



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

SUSTAINABILITY REPORT 2020

OUR VISION



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

OUR MISSION



We seek to be a 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 2020



▶ Hotels in New Zealand were awarded with **Qualmark Gold and Silver Award**



▶ **Adoption of IATF 16949 : 2016** (Automotive Quality Management System) standard certification by Armstrong Auto Parts



▼ **89%** retention rate of employees that were still employed 12 months after their return to work from parental leave



▼ **100% replacement of single use plastic** with glass bottles at hotel guest rooms by Park Suanplu Holdings



▼ Development and group - wide communication of an **Anti-Bribery and Corruption Policy**



CORPORATE PROFILE

Oriental Holdings Berhad (OHB) was founded on 24 December 1963 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.

In the 58 years since our establishment, we have diversified our operations to 71 subsidiaries and 13 associated companies across seven different business segments. Our interests span 11 countries including Malaysia, Singapore, Indonesia, Brunei, Australia, New Zealand, the United Kingdom, Mauritius, Thailand, the People's Republic of China and Vietnam. Meanwhile, our assets total RM 10.0 billion with total equity attributable to stockholders of the Company of RM 6.6 billion, while our cash and cash equivalents totalled RM 3.2 billion as of 31 December 2020.

Our diverse business activities span commercial, industrial and consumer markets, with a focus on sustainable business growth and the enhancement of shareholder value underscoring a common approach across our seven business segments:

58 years
since beginning

1963
OHB Founded

2020
Asia Pacific
Conglomerate

1964
Listed in Bursa's
Main Market

57 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 93 of the Honda dealerships in Peninsular Malaysia and another dealership in Sabah. Kah Classic Auto Sdn Bhd is currently 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 commenced the used car sales business in June 2019. The Company has further diversified into online search portal focusing on automotive which went live on 30 November 2020 by starting with onboarding of participants followed with marketing and advertisements to the public from January 2021.

Furthermore, the automotive manufacturing segment leverages on strong collaboration with our technical partners to provide specialised original automotive parts to both Original Equipment Manufacturer (OEM) and Replacement Equipment Manufacturer (REM) markets.

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 Group operates all hotels and resorts on its own with the exception of Somerset Park Suanplu located at Thailand (managed by The Ascott Limited) and Thistle Holborn The Kingsley Hotel located in United Kingdom (managed by Guoman). The portfolio also includes Bayview International Sdn Bhd which oversees operations, marketing and promotion activities for Bayview hotels and resorts worldwide.

One of the hotels located at Melbourne has been significant impacted from the travel restriction imposed due to the COVID-19 pandemic. Therefore, the management proposed the sale of the hotel as a going concern while maintains another hotel on the same road. 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 37,550 Ha* total planted area combined and three Crude Palm Oil (CPO) mills in Bangka Island. The five companies are under development with over 52,377 Ha land bank in South Sumatra. To date, over 24,560 Ha of the concession area in South Sumatra has been acquired, over 12,621 Ha has been planted and the harvesting area is now over 8,653 Ha. With that, 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 was commissioned in 4th quarter of 2020. The segment has a planted area of 4,801 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

A significant activity in this business segment is in the supply of building materials. Key activities involved included the trading of all brands of cements, manufactured of steel wire, supplying of ready mixed concrete and quarry products to the property and construction industry.

However, in 1994, Ultra Green Sdn Bhd acquired a concession from 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.

The segment has further diversified its activities into real estate in Australia for recurrent income and capital appreciation with further acquisition of 2 commercial properties which have fully tenanted. In addition, the development project at Burwood has obtained its occupation permit on 9 April 2019 and the Company has leased out the commercial unit and serviced apartments.

7. Healthcare

The healthcare segment is principally involved in the operations of a medical centre, a nursing college and an integrated lifestyle retail pharmacy. This segment was initiated concurrently with the acquisition of a nursing college in Melaka in April 2011 followed by the construction of the medical hub in August 2012 on the OHB Group's reclaimed land in Klebang, Melaka, a mere 10 minutes from the heart of Melaka Heritage City. Officially launched on 31 January 2015, Oriental Melaka Straits Medical Centre (OMSMC) is the flagship hospital for the Group's healthcare segment. The hospital has been growing constantly since its inception to become a leading tertiary hospital in Melaka.

This segment opened its first lifestyle retail pharmacy outlet in Melaka in the end of March 2020 and targets to open two retail pharmacy outlets in year 2021. The setting-up of these retail pharmacies will produce a synergistic effect with the hospital in addition to offer a variety of extended healthcare services which include comprehensive product segmentation to meet the local community's needs. In March 2021, we have also incorporated a wholly owned subsidiary named Oriental Medical (Segamat) Sdn Bhd, through our direct 51% owned subsidiary, Melaka Straits Medical Centre Sdn Bhd. The step was taken to further expand on our segment's operations, in which the principal activity of the said subsidiary entails operating a medical centre with the provision of related healthcare services.

CORPORATE PROFILE (cont'd)

Our Market Presence




71 subsidiaries
in **11** countries



8,496*
Employees

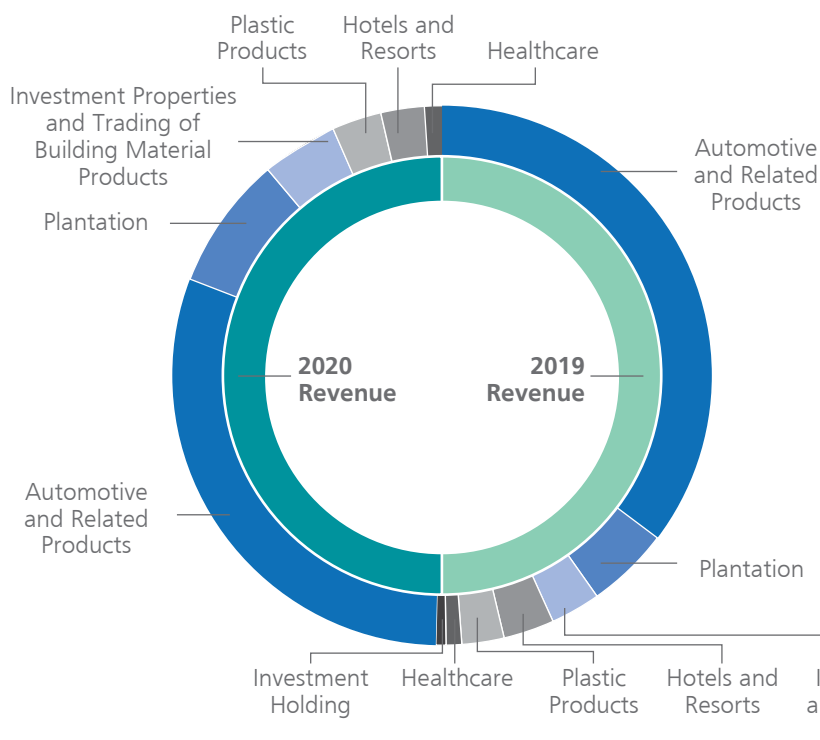


> RM 3 billion
Market Capitalisation

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

FINANCIAL HIGHLIGHTS

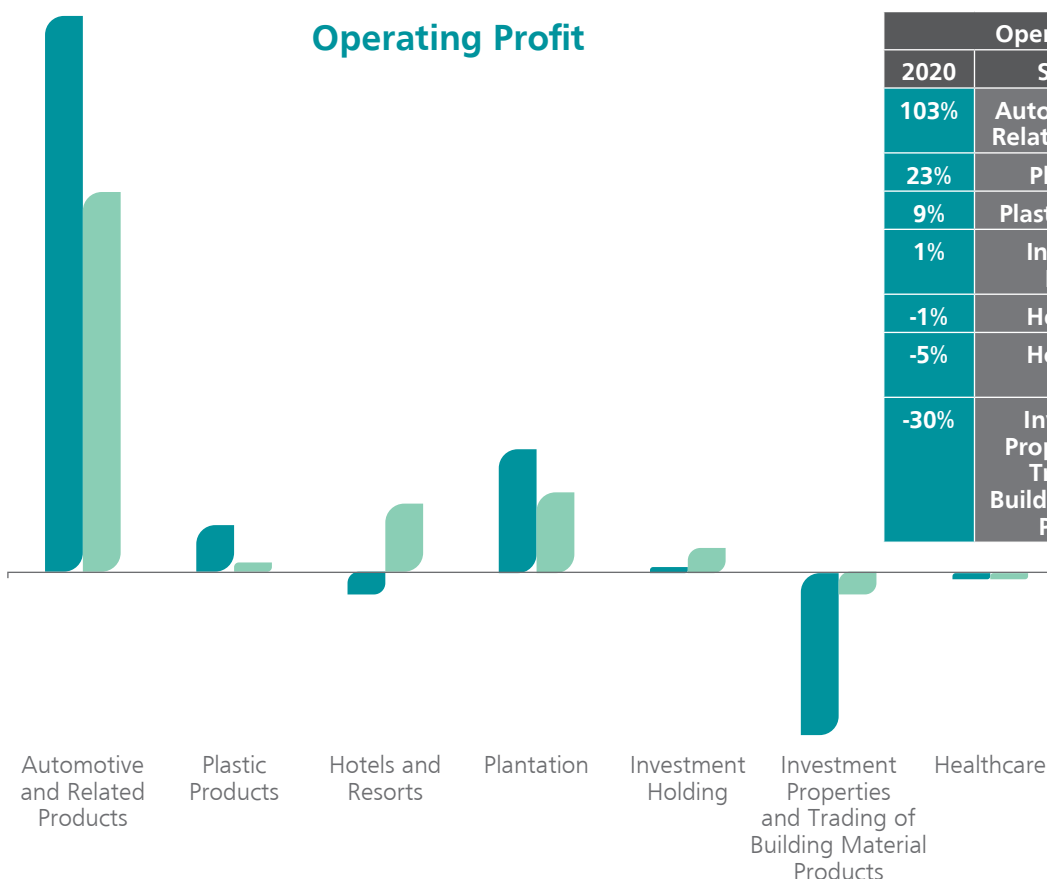
Revenue



Revenue		
2020	Segment	2019
61%	Automotive and Related Products	70%
16%	Plantation	10%
10%	Investment Properties and Trading of Building Material Products	6%
6%	Plastic Products	5%
5%	Hotels and Resorts	6%
2%	Healthcare	2%
0%	Investment Holding	1%

■ 2020 Revenue
■ 2019 Revenue

Operating Profit



Operating Profit		
2020	Segment	2019
103%	Automotive and Related Products	70%
23%	Plantation	15%
9%	Plastic Products	2%
1%	Investment Holding	5%
-1%	Healthcare	-1%
-5%	Hotels and Resorts	13%
-30%	Investment Properties and Trading of Building Material Products	-4%

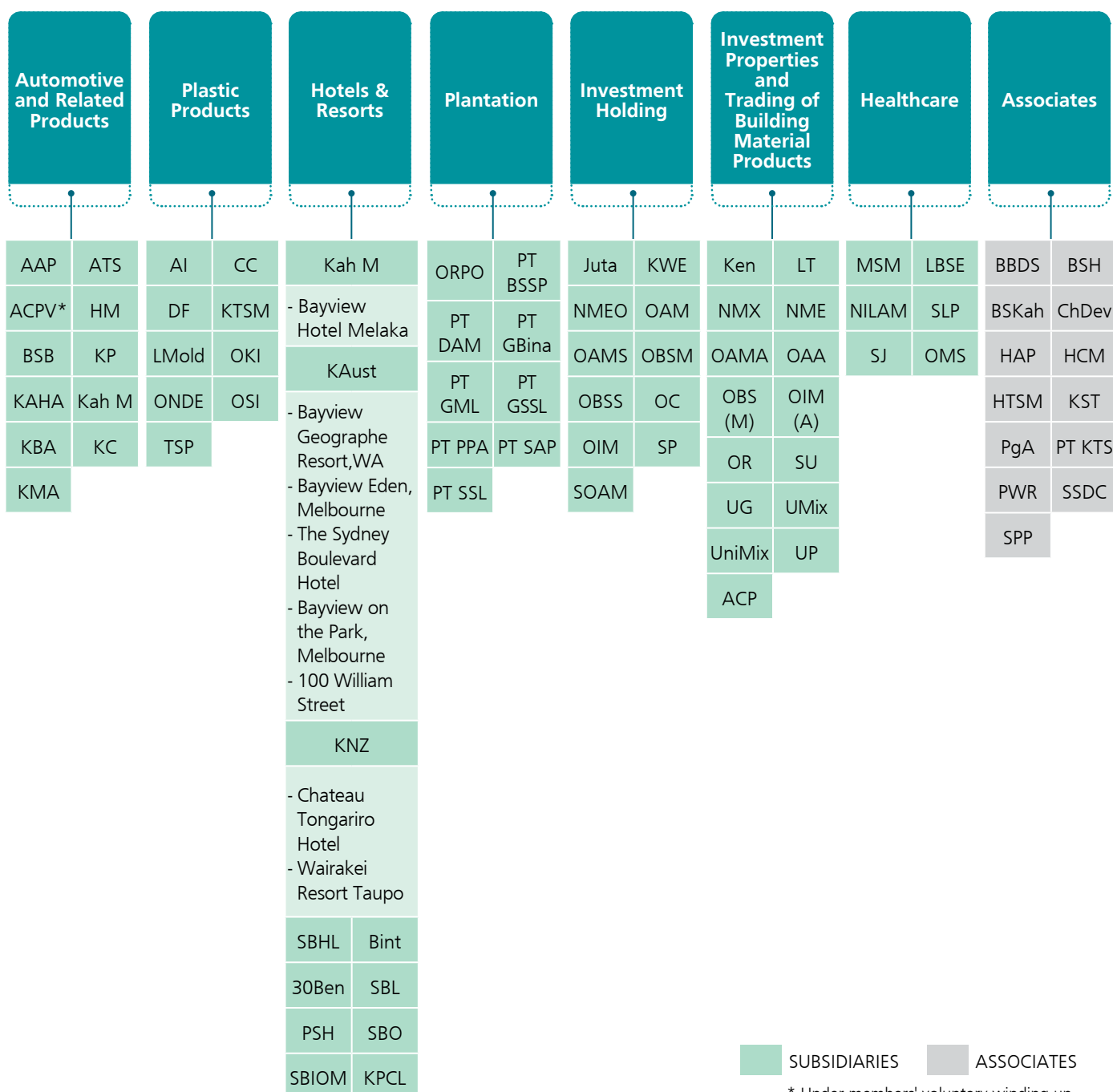
■ 2020
■ 2019

Note: Please refer to Financial Highlights of the Group in the Annual Report 2020.

GROUP CORPORATE STRUCTURE

Our Subsidiaries and Associates

ORIENTAL HOLDINGS BERHAD



■ SUBSIDIARIES ■ ASSOCIATES

* Under members' voluntary winding up.

Note: Refer to the Annual Report 2020 (note 33, 34, and 35 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 events.

Our Subsidiaries and Associates (cont'd)

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

GROUP CORPORATE STRUCTURE (cont'd)

Our Subsidiaries and Associates (cont'd)

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



EXECUTIVE CHAIRMAN'S MESSAGE

As an organisation that operates in various segments across a wide range of market environment, OHB is always conscious of the impact that our operations may have and the scale of our influences. Hence, our decisions and actions are always deliberated and taken responsibly in consideration of the needs and expectations of our valued stakeholders.

By communicating with our stakeholders and understanding their evolving expectations, we are able to attentively expand our framework and drive progress within key initiatives and policies that provide the foundation for sustainable value creation.

This report will underscore our purposeful and comprehensive approach towards addressing the primary sustainability matters that we have identified as fundamental in ensuring the long-term progress and success of OHB."

Dear Stakeholders,

"We are delighted to share with you the fifth edition of Oriental Holdings Berhad's annual Sustainability Report.

Despite enduring through an unprecedented global pandemic in 2020, the Group's persistent emphasis towards sustainability is representative of our unwavering endeavour to be an aspiration for our peers and for the industries within which we hold presence.

EXECUTIVE CHAIRMAN'S MESSAGE (cont'd)

Our Governance

As a global conglomerate with 71 subsidiaries and 8,496 employees spread across 11 countries, the Group recognises the need for a refined approach in evaluating and delivering sustainability performances across various markets and regions. We therefore continue to identify dedicated strategies for each respective business while maintaining the interests of our stakeholders at the top of our priorities. Our multi-faceted framework ensures that we are able to closely observe the regulations of local authorities and adhere to industrial best practices. Through considerate leadership and governance, we inspire our people to embrace a responsible corporate culture and continue to be an exemplary organisation that ensures compliance in our operations.

Our People

At OHB, we recognise and appreciate our people as one of our principal stakeholders and a cornerstone of our success and sustainability. The Group strives to nurture and grow our people alongside our business and acknowledges our duty to provide a workplace that is safe, motivational and abundant with opportunities for career progression.

Our approach towards this core value was enhanced in 2020 as the pandemic necessitated a greater emphasis on the safekeeping, support and empowerment of our staff. In addition to strictly adhering to COVID-19 guidelines with regards to health and safety measures, the Group has also continued to place special attention on enhancing the knowledge and skills of our people through various programmes and initiatives.

Upholding the integrity of our people across all subsidiaries remained a priority in 2020, as we further rolled out the implementation and awareness of anti-corruption practices and policies into our operations. Besides, through our acknowledgement of the importance of embedding diversity and inclusivity within our corporate culture, we are better able to create a united workforce driven towards achieving our collective goals.

Our Environment

As OHB's business activities continue to expand, we remain acutely aware of any significant environmental impacts that we may bring about, which could impinge upon the sustainability of our business or affect the communities in which we operate.

With a growing push for sustainable and collective action on climate change taking place across the globe, the Group remains committed towards reducing or mitigating the environmental footprint of our operations. We have carefully reassessed aspects of our operations that may have a potential environmental impact so that we are proactively enabled to take action where necessary with minimal disruption to our activities.

Looking ahead, we will continue to adopt best practices and implement effective environmental initiatives in line with our sustainability objectives while ensuring accountability through continuous monitoring of our performance.

Final Remarks

Despite the unforeseen changes brought about by COVID-19 in the past year, the Group is pleased to have stayed on course in driving forward our sustainability initiatives while mitigating and managing the challenges brought forth by the pandemic.

Looking at the silver lining, our approach towards some sustainability matters, such as the training and education of our people, have in fact been further strengthened as we identified emerging issues that require greater priority.

Even though the pandemic continues to proffer its unique set of challenges, the Group remains optimistic that we will continue to deliver an overall performance that meets or surpasses our Economic, Environmental, and Social (EES) objectives and goals. To this end, we recognise the valuable contributions of our stakeholders, especially our employees, investors and communities, whose support, loyalty and trust continues to be the foundation upon which our success rests.

On behalf of the Group, I invite you to peruse this report and trust that it will provide you with valuable insight into our position and performance on the material matters that we have identified as fundamental to our growth and progress. We hope that it inspires you towards strengthening our collaborative relationship so that we can collectively gain the benefits in building a sustainable future for Oriental Holdings Berhad.

Thank you.

AWARDS AND RECOGNITION

Leading from our continuous sustainability efforts and initiatives as a responsible organisation, we are proud to showcase the following accolades obtained during the reporting period. These awards indicate a clear sentiment of our performance and a true recognition of our contribution to stakeholders throughout our operations.



1. **Qualmark Gold Award (Wairakei) & Qualmark Silver Award (Chateau)** – KAH New Zealand Limited
2. **Bureau Veritas Hygiene Certificate** - Park Suanplu Holdings Co. Ltd.
3. **Award for Company Performance Rating Program in Environmental Management for the 2019-2020 Period - Blue Rating** - PT Gunung Maras Lestari
4. **Best Company in the Occupational Safety and Health category in the Processing Industry in 2020** - PT Gunung Maras Lestari
5. **Malaysia Sustainable Palm Oil Certification** – Oriental Rubber & Palm Oil Sdn. Berhad
6. **Appreciation for Corporate Social Responsibility (CSR) Donation by Desa Malik** - PT Bumi Sawit Sukses Pratama



"As a multi-disciplinary and multi-sectoral conglomerate with operations around the world, we are cognisant of the vital role that sustainable business practices play in maximising both our potential as a Group and that of the communities and natural environments we served."

ABOUT THIS REPORT

Across the many countries and industries where we have a presence, the highest standards in governance is to integrate sustainability into our everyday business processes. This is to ensure that we maintain responsible and ethical practices, optimise the environmental impact of our business and provide a safe and healthy working environment across our entire chain of operations.

In this, our fifth sustainability report produced in reference to the Global Reporting Initiatives (GRI) Standards, we are proud to disclose the results that our commitment towards improvement has yielded in our EES performance, focusing on seven key sustainability material matters as identified. Each of the material matter identified forms a pillar of our sustainability aspirations and is the result of extensive and continued dialogue with our key internal and external stakeholders.

For reference, a GRI Content Index is disclosed in this report.

Our Reporting Approach

This report has been prepared in alignment with the Bursa Malaysia Securities Berhad Main Market Listing Requirements, with content in reference to the GRI Standards. The report also covers the following key principles as guided by the GRI Standards:

- Stakeholder Inclusiveness: capturing our stakeholders' 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 which influence our stakeholders.

The disclosures within this report are aligned with specific 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 404 Training and Education 2016
- GRI 406 Non-Discrimination 2016

Sustainability across Supply Chain

We have a responsibility to set a positive and progressive example across our supply chain. In addition to ensuring that we stand for best practices in sustainability, we continue striving to improve the sustainability of our supply chains by adopting sustainability practices that ensure the value generated as a result of our business activities is shared equitably and inclusively.

Scope and Boundaries

This report refers to the sustainability performance and progress of OHB across all segments for the period of 1 January 2020 to 31 December 2020, unless otherwise stated. References to 'OHB', 'the Group', 'the Company' and 'we' refer to Oriental Holdings Berhad and its subsidiaries.

Note: For this year's reporting, the performance data excluded the data from one subsidiary from the Hotels and Resorts business segment due to the limited access to data compilation from the restrictions in place in view of the COVID-19 pandemic. Even though the data omitted is deemed insignificant (due to its scale) from the standpoint of the entire organisation, amendments will be made to incorporate these data in our next annual disclosure in order to facilitate subsequent performance data review and disclosure comparison.

Restatement of Information

No restatement of information was noted for the current reporting period.

Membership and Associations

- Association of Private Hospitals of Malaysia
- Australian Hotel Association
- Building Materials Association of Malaysia
- Federation of Malaysian Manufacturers
- Gabungan Pengusaha Kelapa Sawit Indonesia
- Malaysia Employer Federation
- Malaysia Plastics Manufacturers Association
- Malaysian Automotive Association
- Malaysian Healthcare Travel Council
- Malaysian Palm Oil Association
- Malaysian Society for Quality in Health
- National Park Business Association
- National Ready Mixed Concrete Association of Malaysia
- NSW Business Chamber
- Singapore Business Federation
- Singapore Hotel Association
- Singapore National Employers Federation
- Taupo Chamber of Commerce
- Tourism Australia Association

Availability

This report is publicly available online via our website www.ohb.com.my.

Feedback








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

STAKEHOLDER ENGAGEMENT

From the beginning of our journey in embarking on a sustainability journey, our stakeholders have played a crucial part in shaping our sustainable approach and direction. We take into consideration what is key to our stakeholders as similarly crucial for us to acknowledge, assess and act upon it proactively.

In continuation of said objective, our approach for FY2020 took leverage on the outcome of our engagement as compiled in FY2019 as a foundation. With consideration of the various key sustainability issues, assessment on its relevance and impact was fully conducted with the various business segments via virtual workshops and online questionnaires. This approach was not only to facilitate the restrictions in place due to the pandemic but also to advocate our approach in reducing our carbon footprint wherever possible, as in this, it reduces the need of travelling for a physical meeting.

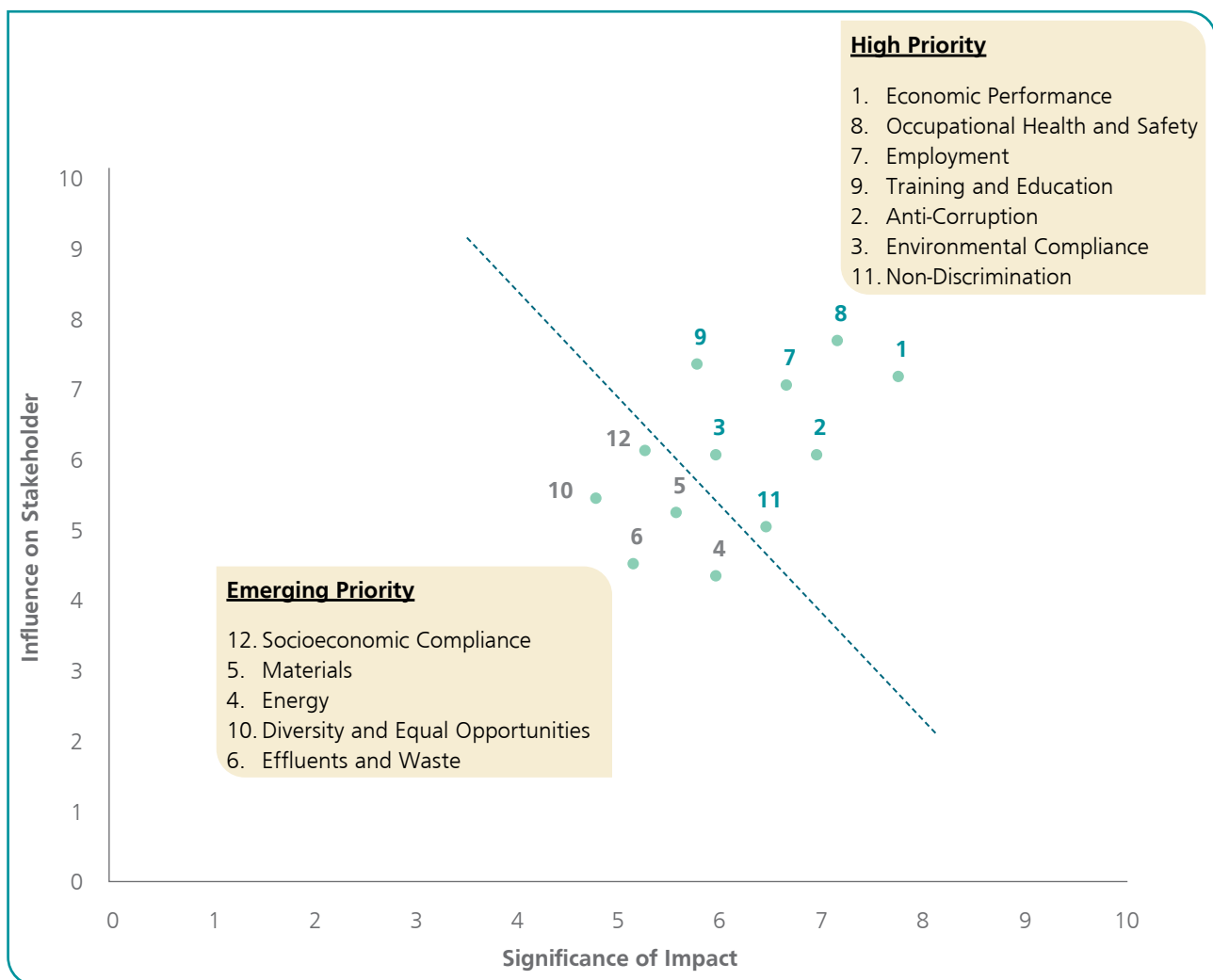
Considering the wide reach of our business activities, input from our stakeholders is a vital component in measuring our EES impacts, and thereby determining our approach to address the key sustainability issues itself. From the aforesaid, the table below outlines our approach to engaging with our stakeholders, and the concerns and expectations raised by each group. Moving forward, we will continue to observe and monitor our engagements with these stakeholders through the support of our corporate communications.

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

MATERIALITY

OHB performed a general review on the Materiality Matrix for the current reporting period by taking into consideration developments of each key sustainability matter from the perspectives of stakeholders' concern and impact to its operations. The exercise was conducted based on the materiality matrix methodology outlined by the GRI Standards framework and leverages on the assessment carried out in FY2019. This is to ensure that the key sustainability matters as identified prior remained primary to us, alongside the consideration of any additional disclosures which may be of priority during the current year.

A cross-analysis exercise was then carried out to develop the following matrix, mapping the sustainability matters against each topic's significance to stakeholders and its EES impact to the Group respectively. By considering the two primary factors, the exercise led to the inclusion of Training and Education as a new High Priority matter, in which we have a total seven material matters classified as High Priority and the balance five as Emerging Priority. All seven High Priority matters were approved by OHB's board and are disclosed in detail within this report.



CORPORATE GOVERNANCE

Sustainability Governance at OHB

OHB recognises that a stringent approach towards corporate governance is crucial towards maintaining the integrity of our businesses as well as ensuring the sustainable creation of EES value for all stakeholders.

The Group is thus committed towards setting the highest standards of corporate governance in our operations, with our framework encompassing and expanding upon the following regulatory guidelines:

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 (2nd Edition),
3. Bursa Malaysia Berhad's Corporate Governance Guide (3rd Edition), and
4. Bursa Malaysia's Main Market Listing Requirements (Listing Requirements).

Our corporate governance model specifies a wide-range of focus areas, principles and specific practices to ensure that good corporate governance becomes an essential part of the business ecosystem and culture at OHB.

Our sustainability approach is hinged upon our long-term vision and incorporates strategies to improve OHB's operations as well as enable progression and meaningful growth in our various EES initiatives, 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 accountable processes, continuous monitoring and implementation of 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 environments in which we operate.

SOCIAL



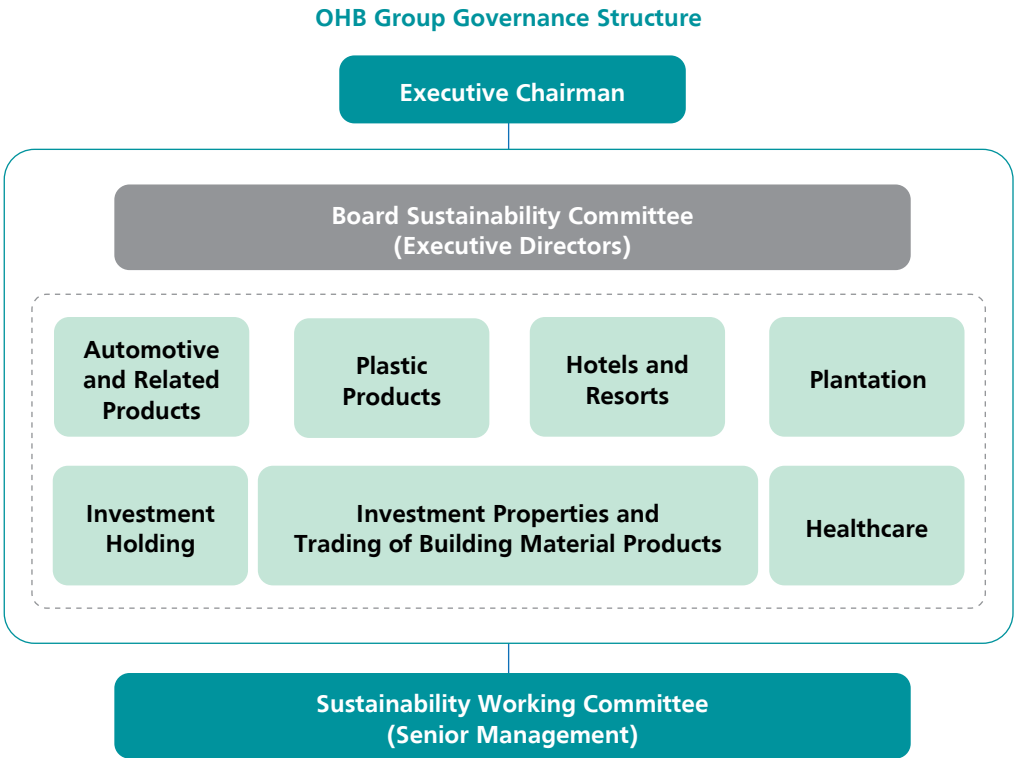
We consider our people to be our most valued resource and take great care in managing and developing talent to ensure our people are supported and protected at the workplace. We also strongly believe that our success and growth should be mirrored in local communities where we conduct our business. We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

Sustainability Governance Structure

We govern our EES matters through a systematic structure that leverages upon strategic collaboration between our Board of Directors, Management and external stakeholders, including shareholders. The Board Sustainability Committee (BSC), which comprises of the Executive Directors that oversee our seven business 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), which consists of Senior Management personnel and is responsible for setting goals and targets for identified key sustainability matters and overseeing the progress of OHB’s sustainability efforts.








To ensure thoughtful consideration of the sustainability topics, our quarterly Executive Committee (EXCO) meeting provides a regular communicative platform for the BSC to highlight and deliberate any matters relating to our sustainability approach and reporting.



CORPORATE GOVERNANCE (cont'd)

Sustainability Policy, Code of Ethics and Compliance at OHB

Aligned with our EES pillars of sustainability, we consistently reinforce and embed our sustainability ethos into our business DNA via the integration of distinctive policies and practices. These regulations further support our mission of being a highly competitive organisation through innovation and achieving continuous improvements in our businesses. The following value-added Sustainability Policy forms the basis of our long-term sustainable business practices:

	<p>Adhere to the requirements of the laws and regulatory requirements, standards and better practices to which the Group subscribes and establishes,</p>
	<p>Adopt high ethical values and ensure these practices are upheld across our business through our code of ethics and employee training programmes,</p>
	<p>Establish and nurture open, honest and timely communications, and being responsive to concerns,</p>
	<p>Establish a comprehensive enterprise-wide risk management framework, which includes a process to identify, evaluate and manage risks faced by the Group in the pursuit of its business objectives and strategies,</p>
	<p>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,</p>
	<p>Establish a 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</p>
	<p>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.</p>

Code of Ethics

As aligned with our dedication to maintaining the highest standards of ethical business conduct, the Group is always conscious in building any relationship with our stakeholders on the utmost level of trust, transparency and objectivity. In order to guide our entire organisation in this objective, we have established a constructive approach towards our ethical codes, which were ideally developed to steer a wide coverage of operational and environmental aspect to our operations.

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 our 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 operational 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 forums 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 a 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 favour or disfavour 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.

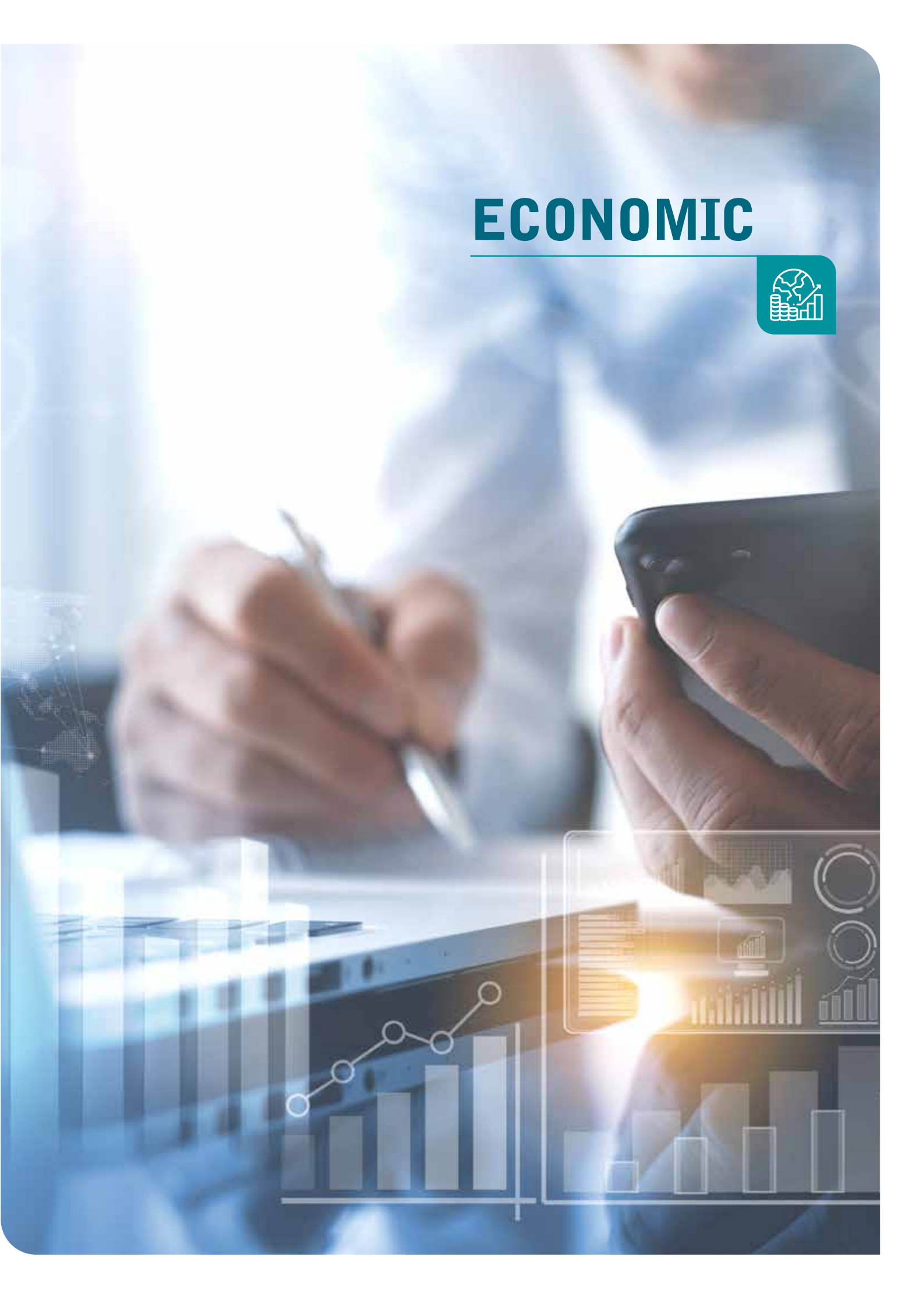
A "bribe" or a "gratification" is any gift, payment, benefit or other advantage, pecuniary or otherwise, offered, given, or received in order to secure an undue or improper result, award, decision, benefit or advantage of any kind. A bribe need not involve cash or another financial asset, it can be any 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 forth by 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 take a great deal of effort in complying with said requirements.

ECONOMIC



ECONOMIC PERFORMANCE

Why It Matters?

From the enduring effects brought by the COVID-19 pandemic in FY2020, OHB firmly recognises more than ever the value of stable economic performance in ensuring the sustainable growth of the Group and value creation for our stakeholders. Under steadfast leadership and positive performance, the Group managed to embark on significant reinvestments to expand our business portfolios, take advantage of new market opportunities and most importantly, help the organisation mitigate the impact from the pandemic.

This has led to the success in stimulating economic growth of the countries in which we have established our presence as reflected by our contribution to the annual gross domestic product. Besides, we remained committed to enhancing the social growth within strategic areas of our operations through creating vast employment opportunities for the communities and indirectly improving their living standards. Profitability in our diverse business segments also allows us to boost the welfare of our employees by offering job security, competitive remuneration and career development opportunities, within a safe and secure workplace.

How We Approach It?

At OHB, our goals and targets on economic performance are always complemented with our commitment in undertaking sustainable business practices within a framework governing high ethical standards.

Automotive and Related Products

In overall, the Group's automotive segment involves three sub-segments: manufacturing, distribution and dealerships. Between these sub-segments, a common emphasis is placed on ensuring that we keep ourselves up to date with the current market demand and direction to equip us with the versatility to tap into new business opportunities as quickly as they emerge.

In leading this, review and deliberation of performance against established expectations and market conditions are performed periodically among our management team, employees and the principal. With constant changes in market conditions and trends, our business goals and key

performance indicators (KPI)s are updated from time to time. This is in order to ensure its relevance and adaptability in guiding our management. Besides, KPIs are closely monitored by the principal to ensure our performance within the competitive automotive landscape.

As exemplified, relevant guidelines and standards are also established across entities to ensure that the segment achieve the best outcome in view of quality of products and services we deliver. This eventually also guide our performance on other KPIs such as expansion on market share and enhanced customer satisfaction. With performance monitoring and targets established, our operations are also regularly subjected to internal and external audits that are aimed at ensuring compliance and encouraging improvements in our activities and disclosures.

To prepare for the eventualities that may limit our economic growth, we systematically identify and address risks pertaining to operations within this segment, such as, loss of dealership, changes in the regulatory environment affecting automotive trade, economic slowdown, etc. Key focus is also placed on updates of the National Automotive Policy and our associated product's market share in the local automotive market, as it resiliently influences our performance from our experience.

On the other hand, as part of our ongoing efforts to drive indirect economic benefits to the communities, local talent is always a key consideration of our recruitment strategy. This is as to provide a form stable and long-term employment that may contribute back to the local economy. Our annual financial contribution to the government in terms of taxes also enables us to play a part in the national economy.



Quality Management System at AAP

AAP has obtained certifications for IATF 16949:2016 (Automotive Quality Management System) provisioned by external certification bodies, and its qualifications are reviewed on a yearly basis to maintain its certification status. The process in achieving the certification standards have been guided by the Company's Quality Management System (QMS), which provides a framework for AAP to manage and demonstrate a robust quality management within their operation.

Plastic Products

Within this segment, economic value generated has always been a key basis of measurement for the business. In ensuring our performance, periodical review is carried out by the Central Management, in which performance of subsidiaries within the segment is benchmarked against each other as well as monitored individually. Besides, we also perform benchmarking of our segment's performance against major competitors in the market on areas such as sales level, gross profit margin and net profit margin ratios.

Product level information, such as output, rejection rate, analysis and countermeasures on rejected goods from customers is monitored regularly by the General Manager in order to ensure a consistent and high quality of goods production. In addition, overall performance of an entity is assessed by the General Manager and Central Management on critical areas such as sales, rejections, key component cost ratio, stock ageing, debtors' collections and budget management.

Likewise, these measures are to ascertain that we are on track to meet the targets set for reduction of costs, which entail a purging rate of 0.3% as well as a rejection rate of 1%.

Hotels and Resorts

As our position in the hotels and resorts industry is largely defined by our customer's expectation and satisfaction, we regularly plan and perform strategic investments and systematic changes in our operations to promote such positive outcome. While the management team thrives towards the achievement of the highest quality and standards in our services, operating and labour costs are effectively managed without compromising the welfare of our workforce.

Financial resources are allocated based on the need and budget of each establishment for activities that contribute to efficient improvement of our operations, such as for procuring new technologies, to innovate our service offerings, undertake marketing projects, and website enhancement. Recognising the importance of our employees in providing a competitive edge to the business, we also constantly develop the competency and knowledge of our workforce through the provision of training programmes.

The responsibility to ensure satisfactory financial results and long-term performance lies with the Hotel Managers and Heads of Department of each entity. In addition to enforcing strict control points and performance targets, regular meetings have been conducted among the senior leadership team to discuss topics such as pricing, promotions, advertisement, and channel distribution techniques.

In the service industry such hotels and resorts, customer satisfaction correlates stronger with economic results as compared to any other key factor. Hence to enhance our customers' experience, feedbacks and complaints are promptly reviewed and addressed by the management team (e.g. Duty Manager and/ or General Manager) with the support of our established hotel reputation management system, i.e., the TrustYou or ECMS system.

Plantation

The plantation segment has been recognised as one of OHB's key segments due to its success in driving incremental market growth over the years. For this segment, the Plantation Committee, based at the Group's headquarters, is in charge of managing the economic performance of the business unit and engages frequently with the Board on this agenda. Besides reviewing and approving the annual economic performance targets set by respective Heads of Department, the committee meets regularly to evaluate each entity's performance and discuss critical issues that could affect the achievement of our long-term business goals.

ECONOMIC PERFORMANCE (cont'd)

Investment Properties and Trading of Building Material Products

At OHB, this segment is committed to contribute to the Group's overall economic success through its operations pertaining to rental collection and the sales of construction material products. The business unit within this segment has established a strong governance structure to oversee daily operations and ensure business continuity. Each member within this structure plays a vital role in maintaining the success of the business as well as developing it further. With the ability of the structure to adapt and refine when needed, it ensures for an effective and efficient management team.

The management team also meets regularly with the headquarters to review the performance of each department in meeting its annual economic targets. At the subsidiary level, performance data is collected and submitted on a monthly basis to the General Manager for evaluation prior to being reported to the headquarters. Based on the feedback and advice provided during such reporting cycle, the General Manager and his management team is responsible to implement the necessary actions.

In the trading of building material products segment, quality products, timely delivery and effective marketing strategies form the bases of our economic performance targets. The performance of the segment is constantly measured against these three pillars to ensure that the business is on track to attain its overarching goals. Similarly, opportunities are provided for employees to improve their knowledge and skillsets which in turn assist the segment in achieving such goals. Besides, our workforce is also highly recognised for their contribution to our success, hence, rewards and benefits are constantly benchmarked and improved where possible.

Healthcare

The economic prosperity reflected by our healthcare segment directly translates into greater quality of life among the society. Through the provision of our healthcare services, we serve patients from areas surrounding our business, as well as from abroad. In line with regulations and legislations set out by local authorities, such as the Ministry of Health (MOH) and the Malaysian Society for Quality in Health (MSQH), comprehensive policies and operating procedures have been established and put in place across entities within this segment to guarantee excellent services for our customers.

Overseen by the senior management team, including the Chief Executive Officer, the employees strive diligently to achieve our primary goal of delivering outstanding services. The Finance Department monitors and reviews our financial performance and assess our budget utilisation regularly, which the results are then communicated to the top management on a monthly basis. In addition, internal and external audits also serve as a checkpoint for our performance alongside in-house operational reviews conducted by each entity alongside periodical risk assessment and mitigation exercise. We also constantly evaluate the need for additional financial and technological resources to meet our performance goals and allocate budget for this purpose accordingly.



Qualitative Performance Review Criteria in the Healthcare Segment

Performance review in the healthcare segment also takes into account other specific qualitative measurement that best reflects each entity's operations, such as:

- Number of patient load; and
- Number of students enrolled.

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?

It has long been within OHB's principle that we acknowledge the impact of climate change within and beyond our business environment. This acknowledgement has led the Group to constantly consider its business conduct and approach towards limiting its contribution to such environmental impact and similarly adopting new measures to accommodate with changes brought by global warming. From consumer demand for green consumption to requirement for environmentally innovative manufacturing process, the Group is steadfast at identifying and pre-empting for such effects in order to gain a positive advantage. This approach is also in line with the increased public awareness on the importance of recognising climate change and similarly their perception on how the corporate world should act and react against this impact. With that, OHB has sustained its efforts at tracking and addressing the risks and opportunities that arise from climate change.

How We Approach It?

Automotive and Related Products

Climate change has profoundly impacted the automotive industry throughout the years, leading from the changes of consumer behaviour in demanding for more environmentally friendly products and eco-manufacturing procedures. This has encouraged the segment to constantly stay abreast with the latest environmental regulations and key changes of market demand in order to ensure our resources and investments are strategically placed to adapt to climate change. Such resource and investment may be in the form advanced technology innovation, research and development, trainings for new skillsets and etc.

With nations and governments further committing to advocate for vehicles with lower/ safer emission of carbon dioxide, organisations within the extended supply chain of automotive industry like OHB, will need to consider and plan the necessary actions to accommodate alongside this movement. Besides the aforesaid impact, the segment is also aware on the potential risk of more frequent and severe natural disaster which may easily impact our operations in its course. Hence, this overall matter on climate change is constantly brought up for deliberation during our management meeting and especially within the planning phase of a project initiated by the principal.

Plastic Products

This segment's awareness and commitment to address the impact of climate change is driven by its efforts on energy conservation, which is adopted through the 3R policies, i.e., Reduce, Reuse, and Recycle. The segment monitors and reviews its energy consumption on a monthly basis, with energy cost reviewed based on a percentage of the overall production costs. In developing further such measures, the segment is currently considering the investment of electric injection machines which are more energy efficient to replace old and aged machines as well as investment on solar energy. This is considered vital in view of limiting our operation's contribution towards climate change while also playing a vital part in ensuring the necessary mitigation actions are performed within our operating environment.

Hotels and Resorts

The segment's efforts in mitigating the impact of climate change are invested towards addressing the ever-increasing needs of hotel guests for eco-friendly product and service providers. As we expect this to gradually have an impact towards our operations and performance in due course, environmental driven initiatives have been carried out to better position ourselves as an overall eco-conscious brand.

Leading our approach on this, we have progressively adopted the use of eco-friendly amenities and reusable products, reduce our reliance of single use plastics, encourage recycling practice throughout our operation and advocate our guests on mindful consumption of resources (i.e. amenities, water, electricity). In addition, the establishments within this segment have also ensure efficient energy conservation through its energy saving electrical applications, such as air-conditioning and lighting as well as installation of sensor-based system which facilitate the function of switching off an application when not in use. Our efforts have not only led to a reduction of cost but most importantly reduce our production of waste and increase effective utilisation of energy.

This is also similarly complemented with our intention to engage with eco-conscious business partners whereby parties within our extended supply chain are encouraged to adopt environmental efforts throughout their engagement with us.

Moving forward, we will be looking into innovating and training ourselves for further adoption of green measures within our segment as guided by sustainability policies as established at Group and Company level.

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

Plantation

With climate change being one of the most confounding influence on this segment, we constantly keep ourselves up to date on the risk and opportunities surrounding this impact. Implications of climate change such as extreme weather (i.e. long draught season or torrential raining seasons) and forest fires have proven to bring a direct impact to the way we operate our segment and the output we produced.

The responsibility of continuous monitoring of impact and risk from climate change has been tasked under the role of the respective operating centres, assisted by our Enterprise Risk Management (ERM) system. With that, the operating centres are also supported by the Finance Department and Research and Development Department based at our headquarters.

In order to fully support the operating centres in their efforts, specific funds are also allocated to undertake the necessary mitigation actions. Each action plan and response is carried out by the individual operating centres and with observations or findings reported to the top management and Plantation Committee on a regular basis.

Investment Properties and Trading of Building Material Products

This segment has continuously stayed vigilant on the opportunities and risks that climate change-related issues may bring into our operations. As exemplified, changes in government regulations on such issue may create opportunities for cost-effective financing of land acquisitions for eco-conscious purposes but may also lead to the risk of delay in project approvals and additional compliance commitments.

Operating centres within this segment utilise our ERM system as a tool to identify and monitor such risks and opportunities as well as to facilitate in the implementation of mitigation strategies. Besides, the ERM system is also subjected to an annual evaluation at the subsidiary level to ensure its relevance and effectiveness.

Healthcare

For the healthcare segment, impact from climate change is noted from the perspective of health issues that may arise from such crisis. This has led the segment to think beyond undertaking actions to mitigate the impact of climate change from an environmental standpoint but also on how we build resilience and aid our stakeholders towards handling such health issues. With this, we stand strong together with the support of our employees at all levels to advocate and govern the way we foresee, identify, manage and address the issues caused by climate change. Leading from this, we are prone to the constant need for supportive and high-quality healthcare services as climate change continue to lay upon its effects and implications to us and the rest of the world.

Our Performance

As an overall summary, the table below illustrates the risks and opportunities identified by each business segment alongside its impact, financial implications, mitigation and cost of mitigating actions in further details.

Risk/ Opportunity	Impact	Financial Implication	Mitigation	Cost of Mitigating Action
Automotive and Related Products				
Risk	Change in the National Automotive Policy that results in the withdrawal of incentive which leads to a drop in sales of non-national cars	High, as majority of the sales are made up of non-national cars	Diversify sales to REM and export market	Not quantifiable

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

Risk/ Opportunity	Impact	Financial Implication	Mitigation	Cost of Mitigating Action
Automotive and Related Products				
Risk	Delay in shipment by sea due to vessel and container shortage, and fail to meet customers' KPI regarding on-time delivery	Late penalty fees charged by customer	Conversion of sea freight to road transport and look for alternative logistic sources i.e. air freight, alternate forwarding company	Not quantifiable
Risk	Decrease in sales volume due to the economic shutdown brought by the pandemic	Decrease in revenue	<ol style="list-style-type: none"> 1. Conserve cash flow by reviewing annual budget and cutting down on unnecessary expenses 2. Strict adherence to Standard operating procedures (SOP) by authorities for managing the risk of COVID-19 	NA
Opportunity	Increase in car sales due to sales tax exemption under the Penjana Scheme, which leads to a surge in customer demand	Increase in sales by >50%	Increase in raw parts and consumable order, as well as increase in manpower to fulfil orders	NA
Plastic Products				
Risk	Increase in production cost due to climate change	Insignificant	Reduce temperature at plant	NA
Risk	Use of recycled material for production may cause higher rejection	Insignificant	Control of percentage of usage	NA
Risk	Operations shutdown during the Movement Control Order (MCO) period	Insignificant	<ol style="list-style-type: none"> 1. Take advantage of the stimulus package by the government i.e. wage subsidy programme and sales tax exemption for vehicles 2. Strictly follow the SOP by MITI in daily operations to avoid the spread of COVID-19 to the employees 	NA
Opportunity	Migration from other resource based products such as wood and metal which could not be recycled	Insignificant	Use of existing machinery	NA

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

Risk/ Opportunity	Impact	Financial Implication	Mitigation	Cost of Mitigating Action
Hotels and Resorts				
Risk	A global pandemic caused by COVID-19 results in: 1. Potential closure of business 2. Guests' fear of traveling and a large drop in demand for hotel accommodation 3. Loss of staff and lowered staff morale 4. Increased health risks for guests and staffs	Reduction in total revenue due to: 1. Lockdown, border restriction, social distancing and mandatory Code of Conduct 2. High fixed costs, mass cancellation refund and slow debtor payment 3. Higher doubtful debts 4. Additional costs on implementing new safety measures and relevant staff trainings 5. Additional costs on cleaning and hygiene 6. Additional compliance costs	1. SOP are in place and are communicated to staffs 2. Segregation of staffs / functions to minimise interaction and physical distancing are observed within departments 3. Review variable costs for potential reductions 4. Signage to advise patrons of social distancing and not to enter premises when feeling unwell 5. Hand sanitiser are placed in all public areas, with signage 6. Increased cleaning shifts in high traffic and / or public areas 7. Advise staff not to come to work when feeling unwell 8. Encourage the use of electronic payments to reduce handling of cash 9. Constantly monitor and abide by the Government's guidelines and health directives	Not quantifiable
Risk	Natural disasters which give rise to potential closure of business	Loss of revenue as guests change their travelling plans and increased insurance premiums	Industrial Special Risks (ISR) insurance	RM 806,610
Risk	Reduction in snow line level for Chateau, reducing high winter season	Reduction in revenue by approximately 5%	Diversification in marketing activities	RM 50,000
Risk	Adverse weather conditions with chance of serious condensed weather events	Increased expenditure by 5%	Preventative maintenance programme targeting potential weather impacts	RM 200,000
Risk	Adverse weather conditions impacting on travel during normal high season	Reduction in revenue by approximately 1%	Diversification in marketing activities	RM 20,000
Risk	Weather conditions impacting guests' ability to travel to hotels locations	Reduction in revenue by approximately 1%	Business interruption insurance	RM 20,000
Risk	Potential for increased likelihood of natural disaster impacting the hotels' ability to operate	Complete closure of business	Natural disaster insurance	Not quantifiable

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

Risk/ Opportunity	Impact	Financial Implication	Mitigation	Cost of Mitigating Action
Hotels and Resorts				
Opportunity	Increased revenue through extension of high season good weather for trekking / walks	Increase in revenue by 5%	Increased marketing	RM 20,000
Opportunity	Increased revenue through food and beverages and golf	Increase in revenue by 3%	Increased marketing	RM 10,000
Opportunity	Higher ambient temperatures reducing the need for heating	Reduction in energy costs by 3%	Internal management	NA
Opportunity	Increased occupancy as a result of increased demand due to: 1. Direct flights between Eastern states and Busselton 2. Post-COVID travel 3. Limited accommodation providers in the region	Increase in profitability	1. Enhance facilities and services for guests 2. Introduce new value-added facilities and services	NA
Plantation				
Risk	Warmer temperatures will cause dry periods to increase, which will cause loss of oil palm yield. As temperatures become warmer, soil water evaporates more quickly, so the impacts of dry periods become more intense	Lower oil palm production	1. Promote the application of climate resilient varieties with high tolerance planting materials 2. The application of organic matter reduces the inorganic fertilizer application and improves the water-holding capacity 3. Reduce water evaporation by mulching, weed and cover crop management	NA
Risk	Areas under oil palm production decrease due to sea level rise, there is a serious risk of flooding of oil palm estates in coastal areas, may result in a loss of oil palm production	Lower oil palm production	1. Increase the establishment of physical barriers to prevent coastal flooding and erosion through river embankment, and flood gate 2. Planting mangroves and preventing mangrove harvesting as mangrove forests provide an effective defense against coastal flooding	NA

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

Risk/ Opportunity	Impact	Financial Implication	Mitigation	Cost of Mitigating Action
Plantation				
Risk	Land for oil palm production can be dry and degraded, and oil palm plantation can become susceptible to diseases and pests due to temperature rise. When conditions are sub-optimal for oil palm, such as when temperatures are high or there is limited water availability, palms may be less able to resist pests and diseases, causing yield loss	Lower oil palm production	<ol style="list-style-type: none"> Promote the application of climate resilient varieties with high tolerance planting materials The application of organic matter reduces the inorganic fertilizer application and improves the water-holding capacity Reduce water evaporation by mulching, weed and cover crop management Managing pests, plant diseases and other pest organisms that damage oil palm 	NA
Risk	Malaysia's freeze on cross-border hiring in response to COVID-19 has left oil palm estates grappling with a lack of hands during peak harvesting season	Severe shortage of foreign labour especially harvesters in Malaysian plantations causes lower oil palm production	<ol style="list-style-type: none"> Prioritising localisation - employing more Malaysians could save on recruitment fees and levies needed to fly in foreign workers Accelerating industry mechanisation - to deploy "light machines" that will aid in field upkeep, removing harvested crops and applying fertiliser 	NA
Opportunity	Areas with consistently high rainfall throughout the year have particularly high yields	Higher oil palm production	A well-managed harvesting interval and Fresh Fruit Bunches (FFB) collection in estate	NA
Investment Holding				
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
Risk	Business disruption due to COVID-19 causes a drop in the performance of invested companies	Decrease in revenue from dividend and rental income	<ol style="list-style-type: none"> Adhere to the guidelines and SOP established by the authorities on managing the risk of COVID-19 for internal management team Evaluate the current business portfolio to expand the diversity of investments as to build resilience from such circumstances 	NA

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

Risk/ Opportunity	Impact	Financial Implication	Mitigation	Cost of Mitigating Action
Investment Properties and Trading of Building Material Products				
Risk	Damage to machinery and stock as well as interrupt in supplying due to flood	Impairment charges associated with stock and reduction in revenue during raining season	Insurance coverage and reschedule to increase supply after raining season	Not quantifiable
Risk	Damage to building and electrical installation, as well as increased production downtime caused by typhoon	Repairing costs	Insurance coverage	RM 3,605
Risk	Operations shutdown, loss of sales and decrease in production as a result of lockdown during global pandemic such as COVID-19	Decrease in sales volume, credit crunch and decrease in cash flow	Preserve cash, adhere to SOP recommended by World Health Organisation and the MOH, and target higher margin by offering on-time delivery and ensuring consistency in quality	Not quantifiable
Risk	Fierce price war and threats from competitors in the sluggish property industry	Decrease in selling price and lower profit margin	Swap to cash sales and introduce smaller projects with better margin	NA
Risk	Concrete failure	Compensation cost gives rise to additional expenses	Abide by the Construction Industry Development Board (CIDB) Act 520 as well as improve quality control and conduct research	Not quantifiable
Opportunity	Increase in brand awareness	Potential to enlarge customer base	Continue to look for strategic land	RM 100,000
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	NA
Healthcare				
Risk	Shortage of manpower as undergo quarantine and impact on public image due to COVID-19	Increased expenditure on personal protection equipment (PPE) (mask, sanitiser) and terminal cleaning, as well as reduced walk-in customers	Strictly adhere to SOP	Not quantifiable
Risk	Loss of marketability and shutdown of hospitals following failure to obtain accreditation and certification from relevant regulatory bodies	Loss of revenue	Prepare for surveys and inspections, as well as continuous monitoring to keep up with updates on regulatory change	Not quantifiable
Risk	COVID-19 caused delay in 2020 SPM examination and resulted in delay in student intake	Reduction in revenue	Use of existing student database to recruit graduated SPM candidates from previous years	NA

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

Risk/ Opportunity	Impact	Financial Implication	Mitigation	Cost of Mitigating Action
Healthcare				
Risk	Reduction in the number of students as a result of the lack of sponsorship by private hospitals	Reduction in revenue	Look for other private hospitals for sponsorships	NA
Risk	Compromised environmental safety within the college compound due to COVID-19 cross infection among staffs and students	Increase in expenses	Provide briefings on SOP and health declaration, and continuously monitor adherence to SOP	RM 5,000 – RM 10,000
Risk	Violation of the Poison Act, leading to withdrawal of license or a fine	Unable to dispense prescription items	Continuous monitoring to keep up to date with regulatory changes and fulfil the requirements in the Poison Act	NA
Risk	Dispensing error will result in life-threatening risks to patients and reputational damage of the company	Compensation to the patients affected	Counter check before dispensing	Not quantifiable
Opportunity	Increase in brand awareness due to a growing demand for nurses	Increment in revenue	Aggressive marketing	NA
Opportunity	Increase in brand awareness due to the establishment of new branches across states	Increase in revenue	Set up new outlets and implement stock sharing	Not quantifiable
Opportunity	Increase in demand for beds or wards to cater for flu patients during flu season	Revenue increase from anticipated cases	Bed management	Minimal cost as this only involves bed management
Opportunity	Increase in demand for respiratory related medication like cough medicine during dry season	Revenue increase from anticipated cases	Temporary increase of par level for certain types of medication	Not quantifiable
Opportunity	Increased demand for swab test and vaccination during COVID-19 pandemic	Revenue from carrying out swab test and vaccination may be very minimal because this is more of a national service in view of global pandemic	Setting up of COVID test tents and vaccination centres, train staff to carry out the swab and vaccination	Not quantifiable

ANTI-CORRUPTION

Why It Matters?

Committed to meeting both its legal obligations and stakeholder expectations, OHB recognises its responsibility in tackling potential corruption risks throughout its business operations. As such, the Group takes seriously its duty for fostering a fair business environment where unethical behaviour is not tolerated. From anti-corruption policies to robust governance structures, the Group thoroughly implements necessary measures in order to mitigate the risk of corruption and other abuses throughout its operations. Actions to ensure a culture of integrity enables the Group to maintain utmost compliance with applicable anti-corruption legislation, including the new Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009 (Amendment 2018). The Group's rigorous approach to anti-corruption also helps to maintain the trust of valued investors and customers, who expect the Group to conduct its business responsibly and ethically.

How We Approach It?

In order to safeguard the Group's reputation whilst protecting against legal liability, the Group emphasises the importance of responsible business practices throughout its operations. In view of promoting responsible business practices, OHB has established robust Group level anti-corruption policies and procedures which adhere closely with guidance provided by relevant regulatory bodies. Other measures applicable throughout OHB's operations include communicating our Code of Ethics to the employees and providing clear information on the stipulated procedures to report unethical behaviour. These various measures form the foundation of OHB's approach to anti-corruption, ensuring a culture of integrity and transparency is upheld amongst the Group's subsidiaries and stakeholders.

Automotive and Related Products

Within this segment, the OHB Group Corporate Governance Framework acts as the foundation for anti-corruption efforts. Overseen by the segment's management team and Human Resource Department, this framework aims to centrally coordinate anti-corruption efforts throughout our operations, working alongside the segment's clear anti-corruption policy and 'zero incident' target to promote responsible and ethical conduct amongst employees.

In order to ensure adherence with the foregoing standards, the segment has required employees to sign a Code of Ethics declaration to ensure legal compliance with relevant legislative requirements. It has also engaged in frequent communication with its employees to ensure that personnel are informed about pertinent anti-corruption policies and procedures applicable within this business segment. Further, frequent communication is supplemented with carefully planned training initiatives, which aims to provide employees with practical guidance on ensuring compliance with the latest regulatory requirements and internal standards.

Beyond its employees, the segment also requires third parties, such as vendors and suppliers, to sign a Code of Conduct Declaration Form. This form engages third parties to commit to a zero-tolerance stance against corruption and acknowledge other anti-corruption requirements as established by the new Section 17A of the MACC Act 2009 (Amendment 2018). As for reporting mechanisms, the segment adheres to whistleblowing and grievance procedures as per OHB's governance policy.

Plastic Products

The plastic segment strongly adheres to anti-corruption policies and procedures established at the Group level. Once approved and adopted by the Board, such policies and procedures are implemented across the segment. This is primarily achieved via trainings provided to key management personnel, which provides vital information and guidance on the Group's anti-corruption policies and procedures. Following this, management personnel are required to disseminate relevant information to employees, upon which employees are required to provide a signature of acknowledgement. Through this process, a culture of integrity is established throughout the plastic segment and its supply chain.

In addition to these core measures, the segment also requires third parties to sign a declaration of acknowledgement with the Group's Anti Bribery and Corruption policy, ensuring third parties' adherence with relevant anti-corruption legal requirements.

ANTI-CORRUPTION (cont'd)

Hotels and Resorts

From reputational damage to financial risks, the segment recognises the immense costs corruption can have on our business. As such, the segment adopts a strict zero-tolerance stance towards corruption, marshalling its resources to promote ethical behaviour amongst its employees and supply chain.

Vital to the segment's approach to anti-corruption is its comprehensive policies and procedures, which provides a fundamental guideline for the employees to combat corrupt acts and other unethical behaviour. Heads of Department are responsible for ensuring adherence to internally established anti-corruption policies and procedures, with additional checks performed by Hotel Managers and personnel within the Finance Department. Any instance of non-compliance is swiftly and thoroughly investigated via internal review and investigation process, if necessary.

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

Aligned with the segment's zero-tolerance stance against corruption, the hotels under these subsidiaries have engaged in a range of initiatives in order to promote responsible business practices:

- Establishing policies and procedures dedicated to combatting corrupt acts and other unethical behaviour
- Ensuring purchase orders are signed by the Financial Controller / Accountant and General Manager to reduce the risk of bribery and corruption
- Maintaining a three quotes policy for non-operating purchases
- Ensuring payments have two signatures by authorised bank signatories
- Ensuring refunds are documented with supporting paperwork and authorised by the Financial Controller / Accountant and General Manager
- Reviewing all suppliers on an annual basis to ensure the quality of goods and services procured

In order to promote integrity and compliance, the segment has also planned and executed various trainings for its employees. Planned and coordinated through the Human Resource Department, trainings focus on ensuring employees understand their obligations in relation to applicable anti-corruption legislation, as well as providing practical guidance on how to act responsibly and ethically within the workplace.

As for grievance mechanisms, the segment maintains an open-door policy for the employees: anyone can lodge a complaint to relevant Heads of Department, the Human Resource Department or a Hotel Manager, and employees are welcome to provide a complaint to more than one person at any given time. In addition to which, the Group's whistleblowing procedures and channel also provides an alternative avenue for anonymous and secure form of reporting.

Plantation

The segment strictly adheres to a zero-tolerance stance against any unethical behaviour, including corrupt acts. Governed by robust protocols and internal policies, quick and effective actions are stipulated against any confirmed incident of corruption. In conjunction with these policies, the sustainability team at respective operation centres has also been tasked to monitor any changes in applicable anti-corruption regulations. Any shifts in the regulatory environment are carefully considered by the sustainability team, with follow up action implemented if required.

Being strongly dedicated to upholding the highest standards of integrity across its operations, the plantation segment has provided employees with various training opportunities. Trainings which aim at educating employees on our internal anti-corruption policies and procedures, i.e., stipulating ways on how to act when observing such issues, as well as updates on local anti-corruption regulations.

Within its supply chain, the segment also requires third parties to sign OHB's Supplier Code of Conduct Declaration Forms. By doing so, the segment ensures that its supply chain is aware of and complies with our internal guidelines on anti-corruption whilst also advancing adherence to the strict standards of integrity practiced within the segment.

ANTI-CORRUPTION (cont'd)

Policies and Initiatives Implemented by the Segment

- 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.

In terms of grievance mechanisms, instances of unethical behaviour are to be immediately reported to a relevant Heads of Department, as per internal policies and procedures. Following this, the Heads of Department are responsible for reporting any incidences to the Plantation Committee, who, if in receipt of a grievance, will assess and report such instances to the Board on a periodic basis.

Investment Properties and Trading of Building Material Products

Committed to promoting a responsible business culture, this segment establishes a 'zero incident' target in relation to corruption. In order to achieve this, this segment aims to ensure regulatory compliance whilst promoting integrity, transparency and accountability across its business. This crucially entails regular monitoring of anti-corruption performance, which is subject to internal reviews and audits conducted in accordance with relevant guidelines and regulations.

Internally, the segment aims to promote proper and ethical conduct by providing adequate training for the employees. This is achieved by providing employees with trainings on various subject matter, such as insights into applicable anti-corruption legislation and ways to accurately detect corruption red flags. Externally, the segment also requires suppliers to sign a Declaration Form, committing third parties to OHB's stringent standards on anti-corruption.

Policies and Initiatives Implemented by the Segment

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

Healthcare

The healthcare segment adopts anti-corruption policies and procedures as determined by the Group level anti-corruption framework. In order to adopt such policies and procedures, C-suite personnel are trained on matters related to anti-corruption, including corporate liability matters. Managers are also provided training on anti-corruption and related subject areas, ensuring compliance and awareness throughout the healthcare segment.

As per OHB's policies, the healthcare segment distributes a Supplier Code of Conduct Declaration Form to the third parties. This form binds parties to commit to OHB's zero-tolerance stance against corruption and other unethical behaviour, thus ensuring adherence to applicable anti-corruption regulation and OHB's internal standards.

As for grievance mechanisms, employees are provided with information on how to file complaints during their orientation period. If an employee wishes to lodge a complaint, they can directly contact the Human Resource Department via email. Should the cases be unresolved within the Human Resource Department, complaints are escalated to Senior Management for further action. Alternatively, for employees and other stakeholders of the segment, the Group's whistleblowing procedures are also advocated to provide an additional means of reporting on such issues.

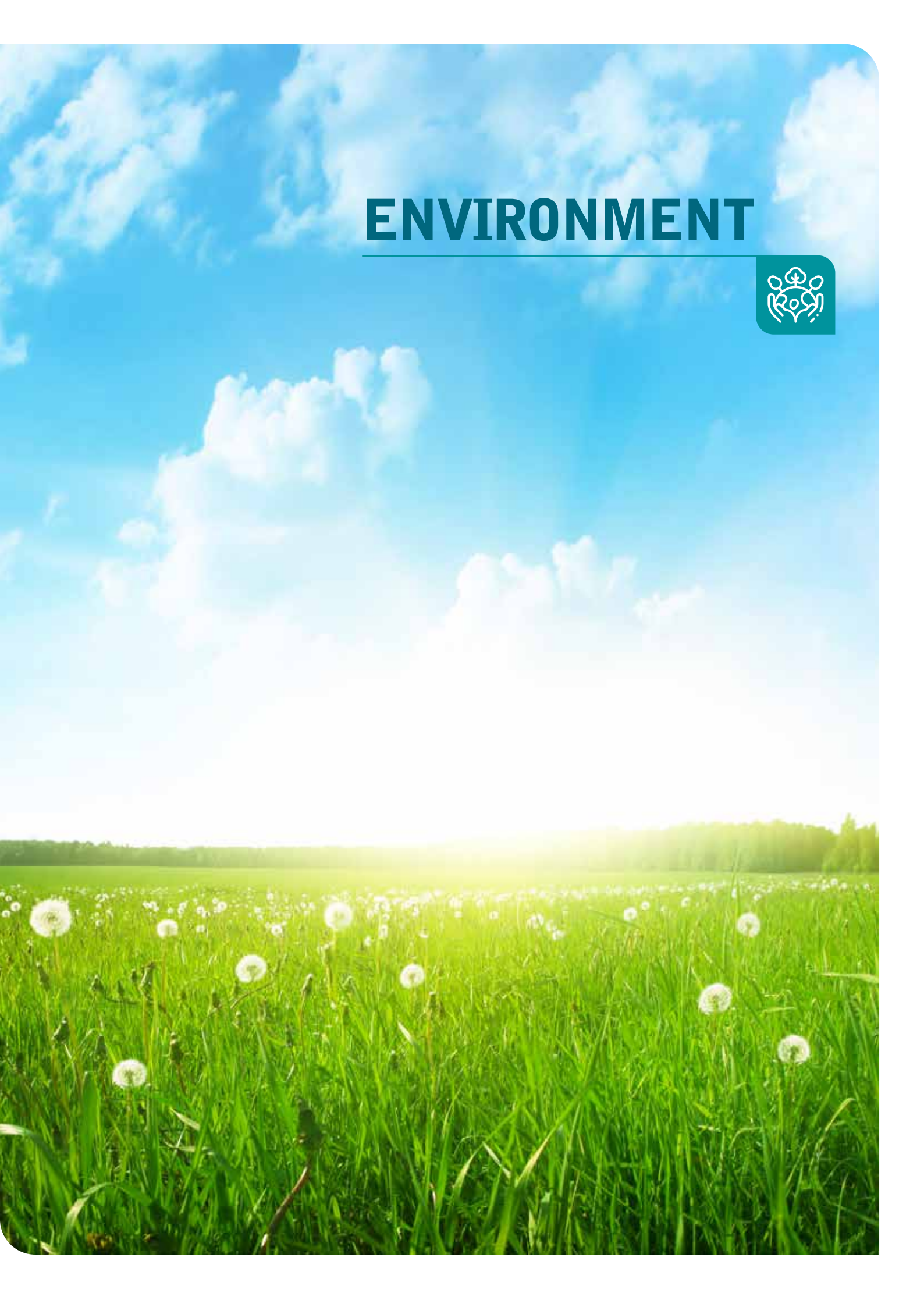
ANTI-CORRUPTION (cont'd)

Our Performance

Throughout our history, we have always been committed towards undertaking and advocating ethical business conduct which extends to zero tolerance against any acts related to bribery or corruption. To this end, the Group has persisted on ensuring that our employees and other key stakeholders are not only well informed on our policies but also protected against this risk through our implemented controls. In staying true to that objective, efforts in educating our employees during the reporting period on this matter were performed through dedicated training sessions and employees were required to acknowledge a Code of Ethics declaration. By adopting a mutually beneficial approach, we believe this will uphold the value and sustainability element of our business and its future.



ENVIRONMENT



ENVIRONMENTAL COMPLIANCE

Why It Matters?

Within the realm of environmental compliance, the Group recognises its obligation to ensure strict adherence to fundamental standards and best practices, while adopting targets to minimise and even reduce our environmental footprint. As such, we remain steadfast in our goal to maintain utmost compliance with applicable environmental regulations where we operate. With that, OHB has continued to adopt a proactive approach in relation to environmental matters, implementing necessary measures to ensure that we meet and surpass the expectations of both regulating authorities and our stakeholders.

How We Approach It?

In OHB, we always aspire beyond compliance and seek to contribute more value and positive impact to the environment surrounding our operations. With that, foremost, OHB ensures that our management representatives diligently monitor our environmental performance with the guidance of our extensive internal policies and guidelines. With our management team being aligned to the Group's objective and approach to be environmentally sustainable, we can rely on their dedication and support in minimising the risk of non-compliance throughout our operations. Besides, this would essentially advocate a culture of eco-consciousness within each tier of our organisation, thus providing us progressive opportunity in achieving our goal.

Automotive and Related Products

In order to secure the sustainability of our business, achieving environmental compliance is vitally important for our operation. This segment is consequently guided by a goal of compliance with applicable environmental regulations alongside global standards as internally adopted, such as ISO 14001:2015 – Environmental Management System.

Various measures have been implemented to achieve the abovementioned goals, including the observance of a comprehensive Environmental Policy – an overarching framework carefully designed to enable greater environmental stewardship within the automotive segment. This entails, for instance, management personnel attending regular meetings, briefings, and trainings

to understand the latest regulations in environmental compliance. Furthermore, establishment within the segment has also established Environmental, Health and Safety (ESH) Department/ Committee, which is primarily tasked to oversee and manage environmental related issues. This includes, among others, managing hazardous waste generated from operations, conducting periodical Hazard Identification, Risk Assessment & Risk Control (HIRARC) and performing the ESH audit.

Environmental-related Practices by Our Dealership Subsidiaries

Our dealership subsidiaries are strongly committed to conducting business with the highest degree of responsibility to the environment. Seeking to ensure effective environmental management, they have adopted diverse measures, ranging from establishing an environmental committee dedicated to overseeing environmental performance to seeking continual improvements in our practices on hazardous waste management. As lubricant waste continues to be the main source of scheduled waste generated from the operations, the service centres have been dedicated in engaging with all parties and resources in ensuring compliance with Environmental Quality (Scheduled Wastes) Regulations 2005.

Environmental-related Practices by Our Manufacturing Subsidiaries

Guided by an effective Environmental Policy, our manufacturing subsidiaries continually seek to maintain compliance with relevant environmental laws whilst working towards greater environmental performance. This alongside the adoption of ISO 14001:2015 within their operations has positively contributed to the implementation of additional eco-friendly measures throughout the years. With this, it vitally entails continual training for employees to ensure that they are updated with the latest information on environmental compliance and other aspect of environmental matters. In ascertaining that our operations comply with relevant statutory requirements and international standards, the subsidiaries conduct internal audit, management review and external surveillance audit. Within this current reporting year, these audits have produced no significant findings of non-compliance.

Further measures to enhance our environmental performance include the coordination of EHS trainings and awareness briefings throughout each year. Such training and development programme focus on improving employee knowledge and skills in order to ensure the awareness and acquaintance on key actions necessary for compliance. Conclusively, measures and initiatives related to environmental compliance are subjected to periodic audits and management review, providing the necessary assurances for the segment and its stakeholders.

Plastic Products

Within the plastic products segment, ensuring and maintaining relevant environmental compliance enables our business to meet the standards of both regulatory authorities and our valued customers. In light of these dual expectations, the segment has allocated the necessary resources to ensure adequate adherence with applicable environmental regulations and adopted global standards, such as ISO 14001:2015. Environmental compliance within the plastic segment is crucially achieved via strict observance of extensive environmental policies, which are aligned with ISO 14001:2015. Additionally, the segment conducts regular internal and external audits to assess environmental performance, which is focused on verifying compliance with applicable laws and stringent internal standards established across the segment.

Firmly guided by our aspiration to minimise our environmental impact, the segment continues to adopt further environmental sustainability efforts. Since 2015, this has included efforts to reduce waste, increase energy efficiency, and minimise pollution via the use of innovative technologies. We are pleased that our efforts have enabled us to improve our environmental performance and strengthen our reputation amongst key stakeholders.

Hotels and Resorts

Preserving the environment and minimising potential impacts is not only vital for environmental compliance – it is intimately connected to the viability of this segment's business. With this being one of our top priority, every year we set a 'zero incident' target for non-compliance of relevant environmental regulations and standards.

Within this segment, environmental performance is subject to continual monitoring, with Heads of Department being responsible for overseeing environmental matters within their respective departments, for e.g., tasked with ensuring eco-friendly and sustainable products are procured for guest usage. The Human Resource Department also arranges regular trainings to ensure that the staff are aware of best practices to maintain satisfactory compliance with environmental standards and guidelines as well as advocate an eco-friendly awareness.

Beyond compliance, the segment has also sought to continually improve its environmental performance. From this, other measures adopted include the use of effective waste management processes, adopting measures to monitor and limit the use of chemicals and other hazardous materials, designing and implementing effective recycling initiatives, and embarking on energy conservation efforts (such as opting for installation of energy saving lighting - LED bulbs). Besides, employees are also actively encouraged to provide feedback on ways to enhance environmental performance. Some establishments within the segment have even established sustainability taskforce solely dedicated to innovating ways to develop new or improve existing eco-friendly business practices.



Environmental-friendly Practices at KNZ

KNZ is deeply committed to adhering to the applicable environmental regulations, as well as going beyond compliance to minimise its environmental footprint. Driven by an aspiration to generate positive impacts for the environment, KNZ have undertaken numerous initiatives to enhance its environmental performance:

1. Establish a dedicated sustainability taskforce to mainstream sustainable practices throughout business operations;
2. Closely adhere to sprinkler bans, as per the request of local authorities;
3. Ensure continual maintenance of waste management system;
4. Provide trainings on the proper use of recycle waste bins and encourage employee participation in recycling initiatives;
5. Replace hotel lighting fixtures with LED bulbs;
6. Adopt innovative technologies to ensure high energy efficiency in hotels;
7. Procure environmentally friendly goods for guest usage;
8. Allocate funding to continue initiatives aimed at reducing plastic usage;
9. Undertake and complete an exercise to replace all plastic pens with recycled pencils;
10. Advocate the use of paper bags instead of plastic bags, where possible;
11. Operate our own sewerage treatment plant ensuring discharge is of the highest level; and
12. Engages with a vermicast partner to remove all waste products to recycle.

ENVIRONMENTAL COMPLIANCE (cont'd)



Environmental-friendly Practices at 30Ben

Maintaining strict adherence to relevant environmental regulations, 30Ben continually seeks to strengthen its efforts to improve environmental performance and reduce its impact on the environment. This has led 30Ben to embark on successful initiatives to reduce plastics usage, energy consumption and waste generation. For example, the hotel has actively pursued options to effectively recycle its waste, including its used cooking oil. In 2020, the hotel also continues its efforts to use more sustainable packaging across guest amenities, such as water bottles and soap.

Besides, 30Ben ensures waste are appropriately managed through maintenance of separate area for biohazardous waste and general waste alongside the engagement of specialised vendors for the disposal service.



Environmental-friendly Practices at PSH

Guided by an aspiration to contribute positive environmental impact, PSH have established clear targets to ensure that their business aligns with the best practices in environmental sustainability. As a result of their efforts, internal and external audits continue to identify no significant issues in relation to PSH's environmental compliance in the most recent reporting year.

PSH has also remained committed to effectively replacing the existing guest amenities with more eco-friendly and sustainable options. Notably, PSH has successfully replaced all single-use plastic bottles placed inside guest rooms with glass bottles in 2020. As for other section of the hotel, PSH is currently utilising the remaining batches of plastic bottles and shall fully adopt 100% usage of glass bottles by 2021. Besides, the hotel has banned the use of plastic bags, as per local regulations. PSH will continue to embrace progressive targets and initiatives in order to improve its environmental sustainability.



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



The Qualmark is a leading quality assurance organisation which aims to assist businesses in becoming more sustainable. Owned by Tourism New Zealand, the Qualmark assesses businesses under a Sustainable Tourism Business Criteria, assessing key areas such as: Economic, Social & People, Environment & Culture, and Health, Safety & Wellness. Following its assessment of a business, Bronze, Silver or Gold designations are awarded against its stringent assessment criteria.

In 2020, we are pleased to have maintained the Qualmark Gold Sustainable Tourism Business Award for our Wairakei Resort in Lake Taupo, New Zealand and the Qualmark Silver for Chateau Tongariro Hotel. As recipients of these two awards, the Qualmark recognises our efforts as industry leaders in providing the highest-quality services for our guests whilst promoting sustainable tourism within New Zealand.

Moving forward, the segment anticipates adopting further sustainability measures, aiming to minimise its environmental footprint whilst generating positive impacts for its guests and the environment.

Plantation

As palm oil plantation has been a highly contested topic in the sustainability community recently due to the environmental issues associated with it, our plantation segment is fully observant of the issue and has been actively exploring ways to contribute more environmentally. To this end, we have incorporated sustainable practices in our upstream and downstream operations in accordance to the requirements laid out by global standards, such as the Roundtable Sustainable Palm Oil (RSPO), Malaysian Sustainable Palm Oil (MSPO), as well as Indonesian Sustainable Palm Oil (ISPO). Our environmental approach in managing over 42,351 ha of palm oil plantations in Malaysia and Indonesia include peatland protection and management, no deforestation and biodiversity conservation.



Environmental Initiatives in Bangka Region's Plantation

A Sustainability Policy has been established by OHB's plantation in Bangka Region, covering five key areas as follows:



The segment's effort to produce palm oil in a responsible and sustainable manner is exemplified by the High Conservation Value (HCV) Management & Monitoring Programme, which is implemented in its plantations in Bangka Region following the HCV assessment. The programmes in place and their respective expected outcome, as well as OHB's current progress are shown in the table below:

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

Investment Properties and Trading of Building Material Products

Even though stricter controls imposed by local authorities through environmental regulations may affect how the segment operates, we are still dedicated to complying with environmental laws, as reflected by our continuous commitment to adhere to our sustainability objectives. In furtherance to compliance, we have also extended our efforts to reduce environmental impact through research and innovations for the transportation element of our operations. This is vital as the need of such transportation make up for a significant part of the segment's environmental impact.

For this purpose, we have employed fuel monitoring systems and forecasting, load aggregation and rate analysis on our machineries, in addition to the sensors and Global Positioning System (GPS) that have been installed in our trucks. Through the adoption of these measures, we are able to constantly monitor our energy consumption and conduct analysis. This may eventually lead to the

development of strategies to achieve higher efficiency of fuel consumption, thus lower volume of emission.

Besides, on our investment properties segment, we have catered our focus towards managing the environmental impact from our on-going land reclamation project. For each phase of the project, we have prepared the necessary Environmental Management Plan (EMP) as well as conducted the relevant Environmental Impact Assessment (EIA). Our approach on these are adequately guided by the guidelines issued by the Department of Environment (DOE) and is aimed at ensuring proper planning and implementation of reclamation works in a sustainable manner, which hence, minimizes the potential negative impact to the environment. As for the EIA, the management team was supported by an external qualified professional consultant who is tasked to perform survey on site, collect data and carry out risk assessment according with the guidelines set by the DOE. Furthermore, efforts on monitoring environmental compliance are also carried out throughout the construction stage, with the support of an Environmental Officer which is provided by the appointed contractor during such period.

ENVIRONMENTAL COMPLIANCE (cont'd)



Environmental Initiatives at Land Reclamation Project

Due to the primary environmental concern associated with this project, the aforesaid plan has led the segment to establishing the necessary pollution countermeasures as summarised below:

- **Sedimentation Control**
 - Construction of containment perimeter, sediment basins and temporary drainage to manage any potential spillage of sediment beyond the project site, alongside measures to ensure barge are not overloaded during operation.
- **Air Pollution Control**
 - Restriction of movement for construction vehicles and regular upkeep of machineries to limit the release of excessive emission when in use.
- **Noise Control**
 - Installation of metal cladding hoarding to manage noise impact to the surroundings, limit the period of construction works and regular maintenance of equipment and machinery while ensuring that sounds from machinery adhere DOE's guidelines.
- **Water Pollution Control**
 - Maintenance of vehicles and plants to be carried out at designated area (laid with sand and plastic to prevent oil leakage into the ground), installation of containment bund to contain spillage (if any) and specific measures in place to manage spillage.
- **Scheduled Waste Management**
 - Management of scheduled waste as per local regulations with the necessary control over storage, labelling, documentation and disposal procedures.

Healthcare

In our healthcare segment, our approach towards incorporating environmental driven initiatives has also improved the way we managed clinical waste and other impacts from our operations. In facilitating our endeavour to deliver excellent healthcare services alongside efforts on sustainability, the segment's Occupational Health and Safety (OHS) Committee and the Environmental Compliance Safety Services Committee are to ensure stability in our operations through key regulatory compliance. This includes the MSQH requirements, Environmental Quality Act 1974 and other regulations from the Department of Occupational Safety and Health (DOSH).

Moreover, we have also set out two KPIs for our Environmental Compliance Safety Services, i.e., the number of new staff receiving safety training and environmental briefing and the hazard identification process performed on a quarterly basis. Other key measures or activities that have been carried out under this platform include monthly environmental rounding, half-yearly and annual emergency code drill, as well as annual medical surveillance and chemical exposure monitoring.

Our Performance

For FY2020, the Group observed one non-compliance of environmental related regulations, in which observations were highlighted on our procedures of scheduled waste labelling and record keeping of scheduled waste quantity. The issues which resulted in a fine by the DOE were swiftly addressed with the necessary rectification actions and new control practice implementation within the reporting period.

In line with our efforts to firmly adhere to any environmental regulations, we have also developed a comprehensive set of procedures so that any issues of non-compliance identified can be addressed and rectified promptly. Moving forward, OHB will continue to monitor changes to environmental regulations and work with local authorities to ensure we are cognizant of the regulatory compliance rules in areas we operate. Any regulatory updates will be reviewed, and our practices will be adapted accordingly to ensure environmental compliance.

SOCIAL



EMPLOYMENT

Why It Matters?

At OHB, we remain mindful that the performance and loyalty of our talent are key contributors towards our competitiveness and ongoing ability to realise our ambitions. We believe that the strength, commitment and diversity of our workforce within every tier has provided the foundation to our successes in the past and, indeed, will be intrinsic to any future success that we hope to achieve. To ensure the dedication, unity and growing expertise of our workforce across all segments, we remain focused on fostering an environment of meritocracy and diversity whereby equal opportunities for growth, contribution and progress are provided to employees within a safe and well-balanced environment.

As we grow, we want our people to flourish with us. We therefore aim to provide our employees with the best opportunities and numerous platforms for career and personal development. Besides, we also look at optimising our allocation of resources to ensure the well-being and welfare of our employees throughout the globe. We are positive that such efforts will inevitably lead to the retention and acquisition of top talents that can better contribute towards the vision and objectives of the Group.

How We Approach It?

Overall, OHB is guided by a Group-wide Code of Ethics that establishes the key principles upon which our operations are carried out and guided by responsibly and objectively. Accordingly, rigorous measures are put into place to ensure the adoption and enforcement of essential guidelines and policies.

This includes the advocacy for matters such as equal opportunities, anti-discriminatory treatment and minimum and fair wage structures, amongst others. Within our entities that operate overseas, we further assess and enforce strict compliance with local laws, rules and regulations.

Automotive and Related Products

Leveraging on OHB's Code of Ethics and employee handbook, this segment is empowered and mandated to prescribe equality and fairness on employment. Key communication on this with the employees are constantly carried out from the initial onboarding phase and throughout their working career with us. In FY2020, we have extensively leverage on information technology

for expanding on our engagement platforms and communication tools with employees. As dissemination of information and support was crucially vital during the lockdown periods due to the pandemic, our communications were extensively relied upon via internal emails and online newsletters and the utilisation of virtual platforms such as Microsoft Teams and Zoom.

Besides, the segment is also committed at observing fair hiring practices that are merit-based and unbiased towards any gender, race or religion. Initiatives are also undertaken to support an age-diverse workforce, such as the segment's practice of providing re-employment options for employees reaching retirement age. Governance of recruitment within this segment is overseen by the Senior Management, with guidance and directives provided by the Human Resource Department. In furtherance to this, a purely non-discriminatory approach is similarly advocated in the remuneration, leave entitlement and benefit packages provided to our workforce. In addition to annual leave, employees are entitled to maternity and paternity leave when applicable, as well as compassionate leave for them to attend to their children or parents who may be ill or in need of urgent care and assistance.

In line with the aforesaid, transparent and impartial performance reviews are also performed annually by the segment. This systematic avenue is to provide a two-way communication platform for entities and its employees to deliberate on constructive feedbacks and address key issues which may have arisen in the environment surrounding the employees. Other than that, with the adoption of an open-door policy, comments and complaints from employees may also be escalated directly to the respective management team or Human Resource Department or alternatively, through our formalised grievances procedures. In view of ensuring that the right resource and commitments are placed in addressing such issues, establishments within this segment also employ a stringent schedule of monthly meetings at the management and department head levels. This is to decide of key remediation actions for employee's primary concerns or issues and safeguard the alignment of any implemented strategies.

For our overall employment practice, we also rely on the support of review and audit practices carried out by internal and external parties. This practice not only ensure our compliance with the latest governmental rules and regulations relating to employment but also assist us in adopting improvements, where possible, to our current practices.



Key Employment Practices at Kah Motor Malaysia and Singapore

At Kah Motor Malaysia, our commitment towards employment best practices is well represented by the preservation of our existing collective bargaining agreement struck with the National Union of Transport Equipment and Allied Industries Workers of Malaysia.

Meanwhile, Kah Motor Singapore enhances its responsibility towards employee welfare by continuously abiding by the Tripartite Guidelines on Fair Employment Practices as set forth by the Tripartite Alliance for Fair & Progressive Employment Practices (TAFEP).

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 has implemented special policies to support age diversity within its workforce. The newly established practice offers re-employment options for competent workers reaching retirement age who wish to continue working.



Key Employment Practices at Armstrong Auto Parts

In their efforts to build a more diverse workforce with a greater proportion of female employees, one of the subsidiaries under our automotive segment, Armstrong Auto Parts, has undertaken various initiatives to provide extended benefits to women in their team. These include:

- Dedicated parking bays for woman who are pregnant
- A special nursing facility for new mothers to nurse with privacy

Plastic Products

Within the plastic segment, our approach towards our business conduct and initiatives are guided by an overarching Code of Ethics. This framework provides a strong foundation to shape the way we conduct ourselves as a responsible business and how our workforce remains motivated in providing their value into our operations. The Code of Ethics, which the employees are required to officially acknowledge and observe, promotes an equal structure for recruitment, performance appraisal, remuneration and other practices related to employment within the segment. This overall measure is to ascertain that our conduct is devoid of any form of discrimination and prioritises education, merit, fitness and experience without bias.

By keeping out discriminatory behaviour and welcoming a diversified workforce, the segment is able to create the

ideal structure for a contented working environment. Further efforts are undertaken to ensure a culture of enthusiasm and positivity, including a strong focus on training, as this particular segment is constantly evolving in terms of technology advancement and manufacturing procedures. Training programmes, which encompass technical modules and soft skills training, are identified and delivered to our employees on an on-going basis so that they are empowered to perform their jobs well and are placed on a path towards career advancement.

Within this segment, we also promote an open workspace culture that is designed to enhance communication and collaboration between employees and management in order to ensure that relevant and constructive feedbacks are always acknowledged and addressed. This is further supported by a robust grievance mechanism, whereby formal grievances will be attended to and rectified, where possible, within a grace period of 20 working days.

EMPLOYMENT (cont'd)

Hotels and Resorts

In recognising employees as the segment's most important stakeholders who are responsible for upholding the highest standards of hospitality services, we pay exceptional attention towards implementing effective employment practices. This segment therefore has adopted its policies that are congruent with the key principles outlined in our overarching Group policy and guidelines. Compliance to local and national laws and regulations are consistently monitored and addressed by the segment, which ensures that applicable guidelines are equally reflected and, if necessary, updated within our internal policies and employment contracts.

Training and upskilling opportunities are given particular consideration within this segment, as the Group acknowledges that a workforce comprised of skilled, competent and inspired employees will establish the ideal foundation to provide superior hospitality experiences to our guests. Fair and consistent processes in executing training programs are undertaken at all levels of employment, from staff induction programs to leadership enhancement modules.

The Human Resource Department maintains the latest statistics with regards to industry wages and performs annual reviews of staff salaries against market rates along with additional reviews when new staff members are recruited. In supporting this, evaluations are carried out by General Manager(s) on such areas.

Besides, regular engagement with our talent pool is made a priority and executed via internal communication channels. Through appropriate channels utilised to enable performance appraisal reviews and employee satisfaction surveys, feedbacks gained are applied to better distribute and assign resources and where they are most needed. Other than that, our structured grievances procedures also allow a coherent and safe means of communicating issues that may be sensitive and in need of independent resolutions.

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

Two of OHB's subsidiaries under the hotels and resorts segment, namely KA and KNZ, have adopted an especially comprehensive range of policies designed to safeguard employee wellbeing while providing opportunities for their personal growth and career prospects. These include:

- A strong commitment against bullying, discrimination or harassment
- An "open-door" philosophy and equal employment opportunities
- Disciplinary and grievance management
- Health and safety prioritisation
- Employee Assistance Program with mental health workshops to support emotional wellbeing
- Internal one-on-one and group discussions with the Human Resource team and General Manager at the dawn of the COVID-19 outbreak

Plantation

With our plantation segment representing the most labour intensive of the Group's business activities, careful consideration is taken to provide a safe and healthy working environment for employees. Over the years, stringent and relevant SOP have been clearly established that underscore the Group's commitment to protect employee's human rights and ensure a sustainable working environment. This includes:

- Anti-child or forced labour testaments,
- Upholding of workplace health and safety standards,
- Provision of equal employment opportunities for employees,
- Establishment of additional benefits to accommodate female workers (i.e. not assigning night shifts to women and safeguarding pregnant women from working in potentially hazardous environments),
- Setup of a whistleblowing channel,
- Measures for prevention of sexual harassment, and amongst others.

EMPLOYMENT (cont'd)

In the governance of said SOP, Heads of Department and Sustainability Officers are designated to monitor each working environment and are empowered with the authority to administrate evaluations and undertake prompt decisions to alleviate issues or disputes that may arise. Frequent internal and external audits are also undertaken to identify lapses, discover weaknesses and highlight improvements that can be made to our existing measures. In FY2020, no significant issues or cases were identified or reported.

The segment has also extended certain benefits provided to our foreign labour workforce which include the extension of insurance coverage outside working hours. Leave entitlement within this segment, including the provision of parental leave, is in accordance with the parameters of the Group policy and unanimously defined by each subsidiary.



Key Employment Practices in OHB's Plantation Segment

Several industry specific policies are enforced within OHB's Plantation segment to ensure employment fair practices, especially with regards to labourers. These include:

- **Ethical conduct of and monitoring over recruitment of workers for our upstream operations**
This helps to guarantee that members of our workforce are not implicated in situations whereby their wages, identification cards, travel documents and other personal belongings could be illegally withheld without their consent.
- **Ensuring no child or forced labour practices**
We rigorously perform registration checks and assessments on the new recruits to prevent any incidences of child or forced labour practices within our segment.
- **Regular training to enhance knowledge and awareness of exploitative practices**
Trainings are consistently provided for workers in order to develop their competencies and imprint the awareness to notice signs of exploitative employment practices. The frequent training sessions, which are conducted through workshops and on-the-job coaching, include topics such as workers' rights, human trafficking, forced labour and inhumane working conditions.
- **Listening to and addressing worker concerns**
These training programmes also provide workers with the knowledge and skills to initiate the necessary course of action when areas which require improvements or rectifications are identified.

Investment Properties and Trading of Building Material Products

Guided by Group level philosophies, this segment similarly appreciates the significant contributions of employees towards achieving excellence in our operations. This has led us in seeking to empower them towards providing quality products and services that are delivered in a timely fashion and to the utmost satisfaction of our customers.

The segment therefore endeavours to create workplace environments that encourage diversity and inclusivity of employees regardless of age, gender, ethnicities, religions and backgrounds. In pursuit of our objectives, relevant policies and initiatives have been implemented while ensuring consistent compliance with local employment laws and regulations. Furthermore, specific guidelines have been separately identified for staff members and workers, with regulations for the latter group being guided by our Collective Agreements with relevant union bodies. These are clearly outlined within our Employee Handbook and are further stipulated in the terms and conditions of employment printed on Offer Letters and Employment Contracts.

EMPLOYMENT (cont'd)

To ensure compliance and sustainable consistency in performance, annual appraisals are conducted by respective Heads of Department along with external audits, conducted annually or twice yearly.

This segment lays claim to an especially robust grievance procedure that is crafted to encourage the reporting of pertinent issues with full identity protection and to enable the execution of necessary action by department and subsidiary heads. This open approach towards receiving feedback empowers this segment in identifying insights and pre-emptively resolving matters that perhaps may not have been brought to their attention in different circumstances. Likewise, this thoughtful grievance process further enables the building of strong and sustainable relationships with trade unions relevant to the industry.

Healthcare

Our healthcare segment provides a valuable service not only to our external stakeholders but also to the community at large. We are thus mindful of the need to implement policies that recognise the efforts of our employees while providing them with comprehensive resources and robust training on latest practices and procedures. This empowers them to provide the best quality of care and service to customers and thus, supports our sustainability and success within this segment.

Safety and health of employees remains a key priority within this segment as working environments and workplace conditions are constantly monitored to ensure compliance with the Occupational Safety and Health Act (OSHA) recommended practice standards. For each new safety and health requirement issued, the segment will establish or update existing operating procedures, before effectively communicating the relevant changes to employees via trainings in a timely manner. Keeping such lines of communication open with employees was exceptionally crucial during FY2020 as our teams worked tirelessly to consistently stay abreast of the latest COVID-19 developments and regulations.

The segment also strives to maintain a fair and consistent process in all aspects of employment operations and the employment agreements are updated to reflect the stipulations of the latest local employment law guidelines. With that, we are also especially focused at ensuring the welfare of our employees by providing first-rate medical benefits in appreciation of our employees' service, including free influenza vaccinations, annual lipid profile check-ups and a yearly entitlement and discount on outpatient and inpatient bills for themselves or their family members.

Our Performance

OHB strongly believes in showcasing a high level of appreciation towards our employees by creating an inclusive and diverse environment, providing attractive rewards and remuneration that instil loyalty and equal opportunities for career and personal growth. Our holistic approach aims to strike an ideal balance between ensuring employee welfare and sustaining the success of our businesses.

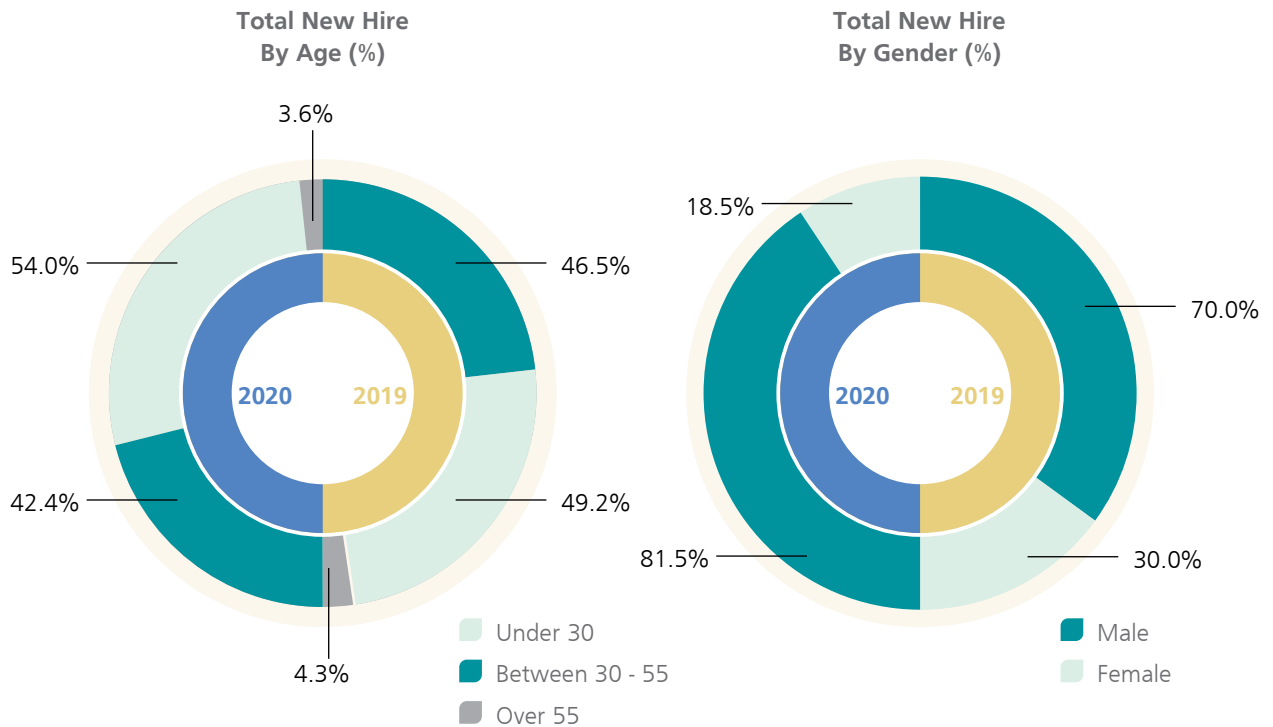
For this reporting year, we have made strides towards upholding the welfare and well-being of our employees as we together confront and overcome the challenges brought about by the COVID-19 pandemic. Our key performance indicators, which will be visually presented in the following pages, continue to appraise our accomplishments within the realms of workplace diversity and employee retention.

EMPLOYMENT (cont'd)

Our Performance (cont'd)

In addition to our aforesaid disclosures, the following charts illustrate the total number of new hires and employee turnovers between 2020 and 2019.

Total of OHB's New Hires



Breakdown of Total New Hires by Age (Number)

Segment Age	Automotive and Related Products		Plastic Products		Hotels and Resorts		Plantation		Investment Holding		Investment Properties & Trading of Building Material Products		Healthcare	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Under 30 years old	230	252	50	56	120	238	352	370	0	0	7	7	51	112
30 to 50 years old	57	137	16	31	91	193	415	530	0	0	18	28	39	60
Over 55 years old	2	49	0	1	13	18	37	8	0	0	0	5	3	10

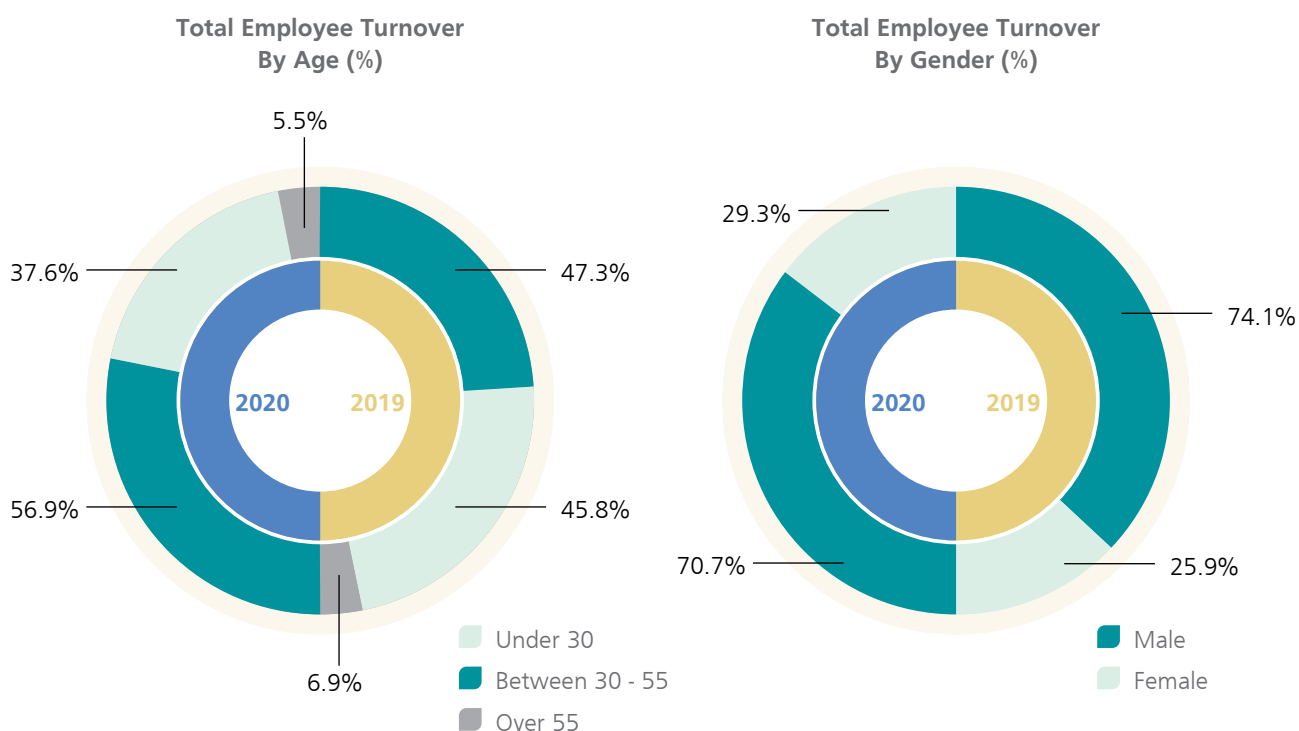
Breakdown of Total New Hires by Gender (Number)

Segment Gender	Automotive and Related Products		Plastic Products		Hotels and Resorts		Plantation		Investment Holding		Investment Properties & Trading of Building Material Products		Healthcare	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Male	229	305	49	61	117	217	779	819	0	0	25	35	24	37
Female	60	133	17	27	107	232	25	89	0	0	0	5	69	145

EMPLOYMENT (cont'd)

Our Performance (cont'd)

Total of OHB's Employee Turnover



Breakdown of Total Employee Turnover by Age (Number)

Segment Age	Automotive and Related Products		Plastic Products		Hotels and Resorts		Plantation		Investment Holding		Investment Properties & Trading of Building Material Products		Healthcare	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Under 30 years old	170	184	38	48	201	268	243	332	0	0	2	5	39	77
30 to 50 years old	99	107	54	37	234	202	625	516	0	0	15	17	23	67
Over 55 years old	15	43	6	8	47	28	22	40	0	0	4	12	7	7

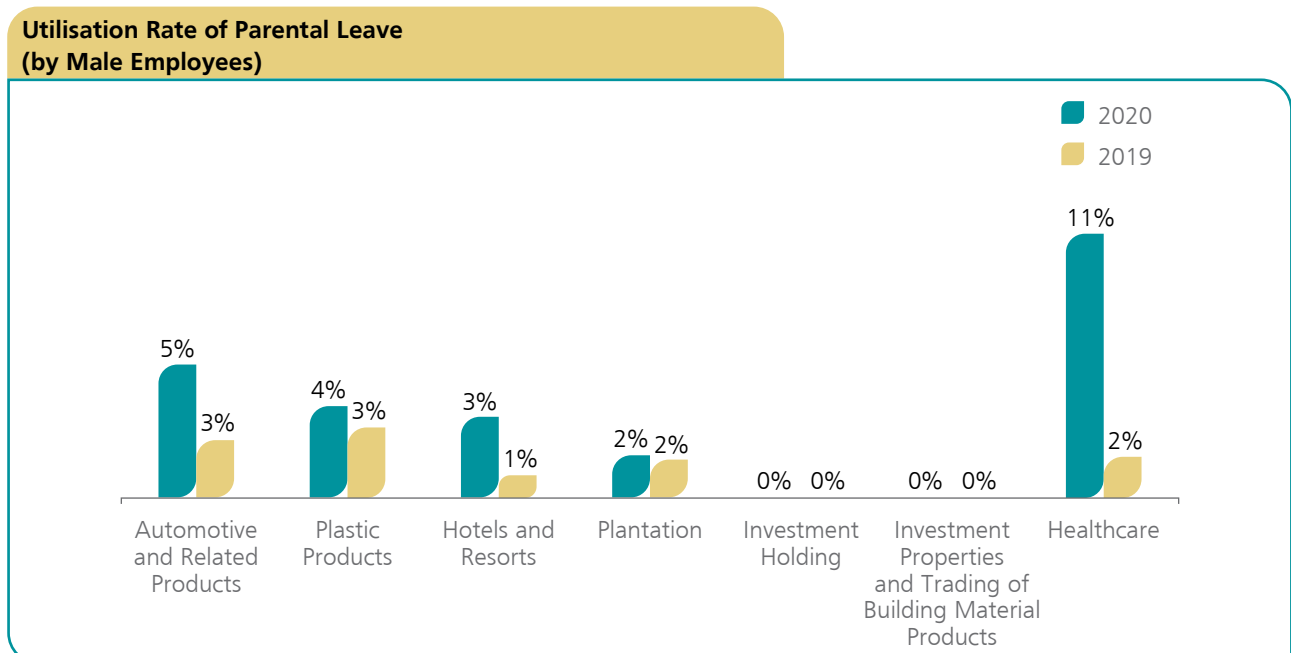
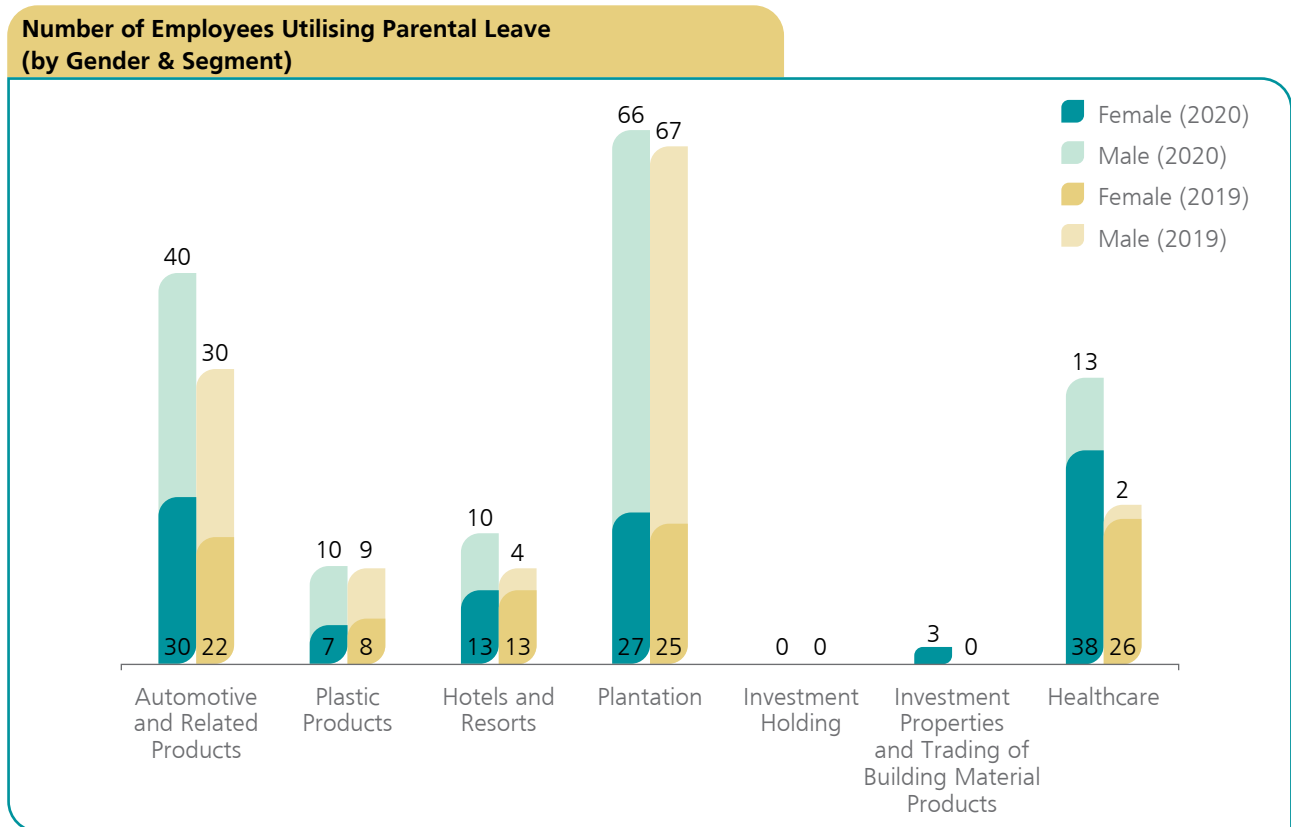
Breakdown of Total Employee Turnover by Gender (Number)

Segment Gender	Automotive and Related Products		Plastic Products		Hotels and Resorts		Plantation		Investment Holding		Investment Properties & Trading of Building Material Products		Healthcare	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Male	201	239	72	70	219	261	769	840	0	0	21	33	22	38
Female	83	95	26	23	263	237	121	48	0	0	0	1	47	113

EMPLOYMENT (cont'd)

Our Performance (cont'd)

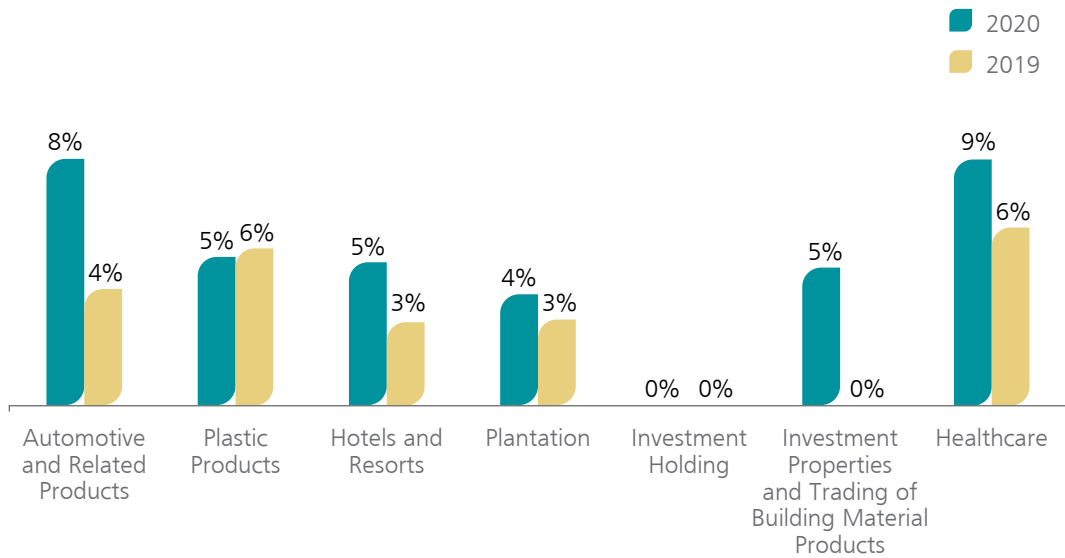
Furthermore, the following charts show a breakdown of our parental leave utilisation between our male and female employees throughout the year.



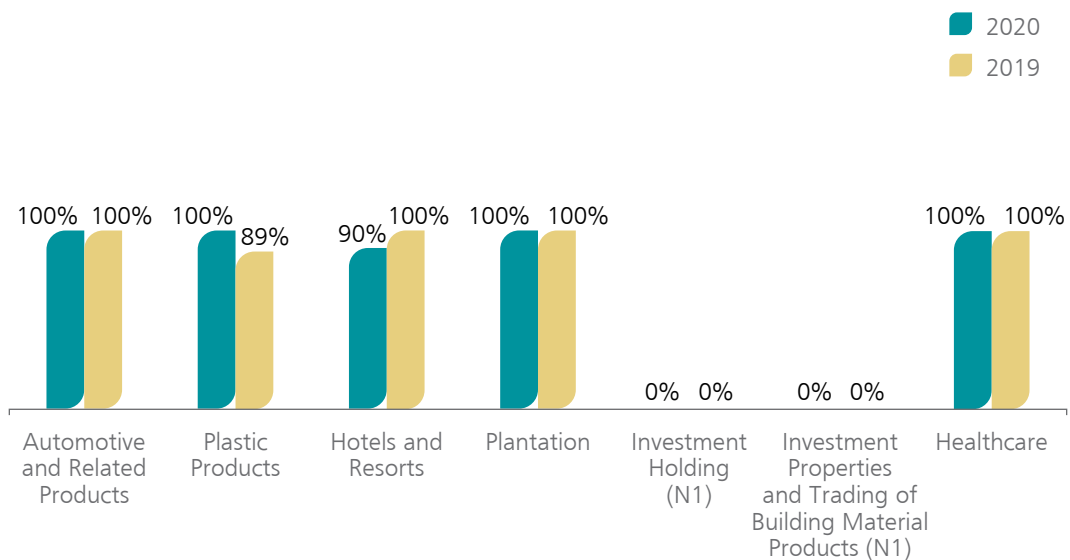
EMPLOYMENT (cont'd)

Our Performance (cont'd)

Utilisation Rate of Parental Leave (by Female Employees)



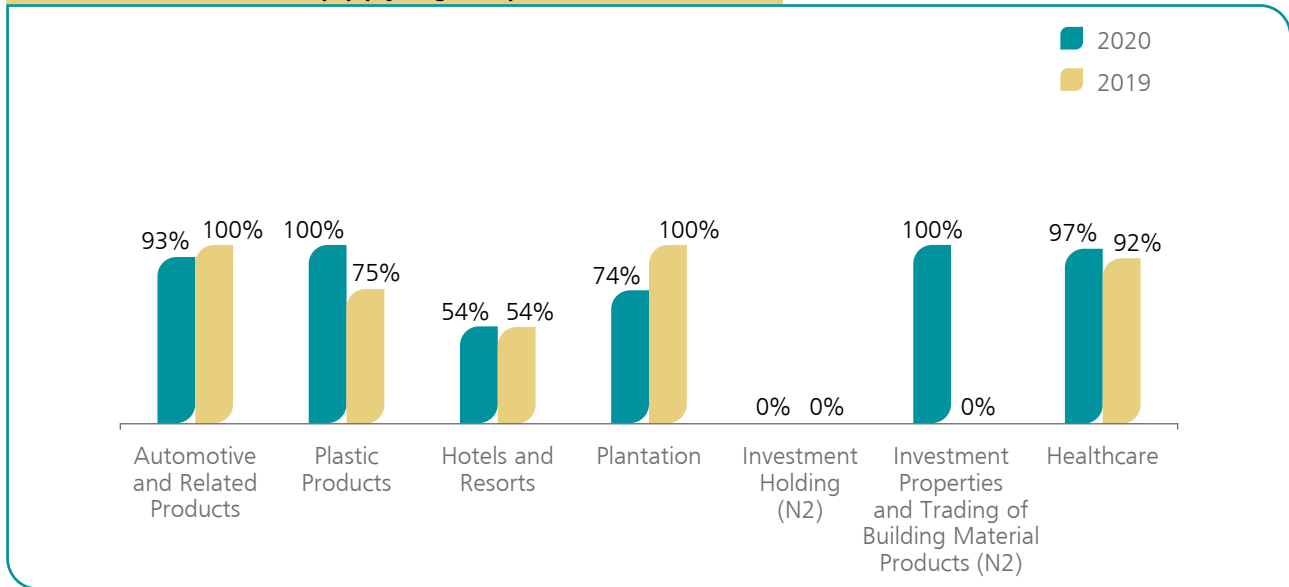
Return to Work Rate of Male Employees That Took Parental Leave (%) (by Segment)



N1: No male employees within the segment of Investment Holding and Investment Properties and Trading of Building Material Products utilised parental leave during FY2020 and FY2019.

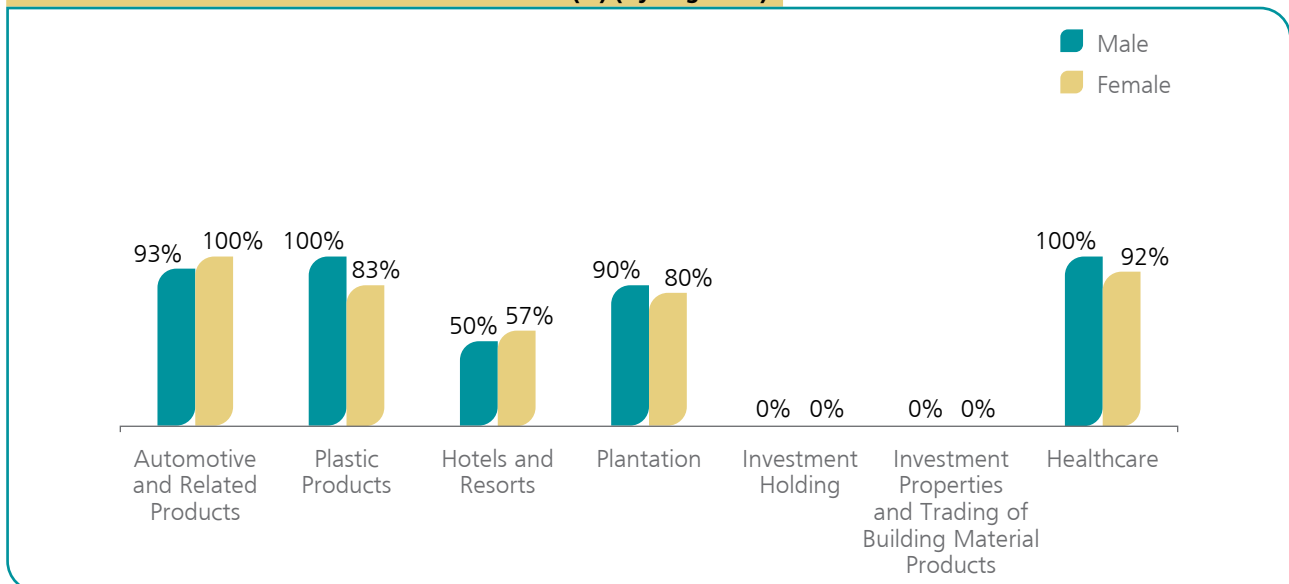
Our Performance (cont'd)

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



N2: No female employees within the segment of Investment Holding utilised leave during FY2020 and FY2019 while no female employees within the Investment Properties and Trading of Building Material Products utilised parental leave in FY2019.

Retention Rate of Employees That Were Still Employed 12 Months After Their Return to Work From Parental Leave (%) (by Segment)



The abovementioned retention rate analysis is performed based on the data of employees who have utilised parental leave within FY2019 and have stayed employed within the Group after a 12 months period upon their return to work. As for the business segment of investment holding and investment properties and trading of building material products, there was no employee that utilised their parental leave for FY2019, hence, no relevant information is available for the abovementioned representation.

OCCUPATIONAL HEALTH AND SAFETY

Why It Matters?

At OHB, our fervent belief that human resources comprise our most vital assets forms the foundation for our robust approach in protecting the safety and health of employees. We therefore employ thoughtful, comprehensive and attentive policies that safeguard not only the physical health of employees, but also their mental and emotional well-being.

Our mission across all business segments is to create a healthy and safe workplace where employees feel protected, supported and empowered to achieve their goals without undue concerns for their safety or well-being. In doing so, we are not only able to create a contented and motivated workforce but also position OHB as a desirable place to work. We are confident that through this thoughtful approach towards the OHS of our employees, we remain robustly poised to sustain our performance as a responsible organisation.

How We Approach It?

Automotive and Related Products

Within this segment, a comprehensive OHS policy has been put into place that meets regulatory standards set by the government and adheres to our ISO 45001:2018 certification. The policy regulates our efforts in safeguarding employees, customers, visitors and other relevant stakeholders against any unforeseen safety and health concerns while minimising the potential of any hazards arising from operations specific to the workplace and jobs assigned.

An EHS committee is formed to oversee and take appropriate action on any arisen safety and health issues and whenever any incidents or accidents occur. The EHS Committee is tasked with identifying the root cause and producing investigation reports that suggest counter measures to ensure such occurrences may be avoided in the future. To ensure an environment of continued enhancement, the segment also practices an open-door policy that encourages employees to provide feedback or raise issues that may be vital for the EHS committee's attention. The EHS committee will raise issues of such nature during the monthly Executive Committee meetings whenever necessary.

Several measures are taken to ensure our commitment to OHS, including but not limited to regular awareness training, documents authorisation, regular review and

audits. We have also inducted a broad scope of training initiatives across this segment that is aimed at both enhancing the skills, knowledge and responsibility of our employees as well as spearheading our objective of implementing a safe and secure working environment.

The pledge towards compliance and improvement is further bolstered by monthly internal audits to review and enrich our measures and policies. This is in addition to periodical audits by regulatory bodies such as the DOSH, DOE, BOMBA and several others.



OHS Training and Development at AAP

Specific safety and health related measures conducted in AAP:

- Ergonomic assessment
- Noise monitoring mapping
- Audiometric testing for operators

Plastic Products

In our efforts to provide a safe and healthy working environment to stakeholders involved in our segment, we have established policies based on OSHA requirements that are specially tailored to meet each individual subsidiary's requirements. We are committed to ensuring that our production process remain largely free from hazardous and harmful elements to meet our most discerning customer requirements, comply with regulations and ensure the sustainable operation of this segment.

A committee has been specially set up to constantly monitor, review and improve our current health and safety practices across the entities. In assisting the committee, the Head of the Maintenance Department is also tasked with overseeing OHS related matters and reports to the Human Resource Department and General Manager when necessary. Besides, employee feedback to improve our policies is actively gained through an informal process whereby daily operations meeting provide an opportunity for staff to voice out their concerns.

Safety in our manufacturing processes remain a top priority as well as we provide proper PPE, such as safety helmets, safety boots, welding shield helmets and face shields, to the employees as well as medical surveillance to those who require it. To ensure compliance and help achieve our target of zero workplace accidents, we regularly organise both internal and external training sessions on our established health and safety policies and procedures.

Hotels and Resorts

Our approach to OHS within this segment is necessarily guided by regulations in the jurisdictions where our properties are located. This has resulted in the implementation of a system that allows for customised OHS Policy Statements for each of the subsidiaries within this segment. These statements help us to ensure that our establishments stay compliant with the guidelines put forth by governing bodies in the area or country in which they operate. These statements are reviewed and updated periodically to reflect the latest requirements.

To reinforce compliance, Policy Statements are included in the Employee Handbook and are made known to employees during their onboarding process. Comprehensive training is also provided to employees, with topics ranging from general OHS policies and legal requirements to first aid, fire safety and precautionary measures, emergency evacuation, bomb threat preparedness, and among others.

Our commitment towards adopting and maintaining best practices is spearheaded by each department, who remain responsible for documenting best practices and using OHS checklists to monitor compliance. The subsidiary also forms an OHS Committee that holds monthly meetings and puts into place protocols to ensure the workplace incidents and injuries are followed up on and accurately reported to the headquarters. Employees may also raise issues and provide recommendations during Toolbox Meetings, which are conducted at least once a month.

In ensuring the sustainability of this segment, the subsidiary aims to sincerely maintain the highest standards of safety and achieve good or above average ratings during audits. External audits are conducted annually by the relevant safety and health authorities for each location.

Key initiatives undertaken by Hotels and Resorts segment during COVID-19 Pandemic:

- Created SOP and safety plan as per national and local government health guidelines
- Complied with social distancing rules and restrictions
- Enhanced cleaning protocols to ensure deep-cleaning of rooms, premises and facilities
- Provided hand sanitizer to staff and guests in common areas
- Constant communication of COVID-19 safety guidelines information to the guests and staff
- Used a COVID-safe electronic check-in method to collect patron and staff details
- Communicated with existing customers via newsletters and social media to keep them engaged and informed on the progress
- Maintained contact with major partners during this unprecedented time to preserve and enhance business relationships

Key initiative for PSH in FY2020

Park Suanplu Holdings employed a special "AscottCares" COVID-19 hygiene program with 9 areas of specific hygiene and safety implementations to curb the spread of the virus. This included:

- Wearing of gloves
- Providing hand sanitizers at the main areas of the property (gym, lobby, elevator, hallways)
- Staff members need to wear masks and gloves and in extenuating circumstances, complete protective gear
- Minimising touch points
- Promote cashless transactions
- Placing of plastic screens at the reception
- Conducting internal audits on implementation practices

OCCUPATIONAL HEALTH AND SAFETY (cont'd)

Plantation

Within our plantation segment, the highest standards of health and safety are upheld via a comprehensive OHS Policy shared between the subsidiaries and put into place at the operating centres. Safety and Health officers and committees are responsible in ensuring compliance towards regulatory requirements and that the best standards and practices are adopted across the segment.

In conjunction with regulations set by the local authorities, the respective operating centres have conducted the HIRARC assessment, with the risks having been identified and managed accordingly. This HIRARC report is submitted to the relevant authorities for review on an annual basis.

Any incidents or 'near misses' that occur, which may indicate a potential health or safety risk, are handled in a thorough and transparent manner by the respective officers and committees. Following careful investigation, corrective and preventive actions are planned, developed and implemented while an investigation report is made available. Grievances on issues pertaining to health and safety are handled internally by each operating centre, with SOP having put into place for the lodging of complaints and being made available in each location.

OHS SOP across the segment continue to be reviewed and revised regularly as and when local regulations are updated. For the operating centres, internal and external audits will be conducted as required to ensure compliance and excellence in our operation.



Safety and Health Plan by Plantation Segment

A comprehensive Safety and Health Plan is established at the operating centre, featuring the following key initiatives:

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

Investment Properties and Trading of Building Materials

This segment places great emphasis on continuously improving workplace safety and health, eliminating hazards and protecting our workers. Leading this, the segment empowers the subsidiaries with customised OHS policies and protocols that are tailor made to meet their relevant operating needs and ensure compliance with regulatory requirements such as the CIDB of Malaysia, National Ready Mixed Concrete Association of Malaysia and other local authorities.

Each leading subsidiary has a robust health and safety management structure that includes health and safety committee alongside officers responsible to oversee the entity's performance and conduct in managing health and safety. As for others, they are constantly evolving their practices under the purview of the Board of Directors while the Human Resource Department provides the necessary support and guidance in the development of their health and safety measures. Furthermore, ISO certified internal and external audits have also been introduced by some subsidiaries to closely monitor the management of OHS issues.

To help achieve our goal of zero accidents, on-the-job training is frequently provided to employees, as well as regular safety inspections of equipment, vehicles, fixtures and fittings are conducted. Budgets are accordingly designated to undertake upgrades and maintenance works for any issues that emerge during inspection protocols. During FY2020, we further conducted ad-hoc training to address issues pertaining to the pandemic, including COVID-19 briefings during the lockdown periods, essential SOP compliance and the expected impact to our operations.

Healthcare

Our healthcare segment lays claim to a truly comprehensive Safety, Health and Environment Policy that recognises the distinct needs and requirements of the healthcare industry. Our wide-ranging set of guidelines and procedures is designed to mitigate and prevent any potential OHS hazards, including specific protocols for chemical safety, waste management, vector and pest control, emergency codes and disaster management.

OCCUPATIONAL HEALTH AND SAFETY (cont'd)

Within our establishments, Safety and Health officers and committees are tasked with overseeing the matters pertaining to health and safety along with ensuring the key practices are effectively implemented. Key performance indicators ascertained, such as the number of new hires attending safety trainings and the number of hazards identified and controlled are reviewed quarterly to evaluate performance levels.

Our speedy and effective response to health and safety emergencies is bolstered by the use of emergency colour codes to indicate the nature and severity of incidents. At the same time, the employees and vendors are required to undergo a safety briefing that includes information on evacuation routes and fire safety protocols. To this end, safety drills for Code Red (fire emergency) and Code Orange (emergency evacuation) are regularly conducted. A Noise Monitoring and Chemical Health Risk Assessment (CHRA) was also conducted during the year in compliance with the OHS 1994 and Factories and Machineries Act 1967.



In responding to the COVID-19 pandemic, the following additional measures were undertaken to enhance the health and safety of our people:

- A flu-tent to provide isolated COVID-19 screening
- MySejahtera scanning, temperature measurement devices and declaration forms for relevant personnel
- Separate route for entering and exiting
- Mandatory masks wearing for all staff and visitors
- Full PPE for frontline and clinical staff at Emergency Department

Our Performance

OHB takes a serious and concerted approach towards enhancing health and safety across the business segments. Every effort is taken to learn from both our own experiences as well as the experiences of others to inform a culture of continuous improvement. Events such as the COVID-19 pandemic may have brought us grief and caused inconvenience, but it has also raised awareness on many aspects of health and safety that we can now apply to our future actions and operations.

OHB's Occupational Health and Safety Performance 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	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Total number of fatalities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total number of injuries	12	15	4	1	19	41	123	349	0	0	7	7	5	5	170	418
* Total number of occupational disease cases	2	1	1	0	0	0	19	28	0	0	0	0	0	0	22	29
* Total number of incidents resulting in lost workdays (N3)	14	15	4	1	8	12	129	323	0	0	7	7	53	1	215	359
* Total number of missed (absentee) days (N4)	5,042	2,458	2,268	4,073	4,989	3,397	33,228	13,831	65	85	2,458	2,377	1,445	83	49,495	26,304

N3: Total number of incidents which resulted in lost workdays included incidents which did not caused any injuries or occupational disease cases, such as mandatory quarantine period observed by the employees during the year.

N4: Total number of missed (absentee) days included the non-operational period of our entities due to various COVID-19 lockdown period as enforced by the local authorities in the regions where the Group has its operations.

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

Looking ahead, we aim to continue improving on our health and safety initiatives while ensuring the stakeholders are well-kept by our policies and procedures.

TRAINING AND EDUCATION

Why It Matters?

It has been in OHB's belief that training and development of our human resources is of critical importance to business sustainability and growth from two key standpoints. Firstly, an ever-improving workforce is able to achieve incrementally better standards in product development and service delivery, leading to a satisfied and loyal customer base. Secondly, by providing our workforce with resources for professional development, we increase job satisfaction and add value to their time with OHB, resulting in a higher staff retention rate which in turn leads to the stable growth of economic performance of the Group over time. Hence, our overall approach is simple: in order to achieve the aforesaid, we aim to develop and empower our employees via key development opportunities and innovative learning solutions.

How We Approach It?

While the training that our staff undertake varies greatly by business segment, our subsidiaries share a common approach that emphasises building competencies in relation to local rules and regulations, and ensuring that staff have relevant skills and qualifications pertaining to their job requirements and evolving industry trends. Beyond these requirements, training and education falls under the purview of segment or subsidiary-level Human Resource Departments, who operate with a strong degree of autonomy from the Group in order to facilitate customised training programmes catered to the unique demands of their segment and industry.

Automotive and Related Products

With reference to local regulations and requirements, training and development initiatives in this segment are overseen by the relevant Human Resource Department and individual Heads of Department, with specific trainings identified based on the requirements of each employee's job scope.

While the training courses identified depend on availability and approach at the subsidiary level, a strong emphasis is placed on sales and service skills, product familiarisation and technical training. These soft skills are crucial to developing rapport with customers, driving conversion and retaining customers in the long term, and are thus central to the sustainability of our operations in this segment.

In order to facilitate continuous improvement in the effectiveness of trainings offered, feedback is collected from employees after each training session while an open-door policy allows staff to provide specific and direct feedback to their management or departmental head. These channels of feedback and communication facilitate regular meetings involving members of the Human Resource Department, where the effectiveness and relevance of training programmes offered are thoroughly assessed.

Plastic Products

Long-term employee development is critical to our success in the plastic products segment. To align internal investment to this requirement, a Human Resource KPI in the segment has been established, governing training and development programmes among other key areas. As part of these KPIs, the employees in the segment are required to undergo both internal and external training programmes.

Identifying appropriate programmes and assigning them to employees is the responsibility of each subsidiary's Human Resource Department and relevant Heads of Department. Human Resource Development Funds (HRDF) are utilised wherever appropriate, while a process of post-training analysis through evaluation forms enables participants to provide detailed feedback which in turn aids improvements in training needs identification and training allocation.

As the plastic industry continues to evolve through the advent of modern production technologies and methods, our fastidious approach to training in this segment will allow us to remain innovative and competitive in the long term.

Hotels and Resorts

Service quality is mission-critical to success in the hospitality industry, and the trainings that our subsidiaries offer reflect this importance, thereby accelerating improvements in guest and staff satisfaction in parallel.

As each of our hotels and resorts operate within unique markets and serve specific guest demographics, a tailored approach to training is necessary. Our subsidiaries are therefore empowered to formulate their own training and development policies, with Human Resource Departments in charge of identifying training goals at the departmental and employee level, aided by detailed Training Needs Assessments carried out by Heads of Department.

TRAINING AND EDUCATION (cont'd)

Members of Senior Management, including the General Manager of each property, are responsible for approving the funds allocated for training, which may include cross training, on-the-job training, mentorship, coaching and the attainment of specific qualifications. They then work in tandem with their Human Resource Department to optimise their training plans over time, with post-training evaluations carried out through question and answer (Q & A) sessions providing an insight into employee feedback. This feedback is then cross-referenced against retention rates and customer satisfaction data to generate a full picture of where the training has had the highest level of effectiveness. Ultimately, these insights allow for the training approach of each subsidiary and property to be reviewed on an annual basis, in line with training and development requirements at the segmental level.

Plantation

Due to the great physical demands placed on workers and a heavy reliance on industrial equipment, training in the plantation segment focuses heavily on fulfilling stringent OHS requirements which are necessary to carrying out work in a safe and conducive manner. Accordingly, new employees are required to undergo a predetermined and thorough training programme that addresses these vital areas and are only permitted to start work after passing an evaluation process that is overseen by the employee's immediate superior. Meanwhile, a similarly exhaustive and all-encompassing approach to training is adopted for longer-serving employees, with Training Needs Assessments carried out annually based on the competency level of the employee in question and leading to the assignment of customised yearly training programmes.

A common element in employees' training programmes are modules related to safety and health, environmental protection and other sustainability-related topics. Aside from the previously discussed importance of safety, this reflects the crucial role that training plays in managing the fragile ecosystems in which our plantations generate value. Furthermore, training programmes are also geared to ensuring that the regulations stated in the RSPO, MSPO and ISPO standards are rigorously adhered to.

Funds for training are allocated as part of annual budgets, while relevant Human Resource Department share responsibility for oversight of the elements involved in training and development. Annual internal and external audits at the subsidiary level further enforce a culture of continual assessment and improvement.

Investment Properties and Trading of Building Material Products

Training in this segment is geared towards developing skills that enable the optimal upkeep of product quality and a steady increase in the cost per sale of products.

As in our other segments, Human Resource Department and Heads of Department are responsible for identifying training needs and submitting training plans for each employee, as well as sourcing relevant training programmes based on the requirements identified. The effectiveness of training programmes is measured by both quantitative and qualitative measures - quantitatively through the attainment of set goals and KPIs by employees, and qualitatively by way of evaluating the development of soft skills which are also important in our operations.

In the interest of continually improving our training programmes to meet changing industry trends and requirements, internal audits are regularly conducted at segmental level for each subsidiary's practices in managing training and development.

Healthcare

The medical industry moves fast, with technological developments requiring the adoption of specialised technical skills in order to maximise the effectiveness of our services. With our presence in this segment encompassing medical service facilities and a medical education centre, training has thus assumed great importance in our strategy as a means to develop our human capital and ensure our competitiveness in the marketplace.

Firm steps have been taken to ensure continuous professional development for the staff. A 5 year staff development programme is developed for the employees, and nursing staff are required to undertake a minimum of 25 hours of training per calendar year in order to obtain their yearly license. Non-nursing staff are also encouraged to attend a minimum of 10 training hours per calendar year, while on-the-job training programmes which were instituted since FY2018, represent an important avenue for individualised training.

A dedicated Training Committee within the healthcare segment oversees the training and development initiatives in collaboration with relevant Human Resource Departments and Nursing Education Department. They are responsible for budgeting, procuring relevant training programmes including HRDF certified courses, and reviewing the effectiveness of training through feedback forms.

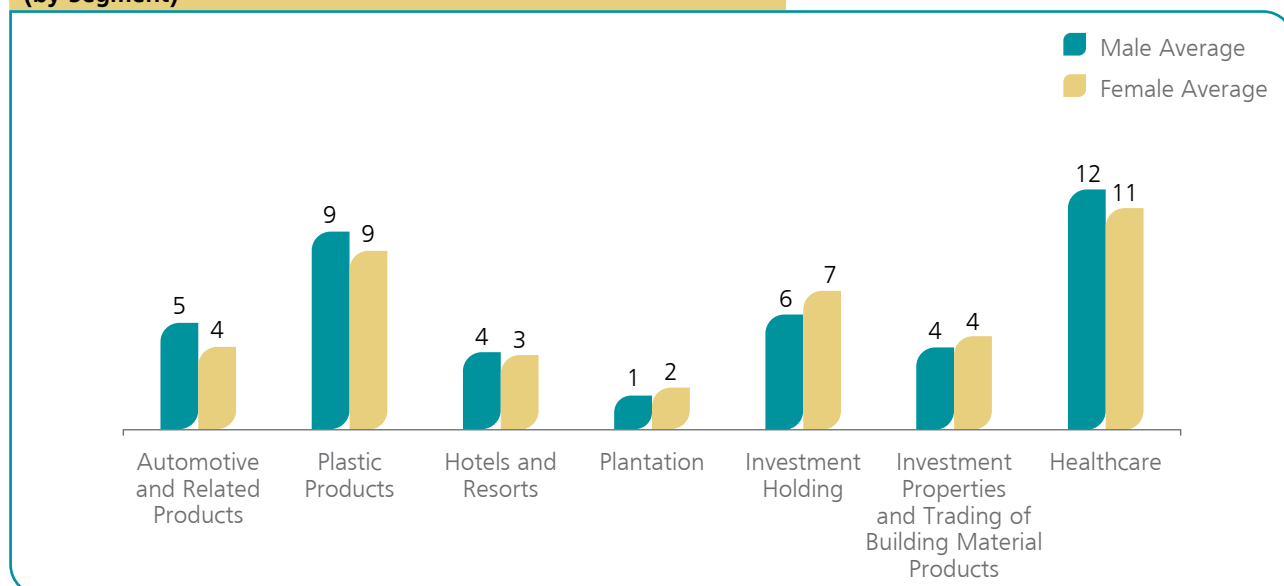
TRAINING AND EDUCATION (cont'd)

Our Performance

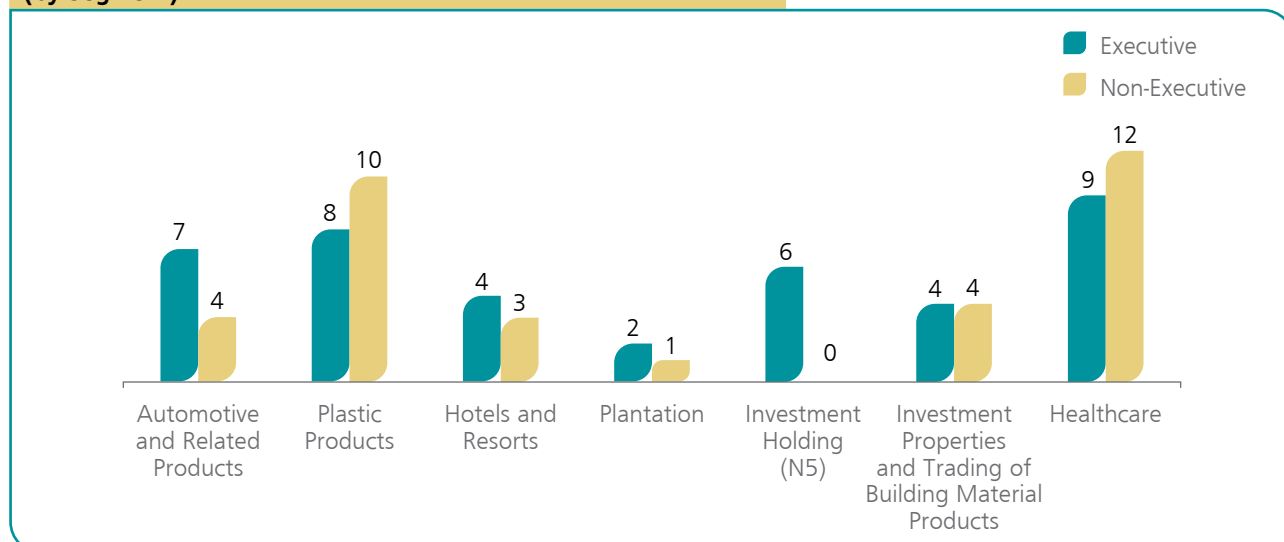
Employees across our global operations are entitled to training programmes that are developed to better equip them to carry out their daily duties. Despite the challenges we faced from the ongoing COVID-19 pandemic during FY2020, the Group remain cautious and determined to constantly seek and provide our employees with adequate opportunities for training and development. Besides, this circumstance has also led us to adopting and participating in virtual platforms, i.e., through webinar session, for the conduct of training and education programmes. Due to the different nature of business and industry trends, it is found that training hours and topics vary across different segments. Nevertheless, our employees are given equal opportunities to receive training to further enhance their career development and to propel the Group's economic growth.

As for this year, we have re-designated training and education as a high priority sustainability matter, our performance on this will be tracked and benchmarked on an annual basis, moving forward.

Average Training Hours Per Employee Gender (by Segment)



Average Training Hours Per Employee Category (by Segment)



N5: Trainings were participated during the reporting period by employees from the executive category.

NON-DISCRIMINATION

Why It Matters?

As a people-oriented company, we understand and appreciate the inextricable link between human potential and operational outcomes. Across the many countries where we are present and over the decades since our founding, our role has been to provide our talent with the environment they need to fulfil their potential, and this starts with maintaining workplaces that promote diversity and inclusion, uphold equality of opportunity, and devoid of discrimination at all levels.

Ultimately, by providing a fair playing field to everyone irrespective of race, colour, religion, national origin, gender, age, ancestry, sexual orientation, political and social affiliation, we inculcate the notion that an employee's skills and knowledge are the only determinants of career advancement. Furthermore, we firmly believe that this principle of equality is central to maintaining our commercial success, ensuring business continuity through talent retention, and maximising the positive social and environmental outcomes we generate.

How We Approach It?

In seeking to ingrain a stringently fair company culture across our diverse business segments, we understood the need to adopt an overarching framework that embodies relevant and impactful approaches at the Group level. With our Group-wide Code of Ethics and Sustainability Policy, Human Resource Departments within each of our business segment have a strong reference point that allow for recruitment, training and career advancement processes to be benchmarked against industry and international best practices. This feeds an iterative process that facilitates continual assessment of and improvement in our practices with regard to non-discrimination.

Automotive and Related Products

With the aim of going beyond statutory compliance and being recognised as an employer of choice, the automotive and related products segment strives to achieve zero cases of discrimination and has implemented thorough non-discrimination practices in its workplaces to do so.

At the crux of the segment's strategy is the adoption of a merit-based approach in recognising the contributions of employees and providing opportunities and incentives. Adopting this approach means that the most deserving potential and current employees are rewarded accordingly

regardless of background, thereby promoting workforce morale and a sense of empowerment among employee. This approach is strengthened by well-established human resource processes that promote transparency and openness in dealings involving employees. With that, it includes annual performance reviews of the employees and the use of approval matrices to guide standardised recruitment processes across the subsidiaries, where management and Heads of Department oversee the whole process.

A commitment to fair employment practices in this sector is further strengthened by the establishment of collective bargaining agreements with automotive industry-related unions. This ensures that employees have an industry-wide platform to advocate for employment practices they believe should be adopted or highlight any potential case of discrimination in the workplace. Moreover, an open-door policy encourages employees to reach out to their immediate superior if they have any issues to discuss, or speak to the Human Resource Department or their Heads of Department should the issue concern their immediate superior.

Complementary policies implemented include measures such as making exit interviews mandatory for all departing staff, and the systematic monitoring and analysis of turnover levels to identify trends and highlight any potential areas of concern. As for the manufacturing entities within this segment, there has also been an introduction of an Employee Suggestion Scheme which is open to staff at all levels. Lastly, comprehensive grievance mechanisms are designed to ensure that any isolated incidents of discrimination do not fall through the cracks.



Non-discrimination Practices at AAP

At AAP, a well-established grievance mechanism ensures that grievances are addressed promptly or otherwise directed to a more senior level as deemed appropriate.

Employees can first report their grievances to their immediate superiors or Heads of Department. If the issue remains unresolved within a certain timeframe, it will then be escalated up the hierarchy to the Human Resource Department and the top management for any further action. Where necessary, the issue may also be escalated to the authority, i.e., the Ministry of Human Resources, if an internal resolution is not successfully achieved.

NON-DISCRIMINATION (cont'd)



Non-discrimination Practices at Kah Motor Malaysia and Singapore

Furthering its commitment to maintaining progressive and conducive working environments, Kah Motor Malaysia signed a collective bargaining agreement with the National Union of Transport Equipment and Allied Industries Workers of Malaysia in 2018.

In aligning itself with international best practices in employment, Kah Motor Singapore also became one of 3,000 organisations to join the TAFEP, pledging to adopt the Tripartite Standards. The Tripartite Standards, a set of good employment practices identified by the Workplace Safety and Health Council in Singapore, provides recognised standards covering many aspects of fair employment including recruitment practices, work arrangements, grievance mechanisms, age management and more.

Plastic Products

In recognising freedom from discrimination as one of the key determinants of employee satisfaction and productivity, the plastic products segment adheres to the Group's relevant requirements on fair employment practices. It also allows the segment to provide a range of training and career advancement opportunities which are disbursed and allocated to the employees via merit-based evaluation tools. The segment is governed by a diverse management team, while any grievances are channelled to the relevant Human Resource Department for appropriate action to be taken. Facilitating the fair employment process, a dedicated budget continues to be allocated for trainings, allowing employees at all levels to avail themselves of processes and skills aligned with industry best practices.

Hotels and Resorts

Our embrace of non-discriminatory practices across our hotels and resorts properties are a natural reflection of our hospitality culture, i.e., one which prioritises listening, understanding and optimising the human experience.

We're proud of our multicultural workforce in this segment of our operations, where people from a wide variety of backgrounds are ensured a supportive and fair working environment, with a zero-tolerance policy for the direct and indirect forms of discrimination. Our work in this sector has also shown the great benefits that arise from having a diversity of opinions and perspectives, with our Human Resource Department consistently finding creative ways to incorporate the input and feedback of our staff into the experience that we provide our guests.

Going beyond the basic requirement of providing a harmonious, safe and fair working environment, we see staff morale as a vital component of a successful and sustainable hospitality operation. In achieving high morale levels, monthly staff appreciation events shine the spotlight on high-performing staff members, while orientation and townhall sessions encourage the development of personal linkages between employees in different departments.

Employees are also united by standardised grievance mechanisms that allow any and the behaviour which could be deemed as discriminatory to be reported and investigated. Grievances are directed to the relevant management including the immediate supervisor of the employee lodging the grievance, his or her Heads of Department, the relevant Human Resource Department and top management. Stipulated timeframes govern the subsequent investigation, ensuring that the issues are investigated correctly and adequately while respecting the need for discretion throughout the process.



Non-discrimination Practices at PSH

At PSH, four key values - **Integrity**, **Respect**, a **Winning Mindset** and being **Enterprising** - have guided the creation of extensive equal opportunity policies that go far beyond industry standards.

These initiatives start with a whistleblowing policy that allows the staff to report discriminatory practices anonymously and securely for the necessary attention and action. Besides, PSH has also established the HR Cares programme whereby a HR Director visits the properties on a quarterly basis to conduct engagement sessions with employees as a means for getting feedbacks on any matters relevant to the employees. These channels of communication help in harnessing innovative ideas that can enhance staff morale while improving the quality of the product or service offered to customers.

NON-DISCRIMINATION (cont'd)

Plantation

The plantation industry as a whole has historically had a surplus of men to women, a legacy issue that needs to be addressed in order to ensure that women have the same opportunity to enter and succeed in the space as their male counterparts.

Aided by sustainability officers, our plantation segment continues to develop initiatives that safeguard equal treatment and pay while encouraging awareness of career opportunities in the industry amongst women. Much of its work involves identifying and mitigating against the invisible bias that has developed in the industry, which it achieves via stringent controls including detailed evaluation mechanisms that are applied to periodically review the employment practices at the subsidiaries within the segment.

Investment Properties and Trading of Building Material Products

The segment understands the impact that a healthy and conducive work environment has on its ability to meet its delivery targets, and continues to explore industry best practices with a view to adopting new and additional employment policies that fall in line with the Group's Code of Ethics. Presently, the segment complies with the relevant laws and regulations in the jurisdictions in which it is present, while measures have been developed to ensure that employees are free from exploitation, violence and other negative and potentially disruptive elements within their working environment.

Healthcare

Our healthcare professionals and support staff play a crucial role in delivering outcomes that improve lives and maximise the segment's reputational and financial value. In turn, the segment's ability to listen to, protect and serve its employees has a direct impact not only on the bottom line but as well in creating a diversified working culture. This has similarly been enshrined through established grievance procedures and employment practices that allow employee suggestions and complaints to be swiftly addressed and, if necessary, escalated. Grievance forms or emails are submitted directly to the Human Resource Department and, if unsolved, swiftly escalated to Senior Management. New employees are also given a full orientation of these grievance procedures to ensure that such advocacy is well-communicated from the beginning.

Our Performance

In line with our efforts to represent the highest standards in employment practices, we report the total number of incidents of discrimination at our subsidiaries on an annual basis. This year, we are proud to disclose that no incidents of discrimination has been reported. As we continue to strive for business excellence, we will do so while upholding non-discrimination and equality in our practices.



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