

PARAMOUNT

CREATING
SUSTAINABLE VALUE
FOR THE FUTURE

SUSTAINABILITY REPORT 2023



CREATING SUSTAINABLE VALUE FOR THE FUTURE

At Paramount Corporation Berhad (**Paramount** or **the Company**), we believe in building a sustainable future by creating lasting value for our businesses, stakeholders, community and the environment.

Throughout our journey of over 50 years, our vision of “Changing Lives and Enriching Communities for a Better World” has remained our guiding light as we strive to create long term value in everything we do. Our core values are embodied in the acronym T.R.I.B.E. (Trust, Respect, Integrity, Bravery and Energy), which calls for all employees to do what is right while respecting and caring for others, and to be bold while operating in the spirit of innovation and entrepreneurship.

Our sustainability aspirations of “Creating Sustainable Value for the Future” involve taking actions today that will have a positive impact on future generations. This means Paramount will continue to embrace change, transform our businesses, and explore innovative solutions to future-proof our business, and create value with tomorrow in mind. All this, while maintaining a strong focus on corporate governance, business ethics and integrity.

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SUSTAINABILITY REPORT 2023

Paramount is pleased to present our third standalone sustainability report, which provides an update on the progress and outcome of sustainability initiatives undertaken by Paramount and its subsidiaries (**the Group**).

This Sustainability Report 2023 (**SR 2023**) is published alongside our Annual Report 2023 and is available in digital format only.

Scope and Boundary

This report covers the business operations and activities which are 100%-owned and controlled by Paramount. It does not cover associate companies, which the Company does not have a majority equity and/or management control and is unable to impose or influence the implementation of our sustainability initiatives at this juncture. This report also does not cover the Group's value chain comprising third party contractors, suppliers, and vendors who do not have any contractual obligations to Paramount on Environmental, Social and Governance (**ESG**) matters.

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 the Annual Report 2023 and other sustainability-related disclosures on our website.

REPORTING PERIOD AND CYCLE



This report covers our sustainability activities from 1 January 2023 to 31 December 2023, 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 FRAMEWORKS AND STANDARDS



This report has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (**Bursa Securities**), with reference to the Bursa Malaysia Sustainability Reporting Guide (3rd Edition) and the Malaysian Code on Corporate Governance 2021.

Other referenced frameworks and guidelines include:

- United Nations Sustainable Development Goals (**UN SDGs**)
- Global Reporting Initiative Standards (**GRI**)
- FTSE Russell ESG Ratings

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.

LIMITATIONS



The Group recognises that some data gaps may still exist due to existing business practices as well as challenges in data collection for some indicators. Nevertheless, we are committed to continuously improving the relevant processes and establishing a better ESG reporting structure moving forward.

REVIEW



To ensure the accuracy and integrity of our disclosures, this report has been reviewed by Paramount's Internal Audit Department and reported to the Sustainability Steering Committee chaired by the Group Chief Executive Officer (**CEO**).

MESSAGE FROM THE DESIGNATED SUSTAINABILITY OFFICER

DEAR STAKEHOLDERS,

For Paramount, long before sustainability became a buzzword, it was already embedded in our thoughts and actions even as far back as in the 1990s. During that time, Paramount was preparing to develop Bandar Laguna Merbok in Sungai Petani, Kedah. Our late Chairman, Dato' Teo Chiang Quan, travelled all the way to Queensland, Australia to understand how to conserve the ecology along swampy riverbanks and to apply it to our development.

In recent years, under the leadership of our Board of Directors (**the Board**) and management teams, we have become more structured in defining how we advance sustainability across the entire business. Today, we are guided by a sustainability framework that formalises our commitment to environmentally and socially responsible business practices.

Laying the Foundation

This is Paramount's third standalone Sustainability Report, and each year we strive to make progress in sharpening our approach and achieving greater transparency.

This year, we set a sustainability aspiration of 'Creating Sustainable Value for the Future', which will serve as a guiding theme for Paramount's ESG efforts moving forward.

In the pages ahead, you will see that these efforts are anchored on Economic, Environmental, Social and Governance pillars, upon which we have identified four main priorities, *Building Economic Resilience, Delivering Excellence in Products and Services, Ensuring Responsible Environmental Management, and Creating Positive Community Impact.*

In 2023, we re-assessed our material matters to align our priorities with the rapidly changing trends in the economy, industry, and regulatory landscape. This re-assessment was participated by a wider and more diverse group of stakeholders and enabled us to include new material matters such a climate change and emissions.

At the same time, we have also reviewed our commitment to the UN SDGs and included two additions, SDG 13 – Climate Action and SDG 15 – Life on Land. We believe this is timely considering Paramount's sustainability commitments.



MESSAGE FROM DEPUTY GROUP CEO AND DESIGNATED SUSTAINABILITY LEAD

Achieving Initial Goals

2023 saw the establishment of a dedicated Sustainability team to facilitate all ESG-related activities within the Group. We believe this is necessary considering that ESG has become a more integral part of Paramount's corporate strategy and growth story.

Having identified climate change and emissions as a priority under our environmental pillar, we have commenced work to establish our greenhouse gas (GHG) inventory of Scope 1, Scope 2, and selected Scope 3 emissions, and developed a preliminary Climate Transition Pathway as part of Paramount's commitment towards net zero emissions by 2050.

Along with our goal to reduce carbon emissions, we have set targets to expand our portfolio of green certified buildings in the coming years. This will form an important part of the trajectory towards our longer term decarbonisation efforts.

In caring for our community, the Group will continue investing in our 500 employees by embracing a work culture which epitomises our core values of T.R.I.B.E. while remaining fair and inclusive, so that Paramount is a great place to work.

This includes ensuring that the safety and health of our workers remain a top priority throughout our construction sites. On this note, I am proud to report that three of our construction sites received 5-star ratings this year. This is a remarkable achievement for us and demonstrates how seriously we take safety in our organisation.

We continued uplifting our larger community through corporate social responsibility initiatives with a contribution of RM626,000 through philanthropic and community outreach programmes.

As always, we will do all these things while remaining committed to maintaining our high corporate governance standards, adopting best practices, and providing good disclosures for greater transparency to our stakeholders.

Pressing Forward

While this report is an important milestone in capturing progress to-date in implementing our ESG strategy, it is also an opportunity to look ahead.

The Group is committed to reinforce our efforts in sustaining and improving our sustainability initiatives. We aim to do this by leveraging on technology and innovation to optimise operational efficiencies while remaining focused on driving product and service excellence.

I am extremely proud of our progress and continuing evolution as one of Malaysia's long-standing property development companies. This success is powered by our employees, customers, investors, communities, and partners. We are grateful for the stakeholders that join us every day in our journey toward a safer and more sustainable future.

Benjamin

Benjamin Teo Jong Hian
Deputy Group CEO



ABOUT US

Paramount is an investment holding company with equity interests in companies that carry out property development, coworking spaces, food and beverage, hospitality, education, e-commerce, and fintech businesses.

Our core business is property development, which is operated under Paramount Property, an award-winning brand with an excellent track record of building homes, commercial and industrial properties, as well as private schools and university campuses. We have presence in the Klang Valley (Kuala Lumpur and Selangor), Kedah, Penang, and in Bangkok, where we have a 49% stake in a condominium project.

Paramount is also accelerating the growth of our coworking business. Starting with just 3,700 sq ft of space in 2017, Co-labs Coworking has expanded its network to manage approximately 152,000 sq ft of space across six prime locations in the Klang Valley by the end of December 2023.

Paramount also owns Dewakan, which has garnered the honour of being the first and only Malaysian restaurant to be awarded with two MICHELIN Stars in 2023.



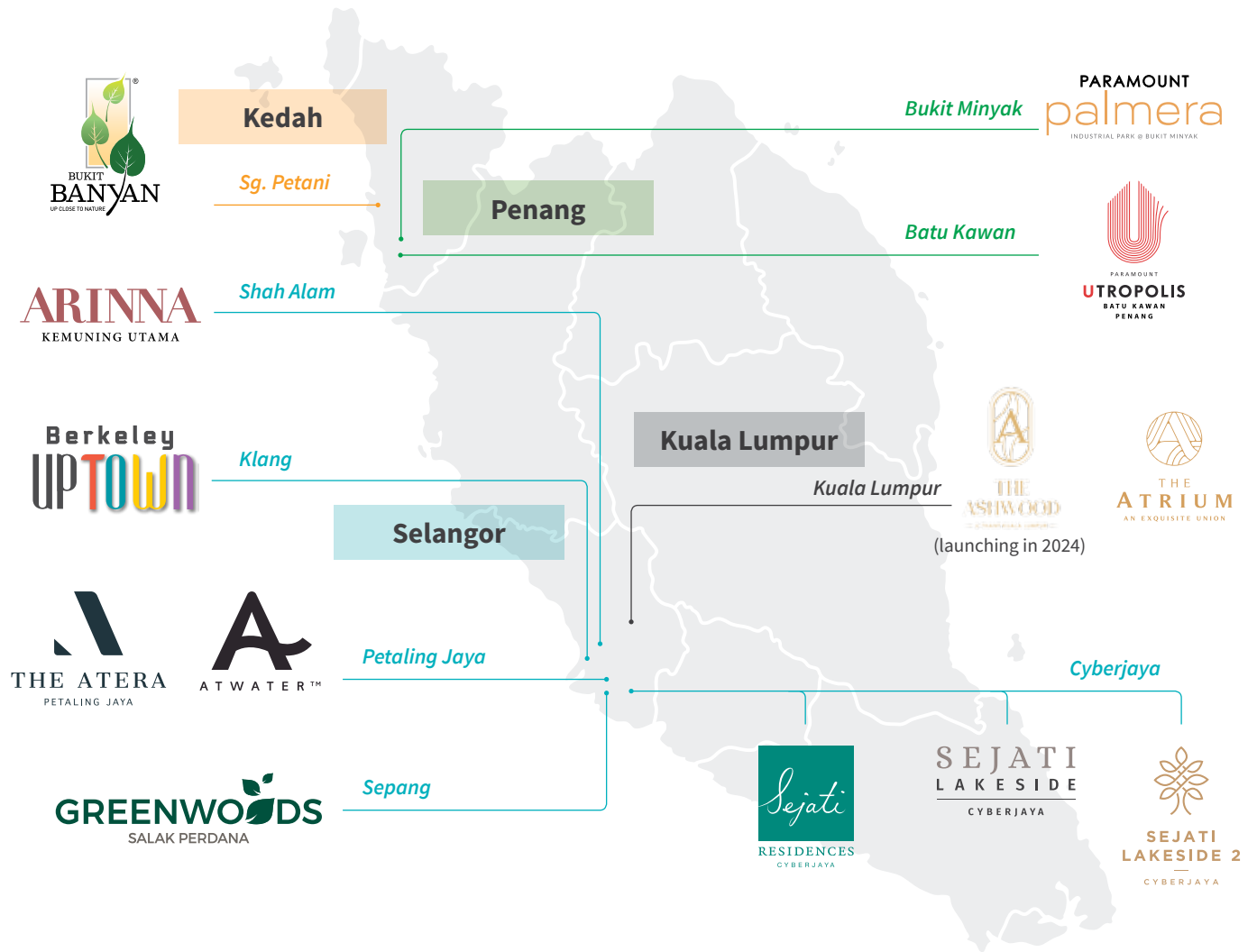
ABOUT US



PARAMOUNT PROPERTY

The People's Developer™

From our humble beginnings as a small property company with a revenue of RM200 million, we have grown to one with a revenue of above RM1 billion, and 11 ongoing projects, as at 31 December 2023. To date, Paramount has built approximately 20,000 homes.



Revenue (Property)
RM973.7 million



Ongoing GDV
RM3.5 billion



Total Employees
414



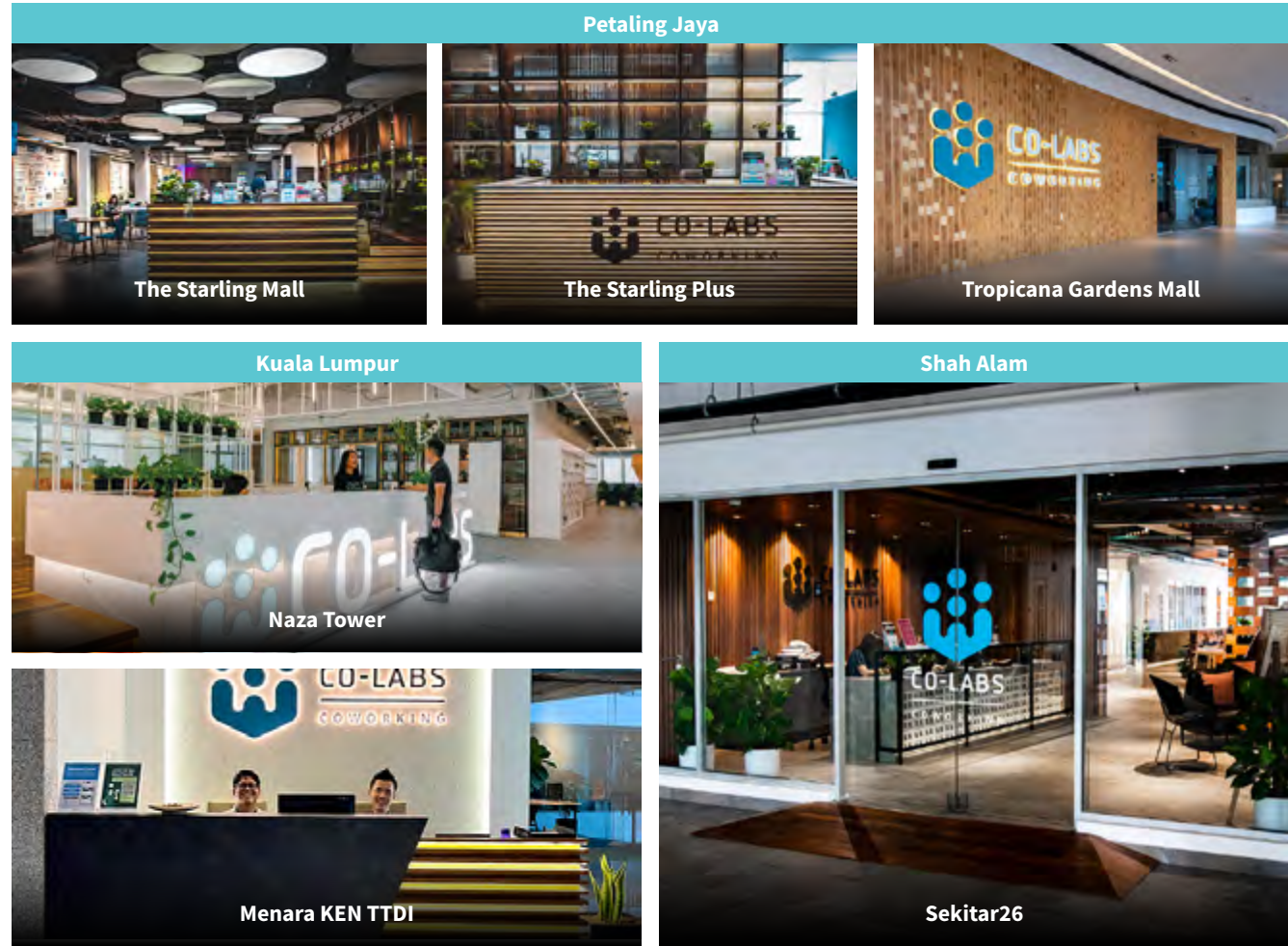
Workers at Site
3,094

ABOUT US



Co-labs Coworking offers vibrant community-centric coworking spaces in the Klang Valley, as well as customisable workspace solutions.

In August 2020, Paramount Coworking, together with Paramount Property, launched Scalable Malaysia, a one-stop workspace solutions provider that specialises in location sourcing, designing, and building cost-effective innovative interiors, with options for after-built service of facility management.



Revenue (Coworking)
RM13.1 million



Total Space
152,000 sq ft



Total Employees
27



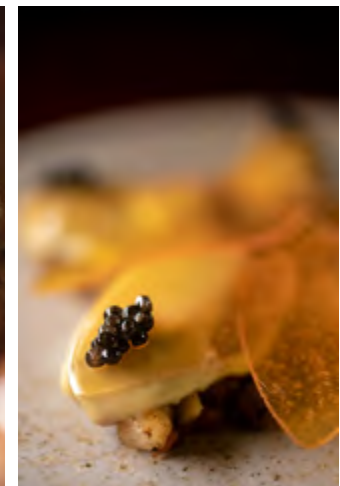
Occupancy Rate
70 %

ABOUT US



DEWAKAN

Dewakan champions local ingredients and has spearheaded the modern Malaysian culinary movement on home ground.



 Revenue
RM6.3 million

 Total Space
4,905 sq ft

 Total Employees
18

SUSTAINABILITY HIGHLIGHTS AND ACHIEVEMENTS 2023



Building Economic Resilience



Direct Economic Impact

RM1.0 billion
Revenue



RM82.8 million
Profit attributable to ordinary equity holders



RM1.1 billion
Property sales



RM1.4 billion
Unbilled property sales



Anti-Bribery and Corruption

Zero reported cases



Dividend to Shareholders

7.0 sen
per share

Target: At least 20% of profit attributable to ordinary equity holders



Data Privacy and Security

Zero major cybersecurity breach



Supply Chain Management

99%

Direct dealings with local suppliers



Delivering Excellence in Products and Services



Product Quality and Innovation

Average

80%

QLASSIC* score

Target: Average >75%



Customer Satisfaction

Average

83%

Customer satisfaction index score

Target: Average >80%



* Quality Assessment System in Construction



SUSTAINABILITY HIGHLIGHTS AND ACHIEVEMENTS 2023



Ensuring Responsible Environmental Management

Compliance

Zero compound/ fines from authorities



Waste Management

3,433 mT of construction waste recycled



Biodiversity

2,445 trees planted



239 IUCN** endangered species planted (podocarpus costalis)



** International Union for Conservation of Nature

Energy Management

Average **126 kWh/m²/year** Building Energy Intensity across Paramount's reported operations
Target: <130 kWh/m² *



Carbon Emissions

Established carbon emissions inventory and baseline of **5,640.99 tCO₂e** Scope 1 and 2 emissions



Water Management

Water consumption **230,250 m³/year**



Units of measurement:

kWh/m² = kilowatt per square metre
mT = metric tonnes
tCO₂e = tonnes of carbon dioxide equivalent
m³ = cubic metres



Creating Positive Community Impact

Safety and Health

Zero fatality and non-compliance



3 projects received 5-star ratings

SHASSIC* score

Target: 4-star and above



* Safety and Health Assessment System for Building Construction Works

Talent Development and Training

Average **37** training hours per employee
Target: Average >16 training hours per employee



Labour Practices and Human Rights

Zero human rights violations



Community Investment

RM626,000 benefiting over 45 organisations
Target: Approximately 1% of Profit After Tax



Diversity

Workforce by gender



53% Male



47% Female

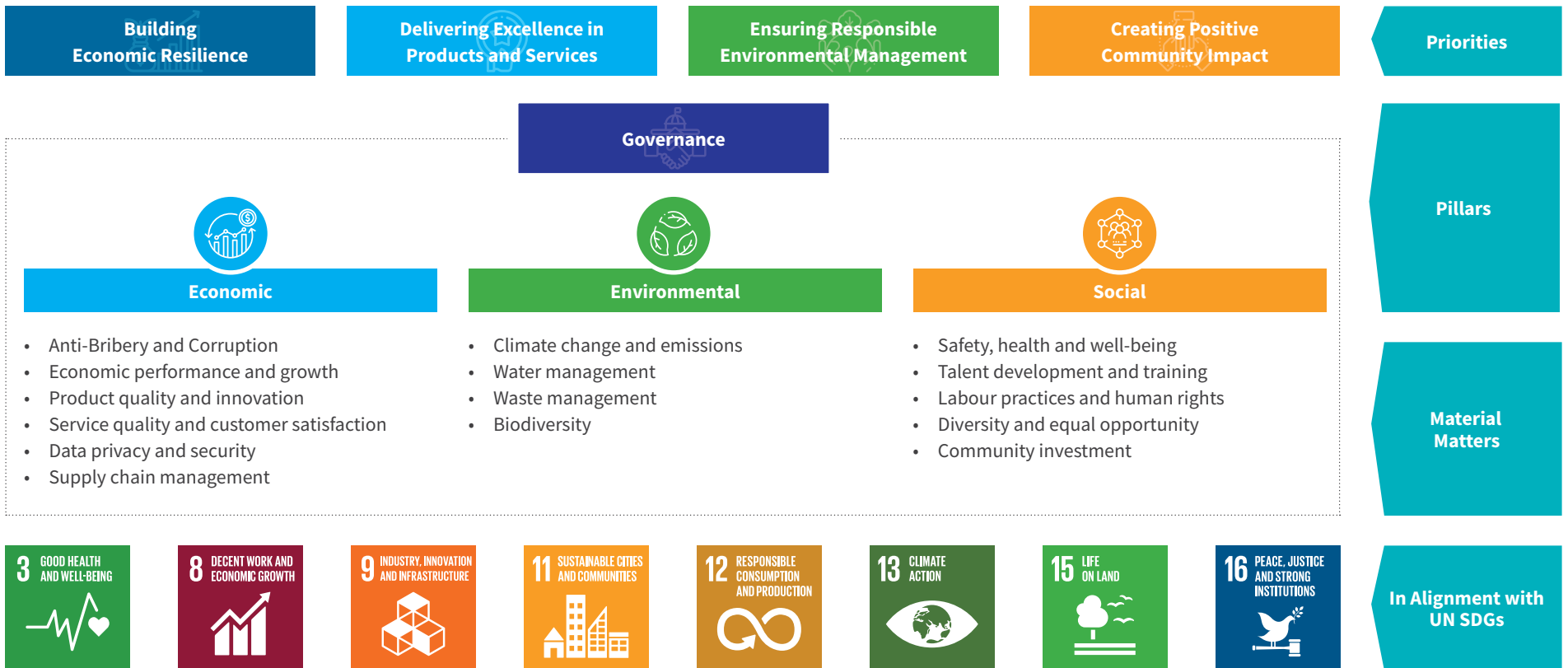


OUR SUSTAINABILITY APPROACH

Sustainability Framework

Paramount’s sustainability efforts are anchored on Economic, Environmental, Social and Governance pillars, upon which all sustainability priorities and materiality matters are framed. These are aligned with our material matters and designed to meet Paramount’s overall business and growth strategy. In addition, we are committed to supporting the UN SDGs and strive to deliver sustainable value with purpose.

It is upon this foundation that Paramount’s Sustainability Framework is formed and practised within the Group. This framework may be updated periodically taking into consideration shifts in business priorities as well as the latest industry and market developments.




OUR SUSTAINABILITY APPROACH

2023 Review and Updates


In 2023, after a careful review and deliberation on the SDGs, the Sustainability Steering Committee decided to include two additional goals from what was reported in 2022:

13 CLIMATE ACTION



SDG Goal 13: Climate Action in line with **Paramount’s intention to integrate climate change measures into our strategies and action plans**

15 LIFE ON LAND



SDG Goal 15: Life on Land in line with **Paramount’s commitment to progressively adopt nature-based solutions and to promote the integration of the built environment with nature**

Hence, Paramount now supports a total of **8 SDGs** (against 6 SDGs previously) in areas where we can make the most meaningful contributions while taking into consideration our business model and activities.



OUR SUSTAINABILITY APPROACH



Ensure healthy lives and promote well-being

Safety and health priorities underpin all our business activities. Our properties are designed to cater for the well-being of its inhabitants. We also care for the safety and health of our employees while contributing to the well-being of the communities around us.



Ensure sustainable consumption and production patterns

We aim to contribute to more sustainable consumption and production through better resource efficiency and management. In promoting the principles of ‘reducing, reusing and recycling’ we aim to achieve positive changes in our operations and cut down waste.



Promote inclusive and sustainable economic growth, productive employment and decent work

We actively work to promote a safe and secure work environment and good working conditions for our employees and those who work with us. We are committed to empowering the local supply chain by prioritising local procurement and creating more local job opportunities for healthy economic growth.



Take urgent action to combat climate change and its impact

We are working to reduce greenhouse gas emissions to do our part in combating climate change. In doing so, we are setting emissions reduction targets and taking climate resilience considerations in our design and build.



Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

We are committed to building sustainable infrastructure and adopting sustainable production practices while fostering innovation through collaborative efforts to reduce environmental impact and promote sustainability.



Protect, restore and promote sustainable use of terrestrial ecosystems

We strive to minimise the destruction of natural habitats by conserving green spaces where possible and protecting biodiversity in the areas we operate. We also aim to incorporate nature into our design principles.



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

We work with various stakeholders to create sustainable cities and societies together. By ensuring that we have a good mix of facilities in our buildings and designing public spaces and green areas, we are committed to creating inclusive and safe urban living which promotes security and well-being for all.



Promote peaceful and inclusive societies for sustainable development

We have policies and procedures in place to encourage effective, accountable, and transparent business transactions. We also ensure responsive, inclusive, participatory, and representative decision-making at all levels. This is our way of contributing to a peaceful and inclusive society.

SUSTAINABILITY GOVERNANCE

Board Oversight

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 our businesses and to safeguard the interests of all stakeholders. The Board is collectively responsible for the overall corporate governance of the Company and the strategic direction of the Group.

Board Composition and Diversity

The current Board composition reflects diversity in our collective expertise and experience which cover property development, finance, banking, information technology and management. This allows for effective oversight of the Group's businesses based on diverse perspectives and insights.

Paramount's Boardroom Diversity Policy was developed with the strategic intent to attract, retain and develop a diverse team of skilled people who are increasingly engaged towards the delivery of the Company's strategies. This further affirms our commitment to boardroom diversity and works to ensure that there is no discrimination on ethnicity, race, age, gender, nationality, political affiliation, religious affiliation, sexual orientation, marital status, education, physical ability or geographic region.

For a more comprehensive look at Paramount's governance practices, please refer to the Corporate Governance Overview Statement in our Annual Report 2023 and the Corporate Governance section on www.pcb.my.

Board on ESG Risk

The Board maintains a sound risk management and internal control framework to safeguard shareholders' investment in the Company and the Group's assets. The Board regularly reviews the adequacy and integrity of this framework which is embedded in all aspects of the Group's activities.

To this end, the Board has established an on-going process for identifying, evaluating, monitoring and managing the significant risks faced by the Group. Sustainability has been identified as a key risk category together with strategic, operational, financial-related, compliance, reputational, cybersecurity as well as bribery and corruption risks.

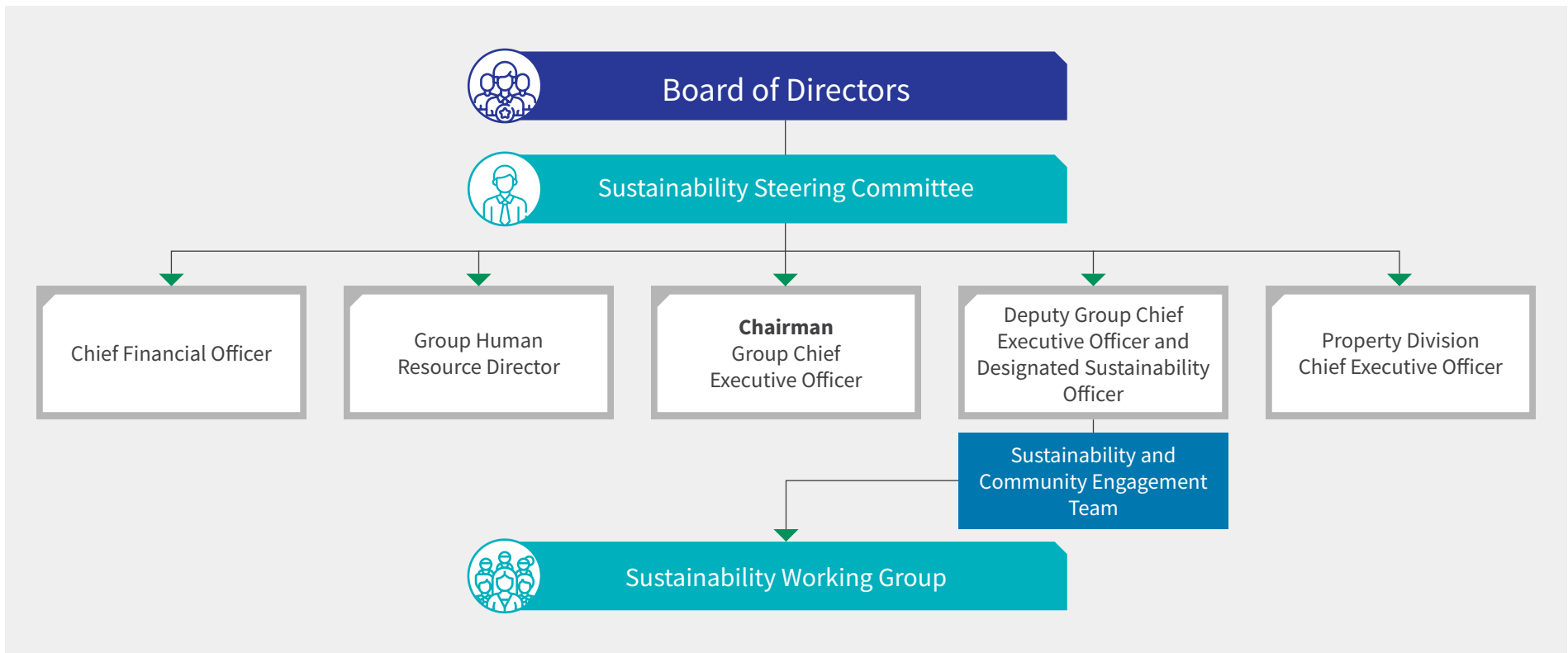
Full disclosures can be found in the Statement on Risk Management and Internal Control in Paramount's Annual Report 2023.

SUSTAINABILITY GOVERNANCE

Sustainability Governance Structure

A two-tiered sustainability governance structure drives sustainability within the Group. The first tier consists of the Sustainability Steering Committee (**SSC**) chaired by the Group CEO, followed by the Sustainability Working Group (**SWG**). The SWG reports to the SSC and in turn, the SSC is accountable to the Board. Paramount’s sustainability governance structure is integrated into the overall corporate governance of the Company.

In 2023, a dedicated Sustainability and Community Engagement team reporting to the Deputy Group CEO who is the Designated Sustainability Officer (**DSO**) was set up to facilitate and monitor the progress of all sustainability-related tasks and initiatives on a day-to-day basis.



SUSTAINABILITY GOVERNANCE

Roles and Responsibilities

Board of Directors

The Board of Paramount is the governing body to provide effective leadership in requiring the integration of sustainability considerations into the business strategies, business plans and decision-making process of the Group. To this end, the Board sets key performance indicator **(KPI)** targets for the Company’s Executive Directors **(EDs)** in meeting the Group’s sustainability goals and conducts yearly assessment of the EDs’ performance in meeting those KPIs.

To further reinforce Paramount’s commitment to sustainability, performance targets have been linked to remuneration for the Group CEO and Deputy GCEO since 2022.

Sustainability Steering Committee (SSC)

The SSC comprising the key senior management of Paramount is the driving force to ensure that appropriate sustainability considerations are embedded in the long-term strategic plans and mid to immediate term business plans of the Group.

The key functions of the SSC, led by the Group CEO, are as follows:

- i) Evaluate the Group’s sustainability risks and opportunities.
- ii) Formulate sustainability strategies, identify sustainability priorities and commitments, and set sustainability goals and/or targets for the Group.
- iii) Allocate resources for the execution of sustainability strategies and implementation of sustainability initiatives/projects.
- iv) Monitor the progress of those initiatives/projects, and report their effectiveness to the Board.

Sustainability Working Group (SWG)

The Deputy Group CEO is the DSO to provide dedicated leadership to the SWG, which includes senior management personnel in the Group’s strategic business units. He is supported by the Sustainability and Community Engagement team to monitor the execution of sustainability strategies and plans, and to ensure that sustainability considerations are embedded in the day-to-day business activities of the Group.

The key functions of the SWG, led by the DSO, are as follows:

- i) Identify material sustainability areas, and recommend priorities to the SSC for the formulation of sustainability strategies.
- ii) Conduct feasibility assessment of sustainability initiatives/projects, and make recommendations to the SSC for consideration.
- iii) Implement the duly approved sustainability initiatives/projects.
- iv) Maintain regular communication with external and internal stakeholders to update the Group’s sustainability strategies, priorities and targets, where necessary.
- v) Compile all relevant data for reporting to the authorities and governing bodies, where necessary.



STAKEHOLDER ENGAGEMENT

Stakeholders play an important role in a company's long-term success. Key stakeholders can help companies make strategic decisions, minimise risks and grow their business.







Paramount engages with a broad range of stakeholder groups to identify material issues while providing the organisation with diverse perspectives which may impact our business.

Stakeholder Engagement Channels

Paramount is committed to engaging with our stakeholders through the different communications channels available. By understanding the impact of our business to stakeholders, we can better anticipate and meet their needs.

STAKEHOLDERS	ISSUES OF CONCERN	ENGAGEMENT PLATFORMS
<p>Employees</p> <p>The safety, health and welfare of our employees are fundamental to Paramount's performance and key to enhancing our human capital</p> 	<ul style="list-style-type: none"> • Company direction and performance • Remuneration and benefits • Professional development • Safety, health and well-being • Work-life balance 	<ul style="list-style-type: none"> • Annual performance appraisal • Talent development and training programmes • Employee Health and Wellness Programme • Townhall sessions by senior management • Employee sports clubs • TRIBE Community Portal (intranet) and Instagram
<p>Customers</p> <p>Delivering high quality products and services together with positive customer experience is our priority</p> 	<ul style="list-style-type: none"> • Product quality • Design and features • Customer service • Timely delivery • Defects rectification system 	<ul style="list-style-type: none"> • Websites and social media channels • Defects tracking mobile application • Customer Satisfaction Index (CSI) Survey • Product launches and roadshows

STAKEHOLDER ENGAGEMENT

STAKEHOLDERS	ISSUES OF CONCERN	ENGAGEMENT PLATFORMS
<p>Government, regulators and certification bodies</p> 	<ul style="list-style-type: none"> Compliance with all applicable local laws and regulations Compliance with specifications and requirements 	<ul style="list-style-type: none"> Briefings, consultations and dialogues Site visits and meetings
<p>Investors and Analysts</p> 	<ul style="list-style-type: none"> Financial performance Corporate governance Financial and non-financial disclosures Dividend payments 	<ul style="list-style-type: none"> Investor briefings by senior management General meetings of shareholders Corporate website Annual reports Media releases and interviews Announcements to Bursa Securities
<p>Banks</p> 		
<p>Media</p> 		
<p>Vendors and suppliers</p> 	<ul style="list-style-type: none"> Fair terms and conditions of contracts On-site safety and health Supply chain management 	<ul style="list-style-type: none"> Meetings and site visits Performance evaluations
<p>Community</p> 	<ul style="list-style-type: none"> Economic investment for local welfare Infrastructure enhancement Management of properties 	<ul style="list-style-type: none"> Partnerships and collaborations for community impact Consultation/dialogue with academics, non-governmental organisations (NGOs), and other businesses or organisations Website and social media

MATERIAL MATTERS

Materiality Assessment 2023

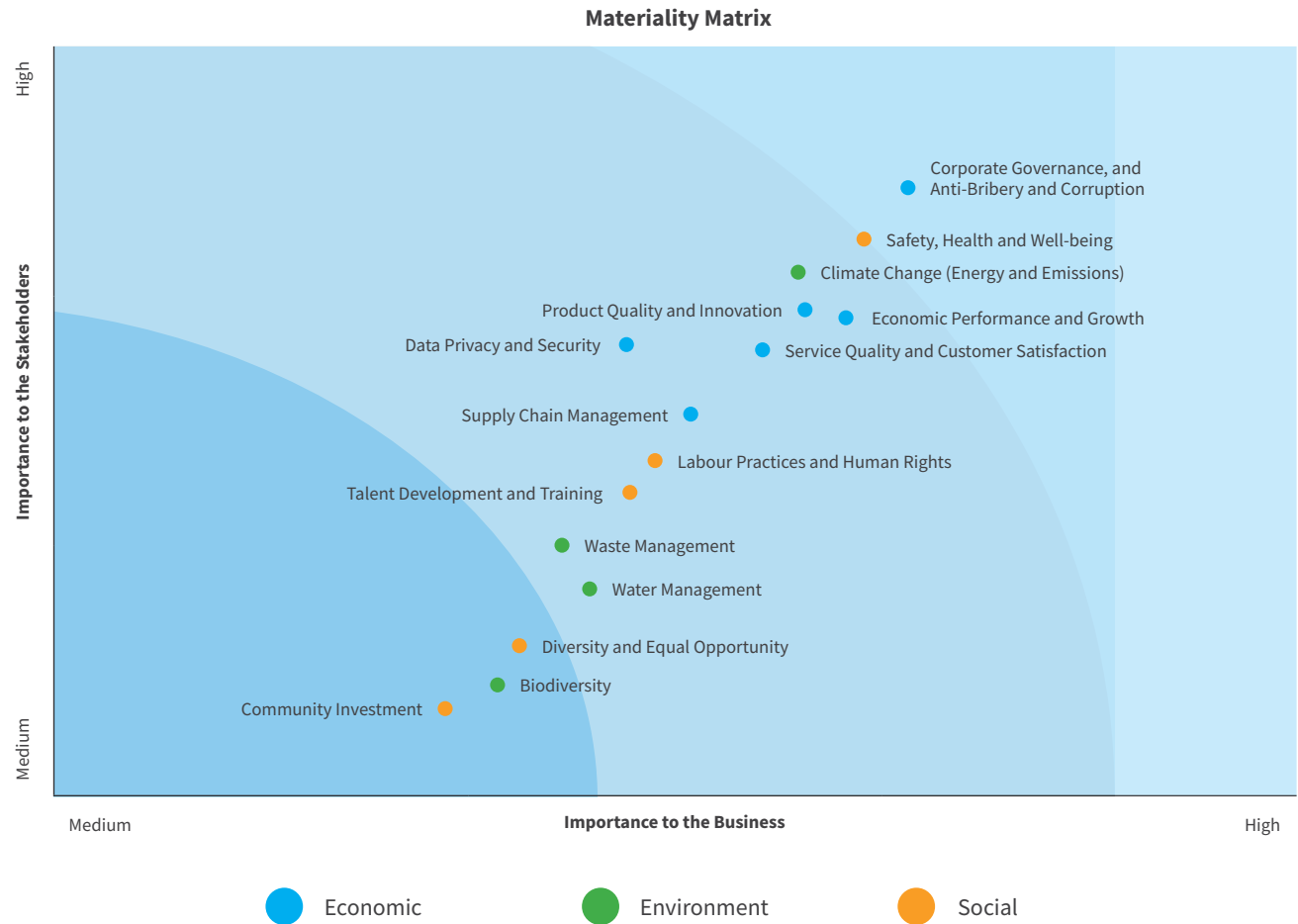
Paramount conducted our first materiality assessment in 2021 to review and prioritise identified economic, environmental and social matters which were of interest to the Group and our stakeholders. Through this exercise, 14 material matters were identified and reported.

This year, in the light of rapidly changing landscape pertaining to the macroeconomic climate as well as sustainability matters, Paramount deemed it necessary to reassess the list of material topics. This is aimed at ensuring better alignment with shifting stakeholder concerns and expectations.

To gather stakeholder feedback, online surveys were circulated to key stakeholder groups comprising **employees, customers, contractors and suppliers, bankers, analysts, fund managers and consultants**. A total of **361** responses were received.

Following this, a total of 15 identified material matters were reviewed and refined with the SSC.

Paramount plans to review materiality matters every two years to ensure continuous alignment with market trends and demands.



MATERIAL MATTERS

2023 Material Matters

Paramount’s 2023 Materiality Assessment shows some significant movement from the previous assessment, better aligning with the latest developments in the sustainability landscape as well as regulatory requirements.

Overall, the importance of ‘Corporate Governance, and Anti-Bribery and Corruption’ remains as the top material matter followed by ‘Safety, Health and Well-being’.

‘Climate Change’ is being included for the first time this year in line with the global push towards net zero emissions. It gained the most votes from both internal and external stakeholders as the top environmental issue, followed closely by ‘Energy Efficiency’*

‘Economic Growth and Performance’, ‘Product Quality and Innovation’ and ‘Service Quality and Customer Satisfaction’ remain as extremely important issues.

‘Supply Chain Management’ is another new addition being identified as a material matter for the first time in line with increasing regulations on SMEs to begin ESG reporting to support Scope 3 emissions disclosures.

15 Material Matters

Our ranking of 15 material matters (from high priority to moderate priority, as indicated in the table below) considered an evaluation of present trends, emerging risks and opportunities as well as actionable items for Paramount.

High priority issues	Priority issues	Moderate priority issues
Corporate Governance, and Anti-Bribery and Corruption	Service Quality and Customer Satisfaction	Labour Practices and Human Rights
Safety, Health and Well-being	Supply Chain Management	Talent Development and Training
Climate Change (Energy and Emissions)	Data Privacy and Security	Diversity and Equal Opportunity
Product Quality and Innovation	Waste Management	Biodiversity
Economic Performance and Growth	Water Management	Community Investment

PILLAR 1

BUILDING ECONOMIC RESILIENCE

A company’s long-term financial security is an important part of the overall goal of sustainability. Sustainable businesses deliver financial returns in the short and long term while generating positive value for society in the environment we operate within.

At Paramount, we have a track record of business resilience 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. Some of the ways we do this is by creating employment opportunities, contributing to community well-being and rewarding shareholders in the form of dividends.

More detailed information on the Group’s financial and operational performance can be found in Paramount’s Annual Report 2023.

MATERIAL MATTERS:



ECONOMIC PERFORMANCE AND GROWTH



DATA PRIVACY AND SECURITY



ANTI-BRIBERY AND CORRUPTION








SUPPLY CHAIN MANAGEMENT



BUILDING ECONOMIC RESILIENCE

Our Approach

Paramount’s ability to generate and preserve value for our stakeholders provides the parameters we use to define our business performance. We serve our stakeholders through various approaches.

Stakeholders	Value created
Shareholders 	We create value for our shareholders in the form of dividends, and this is governed by the Group’s Dividend Policy. The policy commits the Group to no less than 20% of the Company’s profit attributable to ordinary equity holders and we have, over the past five years, paid out more than the 20% minimum threshold.
Customers 	By developing quality properties at good locations, we enable homeowners to own assets which will appreciate in value over time. This builds equity and boosts net worth which will in turn stimulate the economy.
Employees 	In addition to creating value through competitive remuneration, we also create value by investing in the professional development of our employees. Simultaneously, we create a conducive and engaging workplace to help employees realise their purpose and career goals.
Suppliers 	We rely on third party products and services to ensure smooth daily operations and create value for our suppliers through the procurement of their products and services. We are aware of the importance of co-value creation and establishing strong relationships with local suppliers.
Community 	Approximately 1% of our profit after tax in cash or in kind has been pledged towards the funding of corporate social responsibility activities. These activities are aimed at creating a long-lasting, positive impact that will enrich our local communities.

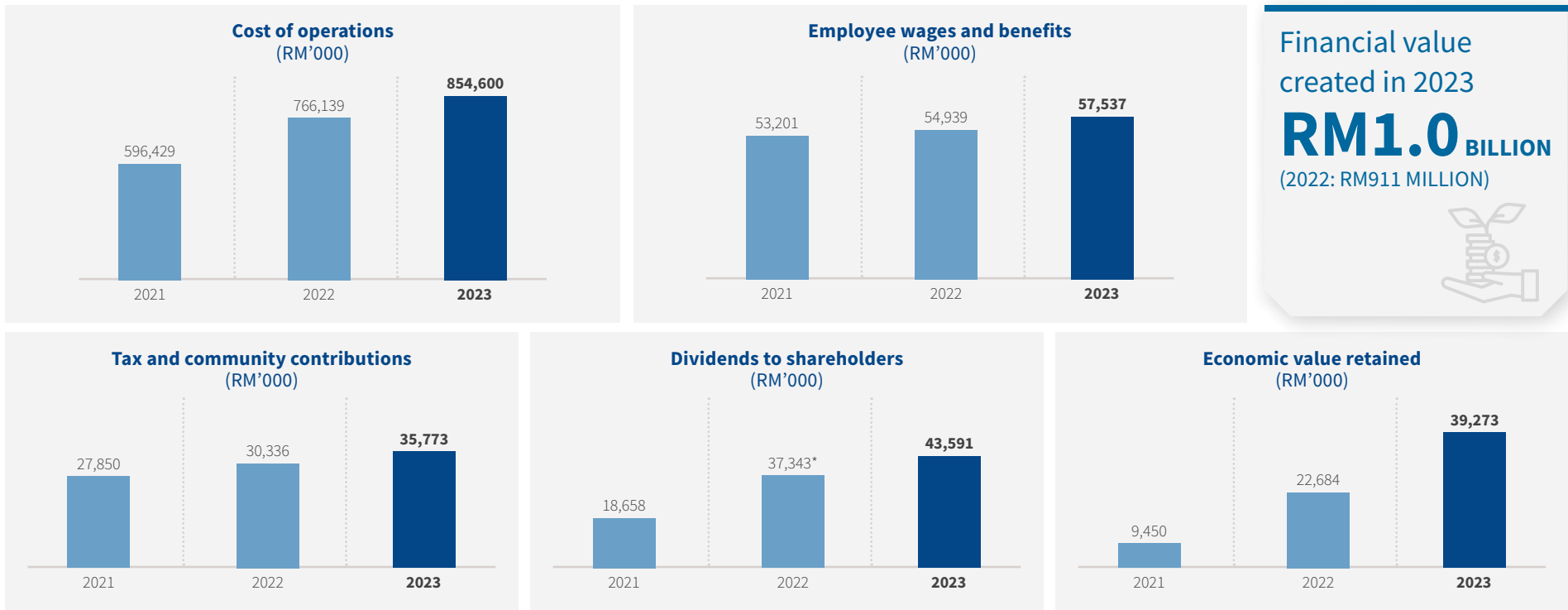
BUILDING ECONOMIC RESILIENCE



ECONOMIC PERFORMANCE AND GROWTH

Our Performance - Economic Value

Paramount is focused on ensuring that our products and services generate long-term value creation for our stakeholders. Hence, we strive to build ecosystems that enable job creation while promoting social growth. By doing so, we contribute to the local economy and elevate living standards over the long run.



* Excluding the special dividend of RM74.73 million paid out of the extraordinary gains from the sale of our pre-tertiary education assets.

BUILDING ECONOMIC RESILIENCE



HIGHLIGHTS

Co-labs Coworking expands to solidify position in coworking space

In 2023, Co-labs Coworking scaled up operations by close to 37,000 sq ft to hit 152,000 sq ft, making it one of the top three coworking space providers in Malaysia in terms of size.

Co-labs expanded its existing space at Tropicana Gardens Mall in Kota Damansara, Selangor, by 7,000 sq ft and launched a new space of 30,000 sq ft at Menara KEN TTDI in Kuala Lumpur.

The expansion captures the growing market demand for coworking space in Malaysia, due to changes in post-pandemic work requirements.



Co-labs Coworking KEN TTDI is Paramount's first MSC-status coworking space and is at a Platinum-rated green building.

BUILDING ECONOMIC RESILIENCE

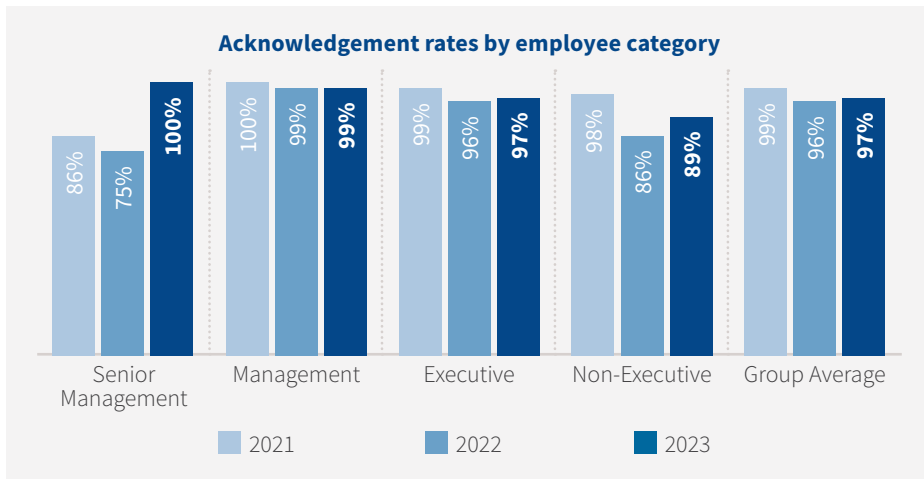


ANTI-BRIBERY AND CORRUPTION

Since 2020, Paramount has embarked on the implementation of our 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 contributions in-kind to political parties, party officials or candidates for political office.

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

All new employees undergo an induction programme where they are required to familiarise themselves on the Group’s ABC Policy and Guidelines. Furthermore, all employees are required to read and understand the said Policy and Guidelines annually to indicate compliance. The acknowledgement rates by employee category are as follows:



Additionally, the ABC Policy together with the Malaysian Anti-Corruption Commission (**MACC**) Act 2009 continues to be cascaded to Paramount’s supply chain who are required to acknowledge receipt of Paramount’s ABC Policy that highlights our zero tolerance to bribery and corruption. This best practice is being observed across the Group’s business divisions. On this note, we are pleased to report that there were no reported cases over the last three years.

More details on Paramount's ABC Policy is available on the Company's corporate website www.pcb.my, in addition to a Whistleblowing channel for reporting of any violation of this Policy.

Zero reported cases pertaining to Anti-Bribery and Corruption in 2023



BUILDING ECONOMIC RESILIENCE



DATA PRIVACY AND SECURITY

Data Privacy

Paramount has a Privacy Policy which informs stakeholders on how we collect and manage personal data in compliance with the Personal Data Protection Act 2010. This policy is available to the public on our corporate website.

Cybersecurity

With cyber-attacks becoming more prevalent, Paramount is constantly looking out for gaps and identify areas in our cybersecurity system that needs to be enhanced to remain vigilant against cyber threats. To this end, in 2023, we undertook several initiatives to strengthen our security controls and processes, such as:

Ensuring that sensitive data is encrypted to safeguard critical information

Enhancing data recovery strategies and measures such as data backup are implemented

Conducting network penetration tests

Facilitating employee education on security awareness and staying vigilant against potential threats

Material Breaches or Complaints

There were no material breaches or substantiated complaints concerning cybersecurity or customer privacy over the past three years.

Zero major cybersecurity breach in 2023



BUILDING ECONOMIC RESILIENCE

SUPPLY CHAIN MANAGEMENT

Paramount relies on a wide array of companies to supply us with goods and services that reflect their core competencies and complements our strengths. Our diverse supply chain comprise consultants, main contractors, subcontractors, vendors and subject matter experts, many of whom have been working with us for a long time. These relationships translate to better understanding of customer needs and enhances our ability to deliver better value proposition to our customers.

We are committed to practising responsible procurement and believe in prioritising local businesses and providing business opportunities to SMEs. We believe that in doing so, we can improve livelihoods and maintain a healthy economic growth within the country.

In 2023, 99% of Paramount’s procurement budget remained with local suppliers in the markets where we operate. This is because we are able to generate socio-economic benefits for local supply chains including employment opportunities which in turn creates more resilient local communities.

In 2023, Paramount has **99% direct** dealings with **local suppliers.**



Responsible Procurement

We ensure that our procurement practices are fair and transparent and award tenders to the most suitable suppliers. In line with this, we have adopted an e-Procure system to streamline processes while increasing transparency and accountability. All suppliers engaged by the Group must comply with our policies and standards such as quality control and compliance with the relevant laws and regulations.



PILLAR 2

DELIVERING EXCELLENCE IN PRODUCTS AND SERVICES

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

In line with this philosophy, we are committed to delivering quality and innovation while ensuring compliance with safety requirements in all our projects. We also surround ourselves with professional and ethical partners who hold themselves to high standards. This enables us to continue building ecosystems which help our communities generate economic and social growth.

Ultimately, we are in the business of changing lives and enriching communities, and know that when we deliver on our promises, we gain trust, and this will help us achieve long-term success and continuity.

MATERIAL MATTERS:



PRODUCT QUALITY



**VALUE CREATION
AND INNOVATION**



**SERVICE QUALITY AND
CUSTOMER SATISFACTION**



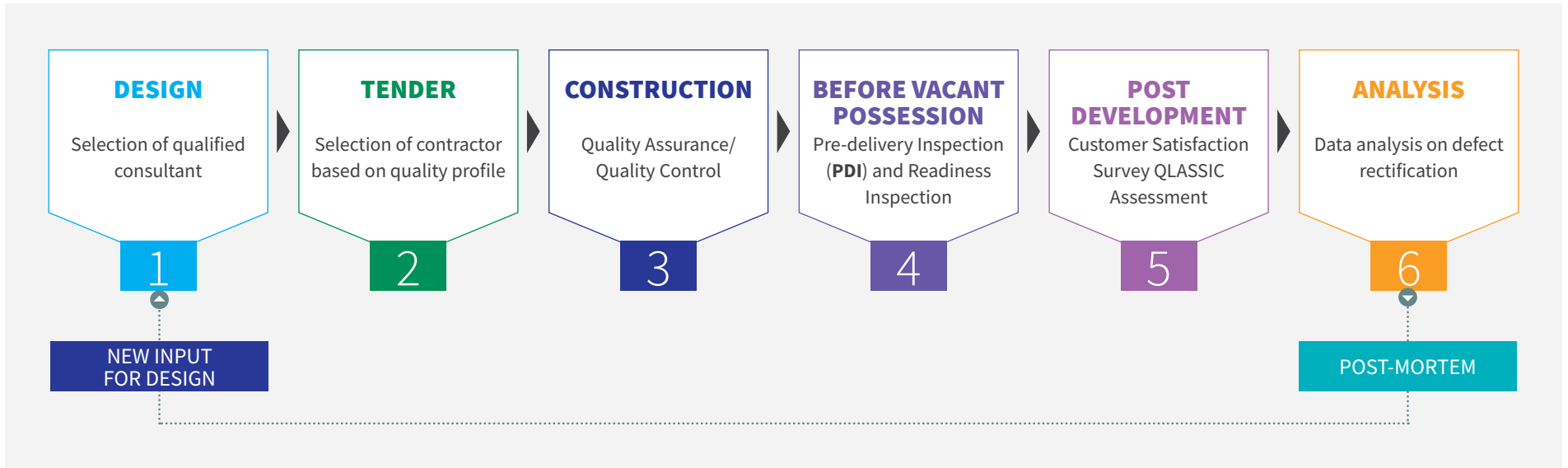
DELIVERING EXCELLENCE IN PRODUCTS AND SERVICES



PRODUCT QUALITY

Benchmarking 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 systems by adhering to ISO 9001:2015 which enables us to deliver products that meet stringent requirements in quality and workmanship.



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

DELIVERING EXCELLENCE IN PRODUCTS AND SERVICES

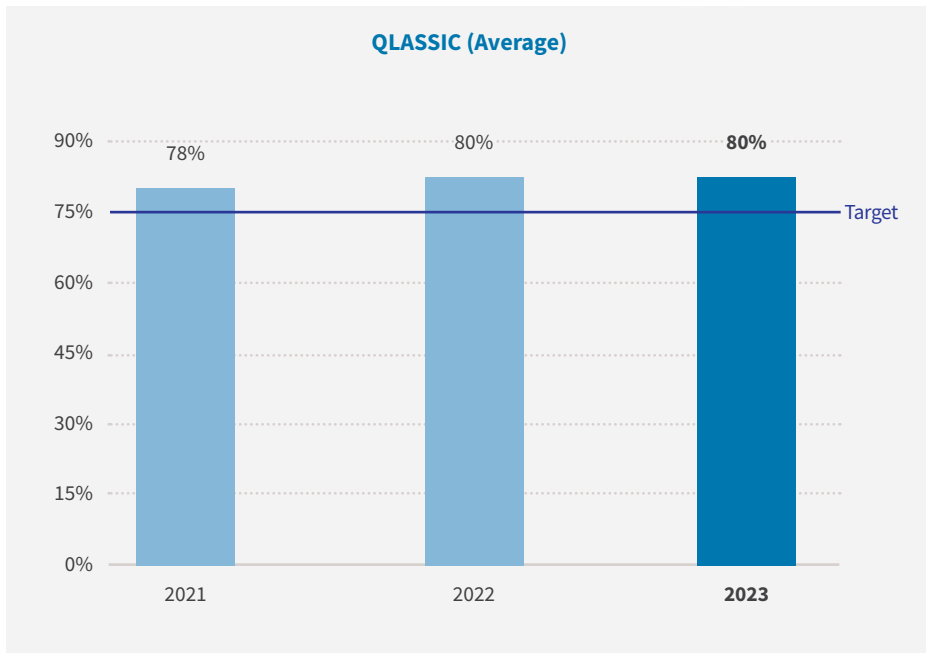
QLASSIC

The 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 standards of high quality, Paramount has set QLASSIC score targets of 75% and above which we have consistently maintained over the years.

In 2023, we achieved an average score of 80% for eight projects assessed.

Average
80%
QLASSIC score
in 2023



Identify and Understand Market Needs

Market feasibility is conducted before the design stage to identify market needs. Our property teams refer to customer feedback during the design process to ensure continuous improvement from a customer perspective.

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 with Structural and Architectural Quality Assessments conducted monthly on work progress at project sites.

A software is used to generate a non-conformance reports (NCR) to track non-conformance and corrective measures using a centralised, cloud-based platform. This reduces the risk of duplicate data entries, human errors and reduces turnaround time for rectification work, if needed.

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 and 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.

Commitment to Defect Rectification

The property team is empowered to ensure that the speedy and full rectification of defects are completed to our customers' satisfaction. Even after the completion and issuance of QLASSIC certificate, we continue to rectify all detected defects before handing the units over to our Customer Care Department. A post-handover data analysis of defects rectification is further conducted for continuous improvement purposes.

DELIVERING EXCELLENCE IN PRODUCTS AND SERVICES



VALUE CREATION AND INNOVATION

Paramount Property strives to be *The People’s Developer*, creating spaces that will truly make lives better for all. Value creation and innovation forms the backbone of everything we strive to achieve, driven by market demand and increasingly stiff competition. The common denominators among all Paramount products include locations of high convenience and value appreciation potential, quality workmanship, and designs that resonate with our target market’s demands and needs.



Greenwoods Seraya

These townhouses are designed with the new concept of space definition. Corner units come with pocket gardens (one for the upper unit, and one for the ground unit).

Greenwoods Seraya is ideal for parent-child, siblings, extended family or even friends who would like to live close to each other with the added privacy.

Unique Selling Features



Versatile



Flexible



Functional spaces

DELIVERING EXCELLENCE IN PRODUCTS AND SERVICES



Paramount Palmera

This expandable warehousing space includes a mezzanine, 9m clear height that maximises space utilisation with an extra wide sliding gate can help scale business operations to another level.

Unique Selling Features



Versatile



Flexible



Functional spaces



Sejati Lakeside 2

Every semi-detached unit come with a minimum of 14-feet extra land on the side to cater for new needs of multi-generational families, providing more flexibility in terms of renovations. The open plan layouts enable residents to maximise space usage, allowing free flow of natural light, sight lines, and ventilation.

Unique Selling Features



Homes that grow with the family



Other Features

The maintenance fee at some of our developments are comparably lower than their neighbouring developments. For example, maintenance fees at Sejati Lakeside's double-storey terraces sized from 2,546 sq ft to 2,584 sq ft are at least 50% lower, at around RM100 to RM200 per unit per month. Meanwhile, at our Berkeley Uptown development in Klang, maintenance charges are calculated based on 30 sen psf.

Unique Selling Features



Lower maintenance fees

DELIVERING EXCELLENCE IN PRODUCTS AND SERVICES

HIGHLIGHTS



Paramount continues winning streak with property awards

It was another great year for Paramount when we were recognised at the StarProperty Awards, BCI Asia Awards and the Star-FIABCI Malaysian Developer Awards. Paramount also maintained our 12th position in The Edge Property Excellence Awards 2023, punching above our weight once again as we ranked 9th under the Best in Qualitative Attributes sub-awards.

DELIVERING EXCELLENCE IN PRODUCTS AND SERVICES

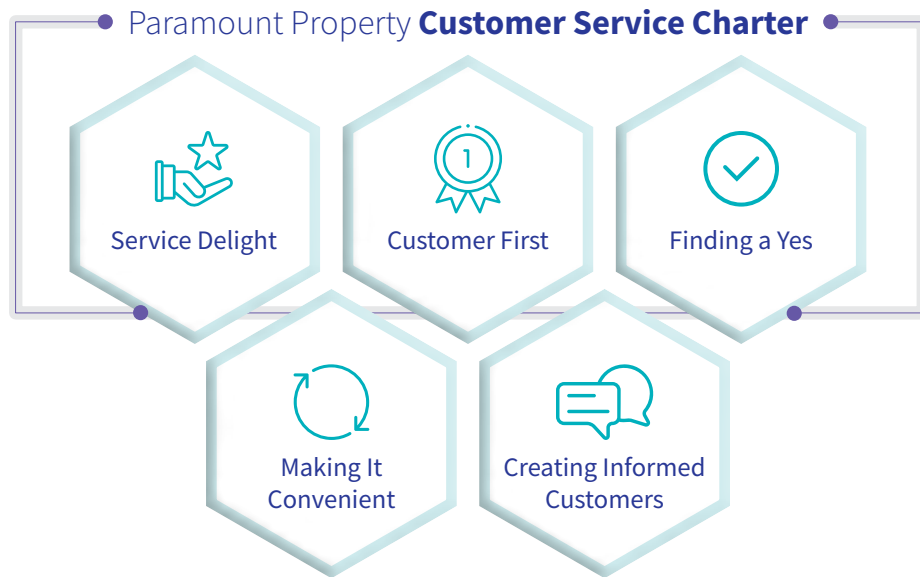


SERVICE QUALITY AND CUSTOMER SATISFACTION

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

Since 2016, Paramount Property has abided by a Customer Service Charter with five core values to guide us in our journey.

We believe that these core values fulfil customer expectations while serving to reinforce the promise of Paramount as a customer-oriented company which places people first.



DELIVERING EXCELLENCE IN PRODUCTS AND SERVICES

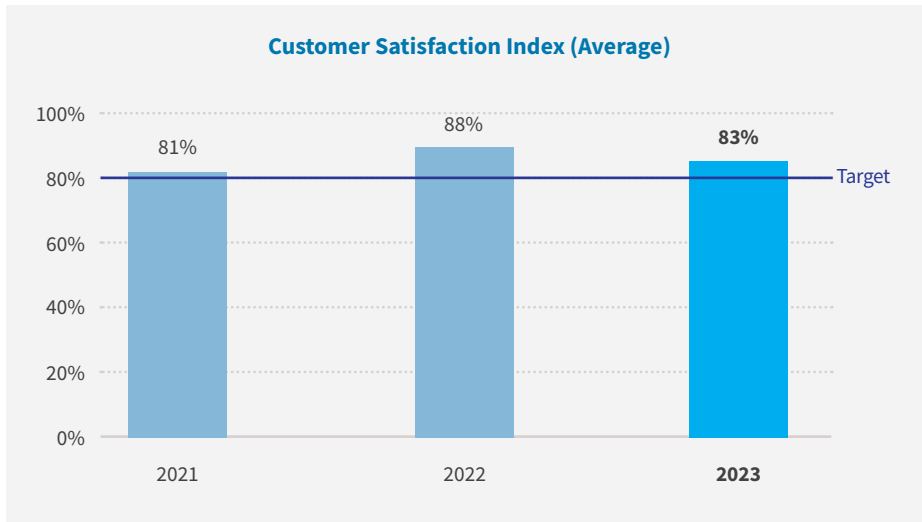
Customer Satisfaction

Paramount Property

At Paramount, the customer journey is something we pay a lot of attention to. For one, we have set up various customer care offices within our property developments to offer convenience to our customers who need to see us. At the same time, we have also been known to go the extra mile, even well after the delivery of vacant possession period.

In our Property Division, one of the ways we listen to our customers and gauge satisfaction levels towards our products, services and amenities/facilities is through surveys. From here, we derive results which form our Customer Satisfaction Index (CSI).

In 2023, we achieved an average CSI score of 83% across our property division, thus meeting our annual target of 80%.



Paramount Property

Average **83%** CSI score in 2023.



Co-labs Coworking

Over the past three years, Co-labs Coworking has been tracking member satisfaction levels using online surveys. In 2022, an overall rating of 87% (2021: 81%) was achieved, exceeding the internal target of 80%.

In 2023, Co-labs Coworking began using Google Reviews, which is updated monthly, instead of conducting a Customer Satisfaction Survey annually as previously practised.

The method ensures more timely feedback from members and enables the team to address any gaps more quickly. Feedback is sought for space, amenities, customer service and improvements with a target of 4.8 stars ratings and above.



2023 Google Reviews 	
Location	Ratings
The Starling	4.7 stars
The Starling Plus	4.5 stars
Sekitar 26	4.7 stars
Naza Tower	4.8 stars
Tropicana Gardens	4.9 stars

PILLAR 3

ENSURING RESPONSIBLE ENVIRONMENTAL MANAGEMENT

As Paramount’s activities have direct and indirect impact to the environment, safeguarding it is key in our business processes. We recognise the potential impact of our property development business to the environment and understand that our design choices can minimise the environmental impact through the incorporation of eco-friendly materials, energy-efficient systems, and sustainable practices.

To this end, Paramount is committed to minimising these impacts by managing our natural resources better, reducing pollution, and conserving green spaces where possible to ensure everyone gets to enjoy our planet for many years to come.

In 2023, Paramount had zero incidents of non-regulatory compliance on environmental matters. The Group did not incur any environment-related monetary fines or have to shut down any operational site, nor did we receive any non-monetary censures or warnings.

MATERIAL MATTERS:



**CLIMATE CHANGE
(ENERGY AND EMISSIONS)**



WASTE MANAGEMENT



ENERGY MANAGEMENT



BIODIVERSITY



WATER MANAGEMENT



ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Our Approach

Paramount supports the UN SDGs and the global transition to a net zero economy. All our property sites continue to be accredited with ISO14001:2015 in strict compliance with related laws and regulations.

As a responsible property developer, we commit to the following principles to ensure responsible and sustainable environmental management.



Compliance with applicable environmental legislations and requirements.



Implementation of sustainable practices to ensure responsible management of our natural resources including reduction of GHG emissions, energy, water and waste



Integration of environmental considerations in the planning, design, construction, operation and maintenance of properties under our property portfolio.



Prevention of pollution including ensuring that we implement controls to prevent fire hazards, open burning, dust control, noise pollution, construction waste at our construction sites.



Raising awareness among our employees about the importance of environmental protection.



Collaboration with relevant stakeholders to increase awareness and improve environmental performance.

ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT



CLIMATE CHANGE AND EMISSIONS

Paramount acknowledges that climate change poses a significant business risk and is actively working towards aligning our business model to reduce environmental impact within our direct business operations. Additionally, Paramount’s 2023 materiality review has confirmed that climate change is high priority for the business and hence, highly significant for the Company to achieve the most effective sustainability outcomes.

Laying the Foundation

Paramount’s carbon emissions reduction efforts are newly initiated, with emissions measurement commencing only in 2023. However, we are proactively making plans to underscore our commitment to addressing emissions as part of our climate action responsibilities.

In establishing the operational boundary for our GHG emissions inventory, consideration was given to businesses which are owned and/or occupied and/or within the operational control of Paramount. Specifically, this refers to Paramount Property and its entities including offices, sales galleries, construction sites, and the Utopolis Marketplace mall, as well as Co-labs Coworking spaces and Dewakan.

However, the reported data currently does not include the construction sites of several developments, namely ATWATER, Utopolis Batu Kawan and Paramount Palmera, which are totally outsourced to external contractors. Nevertheless, moving forward we endeavour to include this type of data in our future reporting under Scope 3.



ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Scope of Emissions and Baseline

In 2023, the categories of emissions tracked include:

- Scope 1** which encompasses emissions directly produced from activities under the organisation’s control, primarily arising from fuel consumption.
- Scope 2** comes from indirect emissions arising from electricity consumption.
- Scope 3** which covers indirect emissions from activities not owned or operated by Paramount including water, waste, employee commuting and business travel.

However, we will only be disclosing Scope 1 and Scope 2 emissions data, which has received third party verification (refer to Verification Statement for GHG Emissions on page 93). Based on this, we have established a 2023 baseline of 5,640.99 tCO₂e or 1,529.43 kgCO₂e/m² for Scope 1 and Scope 2.

Moving forward, we will continue to review the boundaries while refining the data collection processes for our Scope 3 emissions, and endeavour to provide an expanded disclosure in the next reporting period.

GHG EMISSION SCOPES	2023 (tCO ₂ e)
SCOPE 1	389.85
SCOPE 2	5,251.14
TOTAL EMISSIONS	5,640.99
TOTAL INTENSITY (kgCO₂e/m²)	1,529.43

Unit of measurement:

kgCO₂e/m² = kilograms of carbon dioxide equivalent per metre square



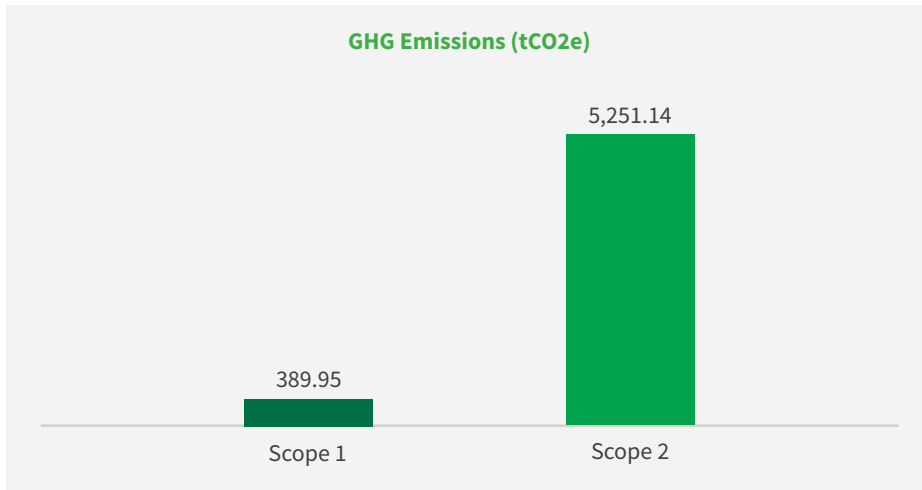
ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Methodology

In establishing Paramount’s GHG inventory, emissions were measured following the Greenhouse Gas Protocol Guidance and is aligned with ISO 140641-1.

The primary methodology employed for data collection and emissions calculation involves multiplying GHG activity data by appropriate GHG emissions factors and global warming potential (GWP).

Based on our current operational boundaries, the largest source of emissions is energy usage (Scope 2).



Notes:
2023 data includes energy, water, and waste data from construction sites, sales galleries, Utropolis Marketplace, and Dewakan (fuel and energy only).

Challenges and Opportunities

Due to the complex nature of our business, there were some challenges in normalising certain data sets. This is because our energy and water consumption depends on the number and scale of construction sites and sales galleries which are operational in any given year. Furthermore, the nature of the different businesses across the Group (property, coworking, retail and F&B) means different types of measurements need to be considered.

In spite of the challenges, we recognise that we have a responsibility to contribute towards carbon emissions reduction. Hence, we are taking a phased approach to progressively review and refine our action plan while continuously improving our data collection processes. This is to ensure we can develop more detailed and actionable measures which can support our emissions reduction goals.

ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Green Buildings

Green building standards are holistic frameworks that emphasise resource efficiency, reduced environmental impact, and enhanced occupant well-being. These standards affirm the quality of our properties. It also serves as an external validation that we have considered key environmental aspects in our project design, development and operations.

Paramount uses both the Green Building Index (GBI) and GreenRE rating systems to assess the environmental performance of our buildings. Paramount received our first provisional GBI certification in 2014 for the KDU University College building at Utropolis Glenmarie in Shah Alam, which was then converted into final certification in 2016. From there, we went on to secure two more green certifications for Wisma Paramount (GBI and GreenRE) in Sungai Petani in 2018 and Sri KDU International School (GreenRE) in Klang in 2021. Moving forward, we continue upholding our commitment towards green certification with a pledge to certify all high-rise and commercial projects, where feasible.

Paramount's commitment to **Green Certification** positions us to make a meaningful contribution towards achieving our national decarbonisation goals



2021

Arinna, Kemuning Utama, Shah Alam
GreenRE Bronze (Provisional)

ATWATER (Tower A), Petaling Jaya
GreenRE Bronze and MSC Status

ATWATER (Tower B), Petaling Jaya
GreenRE Silver and MSC Status



2022

The Atera, Petaling Jaya
GreenRE Silver (Provisional)



2023

The Ashwood, Kuala Lumpur
GreenRE Gold (Provisional)

Sinaran, Utropolis Batu Kawan, Penang
GBI Certified (Provisional)

Notes:

1. GBI is a profession driven initiative developed by Pertubuhan Akitek Malaysia (PAM) and the Association of Consulting Engineers Malaysia (ACEM)
2. GreenRE was established by Malaysia's Real Estate and Housing Developers Association (REHDA)

ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

HIGHLIGHTS

The Ashwood: Green living in the heart of the city

Following the resounding success of The Atrium in Kuala Lumpur, Paramount Property will be launching luxury development The Ashwood right next door. Strategically positioned along Kuala Lumpur’s distinguished Taman U-Thant, commonly known as the Embassy Row, this 3.59-acre freehold development will comprise condominiums, duplexes and villas.

Apart from its panoramic KL skyline views and resort-like facilities, The Ashwood has been designed with green building standards and has been awarded a provisional GreenRE Gold certification.

Once completed, residents will enjoy natural ventilation with natural daylight in units and common corridors, better energy efficiency with LED lights, smart home systems, and solar panels to power up common areas. Low-E glass windows will be installed to prevent heat gain and lower energy use. Electric Vehicle (EV) charging bays has also been allocated for the convenience of those with EVs.

Rainwater harvesting tanks will also be installed for landscape irrigation while aerated taps will be use in all toilets. Lush greenery at drop-off and facilities floor will contribute to better thermal comfort, while improving aesthetics and reducing noise, dust, and heat gain. At the same time, green spaces including a green park and community gardens will be provided for social interaction and community engagement.



Renewable energy to power common areas



Smart home systems to save energy



Centralised recycling bin



Water efficient fittings



Lush greenery at drop off and facilities floor



ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT



ENERGY MANAGEMENT

Paramount is committed to ensuring our processes are as energy and resource efficient as possible. We do this by making progressive improvements each year. In line with this, we also aim to increase the awareness of our employees on the importance of better energy management.

In 2023, we significantly expanded our scope of coverage and improved on our data collection processes across the Group. As a result, we have included data from construction sites, sales galleries and retail developments under the property division. This year, we have also included energy consumption data for Dewakan in our reporting disclosures for the first time.

This year, we set a new building energy intensity (BEI) target of 130 kWh/m²/year to benchmark our energy usage. We believe this is an ambitious target after considering that the MS 1525:2019* guidance sets a best practice benchmark of 200 kWh/m²/year for office buildings.

While we have managed to achieve a relatively low BEI for our offices and sales galleries, there is also a need to consider our restaurant which is an energy intensive business. According to a study by the United States (US) Energy Information Administration (EIA) restaurants in general consume four times more energy than other commercial businesses.

That said, we will continue to progressively find ways to improve our energy consumption for better tracking and management of our resources.

* A Malaysian Standard by the Sustainable Energy Development Authority (SEDA) on energy efficiency and renewable energy for non-residential buildings

Renewable Energy (RE)

In support of the government's RE push, Paramount is ready to leverage on the opportunities offered by falling costs of solar installations, improved financing options, government policy, and a heightened awareness of the environmental benefits of RE.

Moving forward, Paramount's new landed properties will be solar-ready, offering homeowners the flexibility to install a solar power system according to their individual requirements. Meanwhile, at high-rise developments, solar panels will be installed for use in common areas.

We believe this will bode well with potential customers seeing the growing awareness and acceptance of solar energy solutions among Malaysian households. Beyond financial savings, a greater penetration of rooftop solar photovoltaic panels from the currently low rate in Malaysia currently can reduce the overall reliance on carbon-emitting thermal power generation which will deliver significant environmental impact over the long run.

Electric Vehicle (EV) Charging Stations

With Malaysia setting a goal of having 100,000 EVs on the roads by 2030, Paramount's newly-launched landed homes will also be equipped to be EV-ready. This will provide greater convenience for those who have made the switch from petrol to electric. Additionally, our new high-rise developments will also have EV charging stations installed.

Moving forward, all Paramount's newly-launched landed homes will be **solar and EV ready.**



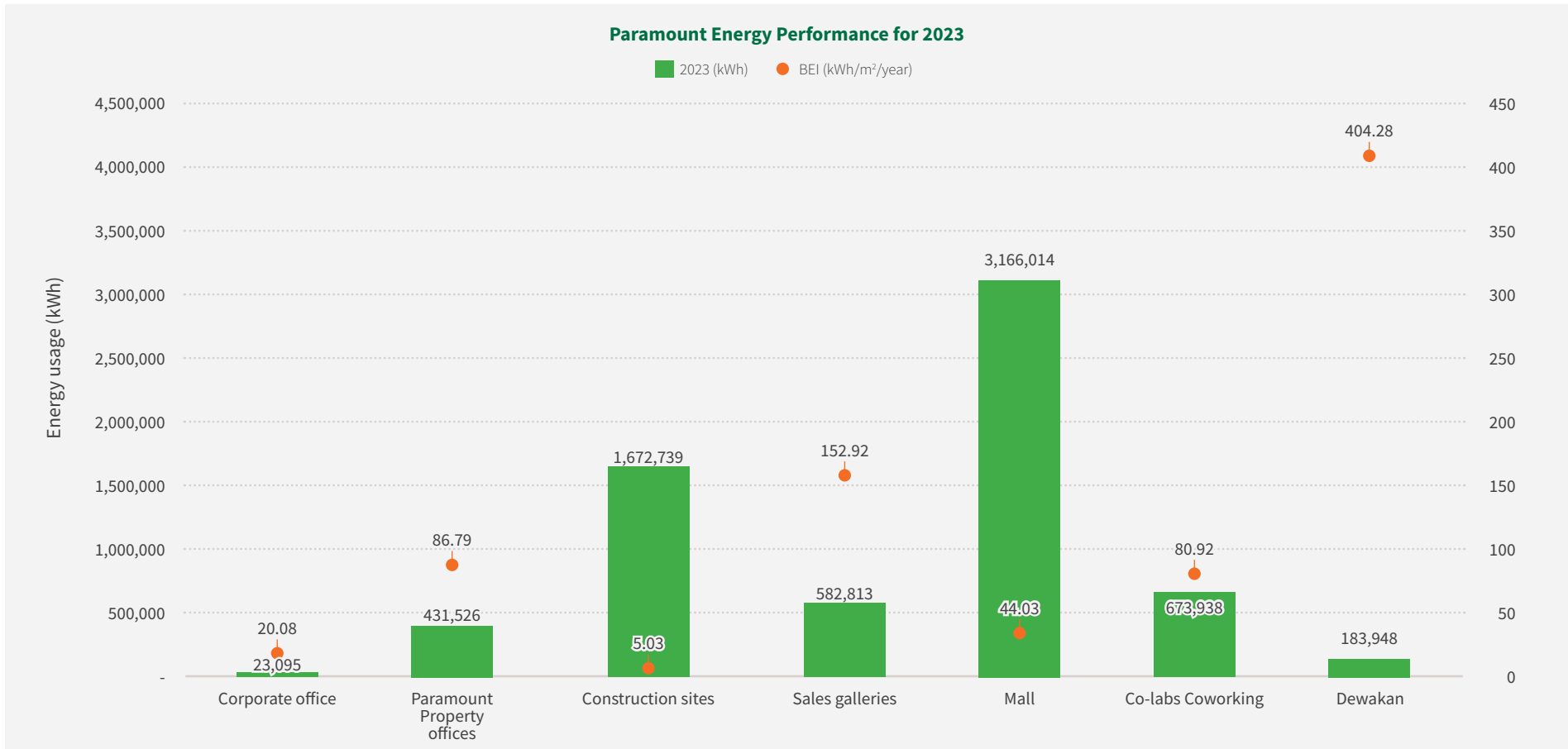
EV Incentive for Employees

To encourage the adoption of EVs, Paramount is providing a one-time incentive to employees who are making the switch from petrol to EV.

ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Our Performance - Energy

The total energy usage (kWh) across Paramount’s operations in 2023 amounted to 6,734,073 kWh, which is equivalent to an average energy intensity of 126.22 kWh/m²/year with the breakdown as follows.



ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

	2021 (kWh)	2021 (kWh/m ² /year)	2022 (kWh)	2022 (kWh/m ² /year)	2023 (kWh)	2023 (kWh/m ² /year)
Paramount Corporation Berhad						
Corporate office	18,826	16.37	23,209	20.18	23,095	20.08
Paramount Property						
Offices • Sekitar26 • Wisma Paramount • Utropolis Batu Kawan	223,324	60.5	460,075	85	431,526	86.79
Construction sites • 7 sites	-	-	1,057,373	-	1,672,739	5.03
Sales galleries • 5 locations	-	-	-	-	582,813	152.92
Mall	-	-	-	-	3,166,014	44.03
Coworking						
Co-labs Coworking • 5 spaces	394,928	56	605,235	69	673,938	80.92
Food and Beverage						
Dewakan	-	-	-	-	183,948	404.28

- Notes:
1. 2021 – The COVID-19 Movement Control Order 2.0 and 3.0 took place in 2021 which resulted in the closure of office spaces, hence lower energy usage.
 2. 2023 – Data collection expanded beyond offices to include construction sites, sales galleries and a retail mall under the Property Division.
 3. Construction data currently does not include the ATWATER, Utropolis Batu Kawan and Paramount Palmera project sites due to lack of data availability from external contractors.
 4. BEI is calculated based on total energy consumption of building by the total gross floor area (m²).
 5. Energy intensity for construction sites is calculated based on gross floor area constructed in a given year.
 6. This is the first year that Dewakan is disclosing its energy consumption data.
 7. Paramount's corporate office uses central air-conditioning in the building, the energy cost of which is borne by the landlord.

ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

HIGHLIGHTS

Solar panel installation at Wisma Paramount

In September 2023, Paramount achieved a milestone by installing a solar photovoltaic (PV) system at Wisma Paramount in Bukit Banyan, Sungai Petani. Wisma Paramount serves as the head office of Paramount Property - Northern Region (PPNR), and doubles up as a sales gallery. Already a Platinum-rated GreenRE building, this adds another feather to the cap for Paramount due to the numerous benefits reaped from solar installation, including lower ambient temperature, reduction in carbon emissions, optimisation of roof space and energy savings, which translate to lower utility costs over the long run.

This is in line with the Malaysian government's strategy to expand RE use in the country and its ongoing efforts to promote greater adoption of rooftop solar PV systems.



Reduce carbon footprint



Optimise existing roof space utilisation



Lower ambient temperature



Long term energy savings

ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT



WASTE MANAGEMENT

Improper waste management can have detrimental effects on air and water quality, and cause soil pollution which may spill over to surrounding communities. Being cognisant of this, Paramount places high importance on managing our waste, particularly from the construction sites.

Effective waste management remains one of the largest environmental challenges we face. To address this, Paramount manages our waste according to regulations, complying with the Department of Environment (**DOE**) requirements. We ensure that only qualified contractors are appointed to handle the scheduled waste for treatment. Moreover, we currently practise the Reduce, Reuse and Recycle (**3R**) principles and implementation of our waste management plan in our daily operations.

Paramount's Waste Management Process



ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Construction Waste

Our construction waste is managed in accordance with Paramount Property’s stringent process and procedures that comply with DOE’s requirements as well as industry best practices.

Hazardous waste is properly stored and labelled at our project sites and disposed of 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.

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



Site workers are tasked to segregate waste into several bins to reduce the amount of waste sent to landfills



Construction waste is separated into several bins to facilitate recycling

ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Our Performance – Waste Management

Type of construction waste	2021 (mT)	2022 (mT)	2023 (mT)
Scheduled waste	1.931	0.926	1.017
Construction waste			
• Disposed	-	10,291	6,907
• Recycled		3,188	3,433

Recycling Efforts

This year, we continued our partnership with Community Recycle for Charity (CRC), a non-profit, registered and government approved organisation, within the following developments.

- A CRC recycling bin was installed at the newly-handed over ATWATER Residences in Section 13, Petaling Jaya.
- Maintained CRC recycling bin at the Paramount Property headquarters at Sekitar26 Enterprise, Shah Alam collecting 163.8 kg of recyclable items.
- Organised three drive-through recycling events at Utropolis Marketplace, Shah Alam where 291.3 kg of recyclable items were collected.
- Organised an internal recycling campaign at our construction sites namely, The Atera and Sejati Lakeside 2.

Additionally, we also initiated a pilot at the office of Paramount Property at Sekitar26, Shah Alam, to monitor general waste as well as the amount of paper which is recycled. From here, we managed to recycle 199 kg of paper. This approach will be further refined with the aim of replicating this effort in other offices.



▶ Paramount Property has installed a recycling bin at Sekitar26 Enterprise in Shah Alam as well as ATWATER Residences in Petaling Jaya



▶ Utropolis Marketplace regularly organises recycling days for the benefit of its customers, tenants and the surrounding communities



▶ Our Environment, Safety and Health team organised a recycling campaign in conjunction with the launch of Sustainability Day at the Sejati Lakeside 2 site in November 2023

ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

HIGHLIGHTS



Collaboration with UOW Malaysia and Sustainable Buildings Research Centre, Australia

In 2023, a collaboration was initiated among the School of Engineering at University of Wollongong Malaysia (**UOW Malaysia**), the Sustainable Buildings Research Centre (**SBRC**) at the University of Wollongong Australia, and Paramount, to explore sustainable construction waste solutions at our sites.

The initial stage of this collaboration involved a site visit by UOW Malaysia lecturers and students to one of Paramount's construction sites. This was to better understand the requirements of the research.

The SBRC is a multi-disciplinary facility housed on the University Wollongong campus in Sydney. It aims to be a leader in ideas and solutions that address the challenge of transforming our buildings and built environment into sustainable, resilient and effective places in which people live and work.



ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Sustainable Materials

In our journey towards being green and sustainable, we use environment friendly materials and systems, where feasible to reduce our embodied carbon emissions while improving the operational efficiency of the overall development.

We have undertaken initiatives to reduce our consumption of virgin materials by reusing items that can be repurposed as much as possible. For instance, we use system formworks and prefabricated components where possible, such as lightweight aerated concrete blocks, steel trusses and pre-packed pre-mixed mortar across our developments. We also use low volatile organic compounds paint.

Moving forward, we aim to progressively increase our usage of more sustainable materials as we move forward in our journey of embracing a circular economy.

Industrialised Building System (IBS)

The adoption of IBS is aimed at transforming our construction practices to be more efficient and sustainable by minimising material wastage, increasing quality and safety as well as reducing dependency on foreign labour.

This year, the following projects utilised IBS with the scores below:

Projects	IBS score by CIDB (% of usage)
Sejati Lakeside Phase 3	56
Berkeley Uptown Resi 1	45
Sinaran, Utropolis Batu Kawan	55



UTILISATION OF ROBOTICS

The use of robotics in hacking work and bobcats to clear debris are also enabling us tackle manpower shortage.

UTILISATION OF ALUMINIUM FORMWORKS

We use aluminium formworks systems which can be reused, thereby reducing construction waste disposal costs and generating cost savings instead. In addition, this also enhances the safety and health of our workers.



ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT



WATER MANAGEMENT

At Paramount we believe that prudent water management can lower operational costs, minimise environmental impact, and create more sustainable and resilient buildings that will increase in value. We are also committed to ensuring that we do not contribute to the pollution of water bodies such as drains and rivers, by ensuring that all effluents are within the permissible levels set by the DOE.

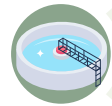
The primary usage of water is at our construction sites, where water supply is obtained from the national water utility company. Hence, we are constantly exploring alternative water sources. For instance, we draw water from the retention ponds at Bukit Banyan for landscape watering purposes to reduce dependency on clean water supply. For this reason, we also store rainwater at construction sites for cleaning purposes.

Understanding the importance of proper maintenance, 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. In our newer developments, we install rainwater harvesting systems for usage in common areas while across our developments, the homes we build are fitted with water-efficient fittings such as water savings tap aerators, and dual flush water systems.

We are committed to implementing water conservation initiatives and raising employee awareness on proper water management across our premises.



Install rainwater harvesting systems for common area usage including cleaning and watering landscape



Draw water from retention ponds at landed developments for watering landscape to reduce clean water usage



Reduce water wastage through regular maintenance for leakages while regularly inspecting and servicing water pumps, valves and piping systems



Install water-efficient fittings such as water savings tap aerators, and dual flush water systems



Raise internal awareness on the importance of water savings

ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

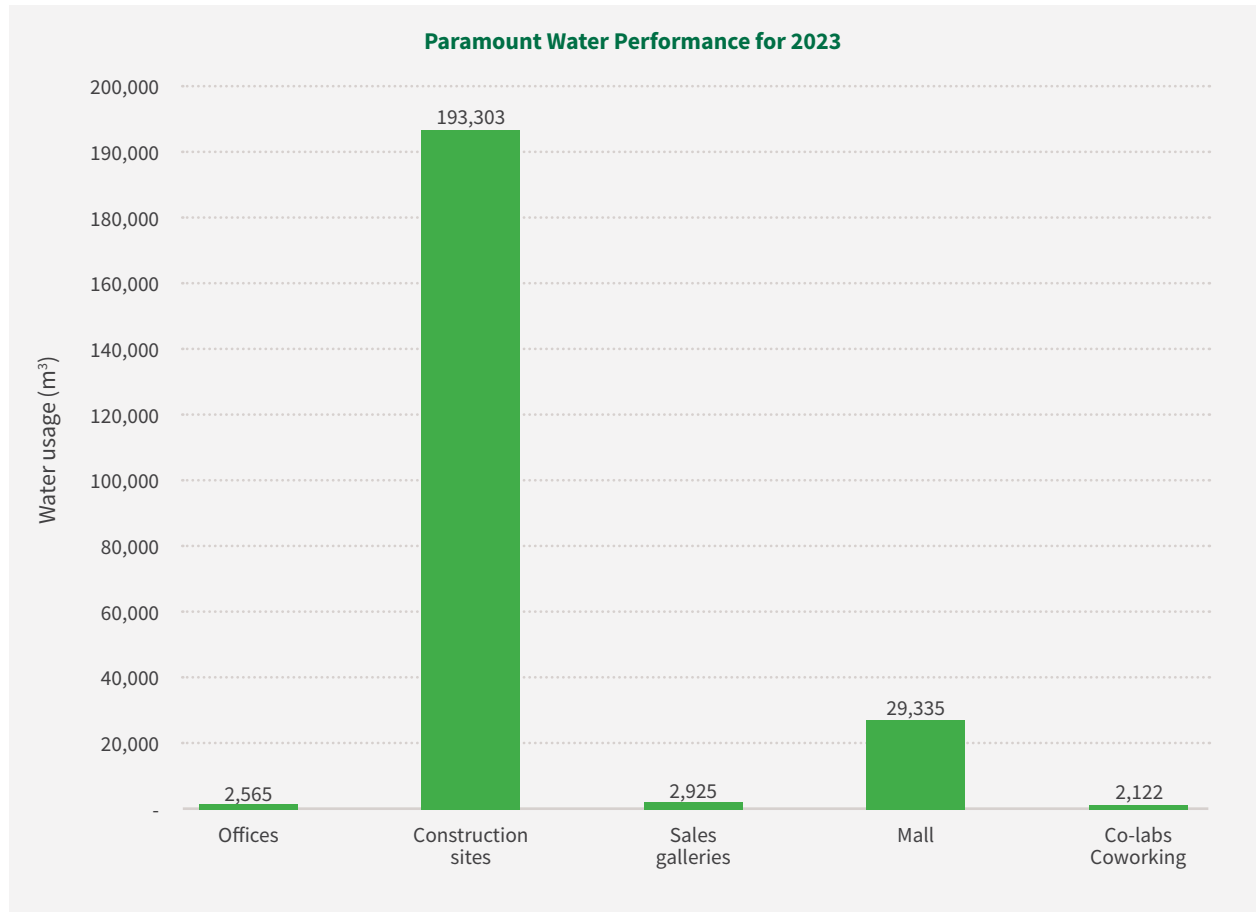
Our Performance - Water

Water consumption across Paramount operations amounted to 230,250 m³ per year with the breakdown in 2023 as follows.

Operations	2021 (m ³)	2022 (m ³)	2023 (m ³)
Paramount Property			
Offices	1,194	1,997	2,565
Construction sites (7)	-	-	193,303
Sales galleries (5)	-	-	2,925
Mall	-	-	29,335
Coworking			
Co-labs Coworking	-	-	2,122

Notes:

1. No data for water available for Paramount Corporation Berhad due to water bill being included in tenancy agreement.
2. The reported construction sites data does not include ATWATER, Utropolis Batu Kawan and Paramount Palmera construction sites which are totally outsourced to external contractors.
3. Co-labs Coworking water usage covers all spaces except for Naza Tower.



ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT



BIODIVERSITY

Uncontrolled land use and development can have adverse impact on habitats and ecosystems. Trees and plants reduce ambient temperatures, improve air quality, and provide natural stormwater management. As such, they play a critical role for people and planet.

Although many Paramount project sites are in urban areas with seemingly little or no biodiversity, we typically surpass the minimum regulatory requirement of 10% allocation for green spaces. In addition, we began cultivating local plant species, including endangered and threatened species of trees listed on the IUCN Red List for purposes of landscaping at our Central Region projects since 2019.

We are also committed to conserving the biodiversity of our developments and adjacent areas through the creation of community parks, where possible. This is demonstrated by our award-winning Bukit Banyan Hill Park, which has become one of Sungai Petani’s most popular recreational parks. This park is also home to over 60 species of birds as well as other wildlife. Over in the Central Region, we are also at the final stages of completing a hiking trail at our Greenwoods Salak Perdana development in Sepang.

Our landscape philosophy is to keep the design sustainable and easy to maintain. The use of native species in landscaping is also important in retaining the local landscape character 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.



ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Our Performance - Biodiversity

Types of greenery planted across Paramount’s project sites

Types of plants	No. of plants		
	2021	2022	2023
Trees	2,084	1,598	2,445
Shrubs	19,890	20,454	74,992
Turf	50,477 m ²	36,033 m ²	41,752 m²
Creepers	-	800	-
IUCN endangered species			
Podocarpus Costalis	700	119	239
Maba Buxifolia	1	2	-



Podocarpus costalis lined up along the Berkeley Uptown Klang construction site while waiting to be planted into the ground

ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT



HIGHLIGHTS

Laman Rimba recreational trail at Greenwood

The Laman Rimba Greenwood Trail is located within the Greenwood Salak Perdana neighborhood and is set to offer residents and nature enthusiasts the unique experience of exploring a tropical forest without having to travel far away from the city.

The park is located on a hillside with an 80-metre peak, in a densely vegetated secondary forest. The biggest challenge in creating this park was working with the existing vegetation and topography to create paths and spaces for activities.

The approach is to maintain as much vegetation as possible and avoid making serious adjustments to the landform which might weaken its stability. All design elements will be placed into the park through subtle intervention methods while the selection of spaces were made based on on-site assessments.

This is aligned with Paramount's commitment to allocate green spaces, where possible, to meet the local community's recreational needs and healthy lifestyle, ensuring that biodiversity continues to thrive in that area.

Work on Laman Rimba Greenwood began in June 2023. The trail is scheduled to be open to the community by the third quarter of 2024.



Aerial view showing the site from the west ridge side

ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Environmental Awareness

In today's rapidly changing world, it has become increasingly important to foster an understanding and appreciation of the environment. Environmental learning plays a critical role in equipping individuals with the knowledge and skills to become responsible stewards of our planet. At Paramount, we support environmental initiatives and campaigns to create awareness and cultivate respect towards the environment.



Celebrating World Environment Day

Over 150 employees across the Paramount Group celebrated Environment Day on Thursday, 22 June 2023. The event was kick-started by Deputy Group CEO, Benjamin Teo, followed by a talk on 'Sustainable Waste Management Practices.' by Associate Professor for Environmental Science and Technology, Dr Gulzaniya Issabayeva from University Tunku Abdul Rahman.

Event partner Bio Terra Solutions was present to introduce the bokashi-composting method that turns food waste into compost. Additionally, Refiller Mobile Enterprise - Malaysia's first zero-waste store on wheels - enabled us to use repurposed plastic containers to refill on personal and household essentials, instead of buying new products. This will help to reduce waste going to the landfill.

ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT



ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT



'Say No To Plastic' campaign at construction sites

This year, Paramount Property's Environment, Safety and Health (ESH) Department continued paving the way towards more sustainable construction sites by restarting its 'No Plastic' campaign at two of our project sites, namely The Atera in Petaling Jaya and Arinna, Kemuning Utama in Shah Alam.

The idea was to create awareness amongst our employees, workers and subcontractors on the importance of reducing single use plastic. To further encourage this 'no plastic' movement employees and workers were given a reusable water bottle each.

This campaign, which was first initiated in 2017, is a continuation of Paramount's efforts to reduce single use plastic at all our construction sites. The campaign was halted temporarily for two years due to the COVID-19 pandemic, and was reinstated in October 2023.

ENSURE RESPONSIBLE ENVIRONMENTAL MANAGEMENT



Reinforcing our commitment towards sustainable construction sites

The construction industry produces large volumes of construction waste, which occupy landfills and can lead to serious environmental issues. As a responsible property developer, Paramount Property plays an important role in reducing construction waste through the 3Rs.

The launch of our '3R and Sustainability Campaign' at the Sejati Lakeside 2 site on 13 December 2023 was a prime example of how seriously Paramount views this responsibility. The aim of this campaign is to provide our employees, workers and subcontractors with practical and easy-to-implement 3R practices at our construction sites.

This campaign is on-going and will pave the way for more sustainable construction sites.



PILLAR 4

CREATING POSITIVE COMMUNITY IMPACT

The social dimensions of businesses affect many parts of our lives. From the way we evaluate how businesses conduct their operations to the things we choose to purchase, social impact is becoming more and more important to many people. At Paramount, we strive to uplift our communities by supporting initiatives that will make the world a better place. We do this by ensuring the well-being of our employees as well as that of our suppliers and external contractors while taking care of the environment where we operate. Beyond this, we are constantly finding ways to create value and exploring ways to foster resilient socio-economic communities.

MATERIAL MATTERS:



SAFETY, HEALTH AND WELL-BEING



DIVERSITY AND EQUAL OPPORTUNITY



LABOUR PRACTICES AND HUMAN RIGHTS



COMMUNITY INVESTMENT



TALENT DEVELOPMENT AND TRAINING

CREATING POSITIVE COMMUNITY IMPACT

Our Approach

An organisation's ability to persevere and adapt hinges heavily on shared values, and at Paramount our core values are encapsulated in our T.R.I.B.E. values which permeates our culture.

We are driven to maintain a high level of trust and confidence from our stakeholders, who include our customers, our employees and our communities. In doing so, we place great importance on key aspects such as safety, health and well-being of our people, while ensuring that we continue to create value and foster goodwill in the communities we operate within.



SAFETY, HEALTH AND WELL-BEING

We care for the safety, health and well-being of our people and are determined to create a fair and inclusive work environment. By promoting a strong safety culture, we enable our employees to effectively do their jobs. Fair wages and a positive work environment can also help improve job satisfaction, increase productivity and encourage employees to perform to their highest ability.

Occupational Safety and Health

Our Quality, Environment, Safety and Health (**QESH**) Policy outlines the way our business operations are conducted in a safe manner. In line with this, we have established an Occupational Safety and Health (**OSH**) framework which conforms to the best practices as stipulated in the Occupational Safety and Health Act 1994 and ISO 45001:2018.

In 2023, all our project sites have retained the ISO 45001:2018 certification, whereby our safety and health systems and data were independently audited and verified by external certification bodies. We are pleased to report that we are in full compliance with laws, regulations and procedures during this reporting period with zero fatality.

In 2023, Paramount complied with laws and regulations with zero fatality.



OSH 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 Occupational 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 QESH Policy is communicated to suppliers, vendors, contractors, consultants and business partners who are expected to abide by these commitments.

CREATING POSITIVE COMMUNITY IMPACT

Occupational Safety and Health (OSH) Committee

The Group places significant emphasis on our people’s safety and health. Hence, our Property Division has 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 representatives, meet every quarter and the meetings serve as a platform for employees to participate in the continuous improvement of OSH performance at the workplaces. The OSH committees at project sites comprise our employees as well as representatives of our main contractors and subcontractors. These meetings are chaired by the appointed project managers and meet on a regular basis to discuss safety and health issues at project sites. The meeting minutes are shared among the OSH Committee members to keep employees and workers informed and updated on safety and health issues.

Risk assessment and control monitoring

Risk assessments including Hazard Identification, Risk Assessment and Hazard Identification, Risk Assessment and Risk Control (**HIRARC**) are regularly performed to identify potential hazards and risks of 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 regular safety inspections at all ongoing project sites to ensure that all safety risks affecting ongoing project sites can be eliminated.



CREATING POSITIVE COMMUNITY IMPACT

OSH awareness and training at construction sites

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

For the benefit of non-executive employees, OSH training sessions are conducted in both English and Malay. OSH risks, hazards and other matters are part of the site meeting agenda to remind workers about job safety.

Indicators	2021	2022	2023
Number of employees, site workers and contractors trained	1,809	619	1,656
Number of training programmes	69	31	28

In 2023, a total of 1,656 employees, site workers and contractors attended 28 OSH programmes.



Incident reporting process and workflow

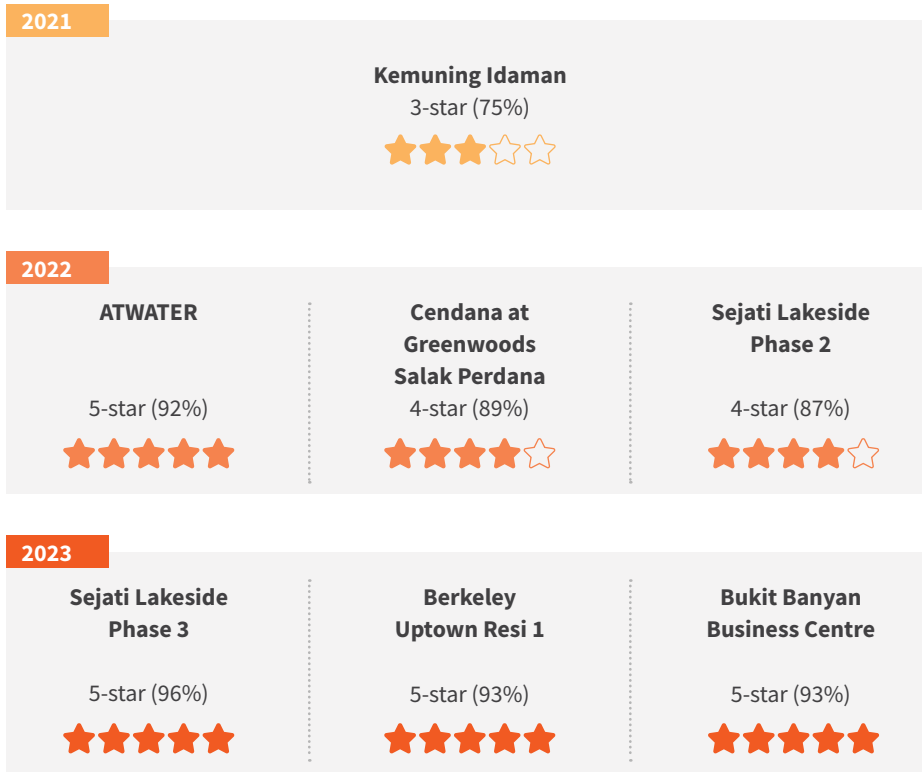


CREATING POSITIVE COMMUNITY IMPACT

Our Performance – Safety and Health

The SHASSIC audit by CIDB 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) and has been progressively making positive strides in ratings. In 2023, we achieved 5-star ratings in the SHASSIC audit for our construction sites as follows.



OSH performance

Paramount sets a target of zero fatality and zero major non-compliance for our operations, and we are pleased to report that this goal has been achieved over the last three consecutive years.

Indicators	2021	2022	2023
Fatalities	0	0	0
Work-related injuries	2	6	6
Lost Time Incident Rate (LTIR)	-	-	0

In 2023, there were no fatalities nor serious work-related injuries reported at our construction sites. However, there were six minor work-related injuries which occurred. Moving forward, Paramount will continue to equip our workers with the necessary safety knowledge to avoid such injuries in the future.

We remain committed to continuously improve our processes and procedures to enhance our OSH practices.



CREATING POSITIVE COMMUNITY IMPACT

Creating a safer working environment on-site

Since 2022, Paramount transitioned to using self-climbing protection platform (SCPP) technologies across our construction sites.

The SCPP technology is a protective screen with a controlled and synchronised climbing mechanism that prevents workers and objects from falling when working at a height. Requiring only one-time installation at a low level, it is a more robust system compared to typical scaffolding and falsework systems.

This is in line with our aim to progressively adopt new technologies while ensuring that we create a safer working environment for our workers on-site.



SELF-CLIMBING PROTECTION PLATFORM

We are transitioning to using SCPPs to achieve better efficiency and less waste while ensuring the safety of our site and workers on site.

Paramount is committed to promoting a
safe and secure
working environment for all workers on site.



CREATING POSITIVE COMMUNITY IMPACT

Employee Health and Wellness

At Paramount, we take a holistic approach to wellness and operate on the philosophy of preventive care. In 2023, we continued on this trajectory focusing on three key pillars: Healthy Eats, Mind Matters and Fit for Life.

On a Group level, various health screenings and activities such as step challenges and workouts were organised by the Group Human Resource Department. To raise awareness on the importance of eating well, healthy cooking sessions were also organised, and healthy snacks such as fruits, nuts and yoghurt were distributed to all employees.

Moving forward, Paramount will continue to focus on being a great place to work, one that emphasises on the overall well-being of those under our care.

- 1 *Influenza vaccination*
- 2 *Paramount Health Day with health screening and a talk*
- 3 *Distribution of fruits, nuts and yoghurt*

CREATING POSITIVE COMMUNITY IMPACT

4

5

6

4 Workout with Paramount 1.0 and 2.0

5 Stress Reliever Workshop

6 Fun Cooking with Paramount

CREATING POSITIVE COMMUNITY IMPACT



LABOUR PRACTICES AND HUMAN RIGHTS

Paramount respects and supports human rights and we confer this to all our employees, whether they are permanent, temporary, or contract personnel. We are committed to good workplace practices in alignment with the UN SDGs, specifically the SDG 8 on Decent Work and Economic Growth, where we actively work to promote a safe and secure work environment and good working conditions for our employees and those who work with us. This is reflected in our policies, business procedures, systems, and processes.

In line with this, Paramount is committed to the key principles as outlined below:

Compliance

We comply with applicable local labour laws and regulations, including minimum wage, working hours and overtime.

Non-discrimination

We have zero tolerance against discrimination in any form, and our employees are provided with equal career opportunities regardless of race, religion, gender, age, sexual orientation, disabilities, or nationality.

Fair Employment Conditions

The Group operates in compliance with applicable wage, work hours, overtime and benefits laws, and strives to keep overtime work on a strictly critical or necessary basis. We remunerate our employees equitably based on qualifications, skills, and experience relevant to the work performance expectations, and we provide recognition based on performance and contribution to the Company's success.

No Child or Forced Labour or Human Trafficking

In compliance with applicable laws, we do not employ children. We prohibit the use of forced and bonded labour, slavery, and human trafficking.

Community Rights

We recognise and respect the legal and customary rights of local communities and indigenous people, as well as the need to protect the basic human rights of marginalised groups, including refugees and differently abled people.

Working Conditions

We comply with terms as stipulated in the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 (Act 446).

Freedom of Association

Paramount recognises and upholds the right of our employees to freedom of speech and expression as well as the right to peacefully assemble and to raise concerns or issues with the management collectively, as provided by law and enjoyed under Article 20(1) of the Universal Declaration of Human Rights (UDHR).

There were no reported complaints concerning human rights violations over the past three years.

CREATING POSITIVE COMMUNITY IMPACT



TALENT DEVELOPMENT AND TRAINING

People are our greatest assets, and 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.

Paramount's talent management framework focuses on the following areas:

TALENT ACQUISITION AND ONBOARDING

- The Group adopts a policy of recruitment by merit.
- New hires are selected based on abilities, achievements, experiences and qualifications.
- We prioritise local hires who make up 100% of Paramount employees.
- We also believe in investing in a sustainable pipeline of new talent for Paramount and therefore we offer internship opportunities for students.

PERFORMANCE MANAGEMENT AND COMPENSATION

- Employee performance appraisals is a two-way 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.
- Employees are assessed by their supervisors in addition to self-evaluation.
- Rewards based on Key Performance Indicators (**KPI**) are agreed upon by both supervisor and employee.

UPSKILLING AND RESKILLING

In line with our aim to future-proof our workforce, we remain committed to investing in learning and development including the following key talent programmes:

- 1. Sustainable Talent Acceleration and Retention Strategy (STARS)**
 - Designed for senior management employees with a focus on strategies and leadership as part of grooming and succession planning.
- 2. Leading with Energy and Passion Programme (LEAP)**
 - Designed for key and high potential talents to further develop their capabilities and skills to allow them to assume key roles in the organisation in the future.
- 3. Emerging Leaders in Transition Programme (ELiTe)**
 - Crafted for young talents in the organisation, between the ages of 25 to 32 to prepare them for career progression.
- 4. Graduate Executive Trainee Programme (GREaT)**
 - Launched in March 2023 to recruit young fresh graduates in Civil Engineering, Architecture, Building Sciences or similar fields to join the property division as a long-term talent pipeline for the organisation.

Other programmes include:

1. Upskilling on technical courses related to job functions, and
2. Industry talks from subject matter experts and industry leaders.

SUCCESSION PLANNING

- Succession planning is an ongoing process designed to ensure that the Group identifies and develops a talent pool of employees through mentoring and training for high-level management positions.
- Paramount has a Succession Planning Policy which is intended to address the Group's continuity in leadership for key positions.
- The Board takes the pivotal role of ensuring the fulfillment of the succession planning process.
- This policy can be found on our corporate website www.pcb.my.

CREATING POSITIVE COMMUNITY IMPACT

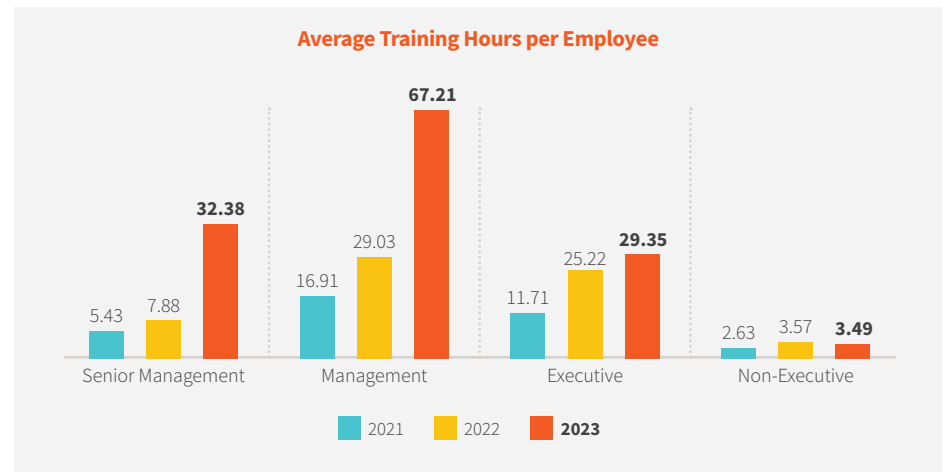
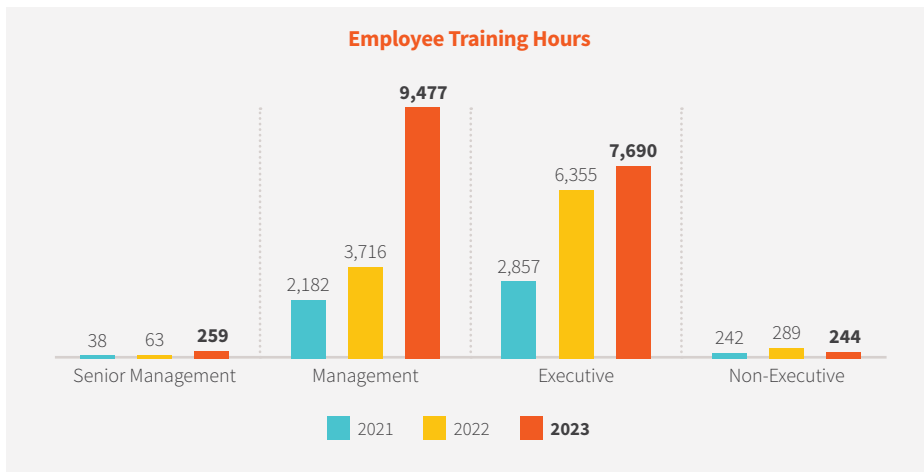
Our Performance - Workforce

Employee training hours

In 2023, our employees clocked in a total of 17,670 hours on internal and external training programmes with an average of 37 hours per employee.

Indicators	2021	2022	2023
Total training hours	5,318	10,423	17,670
Average training hours per employee rate (%)	11	22	37

Training sessions were provided to employees, either virtually or in-person, comprising on-the-job training, workshops and seminars, with topics ranging from leadership to management, technical, soft skills and computer skills.



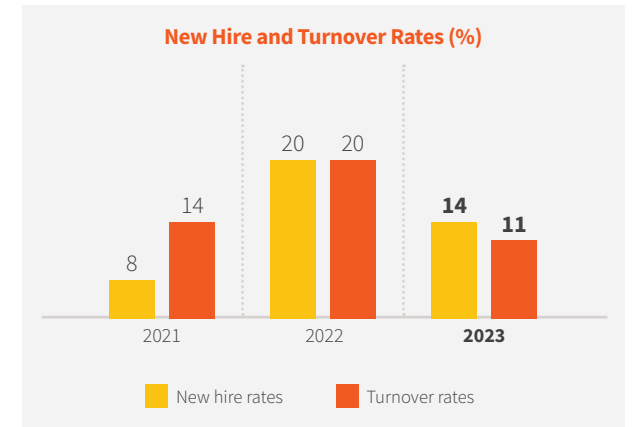
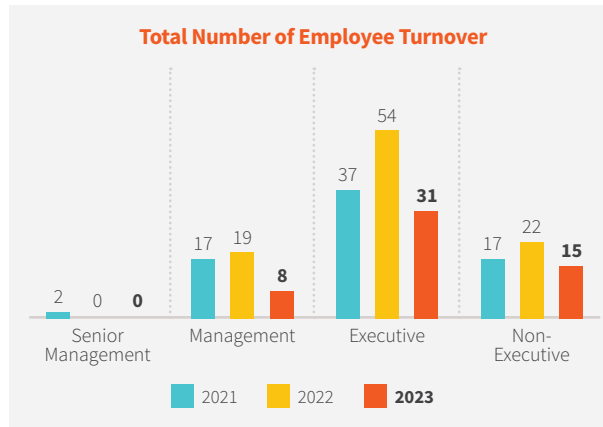
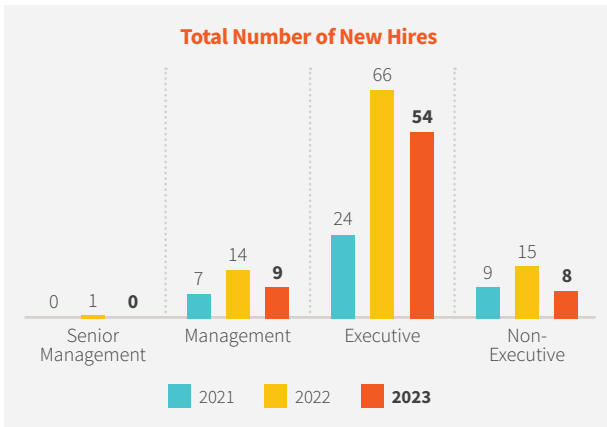
CREATING POSITIVE COMMUNITY IMPACT

Employee retention and attrition

Paramount consistently achieves higher employee retention rates than our industry peers due to career advancement and growth opportunities as well as competitive compensation packages. In 2023, Paramount's voluntary turnover rate was 11%.

Indicators	2021	2022	2023
Total number of new hires	40	96	71
Total number of employee turnover	71	95	54
Employee retention rate (%)	85%	80%	89%

In addition to permanent employees and contract workers, Paramount also had 40 interns assigned across the Group.



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 which include parental leave in line with the Employment Act of 1955. This allows 98 consecutive days of maternity leave for female employees and seven consecutive days of paternity leave for male employees. Employees are also eligible for 10 working days of adoption leave if they newly adopt a child.

CREATING POSITIVE COMMUNITY IMPACT

HIGHLIGHTS

Supporting Young Local Talent

Paramount believes that investing in human capital is key to enabling a sustainable pipeline of talent for the Group. By supporting local education at the university level, we are also able to contribute to the industry and the nation.

A collaboration with the Civil and Environmental Engineering Club of University Malaya (**CEEC UM**) was initiated in 2023 to provide students with the opportunity to gain exposure through site visits while also establishing networking opportunities for potential internships and job placements in the future.

The CEEC UM was established in 2004 and has been providing students a platform in their journey to becoming future leaders in the civil engineering field.



A total of 33 students from CEEC UM visited a construction site in November 2023

CREATING POSITIVE COMMUNITY IMPACT



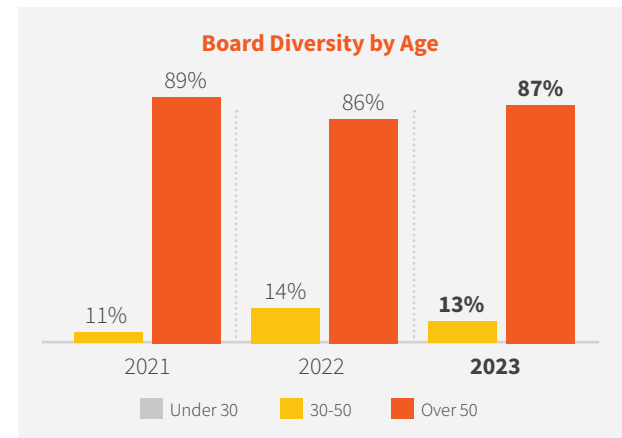
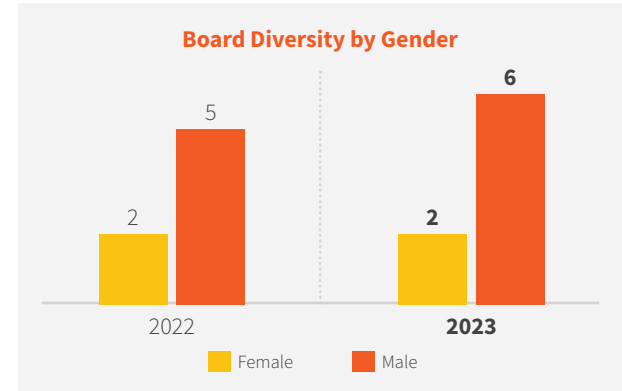
DIVERSITY AND EQUAL OPPORTUNITY

In order for a culture of diversity to be authentic, it must be woven into the vision and mission of an organisation as a whole. And that starts at the top.

Paramount’s current Board composition reflects diversity in expertise, experience and background, and this provides objectivity to the Board’s decision-making process insights.

The Group also adheres to a practice of non-discrimination, and ensures that the selection of a candidate for directorship or employment is based on merit, in the context of skills and experience. In assessing and selecting new candidates, attributes such as character, integrity, competence and a commitment to serve the Group with diligence are highly regarded.

The Group has about 500 employees stationed at various locations in Malaysia. Having employees with diverse experiences, skills and knowledge across operations enhances our competitiveness with a bigger pool of skill sets to draw upon for creative solutions.



CREATING POSITIVE COMMUNITY IMPACT

Our Progress - Diversity

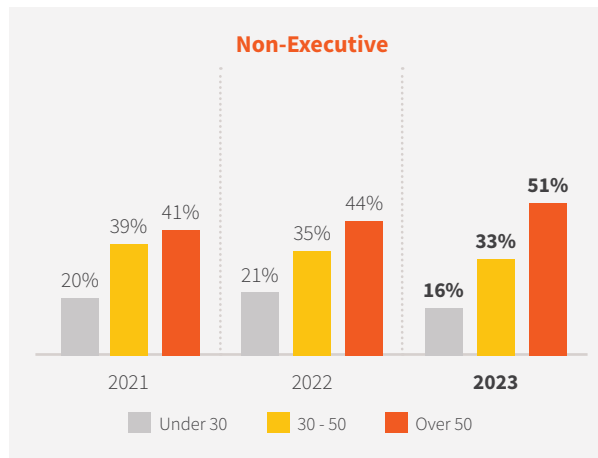
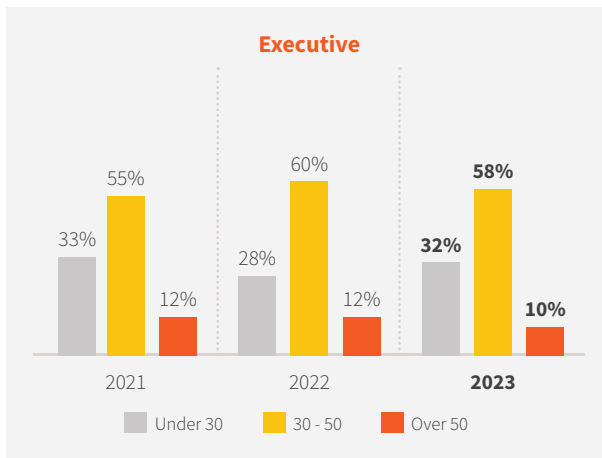
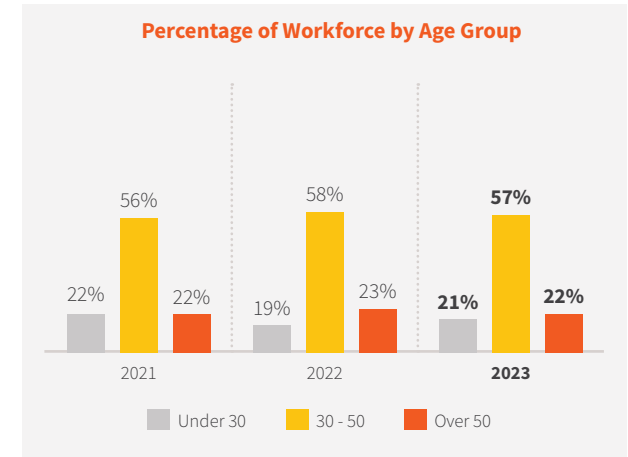
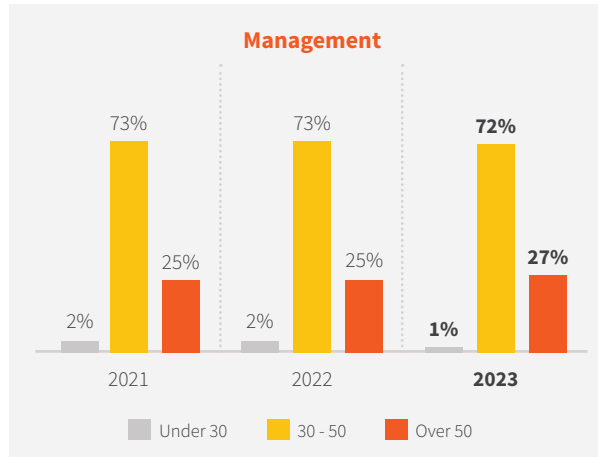
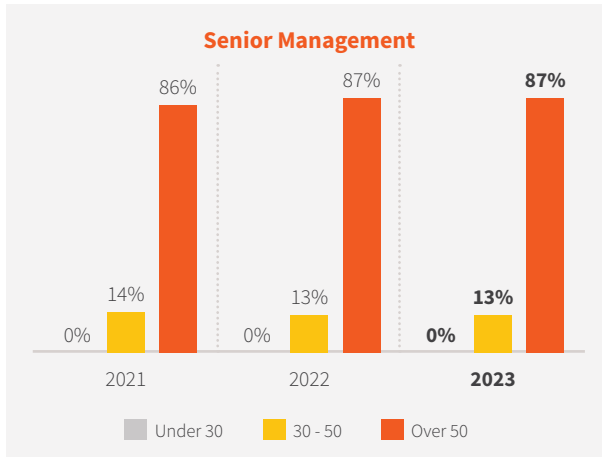
Paramount complies with all local laws governing equal pay for equal work. We endeavour to provide equal opportunity to ensure that employment decisions are based on merit and performance without regard to race, religion, gender, age, sexual orientation, nationality, or disability nor is any form of discrimination or prejudice in the workplace tolerated.

A full breakdown of our workforce is as follows.



CREATING POSITIVE COMMUNITY IMPACT

Age by Employee Category



CREATING POSITIVE COMMUNITY IMPACT



COMMUNITY INVESTMENT

We believe in the importance of ensuring the wellness of the communities we operate within while ensuring responsible care of the environment. This year, we reviewed our principles and practices in managing our community-related investment decisions and have streamlined our corporate social responsibility (CSR) programme pillars to be anchored on Wellness, Environment and Education. This forms the framework upon which all the Group's CSR activities and initiatives will be guided by.

In 2023, Paramount contributed approximately RM626,000 to over 45 external organisations across the locations we operate.

In 2023, Paramount contributed

RM626,000

benefiting over 45 organisations.

Indicator	2021	2022	2023
Community contributions	RM245,000	RM338,000	RM626,000



Support health and wellness



Promote awareness and care for our environment



Improve and empower lives through education

CREATING POSITIVE COMMUNITY IMPACT

Penang Bridge Ride 2023



The event was flagged off by the Yang di-Pertua Negeri Pulau Pinang Tun Dato' Seri Utama Ahmad Fuzi Razak together with Penang Chief Minister Chow Kon Yeow, Penang State Exco for Youth and Sports Dato' Soon Lip Chee and G Club Penang Cyclists Chairman Dato' Dr Lim Seh Guan.



Some 2,500 participants cycled 66km across two bridges during the Penang Fellowship Ride Bridge to Bridge 2023, where Paramount Property was title sponsor. A staunch supporter of cycling events, we are proud to be part of an event that brought people of all races, ages, and beliefs together for healthy fun and fellowship.

CREATING POSITIVE COMMUNITY IMPACT

Bukit Banyan Hero Run 2023



Paramount Property was the main and venue sponsor for the Bukit Banyan Hero Run 2023, which was held in cooperation with the Kedah State Youth and Sports Department and Corporate Hero Century Sdn Bhd. The event attracted over 1,200 serious runners as well as families out for a weekend of fun.

The Hero Run is part of Paramount's commitment to champion healthy activities that bring communities together.



CREATING POSITIVE COMMUNITY IMPACT

Contributing to the blood bank

After a hiatus caused by the pandemic, Paramount Property resumed being the regular venue host of the blood donation campaign organised by Pertubuhan Penderma Darah Sungai Petani. A total of 86 donors participated in this event which encourages the public to donate blood to save lives.



Paramount Property - Northern Region CEO, Ooi Hun Peng participated in the blood donation at Wisma Paramount in Sungai Petani.

More for the Blood Bank as another donation drive was held at Co-labs Coworking The Starling Mall with 70 donors.



Utropolis Marketplace ran a Health Carnival with wellness, nutrition, mental well-being activities and a blood donation drive.

CREATING POSITIVE COMMUNITY IMPACT

Empowering lives through education

Dato' Teo CQ Scholarship at UOW Malaysia

The late Dato' Teo Chiang Quan, fondly known as CQ to those who know him, was the founding chairman of Sri KDU schools and UOW Malaysia (formerly known as KDU University College). He was widely respected for his visionary leadership, integrity and compassion.

Dato' Teo was also a philanthropist and had a strong passion for good education as an integral part of nation building. This scholarship was established to continue and honour Dato' Teo's legacy of nation building, in changing lives and enriching communities for a better world.

The scholarship is for Malaysian students and covers tuition fees, educational aids, and reasonable cost-of-living expenses throughout the student's period of study at UOW Malaysia.



The late Dato' Teo (far right) with the Chancellor of University of Wollongong Australia, Jillian Broadbent AC, with former Australia Minister for Education Dan Tehan, and the former Director-General of the Ministry of Higher Education, Datuk Ir Dr Siti Hamisah binti Tapsir, at the inauguration ceremony of UOW Malaysia KDU in 2019.

Paramount contributes towards Chinese education

In 2023, Paramount donated RM300,000 to Chinese schools in Penang and Sungai Petani, including for the relocation of the 88-year old Sekolah Jenis Kebangsaan Cina Kuang Yu from Kuala Muda, Penaga in Kedah to Batu Kawan in Penang.

A primary school in Batu Kawan will benefit the people who work and live nearby Utropolis Batu Kawan, Paramount's project.



Penang Chief Minister Chow Kon Yeow together with Paramount and other representatives at the cheque handover ceremony.

CREATING POSITIVE COMMUNITY IMPACT

HIGHLIGHTS

Building Hope through books

Paramount recognises that having basic skills such as reading and writing can significantly impact a child’s life, creating more opportunities and increasing their chances of success.

As such, after the success of the 2022 Building Hope Book Donation campaign, Paramount decided to partner with MyReaders, a social enterprise accredited by the Ministry of Entrepreneur Development (**MED**) and the Malaysian Global Innovation & Creativity Center (**MaGIC**) in 2020, to organise it again in 2023.

To facilitate donation from the public, Book Donation Corners were set up across all Paramount Property sales galleries, Co-labs Coworking spaces, and Utropolis Marketplace.

At the end of this campaign, over 700 books were collected and donated to MyReaders, compared to 600 books in the previous year. The books were distributed to six schools and charity organisations benefiting a total of 1,300 children.



CREATING POSITIVE COMMUNITY IMPACT

Empowering lives through education



Paramount Property - Northern Region contributed to SMK Bakar Arang in Sungai Petani in support of the school's Earth Day programme organised by their Kelab Pencinta Alam.



Paramount Property - Central Region celebrated 18 years as a sponsor with the Kiwanis Down Syndrome Foundation. The foundation organises a treasure hunt annually to raise funds. Founded in 1989, the organisation provides early intervention programmes and in-house professional therapy for young children up to 6 years of age with Down Syndrome.



Paramount continued to support the 'Super Sarapan Programme' by Yayasan Generasi Gemilang, a charity organisation that focuses on improving education and nutrition for vulnerable communities in Malaysia to ensure that 50 underprivileged students at Sekolah Menengah Kebangsaan Kota Kemuning in Shah Alam are provided one nutritious meal a day throughout the school year.



COMMON SUSTAINABILITY MATTERS AND SUMMARY OF PERFORMANCE DATA

Indicator	Measurement Unit	2023
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	100.00
Management	Percentage	99.00
Executive	Percentage	97.00
Non-executive	Percentage	89.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	626,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	45
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	0.00
Senior Management Between 30-50	Percentage	13.00
Senior Management Above 50	Percentage	87.00
Management Under 30	Percentage	1.00
Management Between 30-50	Percentage	72.00
Management Above 50	Percentage	27.00

Notes:

- Under Bursa C2(b), the stated number of beneficiaries pertain to organisations, not individuals
- Under Bursa C5(c), the stated number of employees trained include site workers and contractors

Internal assurance
External assurance
No assurance
(*)Restated

COMMON SUSTAINABILITY MATTERS AND SUMMARY OF PERFORMANCE DATA

Indicator	Measurement Unit	2023
Bursa (Diversity)		
Executive Under 30	Percentage	33.00
Executive Between 30-50	Percentage	58.00
Executive Above 50	Percentage	10.00
Non-executive Under 30	Percentage	16.00
Non-executive Between 30-50	Percentage	32.00
Non-executive Above 50	Percentage	51.00
Gender Group by Employee Category		
Senior Management Male	Percentage	87.00
Senior Management Female	Percentage	13.00
Management Male	Percentage	47.00
Management Female	Percentage	53.00
Executive Male	Percentage	47.00
Executive Female	Percentage	53.00
Non-executive Male	Percentage	80.00
Non-executive Female	Percentage	20.00

Notes:

- Under Bursa C2(b), the stated number of beneficiaries pertain to organisations, not individuals
- Under Bursa C5(c), the stated number of employees trained include site workers and contractors

Internal assurance
External assurance
No assurance
(*)Restated

COMMON SUSTAINABILITY MATTERS AND SUMMARY OF PERFORMANCE DATA

Indicator	Measurement Unit	2023
Bursa (Diversity)		
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	75.00
Female	Percentage	25.00
Under 30	Percentage	0.00
Between 30-50	Percentage	13.00
Above 50	Percentage	87.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	6,734.00
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	1,656
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	259
Management	Hours	9,477
Executive	Hours	7,690
Non-executive	Hours	244
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	13.00

Notes:

- Under Bursa C2(b), the stated number of beneficiaries pertain to organisations, not individuals*
- Under Bursa C5(c), the stated number of employees trained include site workers and contractors*

Internal assurance
External assurance
No assurance
(*)Restated

COMMON SUSTAINABILITY MATTERS AND SUMMARY OF PERFORMANCE DATA

Indicator	Measurement Unit	2023
Bursa (Labour practices and standards)		
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	0
Management	Number	8
Executive	Number	31
Non-Executive	Number	15
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	230.250000

Notes:

- Under Bursa C2(b), the stated number of beneficiaries pertain to organisations, not individuals
- Under Bursa C5(c), the stated number of employees trained include site workers and contractors

Internal assurance External assurance No assurance (*)Restated

INTERNAL REVIEW STATEMENT

In compliance with the Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Internal Audit Department conducted a review of the Group's sustainability reporting process. This review focused on assessing material sustainability matters and verifying the sustainability data collected that is related to common material sustainability matters across subsidiaries in Malaysia. All relevant recommendations identified during this review have been carefully considered and incorporated in the preparation of this report. Nothing has come to our attention that cause us to believe there is any material misstatement of the reviewed data.

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 2023 to 31 December 2023.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION *	PAGE NUMBER(S)
GRI 2: General Disclosures 2021	2-1 Organisational details	About us Corporate Profile, Annual Report 2023 (AR2023) Corporate Information, AR2023	4 5-17 18
	2-2 Entities included in the organisation's sustainability reporting	Scope and Boundary	1
	2-3 Reporting period, frequency and contact point	Reporting period and cycle Reporting guidelines Feedback	1
	2-6 Activities, value chain and other business relationships	Corporate Profile, AR2023	5-17
	2-7 Employees	Safety, Health and Well-being Labour Practices and Human Rights Diversity and Equal Opportunity	61-75
	2-9 Governance structure and composition	How We Are Governed, AR2023	42-74
	2-10 Nomination and selection of the highest governance body	Corporate Governance Overview Statement, AR2023	54-62
	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 Corporate Governance Overview Statement, AR2023	13 54-62
	2-15 Conflicts of interest		
	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		

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	LOCATION *	PAGE NUMBER(S)
GRI 2: General Disclosures 2021	2-19 Remuneration policies	Corporate Governance Overview Statement, AR2023	54-62
	2-20 Process to determine remuneration		
	2-21 Annual total compensation ratio		
	2-22 Statement on sustainable development strategy	Sustainability Approach	10-12
	2-23 Policy commitments	Internal Policies, Frameworks and Guidelines, AR2023	63-64
	2-24 Embedding policy commitments		
	2-25 Processes to remediate negative impacts		
	2-26 Mechanisms for seeking advice and raising concerns	Anti-Bribery and Corruption Policy; Whistleblowing Policy	24
GRI 3: Material Topics 2021	2-27 Compliance with laws and regulations	Corporate Governance and Anti-Bribery and Corruption; Regulatory Compliance (Environment); Occupational Safety and Health	24, 36, 61
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	16-17
	3-1 Process to determine material topics	Material Matters	18-19
GRI 201: Economic Performance 2016	3-2 List of material topics		
	3-3 Management of material topics		
	201-1 Direct economic value generated and distributed	Building Economic Resilience	20-26
	203-2 Significant indirect economic impacts		

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	LOCATION *	PAGE NUMBER(S)
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-Bribery and Corruption	24
	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 organisation	Energy Management	42-45
	302-3 Energy intensity		
	302-4 Reduction of energy consumption		
	302-5 Reductions in energy requirements of products and services		
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	Water Management	51-52
	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	53-54
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate Change and Emissions	37-40
	305-2 Energy indirect (Scope 2) GHG emissions		
	305-3 Other indirect (Scope 3) GHG emissions		
	305-4 GHG emissions intensity		

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	LOCATION *	PAGE NUMBER(S)
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management	46-48
	306-2 Management of significant waste-related impacts		
	306-3 Waste generated		
	306-4 Waste diverted from disposal		
	306-5 Waste directed to disposal		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Performance - Workforce	70-71
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Benefits and Welfare	71
	401-3 Parental Leave		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Safety, Health and Well-being	61-64
	403-2 Hazard identification, risk assessment, and incident investigation		
	403-3 Occupational health services		
	403-4 Worker participation, consultation, and communication on occupational health and safety		
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
	403-8 Workers covered by an occupational health and safety management system		
	403-9 Work-related injuries		
	403-10 Work-related ill health		

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	LOCATION *	PAGE NUMBER(S)
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Talent Development and Training	69-70
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity and Equal Opportunity	73-75
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Labour Practices and Human Rights	68
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Uplifting Our Communities	76-83
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Security	25

* All disclosures are located within Paramount's Sustainability Report 2023, unless otherwise specified.

VERIFICATION STATEMENT FOR GHG EMISSIONS



Green Quarter Sdn Bhd (00001143)
93A, Jalan Rukun 2 Taman Happy Garden
58200 Kuala Lumpur, Malaysia
O +603 7971 7623
W www.greenquarter.biz

Verification Statement

Statement no:	Valid from	Valid to:
2024-01	5 th April 2024	Current procedure revisions

Paramount Corporation Berhad

Verification of Sustainability Report 2023 Scope 1 and Scope 2 GHG Emission Footprint

The purpose of this document is to clarify matters outlined in the process of verifying Paramount Sustainability Report 2023 scope 1 and scope 2 GHG emissions for operation of Paramount Property and its entities, including offices, sales galleries, construction sites, and Utropolis Marketplace, as well as Co-labs Coworking spaces and Dewakan. We do not accept or assume any responsibility or liability on our part for any party who may have access to this letter or related documents.

Green Quarter Sdn. Bhd. (GQ) was commissioned by Paramount Corporation Berhad (Paramount) to provide third-party verification of the Paramount Sustainability Report 2023 GHG emissions, prepared by Paramount for scope 1 and scope 2 GHG emissions based on operation control approach.

Based on the procedures GQ have conducted and the evidence we have obtained, GQ comes to the conclusion that Paramount's scope 1 and scope 2 emission in Sustainability Report 2023 are made in accordance with the requirements of ISO 14064-1:2018 standard. GQ concludes with reasonable assurance that reviewed documents are materially correct and fairly represent the required parameters without material discrepancies.

The scope of our work was limited to assurance of the scope 1 and scope 2 GHG emission figures in 2023 for Paramount. The reporting criteria against which it was assessed is the GHG calculations methodology of Paramount provided in "2023 Paramount GHG Calculations.xlsx", "2023 Environmental GHG Data.xlsx" and various supporting documentation addressing the scope 1 and scope 2 GHG emission of the operations of Paramount, verified in relation to the information provided in the Sustainability Report 2023. The verified result of scope 1 and scope 2 GHG emission data for Paramount is presented in the table below:



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Type of Emission	Emission Value (tCO ₂ e)
Scope 1 Emission	389.85
Scope 2 Emission	5,251.14
Total GHG Emission	5,640.99

Type of Emission Intensity	Emission Intensity Value (kgCO ₂ e/m ²)
Offices	311.9
Sale Galleries	506.56
Construction Sites	45.13
Co-Labs Coworking Space	315.59
Utropolis Marketplace	34.50
Dewakan	315.67
Total Intensity	1,529.43

The verification was conducted between 11th March 2024 and 22nd March 2024, during which GQ performed the verification addressing the following information:

- Review of calculation methods in "2023 Paramount GHG Calculations.xlsx" and "2023 Environmental GHG Data.xlsx".
- Review of emission source references included in "2023 Paramount GHG Calculations.xlsx".
- Review document evidence being basis for the "2023 Paramount GHG Calculations.xlsx" and "2023 Environmental GHG Data.xlsx".
- Interviews with relevant personnel of Paramount.
- Verifying data used by Paramount to determine GHG emissions.

Place and date: Kuala Lumpur, 5th April 2023

Tan Sie Ting, Lead Verifier
Associate Director
Green Quarter Sdn. Bhd.

Changing Lives and Enriching Communities for a Better World

www.pcb.my

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