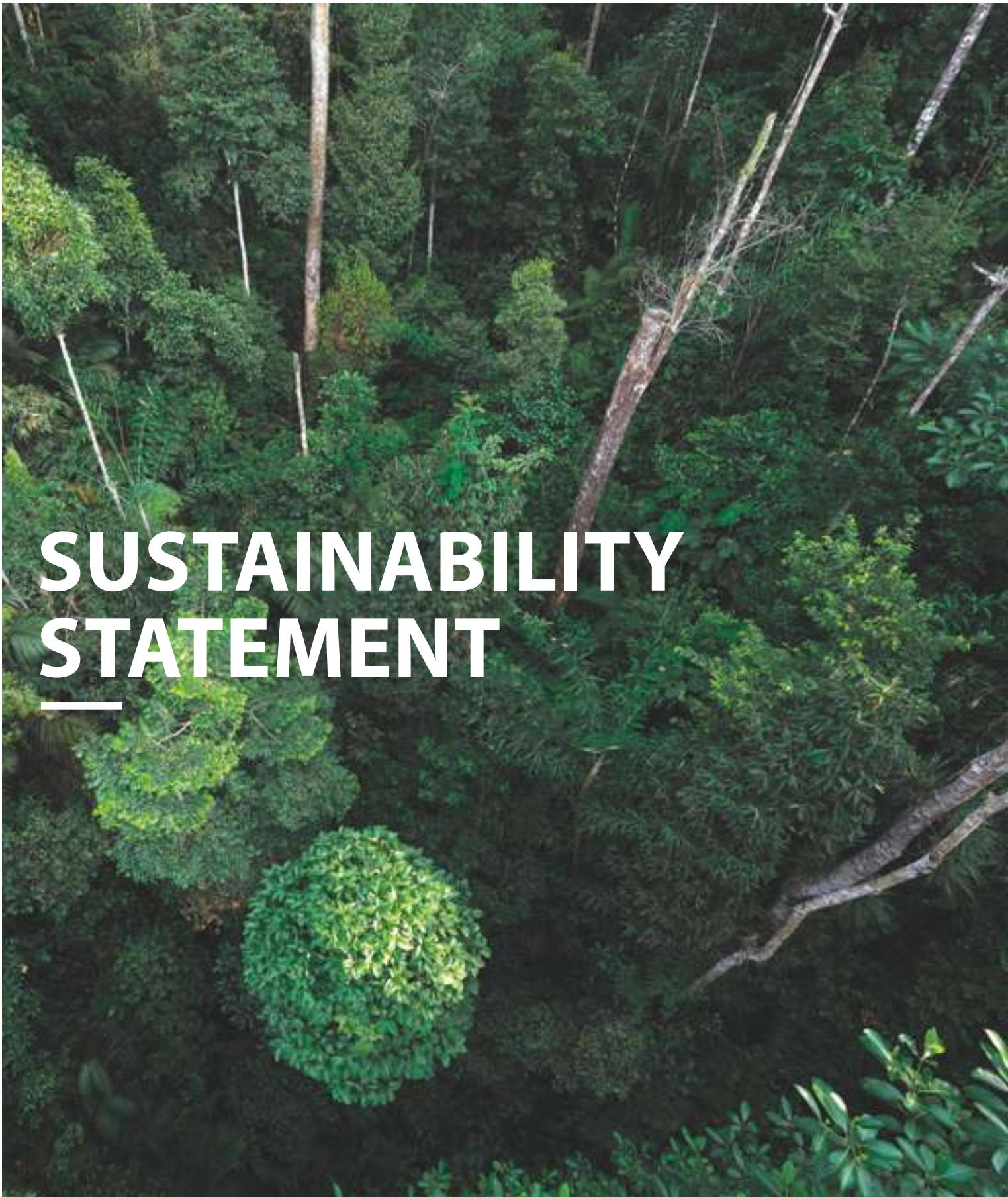




SUSTAINABILITY STATEMENT

SUSTAINABILITY STATEMENT

ABOUT THIS SUSTAINABILITY STATEMENT

Gadang Holdings Berhad ("Gadang") is committed to embed sustainability elements from Economic, Environmental and Social ("EES") in our daily operations across all the business sectors to perpetually pursue value for all our stakeholders. The unprecedented impacts of the Covid-19 pandemic has further strengthened our belief on the importance of Gadang Sustainability Pillars to support business continuity and competitiveness over the long term in order to achieve our vision.

In this financial year, we continue to manage the impacts from Covid-19 pandemic especially in the areas of project management and occupational health and safety. We remain committed to manage our environmental impacts and to uphold high standards of corporate governance to safeguard the interests of the business and all stakeholders. It is our aspiration to grow our reputation and deliver long-term value to our stakeholders as we create tomorrow and beyond. While the challenges ahead are undeniable, the efforts of our employees and leadership team inspire confidence in our long-term success. With the trust and support of our investors and stakeholders amid challenging times, we are encouraged to continue to move forward and seize opportunities as we build a more sustainable future.

GADANG SUSTAINABILITY PILLARS



Diagram 1 - Gadang Sustainability Pillars

REPORTING PERIOD

This Statement covers the Group's sustainability management and performance data from 1 June 2020 to 31 May 2021 and the comparative data where applicable.

REPORTING CYCLE

Annually

REPORTING GUIDE

- Bursa Malaysia's Main Market Listing Requirement
- Bursa Malaysia's Sustainability Reporting Guide - 2nd Edition
- United Nations Sustainable Development Goals

FEEDBACK

Risk Management Department
 Wisma Gadang
 No. 52 Jalan Tago 2
 Off Jalan Persiaran Utama
 Sri Damansara
 52200 Kuala Lumpur
 Tel : +603 6279 6382
 Fax : +603 6279 6376
 Email: sustainability@gadang.com.my

SUSTAINABILITY STATEMENT

REPORTING SCOPE

The reporting scope encompasses Gadang and our active subsidiaries, except for Yi Sheng Foundation Pte Ltd ("YSF") which we acquired as a wholly-owned subsidiary of Gadang Engineering (M) Sdn Bhd in December 2019 but only executed a small maiden project in 2020. We shall include YSF in the next reporting year now that it has secured a new project valued at SGD 2.45 million and will be tendering for more projects in Singapore. Gadang and our active subsidiaries are collectively referred to as the "Company" or "Group" including Utility Division which is operating in Indonesia. We have four water treatment plants in Indonesia with a total water production capacity close to 1,100 litre / second and a mini-hydro power plant which is under construction.

ENGINEERING & CONSTRUCTION

- Gadang Engineering (M) Sdn Bhd ("GESB")
- Datapuri Sdn Bhd ("DSB")

Key Projects

- Mass Rapid Transit Line 2: Package V206 ("MRT Line 2 – V206")
- Bridge & Tunneling Works for TRX City Sdn Bhd ("TRX Package C3")
- Cyberjaya Hospital
- Public Realm Works at Tun Razak Exchange ("TRX Package C6")
- North-South Steel bridge at Tun Razak Exchange ("TRX Package C9")
- East Coast Rail Link Section 5 ("ECRL S5")
- East Coast Rail Link Section 6 ("ECRL S6")



PROPERTY DEVELOPMENT

- Mandy Corporation Sdn Bhd ("MCSB")
- Gadang Land Sdn Bhd ("GLSB")
 - Hillstrand Development Sdn Bhd
 - Tema Warisan Sdn Bhd
 - Natural Domain Sdn Bhd
 - Crimson Villa Sdn Bhd

Key Projects

- Phase 2, Maple Residence
- Elegan Residensi @ Taman Putra Perdana
- The Vyne (Phase 3, Block E)
- Akasia Semenyih



UTILITY

- Regional Utilities Sdn Bhd ("RUSB")
 - Asian Utilities Pte Ltd ("AUPL")
 - PT. Taman Tirta Sidoarjo ("TTS")
 - PT. Hanarida Tirta Birawa ("HTB")
 - PT. Bintang Hytien Jaya ("BHJ")
 - PT. Dewata Bangun Tirta ("DBT")
 - PT. Ikhwan Mega Power ("IMP")

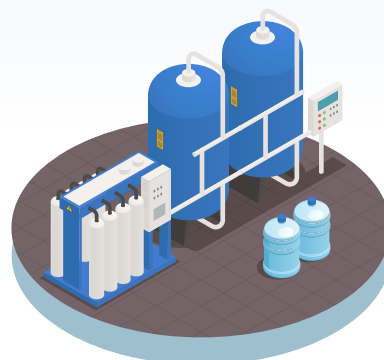


Diagram 2 - Our Reporting Scope

SUSTAINABILITY STATEMENT

INDEPENDENT ASSURANCE

We have not sought any external assurance for the current statement and will consider it in future. However, we strive to continuously enhance collection, analysis and reporting of relevant data to provide our stakeholders with a better insight into our sustainability management and performance data.

SUSTAINABILITY GOVERNANCE

A strong and effective governance structure is imperative in order to embed sustainability in the Company and strengthen the trust and confidence of stakeholders in the management of Gadang's sustainability matters. Our sustainability governance structure has clear lines of accountability starting from the tone set by the Board in directing the business strategies and its commitment in ensuring Key Result Areas ("KRAs") and Key Performance Indicators ("KPIs") are aligned to business plan and objectives to ensure business continuity and long-term stakeholder value creation. This clear lines of accountability enable us to foster a culture of sustainability throughout the Group.

In addition, we review our sustainability governance structure annually to ensure the roles and responsibilities remain relevant in tandem with the changes in the business environment.

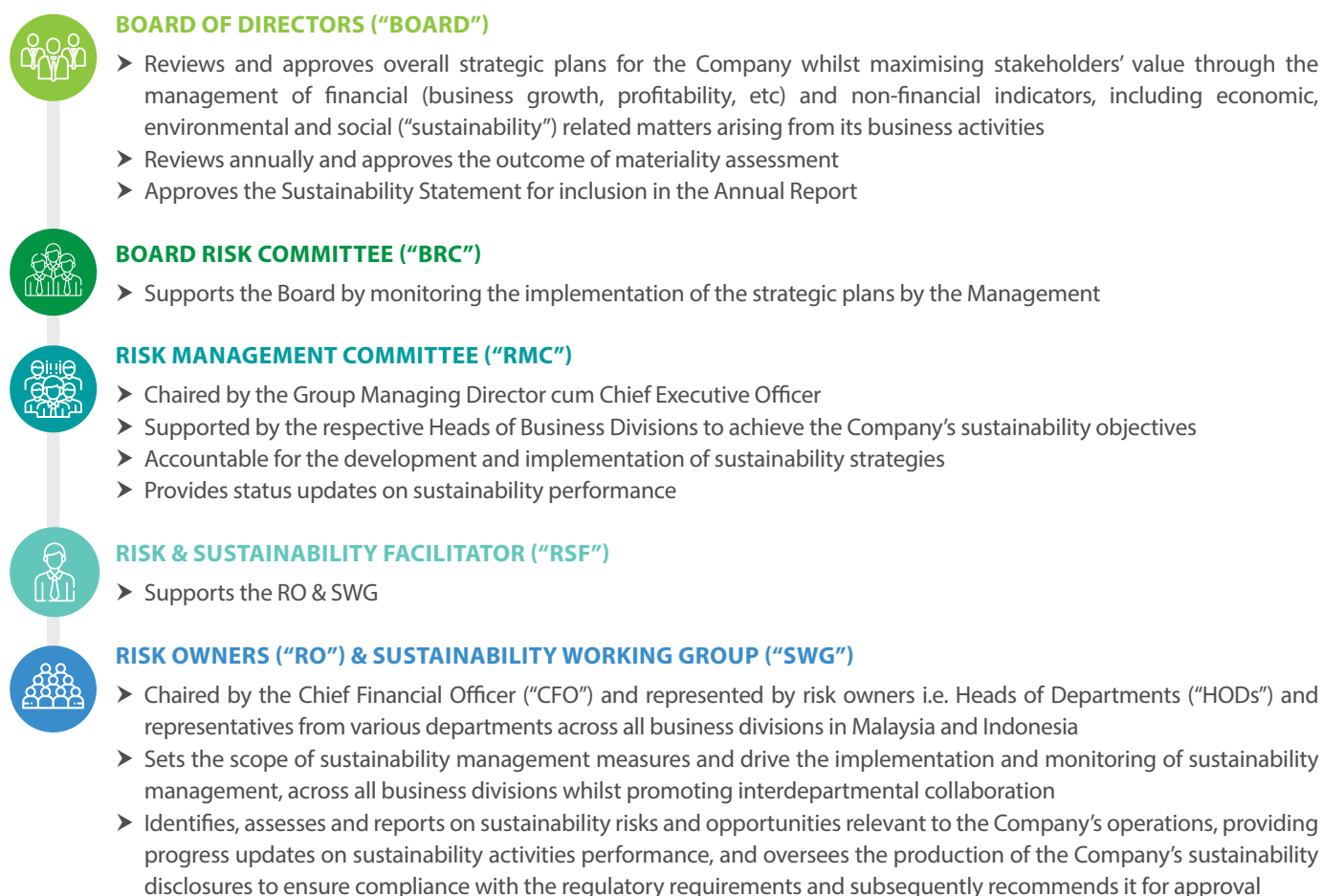


Diagram 3 - Sustainability Governance Structure

SUSTAINABILITY STATEMENT

OUR STAKEHOLDER ENGAGEMENT

Engagement with our stakeholders is fundamental for us to understand their needs and concerns in order to align their key interest with our Company's strategies and business operations. Amidst the Covid-19 pandemic, we continue to engage with our stakeholders regularly via various communication channels. Engagements with stakeholders are mostly carried out via virtual platforms to protect the safety of our stakeholders and employees. Through the stakeholder engagement, we are able to identify and assess the material sustainability matters across the Group. Details as shown in **Table 1**.

STAKEHOLDER GROUP	ENGAGEMENT CHANNEL	FOCUS AREA	OUTCOME	OUR RESPONSE <i>(Kindly refer to respective sections of the statement)</i>
Board of Directors	- Board meetings - Annual General Meeting - Corporate / Company events - Email correspondences - Stakeholder Engagement Surveys	- Business strategy - Financial performance - Environmental practices - Human capital management - Client satisfaction - Occupational Health & Safety	Aligned strategic plans that maximise shareholders' value	Business Front, Environment & Workplace, pg. 70 - 89
Investors / Shareholders	- Annual General Meeting - Investor relation activities - Public announcements - Corporate website - Annual report	- Financial performance - Quality of services & operations - Information security - Timely & transparent disclosure - Environmental practices - Business ethics & compliance including Anti-Bribery & Corruption	Positive reputation amongst investors / shareholders	Business Front & Environment, pg. 70 - 81
Employees	- Regular meetings - Learning & development programme - Campaigns - Sports Club activities - Stakeholder Engagement Surveys - Sustainability activities	- Information security - Fair employment practices - Staff development & training - Company performance - Business ethics & compliance - Occupational Health & Safety	Improved staff engagement	Business Front, pg. 70 - 75 & Workplace, pg. 82 - 89
Clients / Customers	- Client / customer satisfaction surveys - Sales & marketing channels of business divisions - Exhibitions - Corporate website - Stakeholder Engagement Surveys	- Accessible & affordable housing - Quality of services & operations - Information security - Environmental practices	Recurring business opportunities	Business Front, Environment, pg. 70 - 81 & Community, pg. 90 - 91

SUSTAINABILITY STATEMENT

STAKEHOLDER GROUP	ENGAGEMENT CHANNEL	FOCUS AREA	OUTCOME	OUR RESPONSE <i>(Kindly refer to respective sections of the statement)</i>
Government / Regulatory Authorities	- Ad hoc public invitations - Site visits - Conferences - Participation in organised programmes - Stakeholder Engagement Surveys	- Information security - Compliance to regulatory requirements - Business ethics & compliance	Better understanding of Company's sustainability commitment Compliance with laws & regulations	Business Front & Environment, pg. 70 - 81
Contractors, Vendors, Suppliers	- Supplier / Subcontractor evaluations - Regular meetings - Stakeholder Engagement Surveys	- Corporate governance practices - Terms of contract & payment - Client satisfaction - Occupational Health & Safety - Staff development & training	Better understanding of Company's sustainability commitment	Business Front, pg. 70 - 75 & Workplace, pg. 82 - 89
Business Partners	On-going communication & visits	- Collaboration & market synergy - Occupational Health & Safety - Staff development & training	Recurring business opportunities	Business Front, pg. 70 - 75 & Workplace, pg. 82 - 89
Media / Analyst	- Press conferences - Media releases / interviews - Ad hoc meetings	- Timely & transparent disclosure - Environmental practices	Better understanding of Company's performance	Business Front & Environment, pg. 70 - 81
Local Communities / NGOs	- Meetings & visits - Community development programmes	- Accessible & affordable housing - Environmental practices - Community development - Contribution to society	Better social relationship	Environment, pg. 76 - 81 & Community, pg. 90 - 91

Table 1 - Details of Our Engagement with Stakeholders

SUSTAINABILITY STATEMENT

MATERIALITY ASSESSMENT

We adopted a structured materiality assessment process to identify and assess the significance of sustainability matters to our business and most importantly, our stakeholder groups. We considered both internal and external factors such as risks arising from rapid changing environment, regulatory requirements and stakeholders' expectations, and also considered any new sustainability matters which we may not have addressed. We reviewed the significance of each sustainability matter to the Company, by taking into account the degree of impact and likelihood of the occurrence of events associated with these identified sustainability matters. The materiality assessment process enables us to prioritise the sustainability matters which have the most impact on our ability to create long-term value to our stakeholders. Our structured materiality assessment process are detailed in **Diagram 4**.



Diagram 4 - Materiality Assessment Process

In view of the Covid-19 pandemic, we undertook different approach in reviewing the relevancy of the previous year's sustainability matters to our business and stakeholders. Instead of organising our usual once-a-year interaction meeting with our Sustainability Working Group ("SWG") members, we developed a SWG Template to collate inputs from the 32 SWG members, representatives of Management across various business functions. The SWG members were encouraged to submit their inputs either individually or via group discussion of not more than three persons to reduce the risk of exposure to Covid-19. During this exercise, we identified digitalisation as a new material sustainability matter in adapting to the Covid-19 pandemic and ensuring business as usual. The other 16 sustainability matters remain relevant for current financial year.

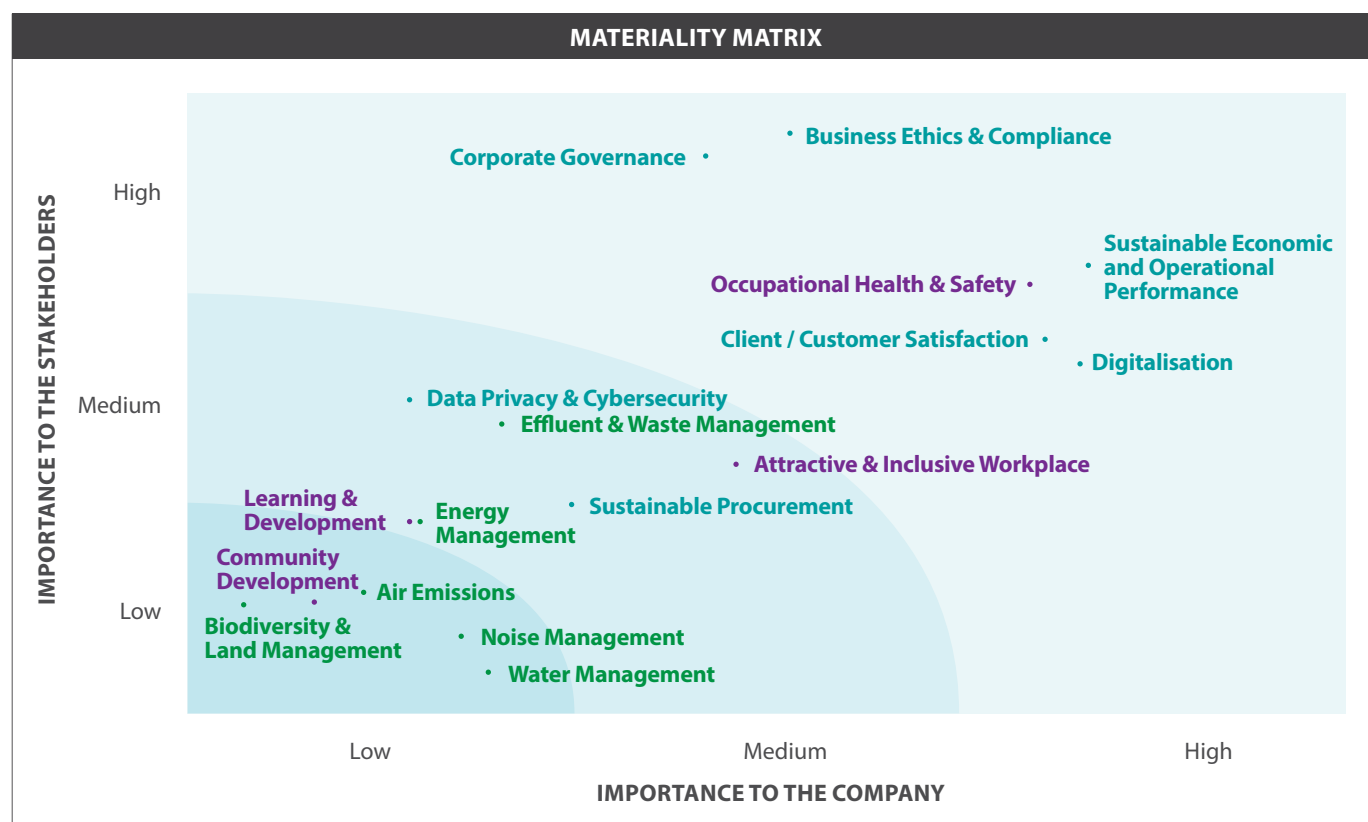
SUSTAINABILITY STATEMENT

Annually, we engage our key stakeholders, i.e. Board of Directors, employees, contractors, vendors, suppliers, clients, shareholders and regulatory authorities, through surveys to gauge their perceptions on the level of importance of identified sustainability matters to ensure that the sustainability matters reported are aligned to their needs.

The results from the SWG Template and data collected from the surveys are used to update the materiality matrix as shown in **Diagram 5** and presented to RMC and Board for approval.

Inputs collected from SWG Template

1. Scoping
2. Review of relevancy of sustainability matters
3. Materiality assessment on sustainability matters
4. Stakeholder prioritisation
5. Inputs for sustainability initiative

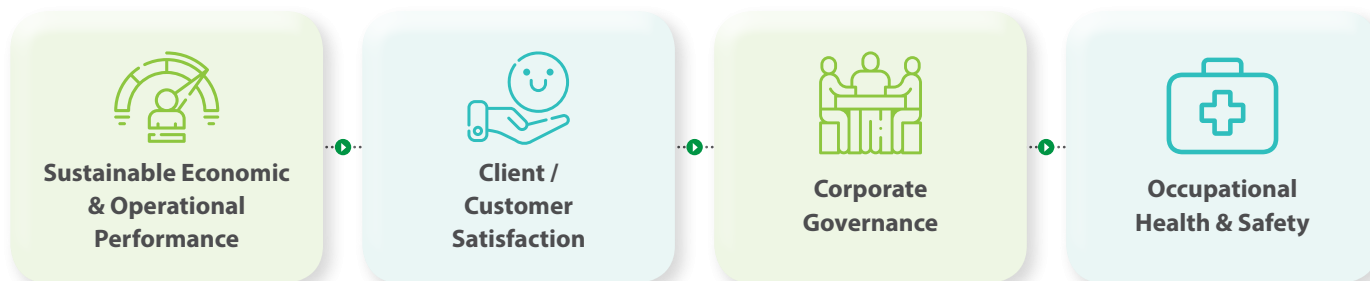


LEGEND	ECONOMIC, ENVIRONMENTAL & SOCIAL IMPACTS
Economic	Economic refers to impact of Company's business operations on the economic conditions of its stakeholders & on economic systems at local, national & global levels. It does not focus on the financial condition of the Company
Environmental	Environmental refers to the impact of Company's business operations on the living & non-living natural systems, including land, air, water, ecosystem and climate change
Social	Social refers to the impact of Company's business operations on the social systems within which it operates

Diagram 5 – Materiality Matrix

SUSTAINABILITY STATEMENT

Based on the Materiality Matrix, the following are the material sustainability matters which are consistent with last year's.



We shall continue to manage these and in addition to that, our stakeholders have increased concern on Business Ethics & Compliance due to Malaysian Anti-Corruption Commission ("MACC") Act 2009 and more rules and regulations issued by Government authorities to combat Covid-19 pandemic including new rules for employees' minimum housing standards. Furthermore, it is important to move towards digitalisation especially when employees are required to work from home due to Movement Control Order ("MCO") and ongoing practice of social distancing which resulted in most of the meetings being conducted online. Therefore, we have included these two sustainability matters as our material sustainability matters for FYE 2021.

The six material sustainability matters mapped to the United Nations Sustainable Development Goals ("UNSDGs") are shown in the table below:

MATERIAL SUSTAINABILITY MATTERS	UNSDGs	WHY IS IT IMPORTANT	HOW IT IS MANAGED
Sustainable Economic & Operational Performance	 	- Improvement of processes & optimisation of resources to drive the efficiency and success of projects - Minimise waste generation while saving costs - Create long-term shared value with business partners & employees - Ensure that projects meet industry relevant quality assessment ratings	Refer to Sustaining Business Performance, pg. 70
Client / Customer Satisfaction	 	- Maintain good reputation - Improved relationship with clients - Recurring business	Refer to Handling Client / Customer Expectations, pg. 73
Corporate Governance		- Enhance stakeholders' confidence - Improve transparency and accountability	Refer to Fostering Good Corporate Governance, pg. 73

SUSTAINABILITY STATEMENT

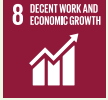
MATERIAL SUSTAINABILITY MATTERS	UNSDGs	WHY IS IT IMPORTANT	HOW IT IS MANAGED
Business Ethics & Compliance	   	Ensure business is operated with integrity, transparency & accountability	Refer to Effective Business Ethics & Compliance Programs, pg. 73
Digitalisation		- Improves efficiency and productivity - Enhance competitiveness and sustain business continuity	Refer to Digitalisation, pg. 74
Occupational Health & Safety		- Zero fatalities - Maintain a safe & healthy working environment for employees	Refer to Our Response to Covid-19, pg. 82 and Occupational Health & Safety, pg. 85

Table 2 - Material Sustainability Matters



SUSTAINABILITY STATEMENT

Our FYE 2021 Sustainability Targets which contribute towards the achievement of UNSDGs.

BUSINESS FRONT

SUSTAINABLE ECONOMIC & OPERATIONAL PERFORMANCE TARGETS & RESULTS



Obtain Provisional GBI Platinum for Cyberjaya Hospital

✓ Achieved



Renew CIDB G7 SCORE 5 Stars

✓ Achieved



Renew ISO 9001: 2015 QMS

✓ Completed for GESB, HTB & TTS



Dispose non-productive assets at Net Book Value of RM2 million

✓ Achieved

Disposal / Write off:

RM3.2 million

Cash inflow: RM6.2 million

Gain: RM3.0 million



Obtain Excellent Subcontractor of ECRL Project 2020

✓ Achieved

CLIENT / CUSTOMER SATISFACTION TARGETS & RESULTS



Client satisfaction score of 70% and above

✓ Achieved



Customer satisfaction score of 80% and above

✓ Achieved

CORPORATE GOVERNANCE TARGETS & RESULTS



Revise SOPs

✓ Completed



1. Related Party Transactions & Recurrent Related Party Transactions
2. Risk Management Policy
3. Sustainability Reporting Framework



Complete self assessment on Bursa's Sustainability Disclosure Review 2020

✓ Completed

Diagram 6 – Sustainability Targets

SUSTAINABILITY STATEMENT

BUSINESS ETHICS & COMPLIANCE TARGETS & RESULTS



Revise Code of Ethics & Conduct ("COEC") and issue Anti-Bribery & Corruption ("ABC") Policy

✓ Completed



Incorporate new clause on prohibition of bribery in contracts with external parties

✓ Completed



Complete risk assessment for Conflict of Interest ("COI") declarations made by Directors & Employees

✓ Completed



Implement 3rd Party Declaration on compliance with ABC Policy

✓ Completed



Initiate data collection for COEC & ABC in Sustainability Template

✓ Completed

COMPLIANCE



Policies



Law



Regulations



Standards

DIGITALISATION TARGETS & RESULTS



Implement web-based solution for consolidation & reporting

✓ Completed



Implement Video Conferencing Solution Suite for HQ and Cyberjaya Hospital

✓ Completed



Invest in Autodesk BIM 360° Docs, a construction document management software for Cyberjaya Hospital

✓ Completed

DATA PRIVACY & CYBERSECURITY TARGETS & RESULTS



Implement NAS for Gadang Land Sdn Bhd

✓ Completed



Revise IT Policy & Procedure and Disaster Recovery Plan

✓ Completed



Upgrade Endpoint Security Protection for HQ's IT Infrastructure

✓ Completed



ZERO Data Breaches

✓ Achieved

Diagram 6 – Sustainability Targets (continued)

SUSTAINABILITY STATEMENT

ENVIRONMENT

BIODIVERSITY & LAND MANAGEMENT TARGETS & RESULTS



Organise MRT LINE 2 - V206 Erosion & Sediment Control Campaign

✓ Completed

EFFLUENT & WASTE MANAGEMENT TARGETS & RESULTS



Dispose e-waste via vendor authorised by DOE

✓ Completed

WORKPLACE



OCCUPATIONAL HEALTH & SAFETY TARGETS & RESULTS



Obtain MSOSH Silver Award: Good 2019 OSH Performance for TRX Public Realm Works C6

✓ Achieved



Revise Policy Statement on Health, Safety and Environment

✓ Completed



Organise 2 HSE Campaigns MRT LINE 2 - V206

✓ Completed

1. Combat Covid-19
2. Dengue Prevention



ZERO FATALITIES

✓ Achieved



Complete MRT LINE 2 - V206 ICP with UiTM on OSHCI (M) maturity assessment model

✓ Completed



NUMBER OF LTI < 5

✓ Achieved

Diagram 6 – Sustainability Targets (continued)

SUSTAINABILITY STATEMENT

WORKPLACE

ATTRACTIVE & INCLUSIVE WORKPLACE TARGETS & RESULTS



Continue to provide school aids

✓ Completed

**2021 : RM25,600 for
128 Employees' Children**
**2020 : RM57,400 for
287 Employees' Children**



Resume Professional Training and Education for Growing Entrepreneurs ("Protégé") program by Ministry of Entrepreneur Development and Cooperatives

✓ Resumed in February 2021



Establish Gadang COVID Careline Team

✓ Completed

COMMUNITY

COMMUNITY DEVELOPMENT TARGETS & RESULTS



Organise 2 charity events

✓ Achieved

- 1. TRX Package C3 donated 5 sets of used bed frames and mattresses to Persatuan Kebajikan Orang-Orang Tua Bahagia Selangor**
- 2. Donated food and groceries to Pusat Jagaan Rumah Juara PJ**



Spend RM100,000 on CSR activities

✓ Achieved.

Spent RM471,183

Diagram 6 – Sustainability Targets (continued)

SUSTAINABILITY STATEMENT

BUSINESS FRONT

SUSTAINING BUSINESS PERFORMANCE



Revenue

2021: RM 574,767,491

2020: RM 673,056,446



Profit Before Taxation

2021: RM 20,069,028

2020: RM 59,332,400



Total Assets

2021: RM 1,756,024,531

2020: RM 1,779,146,382



Profit After Taxation

2021: RM 11,154,867

2020: RM 35,654,367



Share Price

2021: RM 0.39

2020: RM 0.51



Net Assets Per Share

2021: RM 1.12

2020: RM 1.12

The Covid-19 pandemic has increased the cost and time of projects execution, with the multiple MCOs which were and are still necessary to curb the spread to be within the capability of our country's healthcare system. The national vaccination program is gaining momentum and it is hoped that restrictions on the economic sectors will be further uplifted and project execution can carry on at an optimum level.

Despite the adversity of the Covid-19 pandemic, GESB received the Award of Excellent Subcontractor for the East Coast Rail Link Project 2020 from China Communications Construction (ECRL) Sdn Bhd in February 2021. With full dedication and vigor, the team has demonstrated that nothing is impossible if teamwork and Company's interest is at the forefront.

In March 2021, our Cyberjaya Hospital obtained Provisional Green Building Index ("GBI") Platinum Certification from Greenbuildingindex Sdn Bhd. Green Building focuses on the efficient use of resources, such as energy, water and materials. Its main objectives are to reduce detrimental impact on occupant's health and environment through better design, construction, operation and maintenance. If it is operated efficiently and properly maintained, it is able to sustain and improve the quality of human life whilst maintaining the capacity of the ecosystem. There are four categories of GBI rating which include Certified, Silver, Gold and Platinum. A minimum score of 86 points is required to obtain GBI Platinum certification.



SUSTAINABILITY STATEMENT

Our Elegan Residensi at Taman Putra Perdana which consists of 404 units of 1½-Storey Townhouses flaunts an open and flexible space where vast green landscapes, playground and outdoor fitness equipment are located for quality family time. Convenience and leisure are met with just a short walk to the multi-purpose court and commercial lots. We aimed to achieve the Quality Assessment System In Construction (“QLASSIC”) with a score of 75% and above by July 2021. However, the inspection process for the purpose of assessment has halted due to the MCO in June and July 2021. Nevertheless, we endeavour to obtain the certificate when operation is allowed to resume.



We achieved our first five-star SCORE rating (also known as “Penilaian Keupayaan dan Kemampuan Kontraktor”) in 2019 awarded by Construction Industry Development Board (“CIDB”). The SCORE rating is due for reassessment every two years. We continue to uphold our standard of performance in delivering quality products and services to our clients and managed to maintain our five-star SCORE rating in 2021. The SCORE programme is developed by CIDB in collaboration with SME Corp, to assess the capability of contractor through its comprehensive rating system. GESB is assessed based on seven parameters such as business performance, best practices, financial, management and technical capabilities, procurement and project management. A minimum score of 85 points and 15 points for each parameter are the criteria to obtain five-star SCORE.

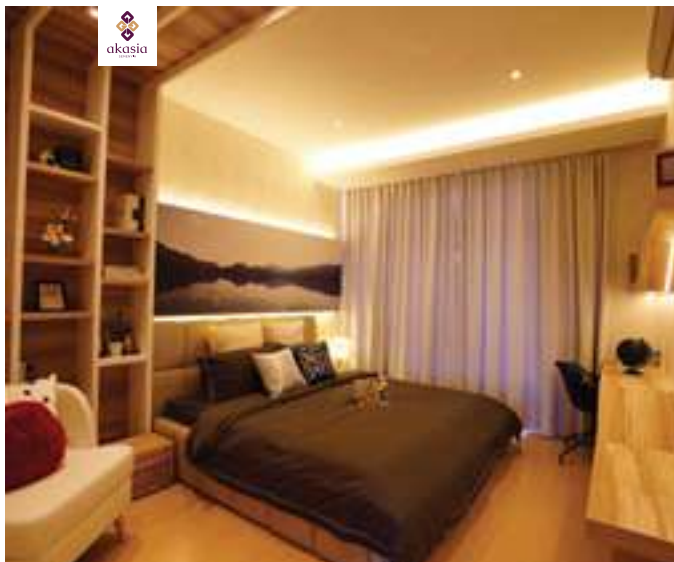


We are committed to create sustainable improvement within our organisation. Our local and overseas subsidiaries including GESB, DSB, TTS, HTB and DBT consistently maintain their ISO 9001: 2015 Quality Management System (“QMS”). GESB, TTS and HTB had renewed their ISO 9001: 2015 QMS certifications in FYE 2021.



SUSTAINABILITY STATEMENT

For Property Division, we have adapted to the new norm of social distancing due to Covid-19 and developed our virtual reality show units to market and connect with customers. Customers are able to visit the virtual version of Elegan Residensi and Akasia Semenyih show units at anytime and anyplace through the website www.elegan.com.my and www.akasiasemenyih.com.my respectively without having to travel to the physical show units.



SUSTAINABILITY STATEMENT

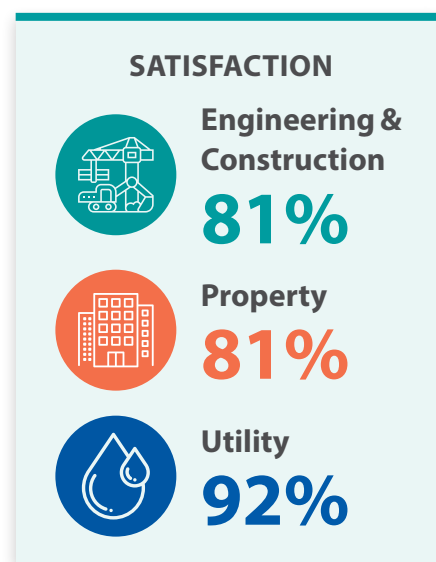
HANDLING CLIENT / CUSTOMER EXPECTATIONS

We engage our clients / customers frequently through meetings, visits, surveys and other discussion platform to gauge the level of our clients / customers' satisfaction. We ensure that prompt responses are given to our clients / customers when issues are raised by them.

Based on the analysis of data collected from client satisfaction surveys for engineering and construction projects, we achieved the average score of 81%.

As for our customer satisfaction surveys for Phase 2B Maple Residence, we achieved the score of 81% which is above our target of 80%. 95% of the customers who responded said that they will consider to purchase our future development and will recommend our development to friends.

For our Utility Division, we achieved average 92% for our client satisfaction surveys from TTS, HTB and DBT.



FOSTERING GOOD CORPORATE GOVERNANCE

A strong and effective corporate governance ensures corporate success, cultivates culture of integrity and maintains investors' confidence.

Annually, we review the Standard Operating Policy and Procedures ("SOPs") of the entire Group to ensure that they are applied consistently. This also ensures the efficiency of performance and quality output while reducing miscommunication and failure to comply with rules and regulations. During the year, we have updated our SOPs for Related Party Transactions & Recurrent Related Party Transactions, Risk Management Policy and Sustainability Reporting Framework. These SOPs were approved by the Board before dissemination to the employees.

As part of our effort to continuously improve our corporate governance through enhanced disclosures, we assessed our degree of compliance to Bursa Malaysia Sustainability Disclosure Review 2020 – Key Observations and Recommendation and reported the outcome of our assessment to RMC and Board. We are in compliance to most of the best practices and are committed to further improve on our disclosures in the next financial year.

EFFECTIVE BUSINESS ETHICS AND COMPLIANCE PROGRAMS

Being a public listed company, we are subject to an increasing array of local and international laws and regulations. Effective business ethics and compliance programs help to ensure that Gadang operates within the laws and regulations and demonstrates its commitment to upholding the highest standards of professionalism and exemplary corporate conduct.

We are committed to the TRUST principle stipulated in the Guidelines on Adequate Procedures pursuant to Subsection (5) of Section 17A Malaysian Anti-Corruption Commission ("MACC") Act 2009. Therefore, we have revised the Code of Ethics and Conduct ("COEC") to incorporate Anti-Bribery and Corruption ("ABC") Policy. The COEC is applicable to all employees, including the directors. Our standalone ABC Policy spells out clearly the Company's stand on bribery and corruption and conducts which are prohibited. The ABC Policy is applicable to our directors, employees as well as persons associated with Gadang. These policies are reviewed and approved by the Board of Directors. They are made accessible to the public via our website at www.gadang.com.my. Trainings on COEC and ABC policies have been provided to all directors and employees to ensure that they fully understand the policies.

SUSTAINABILITY STATEMENT

Subsequent to the trainings, directors and employees have signed and acknowledged that they accept and agree to full compliance of these policies.

Directors and employees are required to disclose any situation that may create an actual or perceived conflict of interest by completing the Conflict of Interest ("COI") Disclosure Form as spelt out in the COEC. We completed the risk assessment for the COI declarations made by the Directors and employees during the year and the outcome was reported to RMC and Board. Where necessary, action plans were put in place to resolve the conflicts.

Top level commitment

Risk assessment

Undertake control measures

Systematic review, monitoring & enforcement

Training & communication



We have engaged and communicated our ABC Policy to our suppliers, service providers and contractors via inclusion of new clause on prohibition of bribery in contract, supplemental letter or third party declaration that they shall fully comply with our ABC Policy and would not engage in any transaction with any of Gadang's employees that will contravene the MACC Act 2009.

To monitor the effectiveness of our COEC and ABC policy, we have initiated data collection for COEC and ABC related statistics in our existing quarterly Sustainability Template. A half yearly report on the data collected is presented to RMC and Board to enable them to assess the effectiveness of the policies in place.

Annually, we conduct corruption risk assessment to identify various corruption risks across our operations and ensure controls are in place and adequate mitigation measures are implemented. The outcome of corruption risk assessment is presented to RMC and Board for review.

We encourage our stakeholders to report unethical or unlawful matters via our Whistleblowing reporting procedures which is also available at www.gadang.com.my. Our Whistleblowing reporting procedures is reviewed annually and approved by Board to ensure it remains relevant to serve as an effective whistleblowing channel.

DIGITALISATION

The Covid-19 pandemic has accelerated the paradigm shift towards digitalisation and forced us to rethink how we work. Like all other companies, we have to be agile and fast in adapting to the changing environment in order to survive and sustain the business.

Due to the Conditional MCO that was imposed on Selangor, Putrajaya and Kuala Lumpur from 14 October 2020, we conducted our first Virtual 27th Annual General Meeting ("AGM") successfully on 11 November 2020. The live broadcast of AGM at Tricor Business Centre was attended by our Board of Directors and Company Secretary. The Board was supported by our top management at the Gadang Headquarters ("HQ"). A total of 159 shareholders, proxies and corporate representative joined the online AGM. It was indeed an invaluable experience.



SUSTAINABILITY STATEMENT

As digitalisation can give us a competitive advantage by completing the tasks in a better, faster, and cheaper way, we implemented a web-based solution for consolidation and reporting. Approximately RM450,000 was invested in this web-based solution to maintain the integrity of financial data in a central source and ensure that users are able to access the data as and when they need to. With work from home requirements due to Covid-19 pandemic, the finance personnel are thus able to consolidate the accounts at any time on any devices. It also enhances the reliability of data as it brings full autonomy in the consolidation and reporting process while saving considerable amount of time.

Our Cyberjaya Hospital also invested in Autodesk BIM 360° Docs, a construction document management software, so that the employees can better access our documents especially during the work from home periods. This software centralises all data in a single data depository. Latest documents including 2D drawings and 3D models can be shared with users. The users are not restricted to employees only. Our clients and consultants who have been granted the access can also access the data at anytime and anyplace. This software keeps track of all users' information and ease the contact and discussion among users. Users can comment on the data uploaded directly to speed up the review process and the comments are tracked systematically.

To reduce the exposure to Covid-19 infection due to meetings with internal or external stakeholders, we have invested in the Video Conferencing Solution Suite for Gadang Headquarters ("HQ") and Cyberjaya Hospital project site. Besides reducing the risk of Covid-19 exposure, it also improves efficiency, generates savings in travelling time and costs and reduces carbon footprint.

PROTECTING DATA PRIVACY AND ENHANCING OUR CYBERSECURITY

Protection of data, information and intellectual property belonging to stakeholders against security breaches are important with the increasing threats to cybersecurity. During the year, we upgraded the Endpoint Security Protection for HQ's IT Infrastructure and implemented Network Attached Storage ("NAS") for Gadang Land Sdn Bhd. We also conducted software audits randomly to ensure compliance with software licensing requirements and prevention of illegal download of software by employees. No incident of data breaches were reported during the reporting period.

During the year, Autodesk Asia Pte Ltd conducted Autodesk licence compliance audit on GLSB, RUSB, DSB and TRX Package C3. We provided full cooperation to the auditor and assisted in scanning all laptops, computers and server for the said entities / project with the software provided by Autodesk. Subsequently, reports were submitted to the auditor. The auditor concluded the audits with an appreciation note with no non-compliance noted.

Annually, we review and update our IT Policy and Procedure and Disaster Recovery Plan to ensure the guidelines for managing the security of our IT infrastructure and offsite disaster recovery facility remain relevant.

We comply with relevant requirements as prescribed under the Personal Data Protection Act 2010 ("PDPA"). Our customers and employees are well notified of the PDPA requirements. Customers are required to sign the PDPA Notice in accordance with statutory compliance. PDPA Notice for customer is also posted on our property division website at www.gadangland.com.my

SUSTAINABILITY STATEMENT

ENVIRONMENT

MINIMISING THE ENVIRONMENTAL IMPACT

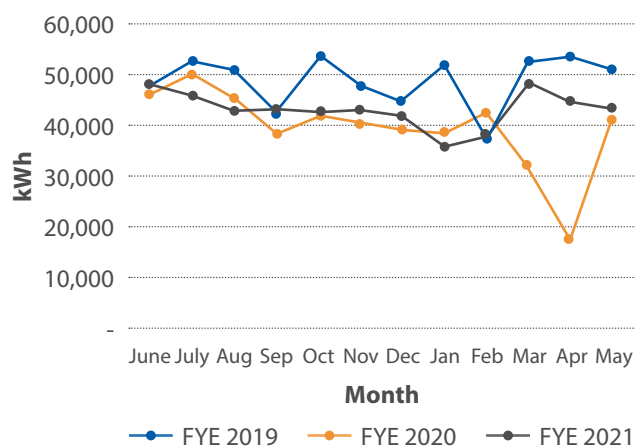
As climate change and environmental pollution pose significant risks to the humans, animals and other living things on earth, we endeavor to manage the environmental impact from our business decision and operations. Therefore, we continue our initiatives to monitor our electricity and water consumption.

The trend of our electricity consumption is more or less the same as FYE 2020 except for the dip in March and April 2020 due to our employees working from home during the MCO to contain the spread of Covid-19. The increase in air conditioner temperature to 24 degree Celsius and replacement of spoilt fluorescent lights with light-emitting diodes lights since 2020 has reduced electricity consumption compared to 2019.

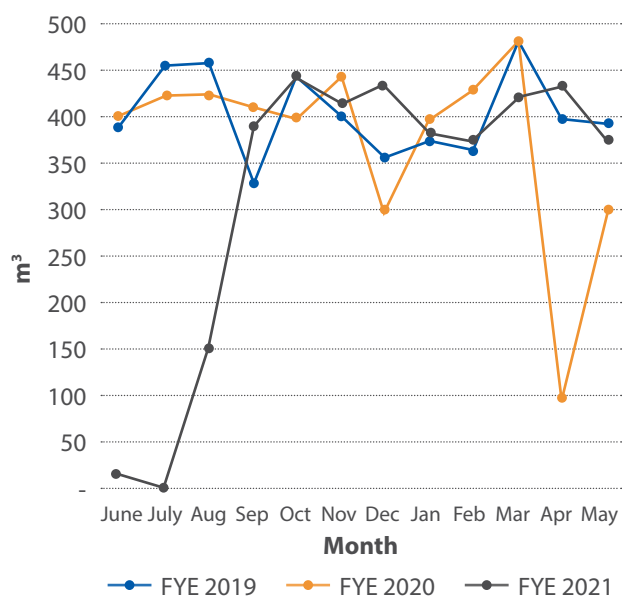
Our water consumption from June to August 2020 was low due to the faulty water meter and it was subsequently replaced. Other than this anomaly, our water consumption has been quite consistent. Although MCOs and Conditional MCOs had reduced workforce and accordingly, the water usage, it had been off-set by the increased frequency of cleaning for hygiene and health purposes.



Gadang HQ Electricity Consumption

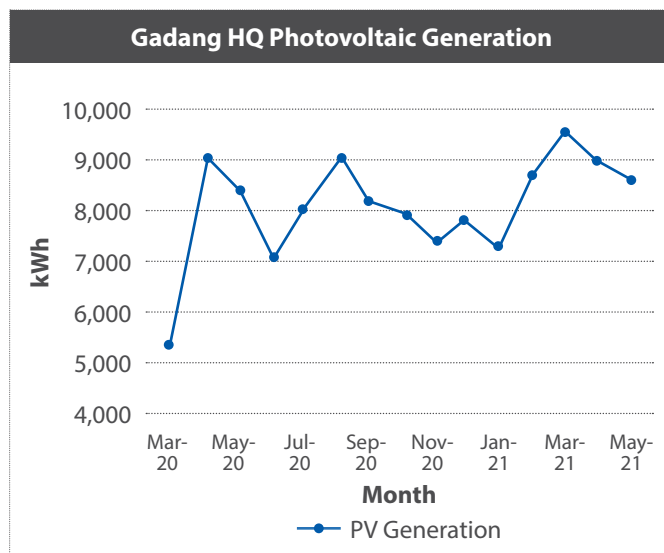


Gadang HQ Water Consumption



SUSTAINABILITY STATEMENT

We have also commenced the monitoring of photovoltaic ("PV") generation at Gadang HQ. Our solar panel installation on the rooftop of Gadang HQ in March 2020 helped reduce our carbon footprint and mitigate climate change besides generating savings in electricity bill. As at May 2021, the photovoltaic system has generated energy of 120,000 kilowatt hour since the installation.



We continue to maintain our ISO 14001: 2015 Environmental Management System ("EMS") and ensure compliance with the Environmental Quality Act 1974 and other legislations throughout all stages of our construction and property development projects. We protect the environment by following a set of guidelines specified in the Environmental Management Plan of respective projects and are committed to meet the requirements provided in GESB's Health, Safety and Environment ("HSE") Manual. For projects that fall under the list of prescribed activities of the Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 2015, an Environmental Impact Assessment is carried out to ensure appropriate mitigating measures are implemented accordingly to protect the environment.

GESB carries out monthly monitoring for air, noise and water quality at project sites except for those project sites which are near completion. Remedial actions will be taken when there is any exception noted to protect the environment. We are guided by the various standards and guidelines in monitoring of air, noise and water quality as follows:

- ✓ Malaysian Ambient Air Quality Standard
- ✓ Planning Guidelines for Environmental Noise Limits and Control
- ✓ National Water Quality Standards

Various initiatives are implemented to manage the impact of the air, noise and water to the environment.

SUSTAINABILITY STATEMENT

A GLIMPSE OF OUR INITIATIVES – MRT LINE 2 – V206 PROJECT

Air Monitoring

Air quality is monitored by maintaining natural buffer zones which act as a filter for dust control, as well as ensuring exhaust emissions are within acceptable limits by maintaining all vehicles, plant and equipment in good working condition. Water bowsters are used for dust control at haul roads. It is also used to clean up soil or dirt on public roads.



Noise Monitoring

Noise and vibration are managed by restricting the movement of heavy vehicles to daytime working hours and only using routes that will cause minimum disturbance in the vicinity. Construction works that have to be carried out at night are subject to approval from the client and local authorities. No major disturbances are allowed near the residential areas for work carried out at night. Noise generating equipment and machineries are inspected prior to commencing of work and serviced regularly to ensure in good working condition. Thus, no excessive noise are generated.

We installed acoustic panels at station construction area as temporary noise barriers and isolated the unsightly construction area from the public.



SUSTAINABILITY STATEMENT

Water Monitoring

We have increased the water sampling points from seven to nine. Water sampling is conducted monthly by accredited laboratory to ensure that the water quality at sampling points is within the acceptable limit under National Water Quality Standards or not more than the original baseline.



Campaign

GESB also organised Erosion and Sediment Control Campaign at MRT Line 2 - V206 project site in April 2021 which was attended by 200 workers including our subcontractors to educate them on the proper procedures to stop sediment run off to the public drain.



SUSTAINABILITY STATEMENT

MANAGING OUR MATERIALS USED AND WASTE

We strive to reduce the environmental impact from extraction and processing of virgin materials, waste generation, to conserve natural resources and protect the ecosystem.

As at May 2021, 65.37% of the wood-based materials used in Cyberjaya Hospital complied with Forest Stewardship Council and Malaysian Timber Certification Council requirement. This can contribute to the sustainable management of natural forest and forest plantations in Malaysia.

We reused building materials on site such as reusable prefabricated formwork system for column, wall and slab. As for Cyberjaya Hospital, the reused materials constitute more than 5% of the total material costs. We also used recycled content materials for ceramic tiles, concrete, ceiling board, steel bar and etc. which constitute more than 30% of the total material costs. As at May 2021, we recycled 73.61% of construction waste.

E-waste is categorised as scheduled wastes under the Code SW 110, First Schedule of Environmental Quality (Scheduled Wastes) Regulations 2005 in Malaysia. Code SW 110 are defined as waste from electrical and electronic assemblies containing components such as accumulators, mercury-switches, glass from cathode-ray tubes and other activated glass or polychlorinated biphenyl-capacitors, or contaminated with cadmium, mercury, lead, nickel, chromium, copper, lithium, silver, manganese or polychlorinated biphenyl. If e-waste is disposed in landfills, the hazardous components will contaminate the surface and ground water. The metal components will also be lost for future use. Therefore, it is important to dispose the e-waste in a responsible manner to protect the environment.

In 2019, we started to raise the employees' awareness on the importance of proper handling and recycling the e-waste via a two weeks campaign in Gadang HQ and recycled more than 112 kilograms of e-waste. Our IT Department continued the practice of proper handling of e-waste by disposing e-waste such as computer, laptop, printer, batteries, hard disk, power supply, etc to Scrap Computer Trading Sdn Bhd, a company licensed by Department of Environment ("DOE"), in May 2021.

WASTE MANAGEMENT BEST PRACTICES AT CYBERJAYA HOSPITAL

- ✓ Competent waste contractor is appointed for the site.
- ✓ Sufficient signages are displayed for all roller bins at site.
- ✓ The site supervisor will monitor and notify the waste contractor if domestic waste is full or piled up at site for more than three days.
- ✓ Subcontractors must supply sufficient workers to join gotong royong activities arranged by GESB twice a week. It is a requirement imposed by GESB to ensure waste is properly managed at site. However, the gotong royong activities are put on hold upon the announcement of MCO by the Government.



SUSTAINABILITY STATEMENT

Since December 2019, we have implemented Office Recycling Program in Gadang HQ to recycle the waste generated by employees. Recycle bins are provided on each floor for recycling of papers, plastics, aluminiums and etc. A dedicated bin for used face masks is also provided on each floor to ensure proper disposal of used face masks. As at May 2021, we have managed to collect miscellaneous recycle items amounting to 1,765 kilograms.



Upcycling contributes to the reduction of carbon emissions by extending lifetimes of used materials and converting the unwanted materials into a product of higher quality. Finding new ways to repurpose items enhances one's creativity while conserving natural resources. Our DBT employees had gone one step further by upcycling the scrap items encountered by chance. They creatively reused cable trays, rebars, and other scrap materials to transform them into table, benches and basins for waiting area.



Before Upcycling



After Upcycling



SUPPLYING POTABLE WATER

We contribute to the Indonesia Government initiatives by providing potable water to each citizen. 50% of the bulk water supply in Sidoarjo is contributed by TTS and HTB. DBT contributes 12% of bulk water supply in Gresik while BHJ contributes 2% of potable water supply for Tangerang City. The raw water from the rivers or any other surface water sources will be treated in water plants to remove the pollutants, particles and bacteria to become potable water before distribution to the societies and industries. We analysed the water quality at every two hours interval in the laboratory for raw and treated samplings to ensure all the raw water pollutant measurement and treated effluent are in compliance to the World Health Organization and the 'Peraturan Menteri Kesehatan' (Permenkes No. 492/2010) standards requirement. Additional analysis and certification are carried out at the designated and accredited external laboratories recognised by the regional local authorities, Perusahaan Daerah Air Minum ("PDAM") on monthly basis.

Sludge and sediments from backwash and sedimentation tanks are treated to an acceptable limit before discharge to the drain or river. The volume of sludge and sediments generated by the water treatment plants are significantly low at approximately 3% of the volume of treated water. The solid waste and trash from the water treatment plants and intake are collected and disposed fortnightly at the approved dump site.

SUSTAINABILITY STATEMENT

WORKPLACE

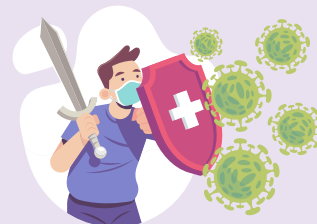
OUR RESPONSE TO COVID-19

Since the announcement of the first MCO by the Government in March 2020, we have established a Special Task Force ("STF") for Covid-19 led by our Chief Financial Officer and supported by our senior management to deal with issues related to Covid-19 to ensure the smooth implementation of the Covid-19 response and mitigation strategies. The STF meets virtually on a need basis to discuss Covid-19 matters before instructions, memorandums, updates, etc. are disseminated to the employees. This is so that employees are well informed of new SOPs and workforce arrangements to ensure compliance to the rules and regulations issued by the authorities.

Gadang HQ Covid Careline Team which is led by Group Human Capital Department was formed to respond to any positive Covid-19 case in Gadang. Its objective is to ensure smooth and prompt communication to the Management and to provide immediate attention to all positive tested employees. A "Care Pack" which includes a box of surgical mask, mineral water, three bottles of hand sanitisers, Vitamin C and fruits is delivered to positive tested employees at the hospital to support the employees in their battle with Covid-19.



COMBAT AGAINST COVID-19



- ✓ New working arrangement i.e, split team, work from home, etc.
- ✓ Various SOPs and guidelines in combat of Covid-19
- ✓ Ensure regular sharing and communication to employees on the latest updates and preventive measures
- ✓ Daily temperature check on staff
- ✓ Temperature check on guests, customers, suppliers, visitors, contractors, etc.
- ✓ Provide hand sanitisers at common areas
- ✓ Distribute face masks to all employees every month
- ✓ Ensure employees wear masks at all time
- ✓ Regular disinfectant and sanitisation of work premises
- ✓ Notices and posters on Covid-19 preventive measures
- ✓ Encourage virtual meeting
- ✓ Encourage social distancing
- ✓ Limit number of person in lift / surau at one time
- ✓ Swab test as and when necessary
- ✓ Home quarantine for close contact
- ✓ Restrict visitors to Gadang HQ
- ✓ Restrict inter floor employees interaction and provide drop box at each floor for collection / drop off documents
- ✓ Conduct Covid-19 audits at project sites
- ✓ Register for Covid-19 vaccination programs

SUSTAINABILITY STATEMENT

We keep abreast and are fully committed to abide by the Covid-19 requirements issued by the authorities i.e. the Ministry of Health, Ministry of International Trade and Industry ("MITI") and CIDB. Various guidelines and SOPs are established and implemented across the Group to ensure the health and safety of employees are protected.

We have face recognition attendance system and KipleLive Face Recognition Thermal Scanner at the entrance of the HQ which are able to identify employees even when they are wearing a protective mask. We have also implemented face recognition attendance system at majority of our project sites such as MRT Line 2 – V206, Cyberjaya Hospital, ECRL Section 5, ECRL Section 6 and Serendah plant and machinery yard. Our face recognition system for ECRL Section 5 and MRT Line 2 – V206 located at Serdang Raya and University Putra Malaysia checkpoints are supported by energy generated by a small solar panel system instead of a genset, which is environmental friendly. It can operate 24 hours and is more durable as compared to a genset. Furthermore, the small solar panel system is reusable for other sites when the project is completed.

Besides regular washing and hand sanitising, face mask is the key personal protective equipment for Covid-19. Therefore, we source for the supply of face masks and distribute it to the employees every month. As at May 2021, we have distributed 324,400 pieces of face masks to protect our employees from Covid-19.

We understand and support our employees who wish to get vaccinated as soon as possible with the rising numbers of infection. Therefore, we have successfully registered 363 employees for vaccination through Construction Industry Vaccination Program ("CIVac") organised by CIDB. 221 employees had successfully received their vaccination via CIVac Phase 1, while 142 employees were registered for vaccination in CIVac Phase 2. Majority of other employees have completed their vaccinations via other vaccination programs rolled out by the Government.

GESB had successfully conducted Combat Covid-19 campaign at MRT Line 2 - V206 project site which was attended by 125 workers, including subcontractors. We managed to impart proper Covid-19 awareness and know-how to the workers as per our objectives. An emergency drill on how to handle Covid-19 situation was also conducted to ensure GESB Emergency Response Team ("ERT") know their roles and responsibilities in an emergency situation and to test their response. The ERT with full personal protective equipment recorded 21 minutes to send the worker to Serdang Hospital during the drill.

We also awarded hampers and certificates to five supervisors and ten workers in recognising their exemplary HSE practices.



As safety and health should be part and parcel of daily life and not restricted to safety and health at workplace, GESB has launched another HSE campaign during the financial year to reaffirm our state of mind to embed safety and health in our daily activities.

SUSTAINABILITY STATEMENT

GESB conducted Dengue Prevention Campaign at MRT Line 2 – V206 in April 2021 as fever is one of the common symptoms for Covid-19 and dengue. It was attended by 200 workers. An emergency drill was conducted to train the operation team and ERT on handling a worker who is suspected to have dengue fever and ensure proper isolation is being performed. If the worker complains high fever and spots are sighted on his skin, the ERT is required to isolate and send the worker to Serdang Hospital immediately. The ERT managed to send the worker to Serdang Hospital within 18 minutes during the drill. The emergency drill provides opportunities for the site personnel to be familiar with the Emergency Response Plan and Procedures in the event incidents related to dengue and Covid-19 occurred.

Another four supervisors / engineers and six workers were awarded with hampers and certificates in recognising their effort in demonstrating HSE best practices.



Our momentum to fight Covid-19 pandemic did not stop even during full MCO announced by the Government. We conducted our Gadang mass toolbox meeting via online platform. For the first 14 days of full MCO, safety and health personnel from different sites were assigned to brief on Covid-19 prevention and measures to constantly remind the employees on the importance of being guided by the SOPs to prevent Covid-19 infection as well as sharing of actual Covid-19 experiences. The frequency of the Gadang mass toolbox meeting was reduced gradually to a minimum of two times per week during the extended full MCO and Enhanced MCO as the employees became more familiar with the Covid-19 prevention and measures.



Our HSE internal auditors also conducted Covid-19 audits at Gadang HQ and five project sites to ensure that they are in compliance with the relevant Covid-19 SOPs. There were no observations and Non Conformance Report ("NCR").

SUSTAINABILITY STATEMENT

OCCUPATIONAL HEALTH & SAFETY

We are committed to the continuous improvement of our HSE policies and practices. HSE Management Review meeting is held annually to review our HSE performance and evaluate our compliance with rules and regulations in order to discuss and finalise on actions for continuous improvement. During the meeting, we have also reviewed and improved our GESB Policy Statement on HSE. The said policy has been communicated to staff via email or notice board.

 HEALTH	 SAFETY	 ENVIRONMENT
HSE objectives		
➤ Prevent accidents and cases of work related ill health by managing the health and safety risks in the workplace ➤ Provide clear instructions & information, and adequate training to ensure employees are competent to do their work ➤ Protect the environment & conserve natural resources by adopting pollution prevention and best environmental management practices	Our Motto "Health, Safety and Environment is our culture and commitment" ➤ Comply with all applicable HSE legislations and other HSE requirements; ➤ To ensure that all employees including sub-contractors are efficient, effective and consistent in the performances of their duties and responsibilities by providing requisite leadership, knowledge, support, training, information, motivation and facilities available; ➤ Increase awareness and accountability at all levels of the organisation;	
➤ Strive for the optimum standard in HSE through teamwork by being proactive and committed to our social obligations; ➤ Monitor and regularly review our set objectives and targets; ➤ To promote Safety Culture Development Programs to set of core value and behavior sustainability as overriding priority.		

Besides continuing to maintain ISO 45001: 2018 Occupational Health and Safety Management System ("OHSMS"), our top management personnel takes HSE matters seriously and participate in HSE Management Walkabout. Key measures are implemented to prevent injuries, fatalities and occupational illness at project sites and workplace. Monthly meetings, weekly briefings, daily toolbox meetings, safety induction courses and refresher trainings are held to foster the safety awareness and culture across the Group. HSE trainings are conducted depending on the employees' role and project requirements.

In January 2021, GESB TRX Package C6 has obtained the Silver Award from Malaysian Society for Occupational Safety and Health ("MSOSH") for Good 2019 OSH Performance. The stringent site audit was conducted in November 2020 by MSOSH panel of auditors. This is GESB's first participation in such accreditation program and it will be a motivation for the Company to excel further in our OSH Management practice.



SUSTAINABILITY STATEMENT

Annual compliance audits are conducted by our in-house internal auditors for our projects and subsidiaries. Our HSE internal auditors conducted seven audits which covered ISO 45001: 2018 OHSMS and 14001: 2015 EMS during the financial year. All 4 Non Conformance Reports ("NCRs") and 55 out of 66 observations issued by our HSE internal auditors were closed. We also closed the only NCR and 5 out of 6 observations issued by SIRIM QAS International auditors. Proactive measures in respond to the NCRs and observations received have been taken by the relevant sites to further improve the HSE Management System implementation.

As shown in **Table 3**, we did not achieve our HSE target of Lost Time Injury ("LTI") frequency rate of less than 0.27. However, we have improved on reportable incident rate and number of LTI.

Target	FYE 2021	FYE 2020	FYE 2019
Zero life loss	No fatalities	No fatalities	No fatalities
Reportable incident rate of less than 3	1.67	8.30	7.64
Number of LTI not more than 5	1	3	1
LTI frequency rate of less than 0.27	0.35	0.74	0.17

Table 3 – HSE Performance

A research by Universiti Teknologi MARA ("UiTM") to develop an Occupational Safety and Health in Construction Industry (Management) ("OSHCI (M)") maturity assessment model under MRT Line 2 - V206 Industrial Collaboration Program ("ICP") which is funded by GESB was successfully completed in February 2021. The name of the completed model is Organisational Capability Maturity for Occupational Safety and Health in Construction Industry (Management) ("OCM-OSHCIM").

Two days online training has been conducted by UiTM and attended by more than 40 participants from Department of Occupational Safety and Health ("DOSH"), Technology Depository Agency, GESB, Mass Rapid Transit Corporation Sdn Bhd, Ahmad Zaki Resources Berhad and Ministry of Works to share the six modules of OSHCIM practices. The training provided awareness and understanding on the importance of implementation of Prevention through Design ("PtD") concept, and prepared project stakeholders on the know-how to implement OSHCI (M) in compliance with the Guidelines of OSHCI (M) 2017. DOSH has accepted the proposal to share the OCM-OSHCIM to the interested industry players.

With the development of OCM-OSHCIM, the industry players are able to improve and equip with the required occupational safety and health competencies. Priority on safety will be considered at the very beginning of a project to reduce potential hazards during construction and occupancy.

HUMAN CAPITAL DEVELOPMENT

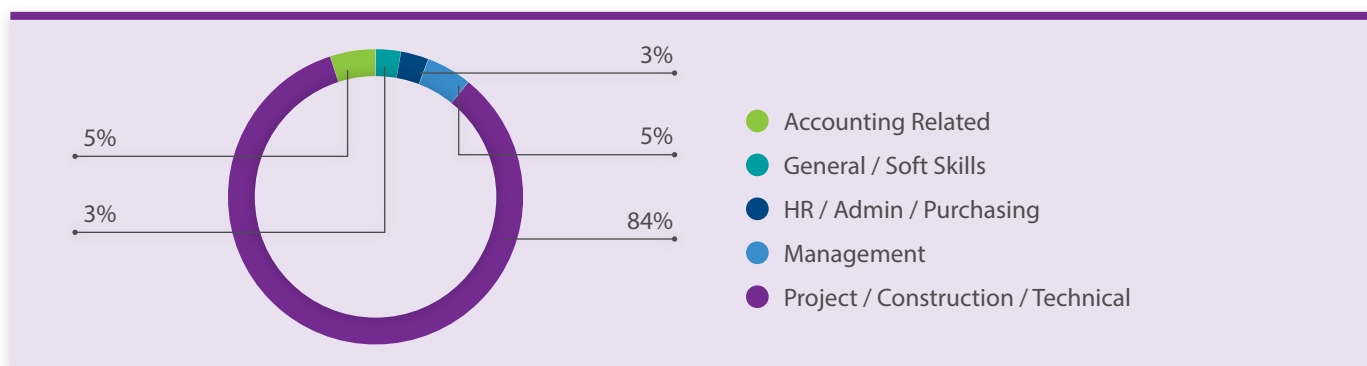


Diagram 7 – Trainings organised by Group HCD

SUSTAINABILITY STATEMENT

As a result of the Covid-19 pandemic and MCO which do not allow for physical trainings to be conducted, majority of the trainings have been deferred as safety and health of employees remain our utmost priority.

Although virtual trainings are available in the market, they are less effective as employees tend to lose focus and get distracted with other work related matters. However, trainings on any changes / new laws and regulations or at the request of the client are still granted to ensure 100% fulfilment of statutory compliances and client's requirement.

Therefore, the amount invested in trainings has reduced. 84% the trainings granted are related to project / construction / technical to ensure the competency of employees at site are not compromised despite the Covid-19 pandemic.

Examples of trainings organised by the Group Human Capital Department ("HCD") include Anti-Bribery and Corruption, Code of Ethics and Conduct, Authorised Entrant and Standby Person for Confined Space, After Crisis Site Inspection Technique, Project Management and etc.

Training programmes are also conducted at project sites by HSE team to improve employees' construction skills and understanding of HSE matters. The training programmes include Covid-19 Prevention Awareness, Covid-19 Mitigation Plan, Excavation and Underground Utilities Detection, Flood Management at Site, Mock Up Training for Spillage Control at Site and etc.

	FYE 2021	FYE 2020	FYE 2019
Time Invested	208 DAYS	566 DAYS	455 DAYS
Amount Invested	RM 134,000	RM 149,000	RM 179,000
Number of Participants	161 PARTICIPANTS	403 PARTICIPANTS	378 PARTICIPANTS

Table 4 - Total Training Days, Amount Invested & Number of Participants

Besides providing trainings to our employees, we have resumed Professional Training and Education for Growing Entrepreneurs ("Protégé") program by Ministry of Entrepreneur Development and Cooperatives in February 2021 to develop the Malaysian graduates with the necessary skills and experience through on-the-job learning and training. Whilst only three candidates have been recruited under this program as at May 2021, we aim to recruit another four candidates in the next financial year.

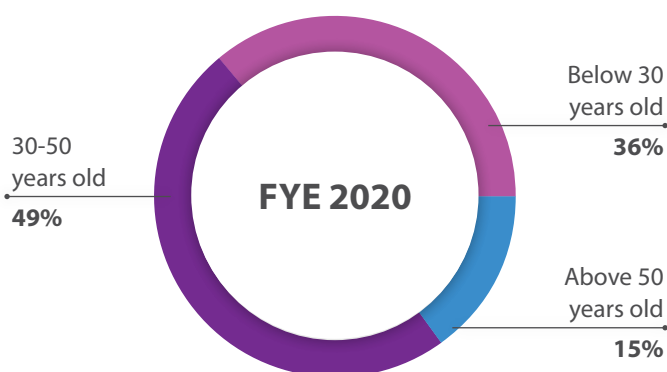
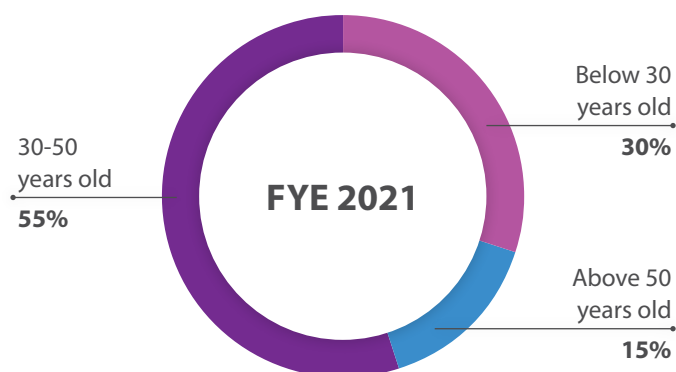
We are guided by the following policies to ensure fair and equitable treatment for all employees:

- Gadang Human Resource Manual
- Gadang Employee Handbook
- Flexi Working Hours Policy
- Leave Policy
- Medical Benefits Policy
- Group Insurance Scheme Policy
- Learning and Development Policy
- Domestic Inquiry Guideline (DI Panel)
- Grievance and Disciplinary Policy
- Managing Employee Non-Performance
- Subsistence Allowance (Local & International)
- Anti-Bribery and Corruption Policy
- Code of Ethics and Conduct

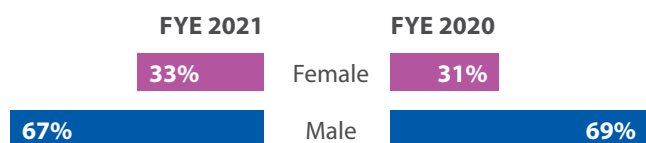
We endeavor to provide equal opportunity to ensure that employment decisions are based on merit and performance without regard to religion, political opinion, gender, age, ethnicity, sexual orientation, nationality or disability. Although construction industry is a male-dominated sector, we continue to welcome capable women workforce to join our operations. In FYE 2021, our women workforce further increased by another 2% from 31% to 33%.

SUSTAINABILITY STATEMENT

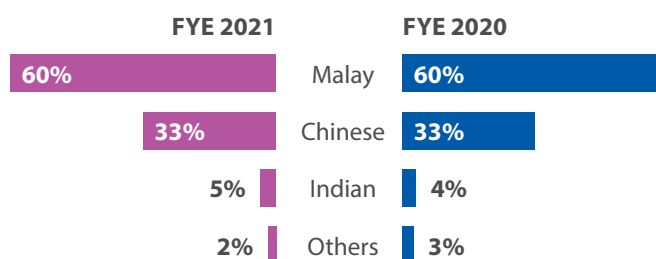
AGE DIVERSITY



GENDER DIVERSITY



ETHNIC DIVERSITY



EMPLOYEES' POSITIONS

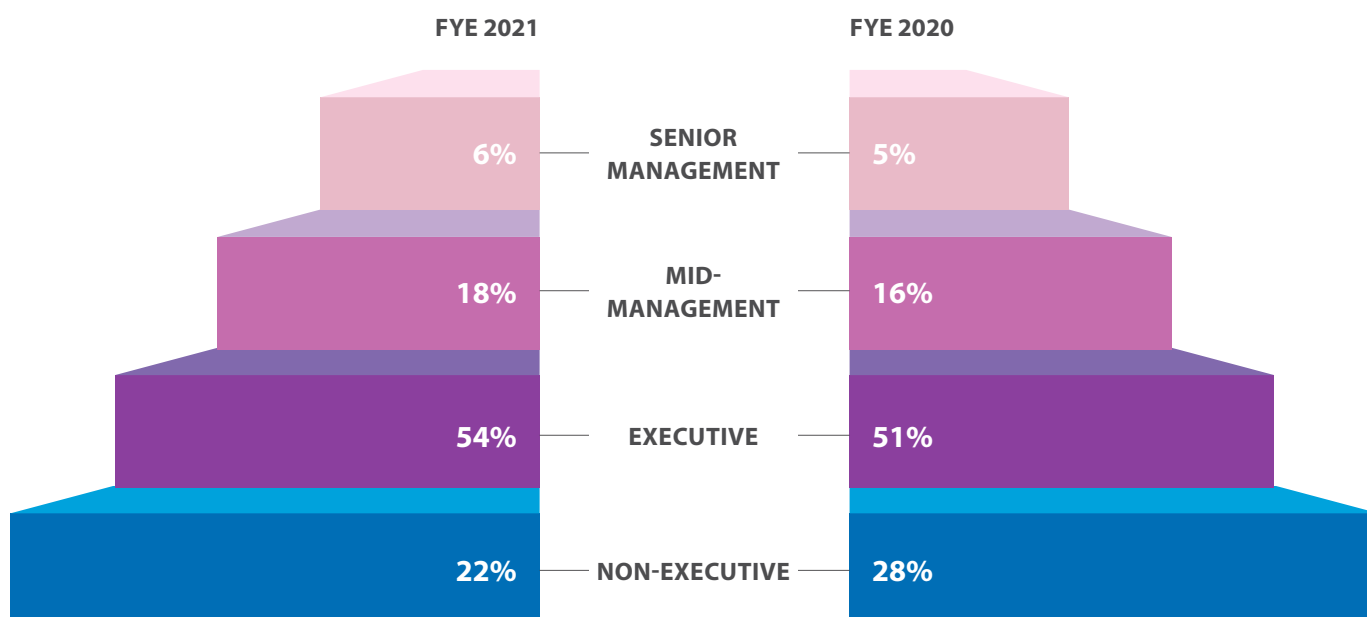


Diagram 8 – Age, Gender, Ethnicity and Positions

SUSTAINABILITY STATEMENT

HEALTHY LIFESTYLE FOR EMPLOYEES

We have an established Sports Club that organises recreational activities for its members to foster healthy lifestyle and strong bonding between employees.

During Conditional MCO, weekly badminton session was held in April 2021 with strict compliance to SOPs issued by Government and restricted to 12 participants only. However, it was suspended from May 2021 onwards until further notice due to the rising Covid-19 cases and enforcement of MCO.



Even though most of our recreational activities are put on hold due to the Covid-19 pandemic, we continue to take care of the health of our employees by celebrating Fruits Day with them. A total of 500 packets of fruits were distributed to the employees to cheer them up. Employees from various project sites also get to enjoy the fruits. As for ECRL S5 and S6, the employees were given a budget to organise their own Fruit Day due to logistic issues in sending the fruits packets to Maran and Kertih.



In addition, we also distributed 800 Covid-19 Care Packs to the employees to remind them on the importance of boosting immune system and regular sanitising in light of the surge of Covid-19 cases. The Covid-19 Care Packs which include Vitamin C and sanitisers were distributed to employees at project sites as well.

SUSTAINABILITY STATEMENT

COMMUNITY

TAKING CARE OF OUR COMMUNITIES

Due to the outbreak of Covid-19 pandemic, some of the community activities have been cancelled such as our yearly Hari Raya Aidilfitri open house celebration with the local communities in Indonesia. As for Hari Raya Idul Adha (Hari Raya Haji), we managed to distribute packages of “Korban” meat to the local communities and agencies in Indonesia.



During Recovery MCO in September 2020, we managed to visit Pusat Jagaan Rumah Juara Petaling Jaya. We donated cash, face masks, groceries and lunch packets for the children. Due to severe water disruption, we also donated ten cartons of mineral water, paper plates, disposable forks and spoons to ease their daily living. A simple and short birthday celebration with the children born in September was held to bring joy to the children.



SUSTAINABILITY STATEMENT

In November 2020, Persatuan Kebajikan Orang-orang Tua Bahagia Selangor (En Yuan Old Folks Home) which is occupied by approximately 30 old folks reported a need for bed sets. Therefore, our Project Director of TRX Package C3 liaised with the Person In Charge ("PIC") of the home and arranged for five sets of used bed frames and mattresses to be donated to the home. The bed sets were disinfected before sending to the home. After handing over to the PIC, we disinfected the bed sets again to ensure they are safe for usage. The old folks were able to use the bed sets one week after the disinfection process.



Besides the above, we also made contributions in kind and in cash to Pertubuhan Kebajikan Skizofrenia Malaysia, Rumah Sejahtera Rumah Orang Tua Bidor, Majlis Pusat Kebajikan Cawangan Kampar and others. A total of RM471,183 was spent on Corporate Social Responsibility ("CSR") activities.