

THE STORY

SUSTAINABILITY STATEMENT

CREATING A SUSTAINABLE FUTURE FOR A BETTER WORLD

At Paramount Corporation Berhad (**Paramount or the Company**) and our subsidiaries (**the Group**), we continuously embrace the values of corporate responsibility and elements of sustainability management. This, we have done since the early days of our establishment, guided by our vision of 'Changing Lives and Enriching Communities for A Better World'. This vision is reinforced by our core values of Trust, Respect, Integrity, Bravery, and Energy (**TRIBE**) where the focus on strong corporate governance has significant influence over our work practices across the Group.

In the face of the COVID-19 pandemic in 2020, we have become even more keenly cognisant of the three key pillars of economic, environmental, and social (**EES**) which have formed the framework for our sustainability practices across the Group.

This statement provides an overview of our sustainability practices and performance for the financial year ended 31 December 2020. Despite the challenges faced, we strove to manage our cash flow while taking advantage of business opportunities. We kept our communities safe and continued to do our part for the environment. At the same time, we remained committed to practising high standards of corporate governance to safeguard the interests of the business and all stakeholders.

That said, we remain on a journey of continuous improvement. Cultivating an intrinsic culture of respect and responsibility for people and the world we live in remains our goal. When we

remain committed to doing these things well, we will gain the trust of our stakeholders. This, in turn, will ensure Paramount's success for a long time to come.

SCOPE AND BOUNDARY

This sustainability report covers the entire operations of Paramount Corporation Berhad and the subsidiaries over which the Group has direct control and holds a majority stake. It does not include the Group's value chain comprising third party contractors, suppliers, and vendors.

During the year under review, Paramount completed a major corporate exercise by divesting the controlling equity stake of the pre-tertiary (K-12) education business to Prestigion Education Sdn Bhd, to focus resources on growing our property business. Given that we have already transferred management control of the pre-tertiary business, this year's report will not cover this segment.

While we seek to present a consistent boundary for reporting across all our sustainable development metrics, the focus of this report will be on the property division as our core business.

This Statement only encompasses the most pertinent projects, initiatives, and activities of the Group. Progressively, we shall endeavour to provide more comprehensive disclosures.

◆ Reporting Period:

This report covers our sustainability activities from 1 January 2020 to 31 December 2020. Historical information from the previous years is included to provide context for our decision-making, sustainability progress and impact as well as potential opportunities for growth.

◆ Reporting Cycle:

Annually coinciding with our Annual Report

◆ Reporting Guide:

Bursa Malaysia's Sustainability Reporting Guide 2nd Edition

◆ Principal Guidelines:

Bursa Malaysia's Main Market Listing Requirements Practice Note 9 Article 6

◆ Feedback:

comms@pcb.my

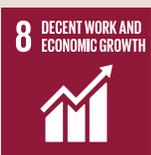
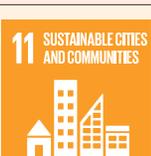
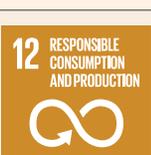
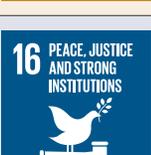
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SUSTAINABLE DEVELOPMENT GOALS (SDGS)

The 17 United Nations Sustainability Development Goals (SDGs) were established by United Nations in 2015 to achieve specific sustainability targets by 2030. They seek to end poverty, protect the planet and ensure prosperity. Businesses play an important role in achieving these goals and delivering on the promise of sustainable and inclusive development.

These are the six SDGs identified as being the most relevant to Paramount and where we can make the most impact.

SDG	Details	Contribution to SDGs
 <p>3 GOOD HEALTH AND WELL-BEING</p>	Ensuring healthy living and well-being	We care for the safety and health of our employees while contributing to the well-being of the communities around us.
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	Promote inclusive and sustainable economic growth	We bring sustainable domestic economic growth to local communities by giving priority to local procurement, investing in community infrastructure, and creating more job opportunities. We also build affordable homes in line with the government's initiative to help the lower income group.
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	Build resilient infrastructure, promote sustainable industrialisation and foster innovation	A variety of environmentally friendly and innovative concepts have been designed and built into exteriors, fixtures, and fittings of our buildings. We continue to challenge the status quo and embrace new ideas and concepts that ultimately lead to improved products, services, and businesses.
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	Make cities and human settlements inclusive, safe, resilient, and sustainable	Whether it is homes, offices, schools, shops, or green spaces, we recognise that the built environment contributes to improving the community's quality of life.
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	Ensure sustainable consumption and production patterns	We practise the 3R principles: 'Reduce, Reuse and Recycle'; we aim to achieve positive changes in our operations and cut down waste. We also embed green designs and features into our projects to reduce the impact of the built environment on the natural environment.
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	Promote peaceful and inclusive societies, 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 bribery & corruption; encourage effective, accountable, and transparent business transactions. We also ensure responsive, inclusive, participatory, and representative decision-making at all levels.

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GOVERNANCE

A two-tiered sustainability governance structure drives sustainability within the Group. The first tier consists of the Sustainability Steering Committee (SSC) followed by the Sustainability Working Group (SWG). The SWG reports to the SSC and in turn, the SSC is accountable to the Company Board of Directors (the Board).



Board of Directors (the Board)

The Board oversees material sustainability issues as part of their fiduciary responsibilities. They safeguard and promote stakeholders’ interest by enforcing and supervising the Group’s sustainability agenda. The Board provides guidance in formulating the direction of our sustainability strategies and performs a thorough assessment of the sustainability issues during the company’s annual review.

Sustainability Steering Committee (SSC)

The SSC, which is chaired by the Group CEO, works to review, approve and ensure that sustainability commitments are aligned with the Company’s vision and mission. The SSC sets key initiatives and sustainable growth plans, provide advice and operational functions, appraises and evaluates the sustainability performance and reports the outcome to the Board.

Sustainability Working Group (SWG)

Although our sustainability efforts are supported by the entire organisation, specific issues are directly associated with individual areas of management. The SWG consists of managers from our operating companies whose main tasks include developing strategies, implementing plans and tracking the progress of the Group’s sustainability projects.

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SUSTAINABILITY GOALS



STAKEHOLDER ENGAGEMENT

We continue to engage with our stakeholders to ensure we are attuned to their needs. Such engagements are helpful in identifying and assessing materiality matters across the Group. The inclusion of diverse perspectives is also helpful in reviewing the impact of our actions within our operating environment.

The table below presents the list of our stakeholders, their concerns and our corresponding actions on the issues raised.

STAKEHOLDERS	ISSUES OF CONCERN	ENGAGEMENT CHANNELS AND ACTIVITIES	OUTCOMES
Employees	<ul style="list-style-type: none"> Employee benefits, wellbeing, and safety Employee engagement Career development 	<ul style="list-style-type: none"> Periodic review of employee benefits, activities and development programmes Communication channels with employees (meetings, emails, social media, and TRIBE Community Portal) 	<ul style="list-style-type: none"> Improvements <ul style="list-style-type: none"> - policies and benefits - employee development - employee engagement
Customers	<ul style="list-style-type: none"> Product quality Design and features Support services Timely delivery Product / service pricing and packaging 	<ul style="list-style-type: none"> Websites / social media Corporate and brand campaigns Meetings, circulars and emails, surveys, webinars, customer portal, events, virtual showrooms, chatbots, mobile applications and a loyalty programme 	<ul style="list-style-type: none"> Increase customer satisfaction and number of repeat buyers Awards and recognition
Investors / Shareholders	<ul style="list-style-type: none"> Fiduciary duties Transparency Dividend payment Financial performance 	<ul style="list-style-type: none"> Engagement sessions with analysts and shareholders including at Annual General Meetings and Extraordinary General Meetings Timely disclosures to Bursa and on the company website Annual report, quarterly results, announcements, circulars 	<ul style="list-style-type: none"> Increase investor / shareholders confidence
Regulators	<ul style="list-style-type: none"> Regulatory compliance 	<ul style="list-style-type: none"> Discussions with the authorities as part of due diligence 	<ul style="list-style-type: none"> Full compliance with regulatory requirements
Vendors / Suppliers	<ul style="list-style-type: none"> Fair terms and conditions of contracts 	<ul style="list-style-type: none"> Vendor meetings, performance evaluations, and supply chain management 	<ul style="list-style-type: none"> Avoidance of disputes with vendors / suppliers
Community	<ul style="list-style-type: none"> Environmental and social impacts Community engagement Management of properties 	<ul style="list-style-type: none"> Collaborative partnerships with local NGOs and authorities Philanthropic activities and outreach programmes Public consultation and community surveys 	<ul style="list-style-type: none"> Enhance brand credibility and reputation

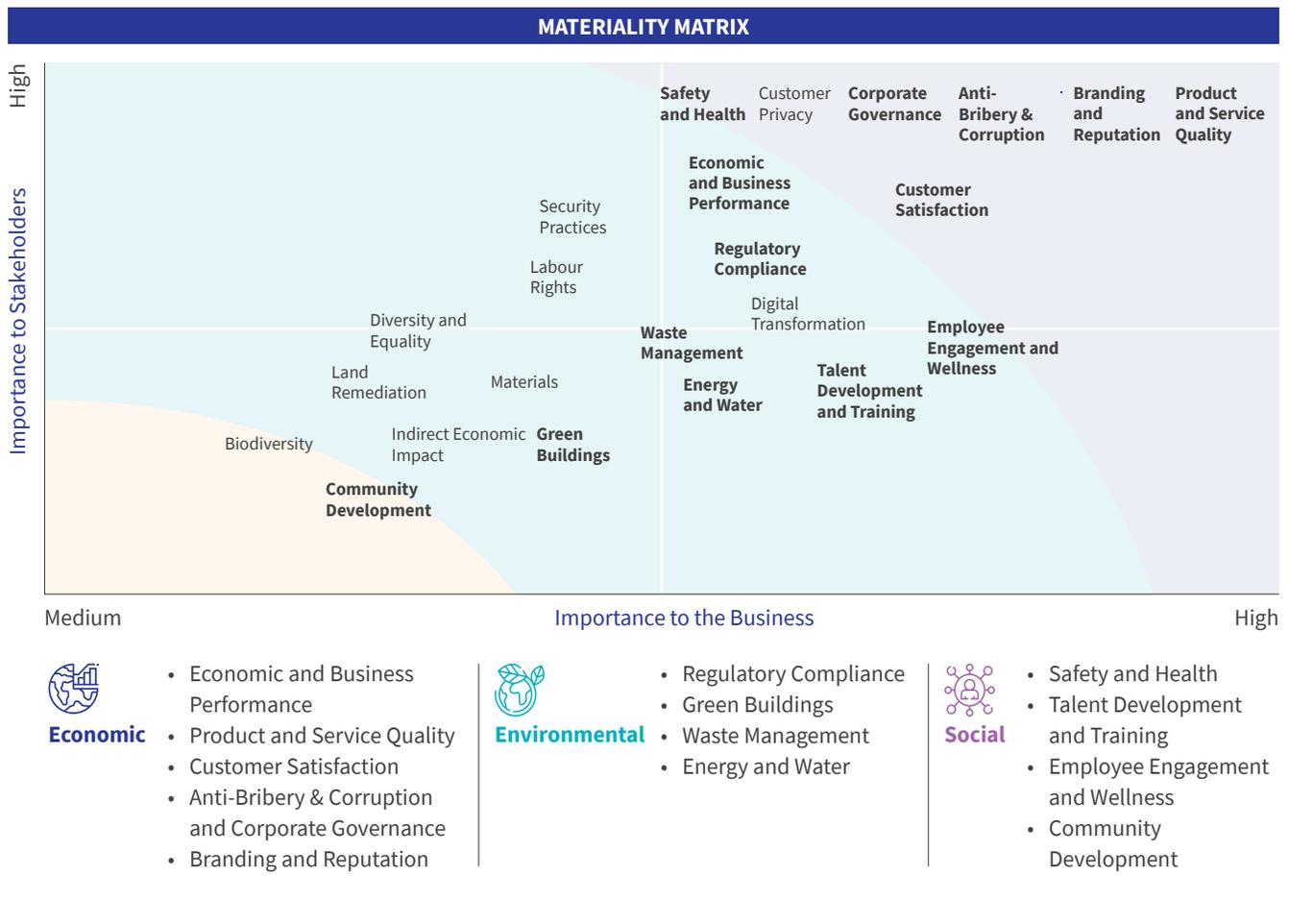
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STAKEHOLDERS	ISSUES OF CONCERN	ENGAGEMENT CHANNELS AND ACTIVITIES	OUTCOMES
Certification Bodies	<ul style="list-style-type: none"> Full compliance with specifications and requirements 	<ul style="list-style-type: none"> Site visits and meetings 	<ul style="list-style-type: none"> Fulfil criteria for certification and renewal
Media	<ul style="list-style-type: none"> Clarity on company's activities and financials Public perception 	<ul style="list-style-type: none"> Engagement sessions with the Media including financial briefings Regular press releases and interviews with key management Timely updates on the company website 	<ul style="list-style-type: none"> Enhance and build company reputation Promote greater understanding of the company's products, services, and performance
Bankers	<ul style="list-style-type: none"> Breach of covenants 	<ul style="list-style-type: none"> Regular communication to ensure compliance 	<ul style="list-style-type: none"> Satisfy associated borrowing conditions Stronger confidence towards the Group from the banking and financial community

MATERIALITY

In 2020, Paramount conducted a materiality assessment to identify the issues and topics that reflect the economic, environmental, and social impacts that are of interest to the Group and our stakeholders. This process identified thirteen (13) material issues which were validated at the steering committee and Board level.



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ECONOMIC

At Paramount, we have a track record of over 50 years in business resiliency, adaptability to meeting the changing needs of our customers and workforce, and compliance with evolving regulations. As our business continues to grow and evolve, we remain committed to high standards of corporate governance as we continue to uphold trust in the Paramount brand and ensure customer satisfaction through our quality products and services.

Throughout the years, Paramount is grateful that our efforts have been rewarded with awards and accolades, the details of which are on page 7 of this Annual Report.



11
Projects



1,475
units sold



Average
QLASSIC score of
77% across
six projects



86%
Customer
Satisfaction Index



Group-wide
implementation
of Anti-Bribery &
Corruption Policy
& Guidelines

ECONOMIC AND BUSINESS PERFORMANCE

Paramount currently has 11 property projects with 1,475 units sold in Klang Valley, Kedah and Penang. We have also successfully designed and built private schools and universities. In addition, we manage and operate five coworking spaces in the Klang Valley as well as one fine dining establishment. All these create a spillover effect which benefit the local economy while improving the economic outcomes of people working and living within these communities and the surroundings.

ECONOMIC CONTRIBUTION TO SOCIETY



Revenue
RM593.6
million
(2019: RM706.0 million)



Total Employees
522 excluding the
education segment
(2019: 2,111)



Launched Properties
1,432
(2019: 1,557)



Affordable homes
70
(2019: 875)



Value of work done in
property development
RM281.0
million
(2019: RM351.0 million)



Workers at building sites
(Average no. of workers)
Property
2,210
(2019: 1,368)



Co-labs Coworking
No. of tenants
Approx. **805**



Co-labs Coworking
Occupancy rate
54%

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PRODUCT QUALITY

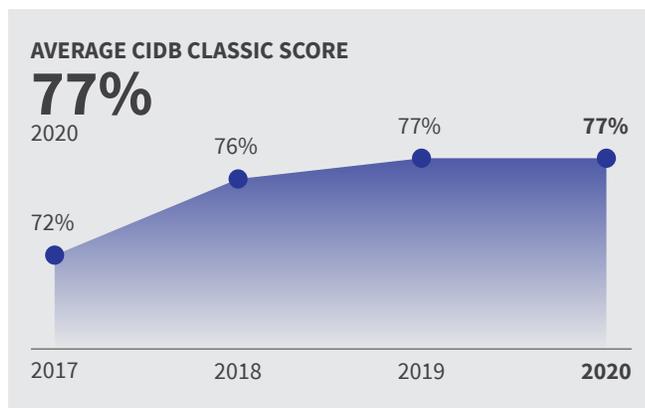
Paramount’s commitment to quality control is reflected in our comprehensive quality assurance processes which begin from the tender documentation preparation stage through to post-handover of project.

We carry out a thorough check of every completed unit and rectify defects before handing over the units to the Customer Care & Township Management (CTM) team. A customer satisfaction survey is completed by customers to manage and minimise defects while a post data analysis on defects rectification is further conducted for continuous improvement purposes.

We believe that 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.

QLASSIC

The Quality Assessment System in Construction (QLASSIC) is an assessment conducted by the Construction Industry Development Board (CIDB), to measure and evaluate the workmanship quality of a building construction work based on Construction Industry Standards (CIS 7). In upholding our high workmanship quality, Paramount has set QLASSIC score targets of 75% and above and we have consistently exceeded our target over the last three years.



International standards

We are uncompromising in our commitment to quality using professional, international, and industry benchmarks to constantly measure ourselves. Paramount has been certified with the ISO9001:2015 Quality Management System. This standard has brought about systematic procedures, policies and practices which enable us to deliver products that meet stringent requirements in quality and workmanship.

Culture of responsibility

Our culture is centred on ‘Doing Things Right the First Time’. This is ingrained in our DNA and drives strong quality control and assurance measures at the start of all processes. This leads to overall improved efficiency and productivity across our projects.

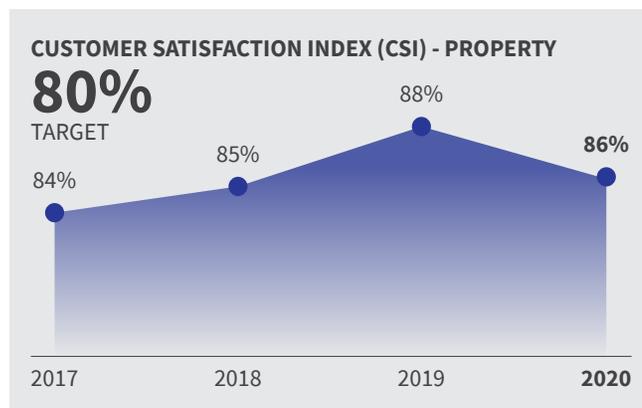
CUSTOMER SERVICE

As the People’s Developer, we believe that achievement and progress should not be measured by profit alone but also in the value we create through our products and services.

In line with this, we focus on creating positive customer experiences by upholding excellent service quality.

Delivering on customer satisfaction

Results from Paramount Property’s Customer Satisfaction Index (CSI), an internal benchmark, reveal that we have exceeded our CSI target of 80%.



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Co-labs Coworking: Member Satisfaction

In 2020, Co-labs Coworking conducted member satisfaction surveys for all locations namely the Starling, the Starling Plus, Sekitar26 and Naza Tower. An overall rating of at least 8.2 out of 10 was achieved. This is the first time that Co-labs Coworking has rolled out satisfaction surveys through an online platform as part of our digitalisation efforts. Focus group discussions were also held with members to get feedback for future improvements.

The results of these showed that design, community events, and friendly team were the top reasons Co-labs Coworking stands out compared to other coworking spaces in the Malaysian market.

Harnessing technology for enhanced customer experience

During this pandemic, we have accelerated our technology usage by adopting digital platforms to further improve the customer experience.

SAMMO

To allow purchasers to submit and update their defect claims via their smartphones, a defect-tracking mobile app SAMMO was implemented.

Virtual sales galleries

To provide convenience while adhering to health & safety requirements during the COVID-19 lockdown, we offered potential customers a virtual show gallery experience showcasing our properties across the Klang Valley, Penang and Sungai Petani.



SAMMO app

ANTI-BRIBERY & CORRUPTION AND CORPORATE GOVERNANCE

Paramount is committed to maintaining high standards of corporate governance, integrity, and accountability, underpinned by robust management of risks and internal controls to ensure the long-term sustainability of its businesses and to safeguard the interests of all stakeholders.

Further to the Malaysian Anti-Corruption Commission (Amendment) Act 2018 which took effect from 1 June 2020, Paramount has implemented an Anti-Bribery and Corruption Policy and Guidelines across the Group to uphold all applicable laws in relation to anti-bribery and corruption. The Group practices a zero-tolerance approach against all forms of bribery and corruption.

More details are available in the Statement on Corporate Governance in pages 71 to 77 of this Annual Report.

BRANDING AND REPUTATION

Across our brands, we take our reputation very seriously.

Paramount Property strives to build with people in mind. We deliver on this by offering thoughtful features and design while ensuring we have a good portfolio of products to suit diverse needs and requirements. This is in line with our promise as 'The People's Developer'.

Co-labs Coworking is known for its culture of friendliness, active community, and great design, while our fine dining establishment Dewakan is the first and only Malaysian restaurant to be included in the prestigious Asia's 50 Best Restaurants list.

When we do these things well, we gain the trust of the public and stakeholders, who in turn, help us achieve long-term success and continuity.



Virtual sales gallery

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ENVIRONMENT

Recognising the importance of environmental protection, Paramount has made considerable efforts to develop and implement eco-friendly strategies. Our property division conducts a comprehensive ecological assessment at every stage of our operations from planning to handover to reduce our environmental impact.

MATERIAL MATTERS



Full compliance;
zero compounds



Green building recognition for
Utropolis Batu Kawan and **Sri KDU International School Klang**



Close to **65,000** trees, shrubs and herbs planted across Utropolis Batu Kawan and Bukit Banyan



Approximately **300+** plants from a few endangered species and **600+** plants from other species



311 kg of CO₂ reduction from Sekitar26's recycled waste



Electricity saving at offices
132,759 kWh



Waste generated at sites (scheduled waste) and offices (general waste)
1,003 kg



Water saving at offices
940 m³

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REGULATORY COMPLIANCE

Paramount Property continues to be ISO 14001:2015 certified. We ensure strict compliance to all the stipulated requirements under all environmental related laws and regulations which are applicable to our operations through periodic monitoring and capacity building.

GREEN BUILDINGS AND SPACES

Paramount strives to develop buildings that are energy-efficient and environmental-friendly. In this aspect, we have managed to achieve green certification on two buildings in 2020: Utropolis Batu Kawan and the new Sri KDU International School in Klang.

UTROPOLIS BATU KAWAN AT PENANG'S ECO CITY

At Utropolis Batu Kawan, we strive to achieve high standards of sustainability and green practices. We also employ top-notch safety and security systems for our property owners.

For a start, one of the least considered but highly important aspect of high-rise living is garbage collection. Utropolis Batu Kawan utilises a simple but highly effective pneumatic system to address waste disposal and collection. The most efficient system, with a built-in child safety mechanism suited for residential developments, it is hygienic (no exposed waste, contamination), healthy (odour free with no heavy bins), convenient (automated waste removal and handling), cost efficient and safe.

In terms of security, convenience, and comfort, available features include a leading-edge security system which allows for seamless registration of guest arrival using a mobile application. Once at home, the units at Utropolis Batu Kawan are secured by a digital door lock system.

The system is also extended to a KipleLicense smart car system which can read the licence registration numbers of vehicles; the KipleLive application for Property Management further reduces the hassle of having to visit the management office for facilities booking, forms for renovation and other miscellaneous activities.



Utropolis Batu Kawan,
Utropolis Utama (Certified)



Utropolis Batu Kawan,
Suasana (Silver)

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SRI KDU INTERNATIONAL SCHOOL KLANG

Sri KDU’s new campus in Klang got off to a promising start by being awarded a GreenRE-Bronze certification. Armed with 17 years of experience successfully managing the Sri KDU Kota Damansara campus, improvements have been made to the new Sri KDU Klang. These include increasing energy and water efficiency to improve environmental quality while reducing operational costs.

Furthermore, since its inception in 2012, Sri KDU’s Eco Schools programme has moved from strength to strength. As such, it is truly apt for the building to be green certified as the school nurtures future leaders in aspects of environmental awareness and responsibility.



Creating Green Spaces

Trees and plants play a critical role for people and planet, which are essential for liveable and sustainable communities. At Paramount, it is our mission to plant and protect trees. Toward this goal, we have begun cultivating local species, including endangered species of trees, in our own nursery for purposes of landscaping for our projects.

Type of trees planted	No. of trees planted in Paramount's development
Local endangered species, <i>Maba buxifolia</i> / <i>Diospyros ferrea</i>	20+
Tropical species - <i>Podocarpus costalis</i>	500+

We have also embarked on urban farming through the establishment of herb gardens and pocket farms in various developments, most notably at Greenwoods Salak Perdana.



Cultivating *Maba buxifolia* in pots for landscaping purposes



Residents learning about herbs at the Greenwoods community farm

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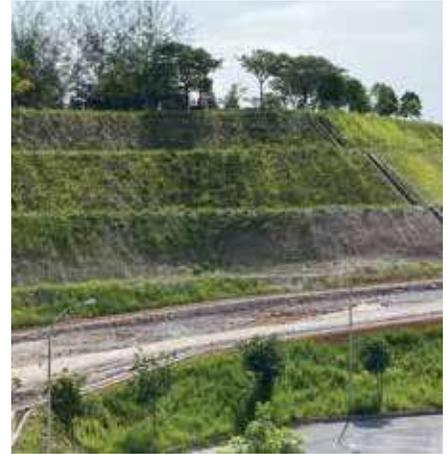
Over the past year, we underwent a hydroseeding process planting 5.2 acres of signal grass on the slopes of Bukit Banyan Hill Park using the Fibromat method.



Before - rocky slopes



Process of hydroseeding



After - green slopes

Through consistent planting and care, we hope to be able to establish urban green spaces which can have compounding benefits through every layer of our communities, leading to a better world.



CREATING AN ECOSYSTEM FOR WILDLIFE TO THRIVE

Since its establishment in 2011, Bukit Banyan has become a significant landmark as Kedah's first hill park township. Instead of creating homes only a few can afford, Bukit Banyan thoughtfully welcomes home buyers across the social strata to prosper together among its verdant greenery, with its crown jewel, the 25-acre Bukit Banyan Hill Park equipped with eight thematic mini parks as the centrepiece.

To date, over 60 species of birds, including migratory ones, have been spotted at Bukit Banyan and documented in a field guide compiled by Bukit Banyan resident and amateur birder, Dr Vijay Kumar MK, called 'The Birds of Bukit Banyan'.

Dr Vijay attributes the unique and extraordinary ecosystem at Bukit Banyan as attractive features which attract birds and other wildlife. From the forested hills to plots of dry savannah-like land to large retention ponds and water features, Bukit Banyan offers ecological diversity. Banyan trees also attracts birds during fruiting season. This in turn attracts different species and more wildlife searching for food, water and shelter.



A green-billed malkoha, *Phaenicophaeus tristis*, spotted at Bukit Banyan

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Promoting Environmental Awareness

We actively support environmental initiatives and campaigns to inculcate long-term behavioural changes amongst our employees, customers, and tenants. The primary objective of these is to create awareness and sensitivity towards the environment and its associated problems.

Property

The environmental awareness and training activities conducted in 2020 are listed as follows:

- Plastik Oh Plastik! Bagaimana Diuruskan
- Program Kursus Kesedaran MyCREST & INFRASTAR
- Basic handling & management of schedule waste
- Hands-on Design of Erosion & Sediment Control Plan

Co-labs Coworking

During the movement control order, the Co-labs Coworking team continued to work at engaging members and the community at large by organising virtual programmes such as a Netflix party during Earth Day, featuring the film ‘A Plastic Ocean’ to promote responsible plastic usage.



BROS Pop-up booth, ‘Ditch the Disposables’ to encourage reducing single plastic use

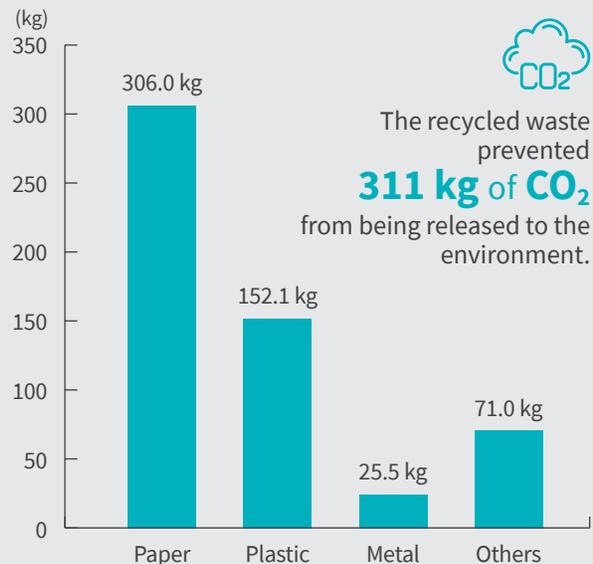
WASTE MANAGEMENT

Effective waste management remains one of the largest environmental challenges we face. Although there is still a long way for us to go, we are putting in efforts as a Group to recycle waste and will gradually expand these efforts.



RECYCLING PROGRAMME WITH iCYCLE

In 2020, we worked with iCycle to install recycling bins at the Paramount Property headquarters in Sekitar26 Shah Alam and kickstarted a campaign on waste separation and recycling. This is in line with Paramount’s waste management 3R principles of Reduce, Reuse & Recycle.



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Construction Waste

At Paramount, we manage our construction wastes responsibly and ensure proper storage as well as disposal of hazardous and non-hazardous waste.

Waste generated is properly disposed of by registered contractors to approved disposal facilities and premises for treatment. Non-hazardous solid waste generated from our project sites are disposed of at approved landfills by licensed waste disposal vendors, through the management of main contractors.

The chart below lists waste generated at Paramount project sites in 2020.

Projects	Scheduled waste (kg)	Recycling materials (rebar) (kg)
Utropolis Glenmarie	33.5	-
Greenwoods Salak Perdana	45.2	11,400
Sejati Lakeside, Cyberjaya	74.0	3,690
Kemuning Idaman, Shah Alam	11.2	-
Sri KDU, Klang	51.3	-
Berkeley Uptown, Klang	8.0	14,100
Suasana, Utropolis Batu Kawan	33.5	76,000
Sinaran, Utropolis Batu Kawan	13.0	-
Bukit Banyan, Sungai Petani	178.4	28,570
Total	448.1	133,760

(*Excluding general construction waste)

In 2020, we embarked on recycling and reusing initiatives at all construction sites.

Projects	Reuse
Urbano, Utropolis Glenmarie	Experimental fruit enzyme for septic tank cleaning At the construction sites, we embarked on the following for workers' use: <ul style="list-style-type: none"> • Reusing timber to hang electrical wires • Reusing plywood to construct document racks • Reusing PVC pipe as hand sanitiser holders • Reusing oil drums as recycling bins
KerANJI, Greenwoods Salak Perdana	Use blasted hard materials from site as landscape features and as substitute for imported road base material

In our journey towards green and sustainable construction, we will begin using environment friendly materials such as green cement at our ATWATER, Section 13 development. In addition, we used recycled construction materials at Utropolis Batu Kawan development to further reduce our carbon footprint.



% of recycled construction materials at Utropolis Batu Kawan

Suasana

14%

of total material cost

Sinaran

10%

of total material cost

ENERGY AND WATER

As part of our ongoing efforts to improve Paramount's sustainability disclosures, we started to expand our scope to measure electricity and water consumption for the Utropolis Batu Kawan property office which is our new Penang base, as well as sales galleries.

Due to the complex nature of our business, there were some challenges in compiling and normalising certain data sets. This is because our energy consumption depends on the number and scale of sales galleries and projects pursued during the year. Hence, the total energy recorded each year for sales galleries and projects will also vary.

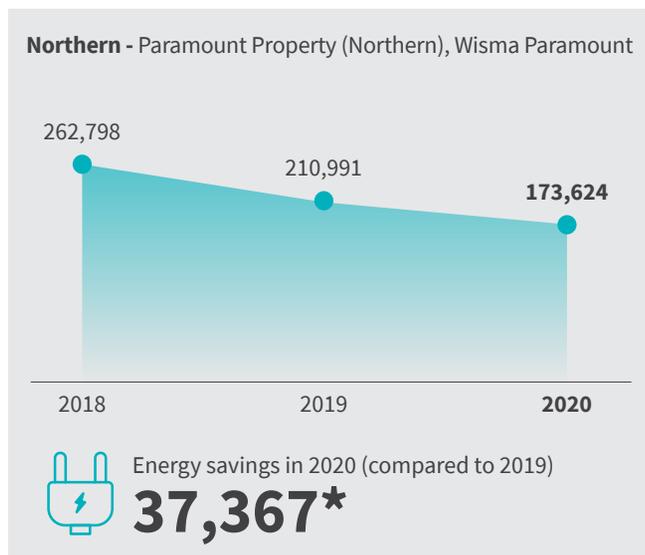
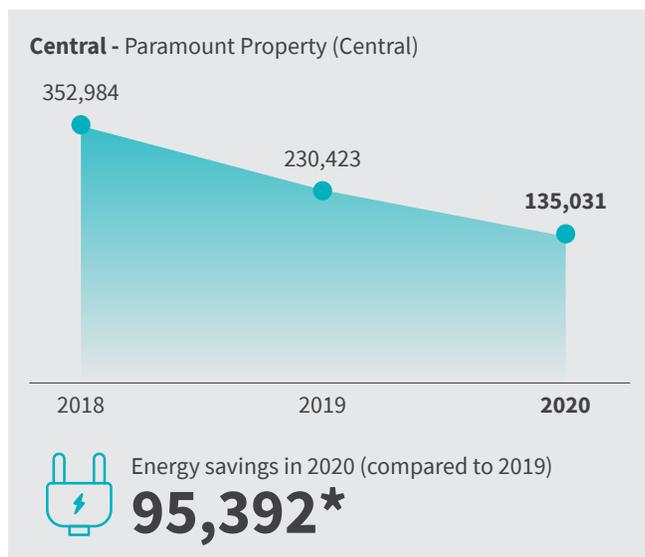
Furthermore, we also encounter difficulties obtaining accurate data on energy consumption due to a lack of quantitative records at project sites. Nevertheless, we continue to improve on our data collection process and make efforts to increase the quality of the disclosure in the future.

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In the interim, a summary of the data that we were able to compile is as below.

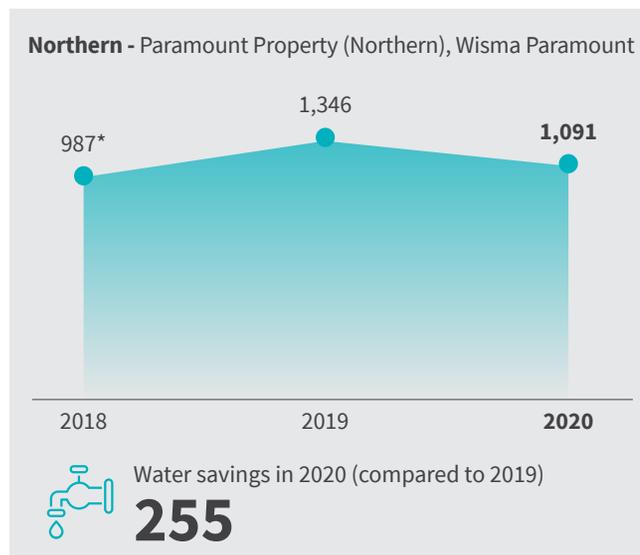
Electricity (kWh)



Total energy savings in 2020
132,759 kWh

* The savings from 2019 was mainly due to the relocation of our Paramount Property office from Kemuning Utama to Sekitar26, Shah Alam since July 2019 (space is smaller) and most of the employees were working from home during the pandemic.

Water (m³)



Total water savings in 2020:
940 m³

* Water consumption for 8.5 months (from mid-April 2018 when Paramount Property Utara moved into Wisma Paramount) to December 2018.

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Water consumption was reduced across our business operations by diligently monitoring for leakages, and regularly inspecting and servicing water pumps, valves, and piping systems. Water-saving design features and water-efficient fittings such as water harvesting, water savings tap aerators, and dual flush water systems across our business operations have also contributed to the decreased water consumption costs. In addition, water awareness campaigns also helped to enhance on-ground support during these efforts.

Energy saving has been institutionalised and embedded as part of our culture with yearly awareness campaigns and cost consciousness as a general mindset. Thus, Paramount

will continue to take steps to optimise and minimise energy consumption as part of our efforts to reduce global warming.

Industrialised Building System (IBS)

Paramount began adopting the Industrialised Building System (IBS) on a larger scale for the first time at Kemuning Idaman, our Rumah Selangorku project at Kemuning Utama, Shah Alam. We have seen IBS transform our construction practices to be more efficient and sustainable, while minimising material wastage.

In 2020, we increased our utilisation of IBS components and began using Acotel Panels, Shear Wall System, lightweight aerated concrete blocks and pre-packed pre-mixed mortar.

Projects	IBS Component	Utilisation of System Form	IBS Score
Citra Elite 3, Bukit Banyan	Acotec Panel	70%	58%
Amaryn 2, Bukit Banyan	Shear Wall System	85%	290
Suasana, Utropolis Batu Kawan	Aluminium System formwork	70%	#50%
Sinaran, Utropolis Batu Kawan	Aluminium System formwork	80%	*52%
Kemuning Idaman, Shah Alam	Lightweight aerated concrete blocks, pre-packed pre-mixed mortar/floor screed and aluminium formwork	78%	56%

#: Construction completed in November 2020, pending final assessment

*: Construction is in progress, only will assess after completion

THE STORY
SUSTAINABILITY STATEMENT



SOCIAL

At Paramount, we believe people are our greatest assets. We adopt fair practices in attracting, developing, and retaining employees. These practices also extend to the provision of career development opportunities. We also provide a safe and supportive workplace and rewards through attractive remuneration and benefit packages.

MATERIAL MATTERS



Safety and health



Talent development and training



Employee engagement and wellness



Community development



ZERO
fatalities



Average SHASSIC score of **90%** across three developments



Safety & Health induction for **1,051** workers



Employee retention rate of **89%**



THE STORY

SUSTAINABILITY STATEMENT

SAFETY AND HEALTH

During this extraordinary year, the emphasis on safety and health became even greater than before. As a company, we have always striven to achieve zero incidents, zero fatality and zero major non-compliance to our safety standards and management system.

Our property division is certified with international and national standards ISO 45001:2018, MS1722:2011 which provide the framework that governs our management approach for Occupational Safety and Health (OSH).

Our Safety and Health policy and procedures outline the Group's commitments towards ensuring that our people's safety, health, and welfare are well-taken care of. We are in full compliance with laws, regulations, and procedures in the reporting period and achieved zero fatality.

OSH Awareness and Training

Paramount recognises the importance of developing OSH knowledge and competencies among our people. Hence, we carried out various OSH training and awareness campaigns to inculcate the culture of safety in the workplace and create ownership and responsibilities to prioritise safety at work. OSH is also part of the weekly toolbox meeting agenda to remind all workers about related job safety topics.

Below is the list of OSH training conducted in the period under review:

Safety & Health Training Programmes	No. of Paramount Employees
Central	
Safety & Health Induction	7 new employees 562 new construction workers
Basic Occupational First Aid, CPR & AED	19
MBAM Lifting Supervisor Training	8
Simple Risk Assessment Control of Chemical (SiRAC)	4

Safety & Health Training Programmes	No. of Paramount Employees
Northern	
Safety & Health Induction	32 new employees 489 new construction workers
Safe Lifting Operation Training	7
Incident Investigation & Capturing Lessons Learned into Hazard Identification, Risk Assessment and Risk Control (HIRARC)	3
Ergonomic Trained Person Course-Advanced Ergonomics Risk Assessment	2
Establishing a COVID-19 Outbreak Control team	1

In 2020, we continued to pursue our targets of zero fatality and zero major non-compliance in our safety standards and management system and have achieved our targets.

The Safety & Health Assessment System for Building Construction Works (SHASSIC) is an assessment conducted by CIDB to evaluate the safety and health performance of construction works/ projects based on the Construction Industry Standard (CIS10).

Paramount achieved 4 to 5-star ratings in the SHASSIC audit in the construction projects as follows:

Projects	SHASSIC Score
Bukit Banyan Sierra 2	94% ★★★★★
Utropolis Glenmarie, Phase 3 (assessed and certified in 2019 but received award in 2020)	91% ★★★★★
Greenwoods Keranji 2	84% ★★★★

COVID-19 Response

In view of the COVID-19 pandemic, a Crisis Management Task Force was established in March after the first Movement Control Order (MCO). Subsequently, this task force has been replaced by an Employee Health Committee which was formed in May 2020. Led by the Group HR Director together with business unit heads, the committee was responsible for monitoring the pandemic situation.

THE STORY

SUSTAINABILITY STATEMENT

This is to ensure Paramount can act in a speedy manner while fully adhering to all standard operating procedures and preventive measures as required by the authorities to safeguard our customers, employees, contractors, and guests. We also implemented work from home and split operations for office-based employees.

Additional measures implemented at our construction sites included:

- Setting up of a COVID-19 Outbreak Control team to manage related issues.
- New workers to pass swab test and undergo quarantine for 14 days at Centralised Labour Quarters before commencing work.
- Controlled movement of workers in order minimise public contact including provision of meals and prohibition of mass gatherings.
- COVID-19 training for the emergency response team on disease outbreak control.
- Implementation of a COVID-19 Emergency Response Plan with drills.



CASH ALLOWANCES AND GROCERIES FOR OUR CONSTRUCTION WORKERS

The Movement Control Order (MCO) period had been tough for daily wage earners who could not work. Mindful of this, Paramount Property allocated a one-off RM240,000 or RM800 per person to the 300 foreign workers at our construction sites during the first stage of the MCO. Thereafter, Paramount Property continued to support these workers with a daily allowance of RM20 per person as well as groceries until they could resume work.



TALENT DEVELOPMENT AND TRAINING

Having the right people in our organisation with the right skills and knowledge is vital for the success of Paramount. Hence, it is crucial for our employees to undergo professional development to enable them to reach their full potential.

We are also aware that to succeed in today’s competitive market, we must identify, develop, and support leaders that will drive future strategies. In 2020, the pandemic accelerated our transition to virtual learning and development when social distancing requirements affected physical training plans.



Average hours of training per employee

17.62

The details are shown as below:

Talent Development Programmes	Target Employee Level	Training Provided in 2020	No. of Participants
Sustainable Talent Acceleration & Retention Strategy (STARS)	Senior Management	Leadership Coaching	6
Leading with Energy & Passion (LEAP)	Middle Management	Strategic and Analytical Thinking Skills Performance Management I Performance Management II	19
		Instilling a Positive Work Culture Problem Solving and Decision Making Skills	18
Emerging Leaders in Transition (ELITE)	Executive-level Management	Personal Mastery	14

THE STORY
SUSTAINABILITY STATEMENT

TALENT DEVELOPMENT AND TRAINING (CONT'D.)



LEAP modules 7, 8, 9 and 10 being carried out via Microsoft Teams at Utropolis Batu Kawan



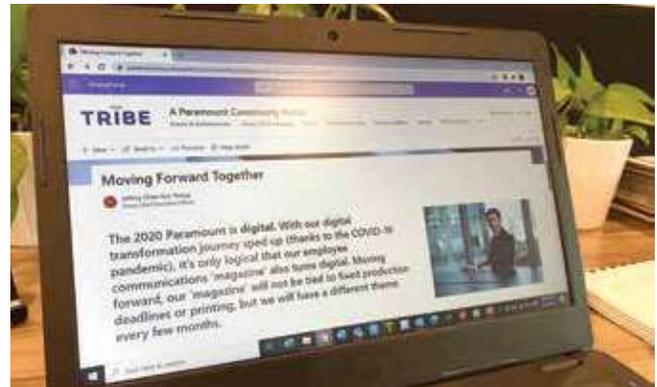
The ELiTe programme was carried out in September 2020 via Microsoft Teams

EMPLOYEE ENGAGEMENT AND WELLBEING

Digital Communications



With uncertainties brought about by the pandemic as well as lockdowns, it was critical to communicate with employees who were working remotely. Therefore, the bi-annual employee print Paramount magazine was reimagined and redesigned to be a digital portal named TRIBE, with employee stories, feature articles and business updates. A TRIBE Instagram account was also activated for timely posts and reminders to employees.



Events

Although many programmes had to be postponed or cancelled due to the pandemic, we were able to hold some virtual and on-ground events to create a sense of belonging amongst our employees.

Talk: Influenza & Coronavirus: Facts and Prevention



Talk on 11 February 2020

Mooncake making



Virtual mooncake making on 11 October 2020

Town hall meeting



A hybrid townhall meeting was conducted on 10 September 2020

THE STORY

SUSTAINABILITY STATEMENT



UNITING FOR A GOOD CAUSE

Paramount supported the Unity Ribbon initiative mooted by Project57 by organising an internal donation drive in conjunction with Merdeka/Malaysia Day. Employees were encouraged to contribute to the cause where all proceeds would be channeled towards helping to empower Orang Asli, disabled and underprivileged youths in Malaysia.



COMMUNITY DEVELOPMENT

Community Initiatives

Community events at Co-labs Coworking

To foster positive relationships among members, Co-labs Coworking organised community events such as movie night, festive celebration, wellness programme, talks and workshops, as well as speed networking.



Workshop: Unleashing creativity in a 'Sip and Paint' outdoor session with Yorokobi Art



SweatLab: Hiking at Taman Tugu so members across different locations could meet



LabFam Chats: A series of online workshops on topics ranging from mental health and business to personal finances and relationships

THE STORY
SUSTAINABILITY STATEMENT

COMMUNITY DEVELOPMENT (CONT'D.)

Community Contributions

The Edge COVID-19 Health Care Workers Support Fund

Paramount Corporation Berhad donated RM500,000 to help health care workers and frontliners who contracted COVID-19 while on duty.



Blood Donation with Persatuan Penderma Darah Sungai Petani

Kelab Bandar Laguna Merbok co-organised this biannual event with a total of 135 donors registered. The blood collection was directed to Hospital Sultan Abdul Halim Sungai Petani and Adventist Hospital in Penang.



Sayangi Rumahku Campaign

A collaboration between EdgeProp, Nippon Paint and Paramount Property, this campaign was completed in September 2020. We refurbished four courts at three Program Perumahan Rakyat (PPR) locations.



Donating medical supplies to Sungai Petani Hospital

Paramount Property provided medical supplies including ripple mattresses with pump anti-decubitus system, 600 Personal Protective Equipment (PPE) gowns, 100 PPE protective hoods and 200 pairs of PPE boot covers to Sungai Petani Hospital to support the medical frontliners.



Helping Hands

Utropolis Marketplace organised a Corporate Social Responsibility (CSR) campaign to help those in need. We distributed 40 boxes of groceries which included rice, cooking oil, instant noodles, Milo, sugar, canned food, eggs and crackers.

