



**ORIENTAL  
HOLDINGS  
BERHAD**  
196301000446 (5286-U)

# **SUSTAINABILITY REPORT 2019**



## OUR VISION

Oriental Holdings Berhad aims to achieve sustainable business growth and enhance shareholders value.

## OUR MISSION

We seek to be highly competitive organisation through innovation, and achieve continuous improvements in our businesses.

## OUR VALUES

- Our people are our valued business core.
- Our customers are our focus of excellence.
- Our business integrity is our commitment and responsibility.
- Our shareholders are our utmost important business relationship.
- Our dedication for continuous improvement is our core driving force.

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# SUSTAINABILITY HIGHLIGHTS 2019



## Equal opportunity policy

included in KAH Australia and KAH New Zealand's Employee Handbook


## Maintain the Qualmark rating

for our hotels in New Zealand



## 100% green amenities

in Park Suanplu Holdings by 2020



## Armstrong Auto Parts advocates strong support for women

, by dedicating specific parking bays for pregnant women and setting up nursing rooms for new mothers



## 10% energy reduction

from higher energy efficiency of cooling towers in Plastic Products segment



# CORPORATE PROFILE



Founded on 24 December 1963, Oriental Holdings Berhad (OHB) was initiated as a private limited company, before being listed on the Main Board of Bursa Malaysia Securities Berhad in the following year, on 10 March 1964.

57 years after its establishment, OHB now operates across seven different business segments spanning over 11 countries; Malaysia, Singapore, Indonesia, Brunei, Australia, New Zealand, United Kingdom, Mauritius, Thailand, the People's Republic of China, and Vietnam. Comprising 71 subsidiaries and 13 associated companies, the OHB group has garnered combined total assets of RM10.2 billion with total equity attributable to stockholders of the Company of RM 6.7 billion. Its cash and cash equivalents touched RM 2.9 billion as at 31 December 2019.

**57**

Years since beginning

**1963**

OHB Founded

**2019**

Asia Pacific Conglomerate

**1964**

Listed in Bursa's  
Main Market

**56**

Years of being listed

# CORPORATE PROFILE (cont'd)

## 1. Automotive and Related Products

Kah Motor Company Sdn Berhad is the distributor for Honda vehicles in Singapore and Brunei and operates eight out of 91 of the Honda dealerships in Peninsular Malaysia and another dealership in Sabah. Kah Classic Auto Sdn Bhd currently is a dealer of Mitsubishi Motor Malaysia Sdn Bhd, providing sales and services of Mitsubishi branded vehicles through the only outlet at Jalan Ipoh. Kah Bintang Auto Sdn Bhd has commenced used car sales business in June 2019.

## 2. Plastic Products

The plastic segment is headed by its 60% subsidiary, Teck See Plastic Sdn Bhd, one of the oldest auto parts manufacturing companies in Malaysia. The plastic segment is a "one-stop centre" which provides fully integrated services from contract research and development, design, prototyping, moulds manufacturing, material compounding, plastic injection, spray painting to final products assembly. It has in year 1991 established a Joint Venture with Hicom Holdings to support the national car project Proton and has since tied up with Kasai Kogyo Co, Ltd. of Japan, a tier one global supplier of interior trim modules for car manufacturers in Malaysia, Thailand and Indonesia.

## 3. Hotels and Resorts

The segment currently owns 10 hotels, four of which are in Australia, two in New Zealand and one each in Malaysia, Singapore, Thailand and United Kingdom. The segment will continue to acquire excellent properties to expand its hospitality operations and is keen to expand its business globally when the opportunity arises.

## 4. Plantation

The segment's operations in Indonesia currently comprises three matured plantations, while remaining five are under development with 36,080 Ha\* total planted area combined and three Crude Palm Oil (CPO) mills in Bangka Island. The five companies are under development with over 51,077 Ha land bank in South Sumatra. To date, over 24,560 Ha of the concession area in South Sumatra has been acquired, over 11,830 Ha has been planted and the harvesting area is now over 6,717 Ha. The segment plans to plant about 1,000 to 2,000 hectares annually. It has generated a healthy cash pile over the years and is still expanding. A fourth CPO mill, the first for South Sumatra is targeted to be commissioned by first half of 2020. The segment has a planted area of 4,779 Ha in Malaysia.

\* Ha = hectares

## 5. Investment Holding

The segment comprises mainly investment in subsidiaries and other investments for recurring income.

## 6. Investment Properties and Trading of Building Material Products

Most of the business activities in the segment are in the supply of building materials. However, in 1994, Ultra Green Sdn Bhd was given a concession by the Melaka state government to reclaim a total of 1,125 acres in Klebang, Melaka. The Group has reclaimed 985 acres of sea off the Melaka coastline out of the concession area. Reclamation works are ongoing for the remainder of the concession area, which will provide valuable land bank for the Group. As the development project at Burwood has obtained its occupation permit on 9 April 2019, the Company has leased out the commercial complex and serviced apartments which generate income to the Group.

## 7. Healthcare

The healthcare segment was launched following the acquisition of a nursing Nilam Healthcare Education Centre Sdn Bhd (NILAM)'s college in Melaka in April 2011 and the construction of the medical hub in August 2012 on the Group's reclaimed land at Klebang, Melaka. The medical hub was officially launched on 30 January 2015 as Oriental Melaka Straits Medical Centre (OMSMC). OMSMC is a 300-bedded medical hub comprising a nursing college and medical establishment. The eight levels medical unit is located on 25 acres of the reclaimed land at Klebang, Melaka, just a mere 10 minutes from city centre. The management has also ventured into the retail pharmacy and transitional care centre management in early 2019.

# CORPORATE PROFILE (cont'd)

## Our Market Presence



**71** subsidiaries  
in **11** countries



**8,650\***  
Employees



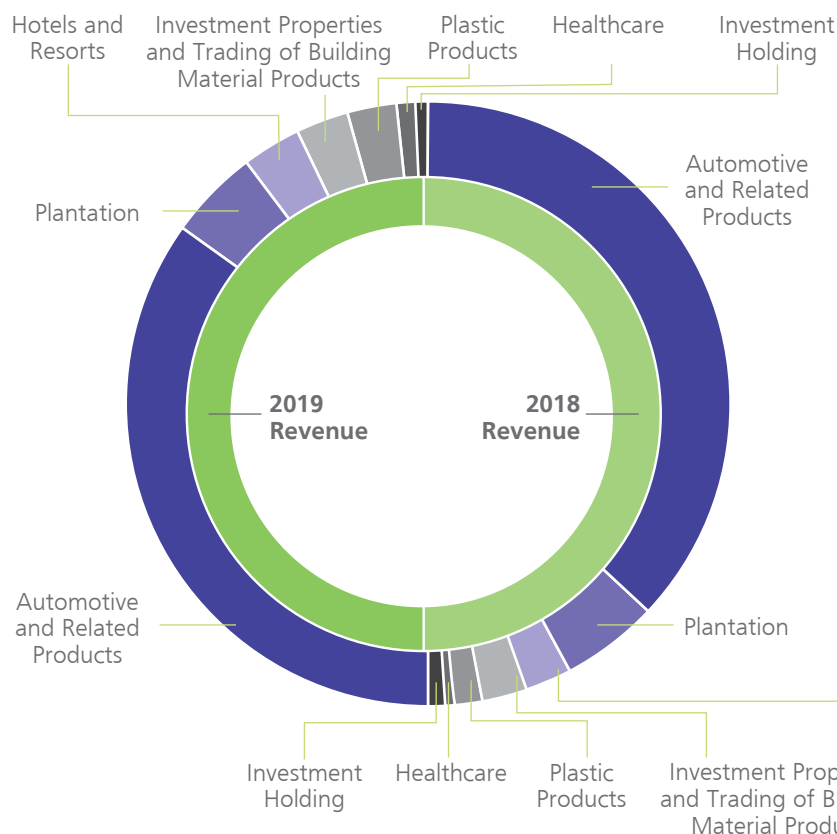
**> RM4 billion**  
Market Cap

\* Total number of employees are only derived from the holding company (OHB), its subsidiaries and branches.



# FINANCIAL HIGHLIGHTS

## Revenue



Revenue		
2019	Segment	2018
70%	Automotive and Related Products	74%
10%	Plantation	10%
6%	Hotels and Resorts	5%
6%	Investment Properties and Trading of Building Material Products	5%
5%	Plastic Products	3%
2%	Healthcare	1%
1%	Investment Holding	2%

● 2019 Revenue

● 2018 Revenue

## Operating Profit



Operating Profit		
2019	Segment	2018
70%	Automotive and Related Products	73%
15%	Plantation	-3%
13%	Hotels and Resorts	11%
5%	Investment Holding	19%
2%	Plastic Products	0%
-1%	Healthcare	-1%
-4%	Investment Properties and Trading of Building Material Products	1%

◆ 2019

◆ 2018

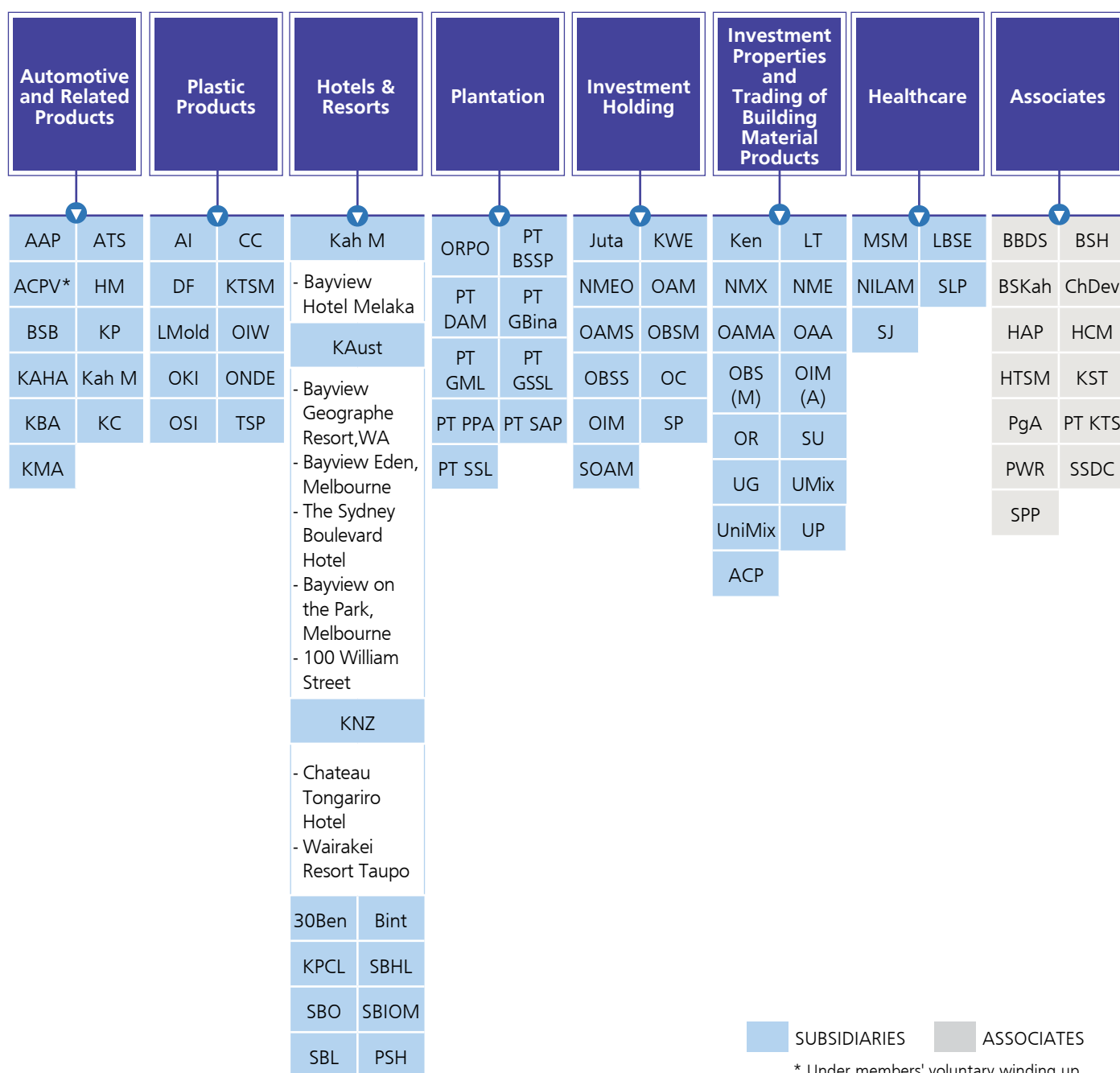
Note: Please refer to Financial Highlights of the Group in the Annual Report 2019.



# GROUP CORPORATE STRUCTURE

## Our Subsidiaries and Associates

### ORIENTAL HOLDINGS BERHAD



Note: Refer to the Annual Report 2019 (note 34, 36, and 37 to the financial statements) for significant events during the financial year, information on the subsidiaries and nature of the business during the reporting period and subsequent event.

# GROUP CORPORATE STRUCTURE (cont'd)

## Our Subsidiaries and Associates

Automotive and Related Products	<b>AAP</b>	: Armstrong Auto Parts Sdn. Berhad
	<b>ACPV</b>	: Armstrong Component Parts (Vietnam) Co., Ltd (Commenced member's voluntary winding up on 6 February 2017)
	<b>ATS</b>	: Armstrong Trading & Supplies Sdn. Bhd.
	<b>BSB</b>	: Boon Siew (Borneo) Sendirian Berhad
	<b>HM</b>	: Happy Motoring Co. Sdn. Bhd.
	<b>KAHA</b>	: Kah Agency Sdn. Bhd.
	<b>Kah M</b>	: Kah Motor Company Sdn. Berhad
	<b>KBA</b>	: Kah Bintang Auto Sdn. Bhd.
	<b>KC</b>	: Kah Classic Auto Sdn. Bhd.
	<b>KMA</b>	: KM Agency Sdn. Bhd.
	<b>KP</b>	: Kah Power Products Pte. Ltd.
Plastic Products	<b>AI</b>	: Armstrong Industries Sdn. Bhd.
	<b>CC</b>	: Compounding & Colouring Sdn. Bhd.
	<b>DF</b>	: Dragon Frontier Sdn. Bhd.
	<b>KTSM</b>	: Kasai Teck See (Malaysia) Sdn. Bhd.
	<b>LMold</b>	: Lipro Mold Engineering Sdn. Bhd.
	<b>OIW</b>	: Oriental Industries (Wuxi) Co., Ltd.
	<b>OKI</b>	: PT Oriental Kyowa Industries
	<b>ONDE</b>	: Oriental Nichinan Design Engineering Sdn. Bhd.
	<b>OSI</b>	: Oriental San Industries Sdn. Bhd.
	<b>TSP</b>	: Teck See Plastic Sdn. Bhd.
Hotels and Resorts	<b>30Ben</b>	: 30 Bencoolen Pte. Ltd.
	<b>KNZ</b>	: KAH New Zealand Limited
	<b>KAust</b>	: KAH Australia Pty Limited
	<b>Bint</b>	: Bayview International Sdn. Bhd.
	<b>KPCL</b>	: Kingdom Properties Co. Limited
	<b>SBHL</b>	: Silver Beech Holdings Limited
	<b>SBIOM</b>	: Silver Beech (IOM) Limited
	<b>SBO</b>	: Silver Beech Operations UK Limited
	<b>SBL</b>	: Suanplu Bhiman Limited
	<b>PSH</b>	: Park Suanplu Holdings Co., Ltd.
Plantation	<b>ORPO</b>	: Oriental Rubber & Palm Oil Sdn. Berhad
	<b>PT BSSP</b>	: PT Bumi Sawit Sukses Pratama
	<b>PT DAM</b>	: PT Dapo Agro Makmur
	<b>PT GBina</b>	: PT Gunungsawit Binalestari
	<b>PT GML</b>	: PT Gunung Maras Lestari
	<b>PT GSSL</b>	: PT Gunung Sawit Selatan Lestari
	<b>PT PPA</b>	: PT Pratama Palm Abadi
	<b>PT SAP</b>	: PT Surya Agro Persada
	<b>PT SSL</b>	: PT Sumatera Sawit Lestari

# GROUP CORPORATE STRUCTURE (cont'd)

## Our Subsidiaries and Associates

Investment Holding	<b>Juta</b>	: Jutajati Sdn. Bhd.
	<b>KWE</b>	: Kwong Wah Enterprise Sdn. Bhd.
	<b>NMEO</b>	: North Malaya Engineers Overseas Sdn. Bhd.
	<b>OAM</b>	: Oriental Asia (Mauritius) Pte. Ltd.
	<b>OAMS</b>	: OAM Asia (Singapore) Pte. Ltd.
	<b>OBSM</b>	: Oriental Boon Siew (Mauritius) Pte. Ltd.
	<b>OBSS</b>	: OBS (Singapore) Pte. Ltd.
	<b>OC</b>	: Syarikat Oriental Credit Berhad
	<b>OIM</b>	: Oriental International (Mauritius) Pte. Ltd.
	<b>SOAM</b>	: Selasih OAM Sdn. Bhd.
	<b>SP</b>	: Selasih Permata Sdn. Bhd.
Investment Properties and Trading of Building Material Products	<b>ACP</b>	: Armstrong Cycle Parts (Sdn.) Berhad
	<b>Ken</b>	: Kenanga Mekar Sdn. Bhd.
	<b>LT</b>	: Lipro Trading Sdn. Bhd.
	<b>NME</b>	: North Malaya Engineers Trading Company Sdn. Bhd.
	<b>NMX</b>	: North Malaya (Xiamen) Steel Co., Ltd.
	<b>OAA</b>	: Oriental Asia (Aust.) Pty. Ltd.
	<b>OAMA</b>	: OAM (Aust) Pty. Ltd.
	<b>OBS (M)</b>	: Oriental Boon Siew (M) Sdn. Bhd.
	<b>OIM (A)</b>	: OIM (Aust) Pty. Ltd.
	<b>OR</b>	: Oriental Realty Sdn. Bhd.
	<b>SU</b>	: Simen Utara Sdn. Bhd.
	<b>UG</b>	: Ultra Green Sdn. Bhd.
	<b>UMix</b>	: Unique Mix (Penang) Sdn. Bhd.
	<b>UniMix</b>	: Unique Mix Sdn. Bhd.
	<b>UP</b>	: Unique Pave Sdn. Bhd.
Healthcare	<b>LBSE</b>	: Loh Boon Siew Education Sdn. Bhd.
	<b>MSM</b>	: Melaka Straits Medical Centre Sdn. Bhd.
	<b>NILAM</b>	: Nilam Healthcare Education Centre Sdn. Bhd.
	<b>SLP</b>	: Star Life Pharma Sdn. Bhd.
	<b>SJ</b>	: Star Joy Sdn. Bhd.
Associates	<b>BBDS</b>	: Bukit Batok Driving Centre Ltd.
	<b>BSH</b>	: Boon Siew Honda Sdn. Bhd.
	<b>BSKah</b>	: B. S. Kah Pte. Ltd.
	<b>ChDev</b>	: Chainferry Development Sdn. Berhad
	<b>HAP</b>	: Honda Autoparts Manufacturing (M) Sdn. Bhd.
	<b>HCM</b>	: Hitachi Construction Machinery (Malaysia) Sdn. Bhd.
	<b>HTSM</b>	: Hicom Teck See Manufacturing Malaysia Sdn. Bhd.
	<b>KST</b>	: Kasai Teck See Co., Ltd.
	<b>PgA</b>	: Penang Amusements Company Sdn. Berhad
	<b>PT KTS</b>	: PT Kasai Teck See Indonesia
	<b>PWR</b>	: Penang Wellesley Realty Sdn. Berhad
	<b>SPP</b>	: Southern Perak Plantations Sdn. Berhad
	<b>SSDC</b>	: Singapore Safety Driving Centre Ltd.

# EXECUTIVE CHAIRMAN'S MESSAGE



Dear Stakeholders,

"We are delighted to share with you Oriental Holdings Berhad's fourth Sustainability Report. The journey has been a true reflection of our Group's belief that we continuously strive to be an aspiration to our peers and to the industries we are influencing. More and more stakeholders are starting to understand and adopt sustainability as part of their decision-making processes. As a multi-sectorial and multi-disciplinary service provider, we are mindful of the footprints we leave through our business processes. However, we desire to minimise our negative footprints by taking a pro-active approach by monitoring and mitigating."



# EXECUTIVE CHAIRMAN'S MESSAGE (cont'd)

## Our Governance

As a multi-sectorial and multi-disciplinary service provider it is important that we as a Group be cautious of the impacts we make, ensuring that the interests of our stakeholders remain at the top of our priorities. As a conglomerate with 71 subsidiaries and 8,650 employees, spread across various regions, it is required of us to strive for excellence especially in how we evaluate and appreciate sustainability performances. It is always a challenge to find that one plan that fits all, and we continue to find ways to customise our processes for each respective business. We ensure our business closely observes local business corporate governance needs and adhere to industrial best practices. We are also obliged to comply to country legislations where our international businesses are located. As a result of our continuous efforts to embrace a responsible corporate culture, we are proud to note that OHB has continued to be an exemplary organisation in terms of implementing environmental compliance into its operations.

## Our People

The Group believes that it is our utmost responsibility to provide our people a safe workplace with many opportunities for them to progress in their careers through various programmes aimed at enhancing knowledge and skills. As one of our most important stakeholders, we strive to nurture and grow our people alongside our business. For us, this is a core value and we are willing to invest our time and effort to individuals to assist them in expanding their credibility and reliability. For 2019, we have started to prioritise anti-corruption practices and plan to roll out more awareness and implementation of policies into our operations to ensure that our Group upholds integrity across its subsidiaries. We also ensure that our people are well recognised regardless of age, race, gender, religion, marital status and family responsibilities or disability. By embedding the principles of diversity and inclusion in the way we do business, we have created a diverse workforce and an inclusive environment that nurtures and respects the diversity of people.

## Our Environment

As we continue to develop our outreach regionally, our direct impact to the environment also expands. We recognise the significance of reducing or mitigating our negative environmental footprint. At the same time, a growing push for sustainability and collective action on climate change has led us to reassess and reconsider how the Group operates as to limit potential disruption to our operations' status quo. Building on our current foundation, we will continue to expand and enhance our adoption of best practices through a process of accountability, continuous monitoring and implementing effective environmental initiatives.

## Final Remarks

At the time of preparing for this statement, we have taken note of an unparalleled circumstance in which the Group and similarly everyone else in this world are experiencing. Within a short timeframe of several months, the outbreak of a new coronavirus disease (COVID-19) has spread to over 190 countries and has since been declared as a pandemic by the World Health Organization (WHO) in early March 2020.

Across the world, measures have been put in motion by government(s) of affected countries in view of primarily mitigating the spread of the virus and equivalently to subdue the socio-economic impact which the current state is foreseen to entail. Measures such as the imposition of Movement Control Order in Malaysia and other similar phased lockdown control in other countries in which OHB Group operates in, has posed new and demanding challenges to our business operations.

As we wade through uncertainties within the situation as present, the Group has initiated the planning and execution of various measured, practical and conversant approaches as guidance and aids for our group of companies. This is imperative as we believe appropriate preparedness and a proactive response can help the Group's businesses effectively navigate and withstand this testing times. Furthermore, it is also significant that the Group's leadership and employees are prepared to tackle any potential impact and seize opportunity that may arise from the current pandemic.

With consideration that such unprecedented time has led us to consider and envision unprecedented measures, the Group will continue to be vigilant and determined in pursuing our sustainable objectives through our Economic, Environmental, and Social (EES) efforts. Hence, I hope you find this report, our fourth, meaningful and inspires you towards strengthening our collaborative relationship. This report aims to be informative and deliver a fair and balanced view of our position and performance on the identified material matters.

Thank you.

# AWARDS AND RECOGNITION

OHB is proud to be recognised as a great employer and corporate citizen. The following awards demonstrate some of the external recognition and acknowledgement of OHB's sustainability initiatives across its operations.



1.



2.

1. **Participation in the Development of the District through Corporate Social Responsibility programmes** – PT Gunung Sawit Selatan Lestari Group

2. **Certificate of Accreditation for the Diploma in Nursing Programme** – Oriental Nilam College of Nursing and Health Sciences



3.



4.

3. **Honorary Charter for Implementation of Healthy and Productive Female Workers Movement Programme** – PT Gunung Maras Lestari

4. **Mitsubishi Motors Sales Achievement Award for Best 3 – Diamond Fleet Dealership** – Kah Classic Auto Sdn. Bhd.



5.

5. **Best Delivery Award (Multiple Deliveries Per Day) and Certificate of Appreciation Award from Toyota Boshoku** – Kasai Teck See (Malaysia) Sdn. Bhd.

# ABOUT THIS REPORT



“As we head towards a new era of globalisation and finding new ways of doing business, it has become clear that integrating sustainability into business strategy and daily operations has a direct correlation to enhanced performance and long-term growth. We are a responsible organisation with diverse business segments, spread across a number of jurisdictions and it is our goal to ensure the highest standards of governance are practiced across our operations.”

We are proud to present our fourth standalone sustainability report, produced by Oriental Holdings Berhad with reference to the Global Reporting Initiatives (GRI) Standards. Building on a strong foundation of corporate governance, our goal setting, actions and decisions are built upon the sustainability principles of EES growth. We ensure responsible and ethical business practice across the Group’s entire operations chain, manage the environmental impact of our operational activities, provide a safe and inclusive workplace for our employees, and meet the needs of society as a whole regardless of where we are. Our internal and external stakeholders were consulted in determining the topics that the Group considers material. A content index of this Sustainability Report outlines where each material issue is discussed in detail for this sustainability report.

# ABOUT THIS REPORT (cont'd)

## Our Reporting Approach

This report has been prepared in alignment with Bursa Malaysia Securities Berhad Main Market Listing Requirements and the content of this report is based on the reporting principles of the GRI Standards. This report includes:

- Stakeholder Inclusiveness: capturing our stakeholder's expectations and concerns;
- Sustainability Context: presenting our performance in the wider context of sustainability;
- Materiality: identifying and prioritising the key sustainability issues that our Group encounters;
- Completeness: reporting all sustainability topics that are relevant to our Group, and influence our stakeholders.

This report is in reference to GRI Standards covering the following material matters:

- GRI 201 Economic Performance 2016
- GRI 205 Anti-Corruption 2016
- GRI 307 Environmental Compliance 2016
- GRI 401 Employment 2016
- GRI 403 Occupational Health and Safety 2016
- GRI 406 Non-Discrimination 2016

## Sustainability across Supply Chain

At OHB, we believe business sustainability is the chain of causation the sustainability impact our business creates. With operations across 11 countries, we have aligned our sustainability strategy towards identifying our business impacts on EES and its integral relativity in our supply chain. Thus, we strive towards embedding sustainability practices across our supply chain.

## Scope and Boundaries

Oriental Holdings Berhad has taken on the culture and practice of Sustainability Reporting since 2016. This report refers to the sustainability performance and progress of OHB from all segments for the period from 1 January 2019 to 31 December 2019, unless otherwise stated. References to 'OHB', 'the Group', 'the Company' and 'we' refer to Oriental Holdings Berhad and its subsidiaries.

## Restatement of Information

The Group would like to change the baseline year of the Sustainability Reporting from 2018 to 2019 as the materiality matrix was refreshed in 2019 and will be relied upon for the year 2019, 2020 and 2021 as a way to increase the impact of our sustainability goals and initiatives.

## Membership of Associations

- Association of Private Hospitals of Malaysia
- Australian Hotel Association
- Australian Tourism Export Council
- Building Materials Distributors Association of Malaysia
- Malaysian Healthcare Travel Council
- Malaysian Palm Oil Association
- Malaysian Society for Quality in Health
- Motor Traders Association of Singapore
- National Park Business Association
- New Zealand Hotel Council
- NSW Business Chamber
- Singapore Business Federation
- Singapore Hotel Association
- Singapore National Employers Federation
- Taupo Chamber of Commerce
- The National Ready-Mixed Concrete Association Malaysia

## Availability

This report is publicly available online via our website [www.ohb.com.my](http://www.ohb.com.my).








## Feedback

We welcome your comments, thoughts and remarks, which can be directed to our headquarters Oriental Holdings Berhad, 1<sup>st</sup> Floor, 25B Lebuhr Farquhar, 10200 Penang, Malaysia Telephone: +604 263 8590 Email: [ir@ohb.com.my](mailto:ir@ohb.com.my)



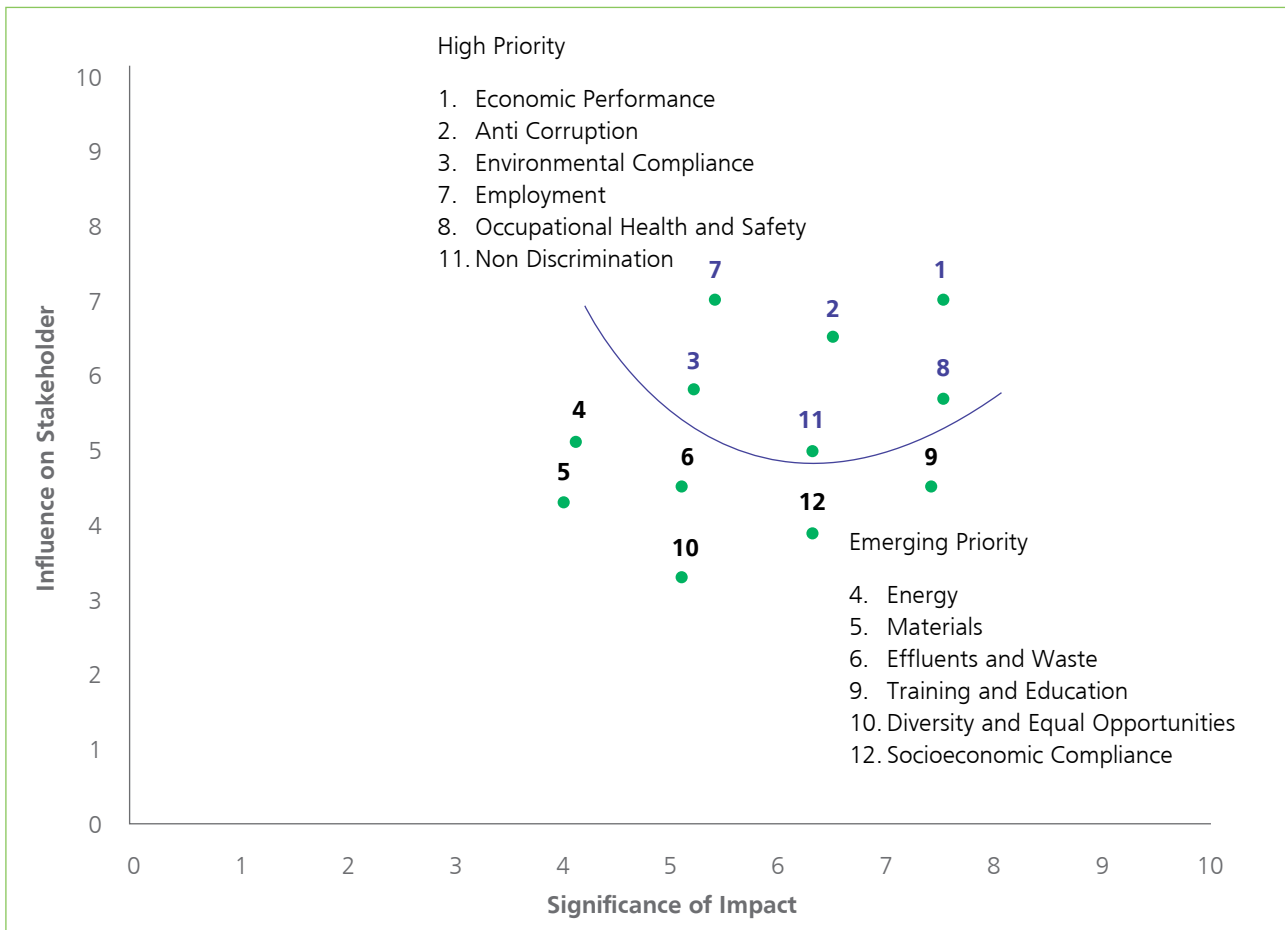
# STAKEHOLDER ENGAGEMENT

In 2019, OHB organised two sessions with the identified stakeholders to reflect the impact of its business around the globe. Understanding the diversity of our business and its stakeholders, we had a digitised physical workshop at the Group level with minimal carbon footprint to refresh our sustainability journey since 2016 as well as identify our impact at present. Further to the workshop, an online survey was undertaken to cater for those who were not able to attend the workshop physically. During the workshop, a robust digital approach was taken to identify and measure our business impacts on the three pillars of sustainability, EES. This digital initiative was much more impactful in identifying key sustainability material matters borne from the impact of our businesses. The table below illustrates a detailed account of our identified stakeholders groups. OHB's corporate communications will continue to engage with them on a regular basis in order to take note their concerns and expectations moving forward for the year 2020 and 2021.

Stakeholders	Mode of Engagement	Frequency of Engagement	Stakeholder Concerns / Sustainability Issues	Expectations
Shareholders and Investors 	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Briefing / Meeting</li> <li>Extraordinary General Meeting</li> <li>Performance Review</li> <li>Meeting with EXCO and Board</li> <li>Electronic Communication</li> </ul>	Annually As needed As needed Quarterly Quarterly As needed	<ul style="list-style-type: none"> <li>Economic Performance</li> <li>Anti-Corruption</li> <li>Energy</li> <li>Employment</li> </ul>	<ul style="list-style-type: none"> <li>Provide training and education to all employees</li> <li>Annual or periodical qualitative and quantitative goals and targets for all aspects</li> </ul>
Media 	<ul style="list-style-type: none"> <li>Media events</li> <li>Press Interviews / Releases</li> </ul>	As needed As needed	<ul style="list-style-type: none"> <li>Economic Performance</li> <li>Marketing and Labelling</li> </ul>	<ul style="list-style-type: none"> <li>Diversity in the representation of all employee categories (age group, gender, minority group etc.), and equal opportunity</li> </ul>
Government 	<ul style="list-style-type: none"> <li>Income tax filing</li> <li>Annual Return</li> <li>SST reporting</li> <li>Electronic Communication</li> <li>Local authorities</li> </ul>	Annually Semi-Annually Bimonthly As needed As needed	<ul style="list-style-type: none"> <li>Anti-Corruption</li> <li>Occupational Health and Safety</li> <li>Environmental Compliance</li> <li>Socioeconomic Compliance</li> <li>Economic Performance</li> </ul>	<ul style="list-style-type: none"> <li>Safe disposal of effluents and waste from all operations that have the least impact on communities and biodiversity</li> </ul>
Suppliers 	<ul style="list-style-type: none"> <li>Project Centric</li> <li>Supplier Audit</li> <li>Orders Placement</li> <li>Meetings</li> <li>Electronic Communication</li> </ul>	Regular As Needed Monthly As Needed As Needed	<ul style="list-style-type: none"> <li>Environmental Assessment</li> <li>Socioeconomic Compliance</li> </ul>	<ul style="list-style-type: none"> <li>Establish robust sustainability governance and strategy across all business segments</li> </ul>
Customers 	<ul style="list-style-type: none"> <li>Customer Feedback</li> <li>Questionnaire / Survey</li> <li>Social media</li> <li>Electronic Communication</li> </ul>	As needed As needed As needed As needed	<ul style="list-style-type: none"> <li>Anti-Corruption</li> <li>Local Communities</li> </ul>	
Employees 	<ul style="list-style-type: none"> <li>Monthly payroll</li> <li>Employee appraisals</li> <li>Training and product knowledge</li> <li>Management Meeting with Union</li> <li>Performance Review / Incentives</li> <li>Individual Development Programme</li> <li>Electronic Communication</li> </ul>	Monthly Annually Periodically Monthly Annually As needed As needed	<ul style="list-style-type: none"> <li>Training and Education</li> <li>Employment</li> <li>Occupational Health and Safety</li> <li>Diversity and Equal Opportunity</li> <li>Non-Discrimination</li> </ul>	
Local Communities 	<ul style="list-style-type: none"> <li>Community Engagement</li> <li>Programmes through Corporate Social Responsibility</li> </ul>	As needed As needed	<ul style="list-style-type: none"> <li>Local Communities</li> <li>Socioeconomic Compliance</li> </ul>	

# MATERIALITY

The stakeholder engagement led to identifying 12 key sustainability material matters. Six were identified as High Priority and the balance six as Emerging Priority.



This mapping matrix was created by looking at the priority level and significance of influence that the stakeholder has on each disclosure against the impact that each disclosure has on EES. This exercise resulted in all disclosures being grouped into two primary segments, six disclosures in the high priority with high influence on stakeholders' assessments and decisions and high significance of impacts on EES, and six disclosures in the emerging priority segment with medium / low influence on stakeholders and medium / low impact on EES. Based on the matrix established by the contribution of the stakeholders, the six high priority disclosures, which are approved by OHB's board, will be disclosed in the report.

This matrix as showcased above will be used as a base for the years 2019, 2020 and 2021 in measuring the incremental growth of our sustainability initiatives within the six identified material matters boundaries. We have learned since 2016 that focusing our effort on the high priority material matters that are meaningful and impactful to our stakeholders for a fixed period will increase our effectiveness in measuring growth and impacts of our efforts. However, we will review and / or refresh the matrix on an annual basis.

# CORPORATE GOVERNANCE

## Sustainability Governance at OHB

We have been committed to setting the highest standards of corporate governance in all our operations. This level of corporate governance and the creation of economic, social, and environmental value for all stakeholders are mutually dependent and critical to business integrity and the creation of sustainable businesses. Some of the corporate governance models OHB refers to encompass:

1. Malaysian Code on Corporate Governance (referred to herein as the Code or MCCG),
2. Bursa Malaysia Securities Berhad (Bursa Malaysia)'s Sustainability Reporting Guide (2<sup>nd</sup> Edition),
3. Bursa Malaysia Berhad's Corporate Governance Guide (3<sup>rd</sup> Edition), and
4. Bursa Malaysia's Main Market Listing Requirements (Listing Requirements).

The models set out wide-range area of focuses, principles and specific recommendations to ensure that good corporate governance becomes an essential part of business ecosystem and culture at OHB.

Sustainability has long been embedded into our business models, enabling the organisation to grow over the years. Our sustainability approach is hinged on our long-term vision, with strategies to improve OHB's operations as well as our EES impacts towards achieving new meaningful growth. Our sustainability efforts are focused on addressing three (3) key areas of EES, as elaborated below.



### ECONOMIC

We constantly review our business practices and focus on creating long-term sustainable growth for our stakeholders. We deliver economic performance that is underpinned by good corporate governance and high ethical standards. We ensure compliance with various national laws in Malaysia, Indonesia, Singapore, Australia, New Zealand and other overseas markets where we have operations and business activities.



### ENVIRONMENT

We strive to adopt best practices in our daily operations through accounted processes, continuous monitoring and implementing effective initiatives to reduce and mitigate our environmental footprint. We work with our stakeholders to enhance awareness, promote environmental practices and utilise operational processes that do not adversely affect the environment where we operate.



### SOCIAL

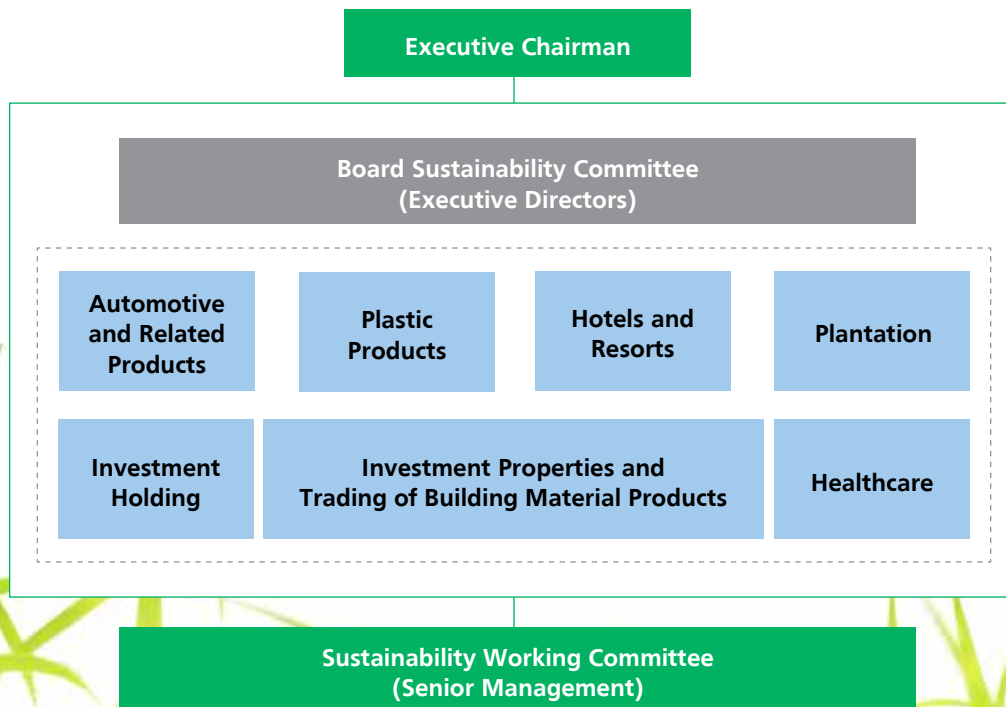
We consider our people to be our most valued resource and we take great care in managing and developing talent to ensure our people are supported and protected at the workplace. We also strongly believe that our growth should be parallel to the local communities where we conduct our business. We hope to give back to our local communities in ways that are meaningful as well as impactful.

# CORPORATE GOVERNANCE (cont'd)

## *Sustainability Governance Structure*

We govern our EES matters through a systematic governance structure. It is a strategic collaboration with our Board of Directors, Management and external stakeholders including shareholders. The Board Sustainability Committee (BSC), comprises the Executive Directors that overseeing the seven segments, holds the responsibility of providing oversight and guidance in the formulation and direction of our corporate strategies and policies. The BSC is regularly updated on sustainability issues by our Sustainability Working Committee (SWC), consisting of Senior Management, who are responsible in setting goals and targets for identified key sustainability matters and overseeing the progress of OHB's sustainability efforts. As an overall platform, our quarterly Executive Committee (EXCO) meeting is an avenue for the BSC to highlight and deliberate any matters relating to our sustainability approach and reporting.

### OHB Group Governance Structure





# CORPORATE GOVERNANCE (cont'd)

## Sustainability Policy, Code of Ethics and Compliance at OHB

Aligned with our EES pillars of sustainability, we consistently reinforce embedding sustainability into our business DNA so that we can adhere to our mission of being a highly competitive organisation through innovation, and achieve continuous improvements in our businesses. The following value-added Sustainability Policy forms the basis of our long-term sustainable business practices:



**Adhere to the requirements** of all laws and regulatory requirements, standards and better practices to which the Group subscribes and establishes,



Adopt **high ethical values** and ensure these practices are upheld across our business through our code of ethics and employee training programmes,



Establish and nurture open, honest and timely communications, and being **responsive to concerns**,



Establish a **comprehensive enterprise-wide risk management framework**, which includes a process to identify, evaluate and manage risks faced by the Group in its pursuit of its business objectives and strategies,



Establish **emergency response plans** to ensure official, coordinated and fully resourced response and control measures can be activated to meet the specific needs of all emergency situations within the site of our operations, communities and transportation routes in the event of an emergency,



Establish **shareholder's communication policy**, which allows the Group to effectively communicate with its shareholders, prospective investors, stakeholders and the general community, including maintaining a dedicated website, which facilitates easy access to corporate information, annual reports and Group announcements, and



Establish **robust policies and procedures** to ensure the adequacy and integrity of the Group's internal control system and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

# CORPORATE GOVERNANCE (cont'd)

## Code of Ethics

We are dedicated to maintaining the highest integrity and standards of ethics. In the course of carrying out our roles and responsibilities in our business relationship with distributors, employees, customers, business contacts and society, we agree to remain committed acting in accordance with the highest standards of excellence, honesty and integrity in every business activity.

### *Code of Ethics on External Environment*

We shall be committed to preserving the environment and obeying the environmental legislation, acting with social responsibility and respecting human dignity.

Accordingly, we are required to be diligent, responsible and respectful in relations with authorities, clients, competitors, suppliers, members of the communities and all other individuals, companies and organisations with which the Company relates in the exercise of its regular activities. Covered Persons must always seek to preserve the Group's good reputation, image and relations. We shall refrain from establishing commercial relations with companies that knowingly do not follow ethical standards compatible with those followed by the OHB Group.

### *Code of Ethics on Work Environment*

Each of us has a responsibility to help provide a work atmosphere free of harassing, abusive, disrespectful, disorderly, disruptive or other non-professional conduct. Our Directors, Officers, Senior Management and employees seek to foster a work environment that is free from the fear of retribution or reprisal. We provide equal employment opportunities by recruiting, hiring, training and promoting applicants and employees without any discrimination on race, colour, religion, national origin, gender, age, ancestry, sexual orientation, disability, handicap or veteran status.

### *Code of Ethics on Safe and Healthy Environment*

OHB Group is committed to providing a drug-free, safe and healthy work environment for all Covered Persons, customers, business partners and visitors. Every Covered Person has a personal responsibility to support this commitment. Covered Persons are obliged to carry out their work in a safe manner, without causing harm to themselves or others, and to report any potentially unsafe or unhealthy situations immediately. They must observe and follow all safety and environmental regulations laid down in the operation instructions, including putting on the necessary safety equipment, where applicable.

Using or being under the influence of alcohol or illegal drugs, while on the job, is strictly prohibited, and smoking is restricted to designated areas. Each of us is responsible for compliance with applicable health and safety laws and regulations.

Any environmental risks that may arise within our properties or from our operations shall be identified and managed in accordance with the applicable laws and regulations.

### *Code of Ethics on Fair Dealing with Others; Illegal or Questionable Gifts or Favours*

We will not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair practices. We will not make materially false, misleading or unsubstantiated statements about our competitors or ourselves on internet message boards, blogs, social media sites (e.g. Facebook, Twitter and YouTube) or similar forum or by other means of communication. Covered Persons, as our representative, must adhere to these standards in a Covered Person's conduct on our behalf. Covered Persons shall not post information about us on the internet anonymously and shall only speak for us if authorised to do so.

# CORPORATE GOVERNANCE (cont'd)

Buying, selling and bidding on our behalf must be done on an “arm’s length” basis. Covered Persons are not permitted to offer, give or solicit or accept any payment, gift, bribe, secret commission, favours or other business courtesies that constitute or could be reasonably perceived as constituting, unfair business inducements or that would violate laws or regulations or our other policies. Any questions regarding the appropriateness of offering, giving, soliciting, or accepting a gift or invitation shall be addressed to the any of the respective companies’ Human Resource Department.

## **Code of Ethics on Fraud**

Where an employee, officer, Senior Management or Director has concerns, or receives information about any fraud in connection with the affairs of the Group, it is their equal responsibility to report those concerns or information.

Let it be known that OHB does not tolerate fraud in any of its business conducts. Therefore, the Company finds it imperative to implement a formal policy for all reporting and investigation of fraud and has proceeded to document it on the **Whistle Blowing Policy**.

## **Code of Ethics on Gratification, Bribery and Corruption**

OHB Group takes zero-tolerance approach towards any form of bribery and corruption. Covered Persons are prohibited from, in any circumstances, directly or indirectly, accept or obtain, or agree to accept or attempt to obtain, from any party, for themselves or for any other party (including their family members), any form of bribery or gratification as an incentive or a reward for doing or forbearing to do, or for having done or forborne to do, any act in relation to the Company’s affairs or business, or for showing or forbearing to show favor or disfavor to any party in relation to the Company’s affairs or businesses.

Covered Persons must also refrain from any activity or behaviour that could give rise to the perception or suspicion of any corrupt conduct or the attempt thereof. Promising, offering, giving or receiving any improper advantage in order to influence the decision of the recipient or to be so influenced may not only result in disciplinary action but also criminal charges.

If the Covered Persons have made or received any payment, which could be misconstrued as bribery and corruption, Covered Persons shall immediately report to the Company.

A “bribe” or a “gratification” is any gift, payment, benefit or other advantage, pecuniary or otherwise, offered, given, or received in order to secure an undue or improper result, award, decision, benefit or advantage of any kind. A bribe need not involve cash or another financial asset, it can be any kind of advantage, including the unpaid use of corporate services or property, loan guarantees or the provision of employment to the family or friends of people with whom OHB deals.

*Note: Covered Persons: Directors, Officers, Senior Management and employees of OHB Group*

## **Compliance**

The Group remains committed to applicable laws and regulations set by the local authorities where our Group operates. Our country management representatives closely monitor regulated areas to avoid any non-compliance with local legislations. We ensure we fulfil these requirements by setting a much more stringent set of internal requirements for our operations. We make a great deal of effort in complying with the requirements.



# ECONOMIC



# ECONOMIC PERFORMANCE

## Why It Matters?

Economic performance is critical to OHB as it allows us to achieve sustainable growth in the long-term, thereby delivering value to all our stakeholders. Through positive performance and effective management, our Group is able to sustain high levels of reinvestment to capture new business opportunities and continue growing our operations. This in turn translates directly into stronger contributions to gross domestic product (GDP) of the countries we operate in as well as improvement of social conditions in local communities. Throughout our diversified business units, OHB provides stable, long-term employment and income for its workforce, invests in talent development to prepare employees for the future, and plays an integral part in the development of economic and social well-being.

## How We Approach It?

At OHB, we are constantly thriving towards the achievement of our goals and targets in the realm of economic performance while upholding our commitment to sustainable business operations and the highest professional standards.

## Automotive and Related Products

The automotive segment of OHB consists of three sub segments: manufacturing, distribution, and dealerships. Across these units economic performance-related matters are approached through a strong focus on market conditions and management direction. For this purpose, we monitor overall market and competitive dynamics closely, in order to be able to respond quickly. Appropriate standards are put in place to guarantee satisfactory results in terms of quality, cost, and delivery for daily operations and to ultimately meet our key performance targets pertaining to market share, customer satisfaction, etc.

Top management regularly reviews performance and key initiatives to ensure alignment with internal targets and projections. Internal and external auditors regularly perform audits to ensure the efficiency and effectiveness of our operations as well as the accuracy of our financial statements.

## Plastic Products

Economic performance proves to be a measure of growth for this segment. Evaluations by the Central Management includes benchmarking among other subsidiaries within the Group in the same industry and a monthly review of overall company performance.

Product level information is monitored on a daily, weekly, and monthly basis and in addition overall company performance is reviewed by General Managers with the Central Management. The areas reviewed include sales, rejections, key cost components ratio, stock ageing and debtors collection and the budget for the following two months. The targets set for reduction of costs includes a purging rate of 0.3% and a rejection rate of 1%. There is also a monthly review on key costs such as material, labour and electricity costs.

## Hotels and Resorts

Customer satisfaction is a key measure of success across OHB, and this is particularly true in the hotels and resorts business. Customer feedback is regularly reviewed by hotel management and all complaints, should they arise, are handled promptly to guarantee an outstanding customer experience. In addition, our operations are guided by strong sustainability policies, pertaining to issues such as our environmental footprint of our hotels and resorts. We put emphasis on employee development through training offerings to constantly improve competency and knowledge of our workforce.

Hotel managers and department heads are the focal points in charge of achieving financial results and long-term performance. This is achieved through stringent control points and performance benchmarks, as well as recent changes to sales and marketing initiatives.

# ECONOMIC PERFORMANCE (cont'd)

## Plantation

One of the Group's key segments in terms of economic performance as the long-term viability of the plantation segment is based on incremental market growth. The Plantation Committee oversees the performance of this segment and approve the economic performance set by respective Heads of Department on yearly basis. The Plantation Committee is based at the Group's headquarters and holds regular meetings to discuss the segment's economic performance and achievements while reporting to the Board periodically.

## Investment Properties and Trading of Building Material Products

The investment properties segment treats its business as an ongoing business concern with importance and ability to contribute positively to the OHB group business performance. To sustain its business continuity, the segment has created a strong team to run its business with professionals in their respective roles. The team will be upgraded or reformed as and when required so as to enable it to be constructive, innovative, and productive. The team meets regularly to discuss and deliberate on the most critical business issues.

The management team and the corporate controller hold periodical meetings and discuss the achievement of economic performance which is set by each department on an annual basis.

The trading of building material products segment places emphasis on productivity and enhancing benefits distributed to employees to retain high levels of production volume, including trainings and rewards for high performers. Quality products, timely delivery and effective marketing strategies are the key pillars of achieving economic performance, the achievement of which is guided by the Managing Director.

Performance data is compiled and submitted for evaluation to the General Manager for evaluation on a monthly basis.

## Healthcare

In our healthcare business, economic success and societal well-being are strongly intertwined. OHB's healthcare operations serve as a platform to provide healthcare services to local as well as overseas residents. In this dynamic industry, strong policies and operating procedures, developed in compliance with local statutory bodies like the Ministry of Health, Malaysian Society for Quality in Health, etc., are critical to maintain outstanding service for patients.

All employees ranging from the Chief Executive Officer right down to first line employees are responsible to ensure the services provided are in line with achieving our goals and objectives. The Finance team reports monthly financial performance to the top management. Similarly to other business units, evaluations are conducted through internal and external audits, departmental key performance indicators and risk reporting, etc.

## Our Performance

Kindly refer to the economic performance of the Group in the Financial Highlights section of this report.

# FINANCIAL IMPLICATIONS AND OTHER RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE

## Why It Matters?

There are several ways in which climate change impacts OHB. Firstly, it impacts consumer behaviour, which demands more environmentally friendly products. Secondly, it changes the manufacturing landscape, including the technology necessary to produce environmentally friendly products. Moreover, floodings and other natural disasters can lead to severe disruptions in operations and production, thereby impacting the Group's ability to improve economic performance. At the same time, business partners and investors increasingly recognise the importance of climate change and demand disclosure on how OHB is addressing the associated risks and opportunities when it comes to this area.

## How We Approach It?

### Automotive and Related Products

The need for advanced manufacturing processes to comply with environmental regulations as well as the demands of the wider stakeholder ecosystem requires high expenditure on research and development. There are also associated risks in terms of climate effects such as flooding that can affect the production of cars. On a positive note, flooding similarly creates opportunity in boosting the body and paint sales. As awareness of climate change and the consumer demand for more eco-friendly products increases, more advanced technology and research will have to be invested toward technology that produces lower emissions.

### Plastic Products

Our plastic segment emphasises energy conservation through the adoption of the 3R policies, i.e. Reduce, Reuse, and Recycle. To comply with sustainability practices, this segment monitors and reviews its energy consumption, in particular energy cost as a percentage of overall production costs on a monthly basis.

## Hotels and Resorts

The impact of climate change on our hotels and resorts business is clear. Hotel guests are increasingly concerned with whether the service providers are eco-friendly and closely tied with local communities, which can in turn have a moderate impact on profits and business expansion. While the expected impacts are minor to moderate in the short-term, it is clear that in the long-run reduction of waste can lead to significant cost savings and that a position as an eco-friendly brand in the mind of guests and tourists will be critical.

Already today, the electrical application provided in guest rooms are of high environmental ratings in terms of energy efficiency, positively contributing to a reduction in cost. This will need to be constantly monitored to ensure environmental sustainability is kept at the forefront of our minds moving forward. In addition, the establishments in this segment encourages hotel guests to reduce usage of room amenities and adopting the use of bio-degradable products. The Group's sustainability performance will enable this segment to maintain a broad range of eco-conscious business partners.

OHB's Corporate Governance Framework at the group level informs sustainability policies and hotel environmental policies at the subsidiary level.

## Plantation

The plantation segment is perhaps one of the most vulnerable segments when it comes to the implications of climate change as extreme weather events have proven to affect growth and productivity through unstable crop harvest, volatile water supply as well as forest fires. The segment monitors climate change and risk factors associated to it through the Enterprise Risk Management (ERM) system at the respective operating centers. At headquarters, the ERM is further monitored by the Finance Department and the Research and Development Department. Specific funds are allocated for identified mitigation actions. Mitigation actions and responses are taken at the respective operating centers at the subsidiary level and findings are reported to the top management. The respective operating centers will also report findings to the Plantation Committee.

# FINANCIAL IMPLICATIONS AND OTHER RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE (cont'd)

## Investment Properties and Trading of Building Material Products

Governmental regulations pertaining to climate change-related issues can open opportunities for cost-effective financing of land acquisitions but also pose risk in terms of project approvals and delays. The specific risks and opportunities of climate change, and related mitigation strategies, are identified by the respective operating centres in the ERM system.

The top management team at the respective operating centres report regularly to the management team on climate change issues. The ERM system is evaluated and updated on an annual basis at the subsidiary level.

## Healthcare

As climate change poses one of the biggest risks to global healthcare, the healthcare segment has identified that it will need to build more resilience toward health issues arising from the climate change crisis. Not only are environmental safety and compliance issues taken seriously, good governance on these issues are conveyed to all staff levels. This segment understands that with the rise of climate change effects on the population, so will the demand for healthcare services and closely monitor environmental trends that relate to health issues.

## Our Performance

The table below illustrates in details the risk and opportunities identified across our business segments primarily focusing on their impact, financial implications, mitigation and cost of mitigating actions.

Risk/ Opportunity	Impact	Financial Implication	Mitigation	Cost of Mitigating Action
<b>Automotive and Related Products</b>				
Risk	Withdrawal of incentive caused sale to non-national car maker will drop	Drop of sales ranging from 15% to 20%	Diversification of sales to Replacement Equipment Manufacturer (REM) and export market	Not quantifiable
Risk	Unable to supply cars and parts due to flooded factories	Unable to quantify, depends on severity of situation	Enhancement of labour intensive services and other activities with lower reliance on products unable to be supplied	Not quantifiable
Risk	Increase in ride-sharing and reduction in private car ownership	Unable to quantify, depends on severity of situation	Reduce carbon footprint in automotive products by the distributor	Not quantifiable
Risk	Reduction in private car ownership and an increase in the use of public transport	Unable to quantify, depends on the severity of the situation	Expand into the ride-sharing market	Not quantifiable
Opportunity	Increase in sales of window regulator	Possible to increase sales by 2% to 5%	Experience in window regulator process	RM 72,000
Opportunity	Increase new products with incentives that are passed to customers, improve branding image with good "green" products that outshine competitors otherwise not viable to be made available without incentives due to high costs	Unable to quantify, may be below 10% of revenue but should gradually increase in the future subject to continuation of incentives and competition	Investments are mainly carried out by the distributor (the company is a dealer)	Depending on the distributor

# FINANCIAL IMPLICATIONS AND OTHER RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE (cont'd)

Risk/ Opportunity	Impact	Financial Implication	Mitigation	Cost of Mitigating Action
<b>Automotive and Related Products</b>				
Opportunity	Increase in window tint film sales	Potential revenue increase of up to 2% of revenue	Stricter implementation of sales by-product and higher sales incentives	Depending on the distributor
Opportunity	Increase in automotive repair and replacement services & products	Unable to quantify subject to competition	Increase and upgrade after sales services facilities	Capital investment
Opportunity	Increase in sales of additional insurance products	Unable to quantify subject to competition	Incentive gives to promote the insurance products	Not quantifiable
<b>Plastic Products</b>				
Risk	Increase in production cost due to climate change	Insignificant	Reduce temperature at plant	RM 10,000
Risk	Use of recycled material for production may cause higher rejection	Insignificant	Control of percentage of usage	NA
Opportunity	Migration from other resource based products such as wood and metal which could not be recycled	Insignificant	Use of existing machinery	NA
<b>Hotels and Resorts</b>				
Risk	Reduction in snow line level for Chateau, reducing high winter season	Reduction in approximate of 5% revenue	Diversification in marketing activities	RM 50,000
Risk	Adverse weather conditions with chance of serious condensed weather events	Increased expenditure of 5%	Preventative maintenance program targeting potential weather impacts	RM 200,000
Risk	Adverse weather conditions impacting on travel during normal high season	Reduction in approximate of 3% revenue	Diversification in marketing activities	RM 20,000
Risk	Weather conditions impacting on guests ability to travel to hotels locations	Reduction in approximately 1% revenue	Business interruption insurance	RM 20,000
Risk	Potential for increased likelihood of natural disaster impacting on the hotels ability to operate	Complete closure of business	Natural disaster insurance	Not quantifiable
Risk	Flooding reduce the access to property	Potential 5% or higher in reduction	Property preparations	RM 1,400
Risk	Minimum wages caused increase in operating cost	Manpower cost increased close to 10%	Changes to the headcount distribution	NA
Opportunity	Increased revenue through extension of high season good weather for trekking / walks	Increased revenue 5%	Increased marketing	RM 20,000



## FINANCIAL IMPLICATIONS AND OTHER RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE (cont'd)

Risk/ Opportunity	Impact	Financial Implication	Mitigation	Cost of Mitigating Action
<b>Hotels and Resorts</b>				
Opportunity	Increased revenue through increased demand of tourists. Being a beachfront located resort, more outdoor, beach and water based activities for guests	Increased revenue 2%	Sales promotions through all available e-commerce platforms	RM 20,000
Opportunity	Increased revenue through food and beverages and golf	Increased revenue 1%	Increased marketing	RM 10,000
Opportunity	Higher ambient temperatures reducing the need for heating	Reduced energy costs 1%	Internal management	NA
Opportunity	Be the first mover advantage and attract more customers through competitive pricing and promotion strategies	Increased revenue 1%	Sales promotions through all available e-commerce platforms	RM 10,000
<b>Plantation</b>				
Risk	Unexpected high rainfall causes extended harvesting interval, flooding and delay in fresh fruit bunches (FFB) evacuation, which contribute to higher content of free fatty acids (FFA) in CPO	To sell CPO with high FFA at a discounted price, hence result in lower profit	Stringent CPO quality control, for example: 1. To expedite the delivery of FFB to palm oil mill 2. To process FFB according to first in, first out (FIFO) system	NA
Risk	Shortage of barge due to high tides	1. Lower sales of CPO 2. The company may need to look for barge for CPO delivery Hence result in higher transportation cost and lower profit	To build additional CPO storage tanks	NA
Risk	Ongoing dry period causes severe damage and stress in the palm trees	Lower FFB production in terms of yield per hectare, hence result in lower profit	A well-planned water management system	NA
Risk	Fires in peatland where there are oil palm plantations	Loss of palm trees due to fires and caused lower crop production	To raise the water-table and maintain at a high level (<50cm from the peat surface) as soon as the dry months start	NA
Opportunity	Unexpected high rainfall during the hot and dry season is good to the growth of oil palm trees	Expect an uptrend in yield after 30 months, result in higher FFB production in term of yield per hectare	A well-managed harvesting interval and FFB collection in estate	NA

## FINANCIAL IMPLICATIONS AND OTHER RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE (cont'd)

Risk/ Opportunity	Impact	Financial Implication	Mitigation	Cost of Mitigating Action
<b>Investment Holding</b>				
Risk	Penalties and fines imposed on the additional tax payable as a result of Transfer Pricing adjustment	Non-quantifiable	Strict adherence for Transfer Pricing Documentation timeline set	NA
<b>Investment Properties and Trading of Building Materials</b>				
Risk	Increase in fuel price	Approximate 10% increase in transportation	Spot on suitable land for batching plant to reduce transportation	Not quantifiable
Risk	Unable to have long term plan for production	Higher production cost due to often movement of plant	Effort to find suitable area	RM 100,000
Risk	Fierce price war	Reduction in approximate of 30% revenue	Research / reformulate to mitigate cost	RM 100,000
Risk	Interrupt in supplying due to flood	Reduce revenue in raining period	Reschedule to increase supply after raining season	Not quantifiable
Risk	Flood caused reduction in production output & sales	Reduction in approximate of 15 % revenue	Insurance	RM 60,000
Risk	Environmental pollution for land reclamation causing soil erosion in future and damaging the marine life	Non-quantifiable	Appointing professional consultant to carry out the survey as at when necessary.	NA
Opportunity	Increase in brand awareness	Potential to enlarge customer base	Continue to look for strategic land	RM 50,000
Opportunity	Reliable and efficient billing system	Shorten delivery and invoicing period	Revamp the education system	Not quantifiable
Opportunity	Tighten credit terms	Well cash flow position	Prompt payment to supplier to enjoy better rebate	RM 20,000
Opportunity	Develop land will increase job opportunities	Non-quantifiable	Develop the land	NA
<b>Healthcare</b>				
Risk	Reduction in patient load due to virus outbreak	Reduction of 30% or more in revenue	Increase safety measures	RM 100,000
Risk	Water rationing due to dry spell	Increase in water expenses by 50% or more	Prepare external water supply as standby	RM 50,000
Opportunity	Increase in patient due to cold season, e.g., cold & influenza	Paediatric cases may increase about 15%	Prepare more beds for such cases as standby	RM 50,000
Opportunity	Increase in patient due to hot season and open burning	Respiratory cases may increase about 10%	Prepare more beds for such cases as standby	RM 50,000

# ANTI-CORRUPTION

## Why It Matters?

The Group prides itself in leading with a culture of integrity and transparency across its subsidiaries and stakeholders. To demonstrate the Group's commitment to ensure a business environment that is ethical and fair as well as to comply with anti-corruption regulations in the respective jurisdictions where our operations are located, we will ensure proper anti-corruption policies and effective governance structures will put in place before the implementation date to protect the reputation of the business.

With the introduction of stringent anti-corruption laws such as the Section 17A of the Malaysian Anti-Corruption Commission Act 2009 and any of its amendments or re-enactments, OHB is under a legal obligation to advocate a culture of integrity throughout its business operations. Anti-corruption policies and procedures would take precedence in the Group's material matters in order to amplify investor and consumer confidence in our business as well as ensure that the Group is assessing the business risks associated to unethical behaviour.

## How We Approach It

The effective implementation of anti-corruption policies and procedures relies on the Group understanding that the key elements and guidelines provided by regulatory bodies are understood and are put in place. To ensure that the Group's reputation as well as legal liabilities are protected, OHB prioritises ethical business practice and disseminates to all employees the code of ethics as well as appropriate channels where unethical behaviour can be reported.

## Automotive and Related Products

Under this segment, the OHB Group Corporate Governance Framework provides the overarching guideline on integrity, accountability, and responsibility.

This segment is also currently pursuing the objective of achieving a 'zero incident' target for each year and more training and communication initiatives are being planned for all employees in the future.

## Plastic Products

The relevant policies being established at the Group level will be disseminated to top management personnel of this segment once approved and adopted by the Board. The policies relating to the anti-corruption on the Group level will flow to all subsidiaries within this segment to promote a culture of integrity and to establish a responsible supply chain.

## Hotels and Resorts

Damage to reputation and financial risk remain the top reasons why the hotels and resorts segment practice a zero-tolerance policy toward corruption practices. There is a clear correlation between ethical business, compliance and revenue growth and this segment have mandated that resources and training are allocated toward understanding anti-corruption regulation and practicing responsible and ethical behaviour in the workplace.



### Key Anti-Corruption Practices Practiced by KAH Australia & KAH New Zealand

The hotels under these subsidiaries are committed to operate in an environment of integrity and compliance.

- Policies and procedures in place to reduce the risk of bribery and corruption occurring at hotels
- Purchase orders are to be signed by the Financial Controller / Accountant and General Manager
- A three quotes policy is a required for non-operating purchases
- Payments must have two signatures by authorised bank signatories
- Refunds must be documented with supporting paperwork and authorised by the Financial Controller / Accountant and General Manager
- Financial Controller / Accountant and General Manager will review suppliers with Purchasing Manager and Department Heads annually based on the quality of goods and services

# ANTI-CORRUPTION (cont'd)

## Plantation

The plantation segment practices zero tolerance toward any unethical behaviour related to corruption. Policies related to anti-corruption reside in the Code of Business Ethics and should there be any breach of policy, there are stringent protocols put in place and stern action will be taken against any confirmed incidences. If a grievance is detected it should be reported directly to the head of the respective department. It is the responsibility of the Head of Department to report any incidences to the Plantation Committee. The Plantation Committee reports on a periodic basis to the board.

This segment is fully committed to creating awareness to uphold the highest standards of integrity across its employees and from time to time will provide training programmes on updates on regulation and implementation of grievance mechanisms. The Plantation Committee also monitors any changes to anti-corruption laws and regulations. Some of the initiatives that have been carried out to create more awareness on anti-corruption throughout the segment include:

- Enterprise Risk Management framework
- Limits of Authority (on cheque issuance)
- Monitoring of the changes to laws of anti-corruption
- Analysis of the root causes of the relevant incidents in the organisation and revision of the monitoring system, including of ERM & Limits of Authority if there is a need
- Evaluation being done internally

## Investment Properties and Trading of Building Material Products

To maintain the highest standards of integrity, accountability and responsibility toward healthy growth, the businesses across this segment target zero incidences of corruption. This segment ensures that not only that corporate liability laws are adhered to but also that adequate procedures are implemented so that employees do not partake in corrupt activities. Appropriate training is provided to employees on regulation laws as well as accounting software is used to collect data and detect any abnormalities. To monitor the performance of anti-corruption policies and procedures, internal audits are conducted according to ISO standards.



### Policies and Initiatives Implemented by the Segment

- Code of Conduct & Ethics
- Enterprise Risk Management
- Internal Control Framework

## Healthcare

This segment will align its policies and procedures with the Group's anti-corruption framework. The grievance mechanism is disseminated to all staff during orientation and includes a grievance form that can be emailed directly to the Human Resource Department, which will escalate any unresolved issues to Senior Management for resolution. C-suite personnel are sent for trainings on the awareness and preparation for corporate liability on corruption.

## Our Performance

With the introduction of new Section 17A of the MACC Act which was gazetted on 4 May 2018 and with its effective implementation date on 1 June 2020, it is imperative that OHB is prepared and ready to ascertain that proper policies and procedures are in place. This is to ensure that the Group operation's practices and policies are in compliant to the rules and regulations.

Hence, towards that goal, OHB has engaged a professional firm in assisting the organisation with the compliance. From the engagement, we have carried out gap analysis, corruption risk assessment and management and efforts for gap alignment. Henceforth, we will disseminate an Ethical Framework to the employees on new policies and procedures by the first half of 2020 and conduct awareness-training session thereafter.



# ENVIRONMENT



# ENVIRONMENTAL COMPLIANCE

## Why It Matters?

We at OHB believe in being committed to preserving the environment and abiding by relevant environmental legislations, acting with social responsibility and respecting human dignity. We continue to be diligent, responsible and respectful in environmental matters that relate with authorities, clients, competitors, suppliers, members of the communities and all other individuals, companies and organisations in our daily operations.

## How We Approach It?

The Group remains committed to the applicable laws and regulations set by the local authorities where our Group operates. The management representatives closely monitor regulated areas to avoid any non-compliance with local legislation pertaining to the environment. We ensure that we fulfil these requirements by setting a much more stringent set of internal requirements for our operations.

We are constantly striving to go beyond simply complying with environmental regulations and to set the gold standard when it comes to preserving and respecting our natural resources.

## Automotive and Related Products

Environmental compliance is a key factor for the automotive industry as its implications relate to the sustainability of our service centres. This is also in line with its commitment to provide and maintain a safe, healthy and conducive working environment to all employees, customers, suppliers and the public. Due to the high volume usage of lubricant waste that is generated from car maintenance services at our service centres, all service centres are required to work together with various departments to ensure full compliance with all statutory requirements as stipulated under the Environmental Quality (Scheduled Wastes) Regulations 2005.



### Environmental-related Practices by Our Dealership Subsidiaries

They recognise that it is their corporate responsibility to continuously maintain and respect the environment that they operate in by working towards reducing the waste they generate from their business activities. In addition to streamlining their approach in hazardous waste management in their Environment, Health and Safety (EHS) Policy, an environmental committee, which comprises of representatives from various departments such as administration, sales, service, etc., was established to work towards ensuring their business activities are in accordance to the relevant environmental laws and regulations. Apart from that, they have further demonstrated their commitment to preserve the environment by conducting periodical Hazard Identification, Risk Assessment & Risk Control (HIRARC) as well as Environmental, Safety and Health (ESH) audit.



### Environmental-related Practices by Our Manufacturing Subsidiaries

Environmental concerns and compliance activities have always being aligned with and integrated into their overall performance goals and business strategy. As a certified ISO 14001:2015 organisation, they undoubtedly understand how environmental compliance closely relates to the overall performance of an organisation. This is also supported by their Environment Policy, which serves as the overarching framework for all their employees towards achieving greater environmental stewardship.

In 2018, they successfully transited their ISO 14001 to the latest 2015 version. This has complemented and improved their existing environmental management system, which provides a systematic framework for them to manage environmental-related matters better and consistently demonstrate sound environmental management. This year, they continue to invest in upgrading their employees' skillset through various training such as Chemical Safety and Spilling Training, ISO 14001:2015 Awareness and Auditor Training as well as Battery Operated Forklift Training. They believes these trainings are an integral part of their journey in enabling all its employees to not only keep up with the changes in relevant laws and regulations but also be part of the continuous learning that they are keen to promote to their employees at all levels.

Lastly, they conduct annual internal audits and management review meetings as well as external surveillance audits to ensure all their operations are in compliance with all statutory requirements and international standards. These audits have concluded that no significant findings was found in their operations.

# ENVIRONMENTAL COMPLIANCE (cont'd)

## Plastic Products

Environmental compliance is a material sustainability issue due to its involvement in both regulatory requirements and customer expectations. Thus, the plastic products segment has been focusing its sustainability efforts in meeting the expectations of customers (e.g. ISO 14001:2015) as well as complying with the increasing stringent local environmental laws and regulations. The segment believes these have led to a reduction in waste generation, reduction in energy consumption and increased credibility with its customers.

Supported by environmental policies established at subsidiaries level that are aligned with ISO 14001:2015, the segment has launched environmental management programmes since 2015 to constantly improve the way the segment manages its environmental impact. Examples of initiatives are prevention of soil, water and air pollution as well as energy efficiency in cooling tower motors, which has resulted in a reduction of energy consumption by 10%. As part of the segment's commitment to its customers in managing its environmental impacts, the segment conducts internal and external audits to evaluate the effectiveness of controls in key areas such as production lines in manufacturing and assembling of injection-moulded parts for electrical, electronics and automotive industries.

## Hotels and Resorts

Given the environment our hotels and resorts operate in and especially for resorts which are surrounded by ecosystems that are unique to the local communities, the segment believes environmental compliance is of utmost importance. It could not be able to consistently provide the experiences and quality that its guests are expecting if the environment our hotels and resorts operate in is badly damaged. This means the segment takes environmental ownership very seriously and truly believes that it is the segment's responsibility to act beyond compliance in safeguarding the environment and minimising its footprint for the future.



### Environmental-friendly Practices at KNZ

In addition to meeting the environmental standards and regulations with zero fines for its hotels and resorts, KNZ has conducted a number of initiatives to respond to the changing environmental requirements and increasing expectations in preserving the environment. These initiatives are:

1. Set up a dedicated sustainability task force to explore opportunities in integrating sustainable practices into its business;
2. Adhere to sprinkler bans for reticulation set by local government;
3. Provision of sufficient waste bins for waste disposal by guests as well as employees;
4. Increase training on the use of recycle waste bins and encourage employees to contribute to recycling;
5. Replace to LED lightings in hotel rooms;
6. Adopt high energy efficiency equipment in the hotels;
7. Source and purchase environmental friendly;
8. Provision of additional funds to replace single use plastic bags in the hotels following the ban in New Zealand.



### Environmental-friendly Practices at 30Ben

30Ben utilises the relevant environmental laws and regulations as the guideline for strengthening its environmental efforts, particularly in the area of reducing plastic usage, energy consumption and waste generation. 30Ben has been adopting several environmental friendly practices across its operations such as selling used cooking oil to accredited oil recycling companies and replacing plastic drinking bottles with water stations in meeting rooms and hotel lobby. The hotel is currently in the midst of replacing all single use drinking water, soap and shampoo bottles with eco-friendly reusable or refillable packaging.

# ENVIRONMENTAL COMPLIANCE (cont'd)



## Environmental-friendly Practices at PSH

PSH has always been upholding its belief in creating a positive impact to the environment and society. This has led PSH to lead the hospitality industry by example in setting specific goals and targets to manage its commitment to the environment. PSH aims to move into 100% green amenities by 2020 whereby all amenities provided to guests will generate lesser negative impacts to the environment. PSH believes this is the necessary step in its business transformation journey towards embracing best sustainable practices in the industry. Meanwhile, PSH has successfully passed the internal and external environmental audit this year with no significant issues found in PSH's operations.



## Qualmark Gold Sustainable Tourism Business Award for Wairakei Resort in Lake Taupo, New Zealand



Owned by Tourism New Zealand and backed by leading industry organisations, Qualmark is New Zealand tourism's official quality assurance organisation aims to help businesses to become more sustainable from a people, planet and profit perspective.

Under the Sustainable Tourism Business Criteria, each business receives onsite evaluations against a series of criteria on four key areas i.e. Economic, Social & People, Environment & Culture and Health, Safety & Wellness. Businesses are awarded a Bronze, Silver or Gold award depending on their performance assessed by a Qualmark Tourism Business Advisor against the Sustainable Tourism Business Criteria.

In 2019, we managed to maintain the Qualmark Gold Sustainable Tourism Business Award – the highest level achievable in our Wairakei Resort in Lake Taupo, New Zealand and the Qualmark Silver for Chateau Tongariro Hotel. A Gold Award recognises the best sustainable tourism businesses in New Zealand, with the delivery of exceptional customer experiences as an integral part of everything we do. The award also identifies our leadership in making the New Zealand tourism industry a world class sustainable visitor destination.

## Plantation

The plantation segment acknowledges that the global communities are deeply concerned with the degradation of environmental quality following the amassed global palm oil activities over the past decades, particularly in Malaysia and Indonesia. While OHB is currently managing more than 40,859 ha of oil palm plantations in both these countries, the segment has been actively aligning its practices with Roundtable Sustainable Palm Oil (RSPO), Malaysian Sustainable Palm Oil (MSPO) and Indonesian Sustainable Palm Oil (ISPO) requirements to ensure all plantations are taking effective measures to minimise our impact to the environment. The segment is pleased to announce that our operations in Malaysia are currently certified under MSPO.



## Sustainability Policy in Bangka Region

OHB's plantation in Bangka Region established a Sustainability Policy that encompasses the following five key aspects. The environmental aspect includes peatland protection and management, no deforestation and biodiversity conservation.



# ENVIRONMENTAL COMPLIANCE (cont'd)



## Environmental-friendly Practices in Bangka Region's Plantation

Following its commitment in managing the economic, environmental and social aspects of its plantations in a sustainable manner, the segment has designed a High Conservation Value (HCV) Management & Monitoring Programme for its plantations in Bangka Region based on the results of HCV assessment. The programmes and respective expected outcome are tabulated below:

No.	Programme	Expected Outcome
1	<ul style="list-style-type: none"> <li>Protection of river flow and water quality</li> <li>Conservation of rare and river aquatic species</li> </ul>	<ul style="list-style-type: none"> <li>Measure and monitor sedimentation and erosion on monthly basis</li> <li>All river banks are covered with erosion control plants / vegetation</li> <li>Conduct de-siltation to reduce the sediment deposition according to the planned programme</li> <li>Sediment trap is well functioned and maintained</li> </ul>
2	Preservation of history and culture heritage	<ul style="list-style-type: none"> <li>Conduct history and culture heritage identification annually</li> <li>Set up announcement board on history and culture heritage land upon land owner's permission</li> </ul>
3	Conservation of forestry area to avoid the extinction of rare, endangered and threatened species as well as illegal logging	<ul style="list-style-type: none"> <li>Protect habitats of rare, endangered and threatened species at all time</li> <li>Native vegetation is maintained</li> </ul>

## Investment Properties and Trading of Building Material Products

The segment is aware of the increasingly stringent environmental laws and regulations that could potentially affect its operations. While the segment continues abiding by the Group's Sustainability Policy as well as the applicable statutory environmental requirements, the segment also actively explores new technologies and innovation to further improve fuel efficiency for its production and logistics vehicles. This includes adoption of fuel monitoring systems as well as forecasting, load aggregation and rate analysis on its machinery to achieve higher fuel efficiency according to its production requirements and schedules. In addition, the segment also collects data from its trucks by installing sensors and Global Positioning System (GPS) into its trucks for fuel efficiency and optimisation purposes.

## Healthcare

The healthcare segment's dedication to high-quality healthcare extends to the way it manages its clinical waste and other environmental impacts. All members of our healthcare segment, supported by the Occupational Safety and Health Committee as well as Environmental

Safety Services Committee, are obliged to comply with the Malaysian Society for Quality in Health (MSQH) requirements, Environmental Quality Act 1974 and other regulations stipulated by Department of Occupational Safety and Health without exception. This is our uncompromised commitment to not only our patients within our premises but also our employees, visitors, contractors and people who lived around our hospital.

## Our Performance

As of 2019, OHB has identified one non-compliance with environmental laws and regulations. However, the non-compliance incidents were resolved within the reporting period. The aforementioned incident has resulted in a fine issued by the Department of Environment for failing to inform them on the accidental effluent spillage from the pickling process in less than six hours. This matter was resolved immediately upon review with risk mitigation and rectification actions swiftly taken to avoid similar spillage in the future.



# SOCIAL



# EMPLOYMENT

## Why It Matters?

In OHB, we firmly uphold the recognition that our talent has been the key contributor and competitive factor in realising the Group's global ambitions and achievements. Our enduring success has been built on and relied upon a foundation of a strong and committed work force that is diversified in every tier. With sustainable business growth and expansion in our horizon, we remained focused on ascertaining equal opportunities for our employees to grow and contribute within a safe and well-balanced environment. Furthermore, in complementing this principle, the Group has endeavoured to provide our employees with the best platform for career and personal development, alongside allocating adequate resources to acknowledge their contributions. Fundamentally, it is essential and important to OHB to seek a balanced approach in recognising our employees and sustaining our performance as a Group.

## How We Approach It?

Overall, OHB is guided by the Group-wide Code of Ethics, which establishes the necessary key pillars in ensuring that our operations are carried out responsibly and objectively. With that, measures are put in place to make certain that we adopt and enforce essential guidelines and policies, which advocate matters such as equal opportunities, anti-discriminatory treatment, minimum and fair wage structure among others. In considering our various operational footprint across countries around the world, we also monitor and enforce strict compliance with

local laws, rules and regulations. All approaches are vital towards our operations as it ensures that our employees are always treated impartially in a balanced and diverse environment.

## Automotive and Related Products

As part of OHB group, employees are considered one of the driving forces to the success of our automotive segment. The segment has allocated its resources in ensuring that each employee is provided with adequate opportunities for their personal and professional development while being supported with deserving welfare.

All efforts undertaken are to enhance our ability to attract new talent and extend the retention of our existing employees as we grow and expand in this segment. With our human resource policies, employee handbook and union collective agreements, the segment is set to affix equality and fairness at all tiers of employment. A non-discriminatory approach is advocated in rewarding our work force, i.e. on remuneration, leave entitlement, access to trainings and other relevant benefits.

A transparent and impartial performance review practice is regularly performed throughout this segment. The practice is structured to provide employees with an avenue to deliberate on their concerns and highlight constructive feedback to the Group. Thus, actions may be taken to address key highlighted matters as we progressively create a better working environment for our employees.



### Key Employment Practices at Kah Motor Malaysia and Singapore Operations

Fundamental commitment from Kah Motor Malaysia Operations are showcased through the existing collective bargaining agreement with the National Union of Transport Equipment and Allied Industries Workers of Malaysia.

Kah Motor Singapore Operations demonstrate its commitment towards employees by continuously upholding its pledge for Fair Employment Practices under the Tripartite Alliance for Fair & Progressive Employment Practices (TAFEP) organisation. Its five key principles are:

1. Recruit and select on the basis of merit (such as skills, experience or ability to perform the job) regardless of age, race, gender, religion, marital status and family responsibilities, or disability.
2. Treat your employees fairly and with respect and put in place progressive human resource management systems.
3. Provide employees with equal opportunities to be considered for training and development based on their strengths and needs, to help them achieve their full potential.
4. Reward your employees fairly based on their ability, performance, contribution and experience.
5. Comply with the labour laws and abide by the Tripartite Guidelines on Fair Employment Practices.

Additionally, our Singapore Operations strongly support an age-diverse work force and has a re-employment practice for competent workers reaching retirement age to continue working.

# EMPLOYMENT (cont'd)



## Key Employment Practices at Armstrong Auto Parts

An approach taken by one of the subsidiaries under our automotive segment, Armstrong Auto Parts is to expand its focus onto women employees in which we have dedicated parking bays for pregnant women and a facility of nursing rooms for new mothers. This is in addition to the maternity and paternity leave provided as well as compassionate leave for employees to attend to their children or parents who may be ill or in need of urgent care and assistance.

## Plastic Products

For this segment, we ensure that our Group-wide Code of Ethics is acknowledged and observed by our employees during their daily conduct. This practice has proved beneficial and encouraging in leading the quality of products we produce and the trustworthy relationship we build with our customers.

As this segment is constantly evolving due to the advancement of technology and procedures in manufacturing; trainings are identified and delivered to our employees on an on-going basis. Training programmes, which include technical modules and soft skills, are put in place for the benefit of our work force in undertaking their job effectively and to provide the necessary advancement in their career path. Furthermore, emphasis is also placed at ensuring that employees are well-trained on the Group's established health and safety practices. In line to the nature of our manufacturing operations, we ensure that by seamlessly incorporating a safe and healthy culture within our daily operations, employees' confidence and morale are supported when working in this segment.

The segment believes that an ideal structure for a contented working environment is one, where all discriminatory behaviour is kept out of a well-diversified work force. Efforts are planned and executed to ensure a culture of enthusiasm and positivity is upheld as well as a fair reward and recognition structure for our employees. An equal structure, which includes remuneration package, increment, bonus, leave entitlement and other relevant benefits, is implemented in this segment.

As optimistic as we are in managing our operations, we acknowledge that there are constantly areas for improvement, which spurred us to set up a formal grievance mechanism. The format is to ensure that any formal grievances will be addressed and resolved, where possible, within a grace period of 20 working days. Similarly, our open-workplace culture is adopted to encourage better communication between employees at each management tier, in which relevant and constructive feedback is always acknowledged and addressed.

## Hotels and Resorts

For our hotels and resorts segment, employees play the role of our most important stakeholder in ensuring that our hospitality services are delivered with the utmost quality.

Compliance to laws and regulations are consistently monitored and addressed by the Human Resource Department, ensuring that all aspects of it are equally reflected within our internal policies and employment contracts. This is to encourage that we do not only meet our commitments as employer at the minimum, but also to expand beyond at ensuring fair and consistent practices for our employees.

Besides, we also actively carry out training programmes for our employees, which are tailored to improve their professional knowledge and skills. With a foundation of skilled and competent employees, our hotels and resorts can focus and meet the objective of bringing the best experiences to our guests. Likewise, this is also an ideal approach for our work force to develop themselves in the long run.

In addition, proactive engagement with our talent pool via our internal communication channels, such as performance appraisal review and employee satisfaction survey, enabled us to gain insights and act on our employees' needs and concerns.

# EMPLOYMENT (cont'd)



## Key Employment Practices at KAH Australia (KA) and KAH New Zealand (KNZ)

Two subsidiaries under the hotels and resorts segment, i.e., KA and KNZ, adopt comprehensive employee related policies which showcased the companies' commitment at no bullying, no discrimination, anti-harassment, "open door" philosophy, equal employment opportunities, disciplinary and grievance and health and safety.

In the continuation of the companies' goals to meet industry standards and to offer all employees a professional training opportunity, KA and KNZ has continuously aimed at spending approximately 0.2 to 0.3 percent of their revenues for training and development.

With employees' retention being an essential focus, both companies partake in maintaining updated information on industry / market wages, in which employee pay rate is reviewed and adjusted, if necessary, on an annual basis and upon hiring new talents. This practice is to ensure our employees are compensated appropriately.

## Plantation

In recognising that our plantation segment is a labour intensive sector, we have continued the efforts in developing and enforcing new approaches to ensure a good and safe working environment. With the support of our established Standard Operation Procedures (SOPs), we manage to undertake and enhance a list of impartial and consistent practices which strongly emphasises our stand on equal and fair employment opportunities, human rights, anti-child or forced labour, minimum wages, prevention of sexual harassment and violence, occupational safety and health, whistleblowing, protection of reproductive rights, freedom of association and among others.

Our performance over adhering such policies is constantly supported by the designated roles that the Heads of Departments and Sustainability Officers have in monitoring each working environment. This is further aided with their responsibility and authority in making efficient decision and taking prompt actions for any resolution or intervention. Similarly, we also undertake internal and external audit reviews, which seek to identify lapses, discover weaknesses and highlight improvements on our existing workplace measures. As for the year in review, there were no significant cases on issues as highlighted were identified or reported.



## Key Employment Practices in OHB's Plantation Segment

The segment continues to enforce that workers for our upstream operations are mostly recruited without the presence of any recruitment agencies. This is to ascertain that our workforce are never implicated in a situation whereby wages, identification cards, travel documents and other personal belongings are illegally withheld without their consent. In addition, we rigorously check that the recruitments are registered and assessed to ensure that there are no child or forced labour practices within our segment.

Similarly, trainings are consistently provided for workers in order to develop and imprint the awareness to look out for signs of exploitative employment practices. These programmes are also aimed to provide the workers with the knowledge and skills to initiate the necessary course of action in addressing areas which require improvements or rectifications. The trainings which are regularly conducted through workshop and on-job training format, comprise topics such as workers' rights, human trafficking, forced labour and inhumane working conditions.

# EMPLOYMENT (cont'd)

## Investment Properties and Trading of Building Material Products

This segment similarly recognises the significant impact employees have on its operations as it focuses on quality products and timely delivery in line to the satisfaction of customers. In pursuance of such recognition, the segment strives to create an environment, which encourages diversity and open-mindedness among employees of any age, gender, ethnicities, religions and backgrounds. Further to this, policies have been established and implemented in leading said objectives whilst ensuring that local laws and regulations are consistently complied with regardless of the countries it operates in.

Other than that, training and development efforts are carried out for our employees throughout the year.

In addition, the segment also has a robust grievance procedure to encourage employees to report any pertinent issues in confidence for prompt actions by the organisation. This avenue provides the segment with an approach to insights that may not be apparent in normal circumstances, thus leading to actions in addressing issues prior to any potential significant consequences. Likewise, the effort is carried out in support and assistance of the relevant trade unions.

## Healthcare

Understanding that the healthcare segment delivers our outmost contribution to external stakeholders, we play a significant role in recognising the efforts contributed by our employees. Hence, the segment is frequently in the view that the employees are to be trained and updated on fundamental practices and key innovative procedures as we look at delivering the best quality of care and service. This practice will not only support employees in executing their roles effectively but concurrently provide them with an opportunity to be trained to further their careers.

Besides that, the segment also showcases its gratitude to its employees' service by ensuring that our work force have first-rate medical benefits which include free vaccinations for influenza and annual lipid profile check-ups. In addition to which, the segment also ensure that its working environments are consistently earmarked to be in compliance with Occupational Safety and Health Act (OSHA)'s recommended practices. For each new safety and health requirement, the segment will establish or update existing operating procedures, which is then communicated to the employees via trainings on a timely manner.

## Our Performance

With our organisation being as diverse in business segments as with the diversity in our work force, OHB has continuously showcased our long-term commitment in seeking a balance between fundamental employee welfare and sustainable corporate success. Our gratitude towards our employees in bridging the gap between our performance and aspirations as an organisation has encouraged us to work tirelessly in contributing back to our workforce in all forms and manner. As we acknowledged the fact that improvements are always available within our actions, we appreciate the understanding and determination of our employees in the course of growing together with OHB as a whole.

For this reporting year, we have endeavoured various initiatives and achieved numerous goals in line to rewarding and appreciating our exceptional group of talents. From targeting to reduce our employee turnover rates as well as to attract talented and highly skilled individuals into the company, we also partake in ensuring that support is provided to employees through the form of benefits; such as parental leave, which is unanimously defined by each subsidiary.

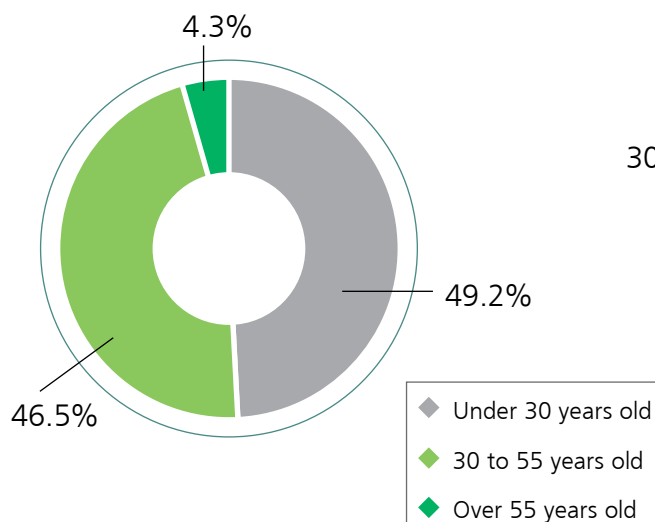
# EMPLOYMENT (cont'd)

## Our Performance (cont'd)

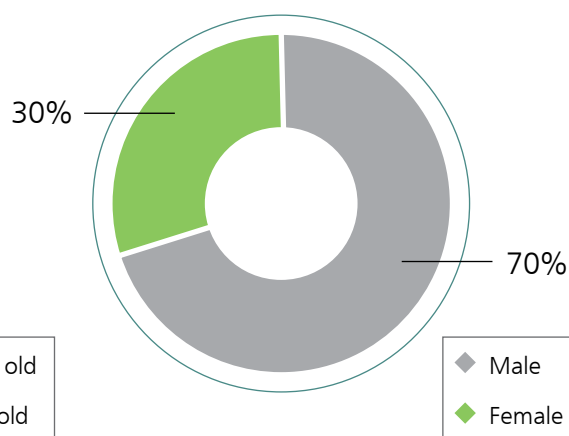
In lieu of what we have disclosed, the total number of new hires and employee turnovers during the reporting year are as presented in the following charts:

### Total of OHB's New Hires in 2019

Total New Hires by Age (%)

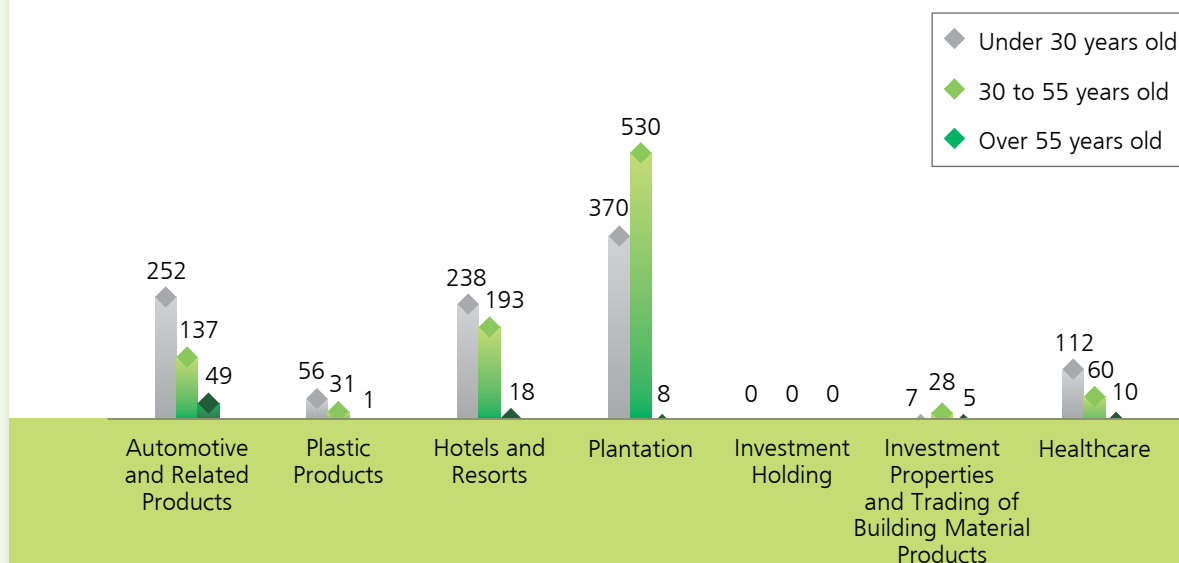


Total New Hires by Gender (%)



### Breakdown of OHB's New Hires by Business Segments in 2019

Total New Hires by Age (Number)



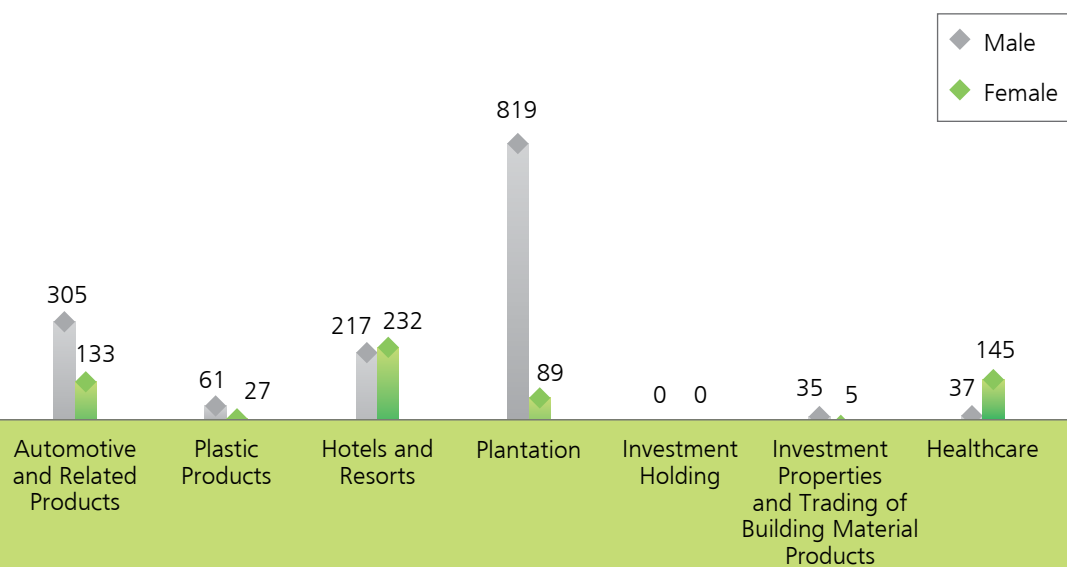


# EMPLOYMENT (cont'd)

## Our Performance (cont'd)

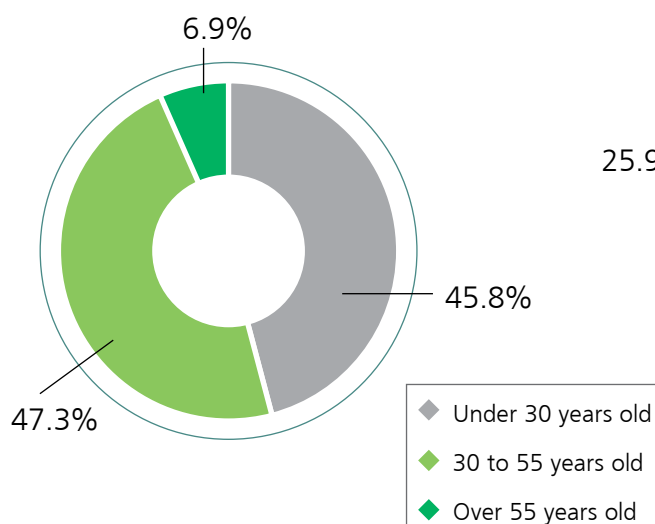
### Breakdown of OHB's New Hires by Business Segments in 2019

Total New Hires by Gender (Number)

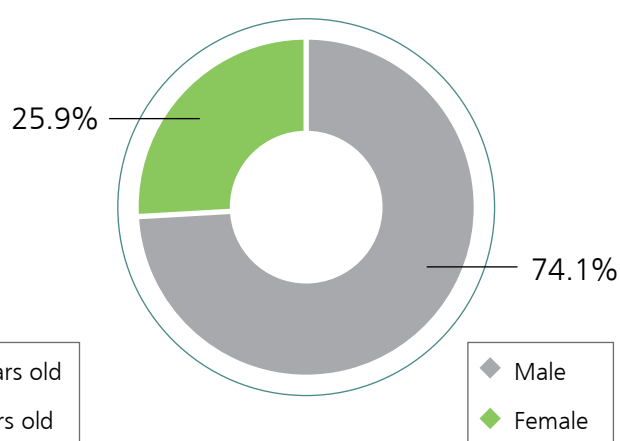


### Total of OHB's Employee Turnover in 2019

Total Employee Turnover by Age (%)



Total Employee Turnover by Gender (%)

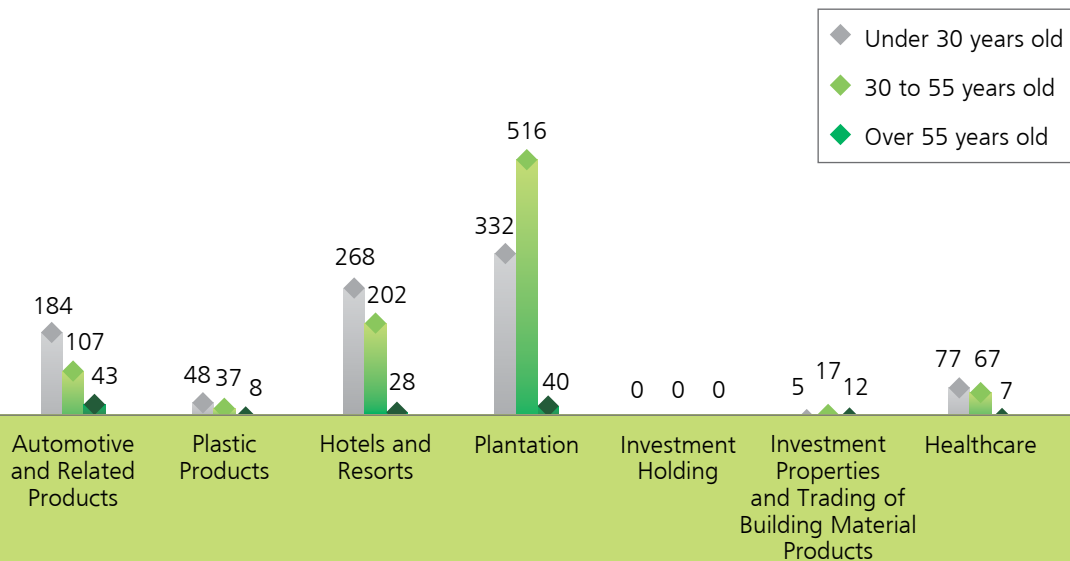


# EMPLOYMENT (cont'd)

## Our Performance (cont'd)

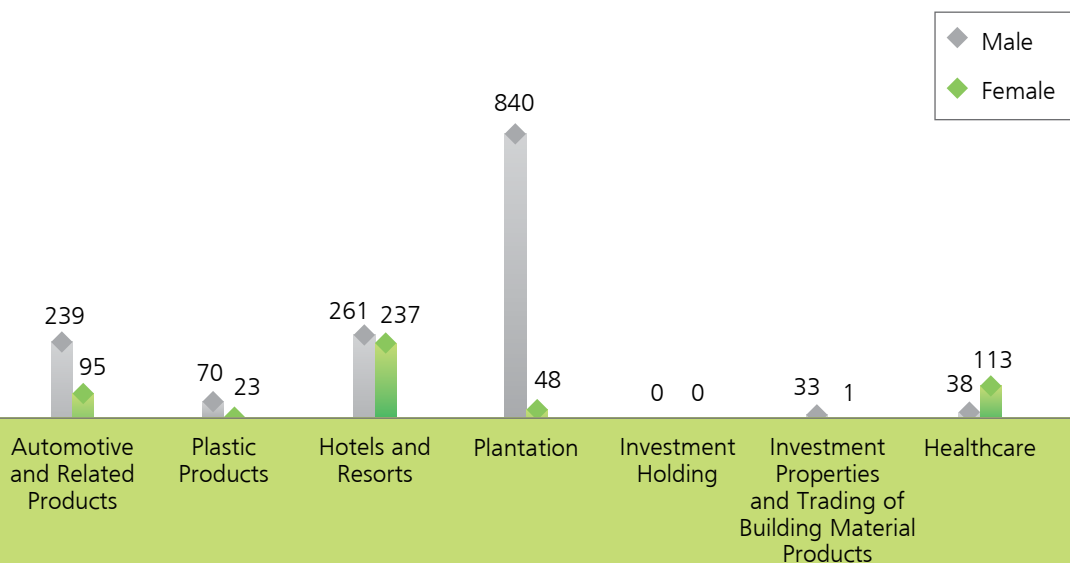
### Breakdown of OHB's Employee Turnover by Business Segments in 2019

Total Employee Turnover by Age (Number)



### Breakdown of OHB's Employee Turnover By Business Segments in 2019

Total Employee Turnover by Gender (Number)

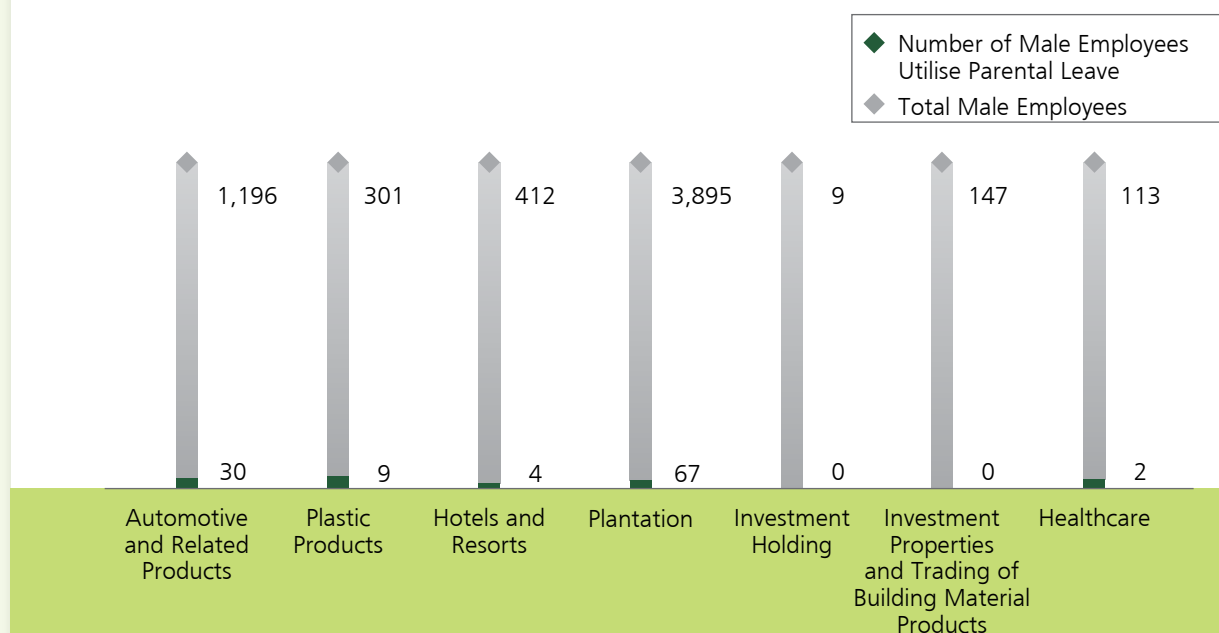


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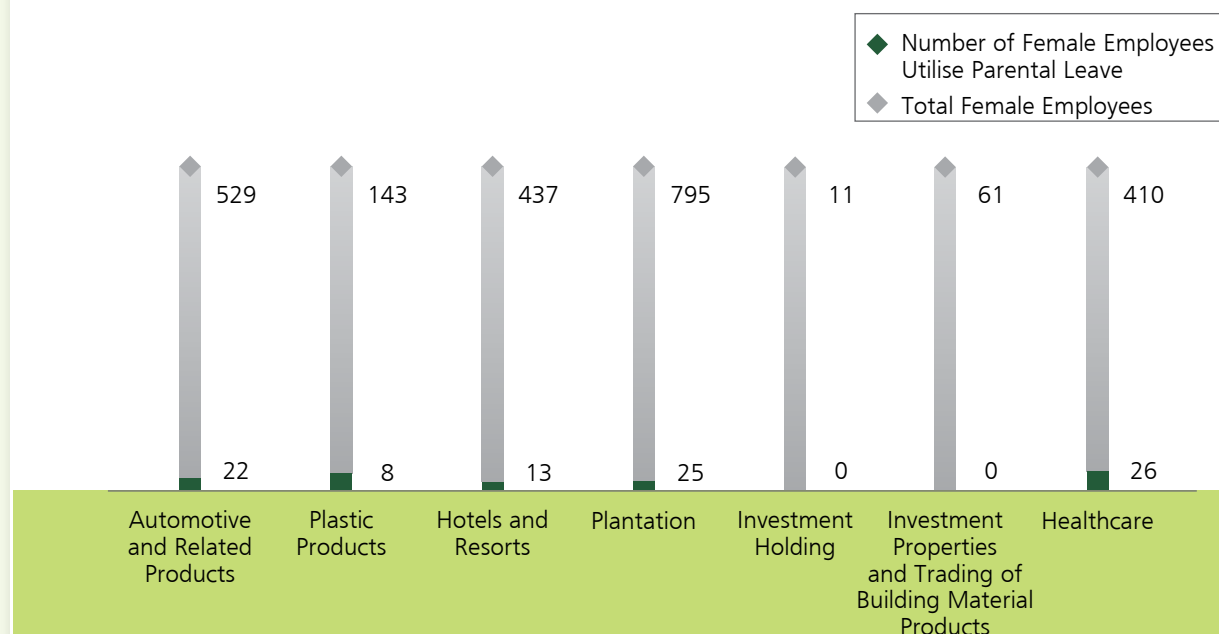
## Our Performance (cont'd)

On the other hand, a breakdown of our parental leave entitlement and utilisation between our male and female employees throughout the year can be summarised in the following charts:

**Utilisation of Parental Leave (by Male Employees)**



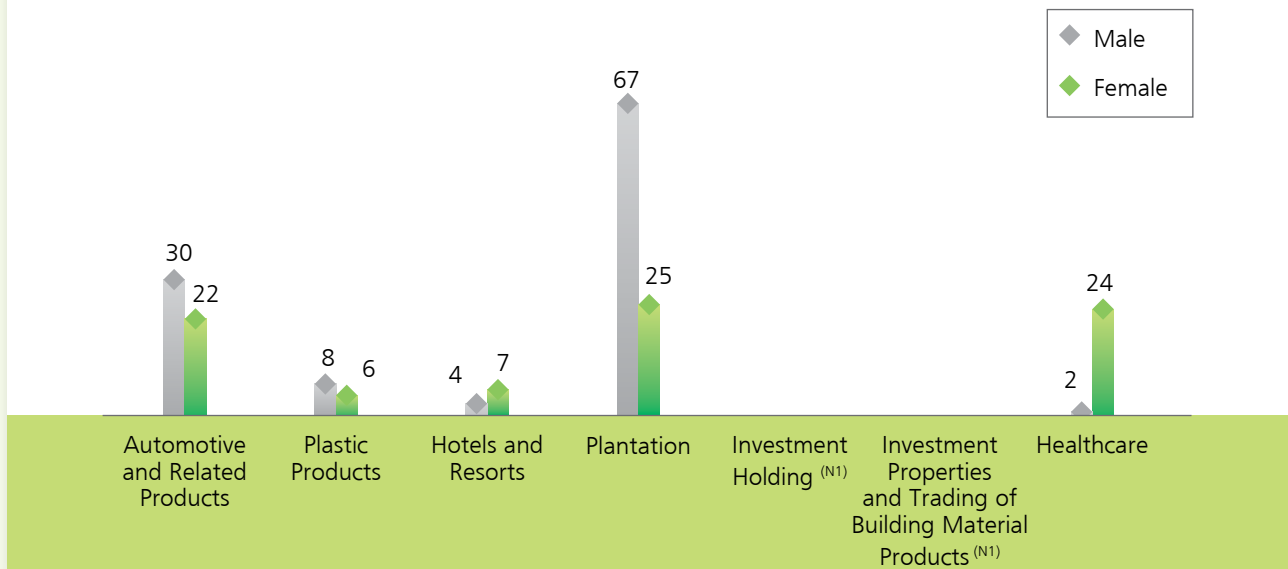
**Utilisation of Parental Leave (by Female Employees)**



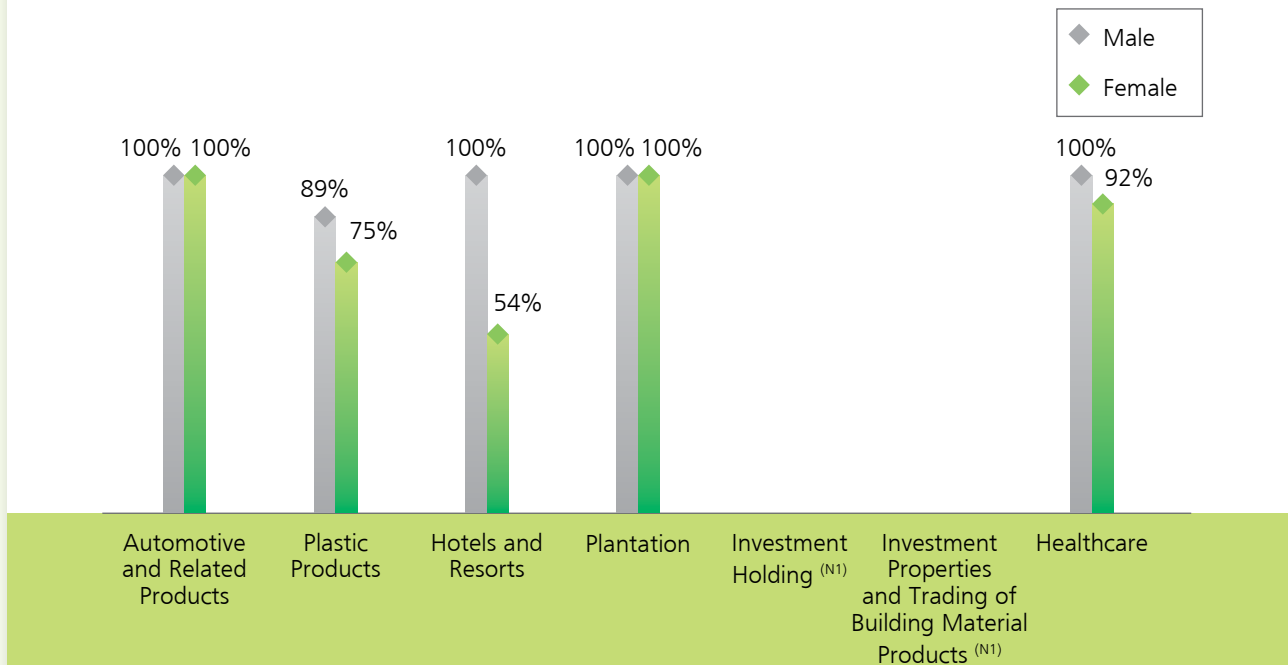
# EMPLOYMENT (cont'd)

## Our Performance (cont'd)

**Total Number of Employees That Returned to Work in the Reporting Period After Parental Leave Ended (by Segment)**



**Return to Work Rate of Employees That Took Parental Leave (%) (by Segment)**



N1: No employees within the segment of Investment Holding and Investment Properties and Trading of Building Material Products utilised parental leave during the reporting period.

In order to incorporate a comprehensive outlook to the abovementioned baseline year data, we will pursue further in assessing and monitoring our retention rate of employees who took parental leave (by the respective business segments) upon 12 months subsequent to their return to work.

# OCCUPATIONAL HEALTH AND SAFETY

## Why It Matters?

OHB sees human resources as the most vital assets, and believes that an organisation cannot be sustainable without protecting the safety, health and welfare of its employees. We understand that a safe working environment does not only protect employee's physical health, but also their mental health. We value a healthy and safe workplace which stimulates and positively supports people to achieve outcomes without safety concerns and contribute to both individuals' and the Group's goals.

## How We Approach It?

### Automotive and Related Products

The segment's occupational health and safety (OHS) policy safeguards its employees, customers, visitors and other relevant stakeholders against any unforeseen safety and health concerns. In cases where accidents or incidents occur, the heads of departments are in charge of reporting the incidents to the head of Human Resources to ensure any similar situation does not recur. Activities such as awareness training, implementations as per standards, document preparations and audits are conducted to support the plan towards certification of ISO 45001:2018 and to ensure that safety management system is working well in keeping the workplace safe.



#### OHS Training and Development at AAP

AAP planned schedules for training and development of employees, that include:

1. Safety induction for all new employees
2. Weekly safety briefing to employees
3. Employee response team (ERT) training by internal and external parties (e.g. BOMBA)
4. Evacuation fire drill
5. First aid & CPR training
6. Safety talk (LOTO) for machine handling

An open door policy is encouraged in order for issues and complaints to be thoroughly studied and resolved with follow-up actions. The segment performs internal audits on a monthly basis. There are also periodical audits performed by government bodies such as the Department of Occupational Safety and Health (DOSH), Department of Environment (DOE), BOMBA and several others.

### Plastic Products

This segment is committed towards providing a safe and healthy environment to all employees, customers and contractors involved. To ensure the highest level of safety, we established policies based on OSHA requirements at individual's subsidiary level. We constantly monitor, review and improve our current health and safety procedures and practices across the segment to reduce or eliminate potential hazards. In line with our target to achieve zero accident in the workplace, we provide proper personal protection equipment (PPE) to all employees and medical surveillance to those who requires it.

A committee is set up to closely monitor all performance against safety and health. Internal and external audits are carried out regularly to minimise the occurrence of accidents due to the breakdown of amenities. The Head of Maintenance department is in charge of OHS evaluation and reports to Human Resources department and the General Manager when necessary. No formal grievance mechanism is established but employees could voice out during their daily operations meeting.

### Hotels and Resorts

We comply strictly to the health and safety policies required by the jurisdictions where our properties are located. Subsidiary-specific Health and Safety Statement and protocols are updated periodically to reflect the latest requirements from the local Health and Safety governing body.

Hotels and resorts segment has customised OHS Policy Statements based on recommendations of the subsidiary in charge. The Policy Statement is included in the Employee Handbook and made known to employees during their onboarding process. In addition, each department has an OHS Policies & Procedures document that covers safe equipment usage and correct working techniques specific to their department. Trainings are provided to employees on topics ranging from OHS policies, procedures and legal requirement to first aid, fire warden, fire evacuation, and bomb threat, among others.



# OCCUPATIONAL HEALTH AND SAFETY (cont'd)

We strive to follow best practices whenever we operate. OHS best practices within the organisation are documented, and OHS check lists are used daily to monitor compliance. The OHS Committee at the subsidiary level meets monthly and conduct safety inspections with the Human Resources Department in all areas of the property(s) on a quarterly basis. Standard procedures are in place to make sure all issues arose are followed up, and accurate information on all workplace incidents and injuries is reported to the headquarters. Tool Box Talks are also held in each department monthly, for employees to raise issues they encountered and propose recommendations. In overall, measures are ultimately taken by the segment in identifying and implementing suitable actions for rectification and prevention where possible.

Internal and external audits are also conducted as another layer to ensure our OHS practice. Internal audit is completed twice a year for all hazardous chemical substances in the workplace and Hazard Register for each department in accordance with Health and Safety regulations. Externally, Safety Procedures Audit (SPA) and Health and Safety Statement review take place annually. In Malaysia, hotel and resort are annually audited and appraised by the DOSH.

## Plantation

To ensure the highest level of safety, the plantation segment established OHS Policy that is shared with all of its subsidiaries. The Safety and Health officers and committees who are responsible in monitoring compliance towards regulatory requirements, have adopted the required standards and best practices to ensure risks are managed across the segment.

Pursuant to said measures, any unforeseen incidents which may indicate potential health and safety risk or those which may have caused undesired implications, such as injuries, are currently investigated and assessed thoroughly. This practice is to ensure that each incident is accounted for and with that, proper corrective / preventive actions are planned, developed and implemented adequately.

We also set up SOP for reporting any grievance to the managements at respective operating centres. Internal safety risks assessments are conducted by the Safety and Health officers, compiled in a monthly report and presented to the heads of respective operating centres. The reports are also submitted once every three months to local labour department. Yearly audit programmes are conducted and the results for the year in review highlighted that the SOP on safety and health needs to be regularly revised in order to stay updated with the current relevant laws.



### Safety and Health Plan by Plantation Segment

To support the safety and health practices across all subsidiaries, the segment includes the following areas into its safety and health plan:

1. Internal and external training on safety and health
2. Workplace inspections
3. Provision of PPE (e.g., hand gloves, safety boots, goggles and safety helmets)
4. Displays of safety and health signage
5. Body check-ups
6. Emergency response plan
7. Safety risks assessments

## Investment Properties and Trading of Building Material Products

The Investment Properties segment is committed to eliminate hazards, protect workers, and continuously improve workplace safety and health. The management of subsidiaries provides sufficient resources to implement and maintain the safety and health program regularly.

The segment has set a goal of zero incident. To achieve this goal, the heads of departments are responsible to manage health and safety issues. There is also an open grievance channel, where employees can report issues they encounter to the relevant directors. In addition to this report, the abovementioned management approach is evaluated annually through internal and external audits to ensure that health and safety issues are properly handled.

Our trading of building materials segment observes policies at subsidiary level with regards to occupational health and safety. The subsidiaries have their own protocols to ensure their operation procedures complies with Construction Industry Development Board of Malaysia, National Ready Mixed Concrete Association of Malaysia and other local authorities. Trainings are provided to employees, and regular safety inspections of equipment, vehicles, fixture and fittings are conducted in an effort to achieve the goal of zero incident. A budget for upgrades and maintenances is available to respond to any issues emerged in the inspections.

Subsidiaries leading in the health and safety management have their standalone safety and health department, EHS manager, as well as Occupational Safety and Health Committee. Others are constantly improving their practices, with the management or the Board of Directors leading the efforts and the Human Resource Department providing coaching and mentoring for the safety and health system developments. ISO internal & external audits are also introduced by some to monitor the management of occupational health and safety issues.

# OCCUPATIONAL HEALTH AND SAFETY (cont'd)

## Healthcare

The Safety, Health and Environment Policy governs the segment's responsibility towards ensuring the wellbeing of employees in the workplace. To mitigate and prevent any potential OHS hazards, we have developed a comprehensive guidelines and procedures, which include the following:

1. Chemical safety
2. Waste management
3. Vector and pest
4. Internal and external disaster manual
5. Emergency codes

Commitments to create a safe working environment can be seen through the establishment of key performance indicators such as number of new hires attending safety training and number of hazards identified and control taken quarterly. Safety and Health officers and committees are responsible to oversee all matters relating

to safety and health as well as ensuring all safety and health strategies are effectively implemented. During the reporting year, drills are conducted for Code Red and Code Orange. Chemical Health Risk Assessment (CHRA) and Noise Monitoring were done under the compliance Occupational Safety and Health Act 1994 and Factories and Machineries Act 1967.

## Our Performance

OHB treats health and safety as a serious issue across all segments, thus we make efforts to share knowledge from others and learn from their experiences. In order to avoid future accidents, OHB will continue to work on improving its health and safety culture, and ensuring that all stakeholders involved, such as supervisors, subcontractors, employees and even customers are well-educated on the correct procedures that all must follow at every business location and operation.

OHB's Health and Safety Performance for 2019 based on Segments

Segment \ Indicator	Automotive and Related Products	Plastic Products	Hotels and Resorts	Plantation	Investment Holding	Investment Properties & Trading of Building Material Products	Healthcare	Total
Total number of fatalities	0	0	0	0	0	0	0	0
Total number of injuries	15	1	41	349	0	7	5	418
* Total number of occupational disease cases	1	0	0	28	0	0	0	29
* Total number of incidents resulting in lost workdays	15	1	12	323	0	7	1	359
* Total number of missed (absentee) days	2,458	4,073	3,397	13,831	85	2,377	83	26,304

Note:

- \* **Total number of occupational disease cases** = The number of cases resulting from disease contracted primarily as a result of an exposure to risk factors arising from work activity
- \* **Total number of incidents resulted in lost workdays** = The number of cases that contained lost work days (each incident only counts as one for the purposes of this calculation, no matter how many days of work were missed as a result)
- \* **Total number of missed (absentee) days** = The number of days where worker absent from work because of incapacity of any kind, not just as the result of work-related injury or disease

As we look forward to consistently improve our health and safety performance, the Group do acknowledged that there are always areas for enhancement and advancement. From our performance monitoring, we take into account each incident or accident under any circumstances seriously in which root causes are analysed along with measures for rectification and prevention are developed and implemented, where necessary.

# NON-DISCRIMINATION

## Why It Matters?

For over half a century, we have unwaveringly built our commercial success without diverting ourselves away from being a people-oriented company that prioritises diversity and inclusion. In fact, we strongly believe that being an equal opportunity employer has played a significant role in contributing to what we managed to achieve today globally across a variety of business segments. By providing a fair playing field to everyone in OHB including potential employees irrespective of race, colour, religion, national origin, gender, age, ancestry, sexual orientation, veteran status, political and social affiliation, we managed to not only create a competent, productive and inclusive working environment that nurtures the highest potential of our employees but also achieve favourable operational outcomes and business sustainability across the diverse markets we have a presence in.

## How We Approach It?

At OHB, given the vast cultural differences between the countries we operate in, we understand that there is a need to adopt an overarching framework on fair employment practices at Group level to effectively streamline our practices on non-discrimination. Therefore, we are committed to continually improving the integration of non-discrimination practices into our working environment as stipulated in our Group-wide Code of Ethics. This is complemented by our Sustainability Policy that highlights the importance of establishing accountability and transparency across our operations concerning the sustainability topics that are material to OHB.

All our employees, regardless of the location of our business activities, are required to work closely with the respective Human Resources Department from each subsidiary to ensure that their day-to-day operations including recruiting, hiring, training and promoting processes are aligned with the Code of Ethics and Sustainability Policy as well as all relevant statutory requirements. In addition, we encourage our subsidiaries to explore international and industry best practices to strive to eliminate any forms of discrimination in our operations.

## Automotive and Related Products

The automotive and related products segment recognises that it is in the Group's best interest to nurture the highest potential of its employees by providing opportunities to the most deserving candidates and employees irrespective of their background. We believe this merit-based approach has in many ways created an empowering and diverse working environment that boosts employee morale while enabling our employees to better understand the needs of different customers and business segments.

Apart from rooting our commitment in implementing non-discrimination employment practices through the establishment of collective bargaining agreements with automotive industry-related unions, we actively adopt good employment practices towards becoming an employer of choice for the markets we have a presence in. In addition to aligning ourselves with the Group's requirements on fair employment practices, we strive to achieve zero cases of discrimination and will continuously seek feedback from our employees to understand how we can further improve our current employment practices.



### Non-discrimination Practices at Kah Motor Malaysia and Singapore

To further establish constructive relationship with its employees, Kah Motor Malaysia signed a collective bargaining agreement with the National Union of Transport Equipment and Allied Industries Workers of Malaysia in 2018 as part of its commitment to create a progressive working environment.



Kah Motor Singapore, on the other hand, is one of more than 3,000 organisation that joined the TAFEP and pledged to adopt the Tripartite Standards, a set of good employment practices identified by Workplace Safety and Health Council in Singapore which cover various aspects of employment areas such as fair recruitment practices, flexible work arrangements, grievance handling processes, age management and more.

# NON-DISCRIMINATION (cont'd)

## Plastic Products

The plastic products segment perceives non-discrimination as one of the key components towards building a healthy professional working environment for its employees. The segment believes providing a level playing field is crucial for its employees to excel in their work performance, which ultimately propels the segment to scale the heights of its business. Therefore, the segment consistently adheres to the Group's relevant requirements on fair employment practices to ensure it is contributing towards the Group's aspiration of becoming a people-orientated organisation.

Meanwhile, the plastic products segment acknowledges that there is an increasing concern from its customers on fair employment practices in the manufacturing sector. It is expected that customers will take an active role in highlighting and scrutinising discriminatory employment practices found within the supply chain in the coming years. While the segment currently has not been officially engaged by its customers on such concern, the segment will not only comply with relevant laws and regulations but also respond accordingly to the changing customer expectations.

## Hotels and Resorts

Being in the hospitality industry that celebrates people from diverse cultural backgrounds that we welcome to our premises, we always believe that our approach towards integrating diversity and inclusion into our hotels reflects our unbiased services to all our guests. It is important for the hotels and resorts segment to continuously embrace a multi-cultural workforce that is free from any forms of discrimination to ensure a harmonious, fair and safe working environment. This has helped the segment to attract and retain good employees and contributed to its success in expanding its footprint in the hospitality industry.

As a reflection of our commitment to non-discrimination, the segment applies the same standard of treatment to all guests and employees. All our hotels strictly practice zero tolerance to direct and indirect discrimination in employment practices as well as day-to-day operations. Should there be any decision, behaviour or action, which our employees and guests believe to be discriminatory, they are welcomed to raise their concerns with the relevant supervisors or Heads of Department. If the matter is not resolved at this stage, formal grievance procedures will prompt the involvement of the Human Resources Department and other relevant parties to further investigate the matter and if necessary, it will be escalated to senior management.



### Non-discrimination Practices at KA and KNZ

Both hotels operated by KA and KNZ in Australia and New Zealand respectively are governed by the Equal Opportunity Policy stipulated in the Employee Handbook. All new employees are briefed on the policies during the induction programme.

In addition, both KA and KNZ adopt no discrimination, no bullying and "open door" policies to encourage all of their employees to act in an ethical manner and ultimately bring each culture to work together in a well-respected working environment.

# NON-DISCRIMINATION (cont'd)



## Non-discrimination Practices at PSH

Being an equal opportunity employer is an integral part of the values that PSH consistently embracing and upholding. It is PSH's commitment to bring these four guiding values to its employees, guests and other stakeholders without compromising the quality of services at its hotel. This is demonstrated by its clear whistleblowing policy that are in place for its internal and external parties that are involved in its business activities. Any discriminatory practices can be reported to the highest levels of the organisation and will be subsequently investigated in detail by an investigation committee.

### The Four PSH's Values

Integrity

Respect

Winning  
Mindset

Enterprising

## Plantation

As part of its efforts in building a conducive and inclusive working environment, the plantation segment believes that it is its responsibility to strive to eliminate any forms of discrimination in its operations. Despite acknowledging that the plantation industry has a higher ratio of men due to the nature of its business, the segment is actively working together with its sustainability officers to take initiatives to ensure both men and women in its workforce are consistently treated and compensated equally and fairly. This includes establishing an evaluation mechanism to periodically review its employment practices across all subsidiaries under the plantation segment. In addition, the segment encourages its women workforce to join all aspects of its business activities if it is deemed suitable.

## Investment Properties and Trading of Building Material Products

The segment recognises that it may put its ability to consistently deliver quality products in time at risk if it is unable to maintain a healthy working environment that continuously brings talents from diverse backgrounds, cultures and perspectives together. The segment is committed to complying with relevant laws and regulations that protect its employees against any forms of discriminatory employment practices at all times. In addition, the segment is exploring industry best practices that can be potentially incorporated into its operations.

## Healthcare

The healthcare segment's passion for delivering care to our patients extends to all our medical professionals and healthcare workers who are undoubtedly crucial in achieving our vision to become a leading value-based and high-quality healthcare provider in the region. This is in line with our value to respect and empower every employee and help them reach their full potential. In addition to the grievance procedure and employment practices that are formalised in its policies, the segment is currently in the midst of setting up a non-discrimination committee as part of its strategy towards better integration of non-discrimination practices into its operations.

## Our Performance Data

As part of our efforts to steer our employment practices towards adhering to the highest standards of professionalism and ethics, OHB will be reporting the total number of incidents of discrimination at our subsidiaries moving forward. While we noticed there is changing customer expectations that include human rights and employment practices in the supply chain, we will remain vigilant and aim towards eliminating any forms of discrimination at all corners of our operations.



# GRI CONTENT INDEX

# GRI CONTENT INDEX

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GRI 102-5	Ownership and legal form	7 - 9
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GRI 102-7	Scale of the organisation	5
GRI 102-8	Information on employees and other workers	5
GRI 102-9	Supply chain	14
GRI 102-10	Significant changes to the organisation and its supply chain	7 & 14
GRI 102-11	Precautionary Principle or approach	17 - 21
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<b>STRATEGY</b>		
GRI 102-14	Statement from senior decision-maker	10 - 11
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<b>STAKEHOLDER ENGAGEMENT</b>		
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GRI 102-41	Collective bargaining agreements	Not established at Group Level.
GRI 102-42	Identifying and selecting stakeholders	15
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GRI 102-47	List of material topics	16
GRI 102-48	Restatements of information	Refer to Annual Report on note 35 to the financial statements
GRI 102-49	Changes in reporting	No changes.
GRI 102-50	Reporting period	14
GRI 102-51	Date of the most recent report	14
GRI 102-52	Reporting cycle	14
GRI 102-53	Contact point of questions regarding the report	14
GRI 102-54	Claims of reporting in accordance with the GRI Standards	13 - 14
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<b>SPECIFIC DISCLOSURES</b>		
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