

# SUSTAINABILITY STATEMENT



For the financial year 2018 (**FY2018**), Paramount Corporation Berhad (**Paramount** or the **Company**) and its subsidiaries (the **Group**) continued to embrace sustainability as an intrinsic part of our business model and value creation process.

Guided by our Vision, Mission and TRIBE core values, we have continued to realise our aspiration of delivering a legacy of socio-economic development for stakeholders across Malaysia. We remain committed to our **5Ps** – People, Planet, Prosperity, Partnership and Peace – which are aligned to the Sustainable Development Goals (**SDGs**)<sup>1</sup> of the United Nations.

The concept of sustainability is not new to Paramount. Our commitment to improve has been a continuous process and journey. Through our core businesses of property development and education, Paramount continues to address material areas of concern in our effort to realise and uphold our 5Ps. We believe that for our business to be sustainable, we must adopt a triple

bottom-line approach beyond profits and financial gain to ensure that we create lasting value for our various stakeholders.

This approach to business is exemplified across our business divisions over the past decades, from educating the young and developing the nation's human capital needs, to housing the nation and reducing waste in our creation of living spaces through green building design and construction in Malaysia. We are proud to have left a mark that has contributed to a more sustainable world.

With the perspective that more can be done, Paramount has set out to achieve new milestones for the year under review.

<sup>1</sup> In 2015, 193 countries including Malaysia adopted the 2030 Agenda for Sustainable Development of the UN and its 17 SDGs. By doing so, governments, businesses and civil society together with the UN are mobilising efforts to achieve this Sustainable Development Agenda by 2030.

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY IN FY2018

Guided by the ethos that continuous improvement is key towards business longevity, the Group has continued its efforts to embed both the culture and mindset of sustainability across all business divisions and locations nationwide.

The goal is that while having systems, processes and frameworks are excellent catalysts for sustainability, true sustainability is achieved when it is embraced and practised by the people within the organisation almost subconsciously, becoming an intrinsic part of the organisation's cultural DNA.

Therefore, the approach to sustainability for the year under review has been both top down and bottom up. Sustainability is driven as an agenda through the organisation top-down, while on-ground efforts are mainly maintained as bottom up initiatives.

The Board of Directors (**Board**) and Senior Management are actively involved, discussing macro issues, providing leadership direction, and encouraging business units to take ownership and be proactive in addressing material sustainability issues related to them.

Thereafter, business units guided by the Group's core values and shared sustainability aspiration, and with the counsel of their respective Sustainability Working Groups, take on efforts that are then monitored and reported back to Senior Management and the Board.

By taking a broad approach, Senior Management aims to further embed the TRIBE values and promote a culture of shared responsibility, where the understanding of sustainability is linked back to business vision and enterprise at all levels. This commitment is long term and far reaching. As efforts mature, the Group aims to further improve on its monitoring, data collection, and impact measurement by working alongside a wider group of stakeholders and experts.

Appreciating that there are still areas for development and growth, and that sustainability is a shared journey, the Group continues to look for opportunities to share and develop a mindset of sustainability through various touch-points; for example, with students and youth via its Education division, and with customers and the community members through its Property and Corporate arms. Highlights of key efforts are provided in the following pages.

## MATERIAL SCOPE AND BOUNDARY

The scope of our FY2018 Sustainability Statement (**Statement**) covers the Group's corporate office and its two business divisions, Paramount Property and Paramount Education. It does not include the Group's value chain consisting of third-party contractors, suppliers and vendors.

As with our previous FY2017 reporting, for stronger relevance, this Statement only encompasses the most pertinent projects, initiatives and activities of the Group rather than every aspect of our operations. Progressively, we shall endeavour to provide more comprehensive disclosure.

- Reporting period: 1 January 2018 to 31 December 2018
- Reporting Cycle: Annually
- Principal Guidelines: Bursa Malaysia's Main Market Listing Requirements Practice Note 9 Article 6

## GOVERNANCE

In FY2018, there has been greater involvement of the Board and Senior Management in guiding and driving Paramount's sustainability agenda and journey. Through their leadership, the Group undertook a strategic review of efforts thus far, from issues deemed material to the enterprise to the level of sustainability buy-in within the Group.

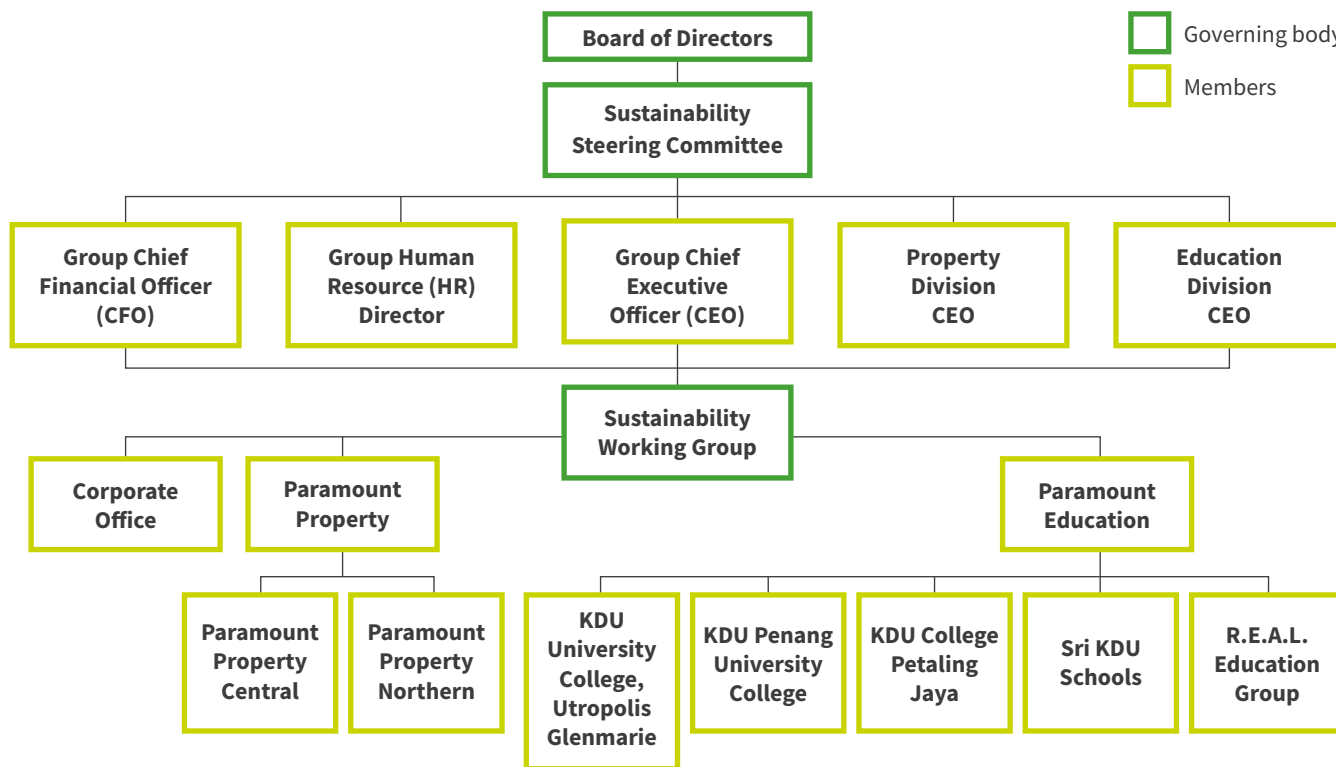
Retaining oversight of the Group's over-arching business strategy, as well as sustainability related issues, the Board's deliberations and guidance led to tangible progress on key areas including succession planning, talent development, green building and technological innovation. Through Senior Management effort and leadership, the existing sustainability governance framework was further enhanced via the inclusion of more personnel from different functions across the business divisions and departments in the Group. This then led to a more robust debate on focus areas and efforts during the reporting period.

In FY2018, the Sustainability Steering Committee (**SSC**) and the Sustainability Working Group (**SWG**) each met twice and shared their insights and findings with Senior Management and the Board for deliberation and where needed, guidance and approval.

The SSC comprises the Group Chief Executive Officer (**CEO**) (**Chairman**), Property Division CEO, Education Division CEO, Group Human Resource (**HR**) Director, and Chief Financial Officer (**CFO**). The SWG has been established at all active business units save for Co-labs Coworking and is represented by key staff from the departments.

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The SSC Chairman reports to the Board on a regular basis on sustainability related matters.



SUSTAINABILITY STEERING COMMITTEE	SUSTAINABILITY WORKING GROUP
<ul style="list-style-type: none"> <li>Comprises the Group CEO, CEOs of the Property and Education Divisions, Group CFO and Group HR Director</li> <li>Reviews and approves the sustainability strategies and ensures that they are aligned with the Company’s vision and mission</li> <li>Prioritises strategies based on available budgets</li> <li>Ensures that executed sustainability projects are aligned with approved sustainability strategies</li> <li>Reviews and recommends sustainability statement/reports to the Board for approval</li> <li>Provides advice and guidance on business and operational functions directly related to sustainability strategies and initiatives</li> <li>Endorses sustainability targets for the forthcoming years</li> <li>Oversees, reviews and evaluates sustainability performance against the defined metrics</li> </ul>	<ul style="list-style-type: none"> <li>Comprises representatives responsible for sustainability strategies and projects</li> <li>Executes approved sustainability projects</li> <li>Monitors the progress of projects and progress to the SSC</li> <li>Tracks the data and ensures that all outlined activities achieve defined targets</li> <li>Recommends sustainability related projects to the SSC</li> </ul>

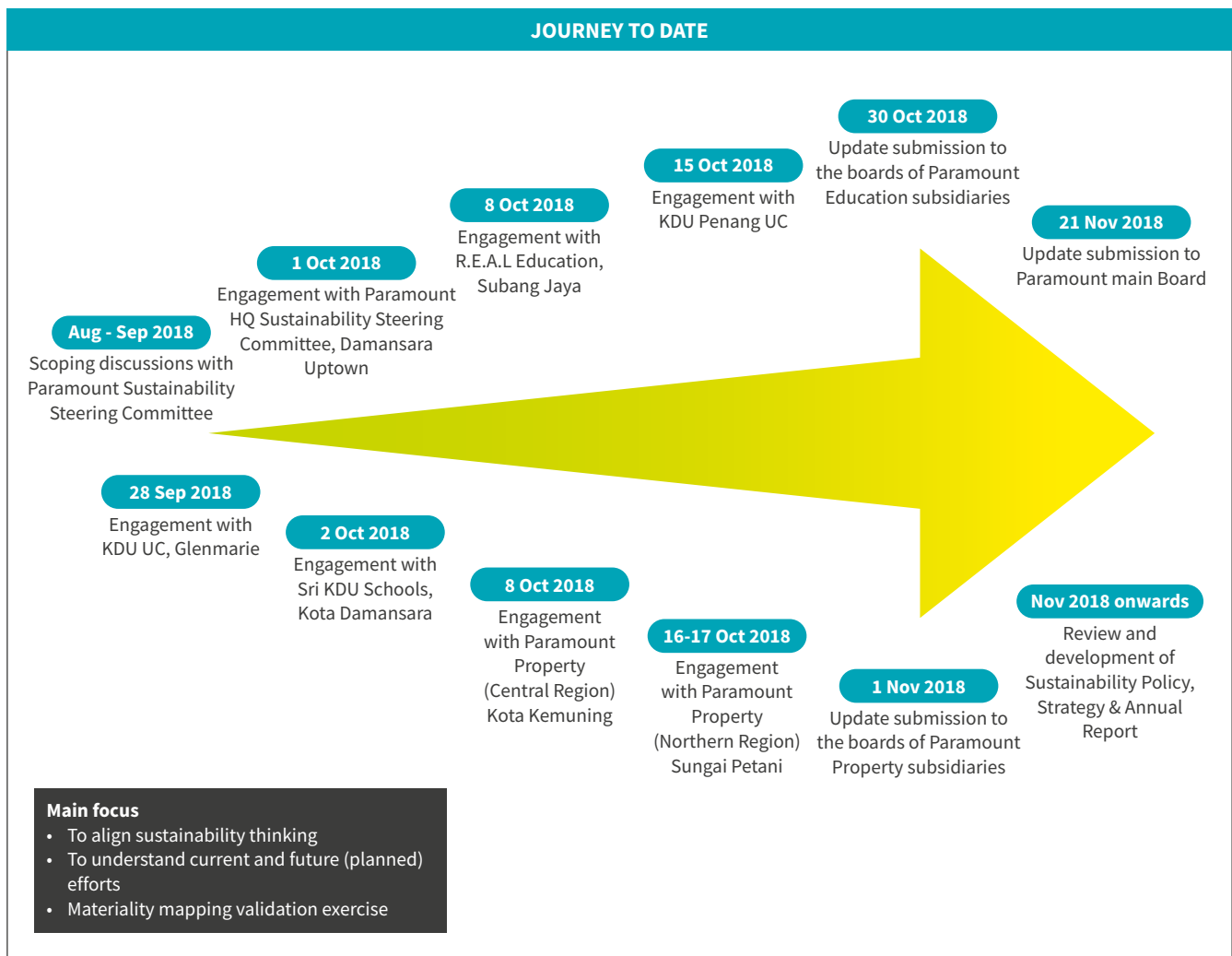
# SUSTAINABILITY STATEMENT

## STAKEHOLDER ENGAGEMENT

We have continued to engage stakeholders to validate our sustainability journey and efforts, particularly for the identification and assessment of materiality matters. The inclusion of diverse perspectives is crucial for a comprehensive view of our impacts – both positive and otherwise – as an organisation.

Given our focus on embedding a sustainability culture in Paramount, we intensified internal stakeholder engagement activities with employees. Throughout the year, various internal meetings, workshops and other communication channels were used to engage our staff on sustainability related matters.

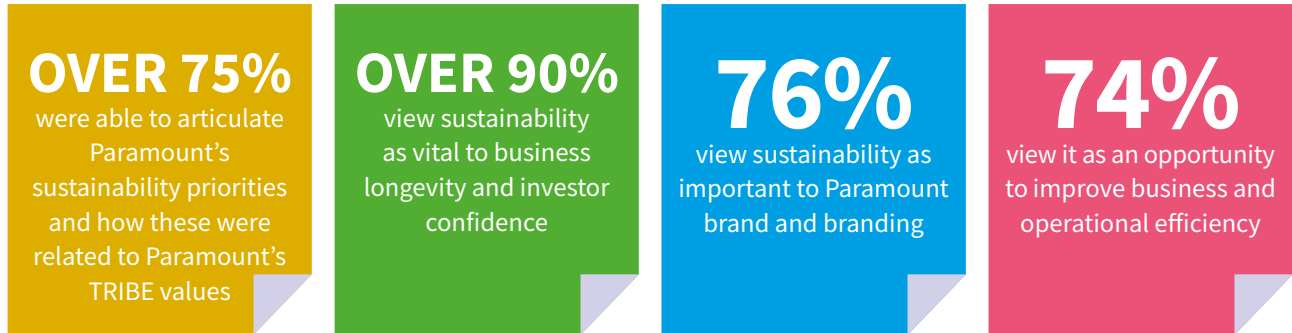
These engagement sessions were most useful in helping us formulate strategies to cascade sustainability across the Group and to develop a more coherent strategy.



# SUSTAINABILITY STATEMENT


Through these internal pre-survey engagement sessions, we have identified the following key insights:

1. Most employees of the Group are concerned about sustainability and would like to work in a sustainability-oriented organisation.
2. With business leaders, the following was observed:






3. Most business units or divisions have implemented sustainability related programmes, projects or activities in their respective Economic, Environmental and Social (EES) spectrums.
4. Moving forward, opportunities exist for better collaboration between business units to enable efforts to scale up and cross-functional learning to take place. With better direction, the Group can leverage on employee buy-in more effectively.

## STAKEHOLDER ENGAGEMENT ACTIVITIES

STAKEHOLDERS	ISSUES OF CONCERN	ENGAGEMENT CHANNELS AND ACTIVITIES	OUTCOMES
 <p><b>Employees</b></p>	<ul style="list-style-type: none"> <li>• Employee benefits, well-being and health and safety</li> <li>• Career development</li> <li>• Succession planning</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluation of employee benefits and compensation package</li> <li>• Employee health and wellness activities</li> <li>• Induction for new employees</li> <li>• Town hall meetings</li> <li>• Circulation of HR policies</li> <li>• Skills development programmes</li> <li>• Talent management programmes</li> <li>• Sport club activities</li> <li>• Performance appraisal</li> <li>• Committee meetings</li> <li>• Paramount staff magazine</li> </ul>	<ul style="list-style-type: none"> <li>• Revision of HR policies to be more conducive to staff</li> <li>• Increase in employee health and wellness activities including sports club activities</li> <li>• Increase in skills development and talent management programmes</li> <li>• Overall increased employee satisfaction reflected in reduced attrition and increased productivity</li> </ul>



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STAKEHOLDERS	ISSUES OF CONCERN	ENGAGEMENT CHANNELS AND ACTIVITIES	OUTCOMES
 <p><b>Customers</b></p>	<ul style="list-style-type: none"> <li>• Support services</li> <li>• Product quality</li> <li>• Latest announcement on project release</li> <li>• Timely delivery</li> <li>• Product/service pricing and package</li> </ul>	<ul style="list-style-type: none"> <li>• Customer call centre</li> <li>• Website/social media</li> <li>• Consumer survey</li> <li>• Sales promotions</li> <li>• Student portal</li> <li>• School visits/talks/workshops</li> <li>• Events and activities</li> <li>• Exhibition/student fairs</li> <li>• Emails on project launches to staff</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in customer satisfaction</li> <li>• Reduction in customer complaints</li> <li>• Increase in number of repeat buyers</li> <li>• Organising of inaugural Customer Appreciation Day</li> <li>• Increase in student enrolment</li> <li>• Retention of existing students and teaching faculty</li> </ul>
 <p><b>Investors / Shareholders</b></p>	<ul style="list-style-type: none"> <li>• Group's financial and operation performance</li> <li>• Corporate governance</li> <li>• Dividend and capital appreciation</li> </ul>	<ul style="list-style-type: none"> <li>• Annual General Meeting</li> <li>• Quarterly results announcement</li> <li>• 'Investor Relations' page on Paramount website</li> <li>• Engagement sessions with analysts and shareholders</li> <li>• Annual report</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in investor/ shareholder confidence</li> </ul>
 <p><b>Regulators</b></p>	<ul style="list-style-type: none"> <li>• Approval and permit</li> <li>• Compliance to the relevant government ministries and departments as well as local authorities</li> </ul>	<ul style="list-style-type: none"> <li>• Regular discussions and meetings with authorities</li> <li>• Public consultations with residents' association and local authorities</li> <li>• Site inspections</li> <li>• Seminars, briefings and trainings</li> </ul>	<ul style="list-style-type: none"> <li>• Better understanding of requirements to achieve a higher level of compliance</li> <li>• Increased ability to obtain licences, approvals &amp; accreditations as required</li> <li>• Full compliance to requirements for permit &amp; licence renewal</li> <li>• Full compliance to requirements for performance rating by MOE's Standard Kualiti Institusi Pendidikan Swasta (SKIPS)</li> </ul>

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STAKEHOLDERS	ISSUES OF CONCERN	ENGAGEMENT CHANNELS AND ACTIVITIES	OUTCOMES
 <b>Community</b>	<ul style="list-style-type: none"> <li>• Environmental and social impacts</li> <li>• Community engagement</li> <li>• Management of properties</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate social responsibility activities</li> <li>• Community engagement and outreach programmes</li> <li>• Strategic partnerships</li> <li>• Surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Paramount is viewed as a good corporate citizen</li> <li>• Positive outcomes for the community</li> <li>• Enhanced brand credibility</li> </ul>
 <b>Certification Bodies</b>	<ul style="list-style-type: none"> <li>• Green Building Certification</li> <li>• Conformance to International Organisation for Standardisation (ISO) 9001, 14001 and OHSAS 18001 Standards</li> <li>• Cambridge International Examination (CIE)</li> </ul>	<ul style="list-style-type: none"> <li>• Ad-hoc meetings</li> <li>• On-site inspections</li> <li>• Compliance site visits</li> <li>• Update and networking sessions</li> </ul>	<ul style="list-style-type: none"> <li>• Closer relationships forged to better advance Paramount's green building agenda</li> <li>• Better understanding of requirements</li> <li>• Improved chances of green building certification for future projects</li> <li>• Full compliance to requirements for certification renewal</li> <li>• Assurance of quality management in business operations</li> </ul>
 <b>Vendors / Suppliers</b>	<ul style="list-style-type: none"> <li>• Service delivery</li> <li>• Service scope and payment schedule</li> <li>• Pricing of services and product/service quality</li> </ul>	<ul style="list-style-type: none"> <li>• Daily business communication</li> <li>• Vendor/supplier registration</li> <li>• Performance evaluation</li> <li>• Contract negotiation</li> <li>• Purchasing and service contract</li> <li>• Site visits and meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Greater buy-in among suppliers to practise sustainable and fair procurement</li> <li>• Fewer defects on product delivered by suppliers</li> </ul>
 <b>Media</b>	<ul style="list-style-type: none"> <li>• Company reputation</li> </ul>	<ul style="list-style-type: none"> <li>• Press interviews</li> <li>• Press releases</li> <li>• Regular engagement sessions</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate updates</li> <li>• Enhancement of brand awareness and reputation</li> </ul>
 <b>Bankers</b>	<ul style="list-style-type: none"> <li>• Breach of covenants</li> <li>• Negative public perception</li> </ul>	<ul style="list-style-type: none"> <li>• Business communication such as emails</li> <li>• Face to face meetings</li> <li>• Quarterly reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Greater confidence in the Group by the banking and finance community</li> <li>• Improved opportunities to secure financing for projects</li> </ul>

# SUSTAINABILITY STATEMENT

## ASSESSING MATERIALITY

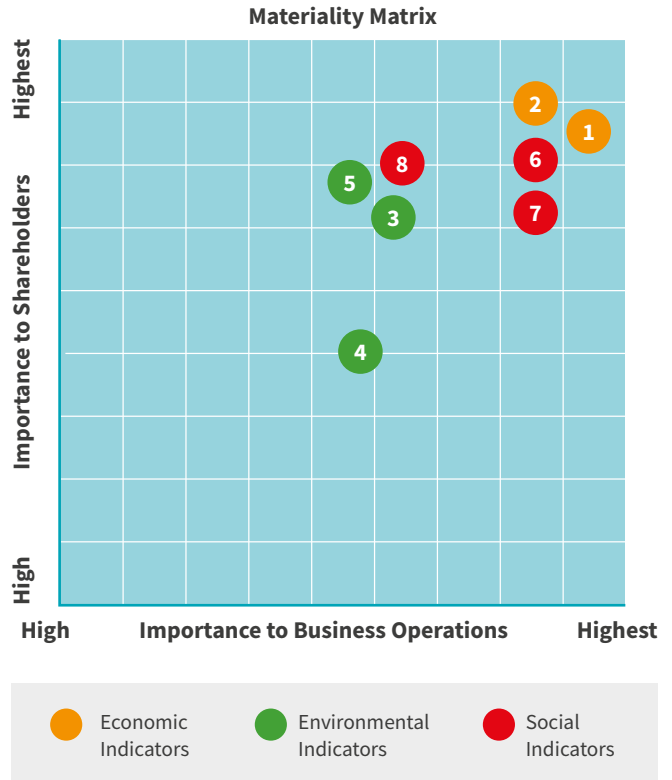
Garnering the insights from our stakeholder engagement activities, the Group held a series of focus groups and workshops across the organisation to collate inputs from staff. Prior to this, a survey was sent to selected staff to gather their perspectives on sustainability related matters across a range of EES topics.

Over 14 materiality issues were identified across the EES parameters. From this, the eight most material issues that were commonly shared across all business units were picked up.

The findings from these sessions were presented to the SSC, which was then shared to the respective Strategic Business Unit (SBU)'s Board and Board of PCB. The Board approved the list of materiality matters.

The materiality assessment exercise also revealed that due to the disparate nature of our businesses, some areas deemed material for one business division will be differently prioritised by another. For the purposes of this report, the material areas highlighted below are those that are shared by all.

The identified materiality matters have been further mapped to relevant UN SDGs and our 5Ps.



STRENGTHENING GROWTH. DELIVERING VALUE.





# SUSTAINABILITY STATEMENT



Caring for the safety and health of our people, and developing their talents through empowerment and enabling them to maximise their potential



Identifying, managing and minimising the environmental impact of our business operations



Delivering superior products and services that benefit society and growing our business to deliver sustainable shareholder return



Developing and enhancing partnerships that will advance our sustainability aspirations and performance



Fostering peaceful relations throughout the organisation and the community at large

## 4 QUALITY EDUCATION



### **Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all**

Paramount is a pioneer in both property and education concepts. We believe in continuously exploring new ways to deliver better living and teaching environments for the communities in which we operate, which will in turn create new opportunities for growth.

## 5 GENDER EQUALITY



### **Achieve gender equality and empower all women and girls**

We engage in community efforts to support women within vulnerable communities, and provide opportunities to women in our workplace, universities and schools, so as to ensure their full and effective participation at all levels of decision-making.

## 8 DECENT WORK AND ECONOMIC GROWTH



### **Promote inclusive and sustainable economic growth through full and productive employment and decent work for all**

We brought sustainable economic growth to the local communities by creating more job opportunities and supporting local businesses. We recruit and develop our people on merit, and we provide opportunities for capacity building and development to them. We believe in long-term goals, built on high levels of performance and corporate reputation to execute our growth as well as our profit strategies and targets.

## 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



### **Build resilient infrastructure, promote sustainable industrialisation and foster innovation**

A variety of environmental friendly and innovative concepts have been designed and built into the exteriors, fixtures and fittings of our properties and schools. We continuously challenge the status quo and embrace new ideas and concepts that ultimately lead to improved products, services and businesses.

## 11 SUSTAINABLE CITIES AND COMMUNITIES



### **Make cities and human settlements inclusive, safe, resilient and sustainable**

Whether homes, offices, schools, shops or green spaces, we recognise that the built environment contributes to improving the quality of life of a community. We engage with vulnerable communities through our outreach programmes with the aim of helping them strengthen and build resilience.

## 16 PEACE, JUSTICE AND STRONG INSTITUTIONS



### **Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels**

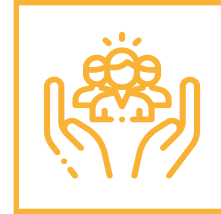
We have policies and procedures in place to mitigate corruption and bribery, and to encourage effective, accountable and transparent business transactions. We also ensure responsive, inclusive, participatory and representative decision-making at all levels.



**ECONOMIC**



**ENVIRONMENTAL**



**SOCIAL**



**ECONOMIC**

This section provides insights into our interactions with the marketplace and outlines how our business activities influence the economic conditions of various stakeholders.

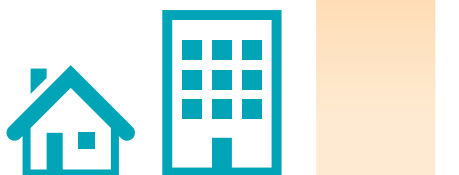
**PRODUCT & SERVICE QUALITY**

Product and service quality has always been important to the Group as it reflects our ability to create value and deliver on our brand promise. It is on the back of excellent product and service quality in the thousands of properties that we have built and the numerous talents we have produced, that we have developed a strong and highly respected brand.

In this regard, for FY2018, we continued our track record of exceptional product and service quality by our Property and Education divisions. Continuing to set industry benchmarks, Paramount Property achieved a QCLASSIC score of 76% in 2018.

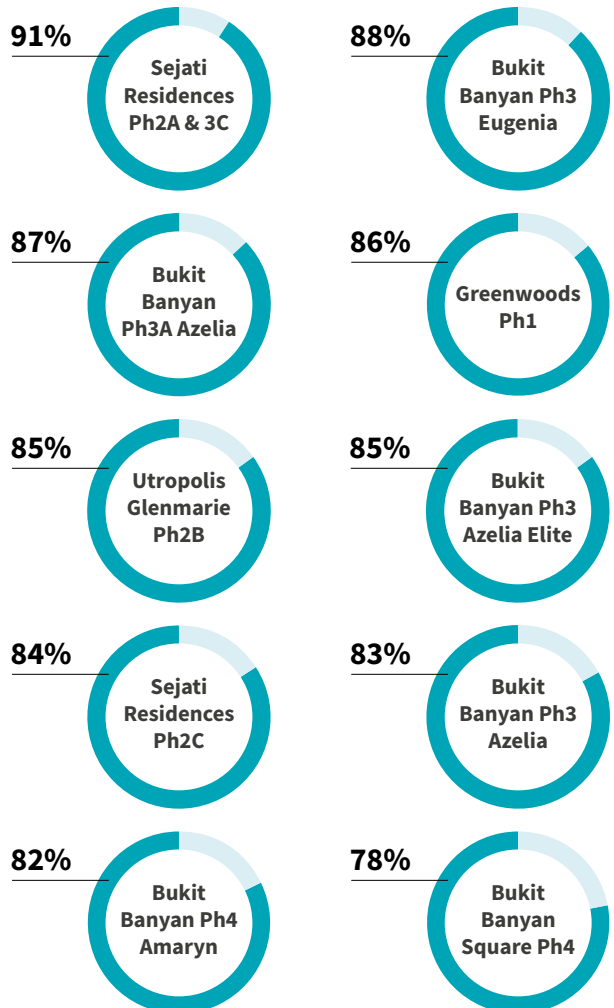
“Continuing to set industry benchmarks, Paramount Property achieved a QCLASSIC score of **76%** in 2018.”

**76%**



Continuing to benchmark internally, Paramount Property’s Customer Satisfaction Index (CSI) showed that we continue to retain the confidence of our customers who remain well pleased with the design, build and finish of our homes as well as supporting customer-related services.

**CSI SCORES:**



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We have also maintained our reputation for delivering our projects ahead of schedule. In FY2018, the completion and handing over of projects were ahead of the schedules signed on the Sales and Purchase Agreements. Details as follows:

PROJECT	DELIVERY
Sejati Residences Ph2c	30 March 2018 (16 months ahead)
Utropolis Glenmarie Ph2b	17 April 2018 (4 months ahead)
Bukit Banyan Ph4	Amaryn: 8 August 2018 (5 months ahead); Citra Elite: 2 October 2018 (8 months ahead)
Banyan Square Ph4	19 March 2018 (9 months ahead)

Paramount Property’s management approach to product and service quality is guided by the internationally recognised ISO 9001:2015 Quality Management System, the QLASSIC systems, the nation’s foremost assessment framework developed by the Construction Industry Development Board (**CIDB**).

In FY2018, Paramount Property established a dedicated Quality Assurance and Quality Control (**QAQC**) team. The four-person team is tasked to develop a comprehensive set of good quality and best practices standards, which will serve as the basis upon which Paramount Property can use to refine and enhance existing Standard Operating Procedures (**SOP**), systems and processes. It also provides a reference for actions to be taken by employees on expected work standards and behaviours.

The QAQC’s job scope also involves conducting site inspections and reporting to Top Management. The team also conducts Quality Conformance Briefing for all site personnel prior to the commencement of project works.

To uphold excellent service quality, Paramount Property Central Region held an inaugural customer service week from 8 – 13 October 2018. In addition, on 13 October, it held a dedicated Kansha Day or Customer Appreciation Day for its buyers. The event took place at ATWATER Sales Gallery at Section 13, Petaling Jaya.

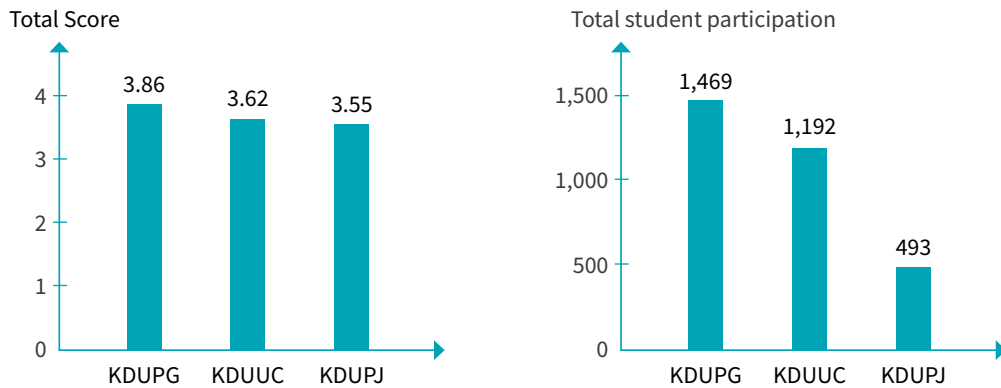
Across our education business, quality is also material. Each of our education business components has developed its respective approach to ensuring the quality of its offerings and service delivery according to the unique requirements and expectations of its customers.

<b>SRI KDU School (SRI KDU)</b>	Successfully retained the following accreditations and qualifications: <ul style="list-style-type: none"> <li>• International Schools Quality Mark (<b>ISQM</b>) Gold Accreditation.</li> <li>• WWF Eco School - Green Flag Award for Sri KDU International School (<b>SKIS</b>).</li> <li>• Membership in the Federation of British International Schools in Asia (<b>FOBISIA</b>) for second consecutive year.</li> <li>• Recognition from MOE Standard Kualiti Institusi Pendidikan Swasta (<b>SKIPS</b>).</li> </ul>
<b>KDU Penang University College (KDUPG)</b>	<ul style="list-style-type: none"> <li>• ISO certified Quality Management System (<b>QMS</b>).</li> <li>• Participation in national and international ranking exercises.</li> <li>• Benchmarking against local and internationally renowned universities.</li> <li>• Assessment of graduate employability and salaries upon graduation.</li> <li>• Student and employer satisfaction surveys.</li> <li>• Regular engagement exercises with external academic assessors, industry advisors as well as members of Board of Governors for quality improvement.</li> </ul>

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<b>KDU University College Glenmarie (KDUUC)</b>	<ul style="list-style-type: none"> <li>• ISO Certified QMS.</li> <li>• Customer satisfaction surveys on semester and annual basis.</li> <li>• Awarded Best Student Game in Southeast Asia (SEA) Game Awards 2018, Gold medal in SINTOK International Games &amp; Gamification Conference 2018.</li> <li>• Tier 4 (Very Good) in SETARA 2017 by MQA.</li> </ul>
<b>KDU College Petaling Jaya (KDUPJ)</b>	<ul style="list-style-type: none"> <li>• ISO Certified QMS.</li> <li>• Awarded a 5-Star MyQUEST 2016/2017 rating by MQA. Held biennially since 2011, MyQUEST is a MOHE developed rating system for assessing the quality of private colleges in Malaysia. Colleges are rated from a scale of 1 to 5 stars.</li> <li>• KDUPJ – Cambridge Learners Awards 2018.</li> <li>• Regular customer satisfaction surveys on semester and annual basis.</li> </ul>

At KDUPG, KDUUC and KDUPJ, a survey was conducted to gauge service quality from the perspective of students.



Given the highly competitive nature of the property and education sectors in Malaysia today, excellent service quality is essential to retain our competitive edge. Importantly, service quality often leads to repeat buyers and a knock-on effect as existing customers become unofficial 'brand ambassadors' sharing their positive experience with friends and family.



# SUSTAINABILITY STATEMENT

## BUSINESS ETHICS & INTEGRITY / CORPORATE GOVERNANCE

The sustainability of the Group also depends on good corporate governance. Hence, it continues to adhere to the highest standards of ethics and integrity in its business practices. This is reflected in the Group's various relationships and communication with its external and internal stakeholders.

The Group's approach to business ethics and integrity is governed and guided by its various corporate policies across both the Property and Education divisions. These include but are not limited to:

- Code of Business Conduct and Ethics (**the Code**)
- Board Charter
- Whistleblowing Policy
- Boardroom Diversity Policy

Contents of these policies and other policies may be viewed at: <http://www.pcb.my/company/corporate-governance>.

In addition to these policies, the Group has established a defined Code of Business Conduct and Ethics (the Code) which applies to all in the organisation, irrespective of position within the Group. All new employees are inducted on the Code so that they are aware of expected behaviours and norms within the Group.

The Code and the policies help to ensure that Paramount continues to operate based on good business practices in a fair and responsible manner while cultivating a conducive workplace environment and culture.

Of note, the Group has established the Group's Whistleblowing Policy whereby employees and other stakeholders are encouraged to lodge a report if they suspect unethical behaviour or business malpractice such as fraud, harassment, bribery, discrimination, threats or abuse in any form. Reports can be made confidentially to [whistleblower@pcb.my](mailto:whistleblower@pcb.my) or fax to 03 7712 3344. All reports will be investigated, and the reporter assured that his/ her identity will not be disclosed.

In FY2018, no reports were received.

## INVESTOR RELATIONS

We continue to emphasise the importance of strategic engagement with the investment community – providing timely, accurate and consistent disclosure of the Group's business and operational developments.

This is essential in ensuring that existing and potential investors, including shareholders, analysts, regulators, bankers and others continue to have a comprehensive understanding of Paramount's business model and its growth potential.

In 2018, a dedicated Investor Relations (IR) unit was established to further improve strategic engagement. Helmed by the CFO, the IR unit's role is to implement effective IR programmes and activities in line with its IR policy. This unit is assisted by the unit's Senior Manager.

Key IR activities organised by the IR unit in FY2018 included investor briefings, which are held on semi-annual basis. Briefings were also held for corporate exercises that would have a material impact on the Group.

In FY2018, PCB held a total of 14 IR engagements, which included a briefing organised for the investment community when Paramount signed strategic partnership agreement with the University of Wollongong, Australia for its Education business and a meeting with fund managers at our Batu Kawan showroom for the Property business.

Aside from engagement activities, we continued to bolster our IR framework. On 21 November 2018, the Group approved its updated IR policy. Updates were made to the Group spokesperson, organisational structure and official communication channels. There is a dedicated channel for investors' queries which are now managed by IR, and a general or public queries channel by Corporate Communications.

Our website is updated in a timely manner on the notices, announcements and documents released to Bursa Malaysia as well as press releases issued. This is to ensure that the Group's performance and activities are accessible 24/7 to investing stakeholders.





## ENVIRONMENT

We are committed to identifying, managing and minimising the impact of our business operations to the environment

Our commitment to environmental sustainability is a natural extension of our mission statement, which is to grow our businesses while continuing to protect and preserve the environment.

Beyond complying with regulatory requirements, both our Property and Education business divisions have the responsibility to minimise environmental impacts and grow environmental awareness in various ways.



## Paramount Property

Green Building design and development

Innovate and adopt eco-concepts

Cultivating greater appreciation of nature



## Paramount Education

Development of more eco-conscious talents and society

Community education, outreach and awareness

Inculcate environmental consciousness from young

Our property division is governed by the internationally recognised ISO 14001:2015 standard with the status of related certifications as follows:

Entity	Certification
<b>Paramount Property Northern</b>	
<b>Paramount Construction (PG) Sdn Bhd</b>	ISO 14001:2015 Valid until April 2020
<b>Paramount Property (Utara) Sdn Bhd</b>	ISO 14001:2015 Valid until December 2020
<b>Paramount Construction Sdn Bhd</b>	ISO 14001:2015 Valid until April 2020
<b>Paramount Property Central</b>	
<b>Paramount Property Development Sdn Bhd</b>	ISO 14001:2015 Valid until September 2020
<b>Paramount Property Construction Sdn Bhd</b>	ISO 14001:2015 Valid until March 2020

The division also complies with the regulations under the Environmental Quality (**Prescribed Activities**) (**Environmental Impact Assessment**) Order 2015. We strictly comply with the regulations by conducting Environmental Impact Assessments and Environmental Management Plans to manage our construction sites according to the conditions stipulated by the Department of Environment (**DOE**).



# SUSTAINABILITY STATEMENT

## WASTE MANAGEMENT & RECYCLING

Our property division produces four types of waste: debris from land clearing, construction material, construction material packaging and waste from the site office and workers. All wastes are identified, segregated, monitored and disposed of by a licensed third-party contractor.

Waste which may cause water pollution are monitored, treated and managed within site boundaries to ensure that discharges are within permissible limits at outlet points before being released outside the boundary. Sustainable waste management is practised at all project sites.

Where relevant, waste products are disposed of by a licensed third-party contractor. We continue to carry out water, air and noise monitoring to ensure compliance within permissible limits. We continue to work with local stakeholders on this.

The Property division has a long history of recycling and reusing building materials. In FY2018, this was evident across our many project sites:

<b>Berkeley Uptown Klang Sales Gallery</b>	The existing workshop structure was salvaged, with a fair-face brick wall finish used. LED light fittings & Variable Refrigerant Volume ( <b>VRV</b> ) air conditioning system were installed to reduce electricity consumption.
<b>Greenwoods Keranji, Salak Perdana</b>	Rocks salvaged from blasting activities were reused as backfilling for the ground slab inside.
<b>ATWATER, Section 13 Petaling Jaya</b>	Extra length of pile from piling works were cut and crushed for use as crusher run.
<b>Co-labs Coworking, The Starling Mall</b>	During the renovation works in the mall, the demolished walls were reused for floor screeding.
<b>Bukit Banyan, Sungai Petani</b>	Boulders from the hilly terrain were reused to create the base for benches. Recycled railway sleepers are used as safety boundaries around the Hill Park and steps at Eugenia Hill.

For our Education Division, laboratory chemical waste is disposed of by a DOE approved third party contractor on a regular basis.

# SUSTAINABILITY STATEMENT

## RECYCLING

Where possible, consumption is reduced, and waste is recycled.

LOCATION	ITEMS & QUANTITIES	DETAILS
<b>Sri KDU</b>	<ul style="list-style-type: none"> <li>• Paper: 1,310 kg</li> <li>• Plastic: 1,200 1.5 litre soft drinks and plastic bottles</li> <li>• Aluminium: 355 kg</li> </ul>	<p>Recycling awareness and activities are mainly driven by the Eco-School clubs in the respective schools.</p> <p>Items recycled include newspaper, plastic, aluminium, and batteries. The maintenance team recycles scrap wood for school concerts in-house setup/ productions.</p> <p>Cash generated from the sale of recyclable waste goes back to the respective schools to enhance their eco activities.</p>
<b>KDUPG</b>	<p>Paper: 6,486 kg            Plastic: 250 kg            Aluminium: 357 kg            Scrap metal: 143 kg            Electronics: &lt;20 kg</p>	<p>Staff are encouraged to store recyclable materials such as paper and aluminium for collection by recycling vendors. Certified vendors collect these wastes on a quarterly basis.</p> <p>KDUPG is transitioning to cloud technology to reduce its paper usage. In 2019, the goal is to move 50% of the internal administrative processes to e-processes.</p>
<b>KDUUC and KDUPJ</b>	<p>Paper: 12,560 kg            Plastic: 410 kg            Scrap metal: 353 kg</p>	<p>Items are collected by a third-party contractor for recycling and safe disposal.</p>
<b>R.E.A.L Group</b>	<p>General waste, food waste and recyclable waste (plastic bottles and aluminium cans), chemical waste (expired lab-use chemicals)</p>	<p>3-colour bins are used for recyclable wastes. General and chemical waste are disposed of and recycled with the help of third-party contractors.</p> <p>Strategic initiatives include the use of digitisation, automation and system driven processes to reduce paper usage.</p>

# SUSTAINABILITY STATEMENT

## WATER CONSUMPTION

Across our business operations, we have reduced water consumption following successful awareness campaigns and close monitoring for leakages, and regular inspection and service of water pumps, valves and piping systems.

The new water-saving design features we introduced across our business operations have also contributed to lower water usage and water costs.

Average Usage Per Month	2017 (m <sup>3</sup> )	2018 (m <sup>3</sup> )	Savings (m <sup>3</sup> )
Paramount Property (Central Region)	1,792	1,420	372
Paramount Property (Northern Region)	482	**799	(317)
Sri KDU	48,200	44,800	***3,400
KDUPG	2,365	2,110	255
KDUUC	3,814	3,881	(67)
KDUPJ	1,151	1,051	100
R.E.A.L*	2,965	2,829	136

\* Data excludes R.E.A.L Kids and R.E.A.L Cheras.

\*\* In FY2018, our Northern office relocated from Bandar Laguna Merbok to Bukit Banyan.

\*\*\* In FY2017, the swimming pool at Sri KDU required maintenance work. The cleaning and refill of the swimming pool caused a hike in water consumption.

## POWER CONSUMPTION

In 2018, we continued to see energy savings across our business divisions. Notably, the energy saving campaign launched in previous years led to greater consciousness among employees to take simple measures in their work environment. These include switching off lights and electrical appliances when not in use, switching off the air-conditioner in empty meeting rooms and setting the temperature to 24°C for thermal comfort when they are in use. In FY2018, total savings achieved was 111,584 Kwh.

The awareness was cascaded to staff via townhall meetings, posters and other communication channels.

Annual Usage	2017 (kWh)	2018 (kWh)	Savings (kWh)
Paramount Property (Central Region)	434,373	352,984	81,389
Paramount Property (Northern Region)	214,761	262,798	(48,037)
Sri KDU	3,000,000	2,950,000	50,000
KDUPG	1,931,436	1,783,007	148,429
KDUUC	5,575,404	5,686,032	(110,628)
KDUPJ	1,272,372	1,247,520	24,852
R.E.A.L Group*	1,294,247	1,328,668	(34,421)

\* Data excludes R.E.A.L Kids

In KDUUC, there was a slight rise in power consumption for the period under review due to an increase in the number of students and activities for the year 2018 compared to the previous year. However, the university college has progressively optimised its power consumption by using Light Emitting Diode (LED) lights, building management system (BMS) control of air conditioning units and holding a monthly management review and discussion of power consumption.

# SUSTAINABILITY STATEMENT

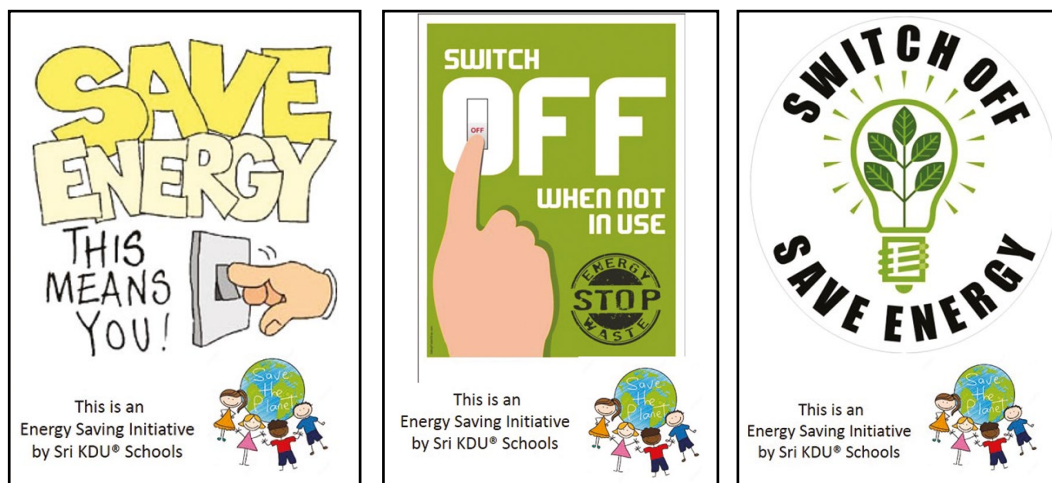
In KDUPG, FY2018 saw a progressive switch to energy-efficient LED lightings, and a change of the foyer roofing material to a composite material that allows more natural lighting to come through. Both measures are expected to deliver savings in electricity consumption going forward. There will also be an overhaul of the chiller to ensure more efficient operations and to reduce the power consumed.

SKIS's construction included the installation of photovoltaic panels to harness solar energy for its LED lighting in all classrooms, corridors and halls. For FY2018, the Fan, Air Conditioner and Lights (FAL) initiative was continued to not only cut consumption but also to embed the culture of shared responsibility and ownership throughout the school. The FAL initiative includes the entire community (students, teachers and maintenance and security crew) inculcating the habit of prudence. We are pleased to note that parents have provided feedback that some students have begun to practise these habits back home.

Going forward, we will be looking at the following initiatives to further strive for energy savings:

- Working with CPe (third party consultants) to develop a college-wide energy management approach
- Pre-set and monitor classroom apparent temperature

Following are notices used across the school campus.



In addition, SRI KDU has taken the initiative to work with their students.

The recent 'Understand Your Power Bill' class competition was a resounding success in helping school children better comprehend their respective household power bills and to inculcate a sense of eco-consciousness from an early age.

The R.E.A.L Education Group uses split air condition units with lower horsepower, and fans are installed as an alternative to cool the classrooms. Lights are progressively being changed to LED variants starting at HQ operations and new centres.

As part of teaching the importance of being sustainable and nurturing the next generation of conscientious leaders, the R.E.A.L Education Group is exploring sustainability as a module to be included in its pre-school programme for children aged 4-6 years old. Our aspiration is to inculcate environmental consciousness in their daily routines.

The effort will commence with R.E.A.L Kids, particularly via R.E.A.L Kids Plus (RK Plus) programme. Emphasis will be given on Global Citizenship and Sustainable Development activities for young learners. There are 174 teachers and 1,376 students involved in RK Plus. R.E.A.L Kids First will also have similar sustainability-oriented activities to complement the company's overall sustainability initiatives.

# SUSTAINABILITY STATEMENT

## GREEN BUILDING AND DESIGN

We continue to strive to be an industry leader to promote green building design and construction in Malaysia. We have expanded our list of completed and ongoing green building projects in 2018.

In 2018, we are proud to have been part of a historic milestone for the state of Kedah, when we launched Wisma Paramount, the state's first green certified building. We continue to apply the lessons learnt and insights gained from our green buildings across our townships and vertical developments.

<p><b>Paramount Property Northern Region Corporate Office and Sales Gallery</b></p>	<p>Designed to be compliant with Green Building Index (<b>GBI</b>) or GreenRE (promoted by the Real Estate and Housing Developers Association of Malaysia) certification requirements.</p> <p>Energy efficient and eco-friendly features such as Industrialised Building System (<b>IBS</b>), motion sensors, energy-saving lifts and VRV air-conditioning system have been used.</p>										
<p><b>Bukit Banyan &amp; ATWATER</b></p>	<p>Engaged GBI facilitators to assist in meeting six key GBI certification criteria: energy efficiency, indoor environmental quality, sustainable site planning and management, material and resources management, water efficiency and innovation.</p>										
<p><b>KDU Utropolis Glenmarie</b></p>	<p><b>GREEN BUILDING FEATURES (CARBON FOOTPRINT REDUCTION) AT THE KDU UNIVERSITY COLLEGE, UTROPOLIS GLENMARIE CAMPUS</b></p> <table border="0"> <tr> <td data-bbox="506 1123 954 1251">  <p>Energy-efficient centralised chilled water air conditioning system</p> </td> <td data-bbox="993 1123 1442 1251">  <p>Digital power meters to track energy consumption for reporting and improvement</p> </td> </tr> <tr> <td data-bbox="506 1281 954 1408">  <p>Naturally ventilated courtyard and corridors</p> </td> <td data-bbox="993 1281 1442 1408">  <p>Building automation system to monitor energy usage</p> </td> </tr> <tr> <td data-bbox="506 1438 954 1566">  <p>Educational displays showing real time energy performance of the buildings</p> </td> <td data-bbox="993 1438 1442 1566">  <p>More than 30% of the campus is well-lit by natural day light</p> </td> </tr> <tr> <td data-bbox="506 1596 954 1723">  <p>Energy-efficient artificial lighting design and fittings</p> </td> <td data-bbox="993 1596 1442 1723">  <p>Demand-controlled ventilation control system using CO<sub>2</sub> sensors for lecture theatres</p> </td> </tr> <tr> <td data-bbox="506 1753 954 1881">  <p>Advance Building Management System with scheduling capabilities to programme the usage of all air-conditioning and lighting systems according to class schedules</p> </td> <td data-bbox="993 1753 1442 1881">  <p>Good passive cooling technique design with Overall Thermal Transfer Value (<b>OTTV</b>) of less than the minimal solar heat gain of 45 w/m<sup>2</sup></p> </td> </tr> </table>	 <p>Energy-efficient centralised chilled water air conditioning system</p>	 <p>Digital power meters to track energy consumption for reporting and improvement</p>	 <p>Naturally ventilated courtyard and corridors</p>	 <p>Building automation system to monitor energy usage</p>	 <p>Educational displays showing real time energy performance of the buildings</p>	 <p>More than 30% of the campus is well-lit by natural day light</p>	 <p>Energy-efficient artificial lighting design and fittings</p>	 <p>Demand-controlled ventilation control system using CO<sub>2</sub> sensors for lecture theatres</p>	 <p>Advance Building Management System with scheduling capabilities to programme the usage of all air-conditioning and lighting systems according to class schedules</p>	 <p>Good passive cooling technique design with Overall Thermal Transfer Value (<b>OTTV</b>) of less than the minimal solar heat gain of 45 w/m<sup>2</sup></p>
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## KDUPG / Batu Kawan Campus

- Overall Thermal Transfer Value (OTTV) lower than 45 w/m<sup>2</sup>.
- Implementation of energy management control system.
- All air conditioned areas designed with requirements of ventilation rate in ASHRAE 62.1.
- Provision of open space: 32.73% of total site area. Thus, more than 50% of daylight harvesting implemented to reduce artificial lighting.
- Provision of water efficient application.
- Roofs to be insulated to reduce heat.
- Electrical sub-metering installed for energy monitoring.
- Installation of LED lighting.
- Installation of water saving features such as self-turn-off taps.
- Use of recycled bricks low VOC paint and coating, carpet or flooring, and adhesive and sealant.
- Composting bins to be placed around the landscaped areas, for on-site composting, to generate organic fertilizer.
- Implementation of non-smoking campus.
- Green design concept with landscape, with a herbs garden as part of the design.

## PROMOTION OF NATIVE FLORA SPECIES

The successful use of local rainforest tree and plant species at Sejati Residences, Cyberjaya, has now been expanded to other developments.

In 2018, we planted local rainforest species at our flagship sales gallery which forms part of the ATWATER development along Jalan Universiti, Petaling Jaya. The local rainforest species planted are *Tristania Obovata*, *Eugenia Polyantha* (Salam Tree) and *Diospyros Buxifolia* (Curry Leaf Tree).

At Greenwood Salak Perdana, which is a greenfield development, care and attention was paid to preserving existing local flora and fauna. In addition, we have incorporated local rainforest plants such as: *Tristania Sumatrana* (Pelawan), *Eugenia* (Salam Tree), *Fragrea Frangrans* (Tembusu), *Alstonia Scholaris* (Indian Pulai), *Cratoxylum Cochichinense* (Kayu Arang), *Delonix Regia* (Red Flame) and *Ormosia Sumatrana* (Kedongong Hutan).

Beyond cost effectiveness and promoting community awareness on local flora, the use of native plant species provides many ecological benefits for propagation and easier maintenance.



# SUSTAINABILITY STATEMENT



## SOCIAL

To build community resilience and promote sustainable development within the larger society

established various OSH standard operating procedures (SOPs) as per the following:

- HIRADC (Hazard Identification Risk Assessment Determining Control)
- Compliance Obligations
- Communication, Participation & Consultation
- Emergency Preparedness & Response
- Performance Measurement & Monitoring
- Incident Management
- Operation Control

Workers are represented in the OHS committee. We continue to maintain a credible track record with regards to OSH.

The following are the OSH initiatives undertaken by the Property and Education divisions.

## OCCUPATIONAL SAFETY & HEALTH

Our Property Division continues to adhere to the OHSAS 18001:2007 industry standard. The standard provides the basic framework that governs our management approach to occupational health and safety (OSH). The division has also



## Paramount Property

- Activities conducted:
  1. Fire drill exercise
  2. Oil Spillage drill exercise
  3. Structure Collapse drill exercise
  4. Scaffolding training
  5. Safety Harness training (Working at Height)
  6. Personal Protective Equipment training
  7. Signalman training
  8. Rigging & Slings training
  9. Electrical Hazard training
  10. Fire Extinguisher training
  11. Forklift training
  12. Passenger Hoist training
  13. Falsework Erection training
- Programmes undertaken with the authorities:
  1. Briefing on Enhancing Work Safety and Health at Building Sites (Programme for Active Sub-contractors in OSH)
  2. Informal engagement session between Project Managers and Selangor Department of Occupational Safety and Health
- Safety & Health Assessment in Construction (SHASSIC) rating by CIDB:

Bukit Banyan, Phase 4, site of 100 units of double storey terrace house obtained 4 Stars Rating (Assessment on 6-7 February 2018)
- Paramount Property Activ@Work – Staff Wellness
  1. Steps challenge for staff
  2. Physical activities
  3. Monthly wellness lunch talks
  4. Weight loss challenge

We also participated in the PERKESO Active@Work Challenge 2018 (September to November) aimed at encouraging an active lifestyle in the Malaysian workforce.



## Paramount Education

- OSH Policy and Emergency Plan was tested, and Risk Assessment was undertaken.
- Conducted regular safety and health talks, training and drills. These included:
  1. Emergency drill (Fire, Chemical Spill & Bomb Threat)
  2. Intruder drill
  3. Safe working ladder inspection
  4. Building fire equipment's inspection
  5. Cafeteria hygiene inspection
  6. Chemical laboratory inspection
  7. Risk Assessment for school trip and school events
  8. Annual List Inspection for Certificate of Fitness
- Training Conducted:
  - First Aid for emergency response team (ERT) members
    1. Firefighting (ERT Members)
    2. Chemical spill
    3. Permit to work for maintenance task
    4. Basic use of fire extinguisher
    5. Conducting basic Risk Assessment for teachers
- Workers representation in formal joint management-worker health and safety committees including OHS committee.

The R.E.A.L Group has incorporated basic safety and health requirements in its ISO 9001:2015 Quality Management System. Building a safe and conducive environment is reflected in its Quality Policy. Enhancing health and safety is one of company's 2019-2023 Strategy Initiatives. SOPs established include:

### Pre-Schools:

- Student Security Procedures
- Maintenance Audit Procedures
- Requisition for Maintenance/ Renovation/ Service Procedures

### Schools:

- Accidents/ Injury/ Sickness Procedures
- Fire Drill Procedures
- Canteen Service Procedures
- Maintenance and Upkeep of Building Procedures
- Infrastructure Inspection Procedures

## TALENT DEVELOPMENT, RETENTION & SUCCESSION PLANNING

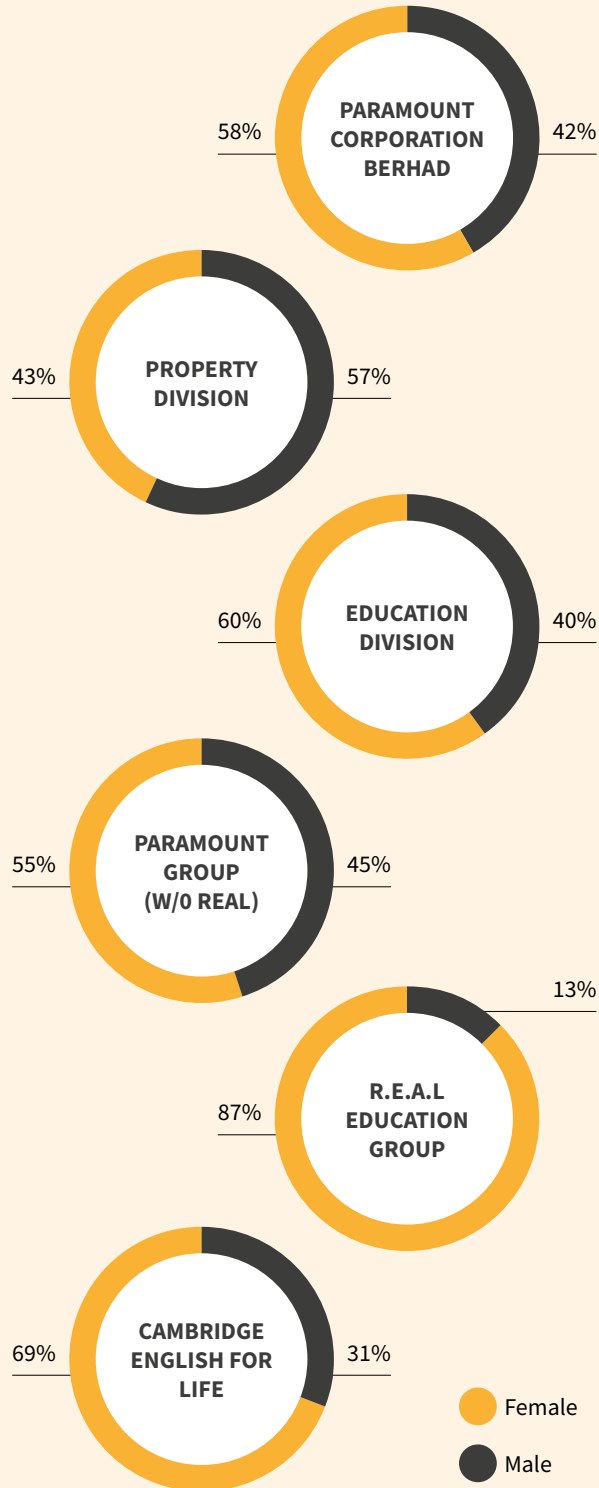
The Group's talent is a vital asset to compete and win in the marketplace. We realise that talent management and development is a constantly evolving process that is impacted by both external and internal factors. Such factors include the varied age groups within our talent pool, and that millennials for example, have vastly different aspirations compared to Gen-Xers and baby boomers. Employees today measure career fulfilment not only in terms of pay cheques and bonuses, but also in terms of meaningful work, congruence or alignment between organisational values and personal beliefs, and whether employees are recognised and rewarded beyond non-financial or monetary terms.

Hence, an assessment of our talent pool based on age group, gender and other factors provides us with a better understanding of how best to manage talent for both our property and education business divisions.

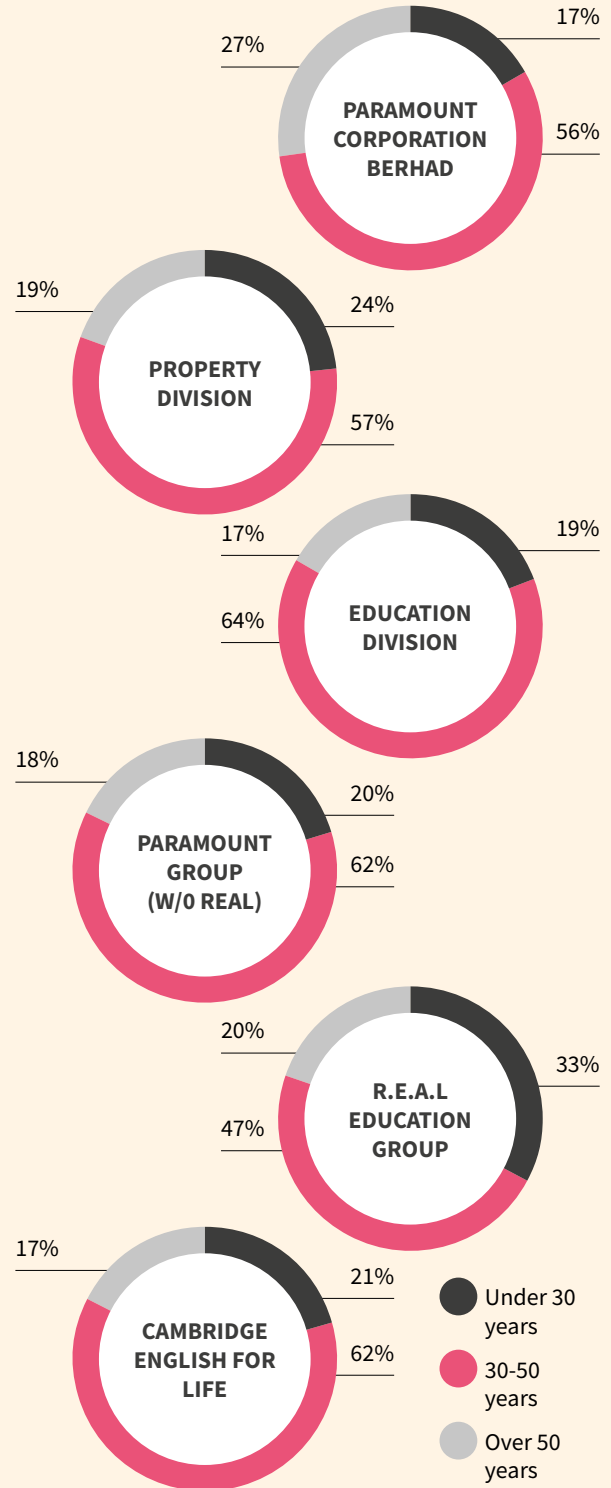
We are pleased with our well-balanced mix of staff composition. This ensures that the Group has a talent funnel to meet its business strategy and requirements.

# SUSTAINABILITY STATEMENT

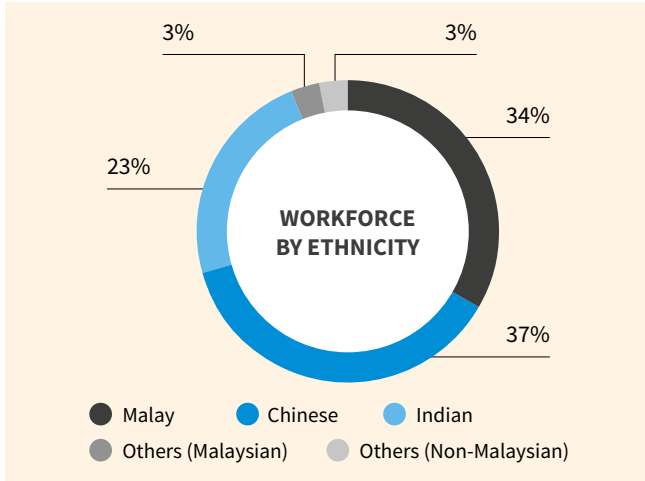
## Workforce by Gender



## Workforce by Age Groups



# SUSTAINABILITY STATEMENT



Our response to this challenge has been multi-pronged: a focus on developing existing in-house talent and creating a conducive work culture and environment. Beyond this, we also look to compensate staff competitively and to reward them for good performance with both financial and non-financial benefits. Periodical staff engagement to check the internal pulse of the organisation is essential. We continue to advocate for an equal opportunity workplace where rewards and career development opportunities are provided based on one's competencies, performance and experience.

## TALENT RECRUITMENT

The Group adopts a policy of recruitment by merit. New hires are selected based on their abilities, achievements, experiences and qualifications. Where possible, the Group believes in hiring Malaysians. This is especially reflected in the hiring of senior management.

At present, 95.2% of our senior management and 96.7% of our total workforce are Malaysians.

## TALENT RETENTION & DEVELOPMENT (STAFF BENEFITS)

Employees of the Group continue to enjoy a wide range of employment benefits beyond what is prescribed by local employment law. These include healthcare benefits and medical insurance, various types of paid and unpaid leave including parental leave, smartphone purchase subsidy, entertainment allowance, marriage gift, bereavement assistance and more.

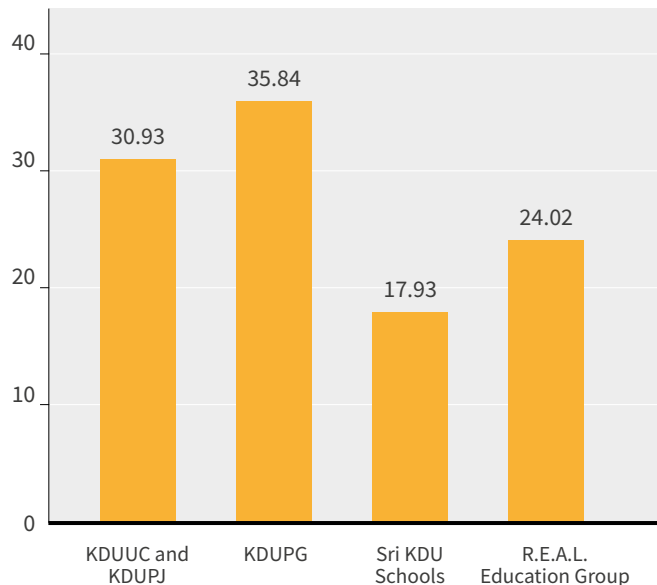
The full list of benefits can be found in the respective Strategic Business Unit (SBU) employees handbook, which can be viewed via Intranet.

## TALENT DEVELOPMENT

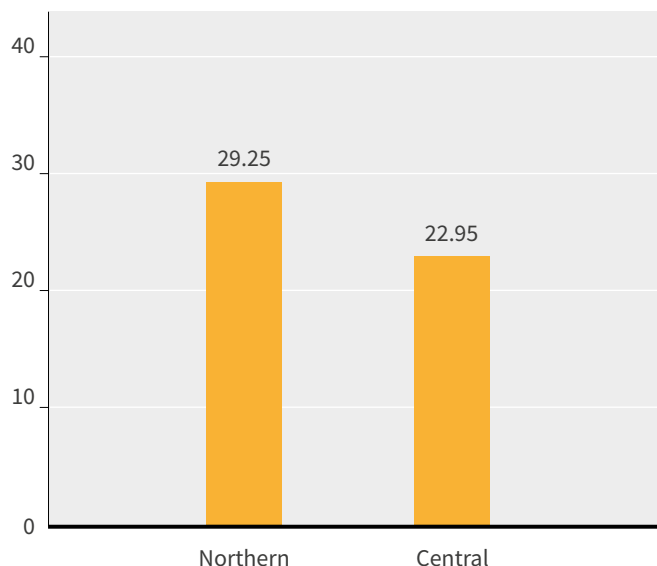
In 2018, the average training hours per employee at our corporate office with a staff strength of 47 is 11.49. The average training hours per employee for our property and education divisions are:

## TALENT RETENTION & DEVELOPMENT

### Paramount Education Average Training Hours



### Paramount Property Average Training Hours



# SUSTAINABILITY STATEMENT

## LONG TERM INCENTIVE PLAN

High performing staff and Senior Management are entitled to participate in the Group's Long-term Incentive Plan (**LTIP**). Essentially, the LTIP is a reward for eligible talent in the form of share options, which allow for employees to enjoy rewards as part of the Group's growth. Kindly refer to page 213 for specific details of the LTIP shares granted to employees in FY2018.

The LTIP involves the allotment and issuance of new ordinary shares in the Group to eligible employees and executive directors of the Group and of the Company, provided that the total number of shares allocated do not exceed ten percent (10%) of the total number of issued shares in the Company (**LTIP shares**).

## SUCCESSION PLANNING

The development of a strong leadership pipeline is crucial to the strategic continuity of any organisation. It is imperative that future leaders who would helm the organisation are not only competent and experienced but are also inculcated with the necessary organisational culture.

The Group has long initiated various succession planning programmes across the years and 2018 continued to see qualified candidates being groomed in the following leadership development programmes:

PROGRAMME	TARGETED EMPLOYEE LEVEL	TRAINING PROVIDED IN 2018	NO. OF PARTICIPANTS
Sustainable Talent Acceleration & Retention strategy ( <b>STARS</b> )	Senior Management	Leadership and Executive Coaching	6
Leading with Energy & Passion ( <b>LEAP</b> )	Middle Management	Leading Smartly	16 (Batch 2)
		Leading from the Inside Out	
		Collaborating with Others	
		Negotiation Skills	
		Corporate Grooming	
		Presentation Skills	
		Silo Busting for Better Results	
		Building Courageous Communication	
		Performance Management	
		6 Habits of Strategic Thinkers	
		Influencing Skills	30 (Batch 1 - Post LEAP)
Business Writing Skills			
Emerging Leaders in Transition ( <b>ELITe</b> )	Executive-level employees	Personal Mastery and Emotional Intelligence	16

## COMMUNITY DEVELOPMENT & ENRICHMENT

We continue to uphold our responsibility as a good corporate citizen – engaging with the community to create meaningful and mutually beneficial outcomes for our diverse stakeholders. Beyond customers, we believe that supporting the growth of a stable and harmonious society is crucial to the realisation of our 5Ps.

Hence, in FY2018, we organised and participated in various corporate social responsibility (CSR) efforts. Our respective business divisions have full discretion to initiate community outreach programmes which they view as best suited to delivering maximum positive outcome for their specific communities.

The community events held tie back to our identified materiality matters. Below are some of the efforts undertaken by the Group and its business divisions.

### PARAMOUNT PROPERTY

**Interstate Cycling** – The interstate cycling event was again organised with over 1,000 participants by G Club Penang and Seberang Perai Municipal Council (MPSP) with Paramount Property as sponsor.

The event featured two rides – a 80-km return trip along the Design Village-Bandar Baharu-Tanjung Piandang-Kuala Kurau route, and a 160-km ride from Design Village-Bandar Baharu-Tanjung Piandang-Kuala Kurau-Simpang Empat Semanggol-Alor Pongsu-Bagan Serai and back. The event was aimed at creating community-oriented, family-friendly engagement platforms to build healthy communities and to encourage healthy lifestyles.

**The Edge KL Rat Race** – Paramount Property Development Sdn Bhd participated as a ‘silver’ sponsor, contributing RM32,000 to this event held in July. The company sent two teams for the Open and Mixed categories, while the Group CEO and Property Division CEO took part in the CEO Race. Paramount also sent a team of cheerleaders who won the consolation prize.



**Kiwanis Down Syndrome Foundation National Centre** – The Property Division donated RM20,000 towards the 35<sup>th</sup> Kiwanis Treasure Hunt in May 2018.



The Property Division teamed up with National Autism Society of Malaysia (NASOM) to organise an art fair and charity drive that showcased the works of 12 autistic Malaysian artists. Held at Utropolis Marketplace in Glenmarie, Shah Alam, the event also kicked off the ‘Happy Healthy You’ campaign aimed at making positive changes to the community through a healthy lifestyle. It also encouraged family and community members to foster partnerships and share resources to help the children and youth. Paramount Property donated RM10,000 to NASOM.





# SUSTAINABILITY STATEMENT

## Sri KDU

**HOPE RIPPLES** – This year’s HOPE RIPPLES project benefitted more than 12 elderly and disabled welfare home residents. Pusat Jagaan Titian OKU and Persatuan Kebajikan Amal Da Ai Malaysia were each given RM21,000. The ceremony was witnessed by the school children who had helped to raise the funds at the HOPE Carnival.

This project helps our children understand that every act of kindness matters and is a step in the right direction. It encourages their growth into caring and conscientious adults.



**Fun Run** – Raised just under RM50,000 for Rumah Kasih Harmoni Care Home.



**Teaching English to children at Rumah Kasih Harmoni Care Home** – Wholly undertaken by the students, the project reflects the result of nurturing of our students to be caring people.



**People to People International with EPIC (Extraordinary People Impacting Communities) DNA to build furniture for the Dignity for Children Foundation** – This project with Oleon Chemicals as the primary sponsor expanded from building furniture to building actual homes (EPIC 119 and EPIC 120).

Students, teachers, parents, EPIC and other companies (Oleon Chemicals, WWRC Malaysia, QEL Shipping, and Nanjing Chemical) came together for this venture which turned out to be an international endeavour with participation of volunteers from Belgium, France, China and Malaysia. Two homes were built with Oleon Chemicals’ sponsorship on 14 to 16 July.

In a related project that started in 2017, Sri KDU Parents Teachers Association raised funds, including through a Golf Charity Tournament, to build an EPIC Home from 23-28 August 2018.



# SUSTAINABILITY STATEMENT

## KDUUC

**Diversity & Inclusion Tour** – The students participated in four tours – to Teluk Intan, Batu Pahat, Nilai and Temerloh – to learn more about the culture, beliefs, religions and customs of the people in these areas. This annual event, organised by the KDUUC Student & Alumni Centre (**SAC**), is designed to promote and encourage KDUUC's belief of upholding diversity and inclusion.

**Taman Negara Project** – The KDUUC School of Hospitality, Tourism & Culinary Arts (**SHTCA**) embarked on a project with zero budget to assist the people of the Batek tribe in the remote Kampung Dedari inside Taman Negara. The villagers are among few surviving aborigines in the area. Students and lecturers hiked through the jungle and took a boat to get to the village. We contributed 95 boxes of clothes, basic amenities, toys and books to the residents as well as cash which was given to the village head.

The funds for the project were raised through a bake sale and open mic singing session organised by the students.

**Bubur Lambuk** – Culinary chef lecturers from KDUUC School of Hospitality, Tourism & Culinary Arts (**SHTCA**) cooked a savoury rice porridge known as Bubur Lambuk and distributed it to Malaysian Air Force personnel at the Air Force Base in Subang, firefighters at the Bukit Jelutong station, policemen and policewomen of Shah Alam and the doctors and nurses at Putra Medical Centre in Bukit Rahman Putra. This was a token of our gratitude for their work and commitment to society.

**Pre-United Club Car Spa** – The KDUUC School of Pre-U Studies and School of Business and Social Sciences (**SBSS**) raised funds for the Universiti Malaya Medical Centre children cancer ward.

## KDUPG

**Financial Aid for Students** - A total of 413 students received financial aid amounting to RM5.03 million through KDUPG's scholarship programme. This is in addition to RM2.2 million given away via discounts and as incentives to students.



Group photo of all scholarship recipients.

**Entrepreneurship Initiatives** – KDUPG Student Entrepreneurship Initiatives covered a wide range of activities centred on helping students gain exposure, acquire skills and garner real-world experience. The events held in FY2018 included multidisciplinary hackathons and pitch-a-thons, mentoring from industry experts, start-up seed funding, competitions, accelerators, internships and events. We also conducted numerous workshops i.e. Business Organisation Model, Business Strategy/ Business Planning/ Projection, Risk Management/ Business Continuity Plan/ Business Impact Analysis, Accounting, Payroll & Taxation, Pitching & Fund Workshop, Sharing by Successful Start Up Founders/ Mentors and Business Start-up Intensive Coaching Day.

Our successes include the establishment of two start-ups. One signed a Non-Disclosure Agreement with an investor (OTTOPLANT PLT) while the other, Resermy Media Sdn Bhd (1270161-P) was formed by an engineering student who received RM20,000 as seed fund.



Winners of the Best Business Idea Competition 2018



# SUSTAINABILITY STATEMENT

**Supporting the Poor and Underprivileged** – RM138,000 was raised from a crowd of over 5,000 visitors to the Technicolour Festival organised by KDUPG at Straits Quay, Penang in October 2018. As part of the programme, students visited underprivileged families, contributing time, cash and donation in kind to help these families improve their quality of life.

In a separate initiative, the KDUPG Home Help Programme, the university college collaborated with the Penang Welfare Department to assist poor families in the state. They helped to clean the homes of these families and procured basic groceries and essential items for them.

**In Support of Single Mothers** – The Wonder Mama project was organised by KDUPG to help single mothers develop skills that would enable them to generate an income.



*Conducting baking classes for single mums to help them achieve independence*

**Promoting Arts and Culture** – The KDUPG Flicks Fiesta was organised to nurture talent for the country's creative industry. This year, more than 100 video submissions were received from Taiwan, India, Singapore, Vietnam, United Kingdom, Laos, Indonesia and Thailand.

The Life Impact Award was introduced in memory of the late Malaysian film director, Yasmin Ahmad, continuing her legacy of promoting multiculturalism and inter-racial harmony in our Malaysian society.



*Group photos taken during the Flicks Fiesta*

## R.E.A.L EDUCATION

### R.E.A.L Schools, Shah Alam Campus:

**R.E.A.L Colour Run 2018** – More than 250 students participated in the run. All the profits raised from the run as well as 20% from the sales at the carnival were donated to the National Cancer Society Malaysia (NCSM).

### R.E.A.L Schools, Johor Bahru Campus:

**Donation** – We donated funds to three Chinese schools, (i) SJK(C) Chien Chi – RM1,000, (ii) SJK(C) Foon Yew 1 – RM1,200 and (iii) SJK(C) Foon Yew 4 – RM1,000.

## MOVING FORWARD

We recognise that sustainability is an evolving process for our organisation, in tandem with the changes occurring around us. In ensuring that we remain responsive and agile in adapting to changing needs, we will continue to learn from our efforts and from others.

Going forward, we will continue to improve our governance framework, stakeholder engagement and data collection as well as systems and processes across our EES materiality matters.

Guided by our vision and mission, TRIBE values and commitment towards our 5Ps, we will continue our efforts to realise our sustainability aspiration – to create a legacy of socio-economic development, while conserving our natural heritage.