



SUSTAINABILITY REPORT 2023

JENG YUAN RECLAIMED RUBBER SDN BHD

Report period January 1st,2023 – December 31st,2023



Introduction from our Director

Jeng Yuan Reclaimed Rubber is in the green and environmental protection industry. We already started more than 30 years ago in recycling activities which were at that period recycling activities were not a priority in major industries such as tyre manufacturing. Compared to the current situation, the life cycle perspective of the products or services has forced all players to be involved with sustainability.

2023 marks a significant year of our sustainability journey as a major plan was established to achieve sustainability goals. Not only focus on the environment, employees' safety and health are one of the top priority agenda in social significant impact. We are committed to eliminating all fatalities, life-changing injuries and the most serious process safety incidents, and we continue to work to strengthen JYRRs safety culture

Employees are internal stakeholders who are essential to the company's success. Fair treatment of employees is crucial for any organisation. Our company established the Human Rights Policy to ensure that all employees are treated with dignity and respect and that their fundamental freedoms are protected.

The journey of sustainability is an ongoing and crucial one. In 2024, sustainability has become a central focus globally. Efforts to track and reduce emissions, environmental impact, and contributions to climate change are now standard practices for businesses, governments, and individuals. We will continue our agenda in sustainability together with our stakeholders to create a better future.

LEE YIN SUN, DIRECTOR

MARCH 2023

| Contents | Page |
|--|------|
| GRI 2.1 Organizational Details GRI 2.2 Entities included in the organization's sustainability reporting | 7 |
| GRI 2-3 Reporting period, frequency and contact point GRI 2-4 Restatements of information GRI 2-5 External assurance GRI 2-6 Activities, value chain and other business relationships | 8 |
| GRI 2-7 Employees GRI 2-8 Workers who are not employees | 9 |
| GRI 2-9 Governance structure and composition | 10 |
| GRI 2-10 Nomination and selection of the highest governance body GRI 2-11 Chair of the highest governance body GRI 2-12 Role of the highest governance body in overseeing the management of impacts | 11 |
| GRI 2-13 Delegation of responsibility for managing impacts GRI 2-14 Role of the highest governance body in sustainability reporting | 12 |
| GRI 2-15 Conflicts of interest GRI 2-16 Communication of critical concerns GRI 2-17 Collective knowledge of the highest governance body GRI 2-18 Evaluation of the performance of the highest governance body | 13 |
| GRI 2-18 Evaluation of the performance of the highest governance body GRI 2-19 Remuneration policies GRI 2-20 Process to determine remuneration GRI 2-21 Annual total compensation ratio | 14 |
| GRI 2-22 Statement on sustainable development strategy | 15 |
| GRI 2-23 Policy commitments GRI 2-24 Embedding policy commitments | 20 |

| Contents | Page |
|---|------|
| GRI 2-25 Processes to remediate negative impacts GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 2-27 Compliance with laws and regulations GRI 2-28 Membership associations | 21 |
| GRI 2-29 Approach to stakeholder engagement | 22 |
| GRI 201-1 Direct economic value generated and distributed GRI 201-2 Financial implications and other risks and opportunities due to climate change | 23 |
| GRI 201-3 Defined benefit plan obligations and other retirement plans GRI 201-4 Financial assistance received from government | 24 |
| GRI 202-1 Ratios of standard entry-level wage by gender compared to local minimum wage GRI 202-2 Proportion of senior management hired from the local community GRI 203-1 Infrastructure investments and services supported GRI 203-2 Significant indirect economic impacts GRI 204-1 Proportion of spending on local suppliers | 25 |
| GRI 205-1 Operations assessed for risks related to corruption GRI 205-2 Communication and training about anti-corruption policies and procedures GRI 205-3 Confirmed incidents of corruption and actions taken GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | 26 |
| GRI 301-1 Materials used by weight or volume GRI 301-2 Recycled input materials used GRI 301-3 Reclaimed products and their packaging materials | 27 |
| GRI 302-1 Energy consumption within the organization GRI 302-2 Energy consumption outside of the organization GRI 302-4 Reduction of energy consumption | 28 |
| GRI 303-1 Interactions with water as a shared resource GRI 303-2 Management of water discharge-related impacts GRI 303-3 Water withdrawal GRI 303-4 Water discharge GRI 303-5 Water consumption | 29 |

| Contents | Page |
|--|------|
| GRI 305-1 Direct (Scope 1) GHG emissions GRI 305-2 Energy indirect (Scope 2) GHG emissions GRI 305-6 Emissions of ozone-depleting substances (ODS) | 30 |
| GRI 305-7 Nitrogen oxides (NOx), sulfur oxides(SOx), and other significant air emissions | 32 |
| GRI 306-3 Significant spills GRI 306-1 Waste generation and significant waste-related impacts GRI 306-1 Waste generation and significant waste-related impacts GRI 306-3 Waste generated | 32 |
| GRI 306-4 Waste diverted from disposal GRI 306-5 Waste directed to disposal | 33 |
| GRI 308-1 New suppliers that were screened using environmental criteria GRI 308-2 Negative environmental impacts in the supply chain and actions taken | 34 |
| GRI 401-1 New employee hires and employee turnover GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees GRI 401-3 Parental leave | 35 |
| GRI 403-1 Occupational health and safety management system | 36 |
| GRI 403-2 Hazard identification, risk assessment, and incident investigation GRI 403-3 Occupational health services | 37 |
| GRI 403-4 Worker participation, consultation, and communication on occupational health and safety | 39 |
| GRI 403-5 Worker training on occupational health and safety GRI 403-6 Promotion of worker health | 40 |
| GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships GRI 403-8 Workers covered by an occupational health and safety management system | 41 |
| GRI 403-9 Work-related injuries GRI 403-10 Work-related ill health | 42 |
| GRI 404-1 Average hours of training per year per employee GRI 404-2 Programs for upgrading employee skills and transition assistance programs GRI 404-3 Percentage of employees receiving regular performance and career development reviews | 43 |

| Contents | Page |
|---|------|
| GRI 405-1 Diversity of governance bodies and employees GRI 405-2 Ratio of basic salary and remuneration of women to men | 44 |
| GRI 406-1 Incidents of discrimination and corrective actions taken GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk GRI 408-1 Operations and suppliers at significant risk for incidents of child labor GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | 45 |
| GRI 410-1 Security personnel trained in human rights policies or procedures GRI 411-1 Incidents of violations involving rights of Indigenous peoples GRI 413-1 Operations with local community engagement, impact assessments, and development programs GRI 413-2 Operations with significant actual and potential negative impacts on local communities | 46 |
| GRI 414-1 New suppliers that were screened using social criteria GRI 414-2 Negative social impacts in the supply chain and actions taken | 47 |
| GRI 415-1 Political contributions GRI 416-1 Assessment of the health and safety impacts of product and service categories GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | 48 |
| GRI 417-1 Requirements for product and service information and labelling GRI 417-2 Incidents of non-compliance concerning product and service information and labelling GRI 417-3 Incidents of non-compliance concerning marketing communications | 49 |
| GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | 50 |

GR1 2.1 Organizational Details

Jeng Yuan Reclaimed Rubber Sdn Bhd (JYRR) is a subsidiary of Polygreen Resource Co. Ltd. was established in 1989. The plant was set up in Malaysia, strategically located at Port Klang. The headquarters is located in Taiwan. Polygreen Resources Co. Ltd. is a publicly traded company listed on the Taiwan Stock Exchange.

We are manufacturer of Reclaimed Rubber. 3 main products are tyre reclaimed rubber, butyl reclaimed rubber and crumb rubber.

Contact details:

| | | |
|----------------|---|---|
| Email | : | enquiry@jeng-yuan.com |
| Telephone no | : | 603-31762602 |
| Office address | : | Jeng Yuan Reclaimed Rubber Sdn Bhd. Lot 3 Lingkaran SULTan Hishamuddin Kaw 20, PKNS Industrial Estate Selat Klang Utara, 42000 Port Klang Selangor |
| Headquarters | : | POLYGREEN RESOURCES CO LTD (TAIWAN) |

GRI 2.2 Entities included in the organization's sustainability reporting

The report scope is all activities in Jeng Yuan Reclaimed Rubber Sdn Bhd in 2023. The financial statement is the consolidation of Polygreen Resources Polygreen Resources Co., Ltd. and its subsidiaries.

GRI 2-3 Reporting period, frequency and contact point

The reporting period is 1 January 2023 to 31 December 2023 same as the financial report.

GRI 2-4 Restatements of information

The year 2022 is the first sustainability report for JYRR. There is many lack of information since we are beginners in ESG implementation.

In 2023, we made a lot of improvements in ESG implementation after we found the pathway in EGS implementation and were on track to achieving the goal.

This report has reported following the GRI Standards

GRI 2-5 External assurance

This sustainability report is not audited by an external body.

GRI 2-6 Activities, value chain and other business relationships

JYRR is a private sector entity, specifically in the manufacturing sector. After decades of development, the industry of reclaimed rubber has formed a complete upstream, midstream and downstream supply chain: capital-intensive upstream raw materials industry, technology-intensive midstream processing industry and downstream application fields; The recycling diagram of waste tires is shown below:

- (A). Upstream (entrusted cleaning and transport of rubber products): tyres, rubber gloves and other rubber products.
- (B). Midstream (processing organizations): recycle and treatment of waste tires, rubber gloves and rubber products.
- (C). Downstream (users): tire factories (the reclaimed rubber is one of the components of tires), building materials companies (using rubber powder, apply to rubber bricks, rubber floors, rubber powder carpets, plastic tracks, plastic lawns or green building related products), engineering companies (using rubber powder technology, apply to highway and other high-grade pavement overhaul projects) and others.

The business relationship and long-term but certain activities are contractual.

Our customers are in the local market, and we also export our product to Indonesia, Vietnam, Thailand, Philippines, Pakistan, Japan, Australia, Taiwan, China, Ecuador, Mexico, and South Africa. Our product is not banned in any region. The business relationship is long-term.

GRI 2-7 Employees

Permanent and part-time employees are local people (Malaysia).

Temporary employees are foreign people from Nepal and Myanmar. They work with Visit Pass (Temporary Employment) and the contract is 3 years and will renew annually until a maximum of 10 years of service according to the Immigration Department of Malaysia

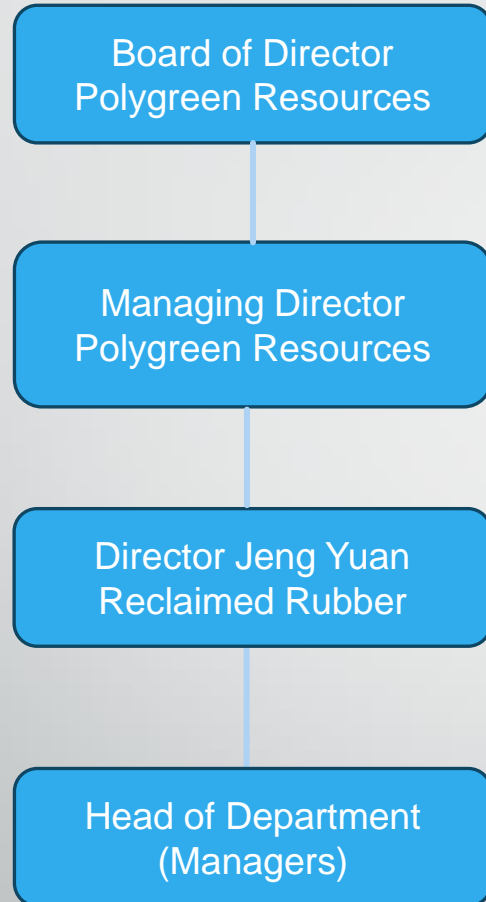
| | Male | Female | Total |
|---------------------|------|--------|-------|
| Number of employees | 84 | 15 | 99 |
| Permanent Employees | 25 | 14 | 39 |
| Temporary Employees | 59 | 0 | 59 |
| Part Time Employees | 0 | 1 | 1 |

GRI 2-8 Workers who are not employees

Workers who are not employees are those who perform work for the organization but are not in an employment relationship with the organization is security guard

| | Male | Female | Total |
|---------------------|------|--------|-------|
| Number of employees | 3 | 0 | 3 |

GRI 2-9 Governance structure and composition



There are currently 7 members of the board of directors of the company, including 3 independent directors and 3 directors with employee status. The proportion of female directors among the board members is 1 or 14%, which has reached the target of at least one female director. As of the end of 2023, 4 directors were aged 45-59, and the other directors were over 60 years old.

| | Male | Female | Nationality |
|-------------------------------------|------|--------|------------------------|
| Board of Director (Polygreen Group) | 6 | 1 | 5 Taiwan 2 Malaysia |
| Managing Director (Polygreen Group) | 1 | | Taiwan |
| Director (JYRR) | 1 | | Malaysia |
| HOD of JYRR (JYRR) | 5 | 4 | Malaysia |

GRI 2-10 Nomination and selection of the highest governance body

The selection and appointment of the highest governance body shall take into account the overall configuration. The composition of the highest governance body should consider diversity and formulate an appropriate diversity policy based on its operation, operation type and development needs. It should include but not be limited to the following two standards:

A. Basic conditions and values: gender, age, nationality and culture, etc.

B. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience.

GRI 2-11 Chair of the highest governance body

The chair of the highest governance body is not a senior executive in JYRR.

GRI 2-12 Role of the highest governance body in overseeing the management of impacts

The Board of Directors have monthly meetings to discuss any issues and review the overall performance of the Group.

Management and Operation Review meetings are done monthly to review the JYRR performance and to discuss internal and external issue. The reporting period is monthly, quarterly and annual. This meeting is an engagement between the Managing Director, JYRR Director and Head of Department.

GRI 2-13 Delegation of responsibility for managing impacts

Company appoint Head of Department (Manager) to manage the company's Finance, HR & Admin, Internal Audit, IT, QA&QC, Production, Maintenance and Store departments. Top management delegates this responsibility to managing the company's impact on the economic environment and people. There are KPIs to monitor the performance and reported monthly and discussed in the monthly management-reviewed meeting.

GRI 2-14 Role of the highest governance body in sustainability reporting

The Directors is responsible for reviewing and approving the reported information by establishing a sustainability reporting committee to support the highest governance body's review and approval process. The highest governance body reviews the adequacy of the JYRR's internal controls to strengthen the integrity and credibility of the JYRR's sustainability reporting

GRI 2-15 Conflicts of interest

JYRR established the "Ethical Corporate Management Best Policy" and "Procedures for Ethical Management and Guidelines for Conduct" on August 25th, 2022, through the board of directors and signed an integrity declaration with the board of directors and senior management. JYRR has established a "Code of Ethical Conduct Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" that require employees to fulfil the integrity policy. The Conflict of Interest is one of the points highlighted in the Code of Conduct. The board of directors and management assess whether the prevention measures taken to implement ethical management are effective and prepare reports on the regular assessment of compliance with ethical management in relevant operating procedures. The auditing department will from time to time conduct audits and report to the management and board of directors on the results of its audits

GRI 2-16 Communication of critical concerns

JYRR established the Grievance Procedure as a guideline for all employees to raise critical concerns including concerns about JYRR's potential and actual negative impacts on stakeholders. Any significant issue will be discussed in the Board of Directors meeting for their attention. In 2023, no issue was brought to the highest governance body.

GRI 2-17 Collective knowledge of the highest governance body

In 2023, 3 of the Board of Directors attended external training related to sustainability development to advance their knowledge and skills.

JYRR subscribe the Ecovadis to obtain the latest information about sustainability.

GRI 2-18 Evaluation of the performance of the highest governance body

Rules for Board of Directors and Functional Committees Performance Assessments established on May 12th, 2022, is to implement corporate governance and enhance the Company's board functions, and to set forth performance objectives to improve the operation efficiency of the board of directors, this template is established according to Article 37 of the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies for Compliance.

The board of directors conduct an internal board performance evaluation once a year according to the evaluation procedures and performance evaluation performed by an external independent professional institution or a panel of external experts and scholars at least once every three years.

The Company's board evaluation scope covers the evaluation of the board as a whole, individual directors and functional committees.

Methods of evaluation include the internal evaluation of the board, self-evaluation by individual board members, peer evaluation, and evaluation by appointed external professional institutions or experts.

When electing or nominating members of the Board of Directors, shall base its election on the evaluation results of the performance of the board and shall base its determination of an individual director's remuneration on the evaluation results of his or her performance.

GRI 2-19 Remuneration policies

The remuneration to the Company's directors is paid according to the job positions held by the directors in the Company and their involvement in the Company's operations and contribution value. In addition, the remuneration to the President is based on the job position held with the company and his/her contribution to the company, and the standard of the industry. The remuneration to the directors and President should be sufficient to recognize their responsibilities and risks.

The company may also, following procedures prescribed by law, consider providing remuneration for independent directors in the form of a fixed monthly salary, rather than as distributions from the earnings of the company.

GRI 2-20 Process to determine remuneration

The company has set up a compensation and remuneration committee. The performance appraisal of directors and managers and the rationality of their remuneration are regularly reviewed and evaluated by the compensation and remuneration committee, and adjusted according to the operating conditions and relevant laws and regulations.

GRI 2-21 Annual total compensation ratio

Refer to the Financial Consolidation Report.

<https://pgr.com.tw/en/%e8%b2%a1%e5%8b%99%e5%a0%b1%e8%a1%a8/>

GRI 2-22 Statement on sustainable development strategy

JYRR has established various management methods and procedures in accordance with the labour-related laws and International Conventions on Human Rights of the country, including the OSHA Labor Safety and Health Code, and provides for the provision of the EPF and the SOCSO to protect the legal rights and interests of employees. Respect and fair treatment of employees are ensured to ensure that daily operations comply with corporate ethics, and basic codes of conduct such as the "Code of Ethics" and "Human Rights Policy" are established. In addition to requiring suppliers to cooperate closely, it also regularly evaluates suppliers and requires suppliers to follow relevant regulations on issues related to environmental protection, occupational safety and health, or labor and human rights, and may not commit any violations.

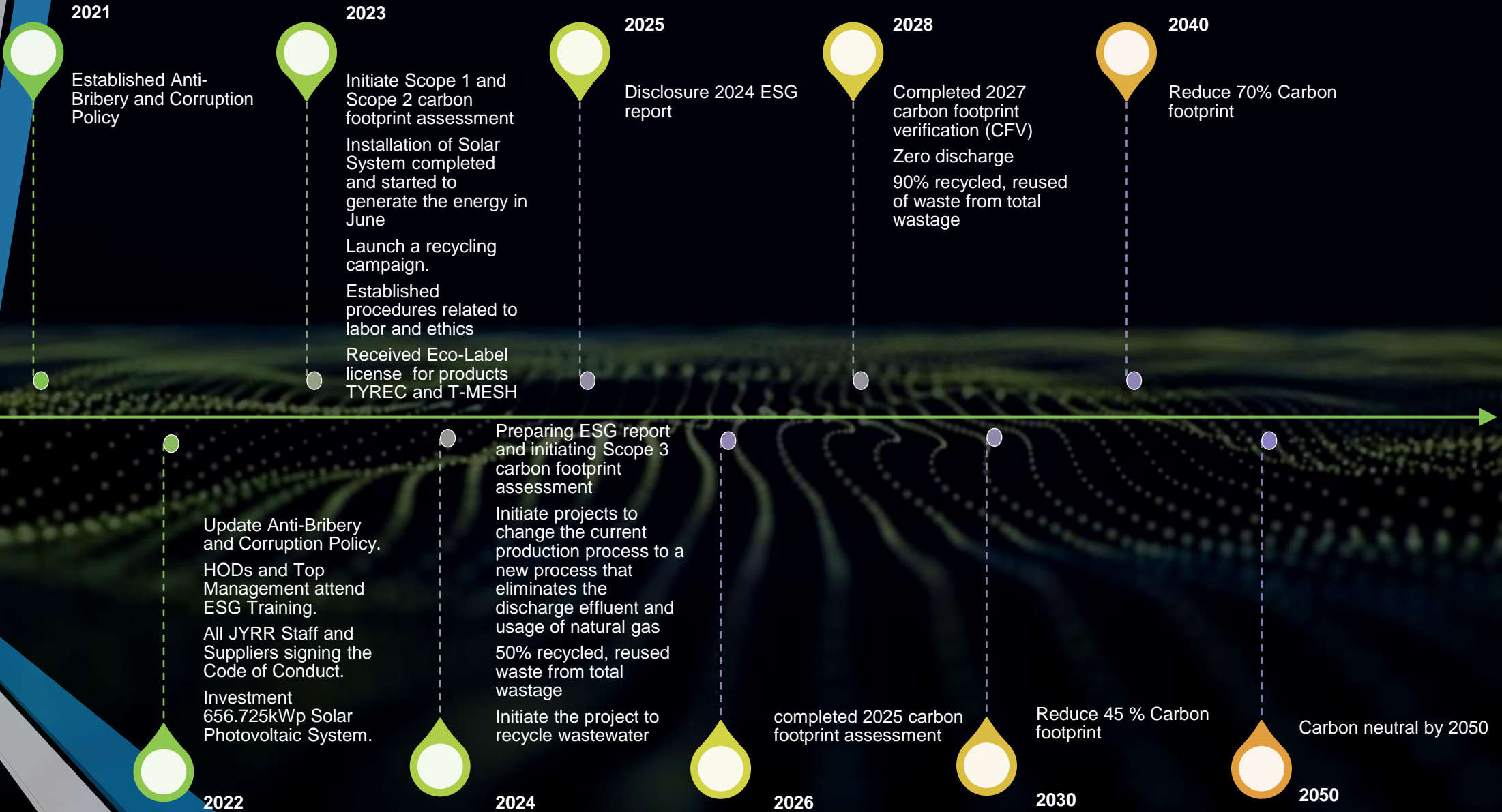
In terms of the use of energy-saving equipment, the company has installed solar energy in 2023, with a total installed capacity of 657kWp. It is estimated that 525 tons of carbon emissions can be reduced a year, and it is committed to energy saving and carbon reduction to increase the use of green electricity. In addition to carefully assessing the benefits of each product line to retire the less favourable and keep the favourable, and actively committed to the sales of environmentally friendly reclaimed rubber.

To reduce the impact on the environment and avoid the waste of resources, Europe, the United States, Japan and other developed countries have established standards for the use of environment-friendly recycled materials; among them, the European target for reclaimed rubber is 25%, the global climate change trend is not conducive to natural rubber production and other factors, the price of natural rubber will be more likely to rise and less likely to fall in the future, this will also accelerate the popularity of reclaimed rubber.

Business development strategies and plans:

- Continuously improve production process and automation, to achieve production and marketing in the most appropriate scale of operation.
- Taking the sustainable development of the enterprise as the blueprint to show the key leadership of the recycling industry, and enhance the important value of creating enterprises in the circular economy
- Implement total quality management and strive to achieve the goal of quality priority.
- Increase waste gas and sewage treatment facilities, to enhance corporate image and product competitiveness, and improve work quality and environment.
- integrate upstream business for access to stable sources of raw materials.
- Increase international sales network
- Continuously improve the quality of reclaimed rubber and expand the application of reclaimed rubber in fields other than the tyre industry, such as rubber bricks, rubber floors, rubber powder and other green energy and environmental protection industries
- Ensuring that companies respect human rights.

ESG JOURNEY AND FRAMEWORK YEAR 2021 - 2050



2021

Established Anti-Bribery and Corruption Policy

2023

Initiate Scope 1 and Scope 2 carbon footprint assessment

Installation of Solar System completed and started to generate the energy in June

Launch a recycling campaign.

Established procedures related to labor and ethics

Received Eco-Label license for products TYREC and T-MESH

2025

Disclosure 2024 ESG report

2028

Completed 2027 carbon footprint verification (CFV)

Zero discharge
90% recycled, reused of waste from total wastage

2040

Reduce 70% Carbon footprint

2022

Update Anti-Bribery and Corruption Policy.

HODs and Top Management attend ESG Training.

All JYRR Staff and Suppliers signing the Code of Conduct.

Investment 656.725kWp Solar Photovoltaic System.

2024

Preparing ESG report and initiating Scope 3 carbon footprint assessment

Initiate projects to change the current production process to a new process that eliminates the discharge effluent and usage of natural gas

50% recycled, reused waste from total wastage

Initiate the project to recycle wastewater

2026

completed 2025 carbon footprint assessment

2030

Reduce 45 % Carbon footprint

2050

Carbon neutral by 2050

Environmental Policy

Jeng Yuan Reclaimed Rubber Sdn Bhd (JYRR) as a company reclaimed rubber manufacturer has a fundamental responsibility and commitment to protect, the surrounding, local and global environment. To minimize impact concerning our activities products and service, JYRR shall:

- Comply with applicable legal requirements and other requirements which are related to environmental aspects.
- Identify adverse environmental issues, aspects and risks, associated with our work activities and set In place programs to reduce these aspects and risks.
- Prevent pollution; progressive reductions of emissions, effluent and discharges of waste materials that are known to have a negative impact on the environment, to eliminate them, also minimize the consumption resources.
- Educate, train and motivate employees to carry out tasks environmentally responsibly.
- Encourage environmental protection among suppliers and contractors.
- JYRR shall continual improvement of the environmental management system.



ENVIRONMENTAL OBJECTIVE

| | Action Plan | Target |
|-------------------------|---|---|
| Carbon Footprint | <ul style="list-style-type: none"> • Installation of solar panel. • Conversion of the electric forklift. • Conversion to the high-efficiency motor. • Improve the curing process to reduce steam consumption • Enhance sustainable working methods. • Moderate air-conditioning temperature. • Reduce unnecessary travelling. • Fully utilize online transactions. • Reduce unnecessary travelling. • Develop sustainable ingredients used in products. | <p>Aligned with Malaysia Goal :</p> <p>“Toward 45 % reduce carbon emission by 2030 and carbon-neutral by 2050”.</p> |
| Recycling | <ul style="list-style-type: none"> • Established a recycling campaign to reduce waste sent to landfills. • Reused and rework the production waste • Purchased recyclable material • Change the process to reduce the schedule waste | 90% recycle of total wastage by 2028 |
| | Develop sustainable packaging material. | Use 100% recyclable packaging by 2028 |
| Reduce effluent | Reuse discharge effluent from water treatment system | Zero discharge effluent by 2026 |

Good Health and Well-Being

- ♥ Sports club organize Health Day and distributes Vitamin C to all staff.
- ♥ Annual medical check-ups for all staff.
- ♥ Introduced mental health workshops and awareness programs for all employees.

Decent Work and Economic Growth

- ✍ Zero fatalities were recorded.
- ✍ The company employed a total of 99 people in 2023.
- ✍ Employee development to enhance knowledge and skills, averaging a total of 52 hours per employee.

Responsible Consumption and Production

- ♻ As a recycled tyre company, we produce 12,995,801 MT of reclaimed rubber in 2023.
- ♻ Our packaging material is LDPE and EVA which have a low melting point and will melt during the customer's production process to reduce customer's waste.
- ♻ We purchase recycled plastic pallets to replace wood pallets.

Climate Action

- * Our company is committed to reducing and managing its energy use by investing in the Solar PV project (656.725kWp capacity) which is estimated completed in the instalment in March 2023.

Peace, Justice and Strong Institutions

- ✎ Our company has an established Code of Conduct and Ethics Policy, Human Right Policy as well as Anti-Bribery and Corruption Policy.

GRI 2-23 Policy commitments

Policies are developed according to government law & regulation, international standards and other related bodies and are approved by the Board of Directors. The policies apply to all activities in JYRR and its business relationship and need to be read, agreed to, and regularly signed by all workers, business partners, and other relevant parties.

Link for Policies

<https://pgr.com.tw/en/%e6%b0%b8%e7%ba%8c%e6%b2%bb%e7%90%86/>

<https://www.jeng-yuan.com/index.php/quality/>

GRI 2-24 Embedding policy commitments

Policies are key to determining internal and external issues, interested parties, risks, opportunities and objectives. The system used to monitor compliance is by internal and external audit.

Polices also apply to suppliers in the form of a Supplier Code of Conduct and the evaluation is based on it

The training is given to employee and supplier through internal and external training .

| Policy | Responsible (In- charge person) |
|------------------------|---------------------------------|
| Human Right | HOD Human Resource |
| Quality Management | All HOD |
| Environment Management | HOD QA& QC & Competent Person |
| Safety and Health | OSHA Chairman |

GRI 2-25 Processes to remediate negative impacts

Grievance refers to the employee's dissatisfaction with the company's work policy and conditions because of an alleged violation of law. They may or may not be justified and usually represent the gap between what the employee expects and gets from the company. The grievance must be properly addressed because it lowers the motivation and performance of the employee and affects the work environment.

Employees are advised to raise the grievance directly to the HOD or Director. Employees have an option to include their details such as name, employee number, designation and department during grievance reporting, but employees are encouraged to declare their information to help management to report the progress of resolving the grievance.

Grievance shall be treated with the strictest confidentiality and the employee shall be safeguarded from all forms of unfair or unwarranted treatment. There shall be no repercussion or punishment action against the employee for reporting a grievance.

An employee has the absolute right to report a grievance in the workplace and this right is fully supported by the company

GRI 2-26 Mechanisms for seeking advice and raising concerns

<https://pgr.com.tw/en/%e5%88%a9%e5%ae%b3%e4%ba%ba%e9%97%9c%e4%bf%82%e5%b0%88%e5%8d%80/>

This link is for Interested Parties Information whereby contains the channel for all the disclosed information, seek advice and raise concerns about responsible business conduct in the organization's operations.

GRI 2-27 Compliance with laws and regulations

No non-compliance with law and regulation in 2023.

GRI 2-28 Membership associations

- 1) Federation of Malaysian Manufactured
- 2) Member of Malaysian Rubber Board

GRI 2-29 Approach to stakeholder engagement

| Interested Parties | Needs and Expectation |
|---------------------------------|---|
| Investors | Expect the JYRR to manage its risks and opportunities that can affect an investment. Expect the business continue growth and sustainable |
| Neighbour | Expect socially acceptable performance, honesty, and integrity |
| Employees | Expect employer comply with the Malaysia Labour law, work in a safe and healthy environment with good benefits, Human Right |
| Regulatory / statutory agencies | Expect demonstration of legal compliance obligation. |
| Customer | Expect the high-quality product and sustainability |
| Supplier | Expect the business continue growth. |
| Certificate Body | Expect the compliance of management system. |

GRI 2-30 Collective bargaining agreements

At this moment, no trade union in JYRR but no restriction for employees to join Union.

GRI 201-1 Direct economic value generated and distributed

JYRR disclosed the Financial Report in HQ website <https://pgr.com.tw/>

GRI 201-2 Financial implications and other risks and opportunities due to climate change

JYRR has assessed the risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure. JYRR's transformation initiatives include the installation of solar panels and the replacement of energy-intensive equipment with energy-efficient alternatives, which incurs additional costs. However, considering potential savings from future carbon taxes or fees as well as international carbon costs, the financial impact of these transformation actions remains low.

| | Risks and Opportunities | Action Plan |
|---------------------|---|--|
| Regulation | Climate and energy policies leading to increased fuel/energy taxes and regulations. | Set short, medium, and long-term carbon reduction goals and promote various energy-saving and carbon reduction projects. |
| Physical | Floods causing equipment damage and affecting some production operations, leading to increased capital expenditure on production equipment. | Equipped with uninterruptible power supplies, backup servers, and mechanisms for off-site backup, regularly conduct disaster preparedness drills to ensure that equipment and mechanisms can operate normally in |
| Reputation | Increasing concern and negative feedback from Stakeholder | Adopting green and circular manufacturing technologies |
| Resource efficiency | Shifting towards higher value-added products | Increase production of recycled rubber as well as other high value-added products to increase revenue |
| Market | Entering new market | Due to environmental concerns, various industries are gradually focusing on reused products, leading to an increase in demand for recycled rubber and rubber powder produced by our company |

GRI 201-3 Defined benefit plan obligations and other retirement plans

JYRR follow the Malaysia regulations;

EMPLOYEES PROVIDENT FUND ACT 1991. An Act to provide for the law relating to a scheme of savings for employees' retirement and the management of the savings for retirement purposes and for matters incidental thereto. It manages the compulsory savings plan and retirement planning for private sector workers in Malaysia

The fund is managed by the federal statutory body under the purview of the Ministry of Finance allows workers to withdraw these savings at retirement or for special purposes before then.

The EPF functions by requiring a contribution of at least 11% of each member's monthly salary and storing it in a savings account, while the member's employer is obligated to additionally fund at least 12% of the employee's salary to the savings at the same time (13% if the salary is below RM5,000)

GRI 201-4 Financial assistance received from government

In 2023, JYRR did not receive any financial assistance from the government.

GRI 202-1 Ratios of standard entry-level wage by gender compared to local minimum wage

Clariant pays wages and salaries that are determined by local relevant competitive market data rather and also legally defined minimum wages.

| | Minimum wage | Ratio (2022) | Ratio (2023) |
|----------|--------------|--------------|--------------|
| Malaysia | Yes | 1.0 | 1.0 |

GRI 202-2 Proportion of senior management hired from the local community

| Senior management hired from the local community (Manager Level) | % (2022) | % (2023) |
|--|----------|----------|
| Operation in Malaysia | 100 | 100 |

GRI 203-1 Infrastructure investments and services supported

JYRR's activities as a recycling company have a positive impact on the environment by reducing waste and helping our customers achieve their sustainability target.

GRI 203-2 Significant indirect economic impacts

JYRR's activities as an employer, as a consumer of local products and services, and as a payer of taxes and fees in Malaysia support local economic development, especially in emerging economies. JYRR raises the living standards of the population, both directly and indirectly, by creating added value.

GRI 204-1 Proportion of spending on local suppliers

| Local Supplier | % (2022) | % (2023) |
|----------------|----------|----------|
| Malaysia | 80 | 80 |

GRI 205-1 Operations assessed for risks related to corruption

100 % of operations assessed for risks related to corruption.

GRI 205-2 Communication and training about anti-corruption policies and procedures

Anti-corruption is one of the topics in the Induction programme for new workers. In 2022, we provide anti-corruption training to the executive level only but in 2023 the training was extent to all workers.

| Worker participate with the anti-corruption training | % (2022) | % (2023) |
|--|----------|----------|
| Malaysia | 15 | 50 |

| Business partners that the organization’s anti-corruption policies and procedures have been communicated to | % (2022) | % (2023) |
|---|----------|----------|
| Malaysia | 70 | 73 |

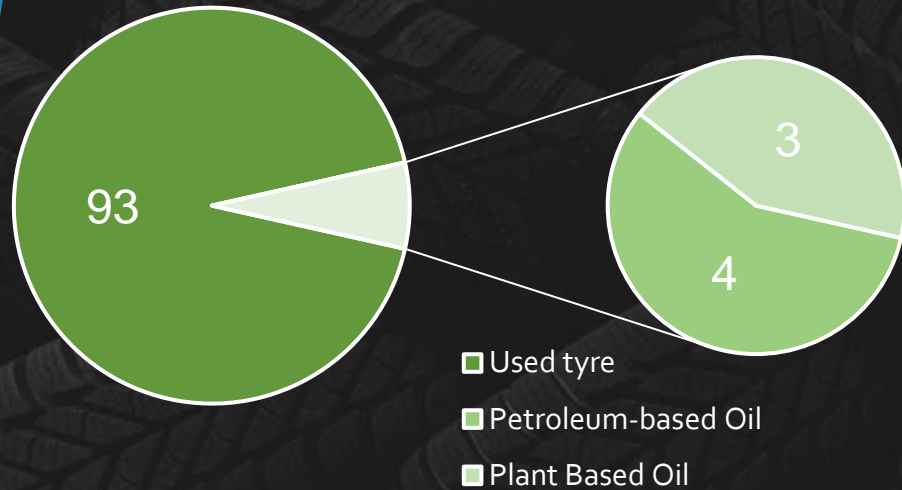
GRI 205-3 Confirmed incidents of corruption and actions taken

| CASES | (2022) | (2023) |
|--|--------|--------|
| Incident Corruption | 0 | 0 |
| Employee dismissed due to corruption | 0 | 0 |
| Incidents when contracts with business partners were terminated or not renewed due to violations related to corruption | 0 | 0 |
| Public legal cases regarding corruption | 0 | 0 |

GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

| CASES | (2022) | (2023) |
|-------|--------|--------|
| | 0 | 0 |

GRI 301-1 Materials used by weight or volume



GRI 301-2 Recycled input materials used

Our main activity is recycled used truck tyres. Mostly our main customers are tyre manufacturers. The main raw materials of our product are used tyres. The figure shows the content in our products: about 93% is recycled materials, 4 % is from non-renewable material and 4 is bio-based material.

GRI 301-3 Reclaimed products and their packaging materials

Our product Reclaimed rubber product.

The packaging that we used is pallet plastic which is also recyclable and LDPE plastic bag with a melting point 100 degrees C. The plastic bag will melt during the production process. This is our commitment to reduce our customer's waste.

GRI 302-1 Energy consumption within the organization

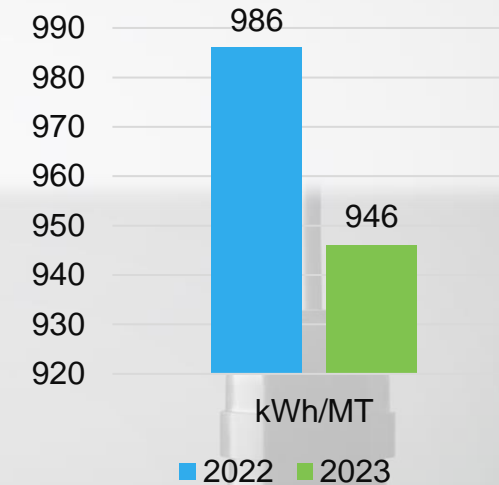
| | Year 2022 | Year 2023 |
|--|------------|------------|
| Utilities Consumption (Non-Renewable Sources) | | |
| Fuel (litre) | 55,968 | 41,926 |
| Gas(GJ) | 13,280 | 14,302 |
| Electricity (kWh) | 8,298,141 | 7,232,594 |
| Total Energy (kWh) | 12,547,005 | 11,624,949 |
| Energy consumed per unit produced | 986 kWh/MT | 946 kWh/MT |

| Renewable Energy | Year 2023 |
|--|-----------|
| Solar Energy | |
| Solar Energy (kWh) | 465,303 |
| Ratio (%) | 11.8% |
| CO ₂ e Avoidance (tonCO ₂ e) | 362.94 |
| Ratio (%) | 10% |

GRI 302-2 Energy consumption outside of the organization

The energy consumption outside of the organization yet determined.

GRI 302-4 Reduction of energy consumption



JYRR’s plants primarily need energy in the form of steam, electricity, fuel and natural gas. Electricity is mainly used for drives in electric process engineering equipment as well as in-office use. JYRR uses natural gas for heating the boiler and thermos gas to generate steam and heating for the production process. Fuel is used for forklifts and caterpillar.

In the year June 2023, the Solar System is starting to generate to power and produce 11.8 % of total Energy usage.



WATER

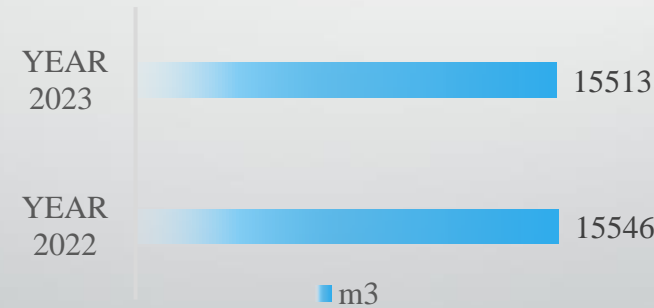
GRI 303-1 Interactions with water as a shared resource

The source of water is municipal water. We have a recycling water system that is used in production.

GRI 303-2 Management of water discharge-related impacts

JYRR is located today almost exclusively in industrial parks or appropriate commercial districts. The water discharge does not go to residential areas.. We have an industrial effluent treatment plant to treat water before discharge by following Malaysia regulation Environmental Quality (Industrial Effluent) Regulation 2009..

GRI 303-3 Water withdrawal



GRI 303-4 Water discharge

| Parameter | Unit | Target | 2022 | 2023 |
|---|------|---------|-------|-------|
| Discharge Quantity (100 % to fresh water) | m3 | | 1,235 | 1,466 |
| BOD (Average) | mg/l | ≤ 50 # | 26 | 30 |
| COD (Average) | mg/l | ≤ 200 # | 66.4 | 68 |

Environmental Quality (Industrial Effluent) Regulation 2009 (Standard B). This monitoring is performed weekly. The water quality is tested by a third-party accredited laboratory and the result is reported to regulatory body monthly

GRI 303-5 Water consumption

| Parameter | Unit | Target | 2022 | 2023 |
|-------------------|------|--------|--------|--------|
| Water Consumption | m3 | | 14,270 | 14,080 |

GRI 305-1 Direct (Scope 1) GHG emissions

| GHG EMISSION SCOPE | Year 2023 |
|--|-----------|
| <u>Green House Gas (GHG)</u> | |
| Fuel (tonCO ₂ e) Scope 1 | 114.56 |
| Natural Gas (tonCO ₂ e) Scope 1 | 715.10 |
| In kg/ tone production | 0.068 |

GRI 305-2 Energy indirect (Scope 2) GHG emissions

| GHG EMISSION SCOPE 1 AND 2 | Year 2023 |
|--|-----------|
| <u>Green House Gas (GHG)</u> | |
| Electricity (tonCO ₂ e) Scope 2 | 5,641.42 |
| In kg/ tone production | 0.459 |
| Total (tonCO ₂ e) | 6,471.09 |
| In kg/production | 0.567 |

**The Emissions Factor

Electricity: MY Energy Commission 2019 Grid EF @ 0.78 kgCO₂e/kWh

Petrol : US EPA 2021AR5 @ 2.3228 kgCO₂e/litre

Diesel : US EPA 2021AR5 @ 2.7325 kgCO₂e/litre

Natural Gas : EIA 2022 1 GJ = 50 kgCO₂e

We started to measure GHG Scope 1 and 2 in the year 2023 and target to measure GHG Scope 3 in the year 2024.

The direct greenhouse gas emissions resulting to a large extent from carbon dioxide emissions (CO₂) of the combustion processes operated by JYRR are directly proportional to the amount of carbon in the fuels and natural gas used. Indirect greenhouse gas emissions are predominantly generated by external energy procurement (electricity). In year 2023, energy consumption is reduced due to the installation of a Solar System. The reduction of GHG project continues aggressively to achieve a net zero carbon by 2050 aligned with Malaysia's target.

GRI 305-6 Emissions of ozone-depleting substances (ODS)

Our company also complies with Environmental Quality (Refrigerant Management) Regulations 2020, the importation, manufacture, and assembly of refrigerators and air conditioners that use HCFCs in Malaysia are prohibited.

GRI 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

| Chimney | Unit | Target | 2022 | 2023 |
|--|-------|--------|------|------|
| Total Particular Matter ~ Scrubber No 4 | mg/m3 | ≤ 50# | 2.75 | 1 |
| Total Particular Matter ~ Scrubber No 5 | mg/m3 | ≤ 50# | 1.16 | <1 |
| Total Particular Matter ~ Boiler No 1 | mg/m3 | ≤ 50# | 10.5 | 4 |
| Total Particular Matter ~ Boiler No 6 | mg/m3 | ≤ 50# | 4.5 | 3 |
| Total Particular Matter ~ Thermal oil Heater | mg/m3 | ≤ 50# | 9.3 | 5 |

The stack emission is conducted yearly by third-party accredited lab follow the regulation # Environment Quality (Clean Air) Regulation 2014

GRI 306-3 Significant spills

There is no significant spill recorded in year 2023

GRI 306-1 Waste generation and significant waste-related impacts

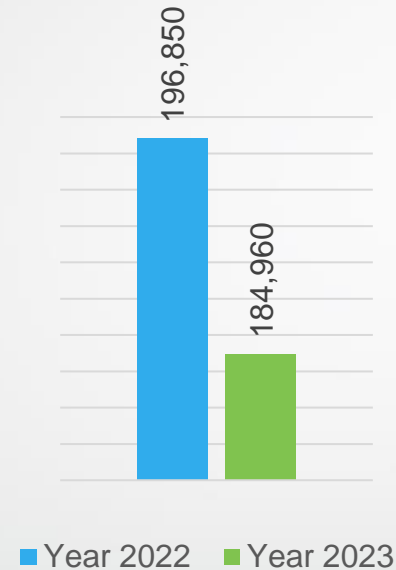
The waste is generated mainly from the production process including the packaging of raw material.

GRI 306-1 Waste generation and significant waste-related impacts

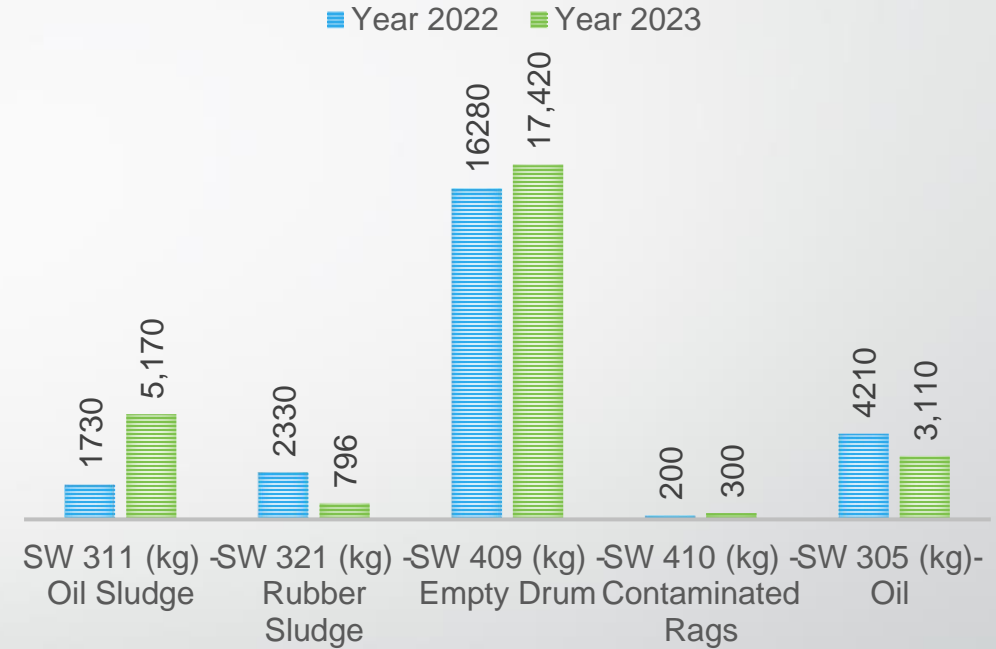
The waste is generated mainly from the production process including the packaging of raw material. In 2023, we started the recycling campaign that aims to reduce the waste dumped in landfills. About 37% of total waste was recycled. If the waste is under the category of scheduled waste, the disposal is handled by the service provider that follows the guidelines of Environmental Quality (Schedule Waste) Regulation 2005.

GRI 306-3 Waste generated

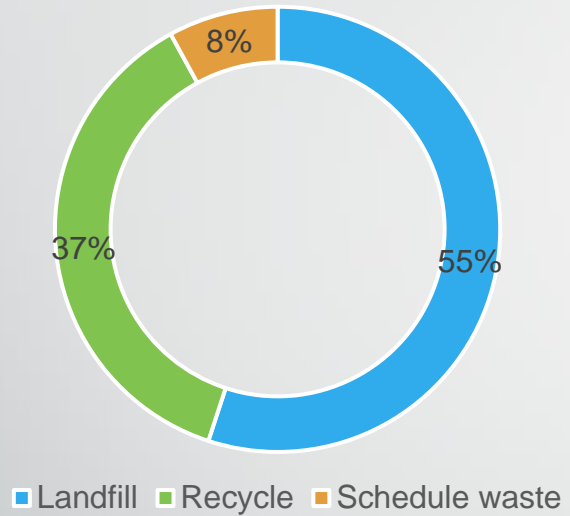
General Waste - Non Hazardous Waste(KG)



SCHEDULED WASTE – HAZARDOUS WASTE



GRI 306-4 Waste diverted from disposal



Total waste recycled is 124,324 kg
Total Schedule waste is 26,796 kg

GRI 306-5 Waste directed to disposal

Total waste dumped to landfill is 184,960 kg

GRI 308-1 New suppliers that were screened using environmental criteria

JYRR selects and manages its suppliers, outsourcing partners, and service providers based on a comprehensive set of criteria.

Starting in the year 2023, the criteria in the selection of suppliers not only focus on product-specific performance aspects but the non-financial aspects and sustainability considerations are explicitly taken into account as well. Suppliers that have ISO 14001 Environment Management System have an advantage.

The percentage of new suppliers screened using environment criteria is 60% in 2023.

We also give guidelines to existing suppliers to commit to and comply with the same high legal, ethical, and moral standards it applies to its processes and operations through the Supplier Code of Conduct. We plan to include sustainability criteria in supplier assessment by 2024.

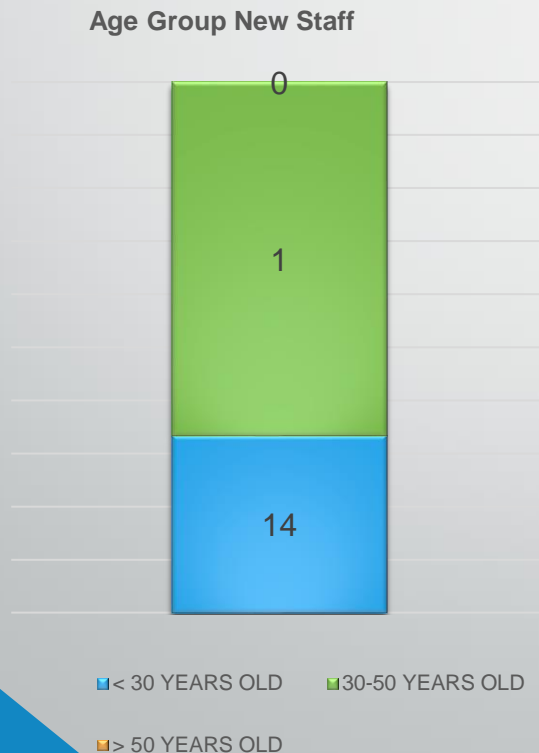
The percentage of Supplier sign Supplier Code of Conduct is 73% in 2023 compared to 2022 is 70 %.

GRI 308-2 Negative environmental impacts in the supply chain and actions taken

JYRR is yet to assess the current supplier regarding the environmental impact and plans to assess it in 2024 because the establishment of the Supplier Code of Conduct is in 2023.

GRI 401-1 New employee hires and employee turnover

The turnover rate for the year 2023 for permanent employees is 2 % , 1 male employee and 1 employee within the <30 years old group. The new staff hire is 1 male and 1 female for full-time employees. 13 male temporary employees (foreigners) to replace the temporary employees that the finished the contract.



401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees

Benefits are given to full-time employees and temporary (foreign workers) according to the Malaysia Employment Act 1955 and as one of the initiatives of management to ensure that employee is treated well

- ✓ Annual Leave
- ✓ Public Holiday
- ✓ Medical Leave
- ✓ Maternity and paternity leave (full-time employees only)
- ✓ Compassionate Leave
- ✓ Medical Insurance
- ✓ Panel Clinic
- ✓ Personal Accident Insurance
- ✓ Retirement provision (full-time employees only)
- ✓ Bonus

401-3 Parental leave

In 2023, a total of 11 female employees and 12 male employees were entitled to parental leave, only 1 female employees and 1 male employees took maternity leave, and both already returned to work.

GRI 403-1 Occupational health and safety management system

Managing Occupational Safety and Health at the workplace is no different than managing the other aspects of business. The exception is that requires the commitment to complete the following 3 steps:

- i. The workplace must have a Policy Statement on Occupational Safety and Health;
- ii. Planning (including the implementation of HIRARC, training, instructions and auditing) on Occupational Safety and Health, and
- iii. To take remedial action for any improvement to be made.

JYRR has fundamental responsibility and commitment to, as far as is reasonably practicable, the safety, health, and welfare of our staff while they are at work and of others who may be affected by our activities.

Our working culture is SAFETY FIRST ZERO ACCIDENT:

JYRR is committed:

- To provide environmentally friendly, safe, and healthy working conditions and arrangements within the company and control the health and safety risks arising from our activities
- To establish safe work procedures in all work processes and continuously review their suitability and effectiveness.
- To provide and maintain safe plant and equipment; health and safety working conditions.
- To provide adequate training to employees on practicing “work safety and health”.
- To promote a safety culture by providing information instruction and supervision for employees
- Employees have right to remove themselves from ‘imminent danger’

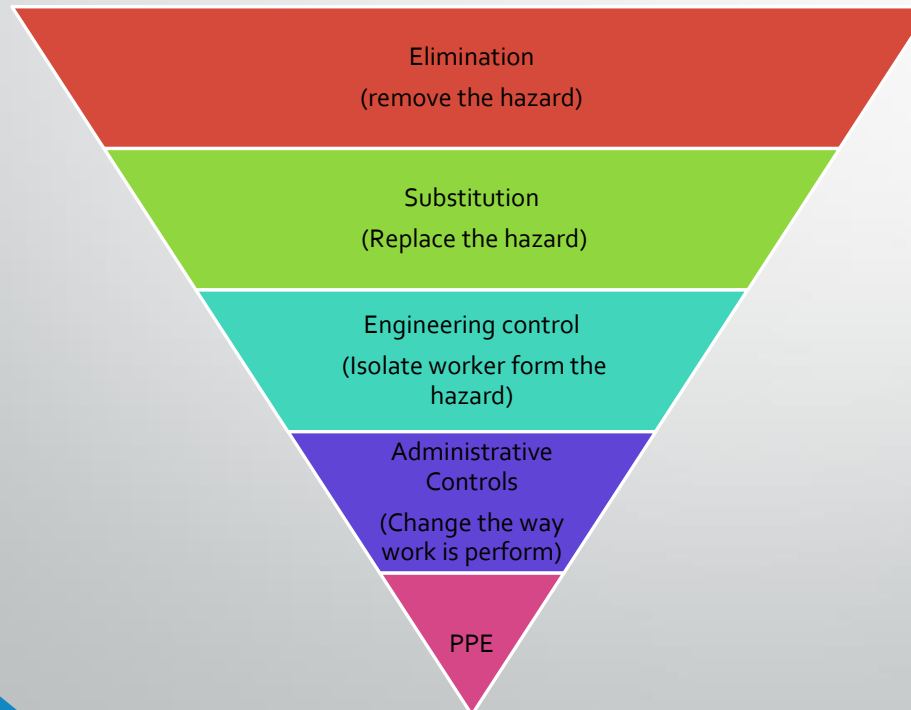
The policy and safety regulation applies to all workers and also the contractors from service providers that cover all activities in JYRR include in hostel workers.

The safety and health practices in JYRR follow the guidelines from the Malaysian government to obligate the Occupational Safety and Health Act 1994 with new amendments Occupational Safety and Health (Amendment) Act 2022.

GRI 403-2 Hazard identification, risk assessment, and incident investigation

Our responsibility is to identify the hazards at the workplaces/processes. Then evaluate the risks for every activity being carried out. Subsequently, take the necessary action to control the said risks. This process is called HIRARC. This assessment is reviewed by top management and the OSHA Committee quarterly and yearly or any process changes to monitor the effectiveness of action taken.

The action taken can be categorized as follows:



GRI 403-3 Occupational health services

Emergency Response Team is responsible for response in an emergency incident such as fire, chemical spillage and accidents at the workplace. One of the functions is First Aider which is the member is the competent person certified with Basic Occupational First Aid Training according in compliance with the OSHA Act 1994. The validity of this certificate is 3 years.

JYRR also have treatment rooms that have basic medicine, and other health check equipment such as blood pressure, thermometer, glucose test kid, COVID-19 test kid, body weighing measurements and others. HR Personnel are responsible if an employee needs a doctor consultation at a panel clinic or needs follow up check-up at hospital if related to an accident at workplace.

GRI 403-4 Worker participation, consultation, and communication on occupational health and safety

According to the Occupational Safety and Health (Amendment) Act 2022, A new provision in the amended OSHA also requires an employer to appoint one of its employees as an occupational safety and health coordinator. The OSH coordinator's role is to coordinate occupational safety and health issues at the place of work; manage Occupational Safety and Health requirements, assist the employer by reporting OSH statistics and performance to DOSH, promote safety culture at the workplace and take reasonable action on OSH compliance. In 2023, JYRR sent the OSHA Committee Chairman to attend the training OSH Coordinator. Management also plans to send more workers to attend this training.

OSHA Committee is responsible

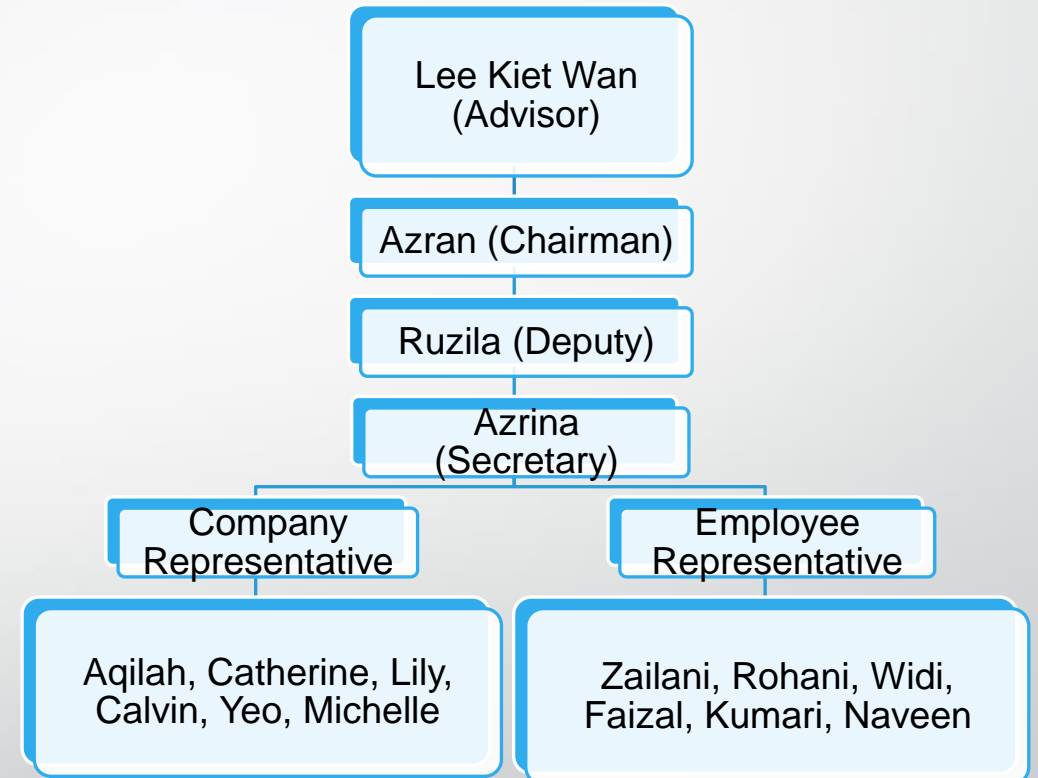
To review the safety and health procedures at the workplace;

To investigate any complaints or other related matters that are raised; and

To hold regular discussions with the employer on issues relating to safety and health at the workplace.

OSHA Committee is the channel for employees to issue complaints related to safety and health at the workplace and hostel.

OSHA COMMITTEE ORGANIZATION CHART



OSHA Activities in Year 2023

| Date | Programs / Activities |
|------------|---|
| 26/01/2023 | ESH Audit Surroundings |
| 14/02/2023 | ESH Audit Surroundings |
| 21/02/2023 | OSHA Coordinator training - Azran |
| 24/02/2023 | OSHA Meeting Q1 |
| 27/03/2023 | ESH Audit Surroundings |
| 03/04/2023 | Forklift Training Driving Course |
| 10/04/2023 | ESH Audit Surroundings |
| 03/05/2023 | OSHA Meeting Q2 |
| 29/05/2023 | ESH Audit Surroundings |
| 25/06/2023 | ESH Audit Surroundings |
| 04/07/2023 | OSH Awareness for Production Worker (External training) |
| 28/07/2023 | ESH Audit Surroundings |
| 11/08/2023 | ESH Audit Surroundings |
| 19/09/2023 | OSHA Meeting Q3 |
| 29/09/2023 | ESH Audit Surroundings |
| 27/10/2023 | ESH Audit Surroundings |
| 16/11/2023 | OSHA Meeting Q4 |
| 24/11/2023 | ESH Audit Surroundings |
| 12/12/2023 | Fire Drill, Chemical Drill, Fire Extinguisher training |
| 29/12/2023 | ESH Audit Surroundings |

GRI 403-5 Worker training on occupational health and safety

SAFETY AND HEALTH TRAINING

In 2023, **96%** of the total employees local and foreign received training related to safety conducted by internal and external trainers. The training is provided free of charge with breakfast and lunch provided and during paid working hours.

The topics are :

- Fire Drill and Chemical Drill
- Handling Fire Extinguisher
- Forklift Training Driving Course
- Reclaimator Safety and Maintenance
- OSH Coordinator Trained Person
- Dengue Awareness Campaign
- OSH Awareness for Production Workers
- Electrical Appliance Safety

GRI 403-6 Promotion of worker health

SAFETY AND HEALTH BENEFIT

- Pre-employment Health Assessment
- Annual medical surveillance for employees as awareness of health.
- Medical Insurance
- Panel Clinic
- First Aids
- Transport to Clinic
- Treatment Room
- Lactation Room for Female Employees
- COVID-19 Test Kit
- Chemical Health Risk Assessment
- Weekly safety briefing





GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

In the Supplier Code of Conduct, JYRR highlighted supplier shall provide their employees with a safe and healthy working environment in compliance with all applicable laws and regulations. The Safety Rule and Regulation in JYRR applies to all people who enter the premises and for contractors, will provide a permit to work after being briefed about safety in JYRR.

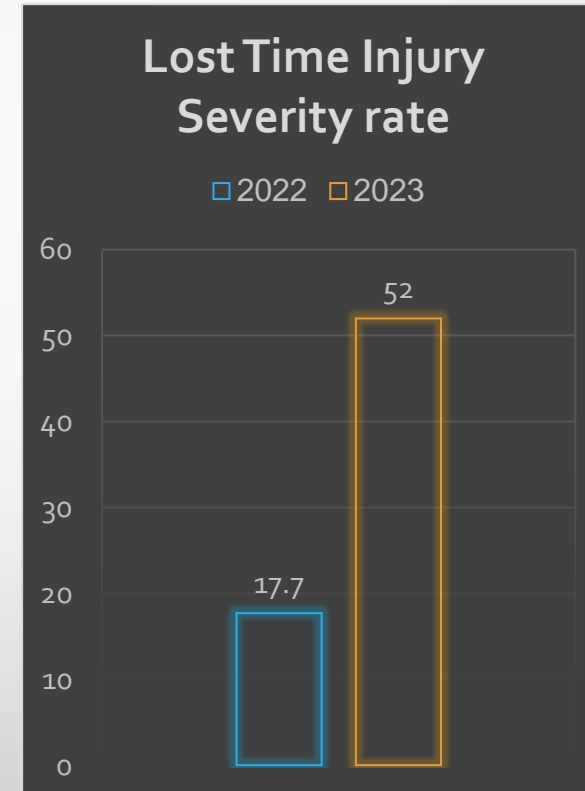
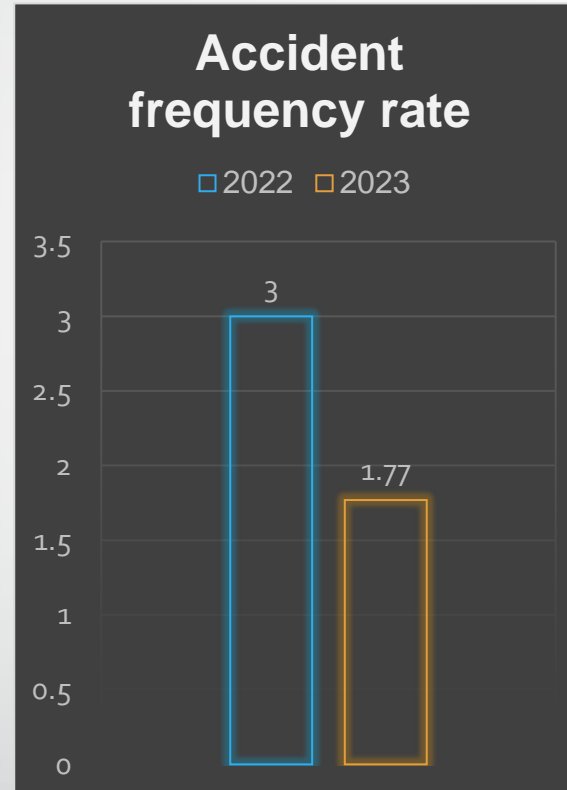
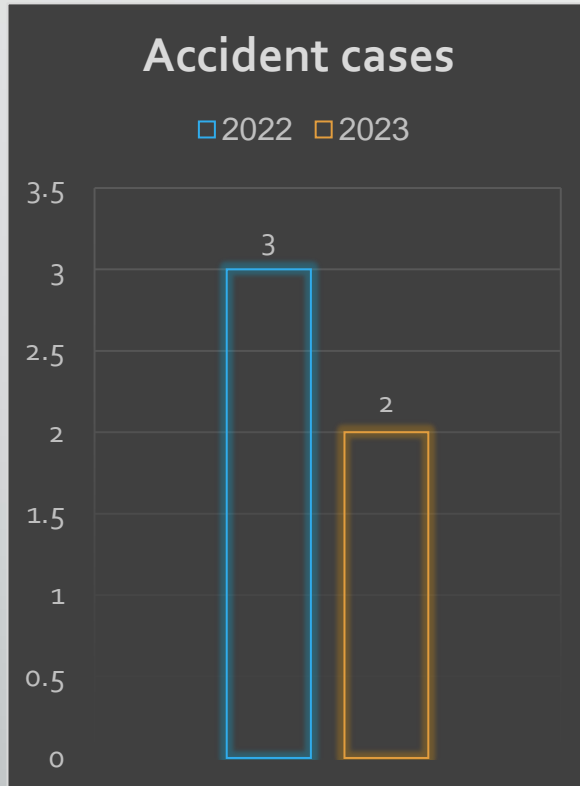
GRI 403-8 Workers covered by an occupational health and safety management system

The number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system and being audited;

| | Male | Female | Total |
|---------------------|------|--------|-------|
| Number of employees | 3 | 0 | 3 |

GRI 403-9 Work-related injuries

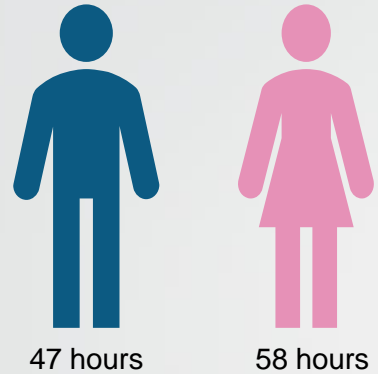
In the year 2023, no fatality incident was recorded. The safety of our workers is our main priority, and our responsibility is to equip safety features in worker workplace. We also give training to increase the knowledge and awareness of our staff. The accident recorded in 2023 was caused by worker negligence. The corrective action taken is the elimination of hazards.



GRI 403-10 Work-related ill health

No case.

GRI 404-1 Average hours of training per year per employee



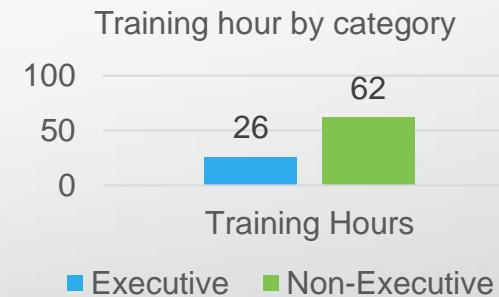
The average hours of training employees in 2023 is 52 hours. The male employees received training for an average of 47 hours and 58 hours for female employees.

GRI 404-2 Programs for upgrading employee skills and transition assistance programs

Employee training programs that aim to upgrade skills can include

- internal training courses and
- funding support for external training

In 2023, the average training for the executive level is 26 hours and non- executive level is 62 hours. The training plan is submitted by the Head of the Department in the end of the year after



GRI 404-3 Percentage of employees receiving regular performance and career development reviews

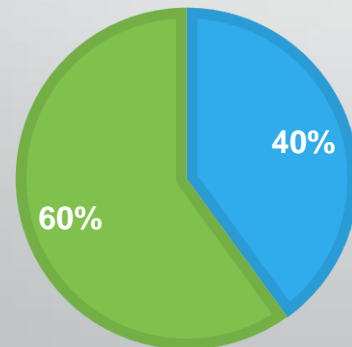
All full-time employees and temporary employees' performance and career development will be reviewed during the yearly appraisal by the employee's superior.

GRI 405-1 Diversity of governance bodies and employees

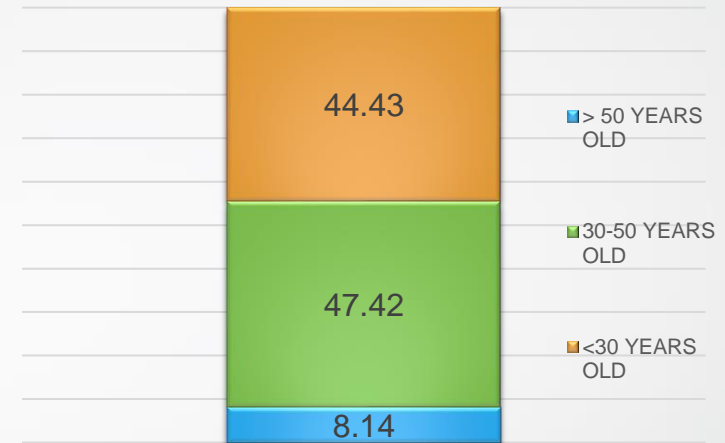
| | Male | Female | Age of Group |
|-------------------------------|------|--------|-------------------------------------|
| Board of Director (Polygreen) | 6 | 1 | over 50 years old |
| Managing Director (Polygreen) | 1 | | over 50 years old |
| Director (JYRR) | 1 | | over 50 years old |
| HOD (JYRR) | 5 | 4 | 5 over 50 4 30 – 50 years old |

EMPLOYEE NATIONALITY

Local Foreinger



Age Group Employees



GRI 405-2 Ratio of basic salary and remuneration of women to men

Consequently, JYRR does not tolerate any discrimination based on race, ethnicity, sex, religion, conviction, disability, age, or sexual identity of employees – either within the company or by business partners. These values are documented in the Code of Conduct and the Code of Conduct for Suppliers. The ratio of the basic salary and remuneration of women to men for each employee category is 96:100. HR departments have to ensure avoidance or elimination of any discrimination in work-related activities, particularly regarding remuneration, training, vocational guidance, and social security

GRI 406-1 Incidents of discrimination and corrective actions taken

| | 2022 | 2023 |
|------------------------------------|------|------|
| Number of discrimination incidents | 0 | 0 |

GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

JYRR is committed to providing freedom of association for all our workers in line with the International Labour Organization (ILO) Core Conventions. JYRR respect freedom of association and collective bargaining as part of our commitment to support the fair and equitable treatment of our Employees. The Company will not refuse any genuine opportunity to collectively bargain with worker as stated on Human Right procedure in our departmental procedure under HR & Admin department.

GRI 408-1 Operations and suppliers at significant risk for incidents of child labor

| | 2022 | 2023 |
|---------------------------------|------|------|
| Number of child labor incidents | 0 | 0 |

GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor

| | 2022 | 2023 |
|--|------|------|
| Number of forced or compulsory labor incidents | 0 | 0 |

JYRR do not use any form of forced labor, including prison labor, indentured labor, bonded labor, military labor, modern forms of slavery and any form of human trafficking. JYRR also prohibits all forms of exploitation of children as mentioned in the Code of Conduct and Supplier Code of Conduct.

GRI 410-1 Security personnel trained in human rights policies or procedures

We hired a third-party organization that provides the security services. There are 3 security guards hired by JYRR and they were given training related to Human Rights and JYRR regulations. Upon signing the contract, JYRR explains to the third-party organization the expectation of treatment to our worker, contract worker or any individual that enters our premises. They are required to follow the Supplier Code of Conduct.

GRI 411-1 Incidents of violations involving rights of Indigenous peoples

No incidents.

GRI 413-1 Operations with local community engagement, impact assessments, and development programs

JYRR is located in an industrial area and our local community is other manufacturers from various industries.

The assessment regarding the impact of our activities is performed yearly in the Environmental Aspect & Impact Assessment. This assessment is to determine the impact of our activities on natural resources, land, humans, air and water.

The positive impact is, our activities are recycling used tyres. Our company is responsible for completing the life cycle of tyres rather than dump into landfills. JYRR's activities as an employer, as a consumer of local products and services, and as a payer of taxes and fees in the respective regions or countries support local economic development, especially in emerging economies. JYRR raises the living standards of the population, both directly and indirectly, by creating added value.

413-2 Operations with significant actual and potential negative impacts on local communities

Emissions and wastewater discharge, strong odor of rubber process is significant actual and potential impacts on local communities

The potential impact is within the community. The severity is Moderate (Impact but control system is available).

GRI 414-1 New suppliers that were screened using social criteria

JYRR selects and manages its suppliers, outsourcing partners, and service providers based on a comprehensive set of criteria.

Starting in the year 2023, the criteria in the selection of suppliers not only focus on product-specific performance aspects but the non-financial aspects and sustainability considerations are explicitly taken into account as well.

The percentage of new suppliers were screened using social criteria is 60% in 2023.

We also give guidelines to existing suppliers to commit to and comply with the same high legal, ethical, and moral standards it applies to its processes and operations through the Supplier Code of Conduct.

GRI 414-2 Negative social impacts in the supply chain and actions taken

JYRR is yet to assess the current supplier regarding the social impact and plans to assess it in 2024 because the establishment of the Supplier Code of Conduct is in 2023.

GRI 415-1 Political contributions

JYRR did not render donations to parties, politicians, and related organizations in 2023.

GRI 416-1 Assessment of the health and safety impacts of product and service categories

JYRR did not receive any complaints related to safety and health impact.

GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

As part of the product safety and product responsibility programs, JYRR is constantly looking for substitutes for and alternatives to hazardous substances. In 2023, we were certified by SIRIM with the Eco-Label License.

Our practice is sending all of our products a third-party accredited lab every year. The testing that was performed is RoHs, PAHs, SVHC and Nitrosamine Analysis. The results comply with the standard or regulation.

SIRIM Malaysia is the organization that ensures our compliance with ISO 9001 and ISO 14001. We also inspected the compliance in OSHA Act 1995 by the authority.

No non-conformity, fines, or warnings received for the year 2023.

GRI 417-1 Requirements for product and service information and labelling

Our priority is not only to produce high-quality products but also the product safety.

Safety data sheets containing the relevant substance data, information on the safe handling and storage of products, and measures in the event of incidents such as product spillages/release and fire are provided by JYRR to all parties involved in the further handling of our products.

No Incidents of non-compliance concerning the health and safety impacts of products and no complaints or legal actions concerning compliance with legal provisions on unfair competition or marketing communications were recorded in 2023.

GRI 417-2 Incidents of non-compliance concerning product and service information and labeling

No Incidents of non-compliance

GRI 417-3 Incidents of non-compliance concerning marketing communications

No Incidents of non-compliance.

GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

In 2023, no incidents concerning breaches of customer privacy from interested parties and regulatory bodies.

Also, no issue on identified leaks, thefts, or losses of customer data.

In line with our efforts to expand and substantiate our sustainability reporting and strategies, we welcome feedback from our stakeholders.

Contact details:

| | | |
|----------------|---|---|
| Email | : | enquiry@jeng-yuan.com |
| Telephone no | : | 603-31762602 |
| Office address | : | Jeng Yuan Reclaimed Rubber Sdn Bhd. Lot 3 Lingkaran SUltan Hishamuddin Kaw 20, PKNS Industrial Estate Selat Klang Utara, 42000 Port Klang Selangor |
| Headquarters | : | POLYGREEN RESOURCES CO LTD (TAIWAN) |