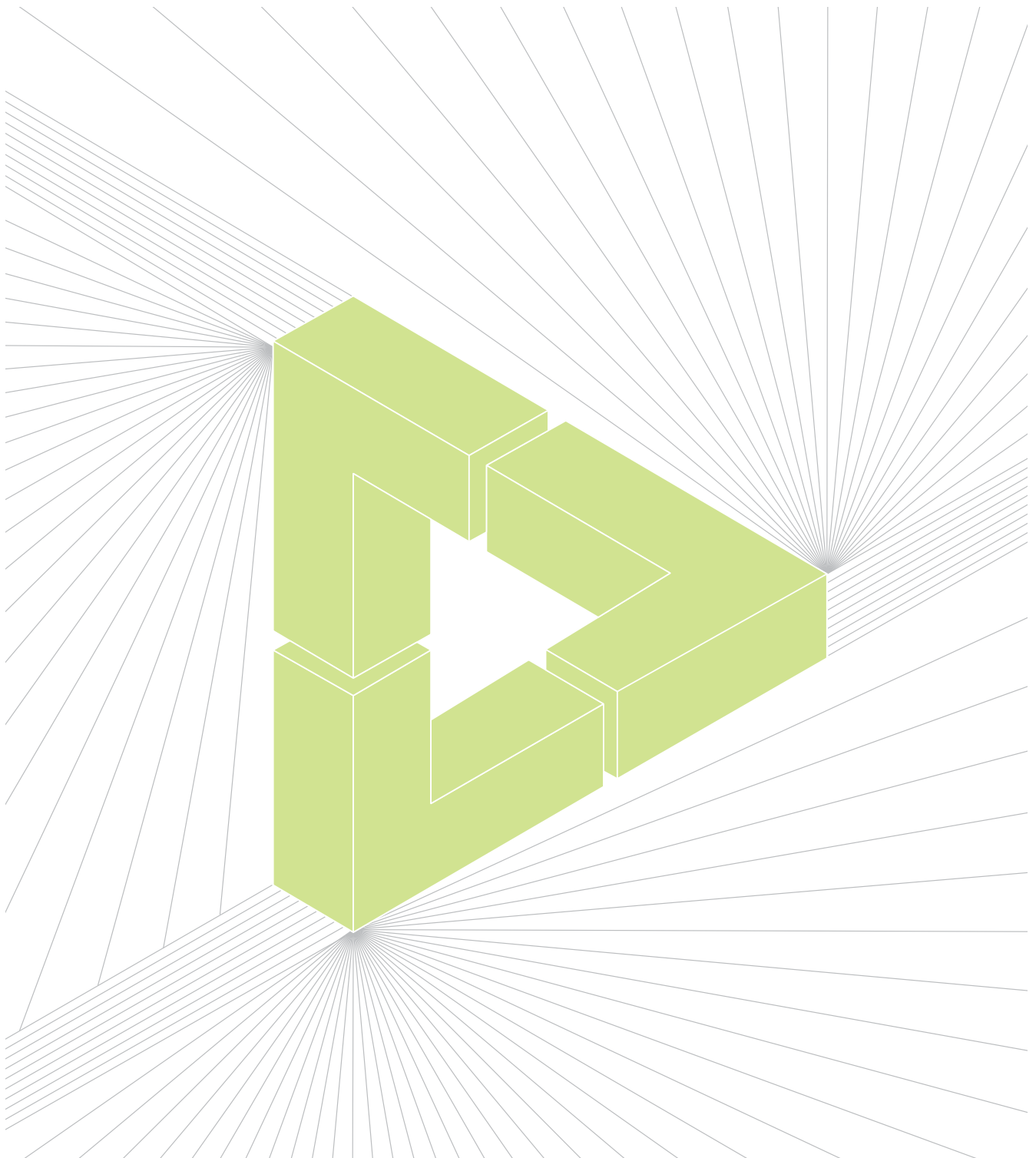


PARAMOUNT



## Forging A Sustainable Future

..... SUSTAINABILITY STATEMENT 2021 .....

# INSIDE THIS STATEMENT



Scan the QR code to visit the  
Sustainability section of our website

## Forging Ahead Towards a Sustainable Future

Since 2017, we have embarked on a journey to embrace the values of corporate responsibility and sustainability management. Guided by our vision of 'Changing Lives and Enriching Communities for a Better World', and reinforced by our TRIBE core values, our goal is simple: we seek to create long-term value for our stakeholders by managing our businesses in a responsible way.

Despite widespread disruptions and headwinds from COVID-19, we have continued to stay resilient, and still find room to thrive amidst this new normal. We are driven to succeed by our obligations to multiple stakeholders - shareholders, customers, employees, and society at large. Moving forward, we will continue delivering our cornerstones of quality and value, we will stay future-focused and future proofed, and we will operate responsibly, making a difference wherever we can.

This year, we are issuing a standalone sustainability statement to provide a clearer articulation of our progress. This is an expanded version of the 'Sustainability' section in the Annual Report 2021.



# Sustainability Statement

## SCOPE AND BOUNDARY

This statement covers the entire operations of the Paramount Group and its subsidiaries over which the Group has direct control and holds a majority stake except for Mercure Kuala Lumpur Glenmarie and Dewakan. It does not cover associate or joint venture companies, which the Group does not have any direct operational control, and the Group's value chain comprising third party contractors, suppliers and vendors.

The focus of this statement will be on the most pertinent projects, initiatives, and activities of the Group. It should be read in conjunction with the Annual Report 2021 and other sustainability-related disclosures on our website. Progressively, we shall endeavour to provide more comprehensive sustainability disclosures.

### Reporting period

This statement covers our sustainability activities from 1 January 2021 to 31 December 2021. 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.



### Feedback

We value the feedback and consider it an opportunity to identify areas for improvement. If you have feedback on this statement, please direct it to [comms@pcb.my](mailto:comms@pcb.my).



## REPORTING STANDARDS

This Sustainability Statement is approved by the Board and prepared, for the first time, in accordance with the GRI Standards: Core option, which represents the global best practice in sustainability reporting. By using these global reporting standards, Paramount can benchmark its sustainability performance, learn from best practices, and implement sustainability initiatives most efficiently. GRI content index is available on [this statement](#) which references specific disclosures according to the standards.

Other referenced frameworks and guidelines include:

- Bursa Malaysia's Main Market Listing Requirements Practice Note 9 Article 6
- Bursa Malaysia's Sustainability Reporting Guide 2<sup>nd</sup> Edition
- United Nations Sustainable Development Goals (UN-SDGs)
- FTSE4Good ESG criteria

## Membership in **Associations**



Real Estate and  
Housing Developers' Association



Construction Industry Development Board



Master Builders Association Malaysia



FIABCI-Malaysia



THE CHINESE CHAMBER OF  
COMMERCE AND INDUSTRY  
OF KUALA LUMPUR AND  
SELANGOR

The Chinese Chamber of Commerce & Industry  
of Kuala Lumpur & Selangor



# Sustainability Highlights and Achievements



**RM806 million**

Sales by Property Division



Paramount provided employment to a total of  
**1,781 people**



**ESG Rating of Public Listed Companies**

Assessed by FTSE Russell



Electricity savings at offices  
**105,897 kWh**



**1,080** trees, **19,080** shrubs,  
**988** plants and **57,365 m<sup>2</sup>**  
of turf planted across Urbano,  
KerANJI, Utropolis Batu Kawan  
and Bukit Banyan

Cultivated **2,150** endangered  
trees and plants species at our  
construction sites



Waste generated at sites  
(scheduled waste)  
**1,931.7 kg**



**33%** of our  
Board of Directors and **46%** of  
our employees are women



Won **top spot** in the employer  
'Sapphire' category in PERKESO's  
Activ@Work Challenge



**RM250k**  
donated to charities

# Sustainability Overview

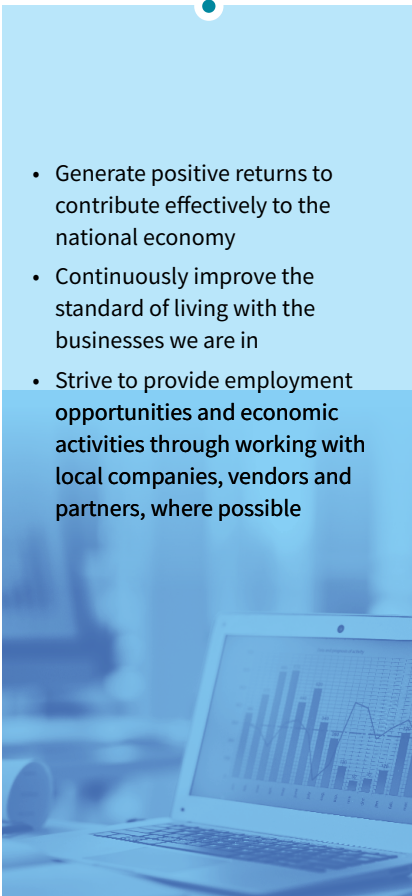
## SUSTAINABILITY GOALS

Our approach to sustainability is guided by our sense of purpose.



We aim to achieve our goals through three sustainability pillars.

- Generate positive returns to contribute effectively to the national economy
- Continuously improve the standard of living with the businesses we are in
- Strive to provide employment opportunities and economic activities through working with local companies, vendors and partners, where possible



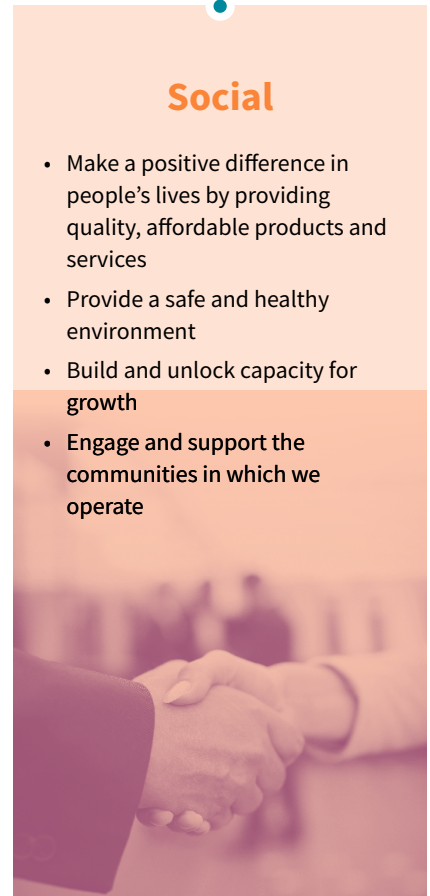
### Environment

- Reduce environmental impact by progressing toward least impact approaches to resource and energy use, waste, and carbon/ toxic emissions through innovative and practical solutions
- Integrate environmental considerations into decision making and delivery of outcomes



### Social

- Make a positive difference in people's lives by providing quality, affordable products and services
- Provide a safe and healthy environment
- Build and unlock capacity for growth
- Engage and support the communities in which we operate



## Sustainability Overview

### SUSTAINABLE DEVELOPMENT GOALS

The 17 United Nations Sustainability Development Goals (SDGs) provide a powerful aspiration for improving our world – laying out where we collectively need to go and how to get there. They seek to end poverty, protect the planet, and ensure prosperity for all.

Paramount has chosen to focus on these six SDGs where we can make the most meaningful contributions to, taking into account the markets in which we operate.



#### 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.



#### 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.



#### 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.



#### 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.



#### 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.



#### 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 risks of bribery & corruption; encourage effective, accountable, and transparent business transactions. We also ensure responsive, inclusive, participatory, and representative decision-making at all levels.

## Sustainability Overview

### 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.







## Sustainability Overview






### 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  | Responses   |
|--|--|---|---|
| <b>Employees</b><br>                  | <ul style="list-style-type: none"> <li>Employee benefits, well-being, and safety</li> <li>Employee engagement</li> <li>Career development</li> </ul>   | <ul style="list-style-type: none"> <li>Periodic review of employee benefits, activities and development programmes</li> <li>Communication channels with employees (meetings, emails, social media, and TRIBE Community Portal)</li> </ul>         | <ul style="list-style-type: none"> <li>Paramount provides employees with equal opportunities, rewards and resources regardless of gender, age, ethnicity while ensuring their safety, health and welfare are well taken care of.</li> </ul>                       |
| <b>Customers</b><br>                | <ul style="list-style-type: none"> <li>Product quality</li> <li>Design and features</li> <li>Support services</li> <li>Timely delivery</li> <li>Product/service pricing and packaging</li> </ul> | <ul style="list-style-type: none"> <li>Websites/social media</li> <li>Corporate and brand campaigns</li> <li>Face to face meetings with customers, surveys, talks, workshops, exhibitions, webinars, and events</li> </ul>                        | <ul style="list-style-type: none"> <li>The Group provides quality products and services to customers. Testament to this, the Group has received numerous accolades and awards, reflecting the positive perceived value and confidence in our projects.</li> </ul> |
| <b>Investors / Shareholders</b><br> | <ul style="list-style-type: none"> <li>Fiduciary duties</li> <li>Transparency</li> <li>Dividend payment</li> <li>Financial performance</li> </ul>  | <ul style="list-style-type: none"> <li>Engagement sessions with analysts and shareholders</li> <li>Timely disclosures to Bursa Malaysia and on the company website</li> <li>Annual report, quarterly results, announcements, circulars</li> </ul> | <ul style="list-style-type: none"> <li>The Group keeps investors informed on significant developments regarding the businesses.</li> </ul>  |
| <b>Regulators</b><br>               | <ul style="list-style-type: none"> <li>Regulatory compliance</li> </ul>  | <ul style="list-style-type: none"> <li>Discussions with the authorities as part of due diligence</li> </ul>   | <ul style="list-style-type: none"> <li>Paramount strives to comply with all applicable local laws and regulations in its operations. There were no cases of socio-economic and environmental non-compliance incidents in FY2021.</li> </ul>                       |

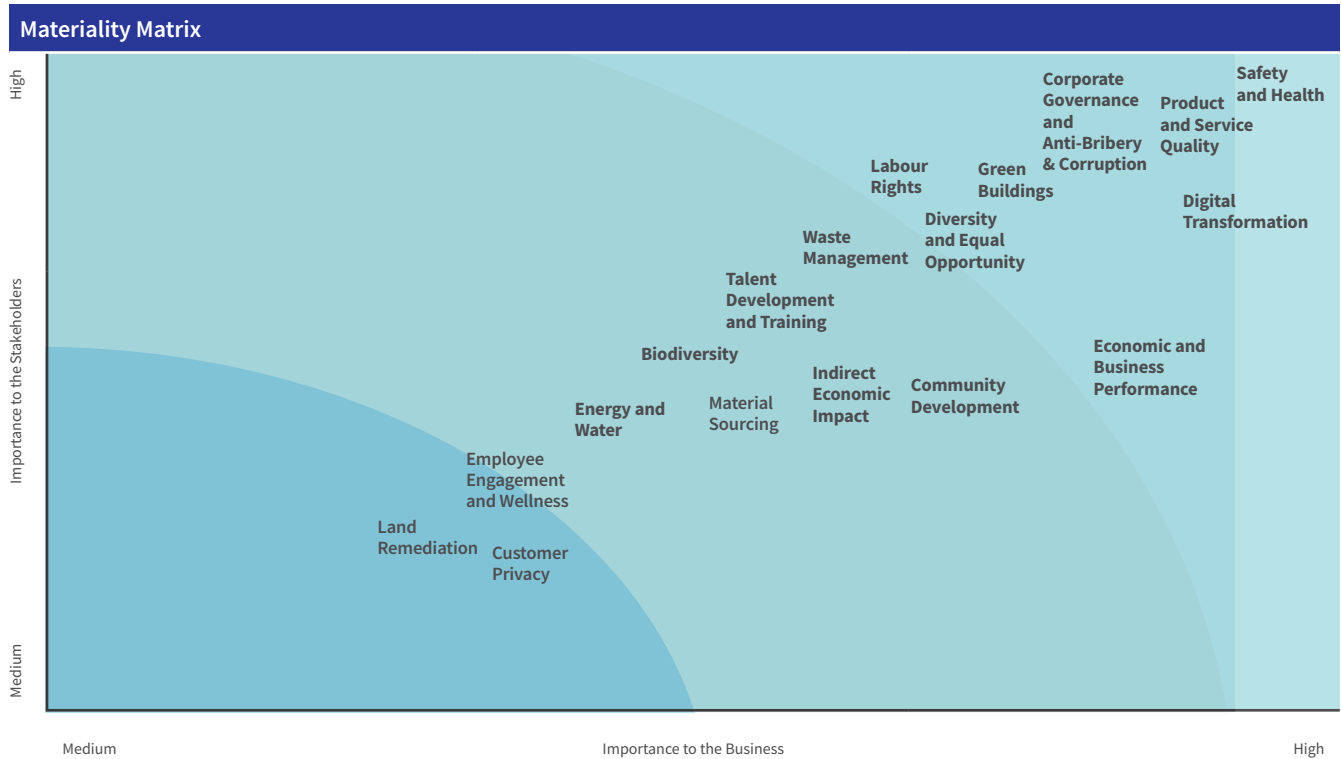
## Sustainability Overview

| Stakeholders   | Issues of Concern  | Engagement Channels and Activities  | Responses  |
|--|--|---|--|
| <b>Vendors / Suppliers</b><br>    | <ul style="list-style-type: none"> <li>Fair terms and conditions of contracts</li> <li>Health and safety excellence</li> </ul>   | <ul style="list-style-type: none"> <li>Vendor meetings, performance evaluations, and supply chain management</li> </ul>   | <ul style="list-style-type: none"> <li>The Group works closely with vendors/suppliers throughout our value chain to ensure that operations are carried out in accordance with Paramount's policies and standards that place worksite safety and workers' health and well-being as priorities.</li> </ul> |
| <b>Community</b><br>              | <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>Collaborative partnerships with local NGOs</li> <li>Philanthropic activities and outreach programmes</li> <li>Public consultation and community surveys</li> <li>Websites/ social media</li> </ul> | <ul style="list-style-type: none"> <li>The Group strives to give back to the local community. In FY2021, the Group carried out a few Corporate Social Responsibility events and contributed RM250,000 in donation and sponsorship.</li> </ul>  |
| <b>Certification Bodies</b><br> | <ul style="list-style-type: none"> <li>Full compliance with specifications and requirements</li> </ul>   | <ul style="list-style-type: none"> <li>Site visits and meetings</li> </ul>  | <ul style="list-style-type: none"> <li>The Group partners with certification bodies to jointly elevate industry standards in operation processes and practices.</li> </ul>   |
| <b>Media</b><br>                | <ul style="list-style-type: none"> <li>Clarity on company's activities and financials</li> <li>Insights on the market and industry</li> <li>Public perception</li> </ul> | <ul style="list-style-type: none"> <li>Engagement sessions with the Media including financial briefings</li> <li>Regular press releases and interviews with key management</li> <li>Timely updates on company website</li> </ul>          | <ul style="list-style-type: none"> <li>The Group releases timely information to the Media as and when relevant to create awareness and grow brand visibility amongst our target audiences.</li> </ul>  |
| <b>Bankers</b><br>              | <ul style="list-style-type: none"> <li>Breach of covenants</li> </ul>  | <ul style="list-style-type: none"> <li>Regular engagement and communications to ensure compliance</li> </ul>  | <ul style="list-style-type: none"> <li>Paramount provides updates on its business performance and repays its loan in a timely manner to gain confidence from the banking and financial community.</li> </ul>   |

## Sustainability Overview

### MATERIALITY

In 2021, 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 year, we extended the materiality assessment survey to the external stakeholders including existing and potential customers, vendors and suppliers. In total, 328 people responded to the survey. This process identified fourteen (14) material issues which were validated at the Sustainability Steering Committee and Board level.



#### LIST OF MATERIALITY MATTERS:

## Promoting Sustainable Financial Growth

In adopting a long term approach to economic sustainability, Paramount aims to prosper as a market leader by contributing to a responsible economy through employment and local development.

### MATERIAL MATTERS



Promoting Sustainable **Financial Growth****Economic and Business Performance**

*At Paramount, we have a track record of over 50 years in business resilience, adaptability to meeting the changing needs of our customers and workforce, and compliance with evolving regulations.*

Sustainable financial growth is essential to the growth and development of the Group playing a critical role in directing capital flows and unlocking opportunities that support long term development. In 2021, Paramount launched projects worth RM866 million in gross development value (**GDV**).

Despite having to grapple with the impact of COVID-19, these projects continue to create spillover effects which benefit the local economy such as creating more jobs, enabling repayment to financiers, increasing tax revenues for government, and providing support to the local supply chain development. This is essential at a time when the property market is greatly affected with potential buyers and investors postponing property purchases in the short term and supply chains interrupted during the various Movement Control Orders (**MCO**).



Promoting Sustainable **Financial Growth**

## ECONOMIC CONTRIBUTION TO SOCIETY



Revenue

**RM681.4**  
million

(2020: RM593.60 million)



Total Employees

**484**

(2020: 522 employees)



Launched Properties

**1,192**  
units

(2020: 1,432 units)



Workers at Site

**1,297**

(2020: 2,210 workers)

Value of Work Done in  
Property Development**RM286**  
million

(2020: RM281 million)



Units Sold

**1,062**

(2020: 1,475 units)

Co-labs Coworking  
Total Tenants**941**

(2020: 805 tenants)

Co-labs Coworking  
Occupancy Rate**50%**

(2020: 54%)

Besides responding to the challenges brought about by the pandemic, we are also centralising our efforts to lay the groundwork on matters which may have permanent changes to the industry once the pandemic subsides.

## Promoting Sustainable Financial Growth

### Our story

#### Creating a lifestyle hub at Berkeley Uptown

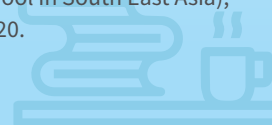
Property development plays an integral role in the Malaysian economy. Residential properties provide housing for families. Investment in real estate, whether residential or commercial, is a way to diversify one's investments to build wealth. Commercial properties, including spaces for retail, offices, and industrial, also create jobs to keep the economy growing.

Energised with a mission to participate in making the Royal Klang Town more beautiful and economically vibrant, Paramount has begun work at Berkeley Uptown's commercial hub called BE.

This space which spans 7.7 acres has been earmarked to be a happening place in this part of Klang. Already it houses the first Family Mart drive-through in Malaysia with more

well-known brand names slated to join the fray by the time the space opens in 2023. The potential regeneration of the area, coupled by the lack of mixed-use development in the area means there is huge potential that has yet to be tapped. Once the commercial hub opens, it is expected to stimulate economic activity and hence, create a strong multiplier effect for the surrounding areas.

Paramount also aims to make Berkeley Uptown a 'Bandar Selamat', a concept promoted by the Urban and Rural Planning Department. Demand is also expected to grow as more residents move into their completed Uptown residential units. This will further be fuelled by the school community at the new Sri KDU International School (also the First Microsoft Flagship School in South East Asia), which opened in November 2020.



### Corporate Governance and Anti-Bribery & Corruption

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.

In 2020, Paramount embarked on the implementation of Anti-Bribery and Corruption (**ABC**) Policy and Guidelines across the Group to uphold all applicable laws in relation to anti-bribery and corruption. The ABC policy covers the Group's anti-bribery and corruption principles, and the Group practises a zero-tolerance approach in preventing, detecting, and managing bribery and corruption issues. Paramount also prohibits monetary or in-kind contributions to political parties, party officials or candidates for political office.

In FY2021, we cascaded the Group ABC Policy to Paramount's supply chain requesting for their written commitment in abiding to the MACC Act 2009 and policy, further cementing Paramount's stance on anti-bribery and corruption.

We are pleased to report that there were no incidents of corruption and bribery in 2021. As a result, no employees were disciplined or dismissed and no fines, penalties or settlements due to non-compliance with the ABC policy.

More details are available in the Corporate Governance Overview Statement in pages 51 to 57 of the Annual Report.

## Delivering Excellent Products and Services

Paramount is committed to providing our customers with the highest quality products and services while simultaneously working to ensure that our goods and services are delivered in a sustainable manner.



**MATERIAL  
MATTERS**



## Delivering Excellent **Products and Services**



### Product and Service Quality

*Everything we do is led by the mission to cater to the evolving needs of property owners and occupiers.*

As such, a strong adherence to quality and commitment to deliver value to the customer as well as a strong desire to elevate the quality of living for all our communities across our developments is at the forefront of everything we do.

#### CONFORMING TO INTERNATIONAL STANDARDS

We are uncompromising in our commitment to quality, using professional, international and industry benchmarks to constantly measure ourselves. Paramount Property has developed and implemented Integrated Management System (IMS) for all business processes and has been certified with the ISO 9001:2015 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.

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

##### **Identify and understand market needs**

During the design stage, market research is conducted to look at the feasibility of the project. Our internal Product Development & Innovation team will also facilitate customer feedback into the design and build process to ensure continuous improvement in quality, as defined from a customer perspective.

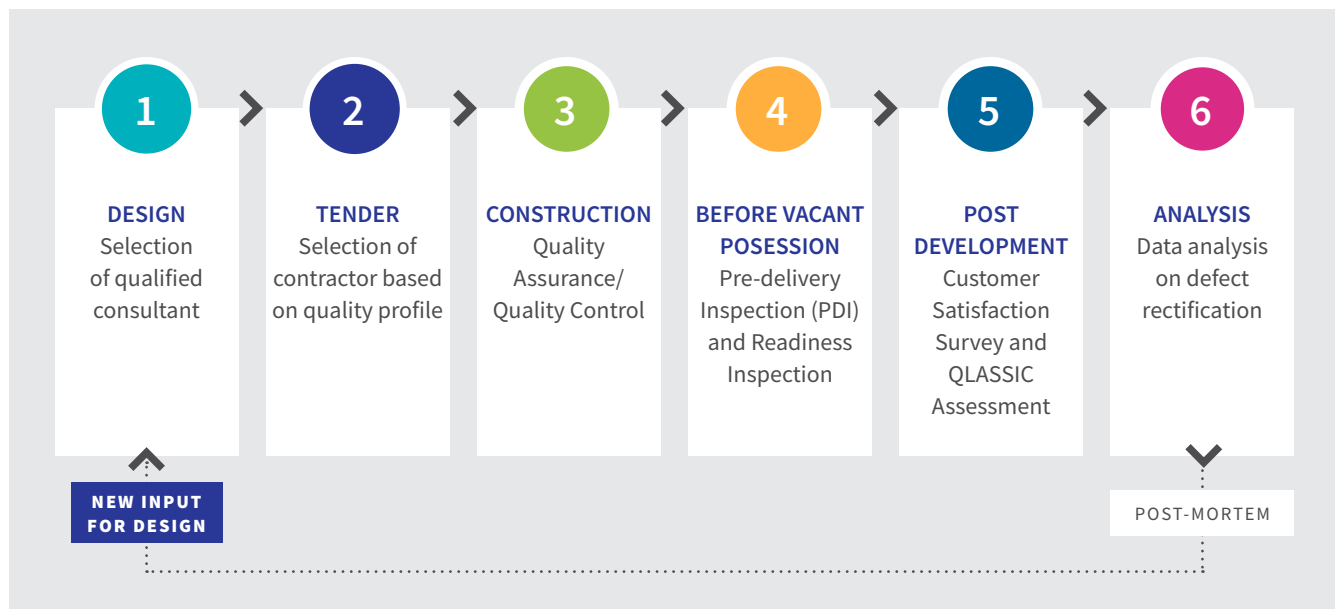
##### **Continuous improvement loop**

The entire process is designed with cooperation from project management to the Quality Assurance & Quality Control (QAQC) team. This acts as a continuous improvement loop and integrates all components across designs and materials.

##### **Mock-up showrooms**

Beautiful and functional designs is one of the reasons why Paramount properties are consistently popular. Aside from having a team of in-house architects and interior designers, one of the Paramount's secrets of success is developing mock-up showrooms as part of its product development and testing the designs physically as users.

## Delivering Excellent **Products and Services**



### *Stringent selection and quality control processes*

The QLASSIC score is specified during the tender process whereby the selection of contractors is determined based on their quality profile, which includes track record and good workmanship.

During the construction stage, close monitoring of work progress and quality is of utmost importance. Materials are sourced and checked by the internal team to ensure quality and to implement cost control. Higher internal targets are set for performance measures for construction checks and internal assessments.

### *Workmanship & durability*

Our team of architects, engineers and quality assurance specialists facilitate the introduction of new innovations and improvements into our design and build through post-mortem reviews. This ensures continuous improvement in our quality to meet the increasing demands of our customers.

## Our story

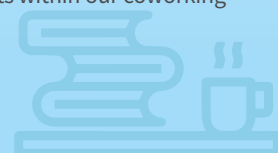
### **SCALABLE: Customising the workspace experience for today's needs**

With mergers and restructuring exercises abounding especially during these times, SCALABLE provides companies with options to create new and conducive offices, cultures, and environments for employees.

As an end-to-end consult, design, build and manage workspace solutions provider, tenants can also leverage on SCALABLE's expertise and community partners when it comes to employee engagement. SCALABLE began with the vision to build the future of work that is fully customised.

During the conceptualisation stage, market research and feasibility studies revealed that there were gaps in the market to be filled for office relocation, renewal, renovation, and new satellite offices, in terms of sourcing for reputable real estate agents, reliable contractors, and established workspace management providers.

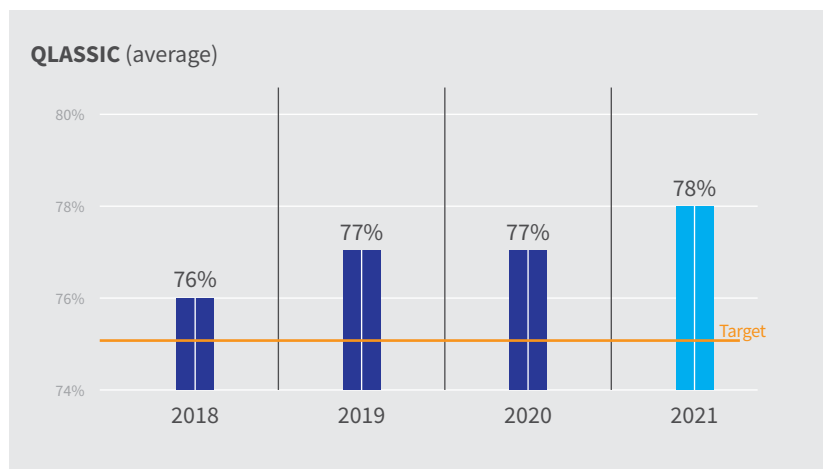
The combined expertise and capabilities of Paramount Property and Co-labs Coworking are well-suited to serve our target market's needs. In addition, Paramount's DNA in education also influenced our focus on community, particularly in creating better work environments within our coworking spaces.



## Delivering Excellent Products and Services

### QLASSIC

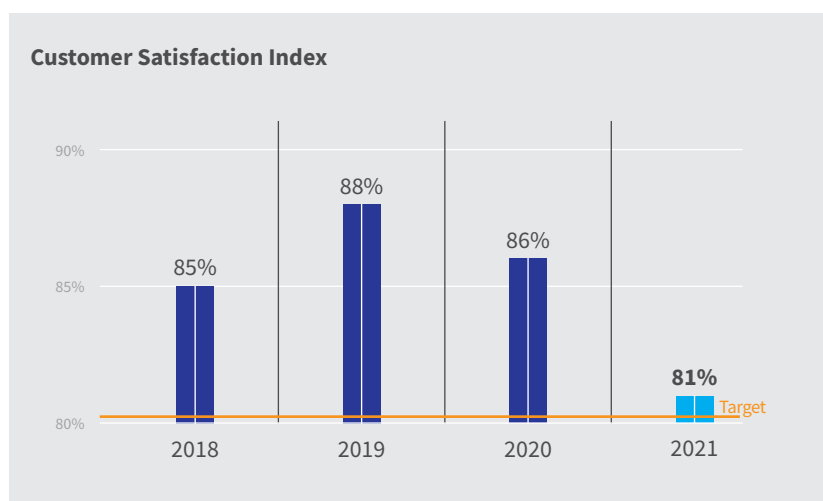
The Quality Assessment System in Construction (**QLASSIC**) is an assessment conducted by the Construction Industry Development Board (CIDB), to measure and evaluate the workmanship quality of a building construction work based on Construction Industry Standards (CIS 7). Paramount has set QLASSIC score targets of 75% and above with most of our developments achieving targets from 2018 to 2021.



### Commitments to defects rectification

At Paramount, the team is empowered to ensure that speedy and full rectification of defects are taken to customer satisfaction. Even after the completion and issuance of QLASSIC certificate, we continue to rectify all detected defects before the handover to customer care & township management. A post-handover data analysis of defects rectification is further conducted for continuous improvement purposes.

Paramount Property achieved a Customer Satisfaction Index of 81% in 2021, above the 80% internal benchmark.



### 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.

### Excellent customer service

At Paramount, our focus is on creating positive customer experiences by upholding excellent service quality.



### Customer priority with Paramount Property Circle

In 2020, a loyalty programme called Paramount Property Circle that consolidated Buyer-get-Buyer Programme and Repeat Buyer Rebate was introduced. To kickstart the Circle, customers were entitled to cash rewards and savings on their next purchase.

### PARAMOUNT PROPERTY Customer Service Charter



**Service Delight**



**Customer First**



**Making it Convenient**



**Creating Informed Customers**



**Finding a Yes**

## Delivering Excellent **Products and Services**

### Co-labs Coworking: Member satisfaction

In 2021, Co-labs Coworking also conducted member satisfaction surveys over an online platform for all locations, namely the Starling, the Starling Plus, Sekitar26, Naza Tower and Tropicana Garden to gauge overall member sentiment and satisfaction. An overall rating of 88% was achieved in 2021 above the internal target set (2020: 88%). Focus group discussions were also held with members to get feedback for future improvements.

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



One of the member engagement activities is The Snake and Ladder Games organised by Kakiseni for Co-labs Coworking members and employees



## Digital Transformation

Embracing digitalisation is a key to business resilience in the new normal. Seizing the opportunity to keep up with the times, 2021 saw a marked increase in digitalisation initiatives by Paramount to automate processes and optimise operational efficiency as well as market products and engage with buyers via online platforms.

### PARAMOUNT PROPERTY - Innovation highlights for enhancing customer experience during COVID-19

#### Ramped up virtual marketing and sales efforts

Promoted online sales gallery with a 360-degree virtual tour of show units to potential / interested customers in the comfort of their homes.

Created video content for new products, making it easy for prospects to understand our product and campaign offerings.

Digitised the booking and sales process through adoption of a mobile application called SAM to enable a holistic and seamless home buying experience.

52% of our property sales in 2021 were generated through virtual marketing including Facebook Live.

#### Virtual consultation services

Launched a Zoom Virtual Consultation service.

Interested customers can view the development, ask questions, and do a walk-through of the show units guided by sales personnel anytime and anywhere.

They can even book the actual unit at the end of the consultation.

#### Safer and hassle-free handover options for purchasers

Due to the travel restrictions imposed due to COVID-19, the handover of the completed units were done virtually once the Vacant Possession notice had been issued.

Homeowners got a virtual walkthrough, led by Paramount Property's Customer Care and Township officers.

Defect tracking mobile application, SAMMO allows homeowners to submit and update the status of their defect claims through the convenience of their smartphones.



## Delivering Excellent **Products and Services**

### Enabling our workforce in the new normal

While working remotely and going digitally become a new normal, the IT Shared Service Group (**ITSSG**) had been tasked to continually assess and leverage on technology to facilitate a more connected and agile workforce while helping to make business processes more efficient.

In August 2021, we replaced our financial system with cloud based software IFCA, a property-centric financial system. This system allows for full automation of the companies' financial system to better manage sales and procurement processes. With IFCA, we can achieve a much faster turnaround time, while reducing, and even eliminating errors.

### Improving cybersecurity

As digital transformation for Paramount picks up speed, it is important to strengthen our cyber security initiatives. ITSSG team has completed several security enhancement projects including the implementation of additional security tools and conducting periodic proactive security assessments. In addition, the business continuity and incidents response plan has been improved and updated to further strengthen the company's capability to detect, prevent and monitor security threats while putting in place containment measures to address cyber security incidents.

In addition, Paramount continues to build a robust cybersecurity culture by rolling out email awareness activities to create awareness and understanding while aligning the mindset and behaviour of users towards protecting the Group's digital assets.

## Co-labs Coworking

### Innovation highlights

#### Members' portal

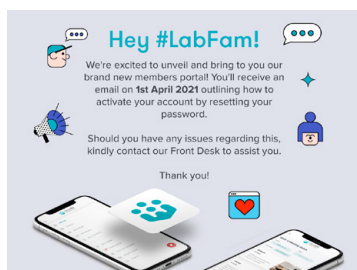
The members' portal was launched in April 2021 to provide seamless and improved experience to our members.

New features include:

- Meeting room booking
- Posting on news feed
- Networking function
- Integration with Igloo smart lock system

Currently undergoing upgrades:

- Digitalise member perks with codes
- Flex Credit system for new product launches
- Integration with printer, door access system, payment gateway and more



#### Virtual tours

Tour coworking spaces anytime, anywhere virtually with 360 degrees view.

Used online presentations to engage with prospective customers virtually.

These virtual tours drew 10,490 visitors who were keen to learn about Co-labs Coworking.



#### Igloohome smart lock system

Installed at meeting rooms, this smart lock system was designed to improve user experience by providing tenants with access using pin codes.



## Protecting and Conserving **the Environment**

Recognising the importance of environmental protection, Paramount is committed to protect the environment and reduce pollution by optimising and conserving natural resources.



**MATERIAL  
MATTERS**



## Protecting and Conserving the Environment



### Regulatory compliance

100% of Paramount Property's sites continue to be ISO 14001:2015 certified.

We ensure strict compliance to all stipulated requirements under all environmental related laws and regulations that are applicable to our operations through periodic monitoring and capacity building.

### MANAGING OUR ECOLOGICAL IMPACT

Paramount recognises that our business activities affect the environment and strives to mitigate the environmental impacts while managing the environmental aspects to the best of our ability. We also have policies in place to minimise pollution. Our property development division also conducts a comprehensive Environmental Impact Analysis (EIA) prior to the commencement of projects (50 hectares and above) and Environmental Aspect Impact Assessment during operations. We take necessary actions to minimise our environmental impact for every activity conducted.

In addition to that, operational controls such as fire hazards, open burning, dust control, noise control, construction waste management, wastewater management, sewerage are implemented at every construction site. We also periodically conduct air, water, and noise monitoring across our construction sites to mitigate pollution risk.



### Green Buildings

Paramount strives to develop buildings that are energy-efficient and environmental-friendly. In this aspect, we are currently constructing two green buildings namely ATWATER in Petaling Jaya, Selangor and Sinaran in Utropolis Batu Kawan, Penang.

# Protecting and Conserving the Environment

## HIGHLIGHT

### Suasana in Utropolis Batu Kawan, Penang's Eco City

At Utropolis Batu Kawan, which is located at Malaysia's first Eco City, we strive to achieve high standards of sustainability and green practices. We also employ top-notch safety and security systems for our property owners.

All light fittings in common areas have the efficiency of 116lm/W ( $\geq 80$  lm/W)

$\geq 75\%$  of habitable rooms has daylight factor of  $> 0.5\%$

Universal Design (comply with MS1184: Universal design and Accessibility in the Built environment and MS1331: Code of Practice for Access of Disabled Persons Outside Buildings) such as:

- Ramps and step ramp
- Stairs
- Handrails
- Pedestrian walkways and exterior corridors
- Guiding blocks
- Lighting (Common area)
- Lifts
- Bedroom suitable for physically handicapped (OKU) users
- OKU parking
- Bus stop/taxi stand

Sustainable water efficient fittings: 49% reduction on potable water consumption

62% of landscape irrigation achieved through rainwater harvesting

Roof material has SRI value  $\geq 78$

- Dedicated cycling paths
- Cardless Access System
- Composting bins provided for organic waste recycling
- Pneumatic Waste System

Overall thermal transfer value: 45.89 W/m<sup>2</sup>K  
Roof U-Value (heavyweight): 0.5 W/m<sup>2</sup>K  
Roof U-Value (lightweight): 0.29 W/m<sup>2</sup>K

QLASSIC score - 81%  
IBS score - 52.4%

64.18% total hardscape area with Typical New Gray Concrete

Micro fibre optic cable installation approved by Telekom Malaysia

- Low VOC materials used in internal wall, floor and ceiling finishes
- Recycled materials comprises about 14% in the project
- Used 82% local construction materials
- Used 68% certified wood-based materials
- 76% of recycled waste

- Rainwater harvesting system
- Herb garden
- Overall percentage of green area & water bodies: 46.5%
- Urban farming – Food



## Biodiversity

Uncontrolled land use and development can have adverse impact on habitats and ecosystems. Trees and plants play a critical role for people and planet, which are essential for liveable and sustainable communities.

With our eye on this goal since 2019, we have begun cultivating local plant species, including endangered and threatened species of trees listed on the International Union for the Conservation of Nature (IUCN) Red List, in our own nursery for purposes of landscaping for our Central Region projects.

Below are the endangered species listed on IUCN Red List replanted at our projects:

| Type of trees replanted | No. of trees replanted |
|-------------------------|------------------------|
| Podocarpus Costalis     | 1,950                  |
| Maba Buxifolia          | 200                    |



## Protecting and Conserving the Environment

We are also committed to retaining the urban biodiversity of our developments and adjacent areas through urban landscaping. However, the landscaping design should be sustainable and easy to maintain while supporting the habitat of flora and fauna. Hence, we select native plants or species that are naturally adapted to local climate, soils, predators, pollinators and disease as well as those that would require minimal maintenance.

### Our story

#### ATWATER: Supporting Petaling Jaya council's green efforts



To support Majlis Bandaraya Petaling Jaya's sustainability agenda to create a Low Carbon Green City, Paramount's ATWATER development in Section 13 has allocated 30% of its 5.2 acres for green areas. These will be dedicated to landscapes and planting of trees and shrubs.

In addition, ATWATER incorporates environmentally friendly features including rain harvesting systems as well as other water efficiency systems and the provision of energy efficient designs and elements. Having a water irrigation system that uses rainwater or recycled water will reduce potable water consumption.

The provision of energy efficient artificial lighting, energy efficient ventilation system in common areas and carparks as well as energy efficient lifts and escalators, minimises energy consumption.

As an integrated development in a mature urban location, the development offers buyers and tenants, the opportunity to live and work at the same place, hence reducing travel time and cutting down carbon emissions. The availability of public transport in the vicinity also supports the council's efforts to green the city.

### Our story

#### Greenwoods Salak Perdana: Establishing urban farms

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. Building the 25m<sup>2</sup> urban farm allows residents to access fresh produce grown in the neighbourhood to supplement their needs.

##### Hydroponic Urban Farm @ Greenwoods Belian



Aquaponics system



##### Urban farm list of plants;

- |                      |                  |
|----------------------|------------------|
| 1) Papaya            | 6) Mint leaves   |
| 2) Grapes            | 7) Lemongrass    |
| 3) Pandan leaves     | 8) Curry leaves  |
| 4) Galangal          | 9) Butterfly pea |
| 5) Brazilian Spinach | 10) Chilli       |

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

# Protecting and Conserving the Environment

## 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.

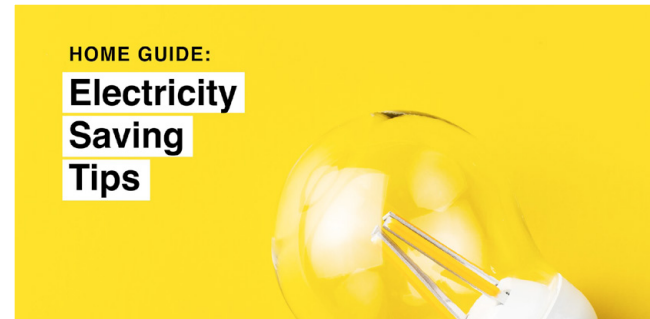
## PARAMOUNT PROPERTY

The environmental awareness and training programmes conducted in 2021 are listed as follows:

| Topics   | No. of Attendees |
|--|------------------|
| Sustainable Real Estate: Construction Waste Management             | 5                |
| ISO 14001 Awareness Training: Environmental Management System      | 27               |
| ISO 14001 Internal Audit Training: Environmental Management System | 26               |
| Project Risks and Opportunities Training                           | 27               |
| Emergency Chemical Spill Management                                | 11               |
| Schedule Waste Training Awareness                                  | 11               |

We utilise social media to deliver sustainability themed messages and hope to educate the public on environmental issues through a series of awareness campaigns that introduce simple steps and solutions to protect the planet.

In 2021, our published content was focused on the themes of waste minimisation and energy saving. Some published content are as follows:



During the various MCOs, the Co-labs Coworking team continued to engage members and the community at large by organising environmental-themed programmes such as a vegetable gardening workshop for those interested in learning how to plant their own vegetables at home.



## Protecting and Conserving the Environment



### 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. We actively promote the 3R (Reduce, Reuse and Recycle) principles.

#### Construction waste

At Paramount, we manage our construction waste responsibly and ensure proper storage as well as disposal of hazardous and non-hazardous waste. Waste is managed in accordance with Paramount Property's stringent process and procedures that comply with the Department of Environment's regulatory requirements as well as industry best practices.

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

In 2021, we started to track the waste generated at sites. However, it should be noted that the data collected may not accurately reflect the actual amount of waste expected to be generated in future years. This is because the various MCOs had resulted in our construction sites ceasing operations for several months in 2021. Hence, we will not use 2021 construction waste numbers as baseline for reduction targets.

The waste management process cycle was set up in 2021 and the details are as follows:



#### Waste segregation

- Solid waste
- Recyclable and reusable waste
- Non-reusable waste
- Scheduled waste



#### Waste storage

- Hazardous
- Non-hazardous



#### Waste collection

- Appointed waste collectors



#### Waste disposal

- Approved disposal landfill areas
- Recycling centres
- Hazardous waste will be disposed in accordance with regulations



#### Monitoring

- Record waste quantities

The chart below lists waste generated at Paramount Property project sites in 2021.

| Types of waste                   | 2020    | 2021     |
|----------------------------------|---------|----------|
| Scheduled waste (kg)             | 448.1   | *1,931.7 |
| Recyclable material - Rebar (kg) | 133,760 | 69,685   |

\* We dispose our scheduled waste only when it reaches a certain quantity. The increase in the amount of scheduled waste in 2021 was due to the accumulation of scheduled waste from 2020, which was disposed together with the waste collected in 2021.

In our journey towards green and sustainable construction, we are using environment friendly materials such as low volatile organic compounds (VOC) materials to further reduce our carbon footprint.

## Protecting and Conserving the Environment



### Energy and Water

In FY2021, Paramount continued to promote the efficient use of energy throughout our business operations.

We also continued to measure and track the electricity and water consumption at our sales galleries. However, it should be noted that the significant reduction in energy consumption can be attributed to the MCOs, which caused our offices and sales galleries to close for several months. Hence, we will not set the energy consumption numbers in 2020 and 2021 as the baseline figure for our reduction targets in the future.

Due to the complex nature of our business, we note that there were some challenges in compiling and normalising certain data sets. This is because our energy consumption at sites depends on the number and scale of projects/ operations pursued during the year. Hence, the data on energy consumption may not be accurate. Nevertheless, we will continue to improve our data collection process by engaging with the teams at all levels to foster active participation, identify the correct data sources and adopt accurate data standards.

A summary of the data that we were able to compile is as below (including Co-labs Coworking).

#### Electricity

| Offices                                | 2019<br>(kW/h)       | 2020<br>(kW/h) | 2021<br>(kW/h) | Savings<br>(kW/h) |
|--|----------------------|----------------|----------------|-------------------|
| Central                                |                      |                |                |                   |
| Kemuning Utama/<br>Sekitar26<br>Office | 230,423 <sup>#</sup> | 135,031        | 93,828         | 41,203            |
| Co-labs<br>Coworking                   | -                    | 415,494        | 394,928        | 20,566            |
| Northern                               |                      |                |                |                   |
| Wisma<br>Paramount                     | 210,991              | 173,624        | 129,496        | 44,128            |
| <b>Total</b>                           | <b>441,414</b>       | <b>724,149</b> | <b>618,252</b> | <b>105,897</b>    |

\* Savings from 2020 and 2021 was mainly because most employees were working from home during the pandemic period.

# Relocation of our Paramount Property office from Kemuning Utama to Sekitar26, Shah Alam since July 2019.

Energy saving has been institutionalised and embedded as part of our culture with yearly awareness campaigns and cost consciousness as a general mindset. Paramount will continue to monitor and take steps to optimise and minimise energy consumption. This is part of our responsibility towards reducing greenhouse gas emissions that contribute to global climate change.

Some business divisions have adopted initiatives such as installation of energy-efficient centralised chilled water air conditioning systems and use of energy efficient features such as energy savings lifts, air conditioning systems and LED light fittings either in the buildings or the property that we developed.

The Group's overall electricity consumption decreased from 2019 to 2021 as our buildings operated at below normal capacity in 2020 and 2021 due to the various MCOs. As such, it does not reflect a business-as-usual scenario.

#### Water

| Offices                                | 2019<br>(m <sup>3</sup> ) | 2020<br>(m <sup>3</sup> ) | 2021<br>(m <sup>3</sup> ) | Savings<br>(m <sup>3</sup> ) |
|--|---------------------------|---------------------------|---------------------------|------------------------------|
| Central                                |                           |                           |                           |                              |
| Kemuning Utama/<br>Sekitar26<br>Office | 919 <sup>#</sup>          | 234                       | 166                       | 68                           |
| Northern                               |                           |                           |                           |                              |
| Wisma<br>Paramount                     | 1,346                     | 1,091                     | 1,028                     | 63                           |

\* Savings from 2020 and 2021 was mainly because most office employees were working from home during the pandemic period.

# Relocation of our Paramount Property office from Kemuning Utama to Sekitar26, Shah Alam since July 2019.

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 designs are introduced during the occupancy stage features and water-efficient fittings such as rainwater harvesting, water savings tap aerators, and dual flush water systems across our business operations have also contributed to decreased water consumption costs. In addition, water awareness campaigns also helped to enhance on-ground support during these efforts.

## Protecting and Conserving the Environment

### Industrialised Building System (IBS)

We have seen IBS transform our construction practices to be more efficient and sustainable, while minimising material wastage and reduce the dependency on foreign labour. In 2021, Paramount continued to expand the usage of the IBS by increasing the use of IBS components for Bukit Banyan and Sejati Lakeside (Phases 1 & 2). The IBS components used were Acotel Panels, Shear Wall System, lightweight aerated concrete blocks and pre-packed pre-mixed mortar.

| Projects                      | Utilisation of system form | IBS Score (%) |
|-------------------------------|----------------------------|---------------|
| Sejati Lakeside Phase 1       | 100%                       | 55.8          |
| Sejati Lakeside Phase 2       | 100%                       | 57.3          |
| Suasana, Utropolis Batu Kawan | 70%                        | 51.0          |

\* Construction completed in 2020 and received final assessment result in 2021.

## Supporting **Community Growth**

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



**MATERIAL  
MATTERS**

## Supporting Community Growth



### Safety and Health

Safety and health priorities underpin all our business activities. We care for the safety and health of our people, including all Paramount employees, customers, tenants, vendors, suppliers, and contractors.

#### Upholding occupational safety and health

Paramount strives to achieve zero work-related fatality and zero major non-compliance to our safety standards and management system every year. In order to achieve this, we have adopted clear safety and health policies and best practices in line with international as well as national standards ISO 45001 which provides the framework that governs our management approach for Occupational Safety and Health (OSH).

In FY2021, all our project sites within the Paramount Group retained the ISO 45001:2018 certification whereby our safety and health system and data were audited and verified by SIRIM QAS. We are also in full compliance with laws, regulations, and procedures in the reporting period with zero fatality achieved.

#### OSH policy commitments:

- Minimising and managing Occupational Safety and Health risks using the control hierarchy.
- Protecting the safety and health of stakeholders and other interested parties by providing safe and healthy working conditions which prevent work-related injury and ill health.
- Seeking consultation and participation of workers (such as the forming of Safety and Health Committee).
- Satisfying and fulfilling applicable compliance obligations (legal and other requirements) while complying with the requirements of our Safety and Health Management System.

The OSH policy commitments are also communicated to suppliers, vendors, contractors, consultants, and business partners, who are expected to abide by these commitments.

#### Board oversight of safety and health

The Board Risk Management Committee (BRMC) is the main governing body authorised by the Board to ensure that adequate measures are put in place to address and manage the key safety and health risk exposure of the Group. The Executive Risk Management Committee (ERMC) was formed to

support the BRMC in its oversight on the implementation of the Company's safety and health risk management strategies and policies. It also provides recommendations to the BRMC, if there is any improvement required. The ERMC escalates the safety and health risks faced by the Group and reports the implementation progress of the precautionary measures if safety and health risks fall under the top key risks.

#### Occupational Safety and Health (OSH) Committee

The Group places significant emphasis on our people's health and safety. Hence, we have established OSH Committees at our offices and project sites to maintain a safe work environment by minimising the risk of accidents, injury and exposure to safety and health hazards.

The OSH management system ensures both leadership and employee participation for the continual improvement of OSH performance at the workplaces. The typical committee at the project sites also comprises representatives of main contractors and subcontractors. It is chaired by the appointed project manager. They meet on a weekly basis to discuss the safety and health issues at the project sites.

The roles and responsibilities of the OSH Committee are as follows:

- Ensuring compliance to the safety and health management system, which are aligned with the OSH act and regulations
- Monitor the safety and health risk exposure
- Discuss the appropriateness of the key plans at workplace to minimise the risks and curb any OSH incidents at project sites
- Review the effectiveness of safety and health programme

#### Hazard Identification, Risk Assessment and Determining Control (HIRADC)

HIRADC is regularly performed to identify potential hazards and risks for existing and potential projects. These hazards and risks are then analysed, mitigated and managed through the implementation of appropriate control measures.

#### OSH awareness and training

Paramount recognises the importance of developing OSH knowledge and competencies among our people. Hence, we routinely carry out various OSH awareness and training programmes to inculcate the culture of safety in the workplace.

## Supporting Community Growth

These also creates a sense of ownership and responsibility on prioritising safety at work. For the benefit of non-executive employees, training sessions are conducted in both English and Malay. OSH risks, hazards and matters are also part of the weekly meeting agenda to remind all workers about related job safety topics.

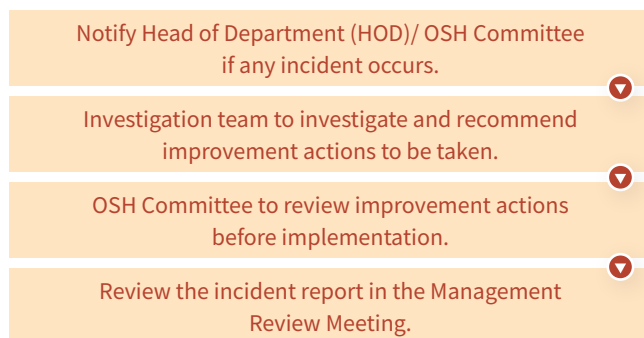
In FY2021, a total of 1,809 people comprising employees, site workers and contractors attended 69 training programmes.

Some of the OSH training programmes are listed below:

- ISO 45001 OSH Management System
- SHASSIC Awareness
- Working Safely at Height
- Accident at Workplace
- Emergency Response Team, Preparedness & Disaster Response Management
- Essential Safety And Health For Chemicals Handler
- Fire Safety Response Training
- Scaffolding Erection
- Electrical Safety on Site
- Personal Hygiene
- COVID-19 SOP Training

### Incident reporting and investigation process

Our incident reporting processes and workflow are shown as below:



The Safety & Health Assessment System for Building Construction Works (**SHASSIC**) audit is an independent method to assess and evaluate the safety and health performance of construction works / projects.

Paramount continuously benchmarks our safety management and practises against SHASSIC (CIS 10:2018). In 2021, we achieved 3-star ratings in the SHASSIC audit in the construction projects as follows:

| Projects        | SHASSIC Score |
|-----------------|---------------|
| Kemuning Idaman | 75% - ★★ ★    |

### OSH performance

Paramount sets a target of zero fatality for its operations that has been achieved amongst employees and contractors over last three consecutive years.

Our safety and health performance are as follows:

| No. of incidents      | 2019 | 2020 | 2021 |
|-----------------------|------|------|------|
| Fatalities            | -    | -    | -    |
| Loss-time injuries    | -    | -    | -    |
| Work-related injuries | 4    | 6    | 2    |

In 2021, there were no fatality or injuries at Co-labs Coworking spaces.

### Employees' well-being

We believe in a proactive approach to health and wellness for our employees, including taking active preventive measures. Activities to encourage our employees to be healthy include the most active employee competition (which required employees to keep tabs on the number of steps they take daily). We also increased employee awareness on other aspects of health by organising health talks on the following topics:

- Nurturing better sleep habits
- Common cancers among men and women
- COVID-19 vaccination programme
- We are what we eat
- Taking care of your mental health



## Supporting Community Growth



### Activ@Work Challenge 2021

For the fourth time in a row, Paramount clinched the top spot in the employer 'Sapphire' category in PERKESO's Activ@Work Challenge. This 2021 challenge was a collaboration between the PERKESO and Bookdoc. The mobile app-based challenge helped participants keep track of their daily steps.

### COVID-19 response

The COVID-19 pandemic continues to cause wide-spread disruption to lives and livelihoods globally, impeding efforts of governments and health professionals to protect communities and economies seeking a return to normalcy. Although the number of people fully vaccinated has risen since August 2021, this is no time to rest on our laurels.

In 2021, the Employee Health Committee led by the Group Human Resource Director together with business unit heads, continued to closely monitor the pandemic situation. 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.

Additional initiatives were taken to combat COVID-19 at the workplace and construction sites:

| Workplace  | Construction Sites  |
|--|---|
| Air diffusers with disinfectant liquid are placed at strategic locations to improve air quality  | COVID-19 self-test is compulsory fortnightly for all workers  |
| Open windows are encouraged, where possible, for better air circulation  | New workers to submit COVID-19 screening with laboratory RTK antigen swab test result 3 days before commencing work       |
| Rostered split-team and work from home arrangements to limit the number of employees at workplaces   | Controlled movement of workers to minimise public contact including provision of meals and prohibition of mass gatherings |
| COVID-19 self-test is compulsory fortnightly for all frontliners, including the sales teams, site-based customer care teams, commercial & retail, facilities and property management | Enhance the COVID-19 Emergency Response Plan to prepare for any disease outbreak  |

## HIGHLIGHT

### Groceries for our construction workers

The various MCOs have been tough especially for daily wage earners who could not work. At Paramount Property, we continued to provide our workers at construction sites with groceries to meet their daily physical needs.



### COVID-19 rental relief assistance

In 2021, RM938,903 worth of rental relief assistance was given to support our tenants at Utropolis Marketplace, Glenmarie and at Co-labs Coworking locations across the Klang Valley.

Supporting **Community Growth**

## Our story

**Coworking while keeping a safe distance**

A vibrant exchange of ideas, networking to build new connections and even forging partnerships and reducing upfront capital costs while having a prime business address. These are some of the compelling reasons many businesses turn to coworking spaces, whether a fledging start-up or an established multinational.

However, just as the concept was about to truly take off in Malaysia, the pandemic threw a spanner in the works with lockdowns, social distancing and working from home becoming a default.

Nevertheless, being at the right locations with the right products were critical to how fast our coworking operations bounced back into action.

Co-labs Coworking was fortunate to be able to pivot quickly to address new market needs. Besides offering even more flexible leases and launching a members' portal to enable virtual connectivity, Co-labs Coworking also upgraded the security, hygiene, and cleanliness of its spaces.

Co-labs Coworking also practises strict adherence of standard operating procedures whereby members, visitors and employees are required to show their COVID-19 vaccination digital certificate and risk status to the Operations Department before they can access the space. Everyone is also required to observe a social distance of at least one metre and have their face masks on while in the space.

In addition, all Co-labs Coworking locations carry out frequent cleaning and sanitising of the common areas, tables and chairs, doorknobs and handles using environmentally-friendly disinfectant liquid to ensure the safety and cleanliness of the space.

To bring it up a notch, Co-labs Coworking has also invested in diffusers with disinfectant liquid at entrances and common areas to improve on its indoor air quality.

**Talent Development and Training**

Having the right people 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.

Average hours of training per employee:

**11.0** (2020: 13.3)

In 2021, the average hours of training per employee decreased as compared to 2020 because virtual learning and development programmes were shorter in duration, and physical training plans were disrupted due to social distancing. Certain types of training could not be conducted using online platforms.



## Supporting Community Growth



### Labour Rights

#### Safeguarding employees and workers rights

At Paramount, we respect and support human rights in our business operations and this is reflected in our policies, business procedures, systems, and processes. This right is given to all our employees, whether they are permanent, temporary, or contract personnel.

We have zero-tolerance for child labour and any form of forced labour in our direct operations. Underaged individuals are not employed.

We comply with all applicable local labour laws and regulations, including working hours and overtime. Under the Minimum Wages Order 2020, we adhere to the minimum wage of RM1,200 per month implemented in major cities across Malaysia.

We also provide working conditions as stipulated in the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 (Act 446). This includes the provision of Centralised Labour Quarters (CLQ). In FY2021, there were no reported incidents or issues pertaining to violations of human rights.

We also encouraged our workers to take up the COVID-19 vaccination instead forcing them and are pleased to report that 100% are vaccinated.

As of 31 December 2021, 97% of Co-labs Coworking members had been vaccinated. The remaining 3% have not returned to Co-labs Coworking.

#### Recruiting talent

The Group adopts a policy of recruitment by merit, where new hires are selected based on their abilities, achievements, experiences, and qualifications. Where possible, the Group believes in hiring Malaysians. At present, 100% of employees are Malaysians.

#### Rewarding talent

Employees enjoy a range of benefits over and above what is legally prescribed. Compensation and benefits packages are designed to cater to employees of different age groups. The packages consist of healthcare benefits for the family, childcare subsidies, elderly parents' subsidy, various types of

paid leave and many other benefits. Employees are rewarded based on their tenure and position in the Group and these rewards are constantly reviewed against industry best practices.

Employee performance appraisals is a process which constitutes evaluation and feedback on job performance. This includes highlighting improvement areas, encouraging personal and career development as well as recognising and reinforcing strong employee performance. As part of the appraisal process, employees are assessed by their supervisor in addition to conducting self-evaluation. Employees are rewarded based on the Key Performance Indicators (KPI) that are agreed upon by both the supervisor and employee.



### Diversity and Equal Opportunity

#### Workforce diversity

The Board affirms its commitment to boardroom diversity and works to ensure that there is no discrimination regardless ethnicity, race, age, gender, nationality, political affiliation, religious affiliation, sexual orientation, marital status, education, physical ability, or geographic region. The strategic intent of the Company's Boardroom Diversity Policy is to attract, retain and develop a diverse team of skilled people who are increasingly engaged towards the delivery of the Company's strategies. The policy revolves around the following initiatives:

- Identifying and balancing the different skills and industry experiences, backgrounds, and gender of Directors.
- Retaining Directors based on merit, in the context of skills, time commitment and experiences.
- Providing a safe and healthy environment for the views of Board members to be heard, their concerns attended to and where, bias, discrimination and harassment on any matter are not tolerated.

In 2021, 33% of our Board members were women.

The company has 484 employees stationed at various locations in Malaysia. We strive to ensure long term job stability and ensure employee retention by providing career advancement and professional growth opportunities. Having employees with diverse experiences, skills and knowledge across operations enhances the Group's competitiveness as the Company effectively has a bigger pool of skill sets to draw upon for creative solutions.

## Supporting Community Growth

The Group endeavours to provide equal opportunity to ensure that employment decisions are based on merit and performance without regard to race, religion, gender, age, nationality or disability, and shall not create any form of discrimination or prejudice in the workplace.

A full breakdown of our workforce by age, gender, employee category, origin, ethnicity is shown as follows:



As a whole, the Group has a healthy balance of employees across all levels of the organisation. That said, we recognise that further improvements can still be made.



Supporting **Community Growth****Indirect Economic Impact****Investment in facilities and infrastructure**

Infrastructure is a key enabler for social interaction and economic progress within a thriving community. Paramount regularly upgrades our facilities, landscapes, and connectivity features to improve the user experience of both residents and businesses in our communities.

**HIGHLIGHTS****A recreational place for everyone in Sungai Petani**

The 25-acre Bukit Banyan Hill Park is an iconic landmark in Sungai Petani, Kedah. Over the years, the Hill Park, with its eight themed gardens and innovative recreational facilities, has been enjoyed by many for its facilities which incorporates fun, learning, wellness, and adventure. It has also been recognised by the local council as a major park in Sungai Petani. In 2021, the Bukit Banyan Hill Park won Gold in the EdgeProp-ILAM Landscape Awards 2021 under the Best Planned Landscape category.

**Equal access to disabled persons**

Projects such as ATWATER in Petaling Jaya as well as Sejati Lakeside in Cyberjaya provide consideration for as reflected by the provision of wheelchair ramps and other accessibility features. Other features such as toilets equipped with handles and lifts with lower operating panels are also part of our standard design to ensure accessibility for all people.



## Supporting Community Growth



## Community Development

## Community contributions



27 December 2021

Paramount participated in providing aid to flood victims in collaboration with the Selangor State government through Majlis Bandar Baru Salak Tinggi, Majlis Perbandaran Shah Alam, Majlis Perbandaran Klang and Majlis Perbandaran Petaling Jaya.



December 2021

Paramount through Kloth Kares donated 450 pieces of bedsheets and 800 pieces of pillow cases to flood victims in Kg Sri Puchong.



21 September 2021

Donated 10 units of 10-litre oxygen concentrators to Hospital Tengku Ampuan Rahimah Klang.



December 2021

In the spirit of Christmas, Paramount organised the 'Wishes of Joy' outreach campaign to fulfil the wish lists of children from three homes in the Klang Valley and Sungai Petani.



27 October 2021

Contributed unused desktops and computer units' to Tzu Chi Foundation Malaysia to be distributed to needy students to enable their participation in home-based learning and teaching. The remaining spare parts that could not be used were sold as scrap and the funds were channeled to a dialysis centre and Da Ai TV.



02 August 2021

Moved by the plight of a newly established welfare home, the Pertubuhan Pusat Penjagaan Kanak-Kanak Cacat Shan Dai Selangor, Paramount Property's construction division organised a collection to raise funds to help in the centre's upkeep.



## Supporting Community Growth



Food was donated to 150 families in Kuala Muda and Sungei Petani through the Kuala Muda Crisis Operations Service Centre (Pusat Khidmat Operasi Bencana Kuala Muda).



Paramount supported the National COVID-19 Immunisation Programme with a donation of five wheelchairs to a vaccination centre at Dewan Gurun Jaya, Sungai Petani. Paramount also ran an awareness campaign on its website to encourage vaccination.

## Co-labs Coworking

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

## LabFam Cares: Charity for Literacy

## Virtual Fundraising



Get Your Fuel On

Aaron Chan  
Head Coach

28 August 2021



Yoga Nidra &amp; Sound Bath

Tasha Prabha  
Yoga Instructor & Sound Healer

Saturday



A Weekend in Doodles

Ssetoo  
Illustrator & Educator

charityforliteracy.peatix.com

## Refuge for the refugees (RFTR) food aid shoutout

WE'RE LOOKING TO RAISE

# RM 200,000

TO SUPPORT A TOTAL OF 3500 FAMILIES WITH FOOD AID FOR THE NEXT 6 MONTHS. WOULD YOU PARTNER WITH US?

Since the pandemic first started, we've fed over **80 000** beneficiaries **12 000** families

and none of this would have been possible without your love and support.

Did you know? A donation of **RM 60** is enough to feed a family for two weeks?

Here's how you can play a part!

Donate Share Fundraise for us!



DONATIONS CAN BE MADE TO :  
Persatuan Kebajikan Perlindungan Kanak-Kanak Pelarian  
CIMB Bank Berhad 8000499285 // REF : FOODAID2021  
For more information - please contact Hilda at 010-3626904

## LabFam Chats

#LABFAM CHATS



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

## SweatLab: 6 Week Challenge

## 6-WEEK CHALLENGE

6 SEPT 2021 - 15 OCT 2021 | EVERY MON, WED & FRI  
7:00PM - 8:30PM | PLATFORM: ZOOM

Join this specially curated workout regime that covers a whole spectrum of fitness to kickstart your fitness journey and achieve your workout goals!

FREE FOR MEMBERS RM300 FOR RETURNING PARTICIPANTS & NON-MEMBERS

RECEIVE A FITNESS STARTER KIT WORTH UP TO **RM200**

WIN PRIZES WORTH UP TO **RM5000**

Series of fitness challenges were held by Co-labs Coworking throughout 2021 to members and non-members.



## Supporting Community Growth

### ArtLab Therapy



Co-labs Coworking organised progressive workshops that spanned several weeks to keep members engaged.

### Mental Health Therapy

SERVICES

CARA  
CARA

## Mental Health Fitness Therapy

Enjoy **complimentary**\* sessions on us!



www.caracara.space/  
colabs-members



Select 'Book Now'



Select a service and  
available date & time



Register & insert code:  
**CLMH50**



Confirmation email  
will be sent  
\*Terms & Conditions apply



Reply the email with  
requested documents



During the pandemic, mental health was one of the most talked about issues in society. Co-labs Coworking offered some complimentary mental health therapy sessions to its members.

### Flood aid



### We Care Mentality and #KITAJAGAKITA

At Co-labs Coworking, we believe in being part of the solution. Our #LabCrew helped out as much as we could during the December 2021 floods, from volunteering to donating and cleaning up. We stand with the community.

# GRI Content Index

| GRI Standard                                   | Disclosure number | Disclosure title  | Reference  | Page number   |
|--|-------------------|---|--|---|
| <b>GRI 102:</b><br>General Disclosures<br>2016 | GRI 102-1         | Name of the organisation  | Scope and Boundary                                 |   |
|  | GRI 102-2         | Activities, brands, products, and services                                    | Annual Report<br>Corporate Profile                 | 6<br>(Annual Report<br>2021 Corporate<br>Profile)                                 |
|  | GRI 102-3         | Location of headquarters  |  |   |
|  | GRI 102-4         | Location of operations  |  |   |
|  | GRI 102-5         | Nature of ownership and legal form  |  |   |
|  | GRI 102-6         | Markets served  |  |   |
|  | GRI 102-7         | Scale of the organisation   |  |   |
|  | GRI 102-8         | Information on employees and other workers                                    | Workforce Diversity                                |   |
|  | GRI 102-13        | Membership of associations  | Membership in Associations                         |   |
|  | GRI 102-16        | Values, principles, standards and norms of behaviour                          | Corporate Governance and Anti-Bribery & Corruption |   |
|  | GRI 102-17        | Mechanisms for advice and concerns about ethics                               | Corporate Governance and Anti-Bribery & Corruption |   |
|  | GRI 102-18        | Governance structure  | Governance   |   |
|  | GRI 102-19        | Delegating authority  | Governance   |   |
|  | GRI 102-20        | Executive-level responsibility for economic, environmental, and social topics | Governance   |   |
|  | GRI 102-21        | Consulting stakeholders on economic, environmental, and social topics         | Stakeholder Engagement                             |   |
|  | GRI 102-22        | Composition of the highest governance body and its committees                 | Governance   | 51-52<br>(Annual Report<br>2021 Corporate<br>Governance<br>Overview<br>Statement) |
|  | GRI 102-23        | Chair of the highest governance body  | Governance   | 51-52<br>(Annual Report<br>2021 Corporate<br>Governance<br>Overview<br>Statement) |
|  | GRI 102-25        | Conflicts of interest   | Governance   | 53<br>(Annual Report<br>2021 Corporate<br>Governance<br>Overview<br>Statement)    |
|  | GRI 102-29        | Identifying and managing economic, environmental, and social impacts          | Materiality  |   |

## GRI Content Index

| GRI Standard                       | Disclosure number | Disclosure title   | Reference                                   | Page number   |
|------------------------------------|-------------------|--|---|---|
|                                    | GRI 102-30        | Effectiveness of risk management processes                     | Risk Management                             | 63-69<br>(Annual Report 2021 Statement on Risk Management and Internal Control) |
|                                    | GRI 102-31        | Review of economic, environmental, and social topics           | Materiality                                 |   |
|                                    | GRI 102-32        | Highest governance body's role in sustainability reporting     | Governance                                  |   |
|                                    | GRI 102-33        | Communicating critical concerns                                | Materiality                                 |   |
|                                    | GRI 102-34        | Nature and total number of critical concerns                   | Materiality                                 |   |
|                                    | GRI 102-40        | List of stakeholder groups                                     | Stakeholder Engagement                      |   |
|                                    | GRI 102-42        | Identifying and selecting stakeholders                         |   |   |
|                                    | GRI 102-43        | Approach to stakeholder engagement                             |   |   |
|                                    | GRI 102-44        | Key topics and concerns raised                                 |   |   |
|                                    | GRI 102-45        | Entities included in the consolidated financial statements     |   | 81-89<br>(Annual Report 2021 Consolidated Financial Statement)                  |
|                                    | GRI 102-46        | Defining report content and topic Boundaries                   | Scope and Boundary                          |   |
|                                    | GRI 102-47        | List of material topics  | Materiality                                 |   |
|                                    | GRI 102-48        | Restatements of information                                    | Stakeholder Engagement, Materiality         |   |
|                                    | GRI 102-49        | Changes in reporting   | Not Applicable                              | No major changes to reporting scope and boundary                                |
|                                    | GRI 102-50        | Reporting period   | Reporting Period                            |   |
|                                    | GRI 102-51        | Date of most recent report                                     |   |   |
|                                    | GRI 102-52        | Reporting cycle  |   |   |
|                                    | GRI 102-53        | Contact point for questions regarding the report               | Feedback                                    |   |
|                                    | GRI 102-54        | Claims of reporting in accordance with the GRI                 | Reporting Standards                         |   |
|                                    | GRI 102-55        | GRI content index  | GRI Content Index                           |   |
| GRI 201: Economic Performance 2016 | GRI 201-1         | Direct economic value generated and distributed                | Economic Contribution to Society            |   |
|                                    | GRI 202-2         | Proportion of senior management hired from the local community | Workforce Diversity                         |   |
|                                    | GRI 203-1         | Infrastructure investments and services supported              | Investment in Facilities and Infrastructure |   |



## GRI Content Index

| GRI Standard   | Disclosure number | Disclosure title  | Reference                                      | Page number |
|--|-------------------|---|--|-------------|
| <b>GRI 205:</b><br>Anti-corruption<br>2016                   | GRI 205-1         | Operations assessed for risks related to corruption   | Group Anti-Bribery<br>and Corruption<br>Policy |             |
|  | GRI 205-2         | Communication and training about anti-corruption  |  |             |
|  | GRI 205-3         | Confirmed incidents of corruption and actions taken   |  |             |
| <b>GRI 302:</b><br>Energy 2016                               | GRI 302-1         | Energy consumption within the organisation  | Electricity                                    |             |
|  | GRI 302-4         | Reduction of energy consumption   |  |             |
| <b>GRI 303:</b><br>Water 2016                                | GRI 303-3         | Water recycled and reused   | Water  |             |
|  | GRI 303-5         | Water consumption   |  |             |
| <b>GRI 304:</b><br>Biodiversity 2016                         | GRI 304-1         | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | Biodiversity                                   |             |
|  | GRI 304-4         | IUCN Red List species and national conservation list species with habitats in areas affected by operations                                |  |             |
| <b>GRI 306:</b><br>Effluents and<br>Waste 2016               | GRI 306-1         | Waste generation and significant waste related impacts  | Waste<br>Management                            |             |
|  | GRI 306-3         | Waste generated   |  |             |
| <b>GRI 307:</b><br>Environmental<br>Compliance 2016          | GRI 307-1         | Non-compliance with environmental laws and regulations  | Regulatory<br>Compliance                       |             |
| <b>GRI 401:</b><br>Employment<br>2016                        | GRI 401-2         | Benefits provided to full-time employees that are not provided to temporary or part-time employees  | Rewarding Talent                               |             |
| <b>GRI 403:</b><br>Occupational<br>Health and<br>Safety 2018 | GRI 403-1         | Workers representation in formal joint management-worker health and safety committees   | Safety and Health                              |             |
|  | GRI 403-2         | Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities             |  |             |
|  | GRI 403-3         | Workers with high incidence or high risk of diseases related to their occupation  |  |             |
|  | GRI 403-4         | Worker participation, consultation, and communication on occupational health and safety   |  |             |
|  | GRI 403-5         | Worker training on occupational health and safety   |  |             |
|  | GRI 403-6         | Promotion of worker health  |  |             |
|  | GRI 403-7         | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships                             |  |             |
|  | GRI 403-8         | Workers covered by an occupational health and safety management system  |  |             |
|  | GRI 403-9         | Work-related injuries   |  |             |
|  | GRI 403-10        | Work-related ill health   |  |             |

## GRI Content Index

| GRI Standard   | Disclosure number | Disclosure title   | Reference                                 | Page number |
|--|-------------------|--|---|-------------|
| <b>GRI 404:</b> Training and Education 2016          | GRI 404-1         | Average hours of training per year per employee  | Workforce-Talent Development & Training   |             |
|  | GRI 404-3         | Percentage of employees receiving regular performance and career development reviews     | Rewarding Talent                          |             |
| <b>GRI 405:</b> Diversity and Equal Opportunity 2016 | GRI 405-1         | Diversity of governance bodies and employees   | Workforce Diversity                       |             |
| <b>GRI 406:</b> Non-discrimination 2016              | GRI 406-1         | Incidents of discrimination and corrective actions taken                                 | Workforce Diversity                       |             |
| <b>GRI 408:</b> Child Labour 2016                    | GRI 408-1         | Operations and suppliers at significant risk for incidents of child labour               | Safeguarding Employees and Workers Rights |             |
| <b>GRI 413:</b> Local Communities 2016               | GRI 413-1         | Operations with local community engagement, impact assessments, and development programs | Supporting Community Growth               |             |

**[www.pcb.my](http://www.pcb.my)**

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