

PARAMOUNT



Building a Sustainable Future

SUSTAINABILITY REPORT 2022

Building a

Sustainable Future

Guided by our vision of 'Changing Lives and Enriching Communities for a Better World', and reinforced by our TRIBE core values, Paramount Corporation Berhad (**Paramount or the Company**) seeks to create long-term value for our stakeholders by managing our businesses in a responsible way.

Amidst geopolitical and economic uncertainty, Paramount remains resilient as we continue in our growth trajectory. We are motivated to succeed, driven by our obligations to multiple stakeholders which comprise shareholders, customers, employees, and society at large.

Moving forward, we must adapt constantly to stay relevant while remaining committed to creating value and conducting business responsibly. This is how we can make a difference in whatever we do.

This year, Paramount is issuing our second standalone sustainability report to provide a report of the Group's initiatives, efforts, achievements, and progress. This is an expanded version of the 'Sustainability Statement' section in the Company's Annual Report 2022 (AR2022).

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Sustainability Report 2022

SCOPE AND BOUNDARY

This Report covers the entire operations of Paramount and its subsidiaries (**Paramount Group or the Group**) 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 where the Group does not have any direct operational control, nor does it cover the Group's value chain comprising third party contractors, suppliers, and vendors.

The focus of this Report will be on the most pertinent projects, initiatives, and activities of the Group. It should be read in conjunction with our AR2022 and other sustainability-related disclosures on our website. As we progressively incorporate more environmental, social and governance (**ESG**) considerations within our strategies and business processes, we shall also endeavour to provide more comprehensive sustainability disclosures.

Reporting period and cycle

This Report covers our sustainability activities from 1 January 2022 to 31 December 2022, unless stated otherwise. Where relevant and available, this Report includes comparative historical information to provide the context for our decision-making, sustainability progress and impact as well as potential opportunities for growth.



Reporting guide

This Report has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, with reference to the Bursa Malaysia Reporting Guide (3rd Edition) and the Malaysia Code on Corporate Governance.

Other referenced frameworks and guidelines include:

- GRI Universal Standards 2021
- United Nations Sustainable Development Goals (**SDGs**)
- FTSE4Good ESG criteria



Feedback

We value feedback and consider it an opportunity to identify areas for improvement. If you have feedback on this Report, please direct it to sustainability@pcb.my.



Membership in Associations

Through the years, Paramount has been affiliated with various credible and prominent associations. In addition, some of our key senior management has been contributing time and expertise through their respective appointments at professional bodies and industry organisations. Moving forward, Paramount will continue to stay connected and keep abreast of the latest developments while exploring opportunities for industry collaborations.

REHDA INSTITUTE
Real Estate and Housing Developers' Association

CIDB MALAYSIA
Construction Industry Development Board

MBAM
Master Builders Association Malaysia

FIABCI
INTERNATIONAL REAL ESTATE FEDERATION MALAYSIA
FIABCI national committee members

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 in FY2022

In 2022, we began implementing key performance targets to track our sustainability performance. All our achievements in the financial year ended 31 December 2022 (FY2022) met or exceeded the performance targets as shown below:



Promote sustainable financial growth

RM847.5mil
Group revenue

Target: >RM800mil



Deliver excellent products and services

Average

80%

QLASSIC score

Target: >75%

Average

84.5%

Customer Satisfaction Index

Target: >80%



Protect and conserve the environment

Average **57pts**

IBS score across two developments

Target: >50pts



82.5 kWh/m²

Electricity intensity across offices and coworking spaces

Target: <100kWh/m²



Zero Compound / Fines from Authorities

Environmental compliance



Support community growth

22

Average employee training hours

Target: >16hrs per employee



**Zero Fatality
Zero Major Non-Compliance**

Occupational Health & Safety



All projects received ratings from 3 to 5 stars

SHASSIC score

Target: At least 3-star



Sustainability Overview

SUSTAINABILITY FRAMEWORK AND PRIORITIES

Paramount's sustainability framework is built upon our vision, mission and core values and forms the overarching principles for sustainability practices within the Group. Our four (4) sustainability priorities are as follows:



Promote Sustainable Financial Growth



Deliver Excellent Products and Services



Protect and Conserve the Environment



Support Community Growth

These goals have been identified to enable us to create long lasting value for our stakeholders.



Sustainability Overview

Vision

Changing Lives and Enriching Communities for a Better World

Mission

To deliver innovative products and services that benefit society, leveraging on the synergies within our business ecosystem while being respectful of the environment and caring for the safety, health and well-being of our people.

Sustainability priorities

Promote Sustainable Financial Growth

Delivering Excellent Products and Services

Protect and Conserve the Environment

Support Community Growth

Pillars

Governance

Economic

Environmental

Social

Material matters

- Economic and Business Performance
- Corporate Governance and Anti-Bribery & Corruption
- Product and Service Quality
- Digital Transformation

- Biodiversity
- Effluents and Waste
- Water Management
- Green Buildings

- Talent Development and Training
- Safety and Health
- Customer Satisfaction
- Community Development
- Labour Rights, Diversity and Equal Opportunity

Core values

Trust • Respect • Integrity • Bravery • Energy



Sustainability Overview

LINKING SUSTAINABLE DEVELOPMENT GOALS (SDGs) TO MATERIALITY

The 17 United Nations Sustainability Development Goals (SDGs) provides a blueprint to achieving a better and more sustainable future for all. In aligning with these aspirations, Paramount has chosen to focus on six SDGs where we can make the most meaningful contributions while taking into consideration the markets in which we operate.

3 GOOD HEALTH AND WELL-BEING



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.

11 SUSTAINABLE CITIES AND COMMUNITIES



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

Whether they are homes, offices, shops, or green spaces, we recognise that the built environment contributes to improving the community's quality of life.

8 DECENT WORK AND ECONOMIC GROWTH



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.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Ensure sustainable consumption and production patterns

We practise the 3R principles: 'Reduce, Reuse and Recycle'; as we aim to achieve positive changes in our operations and cut down waste. We also embed green designs and features into our projects in efforts to reduce the carbon footprint of our built environment.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Build resilient infrastructure, promote sustainable industrialisation and foster innovation

A variety of environmentally friendly and innovative concepts have been designed and built into the 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.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



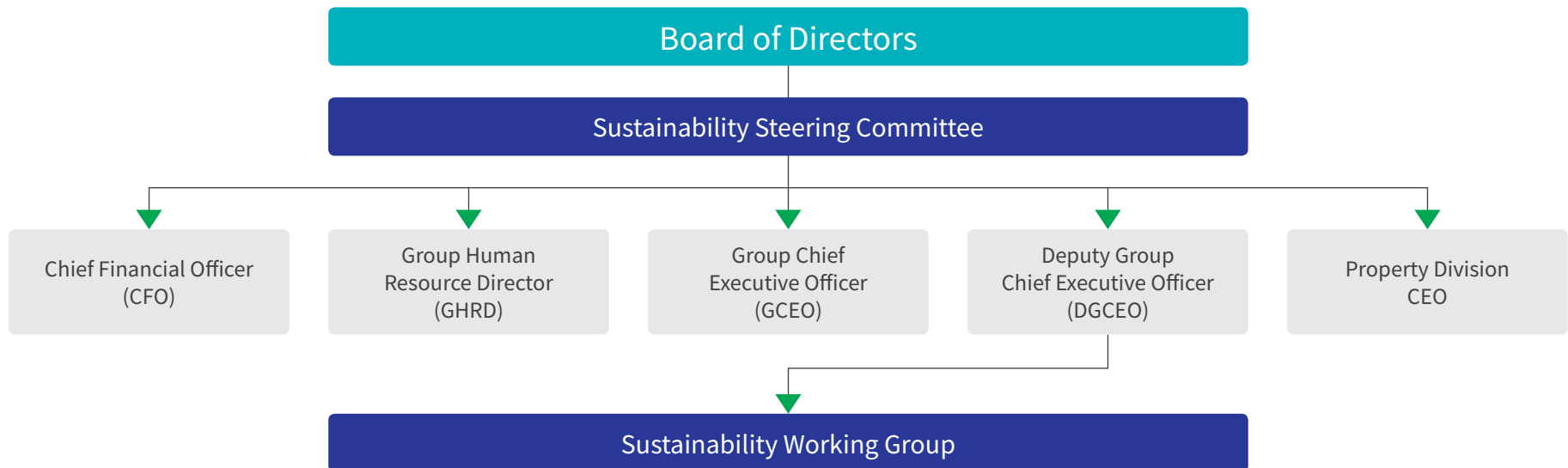
Promote peaceful and inclusive societies, sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

We have policies and procedures in place to mitigate bribery and corruption and in doing so, 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 Board of Directors (**the Board**). Paramount's sustainability governance structure is integrated into the overall corporate governance of the Company. For more details on our governance practices, please refer to link to [Corporate Governance Overview Statement, AR2022](#)



The Board

The Board oversees material sustainability issues as part of its fiduciary responsibilities. The Board safeguards and promotes stakeholders' interest by enforcing 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 raised during the company's annual review.

Sustainability Steering Committee (SSC)

The SSC, which is chaired by the Group CEO, works to develop strategies 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, provides advice on operational functions, appraises and evaluates 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 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
Employees 	<ul style="list-style-type: none"> Company direction and performance Employee benefits, health & wellness as well as safety 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, townhall sessions and TRIBE Community Portal) Personal and professional development programme 	<ul style="list-style-type: none"> Paramount provides employees with equal opportunities, rewards and resources regardless of gender, age, ethnicity, religion, disability, sexual orientation and nationality while ensuring their safety, health and welfare are well taken care of.
Customers 	<ul style="list-style-type: none"> Product quality Design and features Support services Timely delivery Product/service pricing and packaging Physical and social infrastructure (e.g. school, hospital, road and public transport network) 	<ul style="list-style-type: none"> Phone calls, Electronic Direct Mail, live chat channels, websites and social media Corporate and brand campaigns Face to face meetings with customers, surveys, talks, workshops, exhibitions, webinars, and events 	<ul style="list-style-type: none"> The Group provides quality products and services to customers. As a testament to this, the Group has received numerous accolades and awards, reflecting the positive perceived value and confidence in our projects.

Sustainability Overview

STAKEHOLDERS	ISSUES OF CONCERN	ENGAGEMENT CHANNELS AND ACTIVITIES	RESPONSES
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 investor briefings by Senior Management, AGMs, and EGMs • Timely disclosures to Bursa and on the company website • Annual report, quarterly results, announcements, circulars, press releases 	<ul style="list-style-type: none"> • The Group keeps investors informed on significant developments regarding the businesses.
Regulators 	<ul style="list-style-type: none"> • Regulatory compliance 	<ul style="list-style-type: none"> • Briefings, engagements, and consultative sessions • Meetings/discussions 	<ul style="list-style-type: none"> • Paramount ensures full compliance with all applicable local laws and regulations in its operations and keeps regulators apprised of our latest products prior to launching.
Vendors / Suppliers 	<ul style="list-style-type: none"> • Fair terms and conditions of contracts • Health and safety excellence 	<ul style="list-style-type: none"> • Vendor meetings, performance evaluations, and supply chain management 	<ul style="list-style-type: none"> • 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.
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"> • The Group partners with certification bodies to jointly elevate industry standards in operation processes and practices.

Sustainability Overview

STAKEHOLDERS	ISSUES OF CONCERN	ENGAGEMENT CHANNELS AND ACTIVITIES	RESPONSES
Community 	<ul style="list-style-type: none"> Economic investment for local welfare Infrastructure enhancement Community engagement programmes and activities for social development Management of properties 	<ul style="list-style-type: none"> Partnerships with local NGOs Philanthropic activities and outreach programmes Website and social media 	<ul style="list-style-type: none"> The Group ensures that our developments enhance the well-being of our surrounding communities. We support community programmes especially those focusing on wellness and the environment.
Media 	<ul style="list-style-type: none"> Clarity on company's activities and financials Insights on the market and industry 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 and social media 	<ul style="list-style-type: none"> The Group releases timely information to the media as and when relevant to create awareness and grow brand visibility amongst our target audiences.
Bankers 	<ul style="list-style-type: none"> Breach of covenants 	<ul style="list-style-type: none"> Regular engagement and communications to ensure compliance 	<ul style="list-style-type: none"> Paramount provides updates on its business performance and is timely in loan repayments which wins the trust and confidence of the banking and financial community.

Sustainability Overview

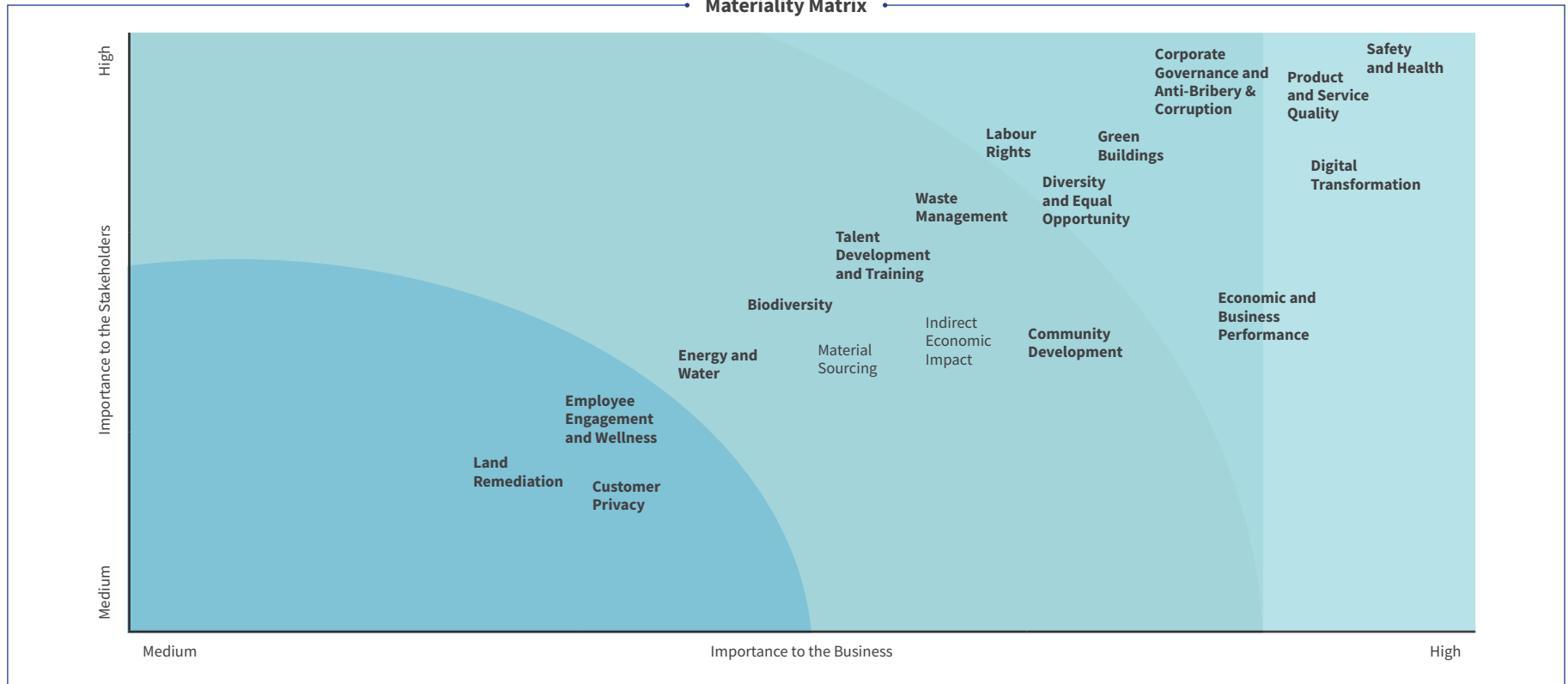
MATERIALITY

In 2021, Paramount undertook a materiality assessment to review the validity and priority of the identified economic, environmental, and social matters that are of interest to the Group and our stakeholders.

The list of materiality matters was validated and refined after an online survey was distributed to the internal and external stakeholders including employees, existing and potential customers and vendors and suppliers to garner their views. In total, 328 people responded to the survey and the results were presented to the Sustainability Steering Committee (SSC) and Board for deliberation and approval.

Through this process, fourteen (14) materiality issues were identified and reported last year. This year, after further deliberation, the SSC made the decision to remove 'Indirect Economic Impact' from our list of materiality matters considered 'high'. This is because it is already considered an integral part of the company's economic impact under 'Economic and Business Performance'.

Materiality Matrix



Sustainability Overview



Economic

- Economic and Business Performance
- Corporate Governance and Anti-Bribery & Corruption
- Product and Service Quality
- Digital Transformation



Environmental

- Green Buildings
- Waste Management
- Energy and Water
- Biodiversity



Social

- Talent Development and Training
- Labour Rights
- Diversity and Equal Opportunity
- Safety and Health
- Community Development



PILLAR 1

Promoting Sustainable

Financial Growth

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



Promoting Sustainable Financial Growth

At Paramount, we have a track record of business resiliency and adaptability to meeting the changing needs of our customers and workforce, while staying in compliance with all laws and regulations. As the business continues to grow and evolve, we remain committed to ensuring we promote sustainable financial growth while creating value for our stakeholders, which include shareholders, customers, business partners and employees.

Paramount Property strives to be the People's Developer, creating spaces that will make lives better for all.

In line with this philosophy, we make great efforts to ensure that we Design for Life, creating products to suit the different stages of life's journey while meeting the practical aspects of day-to-day living. In adhering to the principle of People First, we hold our customers in high esteem by listening to their needs, from the moment they step into our sales galleries to after we hand over their homes. As a responsible developer, we also strive to Uplift Communities by incorporating sustainability practices into our day-to-day business and supporting initiatives that will leave the world a better place for many more years to come.

We know that the products and solutions we create significantly impact our stakeholders, including the communities we operate in. Hence, we ensure that all our developments are well-connected with well-planned infrastructure and comprehensive amenities that complement our communities' lifestyle and business needs.

We strive to build complete ecosystems to help the communities generate general economic multipliers and social growth, which benefit the local economy, particularly in creating more jobs which will subsequently elevate living standards.

Despite a slower economic growth and increasing inflation, the Group still managed to generate a strong sales performance due to steady demand and high take-up rates of new residential property launches.



Promoting Sustainable Financial Growth

Economic and Business Performance

ECONOMIC CONTRIBUTION TO SOCIETY



Property



Revenue
RM823.4 million

2021 RM672.1 mil 2020 RM584.4 mil



Units sold
1,663

2021 1,062 2020 1,475



Properties launched
1,622 units across 6 locations

2021 1,192 2020 1,432



Total employees
486

2021 484 2020 522



Workers at site
1,864

2021 1,297 2020 2,210



Value of work done in property development
RM359 million

2021 RM286 2020 RM281



Co-labs Coworking



Total space
114,945

2021 114,945 2020 97,607



No. of tenants
1,248

2021 941 2020 805



Occupancy rate
67%

2021 50% 2020 54%

Promoting Sustainable Financial Growth

HIGHLIGHTS

Utropolis Glenmarie completes integrated offering with Mercure hotel

Paramount's first master-planned university metropolis Utropolis Glenmarie Shah Alam, which launched in 2013 is anchored by the 10 acre UOW Malaysia KDU University College campus and a 120,000-sq ft Utropolis Marketplace. It is well connected with major highways and other transportation links such as KTM Komuter systems and the upcoming LRT3 line, making it a strategic location for living, working and leisure.

In 2022, Utropolis Glenmarie received renewed interest with the opening of the new 229-key Mercure Kuala Lumpur Glenmarie. The hotel, which is managed by AccorHotels, is the final piece of the puzzle which completes this integrated development. This will meet the growing need for a world-class 4-star accommodation in Glenmarie and Shah Alam, while being a catalyst for economic growth in the area.



MERCURE HOTEL

Promoting Sustainable Financial Growth



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 its 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 practises a zero-tolerance approach in preventing, detecting, and managing bribery and corruption risks and issues. Paramount also prohibits monetary or in-kind contributions to political parties, party officials or candidates for political office.

In line with this, bribery and corruption risk assessments are done to identify the risks and assess the adequacy of controls. To date, no material risk has been identified.

Additionally, the Group's ABC Policy together with the Malaysian Anti-Corruption Commission (MACC) Act 2009 has also been cascaded to Paramount's supply chain who are required to acknowledge and affirm their commitment to the aforementioned documents. This best practice is being observed across the Group's business divisions. On this note, we are pleased to report that there were no such incidents in 2022.

More details are available in the Corporate Governance Overview Statement in pages 54 to 61 of the Annual Report.



PILLAR 2

Delivering Excellent

Products and Services

We are led by a mission to cater to the evolving needs of our customers. As such, a strong adherence to quality and a commitment to deliver value to the customer is at the forefront of everything we do.



Product and Service Quality

MATERIAL MATTERS



Digital Transformation



Delivering Excellent Products and Services



Product and Service Quality

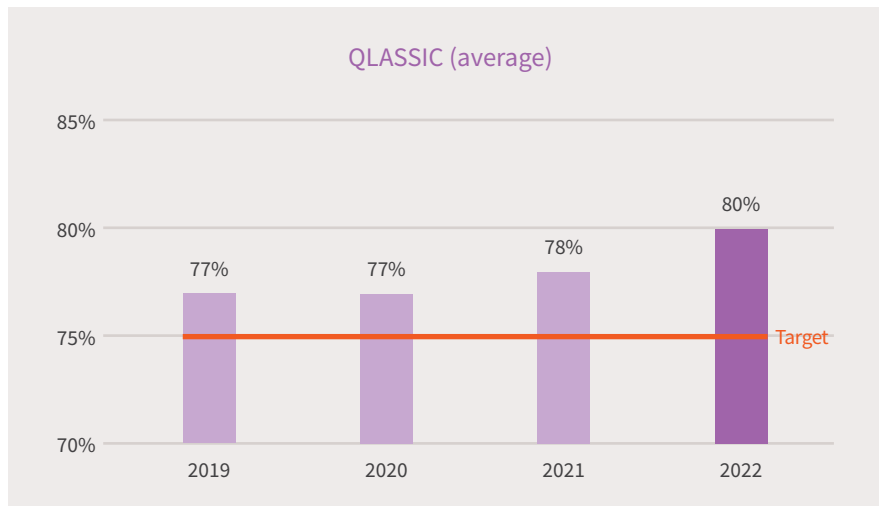
BENCHMARKS AGAINST INTERNATIONAL STANDARDS

At Paramount, we are committed to delivering quality products, and this remains our top priority as it fulfils our promise to our stakeholders who entrust us with their investments. By constantly evaluating ourselves against international and industry benchmarks, Paramount can maintain the quality for which we have long been recognised. This includes upholding high standards of Quality Management System by adhering to ISO 9001:2015 which enables us to deliver products that meet stringent requirements in quality and workmanship.

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 of a building based on Construction Industry Standards (CIS 7).

In upholding our high quality, Paramount has set QLASSIC score targets of 75% and above. In 2022, we achieved an average score of 80%.



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

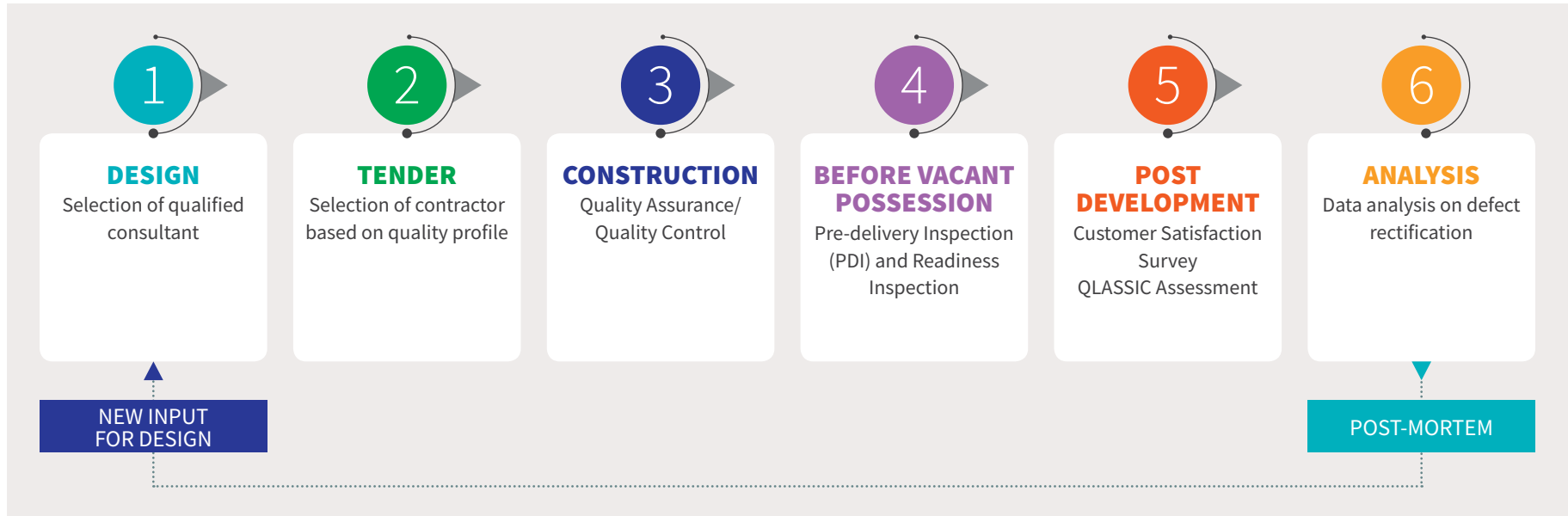
Identify and understand market needs

Market feasibility is conducted during the design stage to identify market needs. Our internal Product Development & Innovation team also refers to customer feedback during 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 the Project Management teams to Quality Assurance & Quality Control (QAQC) team with further checks by the Product Audit department. This acts as a continuous improvement loop which integrates all components across design and materials.

Delivering Excellent Products and Services



Stringent selection and quality control processes

The QLASSIC score is specified during the tender process when the contractor selection is determined based on their quality profile including good workmanship and track record.

During the construction stage, the close monitoring of work progress and quality are of utmost importance. Materials are sourced and checked by internal teams to ensure quality and 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 innovative features and improvements into our design and build. This ensures continuous improvement in our quality to meet customer demands.

Commitments to defects rectification

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

Delivering Excellent Products and Services

Excellent Customer Service

As a customer-centric organisation, our focus is on creating positive customer experiences by upholding excellent service quality.

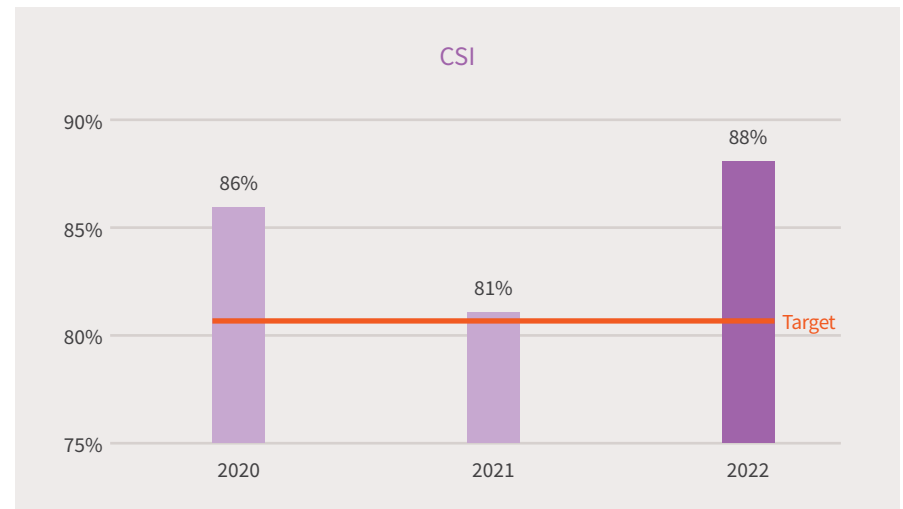
The customer experience has a lot of touchpoints and in 2016, Paramount Property developed an official customer service charter with five core values to guide us in our journey. We believe that these core values fulfil customer expectations. These also serve to reinforce the promise of Paramount as a customer-oriented company which places people first, regardless of their status.



Customer Satisfaction Index (CSI)

At Paramount, we hold our customers in high esteem by listening to their needs, incorporating their feedback into our design process, and responding to them even after we hand over their homes. One of the ways to listen to their needs and gauge the customers' satisfaction levels towards the products, services and amenities/facilities is through customer satisfaction surveys where we derive results which form our Customer Satisfaction Index (**CSI**).

Over the past three years, Paramount Property has consistently exceeded our CSI target of 80%. In 2022, we obtained a CSI score of 88%.



The results of customer satisfaction surveys by Paramount Property over the last three years.

Delivering Excellent Products and Services

Co-labs Coworking member satisfaction

In 2022, Co-labs Coworking also conducted member satisfaction surveys via 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 87% was achieved in 2022 above the internal target set (2021: 81%). 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.



3
March 2022

Paint and Chill

This painting and chill session was held in conjunction with International Women's Day and in-line with the theme #BreakTheBias.



23
April 2022

Swap Not Shop

A clothes swap event was organised to give new life to old items, while bringing the Co-labs Coworking community together.

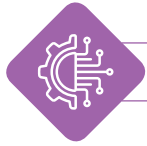


8
July 2022

Sweatlab outdoor (Rock climbing)

Rock climbing was organised to meet Co-labs Coworking's health and wellness goals, while fostering relationship building amongst members.

Delivering Excellent Products and Services



Digital Transformation

As digital convenience and options evolve with stakeholder expectations, Paramount continues to explore and implement digital transformation initiatives. By embedding smart and digital solutions into our business processes, we can offer convenient and safe access to our stakeholders while significantly reducing the use of paper at the same time.

VENDORS

E-Procurement

Paramount has used the E-Procurement system since 2014 to enable all procurement-related documentation from purchase requisition to purchase orders of goods received and invoices received, to be processed electronically. This system also reduces the time required for users to source frequently purchased items or services. In 2022, the E-procurement system was also adopted at the Paramount Corporation Berhad head office.

E-Invoicing

Paramount is transforming the manual approval process of supplier invoices into automated and paperless solutions through the E-procurement system which is integrated into Paramount's cloud-based financial systems, IFCA.

OPERATIONS

Self-service support portal

This year, Paramount's IT Shared Service Group (ITSSG) introduced a self-service support portal which allows employees to self-create incidents and service requests. The portal also comes with helpdesk support which runs 24/7. This helps shorten the query resolution time and reduces manpower support costs.

Improving data privacy and security

Paramount continues to strengthen our data privacy and security initiatives via continuous enhancement projects. This includes managed access to customer data as well as implementing two-factor authentication as a standard practice to reduce the likelihood of data breaches.

In 2022, improvements to the business continuity response plan as well as a robust incidents response plan further strengthens the company's capability to detect, prevent and monitor security threats.

Paramount also continues to build cybersecurity awareness activities through periodic bulletins and awareness programmes to keep employees abreast on the importance of protecting the Group's digital assets.

E-NCR

In 2022, Paramount Property (Central) embarked on digitising its non-conformance report (**NCR**) management process through the SAMMO app. This enables the management to record and track non-conformance and corrective actions using a central, cloud-based platform. The digitisation of this process reduces the risks of duplicate data entries, human errors and reduces turnaround time as compared to the conventional manual approach.

Delivering Excellent Products and Services

Digitised homebuying process

We continue to step up our digital marketing efforts to reach out and connect with our prospective buyers. During the year, we digitalised the appointment booking process that allows our potential buyers to book appointments for sales gallery visits online. This initiative enables better efficiency of the appointment booking system with digitised workflow.




CO-LABS COWORKING

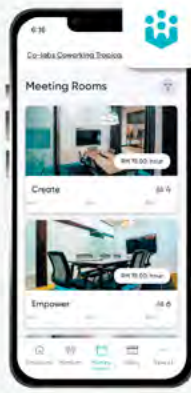
Co-labs Coworking launched a members' app in April 2022 to provide seamless and improved experience for its tenants. This mobile application features include meeting or conference room bookings, check-ins for guests, checking parcel collections details, receiving event invitations and other members perks.

Members Portal


Hey #LabFam! You told us how we can improve and we listened! We've taken all your feedback throughout the past few months and we are happy to announce that we did a full 180° to serve you with a better coworking experience!



How to login?



- 1
 Verify your account through the invitation email sent to you.
- 2
 For web browser:
members.co-labs.asia
- 3
 Download our app on the App Store or Google Play



PILLAR 3

Protecting and Conserving *The Environment*

As Paramount’s activities have direct and indirect impact to the environment, safeguarding it is key in our business processes. To this end, Paramount is committed to complying with all applicable requirements including reducing pollution, managing our natural resources and conserving green spaces to ensure the future generations get to enjoy it for many years to come.



Protecting and Conserving the Environment

REGULATORY COMPLIANCE

100% of Paramount Property's sites continue to be accredited with ISO 14001:2015. We ensure strict compliance with the stipulated requirements under all environment-related laws and regulations that are applicable to our operations through periodic monitoring and capacity building.

In FY2022, Paramount had zero incidents of non-regulatory compliance. The Group did not incur any environment-related monetary fines or have to shutdown any operational sites nor did we receive any non-monetary censures or warnings.

MANAGING ENVIRONMENTAL IMPACT

Paramount recognises that our business activities affect the environment and has made considerable efforts to develop and implement eco-friendly strategies by carrying out comprehensive Environmental Aspect and Impact Assessments (EIA) at every stage of operations where required. This assessment serves as a tool for us to identify any negative environmental impact and derive site specific Environmental Management Plans and ongoing Environment Monitoring Management Plans to minimise our environmental impact for every activity conducted. Thereafter, we monitor its progress against the plans to ensure all actionable items are executed.

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 risks.



Protecting and Conserving the Environment



Green Buildings

Paramount is increasingly incorporating green designs or elements into our products with the aim to improve resource efficiency and reduce greenhouse gas (GHG) emissions. In this aspect, we are currently constructing three green buildings namely ATWATER and The Atera in Petaling Jaya, Selangor and Sinaran at Utropolis Batu Kawan, Penang.

TRANSIT-ORIENTED DEVELOPMENTS

Improved connectivity within a property development is crucial to economic and societal growth. Paramount strives to incorporate connectivity to transportation hubs within and around our residential and commercial developments. This is because we understand that being within easy reach of facilities such as healthcare providers, financial and education institutions are crucial in providing our communities with convenient access to everything that matters.

HIGHLIGHTS

The Atera: Close to everything that matters

The Atera is Paramount's latest project - a new transit-oriented development that will rejuvenate the mature neighbourhood of Section 14, Petaling Jaya. Situated just 400m from the Asia Jaya LRT Station and just a short distance from a network of highway links and lifestyle amenities, this is the home that offers residents the best of PJ living. Its prime location makes it close to everything that matters from shopping malls to education institutions, and medical centres to parks.

In addition to The Atera's walkability factor, sustainability and security come as a priority. Designed with GreenRE certification in mind, this development will be equipped with a rainwater harvesting systems which provide water for landscape watering and common toilets. It will also be equipped with Electric Vehicle (EV) chargers in view of the rising adoption of electric vehicles in the market.



Protecting and Conserving the Environment



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, Paramount conducts ecological assessment at the pre-development stage, where practical. We also address the biodiversity related risks and implement actions to mitigate the impact caused by the Group's operations and activities on the environment and surrounding communities.

The total number of trees, shrubs, turf and creepers planted across our developments in 2022 are as follows:

Types of plants	No. of plants
Trees	1,598
Shrubs	20,454
Turf	36,033 m ²
Creepers	800

Since 2019, we began cultivating local plant species, including endangered and threatened species of trees listed on the International Union for the Conservation of Nature (IUCN) Red List for purposes of landscaping of 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 in 2022
Podocarpus Costalis	300+
Maba Buxifolia	2

We are also committed to retaining the urban biodiversity of our developments and adjacent areas through urban landscaping keeping in mind that landscaping design should be sustainable and easy to maintain. The use of native species in landscaping is also important in retaining local landscape characters and the identity of a region as well as to avoid disruption to local ecosystems. Hence, our selection of plants includes native species or those that are naturalised to our local climate with functional and aesthetic qualities as well as maintenance potential.

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

Some of the environmental awareness and training programmes attended by employees in the property division in 2022 include the following:

Topics
Forum on Environmental Quality Act : The Way Forward with Legislation in Malaysia - Environmental Impact Assessment
Program Pendigitalan Jabatan Alam Sekitar
Seminar EIA 2022 : Pemantapan Pelaksanaan EIA di Selangor
Construction Waste Management & Best Practices

In addition, we utilise the intranet and other internal communication platforms to create better awareness amongst employees on the importance of taking care of our planet.



Waste Management

Effective waste management remains one of the largest environmental challenges we face. We recognise there is still a long way for us to go and hence, we are putting in efforts as a Group to recycle waste and will gradually expand these efforts. Currently, we are actively promoting the Reduce, Reuse and Recycle (3R) principles especially in our construction sites. In 2022, we also began tracking construction waste on our sites which is reported in this year's sustainability report.



As part of an internal recycling initiative, our construction workers collected 776kg of aluminum and plastic bottles at the Bukit Banyan site in 2022.

CONSTRUCTION WASTE

At Paramount, we manage our construction waste responsibly while ensuring proper storage as well as disposal of hazardous and non-hazardous waste. We also strive to minimise waste generation wherever possible. Currently, waste is managed in accordance with Paramount Property's stringent process and procedures that comply with the Department of Environment's (DOE) regulatory requirements as well as industry best practices.

Hazardous waste is properly stored and labelled at our project sites and disposed when only when it reaches a certain quantity or duration. Only appointed contractors who are registered with DOE are eligible to collect and transport our scheduled waste for treatment prior to disposal.

We also practise the 3R approach of reducing, reusing, and recycling and have begun to segregate our non-hazardous waste into recyclable and reusable waste. To facilitate waste segregation, we have set up several bin types for different waste including scrap metal, timber concrete as well as recyclable waste such as paper, glass and plastics. Scrap metal and recyclable waste such as plastic bags are sent to recycling centres to reduce the amount of waste sent to the landfills. Concrete or blasted hard waste are reused as landscaping features and as substitute materials for covering potholes to improve road access to the sites.

In cases where generated non-hazardous solid waste is not suitable for reuse or recycling, it is properly disposed of at approved landfills by licenced waste disposal vendors, through our main contractors.

Protecting and Conserving the Environment

Paramount's waste management process has been set up since 2021 focusing on the property division. As we progress on this journey, more entities will be added on for more comprehensive monitoring.

Waste segregation	Waste storage	Waste collection	Waste disposal	Monitoring
<ul style="list-style-type: none"> • Solid waste • Recyclable and reusable waste • Non-reusable waste • Scheduled waste 	<ul style="list-style-type: none"> • Hazardous • Non-hazardous 	<ul style="list-style-type: none"> • Appointed waste collectors 	<ul style="list-style-type: none"> • Approved disposal landfill areas • Recycling centres • Hazardous waste will be disposed in accordance with regulations 	<ul style="list-style-type: none"> • Record waste quantities

For 2022, we are disclosing the amount of non-construction materials and construction waste on site for the first time. The total amount of waste generated is as follows:

Types of waste	2020	2021	2022
Scheduled waste (kg)	448.1	1,931.7	926
Non construction materials (kg)	-	-	1,579
Construction waste on site (MT):			
Disposed	-	-	10,291
Recycled	-	-	3,188

Sustainable construction materials

In our journey towards green and sustainable construction, procurement plays a significant role in our daily operations. We use environment friendly materials, where possible and strive to reduce our carbon footprint while improving the efficiency of the overall development.

Materials	Functions
Low volatile organic compounds (VOC) Paints	<ul style="list-style-type: none"> • Improve the performance with longer recoat cycles • Better edge retention during drying, which reduce the rust zone penetration on the edges • Higher applied film thicknesses, faster application at lower labour cost • Non-flammable materials which allow for lower freight, easy for storage and safer use
STARBAR™ glass fiber composite reinforcement	<ul style="list-style-type: none"> • Four times lighter in weight as compared to conventional steel bar, reducing greenhouse gas (GHG) emission during transport • The lighter weight could ease construction handling • Up to 2-2.5 times higher strength than conventional steel rebar • It does not corrode or oxidize in water

Protecting and Conserving the Environment



HIGHLIGHTS

Stepping up our recycling efforts

In line with Paramount's 3R waste management principles, we have partnered with Community Recycle for Charity (**CRC**), a non-profit organisation to install bins at selected locations. The location of these bins will be progressively expanded after taking into consideration the feedback and readiness of the communities involved.

To kick off this initiative, Utopolis Marketplace at Glenmarie, Shah Alam, organised drive-through recycling campaigns to encourage recycling while providing a convenient way for the surrounding communities to recycle. The total amount of waste collected was 250kg and comprised paper, plastic, aluminium and clothing from October to November 2022 amidst encouraging response. Besides promoting awareness and the benefits of recycling, this provides an opportunity for Utopolis Marketplace to engage with its community as well as the surrounding areas.

This is in addition to the resumption of recycling activities at Paramount Property's headquarters located at Sekitar26 Enterprise Shah Alam with the installation of a CRC bin. The team also organised a fabric recycling drive through a partnership with Kloth Cares where 247kg of textiles were diverted from the landfill.

Protecting and Conserving the Environment



Energy and Water

ENERGY

In FY2022, Paramount continued to promote the efficient use of energy throughout our business operations. In 2022, we managed to achieve an average electricity intensity (kWh) of 82.5 across our offices including our office at Utropolis Batu Kawan which was tracked for the first time this year. The intensity is calculated based on the gross floor area (m²) to improve accuracy of reporting. A summary of the electricity consumption data across our offices is as below (including Co-labs Coworking):

Offices	2020 (kWh/m ²)	2021 (kWh/m ²)	2022 (kWh/m ²)
Central			
Sekitar26 Enterprise	100	70	109
Co-labs Coworking	54	56	73
Northern			
Wisma Paramount	78	51	77
Utropolis Batu Kawan	-	-	71

**The energy intensity for Co-labs Coworking in 2020 was captured for only four spaces with the 5th space (Tropicana Gardens Mall) only included in 2021. Furthermore, MCO 1.0 took place in 2020 while MCO 2.0 & 3.0 happened in 2021. These resulted in the closure of all spaces, hence the lower energy usage.*

Energy savings 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 (GHG) 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.

WATER

The houses that we design are equipped with rainwater harvesting systems and fitted with water-efficient fittings such as water savings tap aerators, and dual flush water systems across our developments.

In addition, we utilise water collected from retention ponds at Bukit Banyan (where Wisma Paramount is located) for landscape watering purposes so we can reduce dependency on clean water supply.

Meanwhile, we also continue to monitor the water consumption across all Paramount offices by diligently examining for leakages while regularly inspecting and servicing water pumps, valves and piping systems.

We will continue to identify areas in which we can improve our water consumption to avoid unnecessary wastage.

	2020 (m ³)	2021 (m ³)	2022 (m ³)
Central			
Sekitar26 Enterprise	234	166	559
Northern			
Wisma Paramount	1,091	1,028	1,215
Utropolis Batu Kawan	-	-	164

Protecting and Conserving the Environment

INDUSTRIALISED BUILDING SYSTEM

The adoption of Industrialised Building System (IBS) is aimed at transforming our construction practices to be more efficient and sustainable, while minimising material wastage and reducing dependency on foreign labour.

In 2022, Paramount continued to expand the utilisation of IBS by components namely Acotel Panels, Shear Wall System, lightweight aerated concrete blocks, steel trusses and pre-packed pre-mixed mortar for the following projects:

Projects	IBS Score by CIDB (points)
Cendana, Greenwoods Salak Perdana	59
Senni 2, Bukit Banyan	55
Sinaran, Utropolis Batu Kawan	55



Our Rumah Selangorku, Kemuning Idaman which was constructed using IBS components, was handed over to home buyers in early 2023 at an event graced by Selangor Menteri Besar Dato' Seri Amirudin bin Shari.

PILLAR 4

Supporting Community

Growth

At Paramount, we strive to uplift communities by supporting initiatives that will leave the world a better place. We do this by ensuring the well-being of our communities including taking care of the environment where we operate, constantly finding ways to create value, and exploring ways to foster resilient socio-economic communities.



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. 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 FY2022, 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 independent auditors. 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 OSH 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 forming Safety and Health Committees).
- 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 on 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 any improvement is 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 Committees comprising employer and employee representative meets every quarter and the meeting serves as a platform for employees to participate in the continuous improvement of OSH performance at the workplaces. The OSH committee at the project sites comprise our employees as well as representatives of our main contractors and subcontractors. It is chaired by the appointed project manager and meets on a weekly basis to discuss the safety and health issues at project sites. The meeting minutes are shared among the OSH Committees to keep every employee informed and updated on health and safety issues.

Supporting Community Growth

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 safety and health risk exposure
- Discuss the appropriateness of key plans at the workplace to minimise risks and curb any OSH incidents at project sites
- Review the effectiveness of safety and health programmes

Risk assessment and control monitoring

Risk assessments including Hazard Identification, Risk Assessment and Determining Control (HIRADC) are regularly performed to identify potential hazards and risks for existing and potential projects as part of a due diligence process. These hazards and risks are then analysed, mitigated, and managed through the implementation of appropriate control measures. Safety and health teams conduct monthly safety inspections at all ongoing project sites to ensure that all safety risks affecting ongoing project sites can be eliminated.

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.

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 FY2022, a total of 619 employees, site workers and contractors attended 31 training programmes.

Some of the OSH training programmes are listed below:

- First Aider Training
- Safety Lifting Operation
- Plant and Machinery Inspection
- Scaffolding Mandatory Requirements
- Root Cause Analysis
- On Site Crane & Lifting Equipment Inspection
- New OSHA 2022 and its Effect on the Industry
- OSH Proactive Intervention
- On Site Fire Fighting Training
- PPE Correct Wearing of Full Body Harness
- On site Scaffolding (Erection & Requirements)
- Incident Investigation and Reporting
- Basic Occupational First Aid, CPR & AED Training Course

Our incident reporting process and workflow are as below:



Supporting Community Growth

Evaluating safety and health performance

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 practices against SHASSIC (CIS 10:2018). In 2022, we achieved a 3-star to 5-star ratings in the SHASSIC audit in the construction projects as follows:

Projects	SHASSIC Score
ATWATER at Section 13, Petaling Jaya	5-star (92%)
Cendana at Greenwoods Salak Perdana	4- star (89%)
Sejati Lakeside Phase 2 at Cyberjaya	4- star (87%)
Kemuning Idaman at Kota Kemuning	3- star (75%)

OSH performance

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

Our safety and health performance are as follows:

No. of incidents	2020	2021	2022
Fatalities	Zero	Zero	Zero
Lost-time injuries	Nil	Nil	Nil
Work-related injuries	6	2	6

In 2022, there were no fatalities nor serious work-related injuries at Paramount Property and Co-labs Coworking spaces. However, there were six cases of minor work-related injuries associated. Subsequent actions have been taken to prevent any future recurrence as we will continue to make improvements to our safety procedures.

Employee health and wellness

Paramount encourages all our employees to lead a healthy lifestyle. To this end, we continuously stress on health and wellness, specifically in the areas of physical and mental health as well as nutrition.

In 2022, we organised our annual health screening programme, which was participated by 75 employees. This was followed by various health talks and workshops to increase employee awareness on aspects of health including heart health and hypertension.

We also organised physical challenges like the 'Steps Challenge' as well as the '5km Challenge' to encourage our employees to stay active. The winners of these challenges were rewarded with cash prizes. To encourage all employees to make good food choices and continue eating healthily, fruits were distributed to all employees during the year. Realising that being financially healthy can considerably improve one's general wellness, a financial related talk was also organised.

Moving forward, Paramount will continue to focus on being a great place to work, one that emphasises on a holistic health and wellness for our employee.

Supporting Community Growth



Talent Development and Training

At Paramount, we believe people are our greatest assets. Having the right people with the right skills and knowledge is vital for the success of the Group. Hence, it is crucial for our employees to undergo professional development to enable them to reach their full potential.

	2022
Total number of training hours	10,422
Average training hours per employee	22

Employee training, either virtual or physical, comprising on-job training, workshops and seminars on topics ranging from leadership, management, technical, soft skills, communications, and computer skills, were provided in 2022.



Labour Rights

Safeguarding employees and workers' rights

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

To this end, we comply with all applicable local labour laws and regulations, including minimum wage, working hours and overtime. In fact, we exceed the minimum wage stipulated in Minimum Wages Order 2022, instead, wages commensurate with employees' skills' experience and performance.

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

As for working conditions, we comply with all terms as stipulated in the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 (Act 446). This includes the provision of Centralised Labour Quarters which are equipped with rest areas, water storage tank, central surau and sports recreation facilities.

In FY2022, there were no reported incidents or issues pertaining to violations of human rights.

Internship Programme

Paramount believes that investing in human capital development is key to enable sustainable pipelines of talent for Paramount, the industry and the nation. Therefore, we offer internship opportunities to students interested in the property industry to gain valuable exposure, indepth understanding and well-rounded practical experiences. In 2022, there were 35 interns assigned to various departments in Paramount Property.

Supporting Community Growth

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 who make up 100% of Paramount employees.

In 2022, Paramount had 95 new hires out of whom 82 were replacements for existing positions and 13 were for newly created positions.

Rewarding talent

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.

Benefits and welfare

Paramount employees enjoy a comprehensive 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 benefits are constantly reviewed against industry best practices.

Parental leave

Paramount provides parental leave in line with the Employment Act of 1955 which allows for 98 consecutive days of maternity leave for female employees and 7 consecutive days of paternity leave for male employees.

Employees are also eligible for 10 working days of adoption leave for a newly-adopted child.



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.

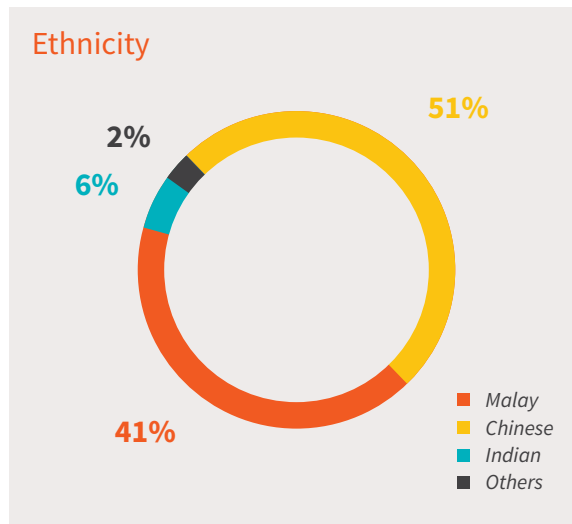
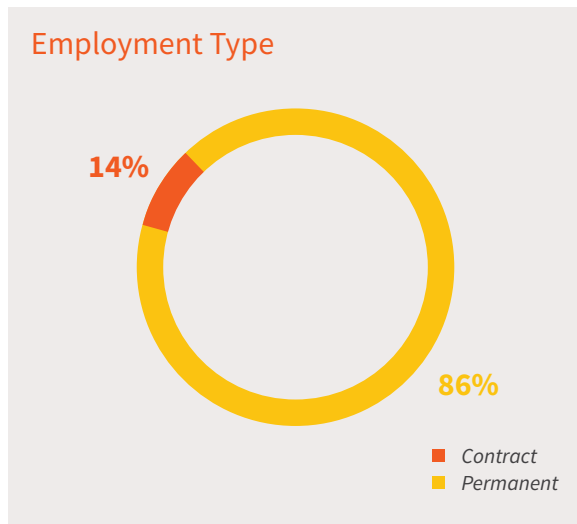
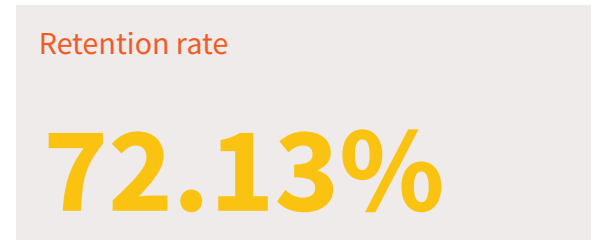
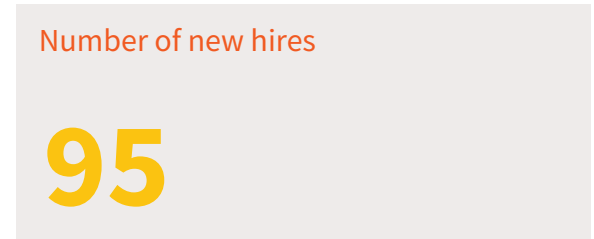
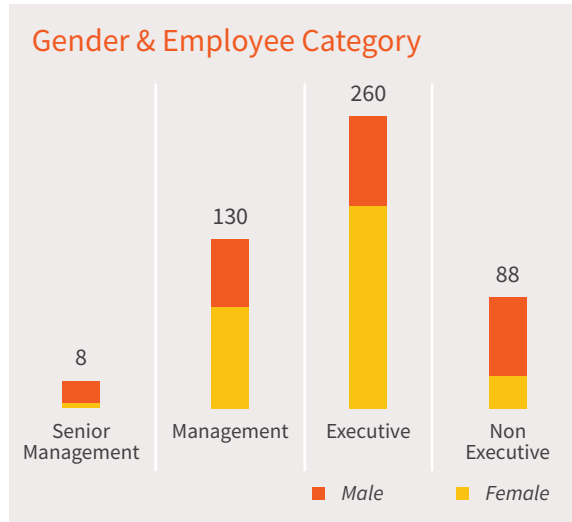
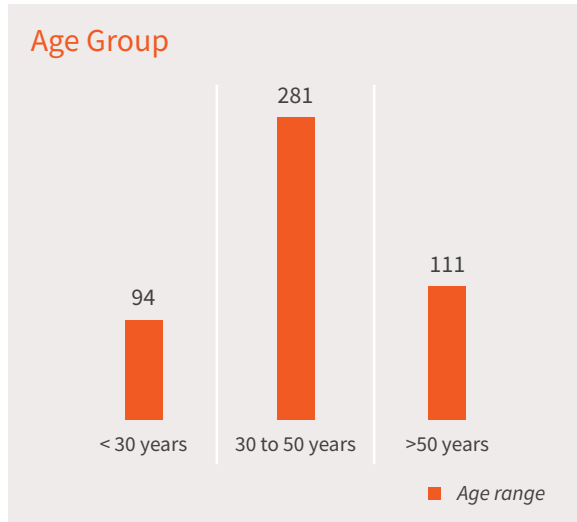
In 2022, 29% of our Board members were women.

The company has 486 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 Group effectively has a bigger pool of skill sets to draw upon for creative solutions.

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, sexual orientation, nationality, or disability nor is any form of discrimination or prejudice in the workplace tolerated.

Supporting Community Growth

A full breakdown of our workforce is shown as follows:



Paramount strives to ensure long term job stability and employee retention by providing career advancement, professional growth opportunities and good compensation packages. This has resulted in consistently higher retention rates than our industry peers. However, the Group was also affected by the Great Resignation in 2022 which saw our retention rates drop on par with industry peers compared to 2021. In addition, the Group has also embarked on digitalisation to streamline our processes that resulted in the non-replacement of some positions. All key positions have been filled in a timely manner resulting in minimal impact to productivity.



Supporting Community Growth

Equal access to disabled persons

Paramount aims to foster social inclusion, promote equality, and make a positive impact on communities that we serve. We always consider potential users including the elderly and disabled person and those in need while designing spaces. Facilities including the provision of wheelchair ramps, toilets equipped with handles, lifts with lower operating panels, and wide gates and doors, are provided to improve accessibility.



Our terrace homes at Sejati Lakeside are designed with generous access to provide convenience to those on wheelchairs.

Empowering the local supply chain

Paramount's expertise is augmented by our diverse supply chain comprising consultants, subcontractors, vendors and subject matter experts, many of whom we have worked with for a long time. These relationships translate to better understanding of customer needs and enhances our ability of deliver a better value proposition to our customers.

In this regard, we are committed to empowering the local supply chain by prioritising local procurement for all our purchasing decisions. By creating more local job opportunities, we can support the nation in maintaining a healthy economic growth.

Community Development

At Paramount, we are guided by Paramount's vision of 'Changing Lives and Enriching Communities for a Better World'. Corporate social responsibility is an important aspect of our business and in this aspect, we are uplifting communities by focusing on Wellness and the Environment.

This means we believe in the importance of ensuring the wellness of the communities we operate within while ensuring responsible care for the environment we live in.

By doing this, we aim to:

- Create value for the stakeholders and society that are fundamentally linked to Paramount's core business strategies and operations
- Foster goodwill for the community in which we operate by enhancing the quality of life of people in our direct impact zones
- Improve the reputation of Paramount as a caring and responsible corporate citizen by building trust over the long term

In 2022, Paramount contributed RM338,000 in sponsorships and donations towards community outreach activities and initiatives.

Supporting Community Growth

Partnerships & collaborations

Closing the education gap one meal at a time

In a UNICEF report from 2019, it was reported that 97% of households from the Bottom 40 (B40) communities find that high food prices prevented them from preparing healthy meals for their children. Fast forward to 2021-2022, the COVID pandemic further affected many of these families due to unemployment, decreased access to affordable goods and services, and living conditions.

A reduced number of meals for children means reduced caloric intake which leads to less than optimum energy levels. Energy is essential for concentration and participation in school. Without addressing their primary need for food, children will have little energy to focus in school which leads to poor school performance.

In line with Paramount's focus on Education and Well-being, we have committed to supporting our next generation by sponsoring nutritious meals for 50 underprivileged students in SMK Kota Kemuning over the 2023 academic school year.

This initiative is made possible through Paramount's partnership with non-profit organisation Yayasan Generasi Gemilang under the 'Super Sarapan' programme, which provides one meal a day to underserved school children across Malaysia.

Aside from lightening the financial burden of the family, the assurance of a meal at school can provide the much-needed stability and certainty for a child. Families are incentivised to ensure their children continue staying in school and the children themselves also look forward to going to school knowing there will be a meal waiting for them there.

The Kota Kemuning community is also close to our heart being the first Paramount Property development in the Klang Valley. Since we launched Kemuning Utama in 2005, this township has since grown into maturity and we continue to expand our footprint here with the recent launch of Arinna Kemuning Utama smart homes.

HIGHLIGHTS

By supporting this cause, Paramount hopes to bridge the gap that separates underserved children from the education they need to break the cycle of poverty. It is one of the ways Paramount can play a small role in making a difference to the communities we operate within.



Supporting Community Growth

HIGHLIGHTS

Building Hope through books

Lacking basic reading and writing skills is a tremendous disadvantage. Literacy not only enriches an individual's life, but it creates opportunities for people to develop skills that will help them provide for themselves and their family.

Realising that education empowers, Paramount's 'Building Hope' 2022 Christmas campaign was aimed at gathering books from the public for children and youth in need. From 3 - 21 December 2022, Book Donation Corners were set up across all Paramount Property Galleries, Co-labs Coworking spaces and Utopolis Marketplace for the public to donate preloved books.

At the end of the campaign, over 600 books were collected and given a new lease in life across the Central and Northern regions via our non-profit partners MyReaders and Friends to Mankind.

This campaign serves as a reminder that literacy can open many doors. This is yet another Paramount initiative which is aimed at closing the education gap and building hope for a better tomorrow.



Supporting Community Growth

Utropolis 'Make-A-Wish' returns to spread more joy

In celebration of the year-end festivities, Utropolis Marketplace returned with its signature 'Make-A-Wish' programme which aims to bring cheer to the community it operates within.

This annual campaign which ran from 1 - 16 December 2022 began with a shout-out to the Utropolis Marketplace Facebook community for Christmas wishes. As the wishes poured in, winners were selected while giving priority to those in need of assistance, the underprivileged as well as the Utropolis Marketplace community.

Out of the 10 wishes fulfilled, one of the more notable ones involved treating the residents and caregivers at Noble Care nursing and retirement home to a meal and groceries. This is a gesture of appreciation to the nurses and staff who have been caring for her autistic son every weekday from morning to evening. This enables her to go to work with peace of mind.

Another memorable wish that got fulfilled came from a couple who wanted to celebrate their nine-year old's birthday at Texas Chicken Utropolis Marketplace with children from an orphanage, Pusat Jagaan Rumah Aman.

2022 was the 4th year that Utropolis Marketplace ran the Christmas 'Make-A-Wish' programme. In 2018, this programme fulfilled a wish to fund a prosthetic leg, enabling the beneficiary to gain more mobility so he could better fend for himself and his family.

HIGHLIGHTS



Supporting Community Growth

HIGHLIGHTS



Paramount continues support towards empowerment of Penan Women

Driven by our vision to be an innovative market leader in businesses that benefit society, Paramount continues to bring this vision to life by focusing on helping small local businesses and communities-in-need. For over five years, we have supported the Penan Women Project (PWP), in collaboration with the 10 Ringgit Club, a non-profit organisation that serves the educational needs of marginalised children in northern Sarawak.

By commissioning handwoven bag made by Penan women as corporate gifts for our valued customers and business partners, Paramount can contribute in a small way towards making the lives of these families better.

The regular income the women earn through this effort enables them to put food on the table, send their children to school, and source for what their families need – water, electricity, medicine, and shelter.

Most importantly, it gives them a sense of dignity and self-worth as these women slowly recognise that they have a voice and an important role to play in the Penan community.



Supporting Community Growth

Disaster relief

Paramount lends a hand to flood aid efforts

The promise of family vacations, Christmas celebrations or even just a well-deserved break are what many look forward to at the end of every year. However, that was not to be for the many affected Malaysians during what was deemed the worst floods to hit Peninsular Malaysia in a hundred years.

True to the Paramount vision of 'Changing Lives and Enriching Communities for a Better World', the Property Central team sprang into

action. The project teams worked closely with the various local councils to contribute items needed for flood relief.

Concurrently, an interdepartmental committee was also formed to support affected employees. Areas of support ranged from hiring professional cleaners to help with post-flood cleaning, to conducting critical checks on electrical items and wiring, to arranging for the re-painting of homes and securing furniture

and electrical appliances. The team even allocated transport allowance to help those affected to get to their workplace as many employees' vehicles needed repair.

This was truly an exercise in teamwork and unity on all fronts, demonstrating that when the flood waters rise, Malaysians (and in this case, Paramount employees) are ready to rise up as a community.

HIGHLIGHTS



Paramount employees supported colleagues impacted by the floods by initiating an internal fundraising drive.



Supporting Community Growth

Supporting students at underserved schools

In 2022, Paramount donated over 80 refurbished computers & laptops to underserved schools in the central and northern regions.

HIGHLIGHTS



Central

1. SJKT Castlefield, Taman Perindustrian Puchong, Selangor
2. SJKC Keng Chee, Bagan Teo Chew Pulau Ketam, Selangor

Northern

1. SJKC Min Terk, Sungai Petani, Kedah
2. SJKC Kota Tampan, Lenggong, Perak
3. SJKT Arumugam Pillai, Alor Pongsu, Bagan Serai, Perak
4. SJKC Lin Khay and SJKC Pekan Lama, Sungai Petani, Kedah
5. SJKC Jerlun, Kuala Kangsar, Perak



Supporting Community Growth

Other donations & sponsorships

HIGHLIGHTS

Paramount Property offers aid towards Baling flood relief

When Baling, Kedah, was hit by the worst floods ever, the Paramount Property team in Sungai Petani offered aid to the flood victims by donating 30 sets of stoves. These gifts worth RM3,000 were handed over to the Baling district office for distribution to 30 flood victims on 7 July 2022.



Supporting Community Growth



1

Contribution to Rotary Club towards the purchase of school bags for students impacted by floods.



2

Contribution of door gifts to Rotary Club towards its charity dinner supporting breast cancer awareness.

- 3 Annual contribution to the Kiwanis Down Syndrome Foundation.
- 4 Contribution to Pertubuhan Membantu Pesakit Parah Miskin Malaysia (PMPPMM).
- 5 Contribution to 'Bantu Yayasan Sultanah Bahiyah (YSB) 2022', a Titian Harapan programme by YSB.
- 6 CSR Programme at Rumah Pangsa Taman Ampang Jajar, Selangor focusing on upgrading its carpark.

GRI

Content Index

Statement of use	Paramount Corporation Berhad has referenced GRI standards in reporting the information cited in this GRI content index for the period from 1 January 2022 to 31 December 2022.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION *	PAGE NUMBER(S)
GRI 2: General Disclosures 2021	2-1 Organizational details	Corporate Profile, Annual Report 2022 (AR2022)	6-17
	2-2 Entities included in the organization's sustainability reporting	Scope and Boundary	5
	2-3 Reporting period, frequency and contact point	Reporting period and cycle Reporting guidelines Feedback	5
	2-6 Activities, value chain and other business relationships	Corporate Profile, AR2022	6-17
	2-7 Employees	Workforce Diversity	43
	2-9 Governance structure and composition	Corporate Governance Overview Statement, AR2022	54-61
	2-10 Nomination and selection of the highest governance body	Corporate Governance Overview Statement, AR2022	54-61
	2-11 Chair of the highest governance body		
	2-12 Role of the highest governance body in overseeing the management of impacts		
	2-13 Delegation of responsibility for managing impacts		
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance	11
	2-15 Conflicts of interest	Corporate Governance Overview Statement, AR2022	54-61
	2-16 Communication of critical concerns		
	2-17 Collective knowledge of the highest governance body		
2-18 Evaluation of the performance of the highest governance body			
2-19 Remuneration policies			
2-20 Process to determine remuneration			
2-22 Statement on sustainable development strategy	Sustainability Overview	8-9	

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	2-24 Embedding policy commitments		
	2-25 Processes to remediate negative impacts		
	2-26 Mechanisms for seeking advice and raising concerns	Anti-Bribery & Corruption Policy; Whistleblowing Policy	www.pcb.my
	2-27 Compliance with laws and regulations	Corporate Governance Overview Statement and Anti-Bribery & Corruption Policy; Regulatory Compliance (Environment); Occupational Safety & Health	21, 30,39
	2-28 Membership associations	Membership in Associations	6
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	12-14
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality	15-16
	3-2 List of material topics		
	3-3 Management of material topics		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic and Business Performance	19
	203-2 Significant indirect economic impacts	Promoting Sustainable Financial Growth	20
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Corporate Governance, Statement on Risk Management & Internal Control and; Internal Policies, Frameworks & Guidelines, AR2022	61, 62, 70
	205-2 Communication and training about anti-corruption policies and procedures		
	205-3 Confirmed incidents of corruption and actions taken		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy	36
	302-3 Energy intensity		
	302-4 Reduction of energy consumption		
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	303-3 Water withdrawal		
	303-4 Water discharge		
	303-5 Water consumption		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity	32
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management	33
	306-2 Management of significant waste-related impacts		
	306-3 Waste generated		
	306-4 Waste diverted from disposal		
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GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Number of new hires; Retention rate	44
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	403-6 Promotion of worker health		
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	403-8 Workers covered by an occupational health and safety management system		
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GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Talent Development and Training	42
	404-3 Percentage of employees receiving regular performance and career development reviews		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Workforce Diversity	43-45
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Workforce Diversity	43-45



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GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Supporting Community Growth	45-53

*This information can be found within Paramount's Sustainability Report 2022, unless otherwise specified.



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