

ENVIRONMENTAL

Datasonic is committed to conducting business in an ethically, socially responsible and environmentally sustainable manner. Environmental stewardship begins with reporting our environmental performance and ensuring that production and operations meet or exceed relevant environmental legislation.

As we operate in a dynamic and hi-tech industry, we recognise the environmental challenges that this creates. Along with managing our own impacts, we have a responsibility to improve the efficiency of our supply chain, products and services while helping customers address their sustainability challenges. Our Procurement Department works with supply chain partners to encourage the use of products that minimise adverse effects on the environment and health. We also consider the environmental costs associated with our full product life cycles.

Datasonic is committed to designing, manufacturing and distributing environmentally-responsible products. Environmental aspects are considered in the design, manufacture, distribution, use, disposal and reuse of our products. We aim to minimise the environmental impact of our products and operations by conforming to applicable regulations. Sustainable practices in materials selection and use are proactively researched and implemented.

Energy Management

Datasonic continues to focus on opportunities to reduce energy consumption. Operational efficiency improvements include the implementation of energy savings-related projects and a continued focus on utility usage awareness.

Environmental Conservation Initiatives



Reducing energy consumption by switching off the lights and/or setting office equipment to standby mode when not in use



Replacing office fittings and equipment with energy-efficient solutions at our office premises, where possible



Reusing and recycling paper and printer toners and cartridges where possible



Reducing paper consumption through the use of online or web-based systems

We are currently researching ways of generating cheap, green electricity from sunlight by installing solar panel systems. The project proposal is still being considered and we will hopefully report the outcome in our next sustainability statement.

Waste Management

Generally, we reduce waste and manage the residue in an environmentally sound manner. Waste generated from our production is categorised into two main categories: solid and scheduled waste.

Scheduled waste can be potentially hazardous to human health or the environment if improperly managed. We have engaged a licensed waste management company to dispose of our chemical waste properly. This ensures that this type of waste is properly treated before it is disposed of safely. All paper waste is recycled.

The breakdown of waste disposed of by year is presented in the tables below.

Solid Waste Disposal by Year (kg)

Category of Waste Disposed	FY16	FY17	FY18
Shredded waste paper	1,740	-	22,530
Rejected plastic goods (PVC, PC, PET)	279	170	160
Carton box	65	25	30
Packaging box from vendor	150	85	75
Plastic core/ container (raw material, indirect material)	120	75	70
Module tape (contains gold and/or silver)	90	45	50
Metal	1,095	720	720
Total Solid Waste	3,539	1,120	23,635

Scheduled Waste by Year (kg)

Category of Waste Disposed	FY16	FY17	FY18
Machine hydraulic oil	39	-	-
Thermal oil	170	-	-
Inks, paints, pigments, lacquer, dye, varnish products containing organic solvent, etc.	-	-	1,971
Total Scheduled Waste	209	-	1,971

Datasonic reuses and recycles waste up to the capacity of internal consumption only. Types of waste being recycled include carton boxes, plastic containers and paper. However, the waste must not contain any secure or sensitive information.

We engaged a professional and experienced company to provide the following services at our headquarters:

- **Expert information security services** to ensure that our sensitive documents and information are managed with total security; and
- **Destruction services** for the management of secure information and the recycling of our general office paper waste.

Whereas the **handling and disposal of scheduled waste** from our manufacturing plant in Petaling Jaya is outsourced to a third-party licensed contractor which is a leading recovery and recycling scheduled waste company in Malaysia.

Water Management

Water is essential to Datasonic's smartcard manufacturing and card personalisation operations. Sustainable water management is a broad and complex issue and one that Datasonic strives to support by reducing water consumption wastages.

Our water consumption reduced by 2,647m³ in FY18 compared to FY17 mainly due to:

- Fewer cards being personalised at Wisma RPS; and
- Fewer raw national identity cards being produced by our Manufacturing Centre in Petaling Jaya.

The 530m³ increase in water use from FY16 to FY17 was mainly due to increased consumption by the MCCS Migration at Card Personalisation Centre at Wisma RPS.

Water Consumption (m³)*

Site	FY16	FY17	FY18
Manufacturing Centre in Petaling Jaya	5,181	4,219	2,900
Manufacturing Centre in Port Klang	921	781	896
Card Personalisation Centre at Wisma RPS	1,581	3,213	1,770
Total	7,683	8,213	5,566

*We do not monitor water consumption at our rented office premises including our HQ.