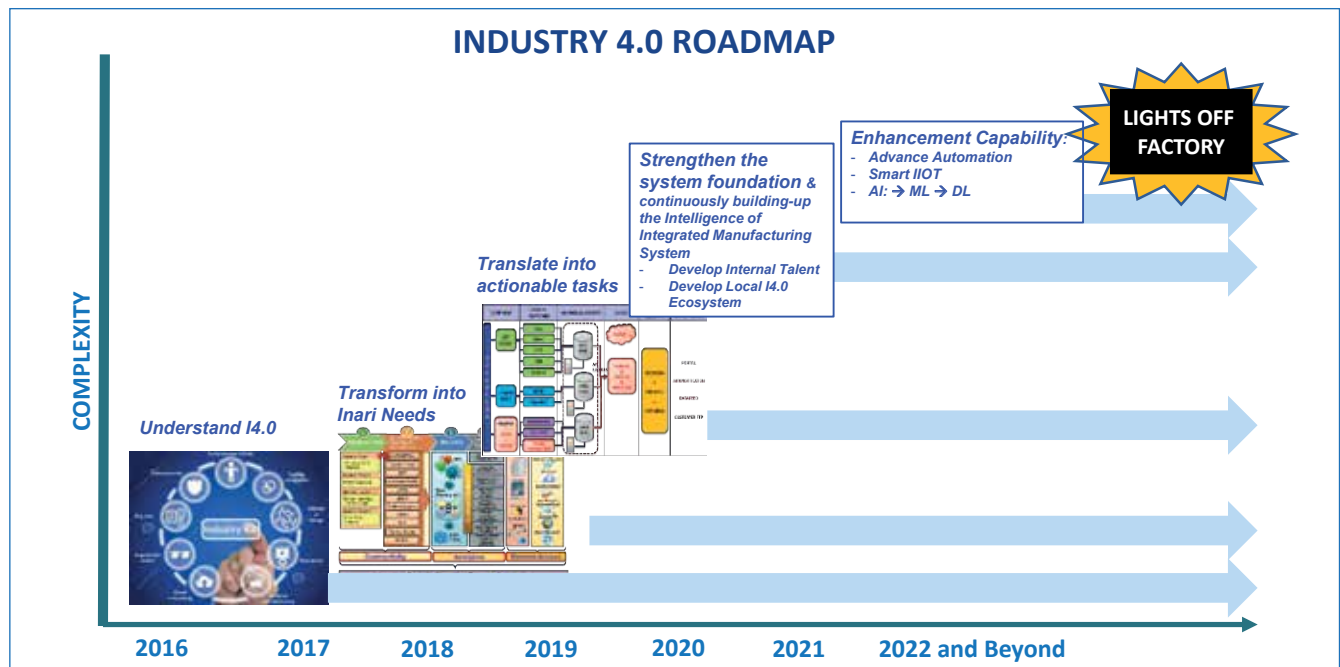
### ECONOMIC (cont'd)

- Better Results from Better Practices

### INNOVATION (cont'd)

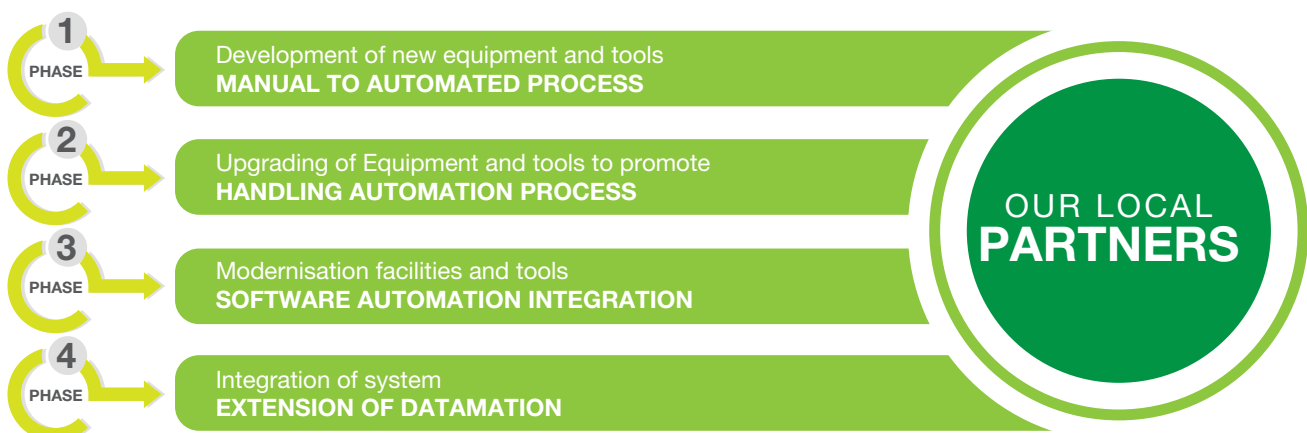
#### Operational Excellence through Innovation

Our Industry 4.0 Roadmap towards lights off factory is illustrated as below:



To support our Industry 4.0 Roadmap, Inari actively collaborates with local partners to synergise technologies, skills, competitive advantages and strengths by meeting common goals. We work closely with several local vision automation houses, equipment & system automation providers, original equipment manufacturers ("OEM") and sensor & related solution providers.

We have developed an Automation Strategy to guide the Group on the customised processes to achieve higher throughput, productivity and quality. The diagram below presents a summary of our automation strategy with our local partners.



## SUSTAINABILITY STATEMENT

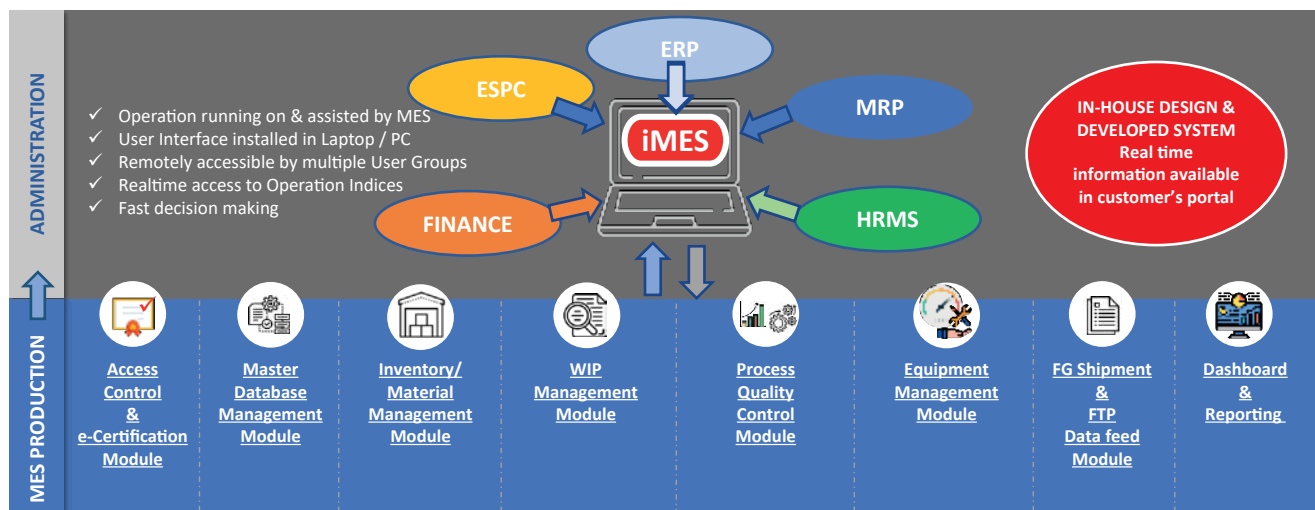
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**ECONOMIC** (cont'd)**- Better Results from Better Practices****INNOVATION** (cont'd)**Operational Excellence through Innovation** (cont'd)

In addition, we have developed the Inari Manufacturing Execution System ("iMES") to strengthen our real-time operations tracking and triggering. The iMES connectivity allows fully integrated operations at all levels of the operational teams to prepare, run and control the high-volume manufacturing operations in a lean and efficient manner for all circumstances of order fulfilment. The diagram below summarises Inari's in-house developed iMES process for implementation of Industry 4.0.

## INDUSTRY 4.0 BACKBONE & SYSTEM (iMES)

### Inari Manufacturing Execution System



# SUSTAINABILITY STATEMENT

cont'd

## ECONOMIC (cont'd)

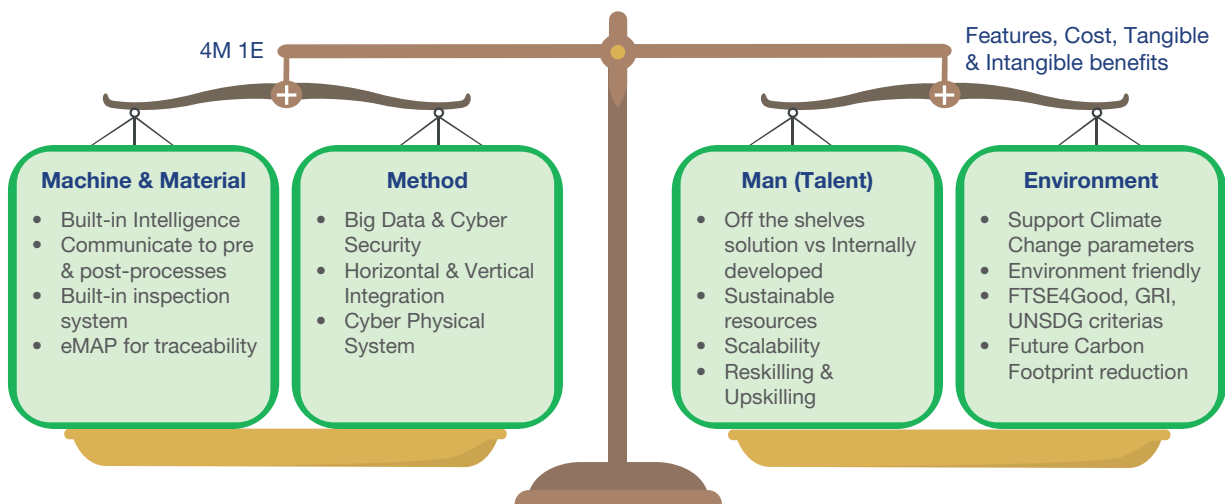
### - Better Results from Better Practices

## INNOVATION (cont'd)

### Operational Excellence through Innovation (cont'd)

We aim to strike a harmonious balance between integrating new technologies, fostering internal talent growth, and upholding environmental sustainability to ensure holistic organizational advancement, resilience, and responsible progress.

### The “Balancing-Act” for Technology Adoption



We've crafted a range of Internal Industry 4.0 Initiatives, to drive transformative progress within our operations as below:



Automation system to extract machine and system data for quicker information access, preventative maintenance, pre-defined decision-making and process optimization

- **e-PM (e-Preventive Maintenance) system** stores information on equipment maintenance operations. This significantly improves work processes, forward analysis, operations and maintenance costs
- **Smart Equipment System** connects with all our testers and handlers for real-time machine status updates, site-by-site yield performance monitoring and analysis, analytics on hardware performance according to site
- **Advanced Recipe Management System** guarantees the correct programs, recipes, hardware and configurations are loaded and executed



Machine-to-machine communication that allows testers to communicate directly with handlers gears toward adding value to production by improving efficiency and accuracy and reducing operational costs

- **Universal Tester User Interface (UI)** acts as standard smart user interface with testers to fully automate set-ups with a one-time lot bar code scanning, real-time yield, site yield and bin yield monitoring, and direct communication to handlers for real-time data processing



Smart manufacturing technology that aims to improve production processes by moving away from traditional methods toward automated and digitized systems

- **eChecklist system** uses paperless approach to automate and standardize all checklist submission, validation and approval management
- **TCR system** impacts on production process efficiency with hardware inventories management that enables hardware tracking, transactional event logging and hardware set up validation

## SUSTAINABILITY STATEMENT

cont'd

**ECONOMIC** (cont'd)**- Better Results from Better Practices****INNOVATION** (cont'd)**Operational Excellence through Innovation** (cont'd)

In addition to internal initiatives and commitments, Inari collaborates with external parties such as system integrators, equipment suppliers, academia and government agencies through knowledge sharing. The list below presents some of the initiatives conducted by Inari showcasing our efforts to improve the manufacturing industry landscape as at FY2023.

Date	Initiatives/Events
July 2022	<ul style="list-style-type: none"> <li>Invited to present Diploma Certification to graduates during Convocation of Politeknik Seberang Perai.</li> </ul>
	<ul style="list-style-type: none"> <li>Participated in the preparation of working paper to address "Talent Issues and Challenges in E&amp;E Sectors organised by Economic Action Council of Malaysia ("EAC").</li> </ul>
	<ul style="list-style-type: none"> <li>Elected as Steering Committee members and participated as one of panel judges during the "SME Pitching session for "Enhancement of Strategic Industry and High Growth Enterprise (PRESTIGE)" for Electrical and Electronic Initiatives ("EEI") organised by SME Corp.</li> </ul>
	<ul style="list-style-type: none"> <li>Invited to deliver Prize Giving Ceremony to students on Robomania Competition 2022, organised by Penang Tech Dome. Inari sponsored on the Robomania Competition Prizes.</li> </ul>
August 2022	<ul style="list-style-type: none"> <li>Participated as a Forum panellist during Electronic Packaging Conference ("EPCON") entitle "Is Digital Infrastructure a Barrier to Digitalization".</li> </ul>
September 2022	<ul style="list-style-type: none"> <li>Participated in the dialogue session with Minister of Science Technology and Innovation ("MOSTI") on E&amp;E Technology Development.</li> </ul>
	<ul style="list-style-type: none"> <li>Took part as a Speaker at the Student Enrichment Program organised by MARA Kedah, to encourage STEM readiness post SPM.</li> </ul>
November 2022	<ul style="list-style-type: none"> <li>Presented to Telekom Malaysia Foundation students on "I4.0 Awareness" organised by MMU.</li> </ul>
January 2023	<ul style="list-style-type: none"> <li>INTI University Awards Ceremony - Inari as Industry Partnership with INTI University sponsored and presented the Best Student Award to INTI best student.</li> </ul>
	<ul style="list-style-type: none"> <li>Collaboration within Inari, PSDC and TalentCorp to develop Semiconductor Training Syllabus (known as SHIFT programs) to train Diploma and Degree Internships from various Universities and Colleges. Inari had sent a total of 234 intern students to PSDC and TalentCorp have funded RM 490k for this SHIFT program.</li> </ul>
June 2023	<ul style="list-style-type: none"> <li>Penang STEM Pipeline Program for Form 4 &amp; 5 High School. Inari sponsored Chong Hwa High School in Science, Technology, Engineering and Mathematics ("STEM") Engineering Pipeline Development to inject more comprehensive STEM syllabus to high school students.</li> </ul>
	<ul style="list-style-type: none"> <li>Penang INTI College A Level Students and Lecturers visited Inari and window tour at Production area.</li> </ul>
	<ul style="list-style-type: none"> <li>Engineering Sharing to 500 High School students on "Why Engineering is Important" to inspire our future generation in STEM pathway.</li> </ul>

## SUSTAINABILITY STATEMENT

cont'd

### ECONOMIC (cont'd)

#### - Better Results from Better Practices

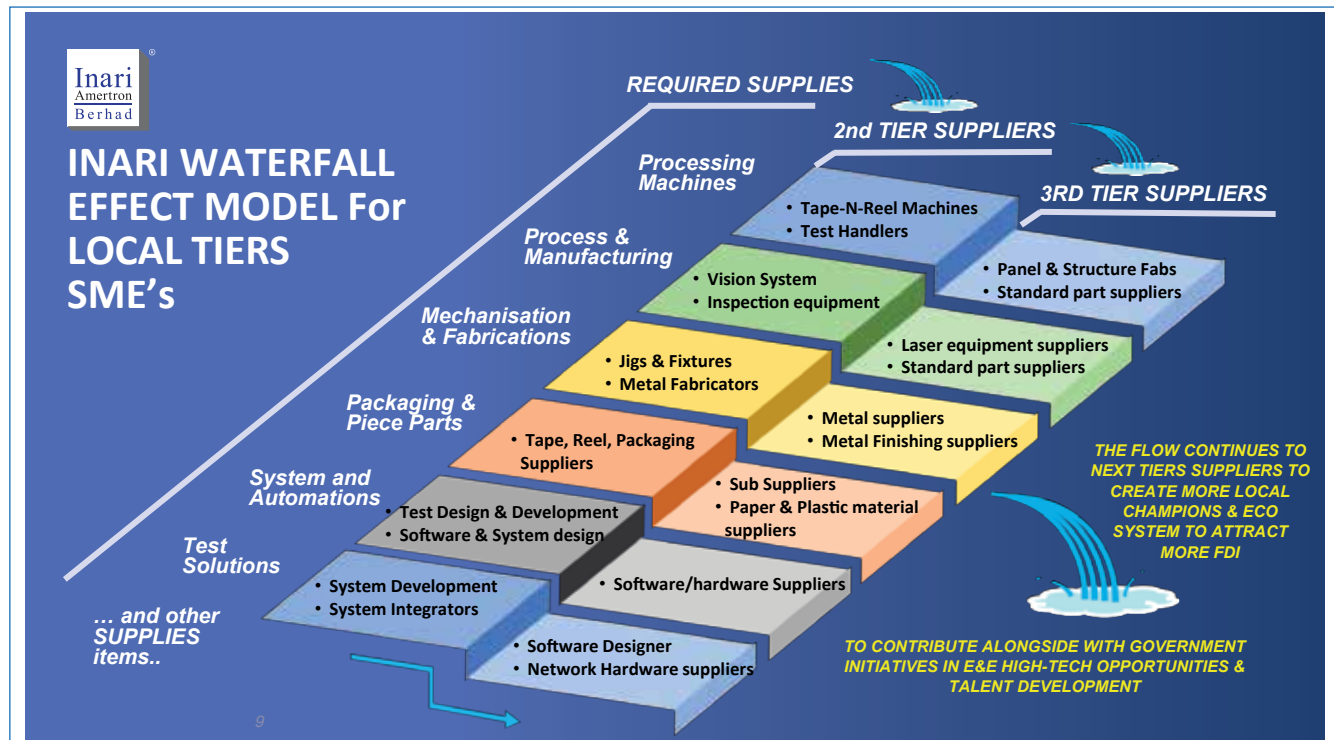
#### SUPPLY CHAIN MANAGEMENT

Supply chain management is an essential part of business success. As a responsible corporation, it is our duty to manage our overall operations in a sustainable manner. At Inari, we actively engage our suppliers to minimise any risks of non-compliance related to human rights, labour standards and environmental management across all our business value chain. We are cognizant that our operational performance of our supply chain will impact customer's perception towards the business. Thus, we are highly committed to providing ethical products and services to our customers and at the same time supporting our suppliers and their employees.

Internally, we design our procurement processes to select and retain suppliers through a non-discriminatory bidding and tendering process. With our international footprint and market presence, our procurement processes are required to comply with relevant laws and regulations in the different jurisdictions that we operate to reflect our on-going commitment to sustainable procurement practices.

#### Supplier Code of Conduct

We aim to establish a mutually beneficial relationships with our suppliers. The below summaries the waterfall effect to our local partners/suppliers with our Industrial 4.0 Roadmap:



In addition, we developed our Supplier Code of Conduct ("SCOC") as part of our standard terms and conditions to ensure our requirements are communicated and made clear to our suppliers. Our SCOC is also translated into relevant languages and is communicated globally to all our suppliers. Our environmental and social corporate governance standards contained within the SCOC are outlined below, which makes reference to the Responsible Business Alliance Code of Conduct, GRI Standards, United Nations Global Compact Initiative, United Declaration of Human Rights, and International Labour Organisation Conventions.

## SUSTAINABILITY STATEMENT

cont'd

**ECONOMIC** (cont'd)**- Better Results from Better Practices****SUPPLY CHAIN MANAGEMENT** (cont'd)**Supplier Code of Conduct** (cont'd)

Environment	Social	Governance
<ul style="list-style-type: none"> <li>■ Comply with all local and international regulations on environmental, health and safety matters.</li> <li>■ Use resources efficiently, apply energy and water-efficient environmental friendly technologies and reduce waste as well as gas emissions.</li> <li>■ Adopt appropriate management systems to ensure product quality and safety meet the applicable requirements.</li> <li>■ Minimise the negative impact on biodiversity, climate change, pollution and water scarcity.</li> <li>■ Identify the potential safety and health issues, and minimise their impact by implementing occupational safety and health procedure (including emergency reporting, employee notification and evacuation procedures, employees training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans).</li> </ul>	<ul style="list-style-type: none"> <li>■ Respect personal dignity, privacy and rights of each individual.</li> <li>■ Support the protection of human rights and prohibit any forced labour and child labour.</li> <li>■ Uphold the freedom of association and the right to collective bargaining.</li> <li>■ Provide a workplace free of harassment, harsh and inhumane treatment and discrimination of any kind.</li> <li>■ Ensure the employees are fairly compensated, comply with local laws on minimum wages and working hours.</li> <li>■ Enable all of the stakeholders to report concerns or potentially unlawful practices at the workplace via our whistleblowing channel.</li> </ul>	<ul style="list-style-type: none"> <li>■ Abide by all applicable local and international trade laws and regulations.</li> <li>■ Consider business integrity as the basis of business relationships.</li> <li>■ Prohibit all types of bribery, corruption and money laundering.</li> <li>■ Endeavour to deal fairly and should not take unfair advantage of anyone through the manipulation, concealment, abuse of privileged information, misrepresentation of a material fact or any other unfair business practices.</li> <li>■ Declare any potential or actual conflicts of interest.</li> <li>■ Respect the privacy and confidentiality of information of all the employees and business partners as well as protect data and intellectual property from misuse.</li> </ul>

In addition to the SCOC, we expect continuous improvement from our suppliers in terms of economic, environmental, and social corporate governance performance. To ensure commitment from our suppliers, we have prepared a Supplier Declaration Form ("SDF") reflecting our principles of which all suppliers are requested to sign. The intention of this SDF is to increase awareness and improve transparency, economic, environmental and social corporate governance adherence and integrity of Inari's supply chain.

**Conflict-Free Minerals Policy**

We have established a Conflict-Free Mineral Policy to ensure that material defined as conflict minerals do not directly or indirectly finance or benefit the armed groups in the Democratic Republic of the Congo, or any adjoining countries while continuing to support responsible mineral sourcing in the region.

Inari has defined its Conflict Minerals Due Diligence Programme as aligned with the framework of "Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Area" promulgated by the Organisation for Economic Cooperation and Development. Inari has also evaluated its internal controls for conflict minerals and encourage our suppliers to conduct similar evaluation with their suppliers.



## SUSTAINABILITY STATEMENT

cont'd

### ECONOMIC *(cont'd)*

#### - Better Results from Better Practices

### SUPPLY CHAIN MANAGEMENT *(cont'd)*

#### Conflict-Free Minerals Policy *(cont'd)*

We also encourage our suppliers to purchase minerals from smelters who are listed on the Conflict-Free Smelter Program Compliant Smelter List to ensure the materials used in our supply chain are conflict-free. Our Conflict-Free Minerals Policy is made available on our Company's website.

#### Fair Procurement Practices and Supplier Screening

We believe that our sourcing process is key to conducting successful tender projects together with our suppliers that add value to Inari as well as to the communities in which we operate. Presently, our sourcing process and procedure are governed by our Procurement Policy. We will ensure all suppliers are treated fairly and equally. Additionally, we work to establish a common objective with our suppliers to achieve a favourable balance between quality and price whilst fulfilling the economic, environmental and social corporate governance requirements.

To ensure ethical business operations, we maintain a comprehensive checklist for new vendor selection request. We assess our suppliers in term of quality, pricing, delivery lead time, product certification (which includes the assessment of environmental and social performance) as well as organisation background. We carry out due diligence assessments on all the suppliers vide Supplier Due Diligence Questionnaire in our Procurement Policy.

#### Supplier Monitoring and Audit

On annual basis, supplier's risk assessment and audit were conducted for top suppliers, in FY2023 we have audited top 6 suppliers for Malaysia, Top 5 suppliers for Philippines and Top 4 suppliers for China focusing on the following areas:

- Environment Protection and Waste Management
- Safety and Health
- Legal compliance
- Human Rights (Anti-discrimination, Fair Treatment and Prevention of forced labour and Human Trafficking)

Based on the supplier audit, no high-risk suppliers have been noted, thus, no further measures were taken.

#### Training on Social Supply Chain Policy

Each year, we organize a minimum of 2 training sessions for buyers and material planners, revitalizing their expertise. In FY2023, we focused on strategic cost reduction within Supply Chain and Purchasing, seamlessly incorporating our Social Supply Chain Policy into buyer training. This ensures our team remains adept in both skill enhancement and ethical practices.

#### Supporting Local Ecosystem and Local Procurement

We strongly believe the health of the local electronics and electrical ecosystem is an important requirement in our long-term economic sustainability. Over the years, we initiated with various local equipment manufacturers and academia to co-develop or improve existing equipment performance and create new automation, machine connectivity and data extraction systems. These collaborations also formed part of our Industry 4.0 framework.

Our concerted efforts have created new capabilities and platforms which benefit local equipment manufacturers by enhancing their company portfolios and profiles. This has also further enabled Inari in supporting industries such as metal fabrication and component suppliers to increase their revenues thereby creating more employment opportunities. The academia sector also benefits in this programme as university-owned research and development are used and tested in an industry environment, concurrently providing platforms for students and lecturers to gain up-to-date knowledge and practical experiences.

## SUSTAINABILITY STATEMENT

cont'd

**ECONOMIC** (cont'd)**- Better Results from Better Practices****SUPPLY CHAIN MANAGEMENT** (cont'd)**Supporting Local Ecosystem and Local Procurement** (cont'd)

At Inari, we continue to prioritise procurement of goods and services from local suppliers who meet the standards we require. By promoting local suppliers, Inari is able to reduce dependency on foreign equipment and the impact of foreign exchange fluctuations through local purchases. In terms of business operations, working with local equipment improves production and development turnaround time with services and support from local suppliers and academia. Ultimately, we will be contributing a direct positive economic impact on the communities where we operate.

Inari works to retain the cost-effectiveness of our supplier base by continuously engaging with local suppliers for our indirect material. In comparison with the previous year, the proportion of our spending allocated to local suppliers has increased, as shown below:

Proportion of spending	Unit	FY2021		FY2022		FY2023	
		Local Suppliers	Foreign Suppliers	Local Suppliers	Foreign Suppliers	Local Suppliers	Foreign Suppliers
Malaysia	Percentage (%)	34	66	43	57	62	38
Philippines	Percentage (%)	90	10	66	34	91	9
China	Percentage (%)	89	11	71	29	87	13

**Local Spending by Country** (%)

Increased local spending for Malaysia, Philippines and China for FY2023.

## SUSTAINABILITY STATEMENT

cont'd

### ECONOMIC *(cont'd)*

#### - Better Results from Better Practices

#### PRIVACY AND DATA PROTECTION

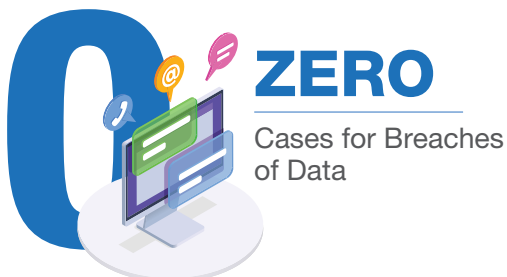
As technology becomes increasingly integral to the workplace to enable more effective and efficient forms of collaboration, it is imperative that Inari is able to manage the threats and increasing risk of cyber-attacks to the Company. Inari is committed to protecting the private information and personal data of our customers, suppliers, and employees.

Our cybersecurity measures and practices ensure that information is appropriately and lawfully shared and that data is handled with the utmost care, done confidentially and with integrity. We comply with the regulations of the Personal Data Protection Act which apply to dealing with and processing personal data in commercial transactions. All information and personal data are secured using our integrated data protection and information security strategy.

Below lists the key internal controls to protect data privacy:

- ✓ Protect our technology resources and assets with encryption, firewalls, antivirus or anti-malware software, automated patching and security vulnerability assessments
- ✓ Use appropriate physical and organisational security measures to protect personal data
- ✓ Require all employees to comply with Inari's Code of Business Conduct and Ethics
- ✓ Provide training and awareness programmes on data security and proper handling of information
- ✓ Sign Non-Disclosure Agreements between Inari and customers, suppliers and contractors
- ✓ Annual simulation on disaster recovery
- ✓ Disable USB for our employees to fortify our defence against potential data breaches and malware threats, prevent unauthorised data transfers and safeguard sensitive information
- ✓ Enhance Wi-Fi configuration to allow only authorised Inari assets to connect to reduce the risk of unauthorised access and potential intrusions
- ✓ Provide secure and controlled access for Inari customers, issue individual vouchers for Wi-Fi connectivity, to ensure only authorised users can access to the network and minimise potential security vulnerabilities
- ✓ Implement advanced virus detection mechanisms to analyze cybersecurity trends to proactively address emerging risks and strengthen our defence mechanisms
- ✓ Filtered Secured File Transfer Protocol ("SFTP") connections through authorised IP addresses to protect sensitive data during file transfer, where only connections from authorised IP addresses are allowed for SFTP, adding an extra layer of security against unauthorised access attempts
- ✓ Network isolation for legacy machines at production floor to minimise potential vulnerabilities and safeguard critical infrastructure
- ✓ All office desktops join a domain to ensure uniform Group Policy setting across the organisation, to enhance security, consistency and centralize management and reduce risk of misconfigurations
- ✓ Default High User Account Control ("UAC") setting to protect operating systems from unauthorised changes and empower users to make informed decisions when accessing potentially sensitive system functions

Due to our data privacy and protection efforts, we have received zero cases related to breaches of data and complaints received from external stakeholders.



## SUSTAINABILITY STATEMENT

cont'd

## ENVIRONMENT

- Caring for our Planet



“ We aim to deliver green and safe products and services while maintaining the good of the environment ”

Responsible stewardship of the environment is no longer a voluntary decision, but it has emerged to be a critical action to future proof our business. The ongoing discussions and calls for companies to act on climate change has accelerated the transition to low carbon products and services to ensure environmental impacts are reduced and managed in a responsible manner. Against this backdrop, we are committed to providing environmentally friendly products to our customers and improving practices along our value chain for the efficient and responsible use of all resources. Likewise, our Supplier Code of Conduct includes Environmental guidelines which delineates our expectation towards the suppliers.

Presently, our environmental management and practices are governed by the Environmental Policy. The key areas of focus in our environmental and climate change management are to enhance energy consumption efficiency, reduce GHG emission, ensure efficient use of water resources, and maximise recovery, re-use and recycling activities. Our Environmental Policy is outlined below, which is also made available on our Company's website.

## Environmental Policy

- We use only environmentally safe materials that comply with Restriction of Certain Hazardous Substances (“RoHS”), Registration, Evaluation, Authorisation and Restriction of Chemicals (“REACH”) and Halogen-free requirements in our products and processes.
- We establish objectives, targets and standards for continuous environmental improvement and protection.
- We prevent water, air and noise pollution, reduce waste and minimise the consumption of natural resources.
- We strive to mitigate the climate change by reducing greenhouse gas (“GHG”) emissions and conserve energy and water wherever feasible.
- We always comply with relevant environmental regulations and customers' specific requirements.
- We educate, train and motivate employees to be environmentally friendly in a responsible manner.
- We encourage and influence environmental protection among the suppliers and subcontractors.

## Certifications

Our efforts in managing our environmental and climate change management have led our operations to receive several certifications in relation to Environment, Health and Safety (“EHS”) compliance from local and international governing bodies which recognise our efforts in preserving the environment. All our operating sites in Malaysia, Philippines and China are fully certified with ISO14001:2015.



ISO14001 – Malaysia  
MY08/00011



ISO14001 – Malaysia  
MY08/01599



ISO14001- Philippines



ISO14001 - China

## SUSTAINABILITY STATEMENT

cont'd

### ENVIRONMENT *(cont'd)*

#### - Caring for our Planet

#### Certifications *(cont'd)*

In addition to ISO14001:2015, our capabilities have undergone assessments and received certification through the following accreditation:

Certification	Operating Sites	Validity Period
ISO14001:2015 Environmental Management System	Malaysia	25 January 2026
	Philippines	14 September 2024
	China	13 June 2021 – 5 April 2024
ISO45001:2018 Occupational Health and Safety Management System	China	13 June 2021 – 12 June 2024
IATF 16949:2016 Automotive Quality Management System	China	3 October 2020 – 2 October 2023
	Philippines	15 September 2021 – 14 September 2024
Sony Green Partner	Malaysia	30 November 2024
RoHS Compliant	Malaysia	-
REACH Compliance	Malaysia	-
Green Energy Certificate	Malaysia	-
Aqua Save Certificate	Malaysia	September 2023
Penang Green Office	Malaysia	September 2023
Radiation Safety Permit	China	12 October 2021 – 11 October 2026



FTSE4Good

## SUSTAINABILITY STATEMENT

cont'd

ENVIRONMENT *(cont'd)*

## - Caring for our Planet

## Biodiversity

Inari is supportive of the preservation of biodiversity in the regions where we operate. We have chosen our operation sites diligently to ensure that our operation sites are not located within proximity to any reserved forest or protected habitat. Our operation sites are located at the industrial zones in Malaysia, Philippines and China as detailed below:

- Bayan Lepas Free Industrial Zone, Penang, Malaysia;
- Bayan Lepas Non-Free Industrial Zone, Penang, Malaysia;
- Batu Kawan Industrial Park, Penang, Malaysia;
- Clark Freeport Zone, Clark, Philippines; and
- Kunshan Comprehensive Bonded Zones, Jiangsu, China.

## Environmental compliance

We are committed to complying with all applicable environment laws and regulations. In FY2023, we complied with all relevant environmental regulations and no sanctions resulting from non-compliance for our operations in Malaysia, Philippines and China.

## CLIMATE CHANGE MANAGEMENT

The World Economic Forum's Global Risks Report 2023 highlights the most severe long term global risks, including the failure to mitigate climate change, failure of climate change adaption as well as natural disasters and extreme weather events. Southeast Asia has been identified to be one of the most vulnerable regions in the world to climate change. Climate change has two main impacts: the physical impact from changing climate conditions which affects assets and supply chains; and the economic impact to countries that are transitioning to a net zero carbon future. These present both risks and opportunities to businesses.

Since FY2022, extraordinary efforts had been carried out to improve energy and water consumption efficiency to mitigate the impact on climate change such as:

- Participated and obtained Green Office certifications by Penang Green Council and Perbadanan Bekalan Air Pulau Pinang ("PBA") (i.e. Aqua Certification); and
- Our Sustainability Policy has stated our commitment on Net Zero Policy by 2050, thus, the Sustainability and Integrity Working Group is performing monthly monitoring of carbon emission and quarterly monitoring of GHG emission.





# SUSTAINABILITY STATEMENT

cont'd

## ENVIRONMENT *(cont'd)*

### - Caring for our Planet

#### CLIMATE CHANGE MANAGEMENT *(cont'd)*

In FY2023, we have been actively planting trees at our operation sites to support local ecosystems, improve air quality, and engage employees in impactful environmental efforts. As of 30 June 2023, we have planted approximately 1,765 trees that is more than 6ft height as below:

Plant	No. of Trees
P1,3,5	152
P13	545
P21	1,005
P34	63



## ENERGY USAGE

We acknowledge the worldwide apprehension regarding climate change arising from heightened energy consumption and GHG emissions. Our dedication lies in the execution and reinforcement of energy-efficient initiatives. In FY2023, our investments persistently target eco-friendly technologies and enhancements to plant operations. These efforts culminate in the production of goods through energy-efficient procedures, underscoring our commitment to curbing GHG emissions, mitigating climate change repercussions, and minimizing our ecological imprint.

Our initiatives on energy-efficiency projects as at FY2023 are listed below:

Energy-efficiency projects	Purpose	Target saving	Status
Installation of solar panel at P13 and P55	Green energy	92,171 kWh per month	Completed
Installation of solar panel at P21	Green energy	63,747 kWh per month	In-progress
Replacement of perimeter night lights to solar panel lighting type at CK, Philippines	Green Energy, Energy saving & GHG reductions	600 kWh per month	Completed
Installation of roofing solar farm at CK, Philippines	Green Energy, Energy saving & GHG reductions	50,000 kWh per month	In-progress
Enhancement to machine switch off plan	Energy saving	141 kW per month	Completed
Installation of 56 x 18w LED lighting panel at CK2, Philippines L2 new shop floor	Energy saving	725 kWh per month	Completed
Divert AHU 19 to Test L2 Room 2 (HVAC) at P13	Energy saving	26.4 kW per month	Completed
Installation of 5 units of Booster fan motor at AHU Room 3 and 4 (HVAC) at P21	Energy saving	12.2 kW per month	Completed
Direct pipe in PBA water to production raw tank at P3	Energy saving	2.9 kW per month	Completed
Conversion of screw compressor to centrifugal compressor at P3	Energy efficiency	161 kW per month	Completed

## SUSTAINABILITY STATEMENT

cont'd

## ENVIRONMENT (cont'd)

## - Caring for our Planet

## ENERGY USAGE (cont'd)

Energy-efficiency projects	Purpose	Target saving	Status
Conversion of screw compressor to centrifugal compressor at P13	Energy efficiency	161 kW per month	Completed
Conversion of T8 lighting to light-emitting diode ("LED") tube at P1	Energy efficiency	115 kW per month	Completed
Conversion of T8 lighting to LED tube at P3	Energy efficiency	12 kW per month	Completed
Conversion of T8 lighting to LED tube at P5	Energy efficiency	6 kW per month	Completed
Electric Purchase contract at Kunshan, China	Energy efficiency	RMB1,666 per month	Completed
Upgrade chilled water pump motor to IE3 type motor X 2 set at P3	Energy efficiency	2.8 kW per month	Completed
Installation of AHU with inverter at CK2, Philippines	Energy saving	10,098 kWh per month	In-progress
Pilot line for solar panel installation at CK2, Philippines	Green energy	1,930 kWh per month	In-progress
Installation online room temperature monitoring and room temperature setting at CK1, Philippines	Energy saving	8,700 kWh per month	In-progress
Conversion of fluorescent tube to LED at Kunshan, China	Energy efficiency	200 kWh per month	In-progress

In addition to the above energy-efficiency projects, we also expect discipline among our employees at Inari to switch off unused lighting and electronic equipment within Inari's premises.

Our total energy consumption in FY2023 is approximately 439,375 GJ of energy (petrol, diesel and electricity) mainly due to higher NPI activities from new and existing customers. However, we managed to obtain **lower energy intensity over 5 years** which signifies a higher efficiency level within our operations.

Petrol Consumption	Unit	FY2021	FY2022	FY2023
Malaysia	GJ	126	98	120
Philippines	GJ	99	82	110
China	GJ	139	141	205
<b>Total</b>	<b>GJ</b>	<b>364</b>	<b>321</b>	<b>435</b>

Diesel Consumption	Unit	FY2021	FY2022	FY2023
Malaysia	GJ	581	647	768
Philippines	GJ	7,085	5,307	3,563
China	GJ	– (a)	– (a)	– (a)
<b>Total</b>	<b>GJ</b>	<b>7,666</b>	<b>5,954</b>	<b>4,331</b>

**Note:**

(a) No consumption of diesel for operation in China.

## SUSTAINABILITY STATEMENT

cont'd

## ENVIRONMENT (cont'd)

## - Caring for our Planet

## ENERGY USAGE (cont'd)

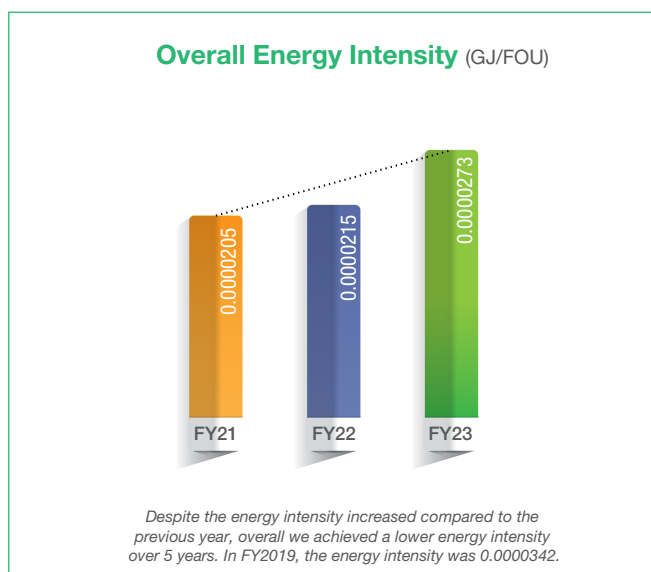
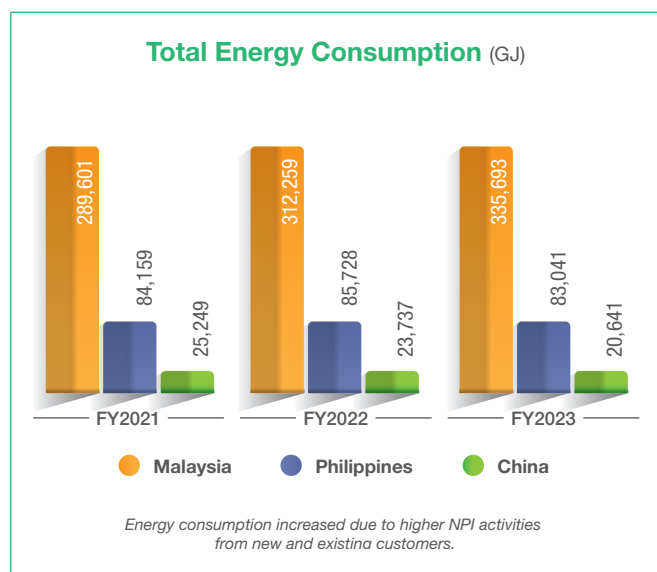
Electricity Consumption	Unit	FY2021	FY2022	FY2023
Malaysia	GJ	288,894	311,514	334,805
Philippines	GJ	76,975	80,339	79,368
China	GJ	25,110	23,596	20,436
<b>Total</b>	<b>GJ</b>	<b>390,979</b>	<b>415,449</b>	<b>434,609</b>

Energy Intensity	Unit	FY2021	FY2022	FY2023
Malaysia	GJ/FOU	0.000015	0.000016	0.000021
Philippines	GJ/FOU	0.000295	0.000250	0.000289
China	GJ/FOU	0.000138	0.000124	0.000137

Overall Energy Intensity	GJ/FOU
FY2021	0.0000205
FY2022	0.0000215
FY2023	0.0000273

## Note:

(a) FOU stands for Factory Output Unit.



## SUSTAINABILITY STATEMENT

cont'd

## ENVIRONMENT (cont'd)

## - Caring for our Planet

## GHG EMISSIONS AND CLIMATE CHANGE

Our operational GHG emissions are measured and disclosed below:

- GHG emissions Scope 1 refers to direct GHG emissions from the activities in our organisation including mobile combustion, such as petrol and diesel consumed by Company owned vehicles; and
- GHG emissions Scope 2 refers to indirect GHG emissions from consumption of electricity. The purchased electricity is primarily used to operate production machinery, facility equipment, office equipment and etc.

During the year under review, our GHG emissions generated a total of 80,600 tCO<sub>2</sub>e. In comparison to FY2022, Inari recorded an increase in GHG emissions, which was mainly due to higher NPI activities from new and existing customers. However, we managed to see a decrease in GHG emissions intensity over 5 years. In FY2020, the GHG emissions intensity was 0.00545.

GHG Emissions Scope 1	Unit	FY2021	FY2022	FY2023
Malaysia	tCO <sub>2</sub> e	54	62	58
Philippines	tCO <sub>2</sub> e	563	453	244*
China	tCO <sub>2</sub> e	9	10	12
<b>Total</b>	<b>tCO<sub>2</sub>e</b>	<b>626</b>	<b>525</b>	<b>314</b>

**Note:**

- (a) GHG emissions Scope 1 covers consumption of petrol and diesel.
- (b) Malaysia, Philippines and China: The emission for Scope 1 is calculated using emission factor obtained from IPCC Fifth Assessment Report, while the default emissions factors were based on IPCC Guidelines for National Greenhouse Gas Inventories (2006).
- \* Decrease consumption in diesel due to improved road accessibility that leads to more efficient bus routes for the employees.

GHG Emissions Scope 2	Unit	FY2021	FY2022	FY2023
Malaysia	tCO <sub>2</sub> e	53,526	57,717	60,087
Philippines	tCO <sub>2</sub> e	15,228	15,894	15,702
China	tCO <sub>2</sub> e	5,525	5,192	4,497
<b>Total</b>	<b>tCO<sub>2</sub>e</b>	<b>74,279</b>	<b>78,803</b>	<b>80,286</b>

**Note:**

- (a) GHG emissions Scope 2 covers consumption of electricity.
- (b) Malaysia: The emission for Scope 2 is calculated using the emission factor obtained from 2017 Clean Development Mechanism ("CDM") Electricity Baseline for Malaysia, Malaysia Green Tech Corporation.
- (c) Philippines: The emission for Scope 2 is calculated using emission factor obtained from 2015-2017 National Grid Emission Factor, Department of Energy, Republic of the Philippines.
- (d) China: The emission for Scope 2 is calculated using emission factor obtained from China's regional power grids for emission reduction projects in 2019.

Total GHG Emissions (Scope 1 and Scope 2)	Unit	FY2021	FY2022	FY2023
Malaysia	tCO <sub>2</sub> e	53,580	57,779	60,145
Philippines	tCO <sub>2</sub> e	15,791	16,347	15,946
China	tCO <sub>2</sub> e	5,534	5,202	4,509
<b>Total</b>	<b>tCO<sub>2</sub>e</b>	<b>74,905</b>	<b>79,328</b>	<b>80,600</b>

## SUSTAINABILITY STATEMENT

cont'd

## ENVIRONMENT (cont'd)

## - Caring for our Planet

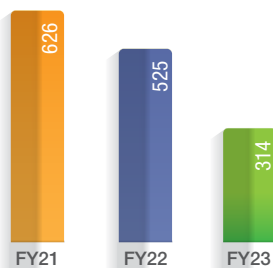
## GHG EMISSIONS AND CLIMATE CHANGE (cont'd)

Total GHG Emissions (Scope 1 and Scope 2) Intensity	Unit	FY2021	FY2022	FY2023
Malaysia	tCO <sub>2</sub> e / FOU ('000)	0.00282	0.00302	0.00384
Philippines	tCO <sub>2</sub> e / FOU ('000)	0.05533	0.04849	0.05557
China	tCO <sub>2</sub> e / FOU ('000)	0.03020	0.02728	0.02983

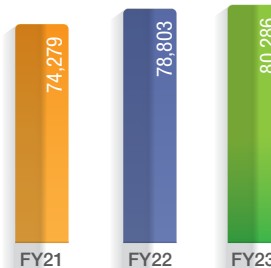
Overall GHG Emissions (Scope 1 and Scope 2) Intensity	(tCO <sub>2</sub> e / FOU ('000))
FY2021	0.00385
FY2022	0.00404
FY2023	0.00501

**Note:**

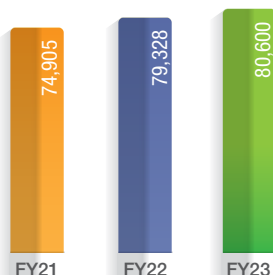
(a) FOU stands for Factory Output Unit.

GHG Emissions Scope 1 (tCO<sub>2</sub>e)

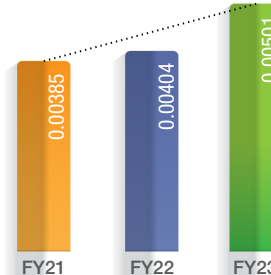
GHG Emissions Scope 1 reduced significantly due to lower diesel consumption in Philippines, having more efficient bus routes from improved road accessibility.

GHG Emissions Scope 2 (tCO<sub>2</sub>e)

GHG Emissions Scope 2 increased due to higher NPI activities from new and existing customers.

Total GHG Emissions (tCO<sub>2</sub>e)

Total GHG Emissions increased due to higher NPI activities from new and existing customers.

Overall GHG Emissions Intensity (tCO<sub>2</sub>e/FOU(000))

Despite the GHG emissions intensity increased compared to the previous year, overall we achieved a lower energy intensity over 4 years. In FY2019, the energy intensity was 0.00651.

## SUSTAINABILITY STATEMENT

cont'd

## ENVIRONMENT (cont'd)

## - Caring for our Planet

## GHG EMISSIONS AND CLIMATE CHANGE (cont'd)

Presently, we are in the midst of exploring the process of collecting data on GHG emissions Scope 3 (indirect emission) which relates to business travel and employee commuting. However, efforts are in place through promoting the utilisation of Group-wide and personal video conferencing facilities to minimise non-essential air and ground travel.

Additionally, Inari does not produce any Nitrogen Oxides ("NOx") and Sulphur Oxides ("Sox") emissions as none of our business activities involve biomass combustion.

## GHG Reduction Plan



Since the installation of solar panels in March 2022 and utilization of green energy at our Malaysia operations, we have observed tangible outcomes. These efforts have yielded noticeable reductions in greenhouse gas emissions by 1,945 tCO<sub>2</sub>e as at 30 June 2023.

Reduction of 1,945 tCO<sub>2</sub>e GHG emission

Our Malaysia operations have been presented with a Green Energy Certificate for our efforts in GHG Reduction to move towards our goal in Net Zero as well as Penang Green Office Certification:





## SUSTAINABILITY STATEMENT

cont'd

### ENVIRONMENT *(cont'd)*

#### - Caring for our Planet

#### WATER MANAGEMENT

At Inari, our wafer fabrication and packaging facilities consumed a large portion of our daily water usage. The water is utilised to clean silicon wafers during wafer processing. Due to the high volume of water consumption within our production processes, we continue to focus on water conservation.

#### Water Saving and Efficiency

We have taken necessary actions to ensure the efficient use of our water. One of our efforts to increase efficiency is by reducing water consumption by converting from single spindle to dual spindle machines which increase wafer production capacity while having the same water intake.

Our plants are equipped with complex rinse water collection systems with separate drains to collect lightly contaminated wastewater to reuse in our plants' toilet flushing systems. Our other ongoing water-saving plans include rainwater harvesting and recycling of reverse osmosis reject water for gardening and as raw water. With this re-use strategy, we recycle as much water as we can from our manufacturing processes for re-use purposes.

We have also upgraded our water piping system to compensate for the low domestic water pressure which may have resulted from the ageing of underground water piping. Our facility team will continue to monitor and look for cost-effective methods to improve our water usage. With that, our Malaysia operations had been presented by the local water authorities with a certificate of Accreditation for our initiative and continuous efforts in water conservation:



#### Water Withdrawal

At Inari, we hold a deep understanding of the significance of resource management. Consequently, recognizing the pivotal role of water withdrawal data becomes evident, as it serves a dual purpose: effective resource management and the crucial task of mitigating environmental impact.

Large-scale water withdrawals can have serious environmental consequences, such as reducing water availability for ecosystems, aquatic life, and local communities. The following water withdrawal information helps us understand how using water affects nature. It guides us in making better choices for the environment and being careful with resources. We're dedicated to managing resources responsibly.

Water Withdrawal	Unit	FY2021	FY2022	FY2023
<b>Municipal potable water</b>				
Malaysia	m <sup>3</sup>	666,636	658,944	633,501
Philippines	m <sup>3</sup>	83,248	63,590	56,372
China	m <sup>3</sup>	28,130	31,957	23,814
<b>Total</b>	<b>m<sup>3</sup></b>	<b>778,014</b>	<b>754,491</b>	<b>713,687</b>

## SUSTAINABILITY STATEMENT

cont'd

## ENVIRONMENT (cont'd)

## - Caring for our Planet

## WATER MANAGEMENT (cont'd)

## Water Consumption

Our water consumption in FY2023 amounted to a total of 713,687 m<sup>3</sup>. Despite an increase in NPI activities, we managed to record **a lower water consumption by 5%**, compared with the previous year. This signifies the effectiveness of our water saving and consumption efficiency initiatives.

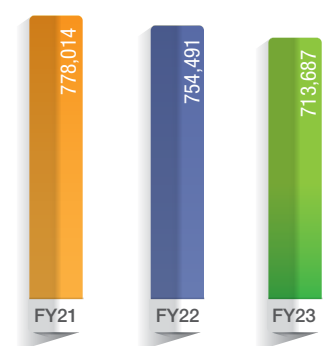
Water Consumption	Unit	FY2021	FY2022	FY2023
Malaysia	m <sup>3</sup>	666,636	658,944	633,501
Philippines	m <sup>3</sup>	83,248	63,590	56,372
China	m <sup>3</sup>	28,130	31,957	23,814
<b>Total</b>	<b>m<sup>3</sup></b>	<b>778,014</b>	<b>754,491</b>	<b>713,687</b>

Water Intensity	Unit	FY2021	FY2022	FY2023
Malaysia	m <sup>3</sup> / FOU	0.000035	0.000034	0.000040
Philippines	m <sup>3</sup> / FOU	0.000292	0.000189	0.000196
China	m <sup>3</sup> / FOU	0.000153	0.000168	0.000158

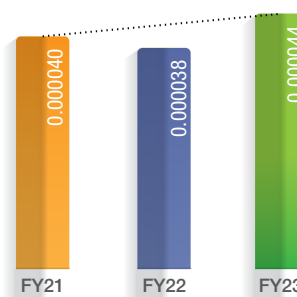
Overall Water Intensity	Unit (m <sup>3</sup> / FOU)
FY2021	0.000040
FY2022	0.000038
FY2023	0.000044

**Note:**

(a) FOU stands for Factory Output Unit.

Water Consumption (m<sup>3</sup>)

Lower water consumption in FY2023 by 5% compared to FY2022.

Overall Water Intensity (m<sup>3</sup>/FOU)

Despite the overall water intensity increased compared to the previous year, overall we achieved a lower water intensity over 5 years. In FY2019, the water intensity was 0.000065.

# SUSTAINABILITY STATEMENT

cont'd

## ENVIRONMENT (cont'd)

### - Caring for our Planet

## WATER MANAGEMENT (cont'd)

### Wastewater Discharge Quality

Effluent discharge contains chemicals, metals, organic and inorganic compounds which may be detrimental to the environment. Hence, Inari as a Group strives to maintain the water quality discharged to ensure compliance with the applicable local regulatory requirements. The effluent discharged will be treated prior to discharge from operation sites into sewerage connecting to municipal's sewerage treatment plant. During the financial year under review, **we fully complied with all local regulatory requirements** for our wastewater discharge quality in all sites in Malaysia, Philippines and China.

Compliance Status: Full compliance ✓

Wastewater discharge quality	Unit	Malaysia				Philippines		China			
		FY2021	FY2022	FY2023	(a)	FY2021, FY2022 & FY2023	(b)	FY2021	FY2022	FY2023	(c)
Temperature	°C	NA	NA	NA	40.0°C <sup>(e)</sup>	Waste water discharged is treated by a licensed third party service provider <sup>(d)</sup>	22.0-32.0°C	NA	NA	NA	NA
pH	-	7.6	7.0	7.6	5.5 - 9.0		6.0 - 9.5	7.3	7.7	7.5	6.0 - 9.0
BOD <sup>5</sup>	mg/L	NA	NA	7.0	NA		<50.0	18.9	57.0	45.7	<300.0
COD	mg/L	30.7	16.4	28.0	<200.0		<100.0	37.0	111.0	126.0	<500.0
Suspended solids	mg/L	9.2	7.2	3.0	<100.0		<100.0	4.0	48.0	14.0	<400.0
Oil and grease	mg/L	NA	NA	NA	NA		<5.0	0.2	0.4	6.3	<20.0
Ammoniacal Nitrogen	mg/L	NA	NA	NA	NA		<0.5	8.6	40.0	19.4	<45.0

#### Note:

- (a) Malaysia's Standard B under Environmental Quality (Industrial Effluents) Regulations 2009.
- (b) Philippines' Water Quality Guidelines and General Effluent Standards (DENR Administrative Order no 2016-08).
- (c) China's Integrated Wastewater Discharge Standard (GB8978-1996).
- (d) From FY2021 to FY2023, the wastewater discharged for our operation in Philippines is treated by a licensed third-party service provider, Clark Water Corporation. No non-compliance case was observed.
- (e) The Department of Environment assesses that temperature is not critical parameter as Inari does not have any process that will discharge hot water.

### Water Security and Water Stress Management

Presently, our operations are not located in water stress areas. The water consumed within our operations in Malaysia, Philippines and China, is primarily fresh water supplied by respective local licensed water service providers, namely Perbadanan Bekalan Air Pulau Pinang, Clark Water Corporation, Philippines and Kunshan Water Supply Group Co., Ltd., China. The respective local water service providers will provide water tanker supply in the event of any disruption of supply. As of to date, we do not have major water disruptions issue within our operations. However, we remain vigilant to monitor the impact of water security on our operations as an integral part of our risk management strategy. Recognizing water's crucial role in our processes and communities, we track its availability, quality, and potential disruptions. By doing so, we ensure business continuity, uphold environmental responsibility, and contribute to the resilience of local water resources.

## SUSTAINABILITY STATEMENT

cont'd

## ENVIRONMENT (cont'd)

## - Caring for our Planet

## WASTE MANAGEMENT

Effectively managing waste is our prime concern. We follow the **3R Program** – “Recovery, Re-use, Recycle” to handle waste from our operations. We train employees, including new hires, on this approach. Our waste is sorted, recovered, and recycled, with skilled local contractors converting it into reusable materials. We carefully choose these contractors through a stringent selection and auditing process, focusing on electronics and scheduled waste recycling. In addition, we engaged reputable and licensed local waste recovery contractors with expertise in recycling electronics and scheduled waste, to recycle the waste into usable and re-usable forms. The waste recovery contractors are selected through a rigorous selection and audit process.

## Inari's 3R Programme

3R Programme	Methodology
Recovery	<ul style="list-style-type: none"> <li>Invest in Industrial Effluent Treatment System</li> <li>Increase efficiency in extracting pollutants</li> <li>Ensure cleaner waste discharged to the environment</li> <li>Provide recycle bins in strategic locations</li> </ul>
Re-use	<ul style="list-style-type: none"> <li>Collaborate with licensed hi-tech waste recycling contractor</li> <li>Increase waste re-use proportion</li> <li>Re-use of carton box</li> <li>Re-use of plastic tray and reel</li> </ul>
Recycle	<ul style="list-style-type: none"> <li>Collaborate with licensed hi-tech waste recycling contractor</li> </ul>
Disposal	<ul style="list-style-type: none"> <li>Minimise the mass ended up in landfill</li> </ul>

## 3R Waste Management Approach



Our waste management approach also includes organic and non-organic waste chemicals. The organic waste chemicals are converted into raw materials for pesticides and water treatment solutions, while the non-organic waste chemicals are broken down to produce alcohol, thinner and solutions used by other industries. The table below presents the sample list of production waste which recovers, re-uses and recycles.

# SUSTAINABILITY STATEMENT

cont'd

## ENVIRONMENT (cont'd)

### - Caring for our Planet

#### WASTE MANAGEMENT (cont'd)

Production Waste	3R Program	Recycled Products
Electronic waste	Recovery	Precious metal recovery (gold, nickel & copper)
Metal sludge	Recovery	Heavy metal extraction
Spent lubricating oil	Recovery	Industrial lubricating oil
Waste of non-halogenated organic solvent	Recovery	Recycled solvent (propanol, pesticide & coagulant)
Contaminated container	Re-use	Cleaned container
Contaminated rags and gloves	Re-use	Reuse as low-grade rags & gloves
Plastic scrap	Recycle	Plastic pallet for consumer product
Metal waste	Recycle	Precious metal (iron & aluminum bar)
Solder waste	Recycle	New solder wire

At Inari, we also aim to reduce the consumption of new material. These initiatives have contributed to cost savings and allow effective use of materials. We recorded an increase in the recycling and re-use tonnage over the years, derived mainly from:

- Re-use of packaging carton when shifting material and semi-finished goods for inter-warehouse and inter-production floor transfer; and
- Increase the use of recycled plastic trays in our plants rather than reels for material and semi-finished products for inter-production line transfer.

The following table discloses our total waste generated, comprising both hazardous and non-hazardous waste, across our operations in Malaysia, Philippines and China. In comparison to FY2022, Inari recorded a reduction in waste generation, primarily driven by significant reductions in waste output across operations in both Philippines and China.

Waste Generation	Unit	Malaysia			Philippines			China		
		FY2021	FY2022	FY2023	FY2020	FY2021	FY2023	FY2021	FY2022	FY2023
Hazardous Waste <sup>(a)</sup>	MT	109.3	152.8	118.7	78.7	69.6	67.6	24.0	21.7	10.6
Non-Hazardous Waste <sup>(b)</sup>	MT	497.7	545.9	605.8	175.8 <sup>(c)</sup>	179.9 <sup>(c)</sup>	121.8 <sup>(c)</sup>	30.2 <sup>(c)</sup>	48.9 <sup>(c)</sup>	40.8 <sup>(c)</sup>
<b>Total Waste Generated</b>	<b>MT</b>	<b>607.0</b>	<b>698.7</b>	<b>724.5</b>	<b>254.5</b>	<b>249.5</b>	<b>189.4</b>	<b>54.2</b>	<b>70.6</b>	<b>51.4</b>

**Note:**

(a) Hazardous waste covers chemicals, organic and inorganic compounds.

(b) Non-hazardous waste covers paper, plastic, metal and general waste.

(c) Operations in Philippines and China cover paper and carton box consumption only.

## SUSTAINABILITY STATEMENT

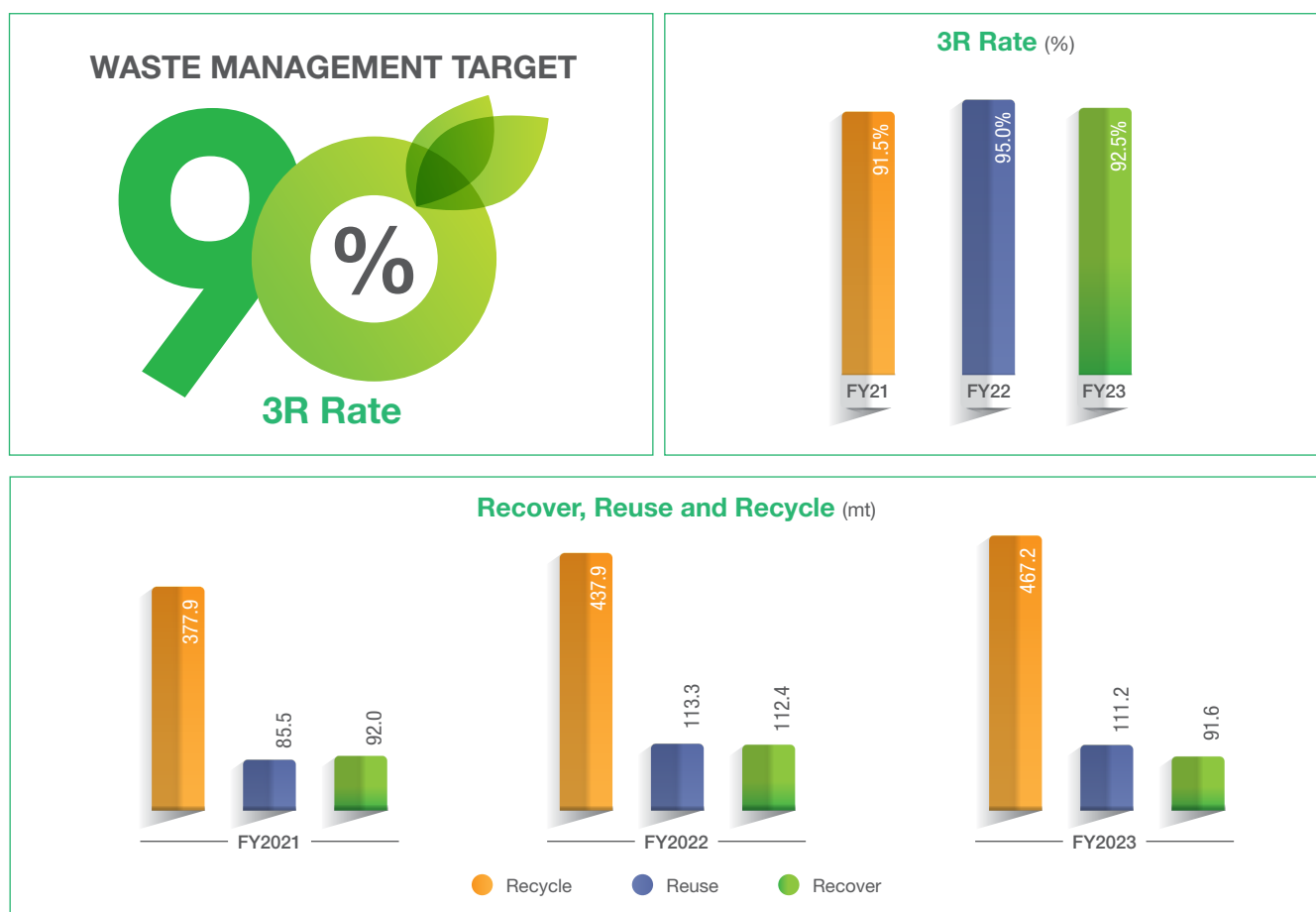
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## ENVIRONMENT (cont'd)

## - Caring for our Planet

## WASTE MANAGEMENT (cont'd)

In Malaysia, we have set our production waste management target with the aim of achieving 90% 3R rate. The following charts present our 3R Programme performance at our Malaysia operating site.



## PRODUCT STEWARDSHIP

Our stringent product stewardship initiatives ensure our manufacturing meets top-tier quality and safety standards throughout their life cycle. Our goal is to equip customers and stakeholders with valuable skills and high product quality.

Our production and product development adhere to European Union standards on hazardous substances.

To comprehensively address environmental, safety, and health risks associated with our products and services, we conduct thorough evaluations. We collaborate closely with customers and suppliers, supporting research and development to monitor impacts and ensure product safety and sustainability. These assessments culminate in structured Safety Data Sheets, outlining product hazards, risks, and alignment with local regulations.



## SUSTAINABILITY STATEMENT

cont'd

### WORKPLACE

– *Caring for our People*

#### EMPLOYER OF CHOICE

On 7 December 2022, we are honoured to have received the prestigious award of 'Best Employer 2022', presented to us by the Employees' Provident Fund, Malaysia. This recognition serves as a testament to our unwavering commitment to fostering an exceptional work environment for our valued employees.



As we move forward, we pledge to build upon this achievement and further enhance our commitment to the well-being and development of our workforce.

#### EMPLOYEE GENDER, DIVERSITY AND INCLUSION

We recognise the strength in having a diverse workforce and inclusive environment. As a part of our strategic priorities and corporate DNA, we build a fair culture of inclusiveness where employees are treated and valued equally regardless of age, race, gender, disability, nationality, religion, or sexual orientation. We ensure that all our employees are treated with respect and dignity and are provided with a safe working environment.

We are actively committed to advancing workforce diversity and fostering equal opportunities while combating discrimination. To underscore this commitment, we have implemented an Anti-Discrimination Policy. It is our policy that recruitment decisions are conducted based on the equal opportunity, we are not allowed to practise any discrimination or discriminatory business in recruitment whereby all job applicants, job advertisements, job descriptions do not require, publish or state any information on race, colour, age, gender, sexual orientation, gender identity, ethnicity, disability and/or special needs, religion, political affiliation, union membership, national origin, marital status. Additionally, we are committed to ensuring employees with disabilities and/or special needs are accommodated with special programs and accessibility mechanisms ensuring their safety and health remains to be the ultimate consideration during their employment terms. To promote inclusion, we created an office space at ground floor to cater for those who had health issues and had difficulties climbing the staircase as one of the actions implemented for avoidance, prevention and mitigation of human rights issues.

We remain committed to offering equal opportunities and providing a working environment that is free of discrimination or harassment. This is translated in our Code of Business Conduct and Ethics where we prohibit our directors and employees to engage in any form of sedition, discrimination, and harassment, including those which are made based on age, race, gender, disability, nationality, religion or sexual orientation. Our Policy is supporting the community by employment of under-privileged groups, including those from deprived backgrounds, having poor social status and with no formal education or qualifications.

# SUSTAINABILITY STATEMENT

cont'd

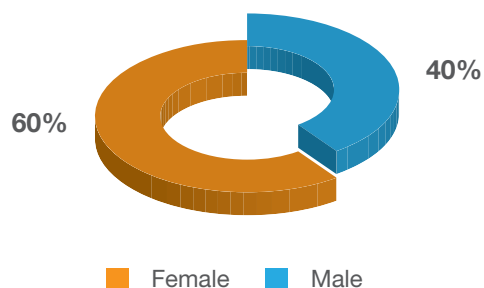
## WORKPLACE (cont'd)

– Caring for our People

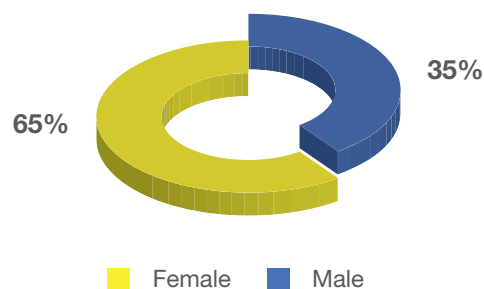
### EMPLOYEE GENDER, DIVERSITY AND INCLUSION (cont'd)

In addition, we are committed in ensuring that no employees shall be paid of remuneration, whether payable in cash or in kind, at rates less favourable than those at which remuneration is to the employees of the opposite sex for performing the same work or work of a similar nature. In adhering to equality in remuneration without any discrimination, we had never made any deductions of the rate of remuneration for any employees.

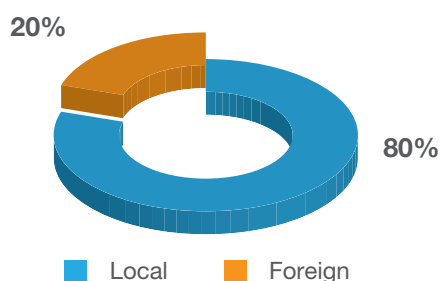
**Distribution by Gender (%)**  
**FY2022**



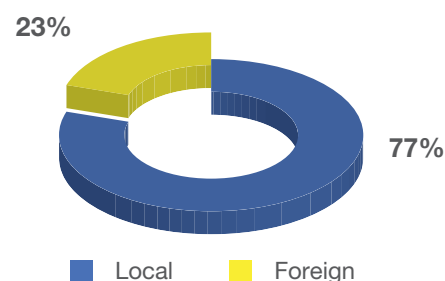
**Distribution by Gender (%)**  
**FY2023**



**Distribution by Local and Foreign Employment (%)**  
**FY2022**



**Distribution by Local and Foreign Employment (%)**  
**FY2023**



## SUSTAINABILITY STATEMENT

cont'd

**WORKPLACE** (cont'd)

– Caring for our People

**EMPLOYEE GENDER, DIVERSITY AND INCLUSION** (cont'd)

Employee Distribution	Percentage (%)		
	FY2021	FY2022	FY2023
<b>By Gender</b>			
Male	36.0	40.0	35.0
Female	64.0	60.0	65.0
<b>By Nationality</b>			
Local	78.0	80.0	77.0
Foreign	22.0	20.0	23.0
<b>Contractors or Temporary Staff</b>			
Malaysia	0.0	0.0	0.0
Philippines	23.9	18.7	26.6
China	51.0	54.0	31.0
<b>Disabilities</b>			
Malaysia	0.1	0.1	0.1
Philippines	0.0	0.0	0.2
China	0.5	0.4	0.4

Employee Turnover	Headcount		
	FY2021	FY2022	FY2023
<b>By Employee Category*</b>			
Manager and above	20	13	24
Executive	83	106	99
Non-Executive	1,185	1,241	933

**Note:**

\* Excluding interns and short-term contract workers.

**SUSTAINABILITY STATEMENT**

cont'd

**WORKPLACE** (cont'd)*– Caring for our People***EMPLOYEE GENDER, DIVERSITY AND INCLUSION** (cont'd)

Among our workforce of dedicated employees, 65% comprises women, underscoring our commitment to gender diversity. Our reliance on foreign workers has been prudently maintained at a minimum level of 23% this year, reflecting our commitment to local employment. The foreign workers at our operations comprise Indonesians, Burmese, Nepalese, and Vietnamese. For our operations in China and Philippines, 99.5% of our employees comprise of local hires.

Our Inari employees turnover has reduced by 22% in FY2023 if compared to FY2022. Despite that, we continue to actively recruit new talent for our organization. Our commitment to fostering growth means that we are always on the lookout for talented individuals who can contribute to Inari's success. This strategic approach ensures that we have the right people in place to seize opportunities and navigate challenges effectively, positioning us for continued growth and innovation.

**EMPLOYEE DEVELOPMENT AND TALENT RETENTION**

We value continuous learning for our employees' personal and professional advancement. Through diverse professional development, training, and programs, we elevate Group-wide performance and quality standards. It is imperative we invest in the capabilities of our employees to remain at the forefront of innovation.

Our approach involves a human capital management development framework that encompasses the following:

- Management Talent Development Programmes
- Supervisory Level Development Programmes
- Technical Engineering and I4.0 Upskilling Programmes
- Machine Operation Training, Supplier Responsibility Compliance, Electrostatic Discharge Rules and Environment, Health & Safety Practices

## SUSTAINABILITY STATEMENT

cont'd

### WORKPLACE (cont'd)

– Caring for our People

#### EMPLOYEE DEVELOPMENT AND TALENT RETENTION (cont'd)

Below we summarise the types of training and development programmes conducted at Inari.

##### Orientation

We ensure that all new employees understand the corporate activities, values and business unit performance-based culture by undergoing the orientation programme, held within the first week of their commencement. Topics including corporate culture, organisational structure, safety and health, overview of career paths, benefit plans, administrative procedures, key corporate policies and procedures will be shared. They are also instructed about the importance of the Code of Business Conduct and Ethics, Anti-Corruption and Bribery Policy, as well as the Whistleblowing Policy and Procedures.

##### Onboard Training

The onboarding training is prepared by respective department leaders to focus on departmental goals and in engaging employees with the overall company objectives. The purpose of the training is to address employee needs and provide them with easy access to information and skills needed to deliver their job efficiently.

##### Mandatory Training

As Inari operates in specific industrial areas, we ensure that employees are prepared and trained on all applicable regulations. Mandatory training that employees are required to undergo are corporate governance, anti-bribery and corruption training, OSH training as well as environmental training.

##### Technical Skills Development Training

We conduct various training to develop employees' technical skills for the performance delivery including big data analysis, coding & programming, technical writing and database software. The necessary training is conducted regularly based on the latest industry developments to ensure employees knowledge and skill set are up-to-date.

##### Soft Skills Development Training

Soft skill training is conducted periodically to enable our employees to interact effectively with other people in the workplace. Topics covered in our soft skills training include presentation skill, communication skill, leadership skill, emotional intelligence, teamwork, and others.

## SUSTAINABILITY STATEMENT

cont'd

**WORKPLACE** (cont'd)

– Caring for our People

**EMPLOYEE DEVELOPMENT AND TALENT RETENTION** (cont'd)

In FY2023, across all our operations, we have conducted a total of 44,129 hours of training, with an average of 7 training hours per employee.

Total number of training hours	FY2021	FY2022	FY2023
<b>By Gender</b>			
Female	8,419	12,520	15,989
Male	13,288	18,389	28,140
<b>By Employee Category</b>			
Manager and above	1,911	2,003	3,032
Executive	8,240	11,336	16,502
Non-executive	11,556	17,570	24,595

Average number of training hours per employee	FY2021	FY2022	FY2023
<b>By Gender</b>			
Female	4	7	4
Male	13	16	13
<b>By Employee Category</b>			
Manager and above	18	18	28
Executive	19	24	30
Non-executive	2	3	4

Average training hours per employee	No. of hours
FY2021	4
FY2022	5
FY2023	7

Male employees have recorded higher training hours than female employees mainly due to majority of the engineer teams are male, thus, technical training hours recorded are higher.

**Compensation and Benefits**

We recognise that Inari's success is driven by a committed workforce, and therefore we strive to empower employees through a supportive corporate culture that ensures their well-being is taken care of. We comply with the standard minimum wage laws within each country we operate in, with a minimum entry level wage to minimum wage ratio of 1:1. Often, we go beyond the minimum wage laws and take pride in valuing our employees by offering wages that exceed the mandated threshold for minimum wage. In addition to providing our employees with fair remuneration packages, we also provide eligible employees to receive remuneration in the form of share options as stipulated in our Employees' Share Option Scheme and performance bonus. Benefits, promotions, recognition, rewards and increments are solely based on the employee's performance and merit, where 100% of our employees received a performance review. We ensure the salary scale is benchmarked on a periodic basis against industry peers to compensate and reward our employees fairly.



## SUSTAINABILITY STATEMENT

cont'd




### WORKPLACE (cont'd)

– Caring for our People

#### EMPLOYEE DEVELOPMENT AND TALENT RETENTION (cont'd)

##### Compensation and Benefits (cont'd)

The following are some of the benefits and privileges provided to our employees.

Insurance/Medical Coverage 	In-house Facilities 	Employees with Special Needs 
<ul style="list-style-type: none"> <li>■ Executive health screening</li> <li>■ Free medical attention and treatment by medical practitioner duly appointed by Inari</li> <li>■ Hospitalisation scheme extended to the employees' family or dependents</li> <li>■ Outpatient medical benefits extended to employees' family or dependents</li> <li>■ Personal accident, hospitalisation and term life insurance coverage to permanent employees</li> <li>■ Social insurance</li> </ul>	<ul style="list-style-type: none"> <li>■ Car parking space</li> <li>■ Hostel for operators</li> <li>■ Personal lockers</li> <li>■ Prayer rooms</li> <li>■ Transport services</li> <li>■ 24-hour canteen</li> </ul>	<ul style="list-style-type: none"> <li>■ Dedicated mother's nursing room</li> <li>■ Dedicated parking spaces for disabled employees</li> <li>■ An office space at ground floor to cater for health issues and disabled employees</li> <li>■ Sickbay for sick employees</li> </ul>

#### HUMAN AND LABOUR RIGHTS

Inari are committed to respect and support the protection of internationally proclaimed human rights by adopting our key customer's Code of Conduct and Human Rights Policy that is based on internationally recognised human rights as set out in the United Nations' International Bill of Human Rights, the International Labour Organisation's Declaration on the Fundamental Principles and Rights at work as well as the UN Guiding Principles for Business and Human Rights ("UNGPs"). In line with this, Inari's employment practices uphold its belief for fair employment, and therefore is committed to protecting the human and labour rights of all our employees.

Our actions implemented to avoid, prevent, and mitigate human rights issues include, but are not limited to, the following:

##### ✓ Dedicated resources to oversee human rights matters

The Board of the Group has the oversight responsibility to ensure respect for human rights. In addition, the day-to-day responsibilities and resources to ensure respect for human rights have been clearly assigned to Human Resource ("HR") department. Our Human Resources and Administrative department oversee all issues regarding human rights, forced and child labour and ensures protection of our employees' rights. They are responsible for implementing and making sure that our operations comply with regulations mandated by the Department of Labour.

## SUSTAINABILITY STATEMENT

cont'd

**WORKPLACE** (cont'd)*– Caring for our People***HUMAN AND LABOUR RIGHTS** (cont'd)**✓ Established policy**

Our Company policy on labour standards is translated into relevant languages such as Bahasa Malaysia, Bahasa Indonesia and Chinese to promote better understanding. We highlight the following clauses in our Human Resource Policy:

- Humane Treatment and Non-discrimination
- Zero Tolerance to Harassment
- Respect Human Rights
- Freedom of Association and Collective Bargaining
- Availability of Grievance Channel
- Child Labour and Forced Labour Prohibition
- Working hours do not exceed the maximum set by local law
- Wages and benefits comply with all applicable wage laws
- Occupational Safety and Health
- Anti-Corruption and Bribery

Likewise, mirroring our commitment to ethical practices, we have incorporated human rights elements in our Supplier Code of Conduct which serves as a mandate requiring our suppliers to support the protection of human rights and prohibit any forced labour and child labour to ensure responsible supply chain management.

**✓ Training and communication**

Annually, minimum two training sessions pertaining to social responsibilities including human rights are conducted in February and August respectively with the support from in-house Training department. For Direct Labour, training is conducted physically and for Indirect Direct Labour & above, it was conducted online. At the end of the training, employees will undertake an assessment to ensure that they are effectively trained in human rights policy. Additionally, we also disseminate information related to human rights through television at canteens or via posters.

Our managers are trained to handle reports and instances of bullying and harassment.

Our training and communication extend beyond our employees, we also conduct periodic supplier responsibility training to our suppliers, ensuring they are equally well-versed and aligned with our values and expectations.



## SUSTAINABILITY STATEMENT

cont'd

### WORKPLACE (cont'd)

– Caring for our People

#### HUMAN AND LABOUR RIGHTS (cont'd)

##### ✓ Ongoing assessment

Risk Assessment regarding any potential labour issues is included in the due diligence checklist to be carried out for potential new operations or projects. In addition, we proactively assess the impact of human rights risk to the Company on an on-going basis, as part of core business processes via our CSR committee on a quarterly basis.

##### ✓ Grievance management

In our ongoing pursuit of open communication and continuous improvement, we facilitate various avenues for employees to express their opinions and ideas. We have established whistleblowing mechanism, feedback channel and grievances systems to allow employees to report genuine cases of human and labour rights related issues, child labour, forced labour, discrimination, bullying and harassment. To ensure a confidential and impartial channel, an independent third party oversees a dedicated toll-free hotline where employees can confidently raise any concerns or reports. Other avenues also include regular roundtable and town hall sessions held throughout the year.

In cases where employees are confirmed affected by such issues, we are committed to compensating them for any losses and damages in accordance with the legal requirements.

##### ✓ Dormitories management

We ensure our workers, both local and foreign, are provided with adequate and safe accommodation with more space per individual as stipulated in the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 (Act 446). The building facilities provided include a multi-purpose hall, canteen/ cafeteria, management office, reading and television room, security, mini-mart, common surau, among others. In June 2022, the Penang State Labour Office conducted an audit at the dormitory building and has certified our compliance on Section 24D(2) Akta Standard Minimum Perumahan, Penginapan dan Kemudahan Pekerja 1990 until 15 September 2025.



*Dormitory building dedicated to employees (Penang)*



*Spacious dormitory rooms*



*Laundry facilities within the dormitory*

**SUSTAINABILITY STATEMENT**

cont'd

**WORKPLACE** (cont'd)

– Caring for our People

**HUMAN AND LABOUR RIGHTS** (cont'd)✓ **Dormitories management** (cont'd)

Common area within the dormitory building with various amenities



Computer room



Training room



Spacious and modern design dormitory rooms (China)

## SUSTAINABILITY STATEMENT

cont'd

### WORKPLACE (cont'd)

– Caring for our People

### HUMAN AND LABOUR RIGHTS (cont'd)

#### ✓ Child Labour and Forced Labour Prohibition

At Inari, we do not tolerate or condone any use of child labour or forced labour. We comply fully with the regulations and local laws of the countries we operate in. We practice free employment market and ensure all hirings are on voluntary basis.

We are committed to having regular stakeholder engagement and consultation with regulators on human rights issues. On 10 March 2022, our Malaysia Plant's HR head of department attended National Forum Series on National Action Plan on Forced Labour. The forum was organised by HRD Corp National Forum Series which is a platform that brings together government representatives, industry players and subject matter experts to discuss a wide range of pressing issues around human resources and human capital development in Malaysia.

Consequently, our Code of Business Conduct and Ethics prohibits the use of forced labour, human trafficking and exploitative child labour and we expect suppliers and/ or vendors to respect this principle as well. As stipulated in the Supplier Code of Conduct, Inari reserves the right to terminate its trading agreement if the supplier is unable to demonstrate his commitment to this policy. Additionally, it is our Policy that we will verify a copy of valid and appropriate age verification documentation to avoid hiring of underage labours. All Human Resource staffs were also being briefed on the minimum age for hiring, appropriate age documentation and verification systems. In addition, we also established an anonymous reporting flow for all employees to report the existence of underage workers, if any, at the facility. We have established several mechanisms for employees to report grievances and facilitate open communication between management and employees, regarding their grievances which include child and forced labour issues. There were zero cases reported for child labour or forced labour, discrimination, or grievances on human rights since our incorporation.

#### ✓ Fair Treatment in Managing Foreign Labour

We only employ foreign workers with complete legal work permits. At Inari, we strictly prohibit the unlawful withholding of wages, passports, or other personal documents. We do not require them to lodge any form of monetary deposits as a condition of employment and no recruitment fees are charged back to the workers. We abide strictly to the law that employees must receive at least minimum wages and that wage deductions are not imposed as disciplinary measure. Our foreign workers are given a contract of employment and are entitled to similar benefits as local employees as stated in our Wages, Benefits and Contracts Policy. Furthermore, we ensure that foreign workers are aware of their entitlements by communicating with them in their local language for better understanding.

#### ✓ Freedom of Association and Collective Bargaining

It is our Policy that we shall respect workers' lawful rights and freely allow workers to form or participate in organisations of their choosing, including but not limited to unions, worker committees, or other worker associations, and bargain collectively without interference, discrimination, retaliation, or harassment.



## SUSTAINABILITY STATEMENT

cont'd

**WORKPLACE** (cont'd)

– Caring for our People

**HUMAN AND LABOUR RIGHTS** (cont'd)✓ **Working Hours and Rest Period**

Our dedication to upholding employee well-being is reflected in our commitment to providing reasonable work hours and ample rest periods, ensuring full adherence to local regulatory mandates. Our employees are entitled to annual leave, sick leave, marriage leave, bereavement leave and maternity leave. Our working hours strictly adhere to the local rules and regulations, ensuring full compliance with labour laws. Furthermore, we are dedicated to upholding the rights of our employees, ensuring that all our employees are entitled to all public holidays gazetted by the local government.

**OCCUPATIONAL SAFETY AND HEALTH (“OSH”)**

In safeguarding the well-being of our employees, we are committed to stringent health and safety practices and a good work environment. The well-being of our employees is enhanced by the commitment of our management team at all levels and requires their close monitoring of the business units' safety performance. As we strive to achieve zero injuries and casualties at our production plants, safety awareness is essential to avoid accidents and prevent occupational illness.

**OSH Policy**

Inari provides a safe and healthy workplace for its employees, and therefore, has established an OSH Policy that is committed to:

- Making OSH a core value of everything we do;
- Having a risk-based process in place for the identification, classification and control of hazards and risks;
- Providing all employees, contractors and visitors with relevant information, operational controls and regular training on OSH requirements to enable them to conduct their activities safely;
- Providing a positive culture in which employees, contractors and visitors feel free to share their concerns about non-conformance, undesirable, unsafe situations or any OSH related issues;
- Implementing effective approaches to protect people from safety and health risks;
- Being fully transparent in the periodic reporting on OSH performance;
- Consulting and collaborating with employees and other stakeholders on OSH matters;
- Complying with all applicable laws and regulations which apply to our business.



# SUSTAINABILITY STATEMENT

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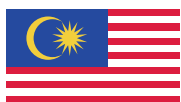
## WORKPLACE (cont'd)

– Caring for our People

### OCCUPATIONAL SAFETY AND HEALTH (“OSH”) (cont'd)

#### OSH Policy (cont'd)

In ensuring we provide a healthy and safe working environment, 100% of our operations are in compliance with the relevant OSH regulations or are ISO 45001:2018 certified.



**100%**  
COMPLIANCE

Malaysia Occupational Safety and Health Act 1994



**100%**  
COMPLIANCE

Philippines Occupational Safety and Health Standards



**100%**

China ISO 45001:2018 certified

#### Incident Reporting and Investigation

To ensure proper management of safety and health issues at our plants, we implement a standard operating procedure for identification of any workplace hazards or risks and to develop control measures to minimise these risks from occurring. All employees, visitors and contractors are informed of our incident reporting platforms and are encouraged to report any risky or unsafe conditions to the supervisor.



In the event of an incident or unsafe work condition occurring, an initial investigation will be carried out by the supervisor which they will report to the EHS department within 24 hours. Once the report has been reviewed by the EHS department, if necessary further investigation will be conducted and requests for corrective actions will be sent to the respective Area Manager to develop and implement the next steps for preventing recurrence. Where applicable, the Head of Department and Human Resource department may take the appropriate disciplinary action for those involved in unsafe acts or conditions. Management periodically reviews opportunities for continual improvement when necessary.

## SUSTAINABILITY STATEMENT

cont'd

**WORKPLACE** (cont'd)

– Caring for our People

**OCCUPATIONAL SAFETY AND HEALTH (“OSH”)** (cont'd)**OSH Awareness Training**

Safety is paramount at Inari. We prioritize comprehensive employee training in safety protocols and regularly conduct drills to bolster awareness and skills. Our OSH training aligns with regulations, ensuring employees possess the necessary competencies to work securely. The types of training conducted include incident management, hazard management, as well as emergency preparedness and response. During this reporting period, all employees attended trainings or refresher courses on safety and health.

These trainings include:



Number of staffs trained on health and safety standards for the past 3 years as shown below:

Year	Malaysia	China	Philippines
FY2021	910	427	70
FY2022	1,451	480	868
FY2023	1,906	356	671

## SUSTAINABILITY STATEMENT

cont'd

**WORKPLACE** (cont'd)

– Caring for our People

**OCCUPATIONAL SAFETY AND HEALTH (“OSH”) (cont'd)****Managing OSH Performance**

Our OSH committee is responsible for monitoring, recording and reporting the Group’s occupational safety, health and environment performance. They also report on measures carried out towards the prevention of accidents. Through our stringent efforts, we have successfully managed to record zero case of occupational fatality or work-related illnesses within the Group. OSH committee is responsible for Risk Assessment regarding health and safety for existing operations and plants as well as potential new operations or projects as part of the due diligence process.

Our continuous efforts aim to:

- Limit the number of incidents in the workplaces;
- Perform evacuation exercises in facilities with difficult escape paths;
- Improve hazard control, notably in hazardous chemical work areas; and
- Improve the safety of equipment or activities, with a special emphasis on lifelines.

Injury Type/Rate	Units	FY2021	FY2022	FY2023
<b>Malaysia</b>				
Number of injury incidents	no.	– (b)	1	1
Number of fatalities	no.	– (b)	– (b)	– (b)
Number of work-related illness	no.	– (b)	– (b)	– (b)
Number of worked days lost	days	– (b)	2	21
Incident rate	rate	– (b)	0.27	0.23
Frequency rate	rate	– (b)	0.10	0.09
Severity rate	rate	– (b)	0.20	1.86
Fatality rate	rate	– (b)	– (b)	– (b)
Lost Time Injury Frequency (LTIF) <sup>(a)</sup>	Percentage (%)	– (b)	0.10	0.09
<b>Philippines</b>				
Number of injury incidents	no.	13	4	4
Number of fatalities	no.	– (b)	– (b)	– (b)
Number of work-related illness	no.	– (b)	– (b)	– (b)
Number of worked days lost	days	53	4	4
Incident rate	rate	7.28	2.24	1.70
Frequency rate	rate	2.92	0.81	0.62
Severity rate	rate	11.9	0.81	0.82
Fatality rate	rate	– (b)	– (b)	– (b)
Lost Time Injury Frequency (LTIF) <sup>(a)</sup>	Percentage (%)	2.92	0.81	0.62

# SUSTAINABILITY STATEMENT

cont'd

## WORKPLACE (cont'd)

– Caring for our People

## OCCUPATIONAL SAFETY AND HEALTH (“OSH”) (cont'd)

### Managing OSH Performance (cont'd)

Injury Type/Rate	Units	FY2021	FY2022	FY2023
<b>China</b>				
Number of injury incidents	no.	– (b)	1	– (b)
Number of fatalities	no.	– (b)	– (b)	– (b)
Number of work-related illness	no.	– (b)	– (b)	– (b)
Number of worked days lost	days	– (b)	5	– (b)
Incident rate	rate	– (b)	2.1	– (b)
Frequency rate	rate	– (b)	0.80	– (b)
Severity rate	rate	– (b)	4.0	– (b)
Fatality rate	rate	– (b)	– (b)	– (b)
Lost Time Injury Frequency (LTIF) <sup>(a)</sup>	Percentage (%)	– (b)	0.80	– (b)

#### Note:

(a) Rates are calculated based on the formulas as follows:

Incident Rate	No. of accidents/average no. of employees x 1000
Frequency Rate	No. of accidents/total man-hours worked x 1,000,000
Severity Rate	No. of worked days lost/total man-hours worked x 1,000,000
Fatality Rate	No. of fatalities/average no. of employees x 1000
Lost Time Injury Frequency	No. lost time injuries/total man-hours x 1,000,000

(b) No cases reported.

## SUSTAINABILITY STATEMENT

cont'd

### WORKPLACE (cont'd)

– Caring for our People

### OCCUPATIONAL SAFETY AND HEALTH (“OSH”) (cont'd)

#### Managing OSH Performance (cont'd)

Below is the summary of 5 minor injuries and corrective measures at our operations:

Type of Injury	Causes	Corrective Action	Preventative Action
<b>Malaysia</b>			
Laceration of finger (Malaysia)	<ul style="list-style-type: none"> <li>Poor coordination where the operator triggered the activation sensor while troubleshooting, leading the upper plate clamping down and pinching the technician's finger who was repairing the equipment</li> </ul>	<ul style="list-style-type: none"> <li>Re-brief on handling tester and more aware of machine movement</li> </ul>	<ul style="list-style-type: none"> <li>Add additional label at machine indicating 1 person only during operation or maintenance</li> <li>Put tagging during maintenance</li> </ul>
<b>Philippines</b>			
Laceration of right-hand palm (Philippines)	<ul style="list-style-type: none"> <li>Use of wrong tools and carrying object without using Personal Protective Equipment</li> </ul>	<ul style="list-style-type: none"> <li>Issue right tools and provide proper Personal Protective Equipment</li> </ul>	<ul style="list-style-type: none"> <li>Department who transfers work must ensure transfer work form signed by Safety Officer and FED to proceed</li> </ul>
Punctured (Philippines)	<ul style="list-style-type: none"> <li>Sharp end of syringe accidentally falls on the floor</li> </ul>	<ul style="list-style-type: none"> <li>Clean the area</li> </ul>	<ul style="list-style-type: none"> <li>Improve dedicated container used to store the used needles</li> </ul>
Contusion on the left forearm and left pelvis (Philippines)	<ul style="list-style-type: none"> <li>Slippery at the metal drainage cover</li> </ul>	<ul style="list-style-type: none"> <li>Seal the pathway and reroute the walkway</li> </ul>	<ul style="list-style-type: none"> <li>Install rubber mat on the metal drainage cover</li> </ul>
Plastic burr to the eyes (Philippines)	<ul style="list-style-type: none"> <li>Excess plastic burr accidentally hit on the eyelid</li> </ul>	<ul style="list-style-type: none"> <li>Disallow operators to remove any excess plastic burr in the jig</li> </ul>	<ul style="list-style-type: none"> <li>Only authorised technician is allowed to clean the excess plastic burr, with proper Personal Protective Equipment</li> </ul>

For each incident occurred, we have conducted a root cause analysis investigation and with the finding, developed the necessary corrective actions and revised our preventative measures to avoid occurrence in the future.

We will continue to be vigilant and commit to safeguard the health and safety of our employees by enforcing tighter controls to mitigate possible safety risk identified.

## SUSTAINABILITY STATEMENT

cont'd

**WORKPLACE** (cont'd)*– Caring for our People***EMPLOYEE WELFARE**

Inari's strength is its workforce and we take great efforts to take care of the wellbeing of our employees. As such, we invest in the health and welfare of employees and are committed to producing a caring and supporting community.

**Employee Wellness Activities**

To further enrich our commitment to fostering a thriving work-life balance, at Inari, we place a paramount emphasis on maintaining the well-being of our employees. To this end, we have curated an array of diverse programs and engaging activities for employees to participate. The aim is not only to alleviate stress but also to cultivate an environment where positive relationships among co-workers flourish, nurturing a sense of unity and support. In pursuit of this mission, our employee sports clubs organise events such as weekly indoor fitness classes like yoga, or sports events such as bowling, volleyball, badminton and basketball tournament.





## SUSTAINABILITY STATEMENT

cont'd

### WORKPLACE (cont'd)

– Caring for our People

#### EMPLOYEE WELFARE (cont'd)

##### Employee Engagement Survey

We conduct employee engagement surveys annually to gather feedback and understand the views of our employees at Inari. The surveys are collected by our Human Resource team which then help analyse areas where the Company can improve and identify any major concerns that our employees may have and how to address them accordingly.

For this reporting period, our engagement survey's overall scores recorded at 95%. The components of this year's survey focus on four (4) key aspects of employees' satisfaction with respect towards human rights and labour practices, learning and development, Compensation, and safe workplace, with 80% response rate as below:

Survey Questions	Score (%)
<b>Human Rights</b>	
1. My opinions are being heard by my manager.	93%
2. My working team members are supportive.	97%
3. My manager gave me clear directions and expectations for me to perform my task.	93%
4. My manager understands my problems and constrains at work.	90%
5. My manager has a development plan for me.	92%
6. My department practices openness, individual respect among the team members.	93%
7. The employee engagement and recreation activities are exciting.	95%
8. I am interested and supportive of employee programmes and activities.	96%
9. I have a positive working and teamwork relationship in my department.	95%
10. My manager encourages and cultivates the teamwork among the department.	96%
11. I have a 'Work Life Balance' working in the Company	93%
12. The Company practices two-way communication.	98%
13. The existing communication channel in the Company such as e-mail, telephone and memo are effective and helpful to me.	93%
<b>Learning and Development</b>	
1. The Company provides me a development plan and opportunity.	93%
2. I can foresee my skills, knowledge and competency development progression in the next few years to come in order to enhance my career with the organization.	94%
3. I need training and development to enhance my skills, knowledge and competency for my current job.	97%
<b>Remuneration</b>	
1. The salary and benefit provided by the Company is attractive and reasonable to me.	93%
2. My current salary and benefits package has been better progressively.	94%
<b>Safe Workplace</b>	
1. The organization values and promotes a healthy and safe work environment.	97%
2. I feel safe with my working station/office.	100%
3. I feel secure and protected at work.	100%
<b>Overall results</b>	<b>95%</b>

Apart from employee engagement survey, we provide various mechanisms such as Festive Celebration Session and Employee Appreciation Dinner to allow employee representatives to engage with Company's Senior Management.

## SUSTAINABILITY STATEMENT

cont'd

## LOCAL COMMUNITIES

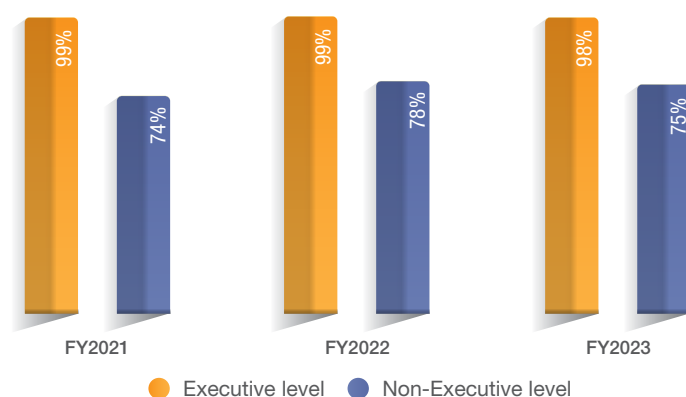
## – Giving Back

Inari strives to be a responsible corporate citizen by giving back to the surrounding communities in which we operate and to create a positive impact in the long-term. Through our various Corporate Social Responsibilities (“CSR”) initiatives including our internship programmes, we utilise our knowledge and experience to give back to communities.

## Local Employment

In supporting the communities, we operate in, hiring local is a priority whenever possible to boost local economies and increase social well-being. Providing job opportunities is a valuable resource that we as a business can offer to enable people to reach their potential. Across our operations in Malaysia, Philippines, and China, we work to employ locally, especially at our production facilities. We have increasingly hired locally over the years as we recognise its importance.

Proportion of Local Hires (%)

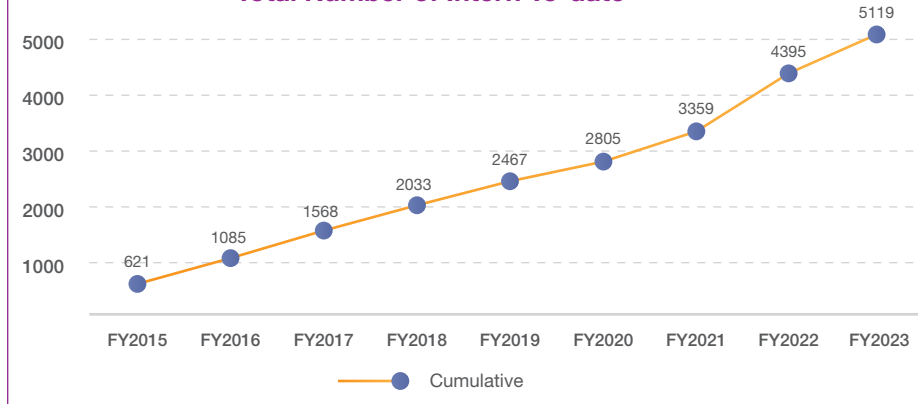


## Internship Programme

To enhance the sustainability of our business, our internship programme enables us to cultivate future talents. By doing so, we establish deeper relationships and provide interns with the opportunity to gain skills and hands-on experience that will enable them to be successful in their careers. Our internship programme commenced in FY2015 through the collaboration with various higher institutions and colleges in Malaysia to take in industrial interns to expose them to a working environment where they are able to apply the knowledge from the classroom to real-world experience. Since FY2015, we have offered this opportunity to a total of 5,119 interns.



Total Number of Intern To-date



## SUSTAINABILITY STATEMENT

cont'd

### LOCAL COMMUNITIES *(cont'd)*

#### – Giving Back

#### Local Communities Development

We recognise the importance of giving back to the communities we operate in and do so through various contributions and donations, as well as other CSR programmes. We work to create a positive impact to our local communities especially those that are underserved. Through our working committee, we organise CSR programmes to be centred on providing support to indigenous communities and charitable institutions, with a focus on distribution of food items and donation drives to help with everyday necessities.

Total Volunteered Hours	No. of hours
FY2021	3,600
FY2022	14,990
FY2023	28,765

Total Amount Invested in the Community	Internal Amount (RM)	External Amount (RM)	Total Amount (RM)
FY2021	258,384	429,126	687,510
FY2022	44,699	237,340	282,039
FY2023	119,727	276,480	396,207

We have contributed a total of RM3.19 million both cash and in-kind since FY2018.

In FY2023, we have contributed a total of RM276,480 cash and in-kind to more than 10 charities, non-profit organisation and education institutions across the region. Below summaries some of our contributions this year for our CSR activities.



#### Sponsorship for Robomania 2022

On 24 September 2022, Inari is one of the sponsors for Robomania 2022 event which is organised by Tech Dome Penang.

#### Gotong Royong to clean the neighbourhood

On 20 May 2023, a total of 50 employees from Inari participated in gotong royong activity to clean the neighbourhood at Bandar Cassia, Batu Kawan and Gertak Sanggul, Teluk Kumbar Penang.



## SUSTAINABILITY STATEMENT

cont'd

## LOCAL COMMUNITIES (cont'd)

– Giving Back

## Local Communities Development (cont'd)



## Trash Free Hill 2022

On 7 October 2022, a total of 50 employees from Inari participated in the Trash Free Hill 2022 event. The main objective of this event is to help protect and preserve Penang Hill and its water catchment areas, and to increase public awareness of keeping Penang Hill clean and rubbish free.

## Donation of essential items to Children's Home

On 13 April 2023, Inari has donated essential items and have a Buka Puasa session with children of Pusat Jagaan Permata Kasih Mengkuang.



## Environmental Awareness Program with Children in conjunction with the World Environment Day 2023

On 6 and 7 June 2023, both Inari and Jabatan Alam Sekitar Penang have participated the "Environmental Awareness Program with Children" organised by Sekolah Kebangsaan Permatang Pasir in conjunction with the Environment Day 2023. This 2-days program has involved the participation of 75 pre-school students.

## Donation of essential items to Children's Home

On 29 June 2023, Amertron Philippines has donated essential items to Duyan ni Maria Children's Home.





## SUSTAINABILITY STATEMENT

cont'd

### LOCAL COMMUNITIES (cont'd)

– Giving Back

#### Local Communities Development (cont'd)



#### Medical Mission at Community Outreach Program

On 21 May 2023, Amertron medical doctors, ERT and HR team attended to the medical needs of the elderly and children of the Barangay Sto Nino Magalang providing medicines and vitamins.

#### Donation of printers to local school

On 5 June 2023, we have donated 3 printers to Tinajero National High School, a local school in Philippines.



#### Visit with a cause at St. Nicholas' Home

On 20 December 2022, 20 Inari-ians gathered at St. Nicholas' Home (Blind and visually impaired community) to come together to help clean their reading room/library. We offered them with the essential items and has made a donation of RM2k. We were briefed by St. Nicholas representative on the history and mission of the organization.

#### Youth for Environment Project

With our continuous mission to support our partner schools, Amertron Inc has donated shirts for the Youth for Environment Project and Career Guidance Orientation for Grade 10 students of Tinajero National High School Annex on 20 February 2023.



## SUSTAINABILITY STATEMENT

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GRI CONTENT index			
GRI Indicator	Disclosure	Response	Page Number
102-1	Name of the organisation	Company Corporate Structure	3
102-2	Activities, brands, products and services	Management Discussion and Analysis	26-39
102-3	Location of headquarters	Corporate Information	2
102-4	Location of operations	Management Discussion and Analysis	26-39
102-5	Ownership and legal form	Analysis of Shareholdings	259-261
102-6	Markets served	Management Discussion and Analysis	26-39
102-7	Scale of the organisation	Corporate Structure and Audited Financial Statements	3/162-256
102-8	Information on employees and other workers	Sustainability Statement - Employer of Choice, Employee Gender, Diversity and Inclusion Employee Statistics	88-91
102-9	Supply chain	Sustainability Statement - Supply Chain Management	68-71
102-10	Significant changes to the organisation and its supply chain	Management Discussion and Analysis Sustainability Statement - Supply Chain Management	26-39 68-71
102-11	Precautionary principles or approach	Statement of Risk Management and Internal Control	150-155
102-12	External initiatives	Sustainability Statement – Our Sustainability Metrics and Targets Sustainability Statement – Local Community	50-51 107-110
102-13	Membership of associations	Sustainability Statement – Corporate Membership	48-49
102-14	Statement from senior decision-maker	Chairperson's Letter to the Shareholders	22-25
102-16	Values, principles, standards and norms of behaviour	Sustainability Statement – Our Sustainability Journey Thus Far Sustainability Statement – Our Sustainability Governance Corporate Governance Overview Statement	44 45-46 126-144
102-18	Governance structure	Profile of Directors, Profile of Key Senior Management Corporate Governance Overview Statement Sustainability Statement – Our Sustainability Governance	12-21 126-144 45-46
102-40	List of stakeholder groups	Sustainability Statement - Stakeholder Engagement	53-55
102-41	Collective bargaining agreements	Inari does not have collective bargaining agreements. However, it is stated in our Human Resource Policy that all employees have the rights to form and join organisation of their choice. Sustainability Statement - Human and Labor Rights	95 94-99
102-42	Identifying and selecting stakeholders	Sustainability Statement - Stakeholder Engagement	53-55
102-43	Approach to stakeholder engagement	Sustainability Statement - Stakeholder Engagement	53-55
102-44	Key topics and concerns raised	Sustainability Statement - Stakeholder Engagement, Materiality Assessment, Our Sustainability Strategy	48 53-57
102-45	Entities included in the consolidated financial statements	Audited Financial Statements	162-256

## SUSTAINABILITY STATEMENT

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GRI CONTENT index			
GRI Indicator	Disclosure	Response	Page Number
102-46	Defining report content and topic boundaries	Sustainability Statement – Reporting Period and Boundary	42
102-47	List of material topics	Sustainability Statement – Materiality Assessment, Our Sustainability Strategy, Our Sustainability Metrics and Targets	48 50-51 55-57
102-48	Restatements of information	In this Sustainability Statement FY2023, no reported key performance has been restated	-
102-49	Changes in reporting	Sustainability Statement – Reporting Period and Boundary	42
102-50	Reporting period	Sustainability Statement – Reporting Period and Boundary	42
102-51	Date of most recent report	The Company's Annual Report 2022, was published in October 2022. The online version of the Annual Report 2022 can be found online at <a href="https://www.inari-amertron.com/annual-reports.asp">https://www.inari-amertron.com/annual-reports.asp</a>	-
102-52	Reporting cycle	Sustainability Statement – Reporting Period and Boundary	42
102-53	Contact point for questions regarding the report	Sustainability Statement – Point of Contact	43
102-54	Claims of reporting in accordance with the GRI Standards	Sustainability Statement – Reporting Framework and Standards	43
102-55	GRI content index	GRI Content Index	111-121
102-56	External assurance	To be applied in the future	-
<b>GRI 201: Economic Performance</b>			
103-1	Explanation of the material topic and its boundary	Not applicable as it does not reach our materiality consideration.	-
103-2	The management approach and its components	Not applicable as it does not reach our materiality consideration.	-
103-3	Evaluation of the management approach	Not applicable as it does not reach our materiality consideration.	-
201-1	Direct economic value generated and distributed	Audited Financial Statements	162-256
201-2	Financial implications and other risks and opportunities due to climate change	To be applied in the future	-
201-3	Defined benefit plan obligations and other retirement plans	Audited Financial Statements	162-256
201-4	Financial assistance received from government	Audited Financial Statements	162-256



## SUSTAINABILITY STATEMENT

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GRI CONTENT index			
GRI Indicator	Disclosure	Response	Page Number
<b>GRI 202: Market Presence</b>			
103-1	Explanation of the material topic and its boundary	Not applicable as it does not reach our materiality consideration.	-
103-2	The management approach and its components	Not applicable as it does not reach our materiality consideration.	-
103-3	Evaluation of the management approach	Not applicable as it does not reach our materiality consideration.	-
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Inari complies with all applicable minimum wage standards regardless of gender. The entry level for both female and male employees is equivalent to the national minimum wage.	93
202-2	Proportion of senior management hired from the local community	Sustainability Statement - Workplace Sustainability Statement - Local Communities	90 107
<b>GRI 203: Indirect Economic Impacts</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Innovation, Process Innovation and Industry 4.0, Operational Excellence through Innovation	62-67
103-2	The management approach and its components	Sustainability Statement - Innovation, Process Innovation and Industry 4.0, Operational Excellence through Innovation	62-67
103-3	Evaluation of the management approach	Sustainability Statement - Innovation, Process Innovation and Industry 4.0, Operational Excellence through Innovation	62-67
203-1	Infrastructure investments and services supported	Sustainability Statement - Innovation, Process Innovation and Industry 4.0, Operational Excellence through Innovation	62-67
203-2	Significant indirect economic impacts	Sustainability Statement - Innovation, Process Innovation and Industry 4.0, Operational Excellence through Innovation	62-67
<b>204: Procurement Practices</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Supply Chain Management	68-71
103-2	The management approach and its components	Sustainability Statement - Supply Chain Management	68-71
103-3	Evaluation of the management approach	Sustainability Statement - Supply Chain Management	68-71
204-1	Proportion of spending on local supplies	Sustainability Statement - Supply Chain Management	68-71

## SUSTAINABILITY STATEMENT

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GRI CONTENT index			
GRI Indicator	Disclosure	Response	Page Number
<b>GRI 205: Anti-corruption</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures Statement on Risk Management and Internal Control - Internal Audit Function Corporate Governance Overview Statement	58-60 150-155 126-144
103-2	The management approach and its components	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures Statement on Risk Management and Internal Control - Internal Audit Function Corporate Governance Overview Statement	58-60 150-155 126-144
103-3	Evaluation of the management approach	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures Statement on Risk Management and Internal Control - Internal Audit Function Corporate Governance Overview Statement	58-60 150-155 126-144
205-1	Operations assessed for risks related to corruption	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures Statement on Risk Management and Internal Control - Internal Audit Function Corporate Governance Overview Statement	58-60 150-155 126-144
205-1	Communication and training about anticorruption policies and procedures	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures Statement on Risk Management and Internal Control - Internal Audit Function	58-60 150-155
205-3	Confirmed incidents of corruption and actions taken	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures Statement on Risk Management and Internal Control - Internal Audit Function	58-60 150-155
<b>302: Energy</b>			
103-1	Explanation of the material topic and its boundary	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	52-53 73-76
103-2	The management approach and its components	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	52-53 73-76
103-3	Evaluation of the management approach	Our Commitment Towards Climate Change and Climate Change Risk Management Sustainability Statement – Environment and Climate Change Management	52-53 73-76
302-1	Energy consumption within the organisation	Sustainability Statement - Energy Usage	76-78

## SUSTAINABILITY STATEMENT

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GRI CONTENT index			
GRI Indicator	Disclosure	Response	Page Number
302-2	Energy consumption outside the organisation	To be applied in the future	-
302-3	Energy intensity	Sustainability Statement - Energy Usage	76-78
302-4	Reduction of energy consumption	Sustainability Statement - Energy Usage	76-78
302-5	Reductions in energy requirements of products and services	To be applied in the future	-
<b>303: Water and Effluents</b>			
103-1	Explanation of the material topic and its boundary	Our Commitment Towards Climate Change and Climate Change Risk Management	52-53
		Sustainability Statement – Environment and Climate Change Management	73-76
103-2	The management approach and its components	Our Commitment Towards Climate Change and Climate Change Risk Management	52-53
		Sustainability Statement – Environment and Climate Change Management	73-76
103-3	Evaluation of the management approach	Our Commitment Towards Climate Change and Climate Change Risk Management	52-53
		Sustainability Statement – Environment and Climate Change Management	73-76
303-1	Interactions with water as a shared resource	To be applied in the future	-
303-2	Management of water discharge-related impacts	To be applied in the future	-
303-3	Water withdrawal	Sustainability Statement - Water Management	82-84
303-4	Water discharge	To be applied in the future	-
303-5	Water consumption	Sustainability Statement - Water Management	82-84
<b>305: Emissions</b>			
103-1	Explanation of the material topic and its boundary	Our Commitment Towards Climate Change and Climate Change Risk Management	52-53
		Sustainability Statement – Environment and Climate Change Management	73-76
103-2	The management approach and its components	Our Commitment Towards Climate Change and Climate Change Risk Management	52-53
		Sustainability Statement – Environment and Climate Change Management	73-76
103-3	Evaluation of the management approach	Our Commitment Towards Climate Change and Climate Change Risk Management	52-53
		Sustainability Statement – Environment and Climate Change Management	73-76
305-1	Direct (Scope 1) GHG emissions	Sustainability Statement - GHG Emissions and Climate Change	79-81
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Statement - GHG Emissions and Climate Change	79-81
305-3	Other indirect (Scope 3) GHG emissions	Sustainability Statement - GHG Emissions and Climate Change	79-81

## SUSTAINABILITY STATEMENT

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GRI CONTENT index			
GRI Indicator	Disclosure	Response	Page Number
305-4	GHG emissions intensity	Sustainability Statement - GHG Emissions and Climate Change	79-81
305-5	Reduction of GHG emissions	Sustainability Statement - GHG Emissions and Climate Change	79-81
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions	Sustainability Statement - GHG Emissions and Climate Change	79-81
<b>306: Effluents and Waste</b>			
103-1	Explanation of the material topic and its boundary	Our Commitment Towards Climate Change and Climate Change Risk Management	52-53
		Sustainability Statement – Environment and Climate Change Management	73-76
103-2	The management approach and its components	Our Commitment Towards Climate Change and Climate Change Risk Management	52-53
		Sustainability Statement – Environment and Climate Change Management	73-76
103-3	Evaluation of the management approach	Our Commitment Towards Climate Change and Climate Change Risk Management	52-53
		Sustainability Statement – Environment and Climate Change Management	73-76
306-1	Water discharge by quality and destination	Water Discharge by Quality Sustainability Statement – Water Management Water Discharge by Destination To be applied in the future	82-84 -
306-2	Waste by type and disposal method	Sustainability Statement – Waste Management	85-87
306-3	Significant spills	No significant spills as of FY2023	-
306-4	Transport of hazardous waste	To be applied in the future	-
306-5	Water bodies affected by water discharges and/or runoff	To be applied in the future	-
<b>307: Environmental Compliance</b>			
103-1	Explanation of the material topic and its boundary	Our Commitment Towards Climate Change and Climate Change Risk Management	52-53
		Sustainability Statement – Environment and Climate Change Management	73-76
103-2	The management approach and its components	Our Commitment Towards Climate Change and Climate Change Risk Management	52-53
		Sustainability Statement – Environment and Climate Change Management	73-76
103-3	Evaluation of the management approach	Our Commitment Towards Climate Change and Climate Change Risk Management	52-53
		Sustainability Statement – Environment and Climate Change Management	73-76
307-1	Non-compliance with environmental laws and regulations	We have not identified any non-compliance with environmental laws and regulations as of FY2023	75

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GRI CONTENT index			
GRI Indicator	Disclosure	Response	Page Number
<b>308: Supplier Environmental Assessment</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Supply Chain Management	68-71
103-2	The management approach and its components	Sustainability Statement - Supply Chain Management	68-71
103-3	Evaluation of the management approach	Sustainability Statement - Supply Chain Management	68-71
308-1	New suppliers that were screened using environmental criteria	Sustainability Statement - Supply Chain Management	68-71
308-2	Negative environmental impacts in the supply chain and actions taken	Sustainability Statement - Supply Chain Management	68-71
<b>401: Employment</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Employer of Choice, Employee Gender, Diversity and Inclusion, Employee Statistics, Employee Development and Talent Retention, Human and Labour Rights	88-99
103-2	The management approach and its components	Sustainability Statement - Employer of Choice, Employee Gender, Diversity and Inclusion, Employee Statistics, Employee Development and Talent Retention, Human and Labour Rights	88-99
103-3	Evaluation of the management approach	Sustainability Statement - Employer of Choice, Employee Gender, Diversity and Inclusion, Employee Statistics, Employee Development and Talent Retention, Human and Labour Rights	88-99
401-1	New employee hires and employee turnover	Sustainability Statement - Employer of Choice, Employee Gender, Diversity and Inclusion, Employee Statistics, Employee Development and Talent Retention, Human and Labour Rights	88-99
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Statement - Employer of Choice, Employee Gender, Diversity and Inclusion, Employee Statistics, Employee Development and Talent Retention, Human and Labour Rights	88-99
<b>GRI 402: Labour/Management Relations</b>			
103-1	Explanation of the material topic and its boundary	Not applicable as it does not reach our materiality consideration.	-
103-2	The management approach and its components	Not applicable as it does not reach our materiality consideration.	-
103-3	Evaluation of the management approach	Not applicable as it does not reach our materiality consideration.	-
402-1	Minimum notice periods regarding operational changes	We will ensure the employees are informed with appropriate notice periods regarding operational changes in Inari.	-

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GRI Indicator	Disclosure	Response	Page Number
<b>403: Occupational Health and Safety</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Occupational Safety and Health	99-104
103-2	The management approach and its components	Sustainability Statement - Occupational Safety and Health	99-104
103-3	Evaluation of the management approach	Sustainability Statement - Occupational Safety and Health	99-104
403-1	Occupational health and safety management system	Sustainability Statement - Occupational Safety and Health	99-104
403-2	Hazard identification, risk assessment and incident investigation	Sustainability Statement - Occupational Safety and Health	99-104
403-3	Occupational health services	Sustainability Statement - Occupational Safety and Health	99-104
403-4	Worker participation, consultation and communication on occupational health and safety	Sustainability Statement - Occupational Safety and Health	99-104
403-5	Worker training on occupational health and safety	Sustainability Statement - Occupational Safety and Health	99-104
403-6	Promotion of worker health	Sustainability Statement - Occupational Safety and Health	99-104
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Statement - Occupational Safety and Health	99-104
403-8	Workers covered by an occupational health and safety management system	Sustainability Statement - Occupational Safety and Health	99-104
403-9	Work-related injuries	Sustainability Statement - Occupational Safety and Health	99-104
403-10	Work-related injuries	Sustainability Statement - Occupational Safety and Health	99-104
<b>404: Training and Education</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Employee Development and Talent Retention	91-94
103-2	The management approach and its components	Sustainability Statement - Employee Development and Talent Retention	91-94
103-3	Evaluation of the management approach	Sustainability Statement - Employee Development and Talent Retention	91-94

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GRI CONTENT index			
GRI Indicator	Disclosure	Response	Page Number
404-1	Average hours of training per year per employee	Sustainability Statement - Employee Development and Talent Retention	91-94
404-2	Programmes for upgrading employee skills and transition assistance programmes	Sustainability Statement - Employee Development and Talent Retention	91-94
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Statement - Employee Development and Talent Retention	91-94
<b>405: Diversity and Equal Opportunity</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Employer of Choice, Employee Gender, Diversity and Inclusion	88-91
103-2	The management approach and its components	Sustainability Statement - Employer of Choice, Employee Gender, Diversity and Inclusion	88-91
103-3	Evaluation of the management approach	Sustainability Statement - Employer of Choice, Employee Gender, Diversity and Inclusion	88-91
405-1	Diversity of governance bodies and employees	Profile of Board of Directors, Profile of Key Senior Management, Sustainability Statement - Employer of Choice, Employee Gender, Diversity and Inclusion, Employees Statistics	12-21 88-91
405-2	Ratio of basic salary and remuneration of women to men	To be applied in the future	-
<b>406: Non-discrimination</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement – Human and Labour Rights	94-99
103-2	The management approach and its components	Sustainability Statement – Human and Labour Rights	94-99
103-3	Evaluation of the management approach	Sustainability Statement – Human and Labour Rights	94-99
406-1	Incidents of discrimination and corrective actions taken	No incidents of discrimination in FY2023 Sustainability Statement - Human and Labour Rights	94-99
<b>408: Child Labour</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Supply Chain Management, Human and Labour Rights	68-71 94-99
103-2	The management approach and its components	Sustainability Statement - Supply Chain Management, Human and Labour Rights	68-71 94-99
103-3	Evaluation of the management approach	Sustainability Statement - Supply Chain Management, Human and Labour Rights	68-71 94-99
408-1	Operations and suppliers at significant risk for incidents of child labour	Sustainability Statement - Supply Chain Management, Human and Labour Rights	68-71 94-99



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GRI CONTENT index			
GRI Indicator	Disclosure	Response	Page Number
<b>409: Forced or Compulsory Labour</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Supply Chain Management, Human and Labour Rights	68-71 94-99
103-2	The management approach and its components	Sustainability Statement - Supply Chain Management, Human and Labour Rights	68-71 94-99
103-3	Evaluation of the management approach	Sustainability Statement - Supply Chain Management, Human and Labour Rights	68-71 94-99
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Sustainability Statement - Supply Chain Management, Human and Labour Rights	68-71 94-99
<b>412: Human Rights Assessment</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Supply Chain Management, Human and Labour Rights	68-71 94-99
103-2	The management approach and its components	Sustainability Statement - Supply Chain Management, Human and Labour Rights	68-71 94-99
103-3	Evaluation of the management approach	Sustainability Statement - Supply Chain Management, Human and Labour Rights	68-71 94-99
412-1	Operations that have been subject to human rights reviews or impact assessments	Sustainability Statement - Supply Chain Management, Human and Labour Rights	68-71 94-99
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Sustainability Statement - Supply Chain Management, Human and Labour Rights	68-71 94-99
<b>413: Local Communities</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement – Local Communities	107-110
103-2	The management approach and its components	Sustainability Statement – Local Communities	107-110
103-3	Evaluation of the management approach	Sustainability Statement – Local Communities	107-110
<b>414: Supplier Social Assessment</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Supply Chain Management	68-71
103-2	The management approach and its components	Sustainability Statement - Supply Chain Management	68-71

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GRI CONTENT index			
GRI Indicator	Disclosure	Response	Page Number
103-3	Evaluation of the management approach	Sustainability Statement - Supply Chain Management	68-71
414-1	New suppliers that were screened using social criteria	Sustainability Statement - Supply Chain Management	68-71
414-2	Negative social impacts in the supply chain and actions taken	Sustainability Statement - Supply Chain Management	68-71
<b>415: Public Policy</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures and Supply Chain Management	58-60 68-71
103-2	The management approach and its components	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures and Supply Chain Management	58-60 68-71
103-3	Evaluation of the management approach	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy, Whistleblowing Policy and Procedures and Supply Chain Management	58-60 68-71
415-1	Political contributions	Sustainability Statement - Corporate Governance and Ethics, Anti-Corruption and Bribery Policy	58-59
<b>418: Customer Privacy</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Privacy and Data Protection	72
103-2	The management approach and its components	Sustainability Statement - Privacy and Data Protection	72
103-3	Evaluation of the management approach	Sustainability Statement - Privacy and Data Protection	72
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Statement - Privacy and Data Protection	72
<b>419: Socioeconomic Compliance</b>			
103-1	Explanation of the material topic and its boundary	Sustainability Statement - Corporate Governance and Ethics	58-60
103-2	The management approach and its components	Sustainability Statement - Corporate Governance and Ethics	58-60
103-3	Evaluation of the management approach	Sustainability Statement - Corporate Governance and Ethics	58-60
419-1	Non-compliance with laws and regulations in the social and economic area	We have not identified any non-compliance with laws and regulations in the social and economic area as of FY2023	58-60