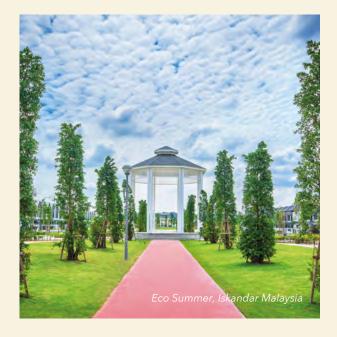


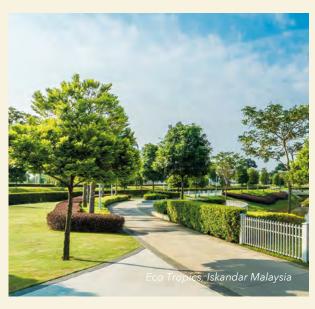


SUSTAINABILITY REPORT 2018

PROPELLING GROWTH THROUGH SUSTAINABLE DEVELOPMENT







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ECOWORLD INTERNSHIP PROGRAMME

ABOUT THIS REPORT

This report describes the efforts of EcoWorld Malaysia (or "the Group") towards realising its vision for sustainability and has been prepared based on the guiding principles of the Global Reporting Initiative ("GRI") Standards which came into force in July 2018. We acknowledge that we are transitioning from the GRI 4 Guidelines which were used for the preparation of our 2017 statement to the GRI Standards, and therefore have strived to comply with the requirements as best as possible.

SCOPE OF REPORTING

The scope of reporting extends from EcoWorld Malaysia's business operations as a Group which includes our headquarters in Setia Alam, Selangor to our projects across Malaysia for the reporting period 1 November 2017 to 31 October 2018 unless stated otherwise.

This includes our projects located in Penang (Eco North), within the Klang Valley (Eco Central) and Iskandar Malaysia in Johor (Eco South).

Eco North

- Eco Terraces
- Eco Meadows
- Eco Horizon
- Eco Sun
- Eco Macalister

Eco Central

- Eco Ardence
- Eco Grandeur
- Eco Sanctuary
- Eco Majestic
- Eco Sky
- Eco Forest
- Eco Business Park V
- Bukit Bintang City Centre (BBCC)

Eco South

- Eco Botanic
- Eco Spring
- Eco Summer
- Eco Tropics
- Eco Business Park I
- Eco Business Park II
- Eco Business Park III

Throughout this report, we have highlighted initiatives within our landmark projects that are most representative of the Group's approach towards sustainable development.

ANOTE FROM THE CEO'S DESK

I am proud to present EcoWorld Malaysia's 2018 Sustainability Report which builds upon our inaugural report in 2017. This year, we continue to show our commitment towards sustainability by developing and implementing sustainability initiatives across our business units. Regular engagement and communication with our stakeholders allow us to anticipate and respond to economic, social, environmental and regulatory changes when they arise.

The overall sustainability strategy at EcoWorld Malaysia is to create a self-contained living experience that does not compromise on the protection and conservation of the surrounding natural environment. We capitalise not only on our green designs but also ensure that our projects are located in areas with easy accessibility via linkages to main road networks. Our townships are built to support a fully functional community, with employment and business opportunities as well as educational and institutional facilities. We aspire to create an environment where people can live and work within the same area to reduce the need to travel far out to their workplaces leading to a decrease in traffic congestion and overall reduction in vehicular emissions.

To realise this, we attract Small and Medium Enterprises to establish their businesses within our projects by providing the support they need which includes commercial areas for them to open their businesses. We promote community building by encouraging our residents to participate in social activities by providing facilities such as parks, multipurpose halls and community spaces.

Our belief is that by aligning our development strategy with sustainability in mind, we as a Group will reap the benefits financially whilst building our reputation as a conscientious property developer.

DATO' CHANG KHIM WAH

Chairman of Sustainability Committee and Chief Executive Officer

DEFINING OUR COMMITMENT TO SUSTAINABILITY

Sustainability is an integral part of our business strategy, which is built on the three pillars of economy, environment and society. We place our customers and their interests at the heart of our business, and in developing a robust strategy for sustainable growth that appeals to our key stakeholders, we explore and identify opportunities that create shared value.

ECONOMY

SUSTAINING OUR ECONOMY

Delivering sustainable returns to our stakeholders

ENVIRONMENT

CONSERVING OUR ENVIRONMENT

Protecting and preserving the environment by incorporating elements of green design and innovation in our projects

SOCIETY

BUILDING A RESILIENT WORKFORCE

Ensuring a positive workplace for our employees

BUILDING SUSTAINABLE CITIES OF ENDURING QUALITY

Providing quality products to our customers

SERVING OUR COMMUNITY

Contributing to the well-being of the community around us

The illustration below represents the journey of our sustainability commitment, which began in FY2017, and the initiatives we carried out in FY2018.

SUSTAINABILITY COMMITMENT **PROGRESS UPDATE IN DURING FY2017** FY2018 Developing new policies and Sustainability Policy Sustainability Guidelines procedures Implementing measures and Let's Green Possible Water Management initiatives Campaign Initiatives Mapping Material Sustainability Matters to Six (6) Setting indicators, targets and goals **UNSDGs** Reviewing existing systems In Progress

DEFINING OUR COMMITMENT TO SUSTAINABILITY



Quality, Environment, Health, Safety and Sustainability Policy

We strive for excellence in all aspects of our operations. This includes consistently delivering unmatched service and product quality to our customers, and taking a proactive approach to improve the economic, environmental and social well-being of our stakeholders.

We manage Quality, Environment, Health, Safety and Sustainability effectively by establishing, implementing and maintaining a best practice and process oriented integrated management system.

It is our policy:

- To grow our business in a sustainable manner to create long-term value for our investors and improve the economic and social status of our communities
- To continuously improve our product and service quality; and our environmental, health and safety performance and processes
- To adopt an environmentally-responsible approach to prevent, minimise and mitigate environmental, health and safety impact of our activities
- · To comply with all applicable legal, environmental, health and safety legislation and requirements
- To establish an integrated human capital development strategy to recruit, develop and engage employees to drive our growth and to provide a safe and healthy work environment for our employees and business partners
- To continuously engage, communicate and provide relevant training to our employees and business partners to promote and improve the Quality, Environment, Health and Safety Management System
- To establish a strong relationship with the local community, and enhance their socio-economic status to the best of our ability

This policy together with our Quality, Environment, Health and Safety Management System is periodically reviewed to ensure its suitability, adequacy and effectiveness.

DEFINING OUR COMMITMENT TO SUSTAINABILITY

SUSTAINABLE DEVELOPMENT GOALS

We recognise the United Nation's 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals ("SDGs") that form the pillars of this Agenda. Six out of the 17 SDGs are relevant to our business operations and in this section, we have elaborated our commitment towards these six(6) goals which include, SDG3 Good Health and Well-Being; SDG4 Quality Education; SDG5 Gender Equality; SDG8 Decent Work and Economic Growth; SDG9 Industry, Innovation and Infrastructure; and SDG11 Sustainable Cities and Communities.

In the coming years, we plan to strengthen our commitment to these SDGs by developing measures that would enable us to benchmark our performance. Our strategy involves examining key activities across our business and prioritising them, with a view to embed sustainability into mainstream thinking of the organisation and in everything we do.

ECOWORLD MALAYSIA'S SDG FOCUS AREAS



Ensuring healthy living and well-being.



Providing the opportunity for inclusive and quality education.



Encouraging gender equality and empowerment.



Ensuring full and productive employment.



Building reliable and resilient infrastructure to achieve economic growth and overcome environmental challenges.



Making cities and human settlements inclusive, safe, resilient and sustainable.

SUSTAINABLE DEVELOPMENT THROUGH THE SDG LENS

We organise for our resident community and the public.

Our projects are well connected with herb gardens healthy living.

We implement long-term programmes to improve access to education for disadvantaged children. These programmes involve providing financial support and addressing the students' key educational needs.

women at the workplace and our corporate discourages any on the basis of gender. In fact, 49% of our for the job.

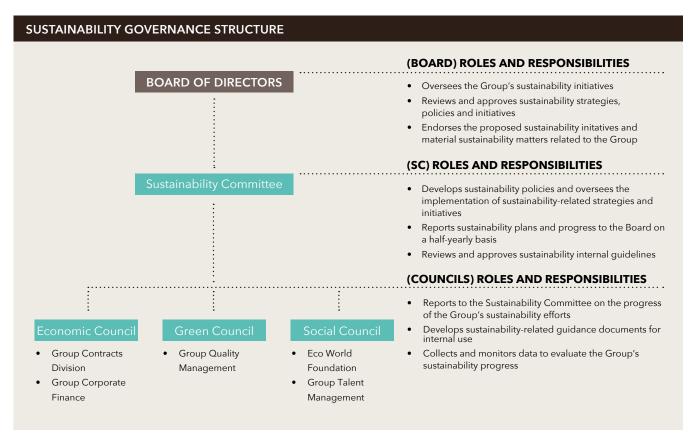
We provide fair remuneration to our employees and create a conducive environment for them to grow professionally and develop their strengths.

needs of the Malaysia and grocers.

GOVERNANCE AND SUSTAINABILITY

GOVERNANCE AND SUSTAINABILITY

By establishing a robust governance structure, we are able to operationalise our sustainability strategies across the business and monitor its progress. We have developed a three-tier governance structure that captures the voice of top management and the relevant departments. While the Board is at the apex of the governance structure, the three councils, namely, the Economic Council, Green Council and Social Council form the foundation. The councils are supported by members from various departments. The Sustainability Committee ("SC"), led by the Chief Executive Officer ("CEO") and comprising senior management from key business units, plays the role of a steering committee that advises the Board and provides strategic direction to the three councils. The councils report their plans and progress to the SC and the SC in turn reports to the Board on a half-yearly basis.





STAKEHOLDER ENGAGEMENT

As we adopt a holistic approach to business management by upholding the economic, environmental and social ("EES") pillars of sustainability, we continue to work closely with our various stakeholders to identify and address sustainability matters that significantly influence their decision-making. To this end, we are committed to strengthening stakeholder engagement so that we can better tackle emerging issues and drive change on the ground. We are steadfast in adopting a multi-stakeholder approach by communicating and collaborating with regulators, our investors, employees, customers and other relevant stakeholders to strengthen our performance in the context of sustainability in the short-term, medium-term and long-term.



STAKEHOLDER ENGAGEMENT

The table below captures the interests and expectations of each of the stakeholder groups, the methods of engagement by which we address their interests and the frequency of each engagement method.

Stakeholders	Issues of Concern	Methods of Engagement	Frequency
Employees	 Corporate direction and growth plans Job security Remuneration and benefits Career development and training opportunities Workplace health and safety Labour and human rights Work-life balance Employee volunteerism 	 Management meetings with employees Employee events such as family day, annual dinner, etc. Annual Salary Benchmark Survey People's Heartbeat Survey Internal Service Survey Chairman 360° CEO Town hall Meeting Let's Green Possible Initiatives EcoWorld Sports Club Activities Virgin Pulse Walking Challenge Leadership, soft skills, technical and non-technical training programmes 	 Throughout the year (as and when required) Annually Annually Twice a year Twice a year Annually Quarterly Throughout the year (as and when required) Throughout the year Annually Throughout the year Annually Throughout the year
Investors	 Growth trajectory Acquisitions and expansion Market diversification Risk management Corporate governance EES indicators Climate change and carbon pricing strategies Sustainability performance and tracking Reporting Standards 	 Annual general meeting Annual report Quarterly results announcement Press conference Analyst, Banker and Fund Manager Briefings Meetings with Bankers, Analysts and Fund Managers 	 Annually Annually Quarterly Throughout the year (as and when required) Twice a year Throughout the year (as and when required)
Customers	 Pricing Quality and workmanship Energy conservation Design and features Product safety Defects rectification Customer service and experience Resource efficiency and utility savings 	 Corporate & Brand Campaign Corporate Website/Social media channels Advertisement and marketing promotions Customer Satisfaction Survey 	 Throughout the year Throughout the year Throughout the year Twice a year
Regulators	ComplianceSecurity issuesWaste managementPublic nuisance issuesLabour practices	 Compliance with regulatory requirements Site inspections 	Throughout the year (as and when required) Throughout the year (as and when required)
Contractors/ Vendors/ Suppliers	 Legal compliance Payment schedule Pricing of services Product quality and inventory/ supply commitment 	Contract negotiationSupplier audit and evaluationVendor registration	Throughout the year (as and when required)Twice a yearAs and when required
Media	 Company reputation Advocating green consumerism and lifestyles 	Engagement sessionsPress releasesPress conferences	 Throughout the year (as and when required) Throughout the year (as and when required) As required
Non- Governmental Organisations ("NGOs")	Environmental and Social issues in relation to business operations	 Donations and Financial Aid Contribution to environmental and social enhancement Sustainability related programmes 	 Throughout the year (as and when required) Throughout the year (as and when required) Throughout the year (as and when required)

STAKEHOLDER ENGAGEMENT

We believe that sustainability can be achieved by creating shared value and aligning our sustainability efforts with the interests and expectations of our stakeholders. We interviewed our key external stakeholders to understand their views on EcoWorld Malaysia's commitment to sustainability and its impact on their decision-making. Below are excerpts from these interviews.

INVESTOR



"EcoWorld Malaysia is a company that is well managed both financially and sustainably, and can easily pass our investment evaluation process that includes those who are committed to corporate sustainability. We consider our investment in EcoWorld Malaysia to be a sustainable and responsible one, as it is well-aligned with our vision to achieve a better future."

Analyst, Equity Research Department of one of the Company's substantial shareholders

CONTRACTOR



"EcoWorld Malaysia is a transparent, fair and professional developer with whom we are happy to cooperate and collaborate. They are very attentive and respond in a timely manner to our concerns.

The senior management at Inta Bina strongly believe in quality and communicating this emphasis on quality to our workers. We evaluate workers and sub-contractors to ensure they have the same commitment to high product quality delivery. We believe in the effectiveness of training and therefore provide product and quality training to our workers. We are pleased to state that Eco Sanctuary scored 81.83 points in the CONQUAS certification."

Mr Teo Hock Choon and Mr Chau Yik Mun, Directors of Inta Bina Sdn Bhd

CUSTOMER



"I am very satisfied with the after sales services provided by EcoWorld. Another thing that makes Eco Spring stand out from other properties is the generous landscape, pedestrian lanes and bicycle paths provided in this property. I also use the bike sharing system provided by EcoWorld to go around the park."

Mr Law, homeowner living in Eco Spring

MATERIALITY ASSESSMENT

Materiality assessment is crucial for us to identify and prioritise the material matters that have a high impact on the economic, social and environmental aspect of our business. This year, we improved our materiality assessment process by assigning weightage to the stakeholders according to their respective level of influence on our business operations. We have, however, maintained the 12 material sustainability matters that were identified in 2017 as they continue to be indicative of our journey to strengthen EcoWorld Malaysia's sustainability performance. Representatives of the three councils together with the SC were involved in the materiality assessment process.

STEP

01

Assigning weightage to each stakeholder group based on its importance to EcoWorld Malaysia's business, which in turn determines the place of each material matter from the stakeholder perspective.

STEP

02

Ranking the 12 material matters on a scale of 1 to 100 based on its importance (i.e. important, very important and extremely important) to each stakeholder group.

STEP

03

Ranking the 12 material matters on a scale of 1 to 100 by senior management to determine its importance (i.e. important, very important and extremely important) to EcoWorld Malaysia's business operations.

EcoWorld Malaysia's materiality matrix for FY2018 was derived based on the assessment that was conducted using these key steps. As a result of the weighted ranking method, we have achieved a more accurate representation of the sustainability related risks and opportunities that are embedded throughout our operations.



MATERIALITY ASSESSMENT



- Customer Service and Brand Reputation
- 2 Ethics and Integrity
- Corporate Governance and Transparency
- 4 Compliance

- 5 Talent Attraction and Retention
- 6 Innovation
- Green Design, Energy and Habitat Conservation
- 8 Occupational Health and Safety
- 9 Community Development
- 10 Training and Development
- 11 Supply Chain Management
- 12 Diversity and Equal Opportunity

MATERIALITY ASSESSMENT

Each material sustainability matter was categorised as economic, environmental or social depending on the nature of its impact on the stakeholders and the business, and then each was mapped to its aligning GRI indicator, stakeholder group(s) and SDG(s).

KEY MA	ATERIAL ISSUES AND INDICATOR	S FOR ECOWORLD MALAYS	51A
Material Sustainability Matters	GRI Indicators	Stakeholder Group(s)	SDGs
Customer Service and Brand Reputation	Marketing and Labeling	Employees, Customers	8 (CLINI WORK AND STREET, MOVING AND AND MANAGEMENTORS)
Ethics and Integrity	GRI General Standard Disclosure	Investors, Employees	8 (CONTROL AND CONTROL
Corporate Governance and Transparency	GRI General Standard Disclosure	Investors, Employees	8 OFERST WHITEK AND COMMING-DEBN'TH
Compliance	Environment Compliance	Regulators	3 GOOD MAIN MAIN MAIN MAIN MAIN MAIN MAIN MAIN
Talent Attraction and Retention	Employment	Employees	8 ECCAT WORK AND ECCATION AND E
Innovation	GRI Construction and Real Estate	Employees, Investors, Customers	9 POSITY MONATOR 11 SUSTAINEE OF ITS AUGUSTASSICORIES
Green Design, Energy and Habitat Conservation	GRI Construction and Real Estate Energy	Customers, Media	9 MOSTET MONATURE 11 SESTIMANE CITES AGGORMANTES
Occupational Health & Safety	Occupational Health and Safety	Employees, Regulators	3 GOOD MEATH AND WILLEAMS B ECONOMIC GOWTH CONOMIC CONTRIB
Community Development	Local Communities	NGOs, Employees, Media	3 GOOD WELLENN 4 COUNTY DOCUMENT 1
Training and Development	Training and Education	Employees	8 DECENTIMENT AND 4 DOCUMENTS
Supply Chain Management	Procurement Practices	Contractors, Vendors and Suppliers	8 IECENTI WORK AND ECONOMIC DEPORTS
Diversity and Equal Opportunity	Diversity and Equal Opportunity	Employees	8 DECENTIONS AND DECENTIONS AND DECENTION OF THE PROPERTY OF T

Delivering high quality projects to our stakeholders whilst generating sustainable returns to our investors and shareholders

As a leading property developer in the country, we strive to strengthen the domestic economy and sustain the economy into the future while maintaining financial profitability. Our economic sustainability focuses on business efficiency, delivery of quality products and profitability.

At EcoWorld Malaysia, we create direct and indirect economic benefits for our stakeholders through the following:



Contributing to job creation both directly through employing staff as well as indirectly through engaging with contractors and suppliers.



Directly supporting community development via charitable donations and community partnerships throughout the year.



Developing responsible projects and regular engagement with investors to enable them to make informed decisions regarding the impacts of their investments.



Demonstrating industry leadership in building efficiency and sustainability and minimising environmental impacts associated with our developments.

Apart from the direct economic impact that our business generates, we are mindful of the impact our corporate social responsibility ("CSR") programmes create in providing an enduring shared benefit for all involved. Our impetus to support communities is to improve access to education amongst vulnerable sections of the community.

In 2018, we invested approximately RM5 million in this direction under the aegis of Eco World Foundation. This investment is to provide underprivileged youth with the opportunity to pursue their studies, thereby improving their chances of employability and having the necessary qualifications to contribute to the economic development of the country.

DIRECT ECONOMIC IMPACT

EcoWorld Malaysia is spread across three key economic regions in Malaysia with 20 projects that include townships, integrated commercial developments and green business parks. The Group presently has approximately 8,126.4 acres of land bank with a total estimated gross development value ("GDV") of RM87.5 billion.

During the financial year ended 31 October 2018, the Group achieved RM2.17 billion and RM217 million in revenue and profit before tax respectively. The Group's historical summary of economic performance is disclosed in the 5-Year Financial Highlights section of the Annual Report.

COMMITMENT TO ANTI-CORRUPTION

We are committed to the highest standard of integrity and maintaining a high standard of accountability in the way we conduct our business and operations. We believe that risk management and consolidating information on risks enable consistent decision-making across all risk categories and can guide the Group in seizing opportunities, staying a step ahead of uncertainty, meeting stakeholder expectations and capturing emerging risks.

Corruption is prohibited within our Group and everyone does their part in preventing it. To ensure transparency and protect our values, we have a Whistleblowing Policy that provides a safe channel for employees to report any suspected misconduct within EcoWorld Malaysia. The aim of this Policy is to provide an avenue for employees and others who have serious concerns about any suspected misconduct to come forward and voice those concerns. It strives to foster and maintain an environment where employees can act appropriately without fear of punishment or unfair treatment and help maintain a safe workplace, while protecting the company's reputation.

To instil a culture that is corruption-free, our senior management team conducted Code of Conduct and Business Ethics roadshows involving all business divisions in August 2018. During the roadshows, senior management emphasised the fundamental principles of our Code of Conduct and Business Ethics which has been endorsed by the Board and reminded employees to conduct their affairs in an ethical, responsible and transparent manner. In 2018, we had no issues relating to corruption. There were no cases of staff dismissal, fines, disciplinary action nor grievances registered on matters relating to corruption.

Every new employee, on their first day at EcoWorld Malaysia is given a briefing and training on EcoWorld Malaysia's Code of Conduct and Business Ethics. Furthermore, the Code of Conduct and Business Ethics is accessible to all employees via EcoWorld Linked, our employee portal.

REGULATORY COMPLIANCE

Meeting the compliance demands and expectations of our stakeholders requires regular audits, inspections and reporting, which we prioritise as it sets the foundation of a healthy and transparent business operation and in effect, reduces incidents of non-compliance.

Non-compliance to laws and regulations could result in the Group being reprimanded or penalised by the relevant authority or regulatory body. Therefore, we remain vigilant of the changes and updates made to regulations relating to the Group's business operations. Respective departments within EcoWorld Malaysia are made aware and monitor compliance to regulations i.e. formal awareness and training is provided to staff on new regulations.

INVESTING IN THE COMMUNITY

"Sustainability is about creating a balance between the rate of development and our responsibility to our surrounding environment and the community. As land and natural resources become scarce, it is important for us to preserve and conserve what we have currently in order to sustain our business for the future.

Though others may believe the cost will eclipse the benefits, we realise sustainability has become a requisite to longterm profitability and creating shared value. Adopting sustainable practices requires the investment of time and financial cost, as well as minimising the environmental impact of our business operations. In doing so, we also minimise any negative impact our operations may have on the community and environment as well as any resulting reputational risks."

Datuk Heah Kok Boon, Chief Financial Officer

EcoWorld Malaysia is committed to investing in the local community to enhance the socio-economic status of the community while increasing the economic value of the area. The EcoWorld Labs Series and EcoWorld Shuttlebus Services are two initiatives that have been introduced as the Group's contribution to the community.

EcoWorld Labs Series

We remain committed to providing long-term economic opportunities to the communities we serve. Our EcoWorld Labs Series refers to a new concept of lifestyle commercial hubs created within our projects that is aimed at creating opportunities for local home-grown retail and F&B businesses.

Through the EcoWorld Labs Series, we have created customised commercial spaces that are affordable for lease by upcoming entrepreneurs to introduce their products and services. The Labs create opportunities for local home-grown retail and F&B businesses by acting as a testing ground for these entrepreneurs to gauge the commercial feasibility of their businesses before they decide to venture further. Uniquely housed in recycled and refurbished shipping containers or purpose-built structures, the lifestyle hub allows us to accelerate the commercial activities in our developments even before the first homes are handed over to our purchasers. It also allows our customers to envision the future lifestyle of their township in a meaningful and cost-efficient way. During the year, we have launched the following lifestyle hubs in our projects.

LABS LAUNCHED IN 2018	LOCATION
Ardence Labs	Eco Ardence
Grandeur Labs	Eco Grandeur
Spring Labs	Eco Spring



Impact on the Community

- The EcoWorld Labs Series targets primarily home-grown local brands, and thus provides local entrepreneurs and businesses with a platform to operate and grow their businesses
- It also serves as a community-centric place that encourages community building and allows for a range of activities that connect people from all walks of life
- It allows us to accelerate the commercial activities in our development
- · It is a unique concept that provides us with a distinctive brand positioning to further enhance the appeal of our developments
- It leverages on and revolutionises the Malaysian collective culture by effectively deploying place-making principles in our design and planning process to foster stronger community engagement

EcoWorld Shuttlebus Services

As part of our ongoing effort to enhance eco-living in our projects, we started providing free shuttlebus services to improve connectivity around Eco Botanic and Eco Ardence for the residents and public where the passengers can commute between the township and its surrounding areas.



Impact on the Community

- Provides convenience to the public and the surrounding community
- Reduces carbon emissions by encouraging the public to take public transportation
- Increases and encourages traffic inflow to our development to boost local businesses



INNOVATIVE HOME OWNERSHIP CAMPAIGN

Home ownership helps build financial security, and we want to make homeownership sustainable and accessible to new homeowners especially millenials. We launched the Help2Own homeownership plan this year to help genuine home buyers who are able to secure a 70% loan from the bank but require assistance to help pay the difference between the balance purchase price and loan sum approved. Working closely with several financial institutions, we were able to offer attractive plans that assisted many of our customers to own an EcoWorld home.

MANAGING A SUSTAINABLE SUPPLY CHAIN

"We have worked with EcoWorld Malaysia for almost four years now. The overall working experience has been more than satisfactory as the Group practices fair treatment by putting in place a transparent procurement practice that promotes healthy competition among contract bidders. An open tender system is used with well-established selection criteria. After submitting our tender, the documents are carefully evaluated by EcoWorld Malaysia and if necessary, follow-up meetings are held to discuss details to ensure they have sufficient information to make a decision."

Mr Kuan Mun Chyi, Director of Athens Park Sdn Bhd

Our procurement practices are carried out in a fair and transparent manner. We ensure that all our suppliers and contractors adhere to our stringent procurement criteria. Based on our standard operating procedures, only screened contractors with good track records that are approved by the Group Contracts Division will be shortlisted and called to participate in our tender process. Once tenders have been submitted, a careful review process is undertaken to decide on the preferred tenderer. Upon completion of the tender process, the participating contractors will be provided with the tender evaluation form to highlight any grievances or challenges, and to recommend areas for improvement.





We preferentially select local suppliers and contractors to stimulate economic growth in the region. Keeping our supply chain local allows us to be more sustainable economically, environmentally, socially and operationally. For instance, carbon emissions can be reduced by sourcing material locally.

Providing a positive working environment for our employees by creating opportunities for growth and development, and encouraging work-life balance

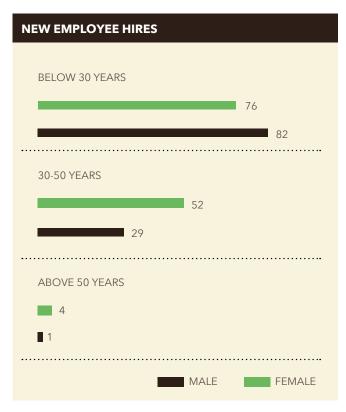
As a responsible corporate citizen, we comply with the Employment Act 1955, which is in line with the principles of the International Labour Organisation Declaration on Fundamental Principles and Rights at Work. This Act covers key aspects of employment including but not limited to maternity protection, employee wages and benefits and the prohibition of child labour.

Attracting and retaining talent is a top priority in EcoWorld Malaysia. We provide a platform for our employees to perform to the best of their ability and recognise their potential to be leaders. We actively develop, invest in and foster growth amongst our employees as we recognise the success and progress of EcoWorld Malaysia is built on the talent and effort of our employees.

TALENT RETENTION

We believe a productive workforce results from a team of engaged and motivated employees, and therefore we strive to incorporate good hiring practices into our business operation. In 2018, EcoWorld Malaysia hired 244 new employees and the distribution of this group across age and gender is presented in the graph below.

In addition to a highly productive workforce, EcoWorld Malaysia benefits from a low turnover rate that saves cost of new employee acquisition. The overall employee turnover rate is 11.2% which is generally lower than the turnover rate in the property development industry. The graph below shows the employee turnover rate breakdown by gender and age.





We are proud to share that the Group has been recognised by Aon Malaysia for the third consecutive year as one of the Best Employers in Malaysia. An independent employee opinion survey was conducted from 13 April - 7 May 2018. 940 employees were invited to participate and 817 employees (87%) responded to the employee opinion survey. Scoring an impressive 96 points in 2018, the four key criteria and initiatives that contributed to our success are highlighted below:

EMPLOYEE ENGAGEMENT	EFFECTIVE LEADERSHIP	HIGH PERFORMANCE CULTURE	COMPELLING EMPLOYER BRAND
Engaging with our	We continuously assess the	We are at a stage where	Reputation, internal brand
employees has always been	performance of our Group	our business operations	and credibility are three
a priority to the Group. We	leaders, ensuring that they	are growing at a rapid rate,	important aspects of having
carry out Employee Opinion	meet their targets and	allowing high targets to be	a compelling employer
Surveys which serve as a tool	contribute to the growth	set.	brand, in order to attract,
to gauge the engagement	and success of the Group.		motivate and retain the
level of our workforce. It		To achieve these ambitious	right people.
is also used to determine	We have put in place a	targets, we employ and	
whether they have their	Leadership Development	reward those who are	Reputation:
hearts and minds aligned	Programme for employees	driven in their career-path	We have a good reputation
with the Group's values and	who continue to show high	and produce excellent	in the market and especially
aspirations.	development potential in	results. This creates a	for those target groups
	line with the Group's vision	working culture that is goal-	which are critical for the
Our People's Heartbeat	and business aspirations.	oriented and focused on	organisation's business
Survey assesses employee	The programme is	productivity.	success.
satisfaction.	specifically designed for		
	manager-level and senior		Internal Brand:
	manager-level employees		Our employees are proud to
	who will then be given the		be part of this organisation
	opportunity to transition		and can explain what makes
	to next level position		working here different from
	or senior management		other organisations.
	roles including Head of		
	Departments or General		Credibility:
	Manager positions if they		Employees believe that we
	perform well. For these		deliver on the promises we
	emerging leaders, we have		make to them.
	a pool of trained mentors		
	who will provide guidance		
	and direction to assist them		
	to transition smoothly into		
	their senior management		
	roles.		

DIVERSITY AND INCLUSIVENESS

We pride ourselves on having a diverse workforce. We do not tolerate discrimination on the basis of age, gender or ethnicity and we are committed to providing a work environment that is free of discrimination for our employees. The breakdown of EcoWorld Malaysia's employees by age and gender within each employment category reflects a gender-balanced and age-diverse workforce.

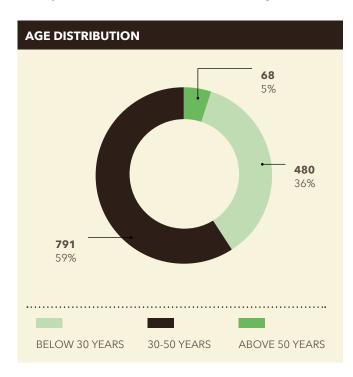


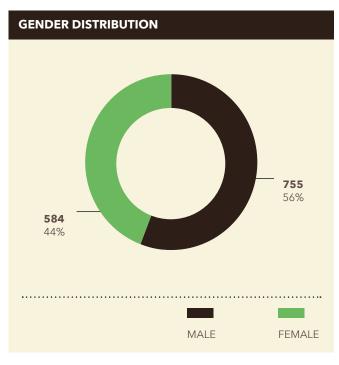
Our preference for hiring from the local talent pool spurs the local economy and increases job opportunities in the Malaysian job market. 100% of our senior managers are Malaysian as we believe in providing opportunities to experienced and talented locals and because they are best suited for the job, being more familiar with the market needs in Malaysia.

The graph illustrates EcoWorld Malaysia's employee demographics by age. 36% of our workforce consists of employees below 30 years of age and 59% of them fall between the 30 to 50-year bracket. Only 5% of employees are above 50 years old.

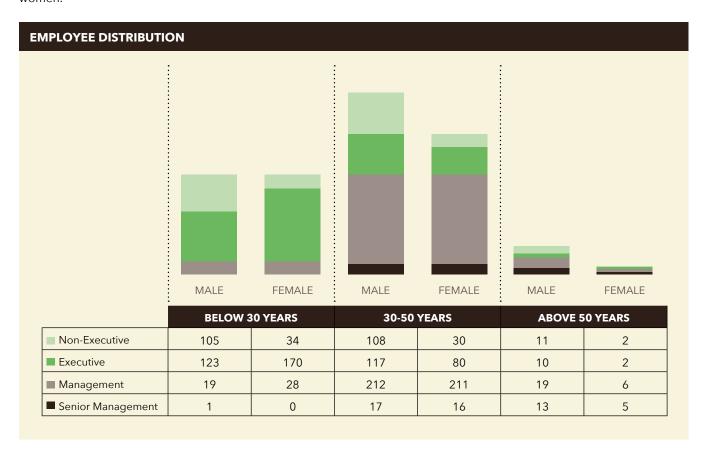
The Group hires a significant number of young employees because of their enthusiasm and passion to perform at work, and this gives us the opportunity to train them in the EcoWorld work culture. Young talents are more resilient and adaptable to the fast-paced internal work environment and organisational culture.

We provide equal opportunities and foster diversity to qualified individuals that meet the job specifications. In EcoWorld Malaysia, the gender composition is quite balanced with 44% of our workforce represented by women and the remaining 56% by men. There is no distinction between genders with respect to remuneration and career development opportunities.





EcoWorld Malaysia believes that by cultivating an equal opportunity workforce we are able to fully tap into the potential of our employees. The total employee strength of EcoWorld Malaysia in 2018 was 1,339 and the employee distribution provided below demonstrates the balance between both genders across all employment categories, especially at management level. We encourage female leadership in EcoWorld Malaysia and are proud that 49% of our leaders at management level are women.



TRAINING AND DEVELOPMENT

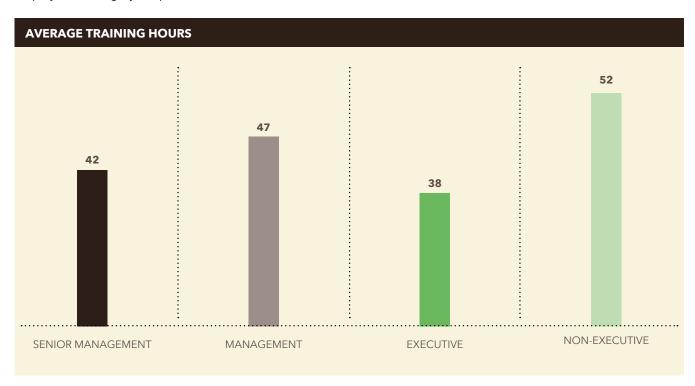
"Orientation programmes are a key part of our hiring process, where the overview of the Group, our business aspirations, vision and mission are introduced to new hires. Most importantly, the supervisor-peer programme plays a major role in helping new employees assimilate into the Group's working culture."

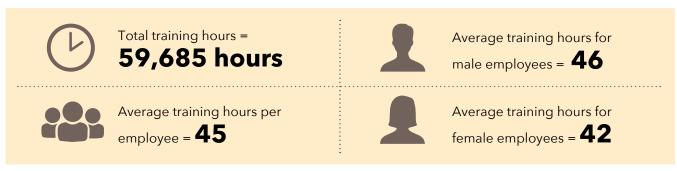
Ms Angelin Low, Group Talent Management

We believe that the best philosophy to apply is to hire capable and driven individuals and train them. EcoWorld Malaysia encourages employee training, workshops, and education for all our employees to strengthen our workforce. New employees undergo orientation programmes to enable them to understand our organisational culture.

The rapid advancement of technology and its use in the property development industry is dynamic. To ensure our employees' knowledge and skills are abreast with current trends, we conduct in-house training and send our employees for external training.

Our training and career development programmes are based on the specific needs of our employees and in line with their career progression within the organisation. During the annual performance appraisal sessions, the Performance Manager will conduct a 'career conversation' with each employee, an essential measure to determine the future of our employees and based on the outcome of the discussion, training plans are drawn up for our employees. The average training hours by employment category are presented below.





Training programmes conducted by the Group are dependent on the employees and the types of skills we believe would facilitate the Group towards sustainable growth and advancement in the property sector. Each training programme caters to employees with specific skillsets, for example, technical staff would need to undergo technical-based training to ensure that their skills remain relevant.

KEY TRAINING PROGRAMMES

Health and Wellness

Physical and BMI Test

Keeping Fit through Healthy Food and Lifestyle Modification

Leadership Development

Induction Programme for Front Liners

EcoWorld Leadership Development Programme - Leadership Insight Series

EcoWorld Women's Summit 2018

Technology and Innovation

Data Science Jumpstarter

Riding the Wave of National Transformation – Surf or Slide

Artificial Intelligence Jumpstarter

Future of Work: Future of Work, Workplace, Workforce Conference 2017

Google Digital Workshop: Real Estate Industry

Digital and Social Media Marketing

Occupational Health and Safety

Occupational First Aid Trainer Certification Programme

Master Builders Association of Malaysia (MBAM) Annual Safety and Health Conference 2018

Understanding Health, Safety and Environment (HSE) Requirements and Practices

Accounting and Finance

Integrated Reporting Breakfast Talk

Finance for Non-Finance Manager

MIA-SC Workshop on Malaysian Code on Corporate Governance

National Tax Seminar 2017

Quality

QLASSIC Awareness and Practical Training

Performing an Effective Quality Assessment

ISO 9001:2015 – Internal Auditor Training (Process Risk and Performance Based Approach)

Environmental

EIA In Implementation and Compliance of Related Laws and Guidelines

Talk on Construction Sites Best Green Practices

Training on Scheduled Waste Management at Construction Site

Bengkel Pengendalian Biji Benih Spesies Hutan 2017

PROMOTING WORK-LIFE BALANCE

Maintaining a healthy work-life balance is not only important for employee well-being, but it can also improve employee productivity, and ultimately performance. We garner loyalty from our employees by prioritising the need for work-life balance, which has a positive impact on their retention and satisfaction, especially the millennials.

The EcoWorld Sports Club organises various events such as futsal, dodgeball, basketball, and bowling competitions, paintball, cycling, diving expeditions and movie nights to enable our employees to come together and spend



time in activities that positively affect their well-being and lifestyle. Eco Central, Eco South and Eco North organise weekly exercise classes and sporting events such as Zumba, yoga, futsal and badminton.

Parental Leave

100% **Employees Returned**

after their parental leave (data includes 119 female and 120 male employees)

We offer generous paid parental leave as a benefit to our employees. Both men and women are allowed to take parental leave to spend time with their new-borns. This incentive, especially for the younger workforce with growing families, gives us a competitive edge in recruitment as compared to organisations that only provide maternity leave and increases our employee retention rate. A total of 239 employees took their parental leave in FY2018 and 100% of these employees returned to work after leave ended. We noticed however that 8% of the women and 5% of the men that took parental leave did not remain employed by the company longer than 12 months after they returned to work.

Offering Community Engagement Opportunities

Completed 8,774.5 volunteer

in FY2018

EcoWorld Malaysia offers community engagement activities for employees to build attributes such as empathy, charity and commitment. Number of hours spent on volunteering activities are part of employees' KPIs. These activities foster team building amongst our employees and encourage the spirit of volunteerism.

Employee Benefits

While we adhere to the minimum wage stipulated by Malaysia's Minimum Wage Order 2016, EcoWorld Malaysia offers a competitive benefits package to attract and retain employees. We want our employees to feel valued and appreciated.

LEAVE

- Maternity
- Paternity
- Examination
- Compassionate
- Marriage
- Childcare
- Prolonged Illness and Special Medical Leave

HEALTH AND INSURANCE COVERAGE

- **Group Personal Accident**
- Group Hospitalisation & Surgical
- Group Term Life
- **Outpatient Medical** Reimbursement

FLEXIBLE WORK ARRANGEMENT

- Staggered Working Hours
- School Holidays Arrangement
- Career Break
- Sabbatical Leave
- Extended Maternity Leave
- Employees' Choice of Day Off

TRANSPORT

- Car Allowance
- Company Provided Car
- Mileage Claim

OTHERS

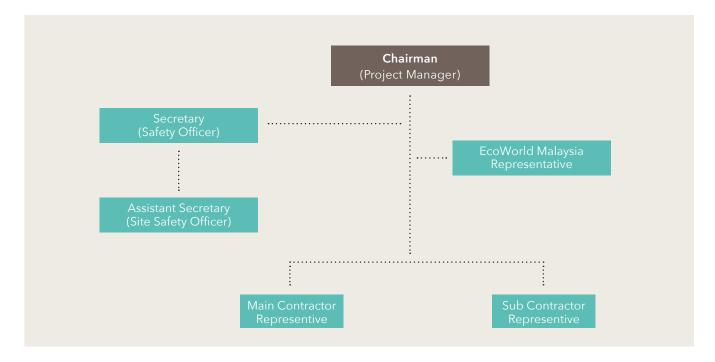
- Company Provided Meals
- Company Registered Mobile Lines and Data Plan
- Flexible Benefits (FlexBen)
- Professional Membership **Annual Subcription Fees**
- Staff Purchase Discount

MAINTAINING A SAFE AND HEALTHY WORKPLACE

We strive to comply with relevant laws and legislations to ensure that health and safety in the workplace are not being compromised. With the aim of reducing the frequency and severity of incidents, we inculcate safety awareness by providing safety training and regular safety reviews.

Establishing a Robust Occupational Safety and Health ("OSH") System

Our health and safety standards and standard operating procedures ("SOP") apply to all employees, workers and contractors. Each Business Unit ("BU") has a competent and qualified safety officer and its own OSH committee to oversee the safety aspect of the operations. The figure on the next page represents the typical structure of our OSH committees.



The OSH committees have fortnightly toolbox meetings with the contractor where project safety, progress and quality are discussed. We conduct periodic safety checks to identify safety issues and have a monthly scoring system for contractors to gauge their safety performance. Our expectations in matters relating to workplace safety are reiterated to contractors and their workers. We also promote the sharing of good practices amongst contractors.

Efforts to Create Incident-Free Construction Sites

We are committed to complying with the Occupational Safety and Health Act 1994 enforced by the Department of Occupational Safety and Health Malaysia and are proud to announce that for the reporting year, we recorded zero injuries at the workplace. Our success in maintaining a zero-injury workplace is due to the efforts we take in promoting a safety culture and putting in place a penalty system in the event an incident of non-compliance to our safety SOPs is identified. The money collected from these fines is used to carry out safety programmes to improve health and safety practices in the BU.

At our construction sites, we enforce strict access security controls whereby only authorised personnel or workers with valid safety induction cards and CIDB green cards are allowed to enter our construction sites. Stern action is taken if there are any security breaches in violation of the contract. Our construction workers are required to undergo mandatory site safety induction. The Group also provides job specific training to ensure workers' safety on site.

Independent monthly safety audits are carried out by members of the Health and Safety department at both the Business Units and Group level. The Safety Officers stationed at our development sites are issued KPIs that are related to the safety performance of the project. This reinforces accountability and responsibility towards maintaining a zero-injury workplace. Each BU organises its own safety engagement programme as a regular reminder on the importance of maintaining a safe workplace.

CONTRACTOR MANAGEMENT

"While we are thorough in our selection of main contractors, it is the responsibility of the main contractor to ensure that the right team of sub-contractors is involved in the project. However, we have site supervisors and safety officers, whom we empower to issue stop work orders or summonses when they observe safety, security and environment related non-compliances. We recognise that by implementing punitive measures for non-compliances, we are able to effectively reiterate the importance we place on workplace safety.

The employment of foreign workers is a matter we do not take lightly and the hiring of legal foreign workers is spelt out in our contract with the main contractor. We ensure that at every construction site, we demarcate a conducive space for centralised labour quarters ("CLQ"), as well as ensure that there is potable water supply and electricity supply. We prioritise the safety of workers not only while at work, but also with regard to their living conditions at site. For instance, we provide strict instructions to the workers to cook only in the centralised kitchen and not where they sleep, in order to avoid fire hazards. There are regulatory checks and measures such as fogging every two weeks which is the responsibility of the contractor, and the Ministry of Health comes on their inspections to check if the contractor is up to mark. Our site supervisors and safety officers are very vigilant in monitoring any lapses on the part of the sub-contractor, which in turn protects the workers from unwanted harm and disease, and ensures safe and sanitary living conditions.

Another area that our site supervisors and safety officers check is waste management. We observe best practices when it comes to waste management at our sites and enforce the requirement for allocated areas within each project site to collect waste."

Dato' Sundarajoo a/l Somu, Deputy Chief Executive Officer

We select our main contractors purely based on merit and their track record in past successful projects. Once a contract is awarded to a main contractor, the appointment of additional sub-contractors is at the discretion of the main contractors. EcoWorld Malaysia appoints project site personnel who carry out regular audits and checks to ensure that the sub-contractors are monitored and managed well. Project site personnel have the authority to stop any form of work if a non-compliance is detected at our construction sites.

We have implemented a standard rate of monetary fines on contractors for any malpractices detected. This system ensures that contractors comply with the requirements of the Environmental Quality Act, 1975 and its Regulations as well as the Occupational Safety and Health Act, 1994. We have a monthly grading system to benchmark performance between our contractors. This creates healthy competition that enables our project sites to comply with regulatory requirements.

Management of Foreign Workers

As one of the reputable property developers in the country, EcoWorld Malaysia ensures that the rights of foreign workers are not infringed. Our tender documents stipulate the appointed contractor to hire workers via legal processes where the workers undergo medical examinations to ensure they are fit for work.

To ensure a hygienic environment at the workers' accommodations, regular site inspections are carried out by project site personnel. Our project sites are also fogged every two weeks to avoid any outbreaks of diseases or illnesses that could impact the health of our workers.

We have adopted the concept of CLQ for our workers' accommodation and limit the number of workers for each allocated quarter to ensure they have conducive living spaces. The compound that houses the living quarters is gated with single entry to ensure safety and security. The quarters are mainly made out of cabins, which are reusable from site to site, and are commonly provided by the contractors. Potable water supply, electricity and sanitary facilities (that comply with the Department of Sewerage Services) are provided.

Delivering quality developments that ensure both quality of life and eco-friendly features



As we build, we continue to innovate and design our products so that they not only reduce impacts to the environment, but also become more operationally efficient in the long-term. Quality is key in meeting customer satisfaction, enhancing brand reputation and ensuring value for customers. The pursuit of quality is essentially a commitment towards sustainability as the ultimate outcomes are repeat buyers, strong customer satisfaction, enhanced brand goodwill and ultimately sustainable revenue and profits.

UPHOLDING QUALITY STANDARDS

"Delivery of a quality product plays an important role in sustainability, especially in the property development industry. EcoWorld Malaysia places a strong emphasis on quality. We take pride in the product and service quality we provide to our customers and we endeavour to deliver this expectation continuously and consistently from the day our customers walk into our sales gallery to the time when they reside in our townships"

Mr Steven Su, Group Quality Management

Our properties are developed based on the highest quality standards, ensuring that they meet the expectations of future owners. We are ISO9001:2015 Quality Management System certified under the scope that covers 'Provision of Property Development Services in Residential, Commercial and Industrial Properties'.

Product quality is the responsibility of all property Business Units and Group Quality Management. The quality of the construction delivered by the appointed contractors is monitored by ICQ (In-process Construction Quality) assessment where a representative from Group Quality Management visits project sites monthly to inspect the quality of the construction delivered by the contractors. The inspection is carried out from start to completion of the construction phase.

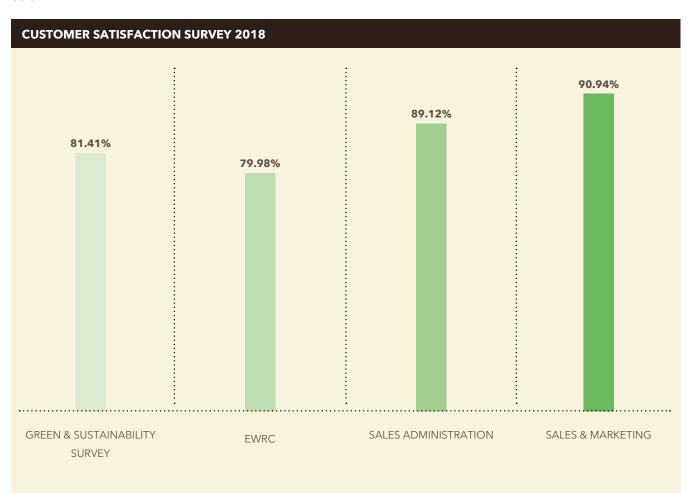
A Construction Product Quality Assessment ("CPA") which is an architectural assessment to determine product quality is conducted before handover to the customer. In addition to our internal product quality measurements, we also engage external parties such as the Building and Construction Authority of Singapore to carry out CONQUAS assessments at some of our projects, namely Eco Sanctuary and Eco Sky.



ENSURING CUSTOMER SATISFACTION

Brand reputation and customer satisfaction are critical to the sustainability of our business. As a responsible developer, we keep track of the satisfaction levels of customers by continuously engaging with them. The Customer Complaint Index ("CCI") is used to measure and monitor customer feedback. Our commitment to ensuring customer satisfaction is further demonstrated through the linkage of our employees' performance KPIs to the CCI as determinant for their remuneration package.

We conduct customer satisfaction surveys to ensure we are abreast with our customers' expectations on quality, efficiency, service, and reliability. We value our customers' feedback and address any complaints or issues raised in a prompt manner. The customer satisfaction survey covers four areas, namely Green and Sustainability, EcoWorld Residence Club ("EWRC"), Sales Administration and Sales & Marketing. Our commitment to achieving high level of customer satisfaction led us to obtain an overall score of 85.36% for this year's customer satisfaction survey. The results of our 2018 survey are illustrated below.





We interviewed residents to understand their experience of living in EcoWorld properties. Below are some of the highlights of the interviews.

"Our current house is double the size of my previous home, but surprisingly our electricity bill remains more or less the same. It shows that the solar water heater really helps in saving our electricity bills. With the solar water heater, we don't need to install a separate water heater in our bathroom. That improves the aesthetics of our bathroom.

Every week I segregate our waste at home and dispose the segregated waste at the recycling centre provided in the precinct. I am very impressed with EcoWorld's effort of going green. The facilities that they provide are very useful and readily accessible, taking into consideration our needs and thereby encouraging us to go green without sacrificing our time and comfort. Indirectly, EcoWorld influences us to live a greener lifestyle.

We are very happy with the whole township, greenery and layout of Eco Botanic. We are impressed that the tree at the Eco Botanic roundabout is a native tree that was replanted and is being preserved."

Mr and Mrs Tee, married couple who have been staying in Eco Botanic with their 4 children and mother-in-law for 6 months

"Eco Botanic provides an eco-friendly environment with a lot of green features. For example, the rainwater harvesting system installed in our house. We love the idea, and use it to water our garden frequently.

I love cooking, the idea of having an edible garden is a feature that I enjoy very much. In Eco Botanic, we have a small garden where we can plant and harvest various herbs.

Inside our home, it is quite bright during daytime and we don't need to turn on any lights. The high window panel, the high ceiling, the large garden, makes the morning environment very refreshing. We really enjoy the environment and design layout here."

Mr and Mrs Yap, married couple working in Singapore who own a property at Eco Botanic as their weekend home

BUILDING SUSTAINABLE CITIES

Our projects have obtained green building certificates by different accreditation councils namely Green Mark Certification administered by the Building and Construction Authority ("BCA") in Singapore, Green Building Index ("GBI") and GreenRE by the GBI Accreditation Council and Estate and Housing Development Association ("REHDA") respectively. During the reporting period, we achieved one GreenRE Bronze, one GBI Gold certification and one GBI (certified).

Eco Bloom at Eco Meadows received provisional certification from GBI (certified) on 4 December 2017.

On 8 January 2018, Parcel 3 of Bukit Bintang City Centre was certified and awarded Gold by the GBI Accreditation Panel on its design assessment.

On 10 April 2018, Eco Business Park 1 was certified and awarded Bronze by REHDA on its design assessment.

The list below shows the total 18 green ratings achieved for our developments till date.

BUSINESS UNITS	ACCREDITATION	STAGE	RATINGS	DATE ACHIEVED
Eco Sky	GBI	Provisional	Certified	20 February 2014
Eco Nest (Eco Botanic)	Green Mark	Provisional	Certified	1 April 2014
Eco Sky	LEED	Pre-Certification	Certified	September 2014
Eco Terraces	GBI	Provisional	Certified	15 March 2016
Eco Sanctuary (Parcels 1 & 2)	Green Mark	Provisional	Certified	31 March 2016
Bukit Bintang City Centre	GBI	Provisional	Gold	14 April 2016
Northampton Terraces, Eco Meadows	GBI	Provisional	Certified	15 July 2016
Bukit Bintang City Centre Project Gallery	GBI	Provisional	Certified	28 December 2016
Eco Botanic	Green Mark	Provisional	Certified	27 February 2017
Eco Botanic (Phase I - Residential)	Green Mark	Final	Certified	29 March 2017
Eco Business Park II	GreenRE	Provisional	Bronze	19 May 2017
Eco Sanctuary (Parcels 3 & 5)	Green Mark	Provisional	Certified	24 July 2017
Eco Majestic	GBI	Provisional	Certified	3 August 2017
Eco Bloom, Eco Meadows	GBI	Provisional	Certified	4 December 2017
Bukit Bintang City Centre (Parcel 3)	GBI	Provisional	Gold	8 January 2018
Eco Business Park II	GreenRE	Provisional	Bronze	10 April 2018
Eco Sky (Commercial)	Green Mark	Final	Certified	12 April 2018
Eco Ardence	GBI	Provisional	Certified	12 October 2018

Eco Business Park I has been named the World Gold Winner of FIABCI World Prix d'Excellence 2018 under the Industrial Category. It is designed with the environment in mind. Every unit is integrated with a host of intelligent green features for it to be a sustainable and low-carbon footprint industrial park.

With a well-manicured landscape, 15 acres of open space, a linear park, multiple green lungs, and water-harvesting features, Eco Business Park I ensures a pleasant and conducive environment for businesses to operate smoothly, side-by-side with nature. The business park is an exemplary industrial spot strategically placed within proximity to major ports, airports, railways and highways, providing businesses with good logistic advantage over other hubs. This leads to improved resource usage, decreased transportation time, less environmental impact, and ultimately, lowered business operating costs.

Eco Botanic (Phase I - Residential), our project in Johor which received the final Green Mark certification has several green features, some of which are highlighted below.

Eco Friendly Features at Eco Botanic (Phase 1 – Residential)









Transplanted 200 trees via







Rain water harvesting
Solar water heater
LED street lights, compound lights and bollard light
Landscape irrigation from pond water
Bicycle lanes all around the development and commercial

area with proper signage

tagging
Electric Vehicle Charging stations at the clubhouse
Playground made from recycled items
Shuttlebus service to reduce carbon footprint
Centralised recycling chamber

10% tinted glass used for doors and windows Edible garden Low VOC paint Clay roof tiles Centralised composting chamber (using an electrical composting machine)

On 30th October 2018, PLANMalaysia@Selangor presented us with the 'Sustainable Environment' award at the 'Towards Liveable Cities' seminar. The award was in recognition of the implementation of sustainable development concepts, recycling concepts and green building and neighbourhood initiatives at Eco Majestic, our project in Semenyih.

CONSERVING OUR ENVIRONMENT

Improving waste management, energy and water efficiency, and maintaining ongoing environmental stewardship are key attributes of our environmental agenda

OUR GREEN REALISATION PLAN

We are cognizant of our responsibility to implement sustainable practices to minimise our environmental footprint. As a Group, we are committed to demonstrate environmental stewardship by reducing energy and water consumption, managing waste responsibly and conserving biodiversity.

Our environmental sustainability framework is reinforced by the Green Realisation Plan ("GRP") and its five-thrust strategy which was developed and administered by our Green Council.

Objectives of EcoWorld Malaysia's Green Realisation Plan

- 1. To fulfil EcoWorld's vision of 'Creating Tomorrow & Beyond'
- 2. To support EcoWorld's mission of 'Creating World-Class Eco-Living in All Our Developments'
- 3. To instil a 'Green Mindset' amongst all EcoWorld staff
- 4. To promote 'Green & Sustainability' in EcoWorld's branding

THE GREEN AGENDA

GREEN PLANNING AND DESIGN

To incorporate green in EcoWorld master plans and design, building architecture & design; and sustainable transport and connectivity

GREEN LANDSCAPE

To incorporate green in soft & hard landscaping in all **EcoWorld developments**

GREEN CONSTRUCTION

To promote sustainable construction practices in terms of building material and resource selection, construction site management & practices, and construction methodologies

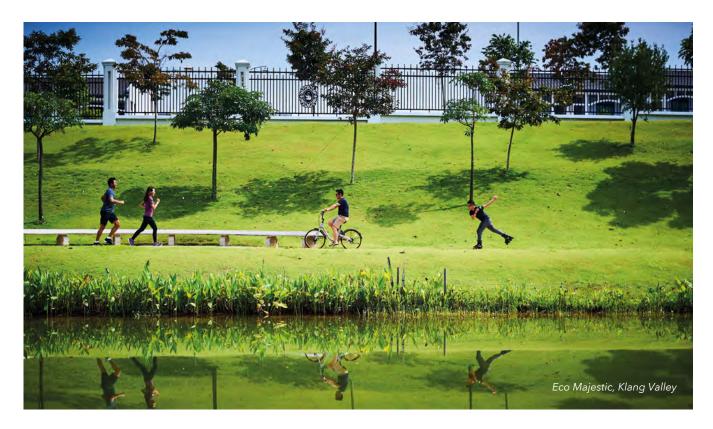
GREEN IMAGE

To project an image and branding that is consistent with EcoWorld's vision & mission

GREEN AWARENESS & ENGAGEMENT

To promote environmental awareness, education and engagement amongst our employees, customers, stakeholders and the public

CONSERVING OUR ENVIRONMENT



The introduction of the GRP by the Green Council raised the bar for EcoWorld Malaysia in terms of the Group's environmental performance and is in keeping with our reputation as an 'Eco' developer. By ensuring our projects place emphasis on environmental sustainability, we develop a branding that gives us a competitive edge over our industry peers.

The Green Council, which was established three years ago, consists of 50 members spearheading EcoWorld Malaysia's Green Agenda and this involves updating the GRP every year. The council is represented by various departments from Eco Central, Eco North, Eco South and support divisions.

RAISING GREEN AWARENESS

Our responsibility towards environmental stewardship requires raising awareness amongst our employees. The two main ways introduced by the Let's Green Possible Campaign 2018 in order to create green awareness were inter-departmental competitions such as the 'Electricity and Water Savings Challenge' and initiatives and programmes including but not limited to the IDEAS KPI Campaign, online lunch pre-ordering system, EcoWorld Green Office Guide and group wide recycling in sales galleries and offices.

The objectives of the Let's Green Possible Campaign include:

- Instilling a green mind-set among our employees
- Incorporating sustainability in the everyday habits of our employees
- Inculcating a 'green and sustainability culture' in all EcoWorld Malaysia workplaces
- Raising green awareness and engaging our employees in the pursuit of EcoWorld Malaysia's sustainability goals and values

Green Office Guide

Part of the initiatives and programmes of the Let's Green Possible Campaign was the introduction of the EcoWorld Green Office Guide for the corporate office. Some of the key practices listed down in the guide are as shown below.

Power Management

- Reduce electricity consumption of lighting by retrofitting to LED lights, green office signage that reminds staff to switch off lights when not in use and maximise daylight whenever possible
- Reduce electricity consumption of air-conditioners by conducting regular maintenance and setting the temperature to the optimum temperature (24° C) and reminders to switch off air-conditioners when not in use
- Reduce electricity consumption of computers and printers by setting energy-saving features and shutting off computers when not in use

Water Conservation

- Install dual-flush toilet system when toilets are up for replacement
- Convert to low-flush toilet by placing a 500ml water bottle in the toilet tank

Indoor Air Quality

- Allow ventilation and air circulation by opening doors
- Place air cleaning plants in the office

Reduce, Reuse, Recycle

- Reduce, reuse and recycle stationery whenever possible
- Reduce paper printing by going digital
- Set printer settings to double-sided printing
- Check printer settings before printing to eliminate printing errors
- Use washable dishware and avoid disposables

Office Procurement

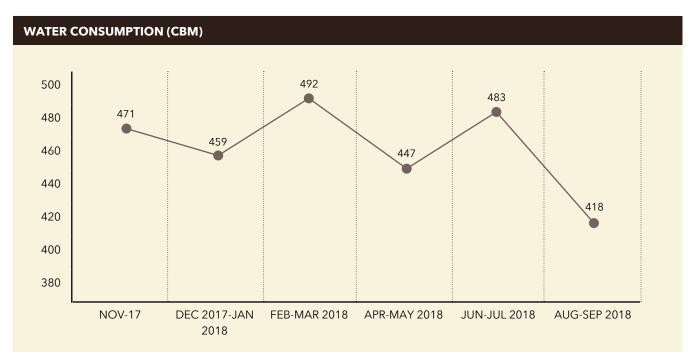
- Purchase and use eco-friendly cleaning supplies, such as biodegradable, non-toxic, petroleum-free dishwashing liquid and floor cleaning detergents
- Purchase supplies from vendors who follow environmentally sound practices
- Purchase photocopier paper, envelopes, paper towels and toilet paper with high post-consumer recycled
- Purchase office paper which is Forest Stewardship Council or Programme for the Endorsement of Forest Certification certified

Energy and Water Consumption

The 'Electricity and Water Savings Challenge' was a competition between departments at the corporate office and all EcoWorld Malaysia offices to reduce electricity and water consumption. As shown in the graphs below, there has been a reducing consumption trend in electricity and water consumption at the HQ from November 2017 to September 2018.



(*Electricity consumption in March 2018 shows an increase due to more frequent internal training, meetings and a greater number of staff working in the office)



Waste Recycling

At EcoWorld Malaysia headquarters in Setia Alam, we started recording our recyclable waste collection from 15 November 2017 to measure our performance in this area. Up until the end of July 2018, we have recycled 3,068 kg of paper, 128 kg of plastic, 48 kg of glass and 2 kg of aluminium waste. Furthermore, we have a composting machine at our Setia Alam HQ which composts food waste at the source, thereby diverting more waste from the landfill. The fertiliser generated from this process is given to our employees and customers for their own use.

On 1 August 2018, we initiated Group Wide Recycling in all our offices and sales galleries wherein the recyclable waste collected is sent to an external party for recycling. With this new initiative, we have 35 categories of recyclable waste, including but not limited to electronics, metal, paper and plastic waste, as well as car batteries. The amount of waste collected for recycling in August 2018 and September 2018 is 1,985 kg and 1,375 kg respectively.

We have placed two textile recycling bins at our Setia Alam HQ and one at Eco Ardence to collect and recycle old or damaged clothes, linens, soft toys, belts, shoes and bags. The unwanted clothing will be recycled into cleaning rags, which are in demand by industries and textiles which are in good condition will be sold as second-hand clothing.

Green Ideas

In 2018, we conducted two instalments of the Green IDEAS KPI Campaign with the title 'Green Initiatives Resulting in Cost Optimisation' and 'New Ways to Save Electricity and Water at Work for Long Term Sustainability'. These two campaigns were introduced to promote environmental stewardship and cultivate green innovation among our employees by giving them recognition and benefits for sustainability-related ideas.





Online Lunch Pre-ordering System

At EcoWorld Malaysia offices, complimentary lunch is provided for all employees at the respective cafeterias. We provide complimentary lunch to our employees to make it more convenient for them as it saves time, reduces the need to travel and reduces traffic congestion, thereby indirectly reducing their carbon footprint. They can pre-order from the system twice a month so that in the event employees plan to eat out on certain days or have meetings outside the office, the food will not go to waste.

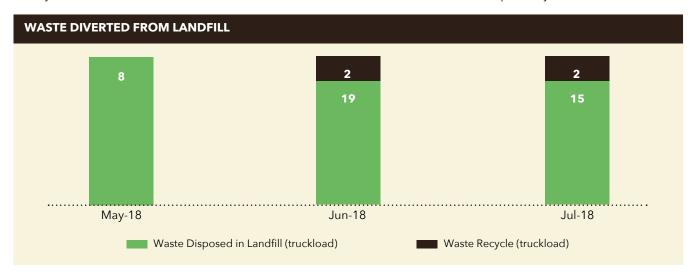
WASTE MANAGEMENT

Construction Waste

As a property developer, we strive to reduce the quantity of construction waste going to the landfills from our project sites. We are cognizant of the importance of keeping track of our waste data and moving forward we will put in place appropriate waste data tracking procedures.

At our construction sites, we employ project risk personnel as well as safety officers to conduct regular checks on the management of construction debris to prevent illegal dumping and ensure proper disposal of the waste at landfills approved by Local Authorities by licensed contractors. Our contractors are required to maintain records on the waste disposal receipts for periodic inspection.

A percentage of the construction waste generated at the BBCC project site is recycled. In June and July 2018, we managed to recycle and divert 10.52% and 13.33% of BBCC construction waste from the landfill respectively.



Scheduled Waste

Contractors are required to keep records on the disposal of scheduled waste. We conduct unannounced checks to verify the records to ensure compliance with the Environmental Quality (Scheduled Waste) Regulations, 2005. The total quantity of scheduled waste generated by EcoWorld Malaysia's current projects from November 2017 to October 2018 is listed in the table below.

	TYPE OF WASTE	WEIGHT (MT)
SW 409	Contaminated containers	0.0002
SW 306	Spent hydraulic oil	0.1121
SW 311	Waste of oil or oily sludge	0.0080
SW 305	Spent lubricant oil	1.2849
SW 410	Contaminated rags, plastics, gloves and filter	0.0598
SW 408	Contaminated sand/soil	2.7475

(*Scope of projects included in calculation: Eco Business Park II, Eco Business Park III, Eco Business Park III, Eco Business Park III, Eco Botanic, Eco Tropics, Eco Summer, Eco Terraces, Eco Bloom, Eco Ardence, Eco Sanctuary, Eco Majestic, Eco Forest, BBCC and Eco Grandeur)

A good percentage of the construction waste that is generated at our project sites is recycled or reused. At Eco Terraces, 73.5% of the total construction waste that was generated was recycled or reused. The table below illustrates the amount of waste (in tonnes) generated at this project site from November 2017 to October 2018 in two categories: non-recyclable and recyclable/reused waste.

MONTHS	NON-RECYCLABLE WASTE (MT)	RECYCLABLE/REUSED WASTE (MT)		
November 2017 3.5		5.88		
December 2017	6.5	16.81		
January 2018	6.5	8.76		
February 2018	6	8.7		
March 2018 5.5		8.27		
April 2018 6		7.61		
May 2018	4	6.19		
June 2018 2.5		7.01		
July 2018 2		8.77		
August 2018 2		12.56		
September 2018 2		19.88		
October 2018 1.5		22.83		
TOTAL	48	133.27		

ENVIRONMENTAL COMPLIANCE

For projects that fall under the list of prescribed activities of the Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order, 2015, an Environmental Impact Assessment ("EIA") is carried out for approval by the Department of Environment. The findings in the EIA are used to ensure the impacts arising from our construction activities are mitigated. We are also committed to complying with the regulations that govern environmental protection including:

- 1. Environmental Quality Act 1974 (and its Amendments)
- 2. Environmental Quality (Scheduled Wastes) Regulations 2005
- 3. Environmental Quality (Industrial Effluent) Regulations 2009
- 4. Environmental Quality (Sewage) Regulations 2009
- 5. Environmental Quality (Clean Air) Regulations 2014
- 6. Street, Drainage and Building Act, 1974

As a result of our commendable environmental management system we have achieved the ISO 14001:2015 (EMS) certification under the 'Provision of Property Development Services in Residential, Commercial and Industrial Properties' scope.

We continuously seek to understand the needs of the surrounding community, especially the vulnerable sections of society. Our efforts in this direction focus on improving access to education and the quality of education

ECO WORLD FOUNDATION

"Education is the most important form of investment. We believe that investing in our children means that we are investing in the future. The overall objective of Eco World Foundation via its education thrust is to render assistance to students in need and provide them the opportunity of a brighter future.

Education is a right for everyone. The Students Aid Programme collaborates closely with the Ministry of Education ("MoE") to ensure that the right students are selected for sponsorship and the right schools are represented. Our Foundation is not solely about helping the poor, it is about building national unity through education. Our goal is to make sure that the community is taken care of first before we develop our projects."

Tan Sri Lee Lam Thye, Chairman of Eco World Foundation

The Eco World Foundation was established on 7 May 2014 to serve as a platform for the Group to fulfil its CSR initiatives. The main activities of the Foundation are in the focus areas of youth education and development, and health and well-being.

Youth Education and Development

A good education has the power to change someone's life for the better

KEY INITIATIVES	ECO WORLD FOUNDATION CONTRIBUTION	IMPACTS ON THE COMMUNITY	
Donated equipment to support vocational education	Donated an industrial scale electric baking oven worth approximately RM60,000 to Montfort Boys Town, a holistic learning institution dedicated to helping underprivileged youths equip themselves with vocational training	Young underprivileged boys and girls gained equal access to education and vocational training to empower them with the living skills to live an independent life	
Replacement of worn out desks and chairs to schools	 Donated 250 sets of students' desks and chairs to three schools in Selangor and Perak on 8 March 2018 Donated 120 sets of students' desk and chairs to SJK(C) Foon Yew 4, Johor Baru on 18 April 2018 Donated a total of 150 sets of students' desks and chairs to SJK(T) Ladang Rinching and SK Semeyih on 30 May 2018 	Schools which received assistance are able to provide a conducive learning environment for students	

KEY INITIATIVES	ECO WORLD FOUNDATION CONTRIBUTION	IMPACTS ON THE COMMUNITY	
Sponsorship of newspaper as supplementary reading materials - Newspaper in Education Programme	 Sponsored 20,400 copies of Berita Harian's education pullout for 12 schools in Perlis, Kedah and Selangor Sponsored 26,400 copies of Utusan Melayu's Tutor UPSR for 20 schools in Perlis, Kedah and Selangor 	Promotes the reading habit and allows students to keep abreast of current national and international affairs Provides study tips for needy UPSR students	
Sponsorship of computers to school students	Donated a total of 12 sets of desktop computers worth approximately RM30,000 to SJK(C) Sin Bin, Sg Lima, Pulau Ketam	Students from SJK(C) Sin Bin located in the small island with poor accessibility are able to enjoy the benefits of the new computers in the classroom	
Sponsorship of renovation and facelift for Special Integrated Educational programme's classrooms	Provided basic equipment and furniture to accommodate the special needs students of SJK(C) Kung Man, Serdang Lama	Special needs students are able to study in a conducive environment	
Sponsorship for school canteen tables, desks and chairs	Donated canteen tables and chairs worth RM 71,000 1. SJK(C) Chien Chi, Johor Bahru - 20 sets worth RM15,000 2. SJK(C) Karak and SJK(C) Khai Mun Pagi in Pahang - 10 sets worth RM36,000 3. SK Bukit Kapar, Selangor - 10 sets worth RM10,000 4. SJK(C) Selayang Baru, Selangor - 10 sets worth RM10,000	Helped schools in Selangor, Pahang and Johor with the replacement of canteen tables, benches, desks and chairs which had worn out over the years	

STUDENTS AID PROGRAMME: The Eco World Foundation through the Students Aid Programme ("SAP"), provides financial assistance to underprivileged primary, secondary and tertiary students with the objective of keeping children of all races in school.

Currently, Eco World Foundation sponsors more than 2,600 students in selected primary schools, more than 300 students in selected high schools and approximately 39 students who have gone into tertiary education, of which 20 have graduated.

SAP is endorsed by the MoE and students are recommended by our partner schools based on the financial situation of their families. We conduct scheduled and unscheduled welfare checks on the students, both in schools and in their homes, to confirm that the funds we allocate are put to appropriate use. This ensures that we give aid to those who are in need and would benefit the most from our sponsorship.

Assisting the Foundation in conducting these home visits is the Eco World Foundation Volunteers Club ("EWFVC") which was launched in 2015. EWFVC is a platform for EcoWorld employees to volunteer and assist the Eco World Foundation to carry out its activities. Other SAP activities and programmes that EWFVC assists with include the Parent's Dialogue sessions, UPSR Motivational Camps and UPSR Excellence Awards. Motivational Camps are organised every year to prepare Standard 6 students for UPSR exams. Over a period of three days, these camps are meant to boost the confidence level of students by inviting experienced teachers to conduct talks and provide them with guidance. The UPSR Excellence Awards are held annually to reward and recognise the students for their commendable efforts in overcoming all odds and excelling in their UPSR exams. This event serves to motivate the students to redouble their efforts to achieve their ambitions and chart a brighter future for themselves and their families.

SUKA SOCIETY: We have recently teamed up with SUKA Society, an NGO that aims to create better access to education for Orang Asli (indigenous) communities. Eco World Foundation was introduced to SUKA Society via Agensi Inovasi Malaysia due to our continuous commitment in providing access to education for those in need.

We have contributed RM200,000 towards the administration of SUKA Society's Empowered2Teach project which caters to Orang Asli pre-schoolers in 10 remote villages in Kelantan and Pahang. We believe that with education, a child is able to grow up having the knowledge and skills to break free from the cycle of poverty and to protect the rights of his or her community. In addition to the support SUKA Society provides to Orang Asli children, Orang Asli adults are given the opportunity to be trained as teachers in their community with tools, resources and encouragement provided to enable them to become leaders for education within their communities.

Apart from these activities, the Foundation also seeks to help underprivileged Malaysians through counselling, home visits and career guidance.

Health and Well-Being

Eco World Foundation donated two Haemodialysis machines worth RM85,400 to the KPS St John's Ambulance Foundation Haemodialysis Centre on 25 August 2018. The Foundation has also donated RM220,000 for the purchase of haemodialysis machines to NGOs to provide treatment at their respective centres for the less fortunate.

ENVIRONMENTAL CONSERVATION

32 volunteers from EcoWorld Malaysia joined the river restoration effort by Global Environment Centre (GEC) to restore the stream at Malaysian Nature Society Urban Community Forest at Federal Hill in Kuala Lumpur. River restoration is the re-establishment of natural physical processes, features and physical habitats of a river. The process required volunteers to carry heavy sand bags down to the river to build a barrier for soil erosion prevention and clear debris from the river.

DISASTER RELIEF

On 5 November 2017, 80% of Penang was partially submerged in water and approximately 1,600 evacuees were placed in several flood relief centers around the island. A total of RM63.000 was donated in setting up a flood relief centre in aid of Pulau Aman residents. We have contributed necessities worth approximately RM10,000 towards setting up a flood relief centre in the village to aid the needy by supplying them with necessities such as food, drinks, blankets, and clothes. In addition, we also provided building materials such as zinc, wood and cement and repaired two houses which were badly destroyed by the strong winds.

FOSTERING UNITY AND PATRIOTISM

2018 marked the fourth year of our #AnakAnakMalaysia campaign, bringing Malaysians from all walks of life together in celebration of Merdeka and Malaysia Day. The event which was held during the first week of September 2018 had a hugely successful turnout at Eco Ardence (Shah Alam), Eco Tropics (Johor) and Eco Horizon (Penang). While the turnout at Eco Ardence was the highest at 7,000, Penang and Johor also brought in the numbers with a participation of 4,000 and more than 5,000 respectively. It was a meaningful occasion for all those participating to be able to join hands with fellow Malaysians to celebrate unity and patriotism.

As part of its CSR initiatives, Eco Horizon sponsored approximately 45 orphans from the Salvation Army Home and St. Joseph's Home to participate in this event and to express their patriotism.

COMMUNITY DEVELOPMENT EFFORTS

We create opportunities for EcoWorld Malaysia employees to engage with the local community and support different social causes. One of the assignments given to the participants of the Eco World Leadership Development Programme ("EWLDP") is to initiate new and creative community engagement programmes. Participants of EWLDP are given funds to plan and organise the CSR events. They also organise fundraisers and recruit more volunteers to achieve the objectives of their programmes.

The volunteer programme creates a bridge between employees and non-profit organisations, encouraging them to organise community engagement programmes ranging from a single day of volunteering to long-term partnerships with non-profit organisations. Our future leaders have initiated meaningful community engagement programmes during the reporting period, some of which are listed in the table below.

ACTIVITIES/EVENT	OBJECTIVES	OUTCOMES	
Walk of Life (Event Date: 24 March 2018)	1. To care for the underprivileged community 2. To encourage family bonding	 Organised a fun walk for the participants from Beautiful Gate Foundation for the Disabled Organised various activities and games for their entertainment 	
Children See, Children Do (Activity Period: 1 February to 31 March 2018)	 1. To encourage healthy lifestyle amongst the children 2. To provide a good living environment for the children Renovated the sports court and corner Rectified home defects and light Organised various activities and for the children Repainted peeling wall Built edible garden Organised cleaning project 		
Hope for Tomorrow (Activity Period: 31 January to 3 April 2018)	1. To create public awareness on the challenges faced by the home to maintain its services in taking care of mentally challenged children. 2. To assist the home to raise funds to purchase a Physiotherapy Bed	 Collected donation of RM37,000 Bought new mattresses for the home Bought therapy beds for the home 	
Feed for Health, Feed for Love (Activity Period: 26 January to 23 March 2018)	To provide a hygienic and comfortable environment to the nursing community To donate nursing and baby products to the needy	Refurbished Klinik Kesihatan Meru's nursing room Collected necessities through donation drive to benefit the local community	
Community Futsal (Event Date: 25 March 2018)	1. To foster community engagement through sports 2. To promote healthy lifestyle for the local community, especially the youths at Batu Kawan area 3. To improve the current facilities	 Refurbished fences, spotlights, tar road and floors of the futsal court Provided benches beside the futsal court Organised Open Futsal Tournament in collaboration with Kelab Sukan Dan Rekreasi Komuniti Parlimen Batu Kawan 	

ECOWORLD INTERNSHIP PROGRAMME

Our priority is to provide opportunities to local graduates to help them recognise their potential and through our internship programmes, we have successfully managed to do so. We have two internship programmes running concurrently for Malaysian students. One is the flexi-internship which runs between 3 to 6 months depending on the university and the other is the Technical and Vocational Education and Training ("TVET") internship programme which runs for 6 months. Our performance for both these programmes in 2018 is described in the table below.

CATEGORIES	FLEXI-INTERNSHIP	TVET INTERNSHIP	
Total Intake	55	60	
Male Intake	30	35	
Female Intake	25	25	
Duration	3 - 6 months 6 months		
Top 3 Disciplines	Civil EngineeringBusiness StudiesQuantity Surveying	Civil EngineeringMechanical EngineeringLandscape/Horticulture	
Polytechnics - University of Nottingham Malaysia - Universiti Malaysia Sabah -		Shah - Politeknik Port Dickson	
Degree Level Undergraduate Degree/ Diploma Post-Graduate Degree		Diploma	

CONCLUSION

To survive and thrive in the future, we need to understand the dynamic trends shaping tomorrow, today. Continuously improving our economic, environmental and social risks and opportunities are stepping stones that will subsequently contribute towards the long-term sustainable development of the Group. The economic, environmental and social aspects of EcoWorld Malaysia's journey to strengthen its sustainability efforts are showcased in this report. In the coming years, we intend to build on these efforts and assess which are the most effective in realising our vision for sustainability.

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