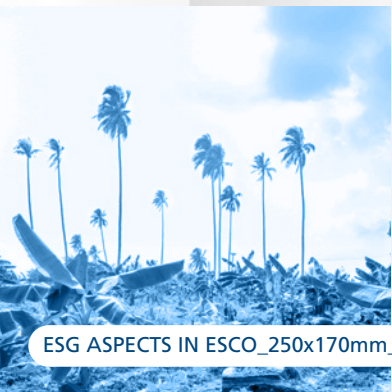




# Environmental Social & Governance (ESG) Aspects in Esco





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# Company Overview

## 1 Esco Lifesciences Group profile

Esco Lifesciences Group is a world-leading life science company with a diversified portfolio and sales in over 100 countries. As a manufacturer of laboratory and biopharma equipment, and IVF medical devices, Esco offers tailored solutions that fit the needs of laboratories in various industries.

Esco has four business units, namely Esco Scientific, Esco Medical, Esco Healthcare, and Esco Aster. Esco Lifesciences Group contributes to meet the challenges of the 21st century by continuously innovating our products to support cutting-edge research, helping biopharmaceutical companies make their drugs safer and more cost-effective, enabling lower cost manufacturing of vaccines, and directly through innovative medical devices.

## 2 The positive impact Esco Lifesciences Group has on society as an innovator in technology, products & services and market



### Novel Life Science Solutions

Esco Scientific is a leading producer of life science tools and technologies, dedicated to delivering innovative solutions for communities in clinical, research, and industrial settings. We are proud to offer a complete range of mission-critical life science tools, including incubators and ULT freezers. We are a world leader in biological safety cabinets, with the industry's widest product range.





## Medical Technology

Esco Medical is continuously creating modalities and systems to improve IVF success rates and provide efficient fertility technologies. We are driven to meet the increasing demands of the IVF industry by innovating and further developing our long-term embryo incubators and ART workstations.



## Global Healthcare

Esco Healthcare provides high-quality and dedicated solutions to support biotech and pharma companies on their research and translation journey, providing the tools needed for products to go from benchside to bedside — be it during clinical trials, commercial production, or pharmacy compounding.



## Bioprocess Tools and Services

Esco Aster is a CDMO that provides customers with proprietary best-in-class continuous manufacturing platforms and professional services at affordable costs, enabling reliable and linearly scalable outcomes in diagnostics, biologics, medicines, therapies, cosmeceuticals, and cellular agriculture. Together with our customers, we work on an interconnected "One Health. One World." approach geared towards self-sufficiency and to bring the next molecule from clinic to life.



### **3 Esco's Mission and core values**

#### **Our Mission is to:**

1. Embrace innovation and take calculated risks to address unmet needs.
2. Utilize the Esco Business System as a strategic tool to continuously improve our operating effectiveness.
3. Deepen our global footprint and market access.
4. Transform our product and service offerings and increase the share of recurring revenues.
5. Build a leading life sciences ecosystem, operating across life sciences tools, diagnostics, med-tech, biotech, cell and gene therapy, fund management and selected healthcare services.
6. Be Southeast Asia's leading life sciences company with deep and localized operations in the US, China, Europe and ASEAN.
7. Benefit the communities that we operate in.

#### **Esco's Core Values drive every aspect of our business:**

- Attitude
- Communication
- Competence
- Commitment
- Growth

Innovation is the bedrock and wellspring of all Esco Values.



## Our Vision

At Esco, we aim to invent, discover and commercialize enabling technologies to make human lives healthier and safer.

## Our Mission

### Innovation

Embrace innovation and take calculated risks in order to address unmet needs.

### Global Footprint

Deepen our global footprint and market access.

### Life Science Ecosystem

Build a leading life sciences ecosystem; operating across life sciences tools, diagnostics, medtech, biotech, cell and gene therapy, fund management, and selected healthcare services.

### Social Responsibility

Benefit the communities that we operate in.

### Effective Operations

Utilize the Esco Business System as a strategic tool to continuously improve our operating effectiveness.

### Transformation

Transform our product and service offerings, and increase the share of our recurring revenues.

### Taking the Lead

Be Southeast Asia's leading life sciences company with deep and localized operations in the US, China, Europe, and Southeast Asia.

## Our Core Values

Our values are reflected in the way we do business

- Attitude
- Communication
- Commitment
- Competence
- Growth
- Innovation

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# ESG Overview

## 1 Operationalizing ESG in regular business and/or with management and ensuring accountability when carrying out ESG initiatives.

ESG are using Environmental, Social and Corporate Governance aspects to evaluate companies on how far advanced they are with sustainability.

ESG aspects has been embedded in our regular business and daily operations through our policies, company rules, our KPIs and ISO certifications (9001, 14001 and 13485). Our Esco offices, managers and the people need to implement and therefore is held accountable for their ESG initiatives in their respective area.

## 2 KPIs related to ESG in Bintan (i.e. waste, water, CO<sub>2</sub> emissions, women in management etc.)

**These are a few KPI points related to ESG used in the Esco Bintan factory:**

1. Monitoring of power, water, gas, paper, and carton box consumption
2. Monitoring of sheet metals and powder coating usage efficiency
3. Compliance of the Government regulatory by submitting Environmental Management Efforts and Environmental Monitoring Efforts Report to Government Environmental Agency twice a year
4. Our new products are targeted to have lower power consumption and noise.

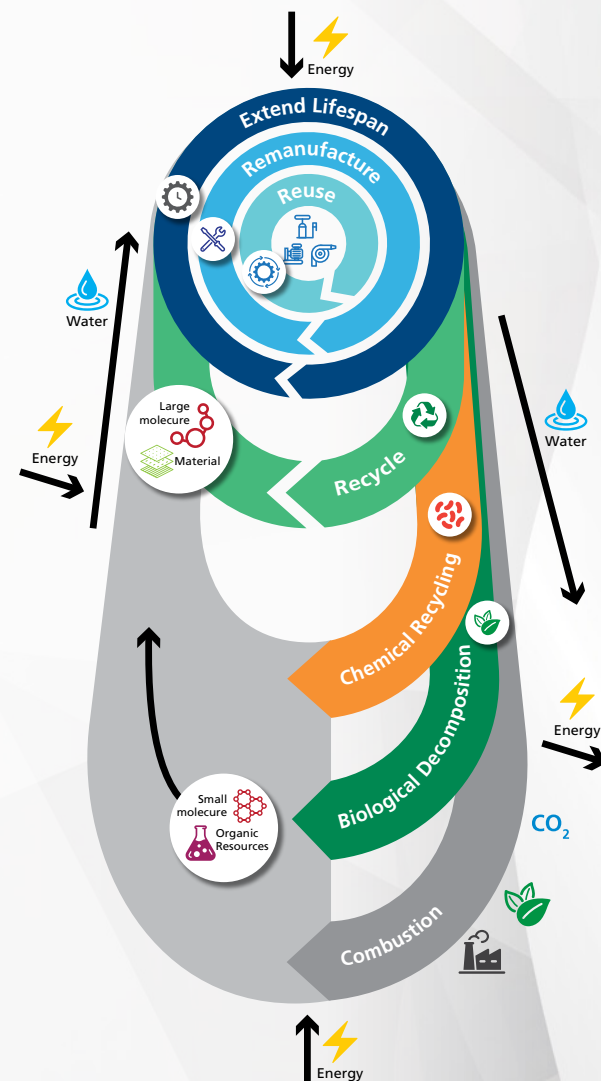
# Addressing ESG Over the Past 12 Months

## 1 Environmental

Environmental aspects include contributions a company makes to climate change through greenhouse gas emissions, along with waste management and energy efficiency.

*Esco has taken many initiatives to reduce and/or even improve our environmental footprint (e.g. waste reduction, resource optimization, circular economy, CO<sub>2</sub> emissions reduction and/or focus on climate change)*

A circular economy is a systemic approach to design out waste and pollution, keep products and materials in use for longer periods of time and ultimately regenerate natural systems.



This approach allows us to redefine growth, focuses on positive society wide benefits and gives us endless possibilities to create a thriving economy. Some initiatives Esco has taken to help to create circular economy are:

**a. To reduce, reuse and recycle wherever possible.**

Discarded oil drums are upcycled and re-purposed into furniture such as seats.





**b. Monitoring our sheet metal efficiency, power/water consumption, and coming up with a set of programs related to preserving environment.**

Annual Testing using 3rd party accreditations to comply to government regulations.

Annual testing of environment condition using 3rd party accreditation to comply to government regulations and ensure a healthy and safe working environment.

*3rd Party emission test*



*3rd Party noise test*



### *3rd Party Electrical Safety Inspection*



### **c. Designing new better products with improvement in lower carbon emission/noise.**

Esco was the first company to utilize the German made ebm-papst rotor / motor system in laminar flow products. These motors were selected for energy efficiency, compact design, and flat profile. The complete integrated system assembly optimizes motor cooling reducing energy consumption and extends the motor life.

Esco also uses high-pack, low resistant ULPA filters in our laminar flow products. The low resistance 99.999% efficient filters, combined with the ebm-papst rotor / motor systems, allows Esco to provide better reserve capacity. Better reserve capacity equals longer filter life and lower lifetime cost of the product. For example, the LA2-xA2 Series of Biological Safety Cabinets provide over 150% increase in pressure loss over clean filters without a speed control adjustment and 210% increase with speed control adjustment. Lower energy demands with the ability to adjust the airflow of a product over its life extends the life of the disposable components and reduces the lifetime operating cost.



d. Emphasizing on trade-in program for Esco old products to trade in with new products (low power, low noise, new technology).

e. Certification & Audit: Esco Bintan factory is ISO14001 certified.

Esco Bintan factory is audited every 6 months for environmental impact and will need to submit Environmental Management Efforts and Environmental Monitoring Efforts Report to the Government Environmental Agency.

f. Our CSR activities includes a few programs such as: Hydroponic gardening & Aquaponic farm-fishing, and waste recycle project (conversion of waste powder to make bricks for buildings & waste wooden pallets to build desks for students or beds for donation in the community)



# CERTIFICATE

The Certification Body  
of TÜV SÜD PSB Pte Ltd  
certifies that



ESCO LIFESCIENCES

WORLD CLASS. WORLDWIDE.  
**PT ESCO BINTAN INDONESIA**  
Bintan Industrial Estate Lobam,  
Kepulauan Riau 29154  
Indonesia

has established and applies  
an Environmental Management System for


**Design and Manufacture of Laboratory, Medical,  
Pharmaceutical, Healthcare and Cleanroom Equipment**

Proof has been furnished that the requirements  
according to

**ISO 14001 : 2015**

are fulfilled. The certificate is valid from **2020-12-10** to **2023-02-14**  
Certificate Registration No. **2020-0823**  
Date of Print : **2020-12-10**



  
SiEW Kwai Heng, Tiffany  
Head of Certification Body  
Management Systems  
Business Assurance Division



Page 1 of 1

Please refer to [www.tuvsud.com/en-sg](http://www.tuvsud.com/en-sg) for current certificate status in the "Directory of Management System Certified Companies".

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**f. Our CSR activities includes a few programs such as: Hydroponic gardening & Aquaponic farm-fishing, and waste recycle project (conversion of waste powder to make bricks for buildings & waste wooden pallets to build desks for students or beds for donation in the community)**

**Hydroponic gardening and Aquaponic farm-fishing**  
Hydroponics is the cultivation of plants without soil by using mineral nutrient solutions in an aqueous solvent. Aquaponics is a combination of aquaculture, which is growing fish and other aquatic animals, and hydroponics. Aquaponics uses these two in a symbiotic combination in which plants are fed wastes of the aquatic animals. In return, the vegetables will clean the water for the fishes.

This allows us to produce organic crops in a sustainable manner. The fish waste is recycled and used for plant growth instead of throwing it in the ocean. The water is then recirculated in a closed system lowering the consumption of this resource.



## Waste Recycling Projects

Innovation is one of Esco Core Values and in this project, our local community in Esco Village now has chance to practice their skills to make something useful from waste.

Esco management encourage staff and communities to think “outofthebox” and therefore Innovation will be born.

### 1. Creating whistles from Gonggong shells



### 2. Waste powder recycled and made into building bricks.



Waste powder are sprayed white in ducting spray room.



Sprayed waste powder packed into boxes and sent to Kampung Bugis.



A mixture of waste powder is made into building bricks in Esco Village.

Bricks are used to build foundation for infrastructure like houses.





### 3. Wooden pallets are upcycled into bed frames.



Unused wooden pallets from Esco Bintan Factory are dismantled.



Wooden pallets are being repurposed into new bed frames from Esco Bintan Factory are dismantled.



Locals in the community enjoying repurposed new beds made from wooden pallets.



Matresses are given out by Esco staff to the needy community.



**g. All Esco companies worldwide are constantly reminded to be environmentally friendly in day-to-day operations.**

### **Our environmental policy**

We have also taken a few initiatives to improve Esco's environmental footprint such as: conversion to LED lights for lower power consumption, collection of rainwater for factory use, emphasize duplex printing (for hardcopy) or print on recycled paper, invest more in laser cutting machines instead of punching machines.

### **Trash Management**

Esco ensures that each trash it generated are disposed and segregated properly by providing appropriate and sufficient trash bins properly labeled for easier identification. Employees are trained upon their initial hiring and regularly reminded to maintain and practice 5S all the time.



Trash Bins



## **Environmental Policy**

In the pursuit of becoming a world class organization, Esco recognizes the delicate balance for existence of all natural resources. Esco is committed to preserving the environment and making it healthier, safer and cleaner through a strategy of continual improvement of our environmental performance and compliance to all applicable legal and other requirements of the country where Esco companies operate.

### **We achieve this by:**

- Complying with all applicable environmental legal and other requirements which Esco subscribes to.
- Exerting continual effort to conserve resources.
- Preventing, reducing, re-using, re-cycling waste.
- Controlling our air emissions, noise and wastewater discharge.
- Developing green products.
- Measuring, reviewing and reducing pollution and the environmental impacts of our operations.
- Making known and increasing awareness of the policy statement and its relevant program to all persons working for and in behalf of the organization.
- Ensuring that the environmental management system is reviewed for continuing suitability.



Chemical Storage room with secondary containment



Chemical spill kits scattered around the factory



B3 Waste containers and bins

Actions taken to mitigate negative impacts on biodiversity and/or to positively impact biodiversity.

### Cultivation of Gong-Gong (Bintan Sea Snails)

As one of our CSR projects, Esco has made collaborations with local universities, Faculty of Marine and Fisheries Sciences, Raja Ali Haji Maritime University in Tanjung Pinang, Bintan for cultivation of Gong-Gong, barks, sea cucumbers and sea horses. These fisheries cultivation will be carried out in Bugis Village, Tanjunguban Utara Village, North Bintan District.



Signage between Esco and faculty of Gong-Gong Museum in Tanjung Pinang, Marine and fisheries Sciences Bintan



Gong-gong



#### Providing land for plant cultivation

Esco provides land and entrusts local farmers with plant cultivation at Berakit Farm. Local farmers grow organic vegetables such as long beans and mustard greens, and organic fruits such as dragon fruits, coconuts and bananas.



Planting of mustard greens



Planting of long beans





Planting of coconut trees



Planting of banana trees

### Building of Kelong project

A kelong is an offshore platform built predominantly with wood, which can be found in waters off Malaysia, the Philippines and Indonesia. Only a handful remain in Singapore due to rapid urbanization. This kelong is well-equipped with a fishing system which provides sustainable fish-farming.

Located by the seashore of Berakit Farm, Esco has purchased a Kelong for the local fishermen to maintain. It has been a source of sustainable fish-farming of fish, squid and prawns which are then used for local consumption.

*Left to right:*

Kelong built by the seashore in Berakit Farm.  
Farmed fish from the kelong.





Preservation of seashells , fossilized stones and semi-precious stones.



Annual Tree Planting Activity in Bintan



# Social Aspects

Social Factors include human rights, labor standards in the supply chain and routine issues like adherence to workplace health and safety. An indicator of good social score is the tight integration between a company with its local community.

There has been plenty of activities to help the local community in Bintan, Indonesia during the COVID-19 outbreak. We have provided aid in the form of food commodities, COVID-19 education and Personal Protective Equipment (PPE) and these were distributed to local communities in Bintan. Equipment and expertise were also rendered to the city hospital in the fight against COVID-19.

In the past, we have also provided sponsorships to underprivileged students in university, book donations for children, and sponsoring some industry relevant events.

## Social Responsibility Programs

- 1 Free English Class by Esco Staff for unprivileged children in local communities in Bintan.**



Esco staff reaches out and serves the community by conducting English classes for local children in Bintan during their spare time on weekends. Both the expatriate and Indonesian staff works together to provide complementary knowledge on top of their school education.





## 2 Setup of Playground in Esco village for the children of the community in Kampung Bugis.



3

### Relief Goods and Face Mask Donation during COVID-19 outbreak – in Bintan and Philippines.





## 4 Providing equipment and expertise during COVID-19 outbreak

Participating in COVID-19 tracing through donation of 9 units of Swabbing booth (SSB & MSSB) to 8 Government/Army Hospitals in Batam, Bintan and Lingga Island Indonesia which are namely: RSUD Kijang - Bintan, RS Embung Fatimah – Batam, RSBP Otorita - Batam, RSUP Tanjung Pinang - Bintan, RSKI–Galang (Government designated hospital for COVID-19) –Batam, RSUD–Dabo–Lingga, RSAL–Tanjung Pinang - Bintan and last but not least, RSUP–Engku Haji Daud – Bintan.



## 5 Seashell and driftwood collection

By collecting and purchasing seashells and driftwood from all fishermen and locals in Riau Archipelago, we can support the locals in Bintan financially with additional income. These collected seashells will be displayed in a seashell museum for educational purposes.

Re-purposing driftwood



### Handicrafts made from driftwood

This helps to promote Bintan's handicraft industry through selling of handicrafts at a local shop, Manggar Abadi. These handmade crafts include fish scales, seashells and recycled items as raw materials. Furthermore, this helps to create awareness and understand importance of marine life which is not only limited to fish but also seashells, corals, driftwood and much more. If these are well-purposed, they can be valuable.







## Engagement with relevant stakeholders (e.g. industry alliances, universities, PIOs)

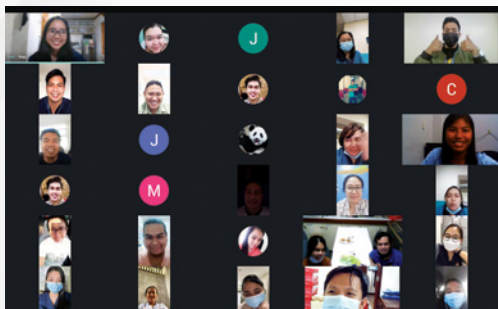
### 1 Training and Seminars

Esco is an advocate for safe lab work practices, whether the risk is biological, chemical or cytotoxic in nature. A key facet of our program is offering safety-related seminars all around the world. These webinars are non-commercial in scope and subject to schedule availability. These seminars are conducted in universities, research institutes and many other institutions within the industry.

#### Webinars

For example, seminars and online webinars on Biosafety Awareness are conducted in Vietnam with end-user companies like American International Hospital (AIH), Nong Lam University and Saigon Water Corporation (SAWACO).





Seminars held by John Hyuh, Esco Vietnam.





Seminar held at Manado Health Training Center, Indonesia.



## 2 Newsletter & Social Media content

Furthermore, Esco produces Biosafety Awareness content via newsletters and social media platforms like Facebook, Twitter, Youtube, Instagram and LinkedIn.

**Quarterly Newsletter – The Lab Cycle**



# NEWS LETTER

PT. Bintan Inti Industrial Estate

## KUNJUNGAN KERJA BUPATI BINTAN




Bupati Bintan beserta seluruh pimpinan FKPD dan OPD melakukan kunjungan kerja terkait kesiapan Kawasan Industri Bintan di dalam menyambut penyesuaian pola hidup baru (New Normal) tanggal 4 Juni 2020.

Perusahaan di dalam Kawasan Industri Bintan mendukung kebijakan pemerintah dengan menjalankan protokol kesehatan untuk keberlangsungan dunia usaha serta meningkatkan produktivitas selama pandemi ini.

Di akhir kunjungan Bupati Bintan beserta jajarannya meninjau salah satu tenant, PT Esco Bintan Indonesia yang memproduksi alat kesehatan Streamline Screening Booth atau bilik untuk membantu pemeriksaan swab Covid-19.





[www.bintanindustrial.com](http://www.bintanindustrial.com)

## Facebook – How COVID-19 mRNA vaccines work



**Esco Lifesciences Group**  
 Feb 24 · 🌐

...

**FACT CHECK:**  
Can mRNA vaccines against COVID-19 affect or interact wi... See More





👍❤️ 15 others
5 Shares

👍 Like
💬 Comment
➦ Share

## Twitter – Lab Cycle Newsletter about COVID-19 variants, vaccines, and cold chain solutions.


**Esco Lifesciences Group**  
 1,800 Tweets

Follow

Tweets
Tweets & replies
Media
Likes

📌 Pinned Tweet

**Esco Lifesciences Group** @EscoLifesci · Feb 25

#EscoScientific unveils its 1st issue of The Lab Cycle #newsletter this year! Learn more about the #COVID19 variants & #vaccines and discover how we've provided cold chain solutions. 🌱

Download the newsletter here—for FREE! [bit.ly/2021TheLabCycle...](http://bit.ly/2021TheLabCycle...)

#EscoCares #Laboratory #News

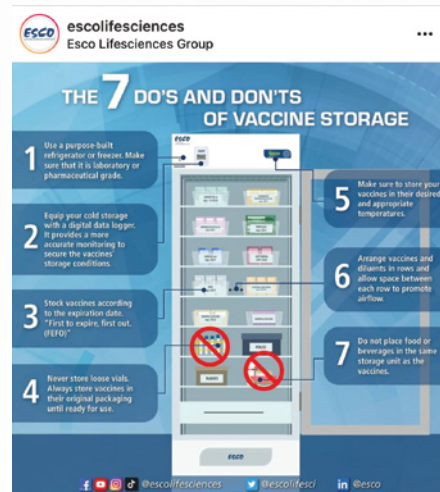


🗨️ 3
📄 22
❤️ 28
🔄

## Youtube – 6 Tips to Prevent Cell Culture Contamination.



## Instagram – The 7 Do's and Don'ts of Vaccine Storage.



## LinkedIn – Safety Tips when using Laboratory Shaker.



## Tiktok – What to keep in mind for stable airflow in your BSC.



# Employee Engagement

## Annual Family Day events

Annual Esco Family day wherein Families of Esco Employees are invited on a whole day of celebration and gathering with games, prizes, and giveaways. Opportunities are provided for Esco employees to showcase their talents and creativities. Staff and employees are rewarded for their hard work which will in turn boosts morale of the staff.

**Esco Family Day 2020 in Bintan**



**Packing of fruits into goodie bags**



**Packed goodie bags ready to be given away to staff**







## Ensuring Mental Wellness of Staff

Maintaining Mental Well-being of the staff is very important in Esco. Being emotionally healthy promotes productivity and effectiveness in daily activities at work and in personal lives. Hence, Esco has provided staff support via many initiatives such as the Penawar Wellness Clinic and therapeutic garden in Bintan



Therapeutic garden for staff usage

# Ensuring Health and Safety in Esco

## Esco's Health and Safety (H&S) Policy



### Safety and Health Policy PT Esco Bintan Indonesia

**Esco's vision** is establish cultural about safety and health all employee in PT Esco Bintan Indonesia.

**Esco's mission** is to make a safety and health working environment.

**PT Esco Bintan Indonesia** strives to achieve an injury free and no accident in every workplace by embracing this commitment.

#### Company Commitment:

- Ensure through trainings, that **PT Esco Bintan Indonesia** 's Health and Safety Policy and procedures, including individual obligations with respect to the company's operations, are clearly communicated to all our employees.
- Provide adequate resources to our employees to meet our safety obligations.
- Ensure that all cases of incident and accidents no matter how minor will be reported, documented, and investigated so that a quick preventive/corrective action can be performed to reduce recurrence.
- Periodically review our Safety and Health policy and procedures to continually improve it and to maintain their relevance to current company operations.
- To fulfill Laws and regulations on occupational safety and health and other requirements
- To Inform and communicate this policy to all employees, business partners and other parties associated with production activities PT Esco Bintan Indonesia

#### Responsibility as PT Esco Bintan Indonesia employee:

- Take personal responsibility to maintain employee's health and safety and those around.
- Immediately report to superiors anything at work that you believe is a potential job hazard.
- Intervene when see anybody performing any unsafe action or working on unsafe condition.

The well-being of all **PT Esco Bintan Indonesia** employees is our top priority. Likewise, it is the responsibility of every individual to contribute towards achieving a healthy and safe workplace.

Bintan, July 1st, 2020

Lim Lay Yew  
Chairman



Emergency vehicles on standby in Esco factories such as ambulance and fire trucks.



Annual First Aid training conducted by Esco's certified front liners.





## Annual Firefighting training and Fire Drill.

Esco conducts yearly fire drill and firefighting training to employees from operators to the top management. Esco ensures that “Everyone is a Firefighter, Everyone is a safety worker and everyone a health worker”

Youtube Video: Safety in Esco | Safety Committee and its Mission and Vision | Esco Lifesciences Group

Link: <https://youtu.be/o4FC95JvFvQ>

### Annual fire drill and firefighting training



## **Keeping track and seeking to improve H&S injuries. (e.g. Lost Time Injury Frequency Rate (LTIFR), Days Away Restricted or Transferred (DART) or Laboratory-acquired infection (LAI))**

We have taken these few steps in Esco Bintan factory:

1. Enforce PPE usage in various work centres.
2. Every work accident will require comprehensive reports that investigates not only the root cause, but also the future preventive actions needed. This report will be submitted officially to Ministry of Manpower as well as to BPJS (government insurance company).
3. Every work-related injury/MC will be recorded. Our nurse and Safety officer review this on the routine basis. We have come up with some programs which are targeted to reduce injuries and MC related to health
4. Safety training for new hires and HSE refreshment trainings are conducted routinely to ensure their safety.
5. Preventive maintenance on production machines and machine safety is inspected yearly by MOM.
6. Tie the Injuries and MCs lost time to employee's monthly attendance allowance and their year-end performance evaluation bonus.

## **Safeguarding human and labour rights in Esco's operations.**

Esco always adheres to the local labour laws of the country that we operate in. We will also add some policies for work arrangements according to our culture and business needs. The rules/policies formed as company rules/regulation are then communicated to the staff via the employee handbooks.

## **Ensuring that Esco works with responsible supply chain management (e.g. inclusion policies, code of conducts, screening of suppliers on social issues, labour rights, wage)?**

A Supplier Evaluation Questionnaire will be used to screen potential and current suppliers to ensure that they are reliable. Annual Supplier's evaluation is then used as a tool to evaluate the supplier's performance within the year and the results are sent to suppliers for their continual improvement.

# Governance

**Policies and guidelines to ensure responsible and ethical business conduct. (e.g. with a specific focus on animal welfare or GMO, if relevant)**

We have a “Code of Ethics” policy and a “Code of Business Conduct” that is implemented throughout the company. We also follow relevant and applicable Singapore guidelines on GMO and handling of biological materials such as import and management of cell lines for research and development purposes.

## Practices/Procedures to safeguard against corruption

1. ERP system in place to record every transaction.
2. Written and socialized Purchasing policies where anti-bribery clauses are included.
3. Company rules and regulations where every staff must take Esco Anti-Bribery and Anti-Corruption Pledge, sign Letter of enforcement of corporate culture (LECC) and Whistleblowing Policy & Procedure (WBPP)



## Code of Ethics

World Class, Worldwide, is more than just a phrase at Esco. It's part of who we are, where we are from and where we are going. Esco has its foundation in a set of unyielding principles that are affirmed each day by its many individuals born of cultural and ethnic diversity with sights set on a common goal to be the best citizens of the world that we can be.

In conduct of our business, we are and will continue to be guided by the following principles and ethics:

- We will take pride in our effort and in our products and services which we provide.
- We will be fair and truthful in our relations with our co-workers, suppliers, shareholders and the public at large.
- We will be honest in all our dealings.
- We will be aware of and responsive to the changing customer needs.
- We will constantly strive to improve.
- We will be exemplary global citizens.
- We will contribute to various communities of which we are a part.
- We regard as imperative the financial success, stability and growth of our business in consonance with these principles.



*E.g In Esco Bintan, a proven act of corruption will lead to immediate termination.*

4. Approval control for purchasing process based on value of purchase.
5. Monthly inventory stock check to compare the record and the actual
6. Annual financial audit

## **Feedback Mechanism(s) for (external) stakeholders and employees to be heard anonymously**

1. Through our social networks (Facebook, youtube, website by email to escoglobal.com)
2. Annual surveys to our Esco offices/distributors on our performance (customer service, shipping, technical support and production related)
3. Suggestion box placed in a few of Esco offices where suggestions will be directed directly to Chairman/BOD.
4. Management Review meeting in Esco Bintan factory and year end meeting for Esco offices

## **Female representation at the executive level (board and executive mgmt.) and ways to cultivate female leadership**

Mrs Lim Yae Foong is the female representative at Board level. Her role in Esco as COO has been key to the growth and development of the company. We are also seeking to appoint another female independent director to the board and are already assessing some candidates.

For executive management level, we have Cherry Mataga as Group Accountant and Goh Moy Peng as Financial Controller. We also have several other outstanding female executives who lead our Esco offices (Esco Thailand, Esco Indonesia, Esco Myanmar, Esco Germany, Esco Hongkong, Esco South Africa).

In Esco, everyone gets the same chance to work and to develop themselves, everyone will grow with the company, regardless of gender, all are given equal opportunities in leadership.

Furthermore, We have the following award to celebrate women's achievements – Esco Inaugural Woman of the Year Award 2021. The purpose of this award is to recognize an outstanding individual woman who has distinguished herself in our organization, her profession, and her community. The recipient of the Woman of the Year award epitomizes the values for which Esco stands and represents the best of who women are and as leaders.

We will be using a judging criterion to allow us to understand our nominees as people, women and professionals across a range of skills and specialties in which they are making a difference.

The judging criteria for an Esconian Woman of the Year Award are listed below:

1. **ESCO ROLE MODEL:** The candidate has exhibited exemplary Esco values (Attitude, Communication, Commitment, Competence, Growth & Innovation)
2. **CAREER ACCOMPLISHMENTS:** The candidate has demonstrated professional growth by outstanding progress in her chosen career. For example, over time she has excelled by obtaining successively more responsible positions throughout her career; or she has consistently demonstrated exceptional job performance beyond what is normally performed or expected.
3. **LEADERSHIP SKILLS AND IMPACT:** The candidate leads by example, who influences, listens, mentor and negotiates with colleagues. She also drives others to perform to the best of their ability.

## Creating a diverse and inclusive workplace

(e.g. nationality, age, ethnicity)

Operating in 42 locations in 21 countries worldwide naturally means that we have diversity across our companies. During the hiring process, we do not filter our candidates by nationality, age, or ethnicity. Instead, we hire the best candidate available based on their actual merits.



### Diversity benefits us by

1. Allowing us to communicate amongst our colleagues all over the world seamlessly and enhances our ability to enter new markets around the globe.
2. Continuing operation 365 days, 24/7, despite holidays.

As a result, Esco employees are more open-minded, tolerating, and we can see problems from different angles/perspectives and thus, have better solutions.

Furthermore, we have established a Board Diversity Policy:

## **Board Diversity Policy**

### **1. Purpose**

1.1 This Policy aims to set out the approach to achieve diversity on the Company's board of directors ("Board").

### **2. Vision**

2.1 The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance.

### **3. Policy Statement**

3.1 With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

### **4. Measurable Objectives**

4.1 Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Board's composition (including gender, ethnicity, age, length of service) will be disclosed in the Corporate Governance Report annually.

### **5. Monitoring and Reporting**

5.1 The Nomination Committee will report annually, in the Corporate Governance Report, on the Board's composition under diversified perspectives, and monitor the implementation of this Policy.

### **6. Review of this Policy**

6.1 The Nomination Committee will review this Policy, as appropriate, to ensure the effectiveness of this Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

### **7. Disclosure of this Policy**

7.1 This Policy will be published on the Company's website for public information.

7.2 A summary of this Policy together with the measurable objectives set for implementing this Policy, and the progress made towards achieving those objectives will be disclosed in the annual Corporate Governance Report.





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