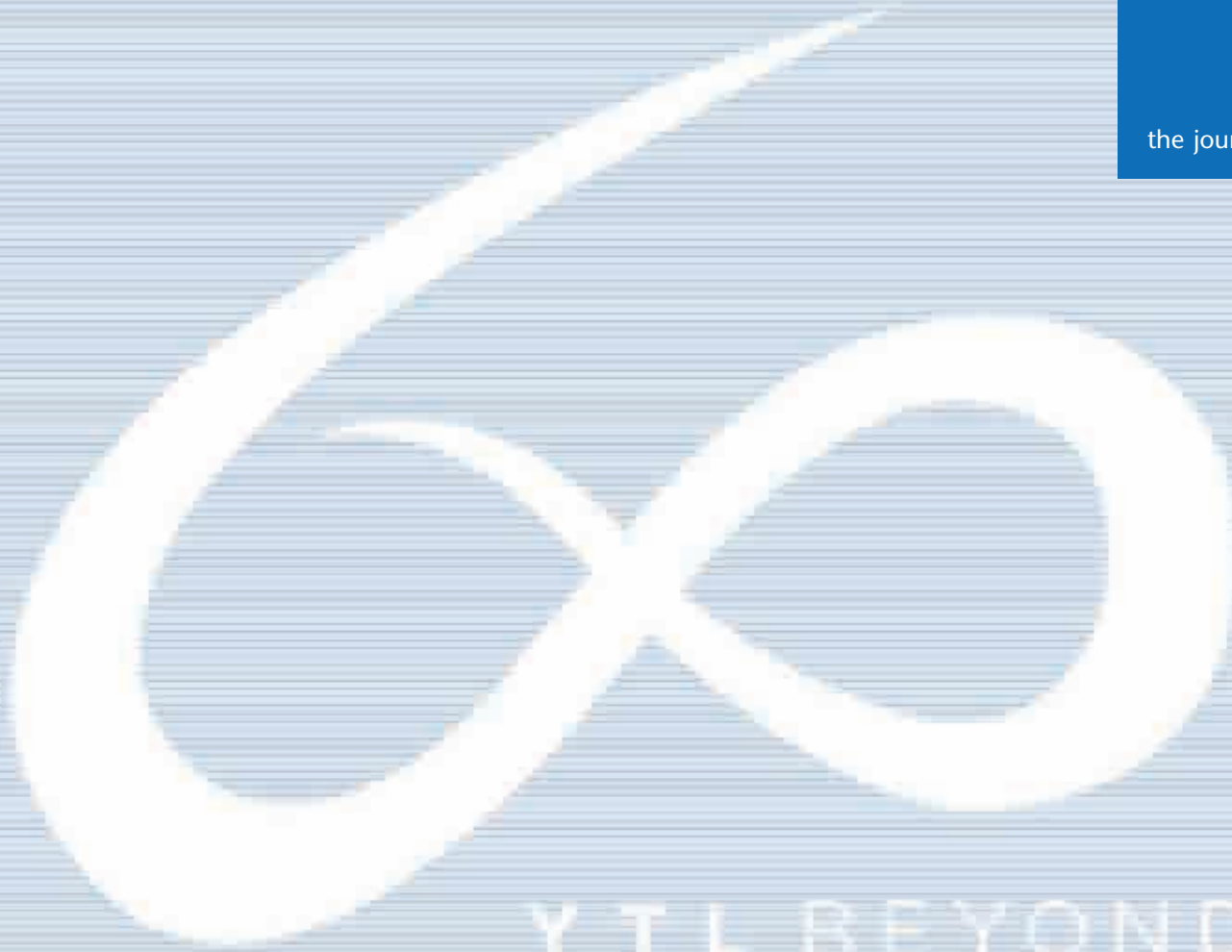




YTL GROUP

the journey continues...



YTL BEYOND 60

sustainability report 2015



About YTL Corporation Berhad

YTL Corporation Berhad (YTL Corp) is a Malaysian-based integrated infrastructure developer and utilities conglomerate with extensive international operations in countries including Malaysia, the United Kingdom, Singapore, Indonesia, Australia, Japan and China. The core businesses of the YTL Group comprise utilities, construction contracting, cement manufacturing, property development and investment, hotel development and management, communications, e-commerce initiatives and internet-based education solutions and services.

A strong focus on sustainability has always been the cornerstone of the Group's business ethics and success. In every area of business, we seek to create long-term value for all stakeholders and we are committed to producing world class products and services at competitive prices to a global market.

Our business is guided by the YTL Group corporate policies to ensure the development and evolution of a sustainable business. This is underpinned by the mantra of being able to **Bring Positive Change as a Force for Good** to others, and being committed as a Group to **Making a Good Future Happen**.



Read more about our business operations at www.ytl.com

60
year track record

More than
12,000
employees globally

Serving more than
12 MILLION
customers globally

Group Revenue
RM17 BILLION

Listed on **Bursa Malaysia & Tokyo Stock Exchange**

2015 Forbes Global 2000
– One of the world's
biggest and most
powerful public companies



UTILITIES (POWER, WATER & COMMUNICATIONS)



CEMENT MANUFACTURING



CONSTRUCTION CONTRACTING



PROPERTY DEVELOPMENT & INVESTMENT



HOTEL DEVELOPMENT & MANAGEMENT



E-COMMERCE INITIATIVES



INTERNET-BASED EDUCATION SOLUTIONS & SERVICES



Celebrating 60 Years of Excellence (1955 – 2015)

From our humble beginnings in 1955 as the first turnkey contractor in Malaysia, we have since grown to become an international conglomerate serving over 12 million customers globally.

Much has changed in the world today, with a host of global concerns pressing mankind to redefine their notion of development. Thus, sitting at the heart of our business is **sustainability**, which drives and inspires us to progress responsibly and to elevate our ambitions and endeavours to the next level.

As we turn 60, we look back at our past with fondness and thankfulness, yet remain steadfast in our commitment to be responsible stewards of the one and only Earth we have been bestowed with in our journey **beyond 60**.

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the journey continues...

Managing Director's Letter To Stakeholders



DEAR STAKEHOLDERS,

At YTL, we are constantly seeking and integrating more sustainable technologies and renewable energy sources across our diverse range of businesses. We also recognise our role in the global business community and as a leader in a number of our initiatives from Java to Bristol and beyond. Long-term goals are just as critical as short-term targets, which is why we position ourselves to balance the interests of all stakeholders across varying time frames.

For this year's non-financial report, I would like to focus on our roles as corporate citizens in helping to reverse or arrest climate change. I am not going to elaborate on all the pillars of our approach to sustainability, but instead spotlight the relatively low fossil fuel prices and the impacts on renewable energy and clean technology development both within the YTL Group and on a broader scale.

TAN SRI DATO' (DR) FRANCIS YEOH SOCK PING

PSM, CBE, FICE, SIMP, DPMS, DPMP, JMN, JP

Managing Director

MILANKOVITCH & ANTHROPOGENIC IMPACTS

Serbian astrophysicist and geophysicist Milutin Milankovitch set out to explain the climatic variations involved in the advances and retreats of ice sheets even before the start of the First World War. Whilst his well-known Milankovitch Cycles¹ elucidate some aspects of long-term climate change, 100 years later scientists and astronomers are still engaged in debate about short-term changes. The causes of climate change and the perils of extreme weather have been blamed on a number of different factors, including anthropogenic effects and natural cycles, but one thing is clear – mankind is probably the only species capable of restoring the short-term balance that we may have been responsible for upsetting.

Whether the December 2015 United Nations (UN) Climate Change Conference in Paris represents a critical juncture in the battle to reduce greenhouse gas emissions, our role and responsibility as a Group was mapped out long ago. President Obama's Clean Power Plan announced in August 2015 was a strong indication of commitment to the UN Conference of the Parties 21 (COP21) in Paris, and perhaps represents an additional item to the President's legacy list following his big bets on healthcare and Iran. Apart from being a shrewd political move by Obama, it resonates well with Mrs Hillary Clinton's campaign pledge to both increase solar power generation in the United States (US) by 700% to 140 gigawatts (GW) by 2020, and using

Managing Director's Letter To Stakeholders

regulatory power to boost the market share of renewables to one third of all electricity generation. These are not overly ambitious targets to have a good chance of limiting global warming to less than 2°C which would require the global energy mix to include 11 times more wind power by 2050 and 36 times more solar power, including a dose of nuclear in the mix. Needless to say, both Obama and Clinton will face some opposition since their policies reduce reliance on the huge US coal industry, and also exports jobs by boosting China's exports of solar panels and possibly wind turbines.

The decade of Sustainable Energy For All (SE4All) launched by the UN commenced in 2014. And whilst it centres on alleviation of energy poverty for 1.2 billion people around the world, the UN describes the initiative as "universal energy access, increasing the use of renewable energy, improved energy efficiency and addressing the nexus between energy and health, women, food, water and other development issues at the heart of all countries' core interests, which must be deeply integrated in the development agenda."

FOSSIL FUELS & RENEWABLE ENERGY

In the last decade there has been a marked shift in the makeup and capital cost of renewables. In the 1970s petroleum-based fuels and diesel accounted for over 25% of power generating capacity globally, whereas today this has fallen dramatically to less than 5%. California recently became the first state in the US to source more than 5% of its energy from solar power, and the US as a whole should add an additional 10 million more Megawatt hours (MWhrs) from households to its official 20.2 million MWhrs from utility-scale solar power plants (>1,000 kilowatts (kW)) to reflect the actual current output. It would probably be beneficial for the Energy Information Administration (EIA) and the Solar Energy Industries Association (SEIA) to formalise these results since decisions by policy makers on areas such as Investment Tax Credits could be negatively impacted by under-reporting domestic solar production.

Measures such as the removal of subsidies for fossil fuels, proposals for steadily escalating carbon taxes, increasing public investment into low carbon technologies and regulatory requirements serve to promote renewables and encourage the use of wind turbines and solar cells. However, in some places they are a cheaper way of generating energy than fossil fuels. Solar can now also compete effectively with diesel power generation, and in Europe and the US power prices are barely linked to the price of oil, especially for solar and wind. In fact,



the cost of utility-scale renewable energy plants is almost on a par with conventional fuels such as coal, oil and gas even without subsidies in certain markets. The cost of large-scale solar and land-based wind have fallen 80% and 60% since 2011 respectively. Not surprisingly, a third of the world's wind power or 100 GW is installed each year in China. This represents an increase of 10 times in as many years and is now 3% of the total power generation in China – enough to power over 100 million Chinese homes. Coal, however still remains at around 60% of the energy mix in China.

Cheaper fossil fuels and lower commodity prices have managed to derail some rural small-scale renewable energy installation plans. This has been largely due to the shifting economics involving the cost of renewable energy and also the diminishing returns from commodity extraction activity. Ironically, Africa's poorest currently pay the most for energy due to the high cost of generation from diesel. Some developing regions are already looking to leapfrog conventional electricity grids powered by fossil fuels and go straight to clean energy, similar to the way some areas bypassed fixed phone line networks in favour of mobiles. This might still be possible considering that the cost of solar power has fallen by 75% since 2008, and that there have been significant advances in energy storage technology.

¹ The concept of the Milankovitch Cycles was developed in the 1930s by the Serbian mathematician Milutin Milankovitch. They take account of three variations in the orbit of the Earth around the sun; 1) The Earth's orbit changes from being nearly circular to slightly elliptical (eccentricity). This cycle is affected by other planets in the solar system and has a period of around 100,000 years. 2) The tilt angle of the Earth's axis changes from 22.1° to 24.5° (obliquity). This cycle has a period of 41,000 years. 3) The direction of the tilt of the axis changes (precession) on a cycle of 26,000 years

Managing Director's Letter To Stakeholders

YTL'S CONTINUING COMMITMENT

In spite of oil's diminishing impact on renewables, the YTL Group still continues to invest in conventional fuels such as coal, oil and gas. However, the mix has moved increasingly from heavy fuel oil and coal to lower emission power generation such as combined cycle gas, biogas and micro hydro within the Group as a whole.

GENeco, a subsidiary of Wessex Water in the UK has invested continuously in biogas derived from human sludge waste over the last 13 years since YTL acquired Wessex Water. In 2013 we managed to forge relationships with local supermarkets, manufacturers, restaurants and households in order to collect organic waste for anaerobic biogas production, excluding the fit for purpose food that is distributed to disadvantaged people in the community through local organisations such as FareShare. Instead of this waste going to landfills and releasing methane into the atmosphere, we now process around 45,000 metric tonnes (mt) of food waste annually into biogas with a by-product of clean, pathogen-free fertiliser for the farming industry. Improper disposal of food waste can also spread livestock diseases such as foot and mouth disease. The process also replaces some conventional fuel use with biogas, thereby mitigating emissions. It provides a fertiliser substrate in liquid or solid form to the farming community whose role in preserving clean water catchment areas and maintaining healthy soil is helped by reducing the use of chemical fertilisers and metaldehyde pesticides.

The gas to grid plant at the Bristol sewage works can supply up to 8,300 homes with sustainable and renewably-sourced fuel whilst at the same time catering to the plant's own energy needs. It also supplies suitable gas for the Bio-Bus and Bio-Bug vehicles that operate in and around the Bristol and Avonmouth areas. The plant has been ramped up to produce a current level of 1,900 m³ of enriched biomethane per hour. It is an ideal substitute for natural gas and is pumped through the local distribution network.

In the Wessex Water 2015 annual report, I also spoke of how genuine concerns about the manifestations of tangible impacts of climate change have affected our communities and operations in the Wessex Water region. As such, aside from additional feedstock for the anaerobic digestion facilities, we are continuing to upgrade our sludge digesters, and increasing the amount of biogas we produce.

GENeco obtained approvals for the 8.2 MW wind turbine installation in Avonmouth. The project was sold to Triodos Renewables as a brownfield site for strategic reasons. Triodos erected the four 126-meter wind turbines, and the site is now up and running on Wessex Water's land and feeding energy into the grid. This has also helped Bristol's transformation into the European Green Capital 2015, the first UK city to win this prestigious award.



Managing Director's Letter To Stakeholders



In another of our renewable energy projects started in 2012 in Paiton, Java Island, we bring together the mitigation of various impacts through small-scale community renewable energy projects. By providing micro hydro power and biogas (derived from cattle manure), we have not only brought much needed lighting, energy for appliances and cooking gas to remote rural households, but we have also helped to reduce the harmful impacts of toxic fumes from cooking and lighting caused by kerosene, wood smoke and other fuels. An estimated 4.3 million people globally die each year from indoor smoke inhalation which is an appallingly high number, and the UN estimates that around 2.8 billion people worldwide do not have clean and safe cooking facilities.

So far we have built 208 biogas domes, 25 micro hydro units and 37 solar photovoltaics (PV) installations in rural communities around our power plant in Paiton and continue to invest in this as part of our giving back to the community. The combined emission reductions of these units are almost 5,000 mt of CO₂ per year, despite the relatively small unit sizes. In addition, the rural livelihood aspect of both the micro hydro units and biogas domes cannot be underestimated, with savings from traditional fuels being used for other development programmes in the villages.

We continue to remain committed to community projects, our employees, responsible products and services and the environment. Education initiatives including classroom makeovers, 1BestariNet and Frog VLE (Virtual Learning

Environment) may also eventually merge with the small-scale renewable energy programmes. Working with a number of NGOs and other stakeholders, we will roll out more encompassing and holistic rural community developments in the next two years, including installations in Malaysian Borneo. Similar to the classroom makeover blueprints that we are making public, we hope to export the constructs for the wider programmes so that they can be replicated in communities across Asia by our peers and stakeholders.

We continue to invest in renewable energy in a more passive way through two funds, both externally managed. The Asian Renewable Energy and Environment Fund and the Renewable Energy and Environment Fund focus on emerging clean technology and specifically on renewable energy equipment manufacturers, energy producers and companies that have switched to alternative and sustainable fuels or invest in waste heat recovery.

Larger scale fossil fuel mitigation projects in the YTL Group are also seeing increased momentum. YTL Cement's Perak plant is replicating the waste heat recovery model already in place in YTL Cement China (Zhejiang Hangzhou DaMa Cement Plant) where around 7 MW of power capacity has been installed to recover energy from heat that would otherwise have been lost into the atmosphere. YTL Cement's Perak plant will generate approximately 8 MW of power and displace around 42,000 mt of CO₂ per year, whereas the China plant mitigates around 39,000 mt of CO₂ due to the differing emission factors.

Managing Director's Letter To Stakeholders



THE POPE & CLIMATE CHANGE

Regardless of what we believe about the Milankovitch Cycles and anthropogenic impacts, it is refreshing to see Pope Francis's mid-2015 encyclical on the environment, which is regarded as a ground-breaking intervention on the climate change debate. He blamed global leaders for their failure to act decisively and for the continued extensive use of fossil fuels. A month later whilst in Latin America, he also stressed the need to protect both the environment and the poor from exploitation. Profit at any cost, he reiterated, would have further devastating impacts on both the environment and communities.

Activists and NGOs praised The Pope's bold move and believed that it could help push decision makers to make strong, ambitious and binding commitments. A core part of the Pontiff's message was his comment about interfaith cooperation, where he said; "I encourage the collaboration between persons and associations of different religions on behalf of an integral ecology." As he and others recognise we are now sitting at a crucial tipping point, the time to stop bickering about details, and unite along a common path has clearly arrived. As Obama rightly said in his Clean Power Plan speech in August, "we are the first generation to feel the impact of climate change and the last generation that can do something about it." And his chilling closing statement reflected our fears about complacency or apathy when he said "there is such a thing as being too late when it comes to climate change."

Managing Director's Letter To Stakeholders



CONCLUDING COMMENTS

To conclude on an optimistic note, we must remember that the progress and momentum in renewable energy development is encouraging, and the growth of renewables finally outpaced that of fossil fuels globally in 2014, adding 135 GW over the year. The total of renewables at the end of 2014 represented 28% of global energy production, and 19% of final energy consumption, which includes power generation, heating/cooling and transportation. Furthermore, at least eight countries, hundreds of cities, regions and companies have now committed to 100% renewable energy targets. Examples such as Fukushima, Japan and Hawaii, US aim to be running 100% on renewables by 2040 and 2045 respectively.

In the 17th century over 10,000 windmills dotted the Dutch landscape. However, due to public objection, Holland now lags behind most of Europe, putting the country in 26th place in the European Union, ahead of only Malta and Luxembourg. As readers of *Don Quixote*² know, not everyone living in Holland in the 17th century liked windmills. But now, windmills are not necessarily just the “hulking giants” that Don Quixote described them as, but one of our major hopes in renewable energy for a more sustainable future. After Don Quixote tried to convince his illiterate squire, Sancho Panza, to fight the windmills alongside him, he was reminded of their purpose; “Take care, sir,” cried Sancho. “Those over there are not giants but windmills. Those things that seem to be their arms are sails which, when they are whirled around by the wind, turn the millstone.”

Technical and financial challenges are no longer the principle ones, but political will is. It is going to be critical for businesses to work alongside governments, whilst at the same time helping to stimulate change and momentum at the community level. Perhaps, like Don Quixote, we all occasionally need a dose of the earthly wisdom and practical realism of Sancho when it comes to reminding us how to pave the way towards a sustainable future. At YTL, we remain committed to making a good future happen for our stakeholders, our children and future generations.

May God bless and guide each and every one of us in all our positive endeavours.

TAN SRI DATO' (DR) FRANCIS YEOH SOCK PING
PSM, CBE, FICE, SIMP, DPMS, DPMP, JMN, JP

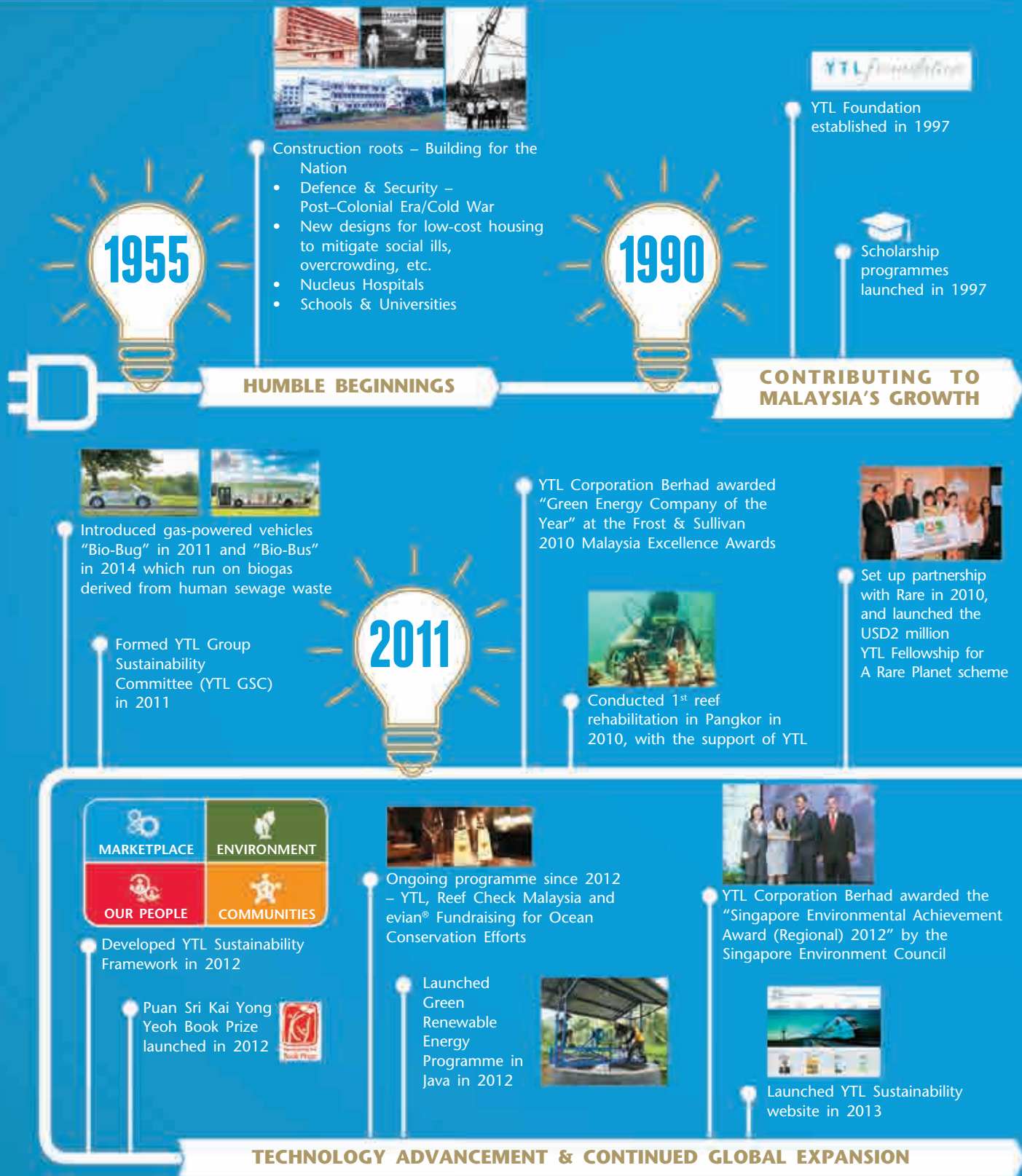
Managing Director
YTL Corporation Berhad

² *Don Quixote* is a Spanish novel by Miguel de Cervantes Saavedra. The full title is “The Ingenious Gentleman Don Quixote of La Mancha” (in Spanish: *El Ingenioso Hidalgo Don Quijote de la Mancha*).

YTL 60th Anniversary

YTL'S MAJOR MARKERS IN SUSTAINABILITY

From our modest beginnings in 1955, YTL has transformed into one of Malaysia's most trusted corporations, encompassing construction contracting, cement manufacturing, property development & investment, utilities, hotel development & management and IT & e-commerce. Here are some highlights of achievements, successes and milestones of the YTL Group of Companies.



2000

Became founding partner of Kuala Lumpur Performing Arts Centre (KLPAc), together with Yayasan Budi Penyayang Malaysia and The Actors Studio – A RM25 million effort from YTL in 2005



YTL Corporation Berhad awarded "Commendation for Social Reporting" at the ACCA Malaysia Environmental and Social Reporting Awards (MESRA) 2007



Produced first CSR statement in YTL annual report 2006 and first standalone YTL Sustainability Report in 2007



YTL Corporation Berhad awarded "Best Social Reporting in an Annual Report" at the ACCA Malaysia Environmental and Social Reporting Awards (MESRA) 2006



2007 – 2011 Climate Change Week – YTL Corporation's flagship educational outreach programme designed to raise environmental consciousness amongst Malaysians as well as inspire them to be part of the solution to the urgent issue of global warming



YTL Cement received "Singapore Green Labelling Scheme" for six blended cement products



Launch of 800 MW Cogeneration Combined Cycle Plant in Singapore in 2010



KLIA Ekspres launched the "Go Lo-CO₂" campaign to inspire more people to lead a greener lifestyle

Set up YTL Group Environmental Division in 2009 & renamed as YTL Group Sustainability Division in 2012



RCM partnership with YTL started in 2008 with the initial goal to improve condition of reefs and marine habitats around Pangkor Island



Launch of YTL-SV Carbon, an in-house carbon consultancy in 2008

Global book launch of "Cut Carbon, Grow Profits" in 2007



DIVERSIFICATION & BUILDING A GLOBAL PRESENCE

YTL Hotels set up Gaya Island Resort Marine Centre in 2013. Its Turtle Rescue and Rehabilitation Programme at Sabah is Malaysia's very first



Launched YTL Sustainability Tagline "Making a Good Future Happen" in 2014



YTL Corporation Berhad awarded the "Strongest Adherence to Corporate Governance" and "Best Strategic Corporate Social Responsibility" at the 3rd Annual Southeast Asia Institutional Investor Corporate Awards 2013



YTL Corporation Berhad awarded "Gold prize for the Best Workplace Practices" at the Global CSR Summit and Awards 2014

2015



Our Commitment

Striving towards being a trust-based organisation that upholds ethical, sustainable and responsible business practices

EMBRACING THE MARKETPLACE



Delivering profitable
business growth through
effective risk
management and
compliance



Operating sustainable
and responsible supply
chains and
procurement processes

OUR APPROACH



Strengthening responsible
stewardship of products
and services



Investing in
sustainable innovation



Respecting and actively
engaging with business
partners, customers and
communities



Embracing the Marketplace



Highlights

- Wessex Water maintained high levels of customer satisfaction, retained the UK Government's Customer Service Excellence award, and topped the water and sewerage company league table for the 7th consecutive year
- ERL consistently maintained an impeccable world class on-time record of 99.7% since 2002
- Six blended cement products certified as "eco-friendly cement" at YTL Cement
- Revised procurement policy, embedding environmental and social aspects for employees, suppliers and vendors at YTL PowerSeraya
- Helped more than 18,000 customers to reduce water and energy bills through the tap assistance programme

YTL's strategy is guided by the key principles of integrity, honesty, fair dealing and regulatory compliance. Our commitment to responsible business practices has led to business success, stakeholder satisfaction and product and service excellence.

Whilst we continually expand our range of products and services in order to meet customer requirements, we also believe that we need to do more. The establishment of sustainable supply chains are challenging due to the maturity of products on offer, demands from stakeholders, and deeply entrenched traditions. However, we are witnessing the desire and willingness to change as internal and external pressures build to be more responsible, and where the evidence of the high costs of ignoring risks manifest themselves.



Embracing the marketplace



EFFECTIVE RISK MANAGEMENT AND COMPLIANCE

The YTL Group has a long-standing commitment to corporate governance and protection of stakeholder value, which has been integral to the YTL Group's achievements and strong financial profile. Our goal is to adopt and maintain high standards of corporate administration and moral execution. As part of our corporate governance procedures, we have risk assessment systems that are regularly evaluated and improved upon in consideration of economic, environmental and social impacts.

Compliance with national, international and regional regulations are crucial across the YTL Group. The risk management systems in each business unit are created to address a more holistic view of operational issues such as compliance, crisis management, internet fraud and anti-competitive behaviour in a coordinated manner. By adhering to laws, regulations, guidelines and specifications relevant to our businesses, it helps to reduce financial risks that occur either directly through fines and monetary risks or indirectly through impacts on reputation. We believe that an organisation's compliance record will affect its ability to expand operations, to prequalify for mergers and acquisitions (M&A) activities and tenders, or to be issued permits.

Over the last five years, all regulatory requirements were met by Wessex Water, a subsidiary of YTL Power International.

Privacy and Data Protection

We recognise and respect the legal rights of others on matters involving the ownership, use and disclosure of intellectual property. At YTL, our corporate, customer and employee information is strictly private and confidential, and is treated as such at all times.

Ethical Marketing and Communication Practices

Holding high ethical standards in our marketing and advertising means that we do not deliberately distort messages, omit crucial facts and, at the same time, do not allow misleading claims about our competitors' offerings. Compliance with relevant laws and codes on advertising and promotions are adhered to, and keeping communication channels with customers open is an important part of the feedback mechanisms.

All product and service information is published on our websites, marketing collateral, brochures, booklets as well as advertisements via all forms of media.

Read more about our Privacy Policy on our website, and the Statement on Risk Management and Internal Control in the YTL Corporation Berhad Annual Report 2015.

Embracing the Marketplace

SUPPLY CHAIN SUSTAINABILITY AND RESPONSIBLE PROCUREMENT

Building sustainable supply chains and responsible procurement practices do not only involve our immediate suppliers or customers, but reaches across the entire breadth and depth of our supply chains. Priority is always given to locally produced items and responsibly-sourced products and services in order to reduce transportation-related emissions and to support the local economy, whilst also meeting financial key performance indicators (KPIs).

YTL PowerSeraya took a progressive step when senior management endorsed an amended Procurement Policy, which embedded environmental and social aspects for their employees' consideration when they procure goods and services for the Company. In the coming fiscal year, the Company will follow through with the implementation aspects of the new policy and will amend relevant documents along the purchasing process chain, as well as communicate the new changes to employees, suppliers and contractors.

YTL Hotels Supports Local Businesses

Consumers make purchasing decisions that go beyond just price and quality, and this has intensified more recently with sustainability awareness improving somewhat due to the strong impacts of social media on consumer behaviour. Consumers increasingly care about what companies stand for, how they source their products, how they treat their employees, and if supply chain policies and procedures are genuine and holistic.

YTL Hotels takes advantage of its high number of local employees and close interaction with the surrounding environment and communities to source ethically, sustainably and locally purchased items. Priority is given to locally produced items with fair trade or eco-labels whilst upholding high standards. All procurement departments have been strengthening their purchasing processes and reviewing policies.

As part of the Group Sustainability mission, YTL Hotels is committed to working with local suppliers to improve practices in sustainable sourcing. Having the produce come from reliable, sustainable and ethical sources also forms part of the gastronomic and local experience that YTL Hotels offers their guests.

Some of the initiatives we reported previously at Gaya Island Resort (GIR) have continued successfully. The "Catch of the Day" menu offering at the resort's Fisherman's Cove restaurant is part of an initiative to support a group of small-scale local fishermen committed to the activity of line-caught fish. This has numerous benefits such as contributing to the conservation of healthy reefs and oceans, and improving the livelihood of local fishing communities.



Line-caught "Catch of the Day" beach barbecue at Gaya Island Resort

Other programmes supporting the local Penan community (an indigenous semi-nomadic tribe of Borneo), is also ongoing, and this has successfully contributed to their income and helped to keep local skills alive. They continue to use plastic waste items to make colourful, durable and practical baskets which supports them, and also removes this harmful waste from the sea and landfills.



YTL Hotels supports the local Penan community's arts and crafts

The other YTL resorts in Malaysia such as Pangkor Laut Resort and Cameron Highlands Resort are also continuing with their community and local sourcing programmes which we detailed in the 2014 Sustainability Report. These serve to educate guests and support local communities with policies and programmes that have been adopted by our other resorts, and also our industry peers. Good practices are made even better if they propagate successfully and become business as usual rather than exceptional activities.

Embracing the Marketplace

The latest addition to our Niseko Village, Hokkaido portfolio is the Kasara Niseko Village Townhouses which were launched on 5 December 2014. These exclusive townhouses represent the maiden offering of Kasara, promising authentic and unforgettable local experiences in exotic locations across the globe. The townhouses are further complemented by contemporary shopping and dining outlets, located just a short distance away from Niseko Village's award-winning hotels, residences and ski slopes. Here, visitors can find locally sourced world class cuisine at Yang Shu Ten, après ski drinks and Hokkaido seafood at The Crab Shack, and live entertainment and Southeast Asian specialities at Two Sticks, which all come together to enhance the Niseko Village experience. Over 90% of the materials used were locally sourced and made in Hokkaido and Japan.

In Thailand, in order to achieve improved sustainability standards, The Surin Phuket sources local food and ingredients wherever possible as this practice can help minimise the energy used in production, transportation and storage. Local food items such as fish, seafood and vegetables are sourced from farmers and communities around the area who practice sustainable agriculture and fishing, and thus provide a perfect solution to the executive chef. By sourcing locally, the resort is also promoting sustainability to guests.

The Spa Village Resort Tembok, Bali (SVRTB) switched from regular market vegetables to organic vegetables and created offerings in their menus according to the season and availability of produce. The resort has gained valuable feedback from guests on the quality and value of their vegetables and fruits. Currently, all of the fruits and vegetables consumed at the resort are locally sourced and, wherever possible, organically grown. As a result, no extra costs were incurred after switching suppliers.



The famous Yang Shu Ten restaurant in Niseko Village serving world class cuisine using locally sourced ingredients

SVRTB has been working exclusively with Bali Highland Organics (BHO) who were able to start their business with the resort's support. To date, BHO has already employed five village people as a result of the revenue generated. The intention of this initiative is to support the less well-off mountain communities in Bali as well as to educate them on alternative farming methods. As such, the resort will be able to establish a group of suppliers capable of delivering 100% organic vegetables from within Bali, and also create jobs for local communities. To achieve this, SVRTB's strategy is to increase the planting area by ten times in one year and to employ an additional 60 employees in Bali and the surrounding islands.

Coconuts are a significant source of income for local communities and they are also an extremely versatile and healthy product for guests. Realising the benefits of coconuts, SVRTB sources up to 60 local coconuts daily from the village nearby and the chef uses every part of the product including the shells which are cut up and used as fuel for barbecues, and the husks fed to cows in the neighbourhood. This initiative is a win-win situation where a steady income has been established for the local community, whilst the resort is able to obtain a constant supply of coconuts.



Fruits, vegetables and coconuts used at SVRTB are locally sourced and/or organically grown

Embracing the Marketplace

Promoting Green Products and Supply Chains through Educational Seminars

YTL Cement aims to maintain its position as an innovator among key professionals in the global cement market. The Company organises educational seminars and training sessions where they promote the use of eco-friendly cement and concrete to local engineers and other stakeholders. In 2014, the Company organised two annual seminars in two different places within Peninsular Malaysia – Kuala Lumpur and Johor Bahru, bringing together professionals to share their experience and best practices on green products and responsible supply chains. It also provided the participants a plethora of usable content on a variety of relevant subjects and the latest updates and changes taking place in the cement industry.

On 11 September 2014, YTL Cement held its Annual Seminar at JW Marriott Hotel in Kuala Lumpur with invited speakers who gave presentations on the subject of “Build Faster, Higher and Stronger with Eco Cement and Concrete”. The seminar saw a strong turnout with over 400 participants consisting of engineers, consultants, contractors, developers, ready-mix concrete suppliers, precasters, industrial users as well as officers from various government agencies of Malaysia’s central region.

During the seminar industry peers were able to learn about the type of assessment methods available and how they lead directly to usable results in quantitative or qualitative terms, or indirectly indicating the trends for adjustment in the composition of designed concrete. Traditionally available tests as well as new test methods for Self-Compacting Concrete³ (SCC) were reviewed for the role they play in quality assurance for the production or the performance of concrete as a product and the concrete structural elements. The newly

published BS EN 206:2013⁴ detailed testing methods and acceptance for SCC as well as information on mixture designs, fresh and hardened concrete properties and numerous project references where eco-friendly SCC was successfully used.

Another annual seminar was held on 27 November 2014 at Renaissance Hotel in Johor Bahru. Here, the speakers gave presentations entitled “High Strength and Temperature Limits – a Balancing Act in Tropical Climates”. The seminar was attended by over 200 participants from similar fields as well as officers from various government agencies of the southern region of Peninsular Malaysia.

The presentation covered the increasing use of high strength concrete in modern construction. High strength concrete requires a higher content of cementitious material, but this results in the generation of significant heat and sharp temperature rises. For thick sections, the heat of hydration at high cement content poses severe challenges to meeting peak temperature limits (70 to 75°C) and also to limiting the temperature differential to minimise the potential of early thermal cracking. Lastly, the participants were also briefed on the use of SLAGCEM⁵ or MASCEM⁶ and how they can strike a balance between achieving high strength and meeting temperature limits due to lower heat of hydration and better workability.

Through the annual seminars, YTL Cement believes that participants are able to garner new information from speakers, network with people in the same field, and enable them to evaluate the latest technologies that can potentially help grow the business. Due to the success of the annual seminars, YTL Cement will continue to organise similar events to facilitate engagement with business partners, customers and communities.



Over 200 participants from the cement industry taking part in the Johor Bahru Annual Seminar 2014



Around 400 participants at the Kuala Lumpur Annual Seminar 2014

- 3 Self-Compacting Concrete is a relatively new product that sees the addition of superplasticiser and a stabiliser to the concrete mix to significantly increase the ease and rate of flow.
- 4 BS EN 206 is a European Standard that applies to concrete for structures cast in situ, precast structures, and structural precast products for buildings and civil engineering structures.
- 5 SLAGCEM is the brand name of the high quality Portland Blastfurnace Cement produced by blending Ground Granulated Blastfurnace Slag (GGBS) with Ordinary Portland Cement (CEM I).
- 6 MASCEM is the trade name of specially manufactured Portland-fly ash cement produced by blending good quality fly ash with Ordinary Portland Cement (CEM II).

Embracing the Marketplace

PRODUCT AND SERVICE STEWARDSHIP

Our aim as a company is to supply the highest quality products and to deliver world class services at competitive prices that meet and exceed our customers' expectations. Innovation remains one of the Group's strategic focuses, and significant investment in research and development is a crucial factor in ensuring sustainability in our businesses.

In developing our products and services, we have also been responsive to the rapidly changing landscape around us. Hence, we have high standards of quality control in place throughout our processes – from the procurement of raw materials to the sales of products and delivery of services. We constantly monitor and review processes, putting in place systems to better manage risk, increase productivity, sharpen our competitive edge, and most importantly, to make strategic choices and decisions that have a positive impact on society and the environment. We believe that enhancing and enriching people's lives is a responsibility that we must uphold.



The Infoscreen displays on the ERL (top) and the Giant Cube (bottom)

YTL Info Screen (YTL-IS) is constantly looking at ways to leverage their content on digital media such as *Infoscreen* (outdoor digital media), the Giant Cube at Lot 10 Shopping Centre, digital screens at Bintang Walk, digital posters / screens at KLIA Ekspres, and many more. Their digital investments are targeted at making the publications and interactive content increasingly seamless. Recently, YTL-IS was placed third in the "Best Out of Home Media" as listed in Advertising + Marketing Magazine (A+E). According to A+E, the Company has been actively growing its network and expanding its reach. It now has 216 screens in its network targeting travellers coming through KLIA and KLIA2 to KL Sentral, whilst the Giant Cube is seen by more than five million tourists, pedestrians and motorists monthly along the iconic Bintang Walk.

YTL Communications (YTL Comms) has been expanding their nationwide 4G footprint in Malaysia, one of the most advanced converged mobile services to more than 85% of the population across the country. To further improve their presence, YTL Comms collaborated with Intel Malaysia and Acer Malaysia in 2015 to promote the latest Acer Iconia One 7 tablet through a bundle plan exclusively available from all **Yes** stores and **Yes** retail partners nationwide. Through the 4G devices such as the Huddle XS as well as the innovative Yes Life telephony application, **Yes** subscribers can easily connect to the **Yes** network not only through their tablets but also with their smartphones and laptops and enjoy 4G speeds of up to 20 Megabits per second (Mbps), with voice and SMS all in one single plan. Thus far, this tablet has received positive reviews internationally for its excellent performance and value.



The **Yes** Huddle XS

In early February 2015, YTL Broadband was established to provide high speed fixed broadband to exclusive properties – both residential and business subscribers. With the extensive nationwide **Yes** 4G network, the Company is able to provide fixed broadband in all cities and towns in Peninsular Malaysia. To date, YTL Broadband has successfully implemented the fixed broadband infrastructure for four projects: The Reed at Sungai Besi, The Leafz at Kuchai Lama, Amara Service Residences at Batu Caves and Skypod at Puchong. The Company expects to complete another five projects by the end of 2015 in the Klang Valley, Negeri Sembilan and Johor Bahru.

Embracing the Marketplace

When YTL Cement first offered blended cement products in the late 1990s, they started with research and development into the use of waste slag from steel mills – ground granulated blast furnace slag – which was imported from Japan and China into Malaysia. Following successful trials and the acceptance of blended cements in major infrastructure and construction projects, the Company explored the use of other aggregates such as pulverised fly ash, copper slag, industrial gypsum and various types of ash in blended cement products.

Commencing in 2015, it became mandatory for all construction firms in Singapore registered under the Contractors Registration System, administered by the Building and Construction Authority (BCA), to be certified under the Green and Gracious Builder Scheme (GGBS). This scheme sets standards for green practices that builders can implement to address environmental concerns. As an environmentally responsible contractor, YTL Construction Singapore (YTLC) had already taken the initiative to adopt this scheme since 2013. It applies to all current and ongoing projects company-wide to address environmental concerns and mitigate possible inconveniences to the public caused by construction works, as well as raise environmental consciousness among its own employees, site teams, and subcontractors. With this, YTLC successfully achieved “Merit” status during their recent recertification audit of the GGBS.



The team from YTL Construction Singapore during the briefing by YTL Sustainability Division for the GGBS accreditation

Sentul was founded in the late 1800s when the first Malayan railway line opened between Taiping and Port Weld, and gradually expanded to connect the North and South of Malaya. The town claimed the honour of establishing Sentul Works in the early 1900s, one of the finest integrated engineering railway workshops in the country that helped to elevate Sentul's prominence and grow its community. In 1896 the British founded the Federated Malay States Railway in Sentul, making it into a thriving and vibrant community with a large Indian population brought into the country to work for the company. When the Japanese occupied Malaya, the railway depot was renamed Marai Tetsudo but the British bombed two vital complexes there in 1945, signalling the end of the occupation and the beginning of Sentul's decline. The diminishing economic and social dependence on the railway line in the 1960s witnessed the decline of this prosperous railway town which then slipped into obsolescence but continued to exist as a run-down aging district of Kuala Lumpur city.

It wasn't until the 1990s that things began to change when 294 acres of freehold land were earmarked for redevelopment. This was initially carried out by Taiping Consolidated until the Asian financial crisis hit in 1997/1998, after which YTL Corp bought over the company. Its subsidiary, YTL Land & Development (YTL L&D), then took over the urban renewal project.

The vision of urban renewal for Sentul West and Sentul East under the Sentul Masterplan is all encompassing. The Masterplan's rollout has been achieved in stages, and the transformation of Sentul from a neglected railway town into a new hub for residential, commercial and retail activities is now a reality. Many abandoned apartments built halfway by the previous developer were completed and now tower as high-rise residences, commercial buildings and infrastructure related facilities such as the private and gated Sentul Park, the high-rise Capers and Fennel, Sentul West, Sentul East and the Kuala Lumpur Performing Arts Centre (KLPAc). YTL L&D has totally transformed and revived this marginal location into a thriving and vibrant community.

In recognition of the successful implementation of the Sentul Masterplan in the rejuvenation of Sentul and its contribution to the community, the Masterplan was honoured as the Best Masterplan Development by FIABCI-Malaysia in the Malaysia Property Awards 2007, and Runner-up in the FIABCI-International Prix D'Excellence Awards in 2008 in the Master Plan category. The regeneration of Sentul also won The Edge Malaysia Outstanding Property Project Award in 2014.



Before Sentul Redevelopment



After Sentul Redevelopment (Photo courtesy of FIFOTO Photography)

Embracing the Marketplace

Niseko was not open to the rest of the world for investment in the past. However things changed with recession in the 1990s when Australian skiers discovered its amazing powder snow. YTL saw this opportunity and the Company took over The Green Leaf Niseko Village (TGLNV) and retained its distinctly post-war Japanese style architecture.

Other than the refurbishment of TGLNV, YTL also launched two developments – The Village and Kasara Niseko Village Townhouses, which are part of a grand design to further develop the resort. The fully integrated all-season Niseko Village offers magnificent views of the majestic Mount Yotei, a vast selection of activities suitable for guests of all ages with varying interests, accommodation with ski-in, ski-out facilities, onsens (natural hot springs) and exquisite dining and après ski options. Notably, Niseko Village won the award for Best Ski Resort in Japan by World Ski Awards 2014 for the second consecutive year.



Kasara Niseko Village Townhouses



Guest skiing in the famous Niseko, Hokkaido champagne powder snow

Express Rail Link (ERL) introduced cutting-edge technology and infrastructure with the launch of its KLIA Ekspres and KLIA Transit services. Beyond that, the Company also introduced a new mindset which its people have applied with success, and established values that they have learned to internalise with disciplines such as punctuality, speed, efficiency and reliability.

ERL recently refreshed its train livery designs to replace the flora and fauna batik motifs sported since it began operations in 2002. The new design features an image of the cheetah, the world's fastest land animal. The focus on speed and reliability is in line with the Company's vision and puts its services ahead of all its competition.

ERL took various initiatives to improve its service quality in recent years. This included the refurbishment of all trains seats and carpets, the installation of **Yes** 4G Wi-Fi connectivity onboard, online ticketing enhancements, the introduction of a KLIA Ekspres mobile app, Visa payWave at the gates, and train service updates via Twitter and Facebook. ERL also introduced new tourist products called KL TravelPass that runs on the Touch 'n Go platform and the Putrajaya Sightseeing package, with the latter involving the integration of KLIA Transit service with buses. This is not the first time that ERL has worked with a business partner to offer a customised public transport product for the public which, as an added benefit ultimately reduces carbon emissions.



Launch of the KL TravelPass by ERL

In order to encourage more people to take public transport and ease traffic congestion going into and out of the Sepang International Circuit (SIC) during the Formula One (F1) race, ERL started offering the KLIA Transit Petronas Malaysia Grand Prix Transfer Package every year since 2003. Widely recognised as *"the fastest way to the race"*, it is a complete package comprising KLIA Transit train transfers between KL Sentral and KLIA, and a shuttle bus transfer between KLIA and the SIC. ERL is also working with Kuala Lumpur City Hall and KL Hop-on Hop-off bus provider on a joint product offering called Showcase KL which specifically targets transiting air travellers.

Embracing the Marketplace

ERL trains have been operating at near full capacity since the opening of the new low-cost carrier terminal, KLIA2 in May 2014. We see more and more people making the train service their preferred mode of airport transfer as well as locals who opt to commute by KLIA Transit to work. ERL signed an agreement with CNR Changchun Railway Vehicles Company Ltd in November 2014 for the purchase of six new trains to cater for the ridership growth. Two trains will be allocated for KLIA Ekspres and the remaining four will be for KLIA Transit. Each train set will have four cars and will operate at a cruising speed of 160 km per hour. The trains are expected to be progressively delivered to ERL starting May 2016.

ERL's ridership increased by 44% since the opening of KLIA2!



The new cheetah livery on the train's exterior

ERL has been recognised locally and internationally for consistently providing high standards in the air-rail services industry. It received numerous awards at the prestigious **Global AirRail Awards**⁷ organised by London-based Global AirRail Alliance. ERL was named *AirRail Link of the Year* in 2012, 2014 and 2015. Other awards include *Best Customer Service Award* for KLIA Ekspres VIP Service in 2011, *Personality of the Year* for Noormah Mohd Noor, Chief Executive Officer of ERL in 2011 and the *Environmental Commitment Award* in 2013. On the home front, ERL received the *Best Operator – Intercity and Urban Rail Award* from Suruhanjaya Pengangkutan Awam Darat (SPAD⁸) at the Land Public Transport Symposium 2014. ERL welcomed its 60 millionth passenger in February 2015.

The completion of the MRT project and the LRT extension line will further support the connectivity needed to convince more people to use public transport within the city and to/from the airport. ERL is committed to helping the nation reduce its carbon footprint through continual improvement of its services and by promoting public transport usage.

INNOVATION A CENTRAL THEME

Innovation and sustainability go hand-in-hand, and to evolve effectively, we must uncover new ways of doing things more efficiently and sustainably. This means sharing knowledge, winning and delivering work in integrated ways, developing new markets, creating external partnerships and harnessing knowledge and skills.

In line with this, Wessex Water is using industry leading no-dig techniques to replace and renew below-ground assets, thereby minimising the impact on customers and communities. Many new ideas come from employees through their Eureka! programme, which rewards employees who have implemented projects that save money, improve services to customers, reduce risks and improve working methods in general.

Some of the most successful ideas under the Eureka! programme in 2014 and 2015 include the installation of new gear boxes in the mixers at Maundown water treatment works, a method for improving the efficiency of the methanol dosing system at Poole sewage treatment works and an upgrade to the pumping system at Tucking Mill to avoid importing higher cost water from Bristol Water.



(L-R) British Olympic swimmer and sports presenter, Sharron Davies MBE, winners of Eureka! scheme, Charley Tingay, Lorraine Puzey and Bill Brown, Wessex Water's Director of Strategy and New Markets, David Elliott

⁷ The Global AirRail Awards is a London-based industry organisation joining rail operators, airports, airlines and suppliers from around the world. Judges for the awards are professionals in the air and rail industries.

⁸ SPAD is the main body responsible for all land public transport matters in Malaysia and is directly responsible for streamlining policies, central planning, regulation and enforcement.

Embracing the Marketplace

Wessex Water also carries out trials of new technology that are introduced by other companies. Trials in the last year or planned for the year ahead include remote methods for chemical dosing at sewage treatment works (using programmable pumps and temperature sensors), units that measure the uptake of oxygen within activated sludge chambers in order to optimise aeration, a “double-packer” that allows sewer rehabilitation work to continue during wet weather when there are high flows of rainwater in the sewers, and a solar powered unit that emits ultrasound waves to inhibit the growth of algal blooms in water supply reservoirs.

One trial in 2014-15 has been recognised as a world first. This involves a wastewater meter developed in conjunction with Dynamic Flow Technologies Limited and Elster Water Metering, using non-invasive microwave technology to measure trickle flows as low as 0.02 litres per second, up to virtually full bore flows. If successful, this innovation should greatly assist customers who would prefer to pay for sewerage services based on measured volumes of wastewater that they generate instead of using estimates.

Wessex Water’s joint research programme with the University of Bath continued during 2014-15. The five main themes are:

- low energy nutrient recovery from sewage;
- methods for increasing biogas from sewage sludge digesters;
- emerging pollutants in wastewater;
- customer engagement to discourage disposal of inappropriate items in toilets; and
- improved techniques for comparing the whole life costs of physical assets and catchment management.

This year also saw the launch of a water innovation and research centre at the University of Bath. This will enable further research into water technologies and resource management, contributing to future water policy and the development of innovative sustainable water treatment systems.

An Innovative Solution and Alternative to Natural Sand

Since the construction industry began thousands of years ago, natural sand has been used as a fine aggregate in the production of concrete and as a building material since it is one of the cheapest resources available. However, the excessive mining to meet the increasing demand for sand has led to the ecological imbalance at affected locations, thus prompting industry players to source for alternative aggregates to replace natural sand.

The use of quarry dust in concrete is desirable because of its benefits such as the responsible disposal of by-products of quarrying activities, the reduction of river sand consumption as well as increasing the strength parameters and workability of concrete.

Recent research and development by YTL Cement into the use of quarry dust in concrete mixes has focused on a full replacement of natural sand. The results suggest that a concrete mix made of quarry dust has less workability, making it harder to use, and there are also doubts about its durability and compressive strength. Experiments suggest that natural sand has stronger and harder qualities which makes quarry dust less viable to be used as a replacement. However, small amounts of quarry dust (up to a replacement of 30% of natural sand) can be mixed with sand to make a suitable compound.

Further research found that the full replacement of natural sand with manufactured sand (M-sand) is possible to produce concrete mixes having similar durability, strength and workability of concrete mixes produced using natural sand. M-sand is crushed aggregates produced from hard granite rocks, which are cubical in shape and consistently graded.

By using M-sand, YTL Cement is able to reduce the concrete mix cost. Unlike natural sand, it does not contain impurities which affects the concrete’s strength. Not only is M-sand an alternative to natural sand in concrete manufacturing, it also offers a sustainable solution and reduces impacts on the environment.



(Top) M-sand is more angular in shape compared to natural sand and quarry dust; (bottom left) washed M-sand; (bottom right) unwashed M-sand

Embracing the Marketplace

CUSTOMER ENGAGEMENT

Engagement is neither a marketing gimmick, nor a product design process. It is a partnership with the most insightful, important and invested stakeholder in our business – our customers. During an economic downturn, customer engagement becomes a strategic advantage to the company. Thus, engaging our customers and providing them with superior service and quality products is essential. At YTL, we put customers and the communities we serve at the heart of everything we do.

YTL Comms aims to continue building the exciting **Yes** brand to deliver enriching experiences for customers. To achieve this, the Company wants to leverage big data to understand consumer trends and preferences and anticipate their needs better, through social media and online customer service support teams called YesCare. In 2015, YesCare won five awards at the 15th National Customer Experience Industry Awards. These awards are dedicated to formally acknowledging and rewarding organisations for the implementation and execution of customer care excellence.



The YesCare team

Other than providing luxurious and richly experienced stays, YTL Hotels also provides nature activities, namely PURE, which cater to individual travellers, couples, families and groups that love nature. The programme seeks to offer guests a unique experience by immersing them in the vibrancy, scents, textures, sounds and tastes of the natural environment and cultural heritage of the region.



Entrance to PURE at Niseko Village

In FY2014/2015, 100% of YTL PowerSeraya's customer emails were resolved within 3 working days and 97% of the calls were attended to within 30 seconds



YTL PowerSeraya's in-house call centre team

Last year, UK industry regulator Ofwat⁹ trialled its new-look Service Incentive Mechanism (SIM) and, once again, Wessex Water emerged as the top water and sewerage company – a result supported by satisfaction and value for money surveys. The Company is also introducing measures that compare with the best service providers outside the utility sector. Complaints in 2015 fell again, down by 5%. Wessex Water is also resolving more complaints on the first try and they have seen a reduction of around 5% in escalated complaints. With this, the Company managed to retain the government's Customer Service Excellence award for their approach to customer service and continues to have the best overall package for customer guarantees in the industry.

⁹ Ofwat is the economic regulator of the water and sewerage industry in England and Wales.



Embracing the Marketplace

Wessex Water has been continuously looking for services that solve customer problems such as providing bills in braille and in languages other than English. Their commitment to accessible and inclusive services for all is demonstrated in their recent attainment of the British Standard for Inclusive Service Provision (BS 18477), and the award of the Louder than Words charter mark. Their employees have worked with Wiltshire Mind on mental health awareness training and with the Money Advice Trust on how best to spot signs of financial difficulty.

Through the assistance programme, **tap**, Wessex Water is helping more than 18,000 vulnerable customers pay ongoing charges and also to repay debt, while offering practical solutions to reduce water and energy bills. Working closely with debt services, the Company gives each customer a tailored solution to meet their own financial circumstance. In 2014-15, the Company increased work with organisations who offer customers telephone and online advice, such as StepChange and National Debtline. As a result, the Company increased uptake of this scheme by 20%.

Wessex Water also offered Money Matters awards to a further five organisations running community-based financial literacy and money management projects involving young people and vulnerable customers.



Some of Wessex Water's customer care team

Wessex Water's new look website:

- More than **50,000** visits every month
- **1,000** live chats with customer service employees every month
- **95%** consistent customer satisfaction on live chat
- **10,000** questions answered using the Ask a Question tool
- More than **3,500** hits on the Work in Your Area tool



Rejuvenating for a Better Shopping Experience

Realising that Malaysians are increasingly embracing healthy lifestyles through fitness activities, YTL Starhill Global REIT's Lot 10 Shopping Centre (Lot 10) underwent a bold transformation to host leading international sporting and fitness brands to cater to the current lifestyles of consumers. Unveiled to the public on 18 September 2014, Sports Hub is a sports enthusiast's dream come true. It is designed to be a simulation of a sports arena complete with a scaled-down futsal court, basketball half-court and a running track. It offers almost any gear consumers need for any sporting activities. The entire third floor spanning 1,951 m² offers customers a place to browse products from brands such as Converse, Hoops Station, Hundred%, LFC, Nike Women's, TFC and The Marathon Shop.

In addition, small greenery sitting areas were built at Lot 10 to provide shoppers a place to relax during shopping breaks. Fitted with benches, plants and a reading corner complete with magazines, the sitting area hopes to offer visitors a comfortable and rejuvenating, albeit temporary getaway from the strains of prolonged shopping and ensure that the welfare and satisfaction of the customers are always seen to.



The launch of Lot 10 Sports Hub



One of the greenery sitting areas at Lot 10 Shopping Centre

Embracing the Marketplace

Carparks in Malaysia have begun designating ladies-only zones to cater for female drivers in order to provide them with comfort and a secure parking and shopping experience. Painted in bright pink and decorated with easy-to-identify designs, Lot 10 and Starhill Gallery have transformed one of their car parking levels respectively into a ladies-only parking area. The Ladies Parking is equipped with closed-circuit televisions (CCTVs) for surveillance and round-the-clock security personnel stationed within the area to ensure their safety. Ladies who visit the mall alone or with young children are encouraged to park their vehicles there.



Ladies parking area at Starhill Gallery with bold pink signage and lines

Myer Centre Adelaide (MCA), Australia, the largest Central Business District (CBD) shopping mall in the city, is located in the heart of the city's premier retail area along Rundle Mall – the city's only retail pedestrian street which attracts 24 million shoppers annually.

As the trend of cycling to work is increasing, many commuters leave their cars at home and choose to cycle to make their way into the city. However, the city only has a few options for bicycle parking. Hence, the MCA management identified an opportunity to meet this need by converting an existing vacant carpark area into a safe, secure and affordable parking facility for their customers, tenants and CBD workers. Racks, lockers, CCTV coverage and access control were installed to ensure the space was safe and easily accessible.

The result has been positive and encouraging. Several more racks have been installed over the past year as the customer base grew and MCA believes that the bicycle facility will continue to grow as demand increases further. It is believed

that this project has the potential to remove 60 cars off the roads per day. Just one less car saves approximately 5.2 metric tonnes of carbon dioxide emissions per year. Whilst promoting a healthy lifestyle, they are also reducing the carbon footprint of Adelaide City.

In another initiative, MCA spent approximately AUD 7,000 to convert unutilised space under the escalators on Lower Ground Level into rest areas for the benefit of customers and retailers. This conversion was carried out to increase residence time in the centre.



The Myer Centre Adelaide



Bicycle parking for customers, tenants and CBD workers at MCA



One of the rest areas for customers at MCA



Our Commitment

Integrating environmental sustainability into our strategy and core business decisions that protect and improve the natural environment for future generations

PROTECTION OF THE ENVIRONMENT



Reducing greenhouse gas emissions



Promoting energy efficiency and renewable energy



Improving water efficiency

OUR APPROACH



Managing waste streams and responsible disposal or reuse



Optimising resource efficiency



Conserving terrestrial and marine biodiversity and ecosystems



Protection of the Environment



Highlights

- KLIA Ekspres takes 5.3 million cars off the road annually
- The first Bio-Bus in the UK to run on biogas derived from sewage sludge and food waste, commuting from Bristol International Airport to the historic city of Bath
- Wessex Water's gas to grid plant, the biggest of its kind in the UK, connected into the local gas grid network and powering almost 8,300 homes
- More than 5,000 kg of used cooking oil has been collected and recycled for biofuel production in YTL properties
- Planted 11,475 Australian Pines and 25,000 mangroves through reforestation programmes in Java
- Gaya Island Resort won Best in Protection of Natural Areas and Wildlife Conservation at the Wild Asia Responsible Tourism Awards 2015
- Raised ~RM340,000 for Save Wild Tigers
- Ongoing Fundraising: ~RM30,000 for ocean conservation efforts by selling evian® glass bottles in YTL's F&B outlets and YTL Hotels
- 2.55 million people benefited from YTL Fellowship for a Rare Planet

The repercussions of environmental and ecological degradation have become increasingly intense in recent years, with the depletion of natural resources, the devastating effects of climate change, and the loss of biodiversity, all recurring issues of debate and discourse worldwide. With the role of corporates being one of the key topics of discussion in the upcoming United Nations Conference of the Parties 21 (COP21) at Paris this December, one thing is clear – **corporates can and need to do more.**

As a conglomerate involved in various industries, YTL recognises the potential impacts its business activities may have on surrounding communities and the environment, and we are improving our proactive measures to ensure that the most environmentally friendly processes and options are considered in all decision making. Environmental sustainability has been and

continues to be a crucial component in our Company's culture, evidenced by an increasing portfolio of renewable energy initiatives, resource efficiency programmes, environmental and community developments, and clean technology investments.

The Global Footprint Network estimates that the current world population consumes an equivalent of 1.5 planets worth of natural resources to sustain today's living, a trend that simply cannot persist. Thus, as a responsible steward of the Earth, we constantly advocate good environmental governance within our organisation and seek to form strategic partnerships to establish value-adding environmental endeavours through our businesses. At YTL, this is our commitment, and we urge you to join us.

CLIMATE CHANGE

An ambitious yet realistic target of anthropogenic greenhouse gas (GHG) emission reduction remains the unanimous priority on the international climate and sustainability agenda, with the main aim of the upcoming COP21 being to consolidate a universal, legally-binding agreement between all participating nations in an effort to limit global temperature rise to 2°C above pre-industrial levels.

In response to these recent advances, corporates and governments have diverted increasing attention to incorporating values of climate change mitigation and adaptation within their development plans. Thus, drawing upon years of commitment towards this cause, YTL expanded its sphere of influence and impact during the past financial year.

Our international entities, Wessex Water and YTL PowerSeraya, measure and track their GHG emissions, whilst pursuing opportunities for carbon reductions. In the case of Wessex Water, they are aiming eventually to achieve carbon neutral status. Contributing to this goal, Wessex Water recently refurbished its water treatment site at Sutton Bingham, Yeovil with the installation of a 50 kilowatts (kW) solar photovoltaics (PV) system on the roof to generate electricity for internal use and to sell any excess energy to the local grid. Julia Clarke, Energy Generation Analyst, helped deliver this modification, and said "Sutton Bingham is an ideal site for installing solar PV panels as there's currently high demand for power during daylight hours which we can partially self-supply in a sustainable way." Besides the tangible benefits, the installation was done as part of their ongoing commitment to reduce their carbon footprint.

Protection of the Environment

Fiscal Year	YTL PowerSeraya Total CO ₂ e Emissions (tonnes/MWh)	Wessex Water Total CO ₂ e Emissions (000t CO ₂ eq)
2012 – 2013	0.453	159
2013 – 2014	0.409	144
2014 – 2015	0.385	148
Performance Level	Improved due to energy efficiency savings coupled with greater use of natural gas	Improved compared to five-year average of 151



Julia Clarke surveys the solar panels at Sutton Bingham water treatment works near Yeovil, UK

Go Lo-CO₂ – Take the Green Express

The KLIA Ekspres and KLIA Transit, operated by Express Rail Link (ERL), is Southeast Asia's fastest train, providing transfer services between KL Sentral Station in the city and the airport (KLIA and KLIA2). Arguably the quickest and most convenient way of traveling to the airport, over 60 million passengers have used the train services since 2002, crucially contributing to the reduction of vehicles on the road. ERL Maintenance Support (E-MAS), ERL's wholly-owned operations and maintenance company, is ISO 14001:2004 certified and operates in compliance with an environmental management system framework.

Key to ERL's "Go Lo-CO₂" approach is the amount of GHG emissions reduced from road vehicles used to travel to and from the airport such as taxis and cars. KLIA Ekspres takes approximately 5.3 million cars off the road annually, and in FY2014/2015 managed to divert a total of 5,349,043 equivalent road vehicle trips from the KL Sentral – KLIA – KL Sentral route – a sizeable and significant impact on emissions and congestion.

- **6.6 kg CO₂e** of emission savings/passenger/trip KL Sentral – KLIA
- Total emission savings of **44,808 tCO₂e** for ERL passengers

2015 GO LO-CO₂

100% eco-friendly train
100% eco-friendly train
100% eco-friendly train

2009 GO LO-CO₂

100% eco-friendly train
100% eco-friendly train
100% eco-friendly train

Take the GREEN EXPRESS

Did you know?

The Green Travellers

help save 44,808 tonnes of CO₂ emissions each year when they choose to travel by KLIA Ekspres.

As the operator of KLIA Ekspres & KLIA Transit train services, we are committed to ensuring better management of our resources, material consumption, energy conservation, reduction of pollution and harmful effects to the environment caused by our processes through an approach of continual improvements.

Our wholly-owned operations and maintenance company, ERL Maintenance Support Sdn Bhd, has been certified ISO14001:2004 compliant for environmental management system.

We are also in compliance with environmental statutory law under the country's Environmental Quality Act 1974 and issues identified to be relevant to our train operations include clean air, scheduled wastes, industrial effluents and sewage.



Go Lo-CO₂

Protection of the Environment

As Good As New

In anticipation of deteriorating power generation efficiency due to plant wear and tear, YTL Jawa Timur (YTLJT) committed itself to a pre-emptive strategy to mitigate this decline through meticulous preventive maintenance planning and continuous technological improvements. As a result, despite being in operation for over 14 years, its Paiton II Power Plant still achieved an average plant thermal efficiency of 38.79% and CO₂ specific emission rate of 890 tonne/GWh in 2014, rates comparable to when it first commenced commercial operations.

Year	CO ₂ Specific Emission (tonne/GWh)	Paiton II Thermal Efficiency (%)
2002 (baseline)	867	38.18
2012	883	38.71
2013	864	39.24
2014	890	38.79



Paiton II Power Plant

This year, YTLJT is investing resources to pursue new innovation enhancements for their plant which is projected to reduce GHGs and improve energy production in the near future. These include:

1. Major overhaul of compressor to improve efficiency
 - Projected energy savings: 115.2 MWh
2. Installation of a new Gas-Gas heater steam soot-blowing unit within the flue gas desulphurisation system
 - To reduce the load of the induced draft fan motors
 - Projected savings: 19% usage reduction at full load, equivalent to 8,733.97 MWh per year

3. Change in operational procedures and setting up additional split air conditioning units for the building HVAC (heating, ventilation and air conditioning) system
 - Switching off HVAC system over the weekends
 - Projected energy savings: 64.74 MWh per year

YTL Corporation's Carbon Consulting Subsidiary

Whilst the compliance market for carbon credits has slowed to a crawl in recent years, with prices at the time of writing hovering around EUR 0.40/tonne, there have been recent efforts to resuscitate the ailing market both at the national level through the NAMA¹⁰ framework, and the global level through for example the Pilot Auction Facility started by the World Bank, which recently sold options for 8.7 million Certified Emission Reductions at USD2.40/tonne. There are also still opportunities to be found in business-to-business voluntary carbon offsetting, where credits have been consistently trading above USD2/tonne, even though the prices for compliance credits went down. Whilst we will likely never see a return to the booming carbon markets of 2007, carbon credits are still alive and kicking.

In recent years, YTL-SV Carbon (YTL-SVC) has been a strong advocate for the adoption of carbon reporting and disclosure as a tool for environmental protection, cost reduction and risk management. This work continues through, among others, the Technical Standards Working Group of the Business Council for Sustainability and Responsibility Malaysia and technical committee on country-specific carbon reporting standards under Standards Malaysia.

YTL-SVC continues to engage with the Malaysian business community on the benefits of carbon management and reporting through talks, training sessions and thought leadership commentaries, as well as providing expert advisory support to climate-related private and public initiatives. This activity is especially important this year, as the world readies itself for COP21 in Paris in December, leading the way for a more active role for developing countries in international efforts towards reducing the effects of global warming.

Malaysia is set to announce its Intended Nationally Determined Contribution (INDC) for GHG emission reductions through 2030; Bursa Malaysia has recently introduced a sustainability index (FTSE4Good Bursa Malaysia) with GHG management as an important component for many sectors; and the MyCarbon Programme under Ministry of Natural Resources and Environment, Malaysia just started its second carbon reporting cycle. In other words, the push towards active management of GHG emissions is coming from all sides. YTL-SVC stands ready to help guide Malaysian businesses in general, and YTL Group in particular, in this new environment.

¹⁰ NAMA is the acronym for Nationally Appropriate Mitigation Actions.

Protection of the Environment

Earth Hour Advocacy

Since its global inception as a single city initiative in 2007, Earth Hour has been a mainstay event for YTL, where entities within the Group show their support annually by advocating the environmental conservation and preservation message through a variety of creative ways.

Participation this year was again encouraging, with our subsidiaries across the globe switching off the lights at their respective buildings and holding special events to promote Earth Hour. Many business units took to social media to share their activities and energy conservation tips, with YTL Communications and Lot 10 Shopping Centre, among many, going the extra mile by organising a “Take the Stairs Day” on the eve of Earth Hour and hosting a flashmob dance respectively. Wisma Atria in Singapore took part by switching off non-essential and façade lighting, with selected F&B tenants offering candlelight dinners during that period and selected retail outlets dishing out special promotions and privileges for the day.



YTL employees and customers celebrating Earth Hour 2015

ENERGY EFFICIENCY AND RENEWABLE ENERGY

Supplying quality power output and reliability at less resource cost and no harm to the environment should be at the heart of all power generation providers' approach. True to the “*what gets measured, gets managed*” adage, the strategy adopted by YTL Group in regards to energy optimisation remains the same – to monitor energy usage and seize renewable energy and energy efficiency opportunities where possible.

The potential for energy conservation and alternative energy has been and continues to be vast, be it simple actions as trivial as switching off the lights when not in use, or to the more complex technological applications such as the utilisation of smart grids for automated electricity distribution control. Regardless, YTL explores opportunities on all levels and has made great strides in this area.

Revolutionising the Transportation and Energy Landscape

The accomplishments of GENeco, Wessex Water's renewable energy and waste treatment company, since its establishment in 2009 has been nothing short of impressive, with the Company being conferred numerous awards for their unprecedented endeavours in waste-to-energy technology and waste reutilisation. Turning waste into wealth has been the hallmark of their business ethos, and their renowned sewage treatment works at Avonmouth, Bristol is a testament of their feats and innovation. Using an advanced anaerobic digestion process, their facility can currently process the sludge from up to 100 million cubic metres (m³) of sewage, plus 40,000 tonnes of food waste per year at full capacity. The biogas produced in the digesters can be used to generate electricity or be processed into biomethane, with the same composition as natural gas. Up to 17 million m³ of biomethane can now be exported per year to the local gas grid to provide renewable heat, which has further contributed to the greening of Bristol (recently presented the European Green Capital Award).

In 2010, GENeco introduced the Bio-Bug, the UK's first ever Volkswagen Beetle powered by biogas derived from sewage sludge, which marked a monumental breakthrough in the advancement of clean and sustainable power for the transportation industry. Building on this concept, GENeco launched the Bio-Bus in 2014, which is now the UK's first bus that operates on biogas. The 40-seater Bio-Bus can travel up to 300 kilometres (km) on a full tank of biogas (produced from the total annual waste of approximately five people) which is currently generated at GENeco's sewage treatment facility. Today, the Bio-Bus is currently in use by First West of England on their number 2 route from northwest Bristol to the city centre and has been well embraced by the community and sustainability proponents globally.

Protection of the Environment

Part of the positive reception by the public was due to the design outlook of the Bio-Bus, which features several people sitting on toilet bowls to clearly illustrate the source of the fuel that powers the bus. This inevitably resonates an impactful message on how a more sustainable lifestyle is more achievable than we often think. Charlotte Morton, Chief Executive of the Anaerobic Digestion and Bioresources Association (ADBA), said of the initiative: "The bus clearly shows that human poo and our waste food are valuable resources. Food which is unsuitable for human consumption should be separately collected and recycled through anaerobic digestion into green gas and biofertilisers, not wasted in landfill sites or incinerators. The Bio-Bus will also help to demonstrate the true value of separate food waste collections – which are now obligatory in all other regions – to the English government."



The Bio-Bus running on biogas derived from human poo and food waste

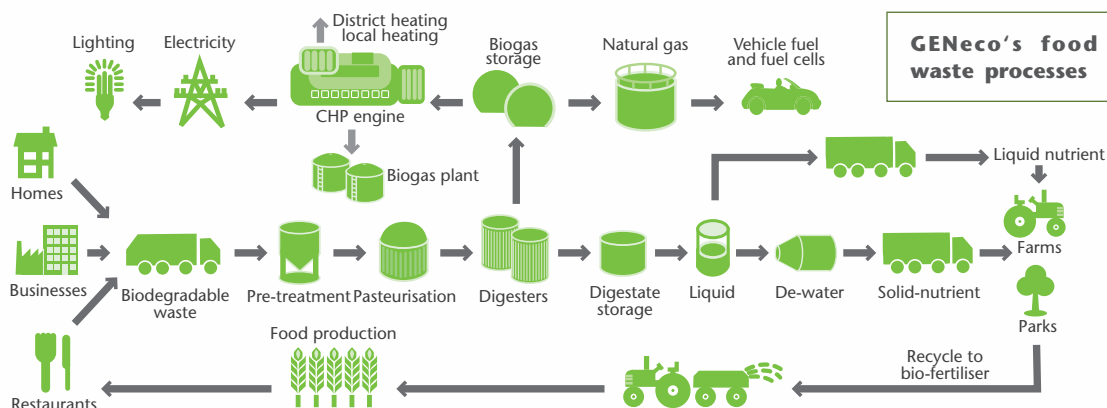
In addition, several water firms in the UK including Severn Trent Water, Northumbrian Water, and Wessex Water have agreed to pipe a continuous supply of biomethane gas directly from sewage treatment plants into the National Grid, including the excess supply from GENeco which completely powers its facility with renewable energy. Expected to provide a volume of biomethane which is sufficient to power 8,300 homes per year, Wessex Water's gas to grid project is one of the first and largest of its kind in the UK and hopes to pave the way for similar companies to do so. For all their recent achievements, GENeco was awarded with some prominent accolades, most notably: Rushlight Awards 2014/2015; British Renewable Energy Awards 2015; The Guardian Sustainable Business Awards; and the Regen SW Green Energy Award 2014.

"Although it's a little unsavoury, there's lots and lots of power locked in poo, and when processed, it's perfect to generate clean renewable green gas."

– **Simon Farris,**
Renewable Energy Opportunities Manager,
Severn Trent Water



GENeco has become the first company to inject gas generated from sewage and food waste into the national gas grid network



Protection of the Environment

Ongoing Alternative Energy Development

Following their successful certification with ISO 50001:2011 in 2012, YTLJT implemented an internal energy management system to elevate their existing efforts in energy conservation and resource efficiency, incorporating medium to long-term actions within their operational framework. Initiatives under the Alternative Energy Development project 2012 – to provide sustainable energy for rural communities and reduce dependence on fossil fuels and other traditional fuel sources – continue to run effectively and reach their targets annually.

Micro Hydro

Taking advantage of the consistent water volume and flow available from the agricultural irrigation channels within rural areas and the abandonment of several existing and older micro hydro units in Probolinggo, East Java, in 2011 a team from YTLJT began engaging with local communities to refurbish old units and construct small-scale units using Kaplan turbines to supply power for their respective villages. As of June 2015, 25 units had been installed, with the estimated number by the end of 2015 targeted to be 30.

Year	Number of units (cumulative)	Installed capacity (kW)	Total electricity generated (kWh/year)	Equivalent CO ₂ reduction (tonne/year)*
2013	10	18.6	162,936	145
2014	20	41.6	364,416	324
2015	30	71.6	627,216	559

Note *: Java Bali Electricity Grid CO₂ emission = 0.891 tonne CO₂/MWh



Micro hydro unit by YTLJT in Java

Domestic Biogas

As most households within neighbouring rural villages rear cows for their livelihood, an idea to harness the biogas potential from cow dung was conceived. The team thus designed a 6 m³-capacity biogas reactor dome made from common civil materials (cement, sand, gravel, bricks) which is capable of converting waste from three to six cows into biogas for one family. Costing USD800 per unit, these domes now supply families with a clean and sustainable source of biogas for cooking, lighting, and other domestic purposes. As of June 2015, 208 units were installed, with the number targeted by the end of 2015 at 270 units.

Year	Number of units (cumulative)	Number of cows	Total methane captured (m ³)	Equivalent CO ₂ reduction (tonne/year)*
2013	70	140	25,550	1,062
2014	170	340	62,050	2,580
2015	270	540	98,550	4,097

Note *: Java Bali Electricity Grid CO₂ emission = 0.891 tonne CO₂/MWh



The biogas tanks provide a sustainable fuel source for cooking and lighting

Protection of the Environment

Solar Energy

Located in the coastal area of Probolinggo Regency, Paiton district receives an abundant amount of sunshine throughout the year. Naturally, the potential of solar energy for rural electrification was explored by the team and subsequently implemented upon approval from the relevant authorities and communities. As of June 2015, 37 solar systems were installed with the estimated number by the end of 2015 targeted to reach 47 units.

Year	Number of units (cumulative)	Installed PV capacity (WP)	Total electricity generated (kWh/year)	Equivalent CO ₂ reduction (tonne/year)*
2014	19	2,110	1,848	2.27
2015	47	6,090	5,335	6.54

Note *: Java Bali Electricity Grid CO₂ emission = 0.891 tonne CO₂/MWh



A YTLJT employee performing maintenance work on one of the solar systems

Creating a Culture in Energy Management

YTL encourages its business entities to manage energy consumption thoroughly and to continuously identify reduction opportunities. Any measure of savings is valuable to us as it contributes to the commitment to be a sustainability-oriented and socially-conscious organisation. And with the diverse nature of the business as a corporate conglomerate, we recognise our prospects for energy conservation and believe that taking small steps across our industries will translate into significant cumulative positive impacts.

In line with this, many YTL Hotels took the initiative to implement energy efficiency activities with great effect. Vistana Penang Bukit Jambul and The Majestic Hotel Kuala Lumpur replaced their existing lights with the more efficient LED bulbs at all locations such as the guest rooms and public areas, whereas The Surin Phuket went further by installing LEDs in all of their rooms. The Majestic Malacca, on the other hand, closed floors during the low season to save on electricity.

Launched in April 2014, YTL PowerSeraya's Energy Makeover Initiative – where selected customers' office buildings and industrial areas are upgraded with new energy efficient fittings – was extended for another year, with another six companies taking part. A brief update on its progress:

Year	Number of Companies Selected	Estimated Annual Savings (kWh)	Estimated annual CO ₂ e reduction (tonnes)*
2014	5	60,000	25.0
2015	6	63,800	28.7

Note *: The electricity grid emission factor is 0.4499 tonnes CO₂/MWh



Happy customers who benefited from the energy makeover programme

YTL Starhill Global REIT, YTL's real estate investment trust based in Singapore, monitors and maintains the environmental performance standards of their building systems through compliance with the Singapore government's Mandatory Energy Usage Reporting under the Building and Construction Authority (BCA). The operation team at the Wisma Atria shopping mall adheres to strict maintenance schedules to ensure their electrical systems and appliances are running at optimum levels and not causing any unnecessary wastage through inefficiencies and leakages.

Protection of the Environment

In Australia, the management team at Myer Centre Adelaide (MCA) shopping mall undertook a special project to enhance the presentation and energy efficiency of their carpark in May 2015. This makeover was done to spruce up its outlook, appeal, and security for the benefit of their visiting customers as the carpark was virtually unchanged since its completion in 1991. Upgrades include: (i) the replacement of fluorescent lights with LED lights (fitted with occupancy sensors which regulates its lighting time based on human detection), (ii) decluttering of signage, and (iii) repainting of walls and ceilings with white paint to enhance the effect of LED lighting. This has greatly increased the financial and environmental sustainability of the carpark and, in turn, the overall building performance of MCA.

Myer Centre Adelaide CO₂ Savings:

Total investment	= AUD200,000
Projected energy savings	= 240,000 kWh per year
Equivalent CO ₂ e mitigated	= 0.61 kg CO ₂ /kWh per year



Energy efficiency programme at MCA shopping mall's carpark

Validating our energy management efforts against recognised standards is crucial for our organisation in ensuring that our implementation translates into positive impacts which are long lasting and truly value-adding. Slag Cement, a subsidiary under YTL Cement, attained certification under the ISO 50001:2011 standard from SIRIM in October 2014 and recently, Slag Cement (Southern) added to that success, gaining certification in January 2015. Of a total of 11 companies in Malaysia certified with ISO 50001:2011 by SIRIM thus far, only four cement companies achieved the certification, with all four belonging to YTL Cement.

WATER EFFICIENCY

Clean water scarcity is a 21st century paradox, where the select few have access to an unlimited supply, yet one billion others still struggle for enough to simply sustain their livelihoods. Thus, the one thing we can begin doing is to recognise that accessibility to a constant supply of clean water is a right, and not to be taken for granted.

Our involvement in diverse industries both obligates us to ensure we are wise with our water consumption and also opens the door to many opportunities for water saving initiatives and self-improvement. As a Group, we do our best to make well informed decisions based on proven methods and best practices, be it technological enhancements, administrative control measures, or by simply encouraging conscientious and ethical behaviour within the Company.

Cameron Highlands Resort was one of many hotels under YTL Hotels that answered that call by investing in a water and sewage treatment initiative for the benefit of neighbouring local communities. Organised through National Water Services Commission (SPAN), the project involved further treating the discharge effluent water from their premises to ensure that clean water was released to the river. The investment amounted to approximately RM100,000 but the benefits for the local communities – who use water from the river for daily purposes – were invaluable.

YTL Paka Power Station, Terengganu – Addressing wastage at its roots

Typical of power generating stations, water plays an indispensable role and thus commonly receives much attention, especially on how its usage can be improved for greater efficiency. The Technical Services and Operation & Mechanical Maintenance Departments of YTL Power Services, Terengganu embarked on a study on the optimisation of Demineralised Water (Demin Water) and steam consumption, focusing on preventing wastage of Demin Water (which reduces operating costs and natural resources consumption) and high pressure steam usage (which increases overall plant efficiency) at the four waste heat recovery boiler units and two steam turbine units respectively.



YTL Paka Power Station at Terengganu

Protection of the Environment

Demin Water is an essential component and one of the main “raw materials” for the production of steam in the Heat Recovery Steam Generator (HRSG) for the steam turbine which, in turn, is the key to driving the electrical generator for power production. The team divided their research into phases: (i) to identify sources of Demin Water losses in the entire boiler and steam turbine piping system linked to the drainage systems and (ii) to measure each drain valves’ operating temperature in “closed” position to check for high temperature steam losses. As heat energy is the pivotal component in the process, the approach was simple: the less heat wasted (or drained), the better. Ideally, the drain valve body temperature should be as low as possible against the process temperature in “closed” position.

Thus, if the drain valve body showed temperature levels similar to that of the process temperature, it indicated that heat energy was not utilised to its fullest extent. The team used Thermography scans to measure and monitor the respective valves’ temperature levels over the period of nine months, from July 2014 to April 2015. This technique was highly effective in helping them identify faulty valves which were then rectified during scheduled outages. After repair, Thermography was applied once again for observation and verification of results. The outcome was very significant, as findings revealed a stark difference of temperature levels before and after rectification works of defective drain valves, with the boiler drainage system showing a drop from 82.6°C to 34.0°C. This exercise managed to reduce a significant 63.42% of Demin Water consumption from 6.48 m³/hr daily average to 2.37 m³/hr. Furthermore, as an indirect positive impact of the corrective measures, the power generation output from the Steam Turbines improved from 1 to 2 MW.

Water Optimisation at Paiton II

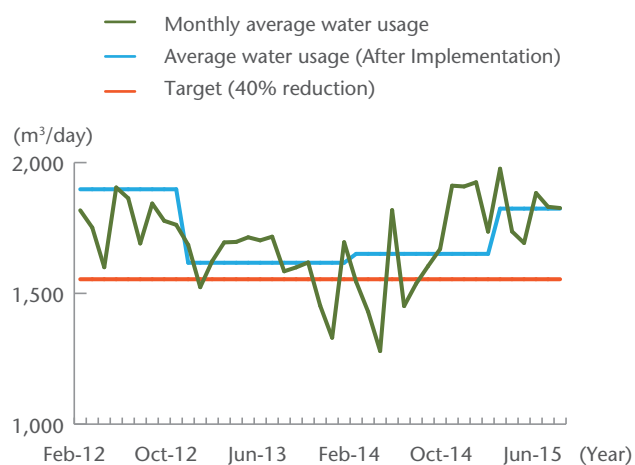
In 2009, a water conservation programme was initiated by YTLJT which aimed to reduce the amount of service water, potable water, and demineralised water used within the Paiton II Power Plant. The Company introduced technical modifications and innovation changes in stages throughout the years whilst monitoring their consumption on a monthly basis.



Effluent is processed and recycled at YTLJT’s treatment plant

Since the commencement of the programme, water consumption has shown a decreasing trend, with a reduction of approximately 35%, as per June 2015 as compared to the consumption level in February 2008 which marked the start of monitoring. A slight increase was recorded in 2015 due to a leakage issue on the High Pressure Heater A7 Safety Relief valve and continuous blow down valve that could only be attended to during the unit outage in August 2015. Plans are now in place for rectification and repair works to be carried out.

Daily Plant Water Consumption at Paiton II Power Plant



Year	Initiatives
2009	– Reuse main cooling water pump jacket oil cooler as service water
2010	– Recycle effluent – Recycle monsoon rainwater to be processed at wastewater treatment plant (WWTP) and subsequently used as service water
2011	– Recycle effluent as Submerged Scaper Chain Conveyor (SSCC) makeup and cleaning water – Optimise condenser vacuum breaker sealing water from sampling panels
2012	– Recycle effluent from SSCC sump
2013	– Install pump at clear well WWTP to optimise water being recycled
2014	– Utilise recycled WWTP effluent for dust suppressant at coal stock pile

Protection of the Environment

Proactive and Progressive in Singapore

As mandated by the Public Utilities Board (PUB) of Singapore, the Property Operation Team of Wisma Atria shopping mall drove the initiation of a two-pronged operation which includes carrying out a Water Efficiency Management Plan (WEMP) and the installation of private water meters for essential areas as specified under PUB regulations. The benefits of these changes are:

- WEMP allows building owners to identify potential areas for consumption reduction and to increase efficiency through a detailed understanding of the water usage breakdown within the building;
- Installation of private meters provides early warning indications for possible pipe leakages.

For this, Wisma Atria received a 90% grant from PUB which significantly reduced their implementation cost to just SGD1,855 for both projects. A sizeable amount of water savings is expected from early rectification works of pipe leakages and through effective, building-specific water saving measures.



One of the private water meters installed at Wisma Atria to provide early warning of possible pipe leakages

YTL PowerSeraya's Water Works

Phase 1 – to reduce water usage in the administrative buildings of the power station

Phase 2 – to install ultrasonic flow meters to enable real-time tracking of water consumption and detect water losses and leakages

Fiscal Year	Amount of water recycled & reused (%)
2012/13	2.7
2013/14	1.9
2014/15	4.6

Wessex Water Sustaining Excellence

As a leading water and sewerage company, sustaining excellent levels of operation and service is undoubtedly one of Wessex Water's key focus areas. This drives them to ensure they remain relevant in constantly evolving times and to adapt accordingly. Treating and supplying over 280 million litres of water for 1.3 million customers and processing 470 million litres of sewage from 2.7 million customers per day, Wessex Water's operational performance is crucial in the water industry in the UK.

Summary of Wessex Water's current main infrastructure assets:

- **209** water sources and water treatment works
- **200** booster pumping stations
- **300** service reservoirs and water towers
- **11,600** km of water mains
- **34,500** km of sewers
- **407** sewage treatment works
- **1,600** sewage pumping stations
- **15** catchment areas

One of their most recent infrastructure developments involves the expansion of their water supply grid network which will be built in a series of stages and will run over a span of approximately 50 miles (or 80 km). The extension is expected to be completed and fully operational by 2018 and will be used to meet water demands over the next 25 years. This project will increase their flexibility in water redistribution especially in times of drought by more effective transfer of surplus water to areas experiencing shortages, and also reduces the risk of water scarcity for villages that are currently connected to only one source of water.

In March 2015, Wessex Water announced their pursuit of a new GBP25 million scheme which involves the construction of additional sewer capacity for new developments at North Yate, Harry Stoke, and Emerson's Green in South Gloucestershire. This scheme will also see the completion of the Frome Valley relief sewer – one of many projects under a GBP2 billion investment programme for service improvement between 2015 and 2020 – which will help protect homes and the local environment from flooding risks. Construction is due to take place within the next five years, much to the enthusiasm of Project Manager Paul Godfrey who explains that "[the scheme] will ensure the sewerage network can cope with significant ongoing and future development and provide much needed extra capacity". Another major scheme is a project to improve the bathing water quality in the Burnham area which involves treating storm water to a very high standard by using innovative ultraviolet (UV) disinfection. These treated storm flows will directly benefit the bathing water of Burnham Jetty and Bridgwater Bay.

Protection of the Environment

Finding Solutions through Strategic Partnerships

Approaching problems from different angles and perspectives facilitates the growth of innovative and out-of-the-box solutions. Starting in March 2013, Wessex Water formed a partnership with the University of Bath, a renowned academic institution with high calibre science, engineering, and business departments and a strong track record in obtaining funding for applied research. 2015 also saw the launch of a water innovation and research centre at the university. This will enable further research into water technologies and resource management, contributing to future water policy and the development of innovative sustainable water treatment systems.

Moving Forward

Over the past 25 years, Wessex Water has been delivering benefits for customers and the environment through a business model which was developed during privatisation of the water sector. The Company's most recent business plan was conceived following an in-depth customer consultation exercise involving 24,000 customers and 90 organisations – their biggest ever. The plan, which covers the period up to 2020 and includes some bold but progressive changes of approach, was submitted to water regulator Ofwat in 2014 and aims to deliver nine strategic outcomes:



Wessex Water's new business model

WASTE MANAGEMENT

Waste handling and disposal are pressing concerns for all societies, with irresponsible management and overfilling of landfills posing real risks to communities and the environment. Whilst some nations have made phenomenal progress in their waste management systems, this problem – accelerated by the commercial packaging culture of today's consumers and businesses – will continue to persist if no action is taken.

YTL owns and operates a diverse stable of businesses across various industries, each producing some level of usable or largely unusable waste. How we manage these waste streams is vital, and have thus made a concerted effort to ensure that safe waste management practices and procedures are encouraged. As much as possible, we adhere to the principles of reducing, reusing, and recycling where local infrastructure permits, or where we have our own processes in place.

Responding to the Call

The majority of properties under YTL Hotels have systems in place to recycle common waste such as paper, cardboard, plastics, aluminium cans, glass bottles, used cooking oil, printer ink cartridges, and batteries. For example, The Majestic Hotel Kuala Lumpur undertook an initiative to run their operations paperless, by digitalising all their documents and forms and collaborating with media friends and partners to ensure the same. This has in turn improved the efficiency of communication, approvals, and general process flows.



Beach clean-up at The Surin Phuket

Tanjong Jara Resort and Pangkor Laut Resort organises *gotong-royong* (community clean-up) every month. Each session attracts an average of 20 - 25 employees and involves comprehensive cleaning activities which cover the surrounding areas of the resort and areas within the resort itself such as beaches, hills, walkways, the jungle, public areas, etc. The Surin Phuket holds Beach Cleaning Days regularly to ensure cleanliness levels are maintained and waste is properly disposed of. The Spa Village Resort Tembok, Bali, on the other hand, cooperates closely with members of the local village to clean the resort

Protection of the Environment

premises and to segregate waste. All recyclable waste is then taken by the community members, allowing them to benefit from any disposal revenue. Similarly, Cameron Highlands Resort (CHR) continues to contribute waste materials to Hatiku Organic Farm, where the owner, Farmer Fung, reuses and transforms them into useful items for his farm. These efforts have served to encourage resort employees and community members to uphold commendable standards of cleanliness and also to increase their awareness on the positive impacts of their actions towards the environmental and sustainability agenda.



Farmer Fung making use of the discarded plastic water bottles collected from CHR

A Holistic Approach at Niseko Village

In March 2014, Niseko Town was selected by the Japanese government as Hokkaido's 3rd "Eco-Model City", an initiative which was designed to demonstrate the workings and qualities of a low-carbon society which Japan aspires to embody. Consistent with this, the 5th Comprehensive Plan "Niseko as Eco-Creation City" 2012-2033 lays the foundation for Niseko Town and includes global warming mitigation measures to improve the circulation of local resources. Based on this, the "Implementation Plan for Measures against Global Warming" was developed, setting an ambitious target of reducing its total CO₂e emissions by 86% by 2050 based on 1990 levels. A major component of this overall goal is a detailed waste disposal and management plan, which aims to segregate and recycle all waste streams – greatly reducing the burden on their rubbish storage facility. The local town council implements an effective scheme where the local community, both domestic and commercial parties, are required to segregate their waste according to the designated categories.

In light of this, The Green Leaf Niseko Village (TGLNV) and Hilton Niseko Village observe a strict waste segregation process, maintaining a designated disposal area properly divided into different categories as stipulated by the town council's disposal guide i.e. burnable, non-burnable, bottles/glass, paper, plastic, cans/aluminium, organic/food, and used cooking oil. This results in a near-zero waste system, where burnable waste is incinerated in the facility in nearby Kutchan town and turned into solid fuel pellets. Non-burnable waste is properly recycled, and all organic food waste is collected in special decomposable bags and transferred to the Niseko compost centre, which produces and sells pathogen and chemical-free fertiliser to local farmers.

Practising 3Rs at YTL Starhill Global REIT's Shopping Malls

The Property Operations Team at Wisma Atria tracks and records waste collection data which is reported to the National Environment Agency (NEA) of Singapore on an annual basis. A qualified recycling vendor is contracted to collate the data and assist with the submission to the NEA. Despite costing a small fee of SGD200 for the vendor's services, the benefits have been invaluable as a means of reducing waste sent for incineration and to landfills and, most importantly, their overall carbon footprint.



Implementing the 3Rs (Reduce, Reuse and Recycle) at Wisma Atria

In Australia, MCA's food court, through their "Away From Home" programme, installed recycle bins to allow customers the convenience of recycling easily. Furthermore, the management contracted Auscol – a company which collects and recycles used cooking oils and fats and converts them into a variety of useful materials such as biodiesel and a base for lubricants in the steel industry – to manage their used cooking oil which was taken to landfills by previous vendors. Auscol supplied the oil containers free of charge, which were placed at the basement loading dock area as a central disposal unit for all tenants to use, allowing easy access for collection and reducing the likelihood of spills in public areas.



Food Underground – MCA's food court

Protection of the Environment

Similarly, Lot 10 Shopping Centre and Starhill Gallery in Malaysia also collect their used cooking oil from vendors and YTL operated outlets, and sell them to a third party recycling company that processes used oil for the production of biofuel. To date, both malls have recycled a total of 5,398 kilograms (kg) of oil. In addition, both malls also embarked on waste management programmes focusing on bioremediation treatment of grease traps. The results have been positive and there has been a significant reduction in unpleasant odours and manpower resources having to clean the traps manually.

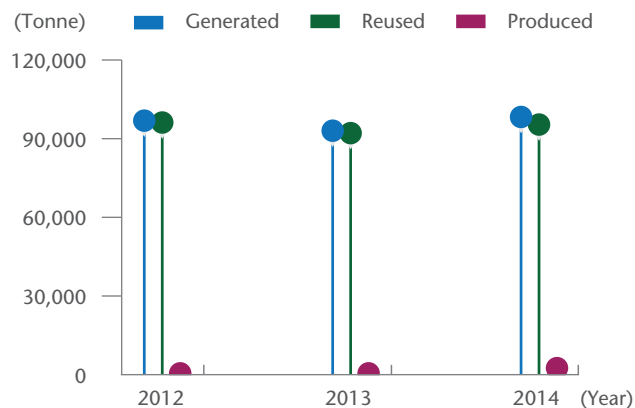
Innovative Recycling

As part of an operation-wide waste management programme, YTLJT drove waste reduction and recycling at Paiton II by focusing on (i) reducing the disposal of dominant waste such as fly ash, bottom ash, and wastewater treatment plant (WWTP) sludge, which are all classified as hazardous waste, (ii) reuse hazardous and non-hazardous waste, where possible and in compliance with local and global regulations, and (iii) reducing paper usage. In 2014, they achieved impressive recycling rates:

- 97% for generated fly ash, utilised by third party construction and cement plants companies;
- 100% of WWTP sludge cake was fed into the boiler for burning;
- 100% of used batteries and oil sent to an external recycling company;
- 100% of transformer oil and turbine oil recycled through purification processes.

YTLJT's most recent initiative was the Waste Bank programme which targets to reduce and manage waste generation and disposal at the residential quarters of the operations employees, also known as the Operator Housing Compound (OHC). Waste was divided into two categories – organic and inorganic, which was further divided into plastic, paper, glass/bottles, and metal. The programme functions on the basic principles of waste separation and recycling. However, in this case, households are provided bins to separate waste at source and are required to open a "waste account" with the centralised storage facility, also known as the Waste Bank. Residents deposit their waste at the bank which is then assigned a monetary value based on the money-to-weight rates. This value is then recorded by the bank and can be withdrawn, just like any other bank. All in all, this programme has not only contributed to waste reduction but has, most importantly, fostered a culture of sustainability among the employees and the surrounding community.

Fly Ash Generation and Usage Rates at Paiton II Power Plant



A resident weighing his household waste at the OHC Waste Bank

Closing In On Zero Waste

Wessex Water aims to send no waste to landfill by 2020. The Company is close to the target already with 97% of waste now diverted from landfills, while the remaining 3% is accounted for by items such as contaminated soil and construction waste that is more difficult to reuse or recycle. At present, 100% of office waste is diverted from landfill. Wessex Water is currently the only company in the UK water sector that committed to diverting all waste from across the business away from landfill.

An example of the Company's efforts can be seen at the new underground reservoir at Summerslade Down, near Warminster, which was constructed using over 40,000 tonnes of materials recycled on site which would normally be sent to a recycling facility, thus saving cost and greatly reducing carbon emissions from the purchasing and transportation of new building materials.

Protection of the Environment

Meanwhile, Bristol sewage treatment works processes all of the grit and screenings arising from Wessex Water's 407 sewage treatment works, as well as around 100,000 tonnes of sewage sludge and up to 40,000 tonnes of food waste per year. The site is run by Wessex Water's subsidiary GENeco, whose General Manager, Mohammed Saddiq remarked that it was "a remarkable success story for us to have created such a specialised business that has grown from strength to strength in the past four years. We are really proud of the success, as are our partners. We feel we have proven that zero waste to landfill can be possible."



GENeco's waste plant at Bristol, Avonmouth can collect and process up to 40,000 tonnes of food waste per year and 300 million litres of sewage per day

RESOURCE OPTIMISATION

The excessive use of natural resources as a result of rapid industrialisation and modernisation over the years has caused massive present-day depletion and environmental damage, forcing mankind to unearth new alternatives and to redefine its notion of development. The responsible use of resources is thus an urgent global concern especially in the wake of the exponential increase of the global population.

As the nature of our work inevitably involves the utilisation of raw materials, YTL is determined to continuously improve resource optimisation within each business whilst maintaining our product and service quality and, at the same time, minimising our environmental footprint.

Manufactured Sand As a Viable Alternative

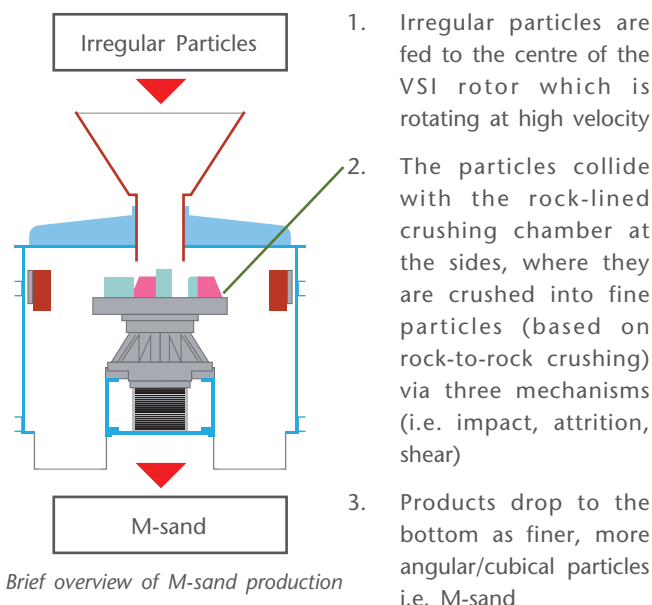
Being resource-intensive, the cement industry has been researched extensively to uncover new methods and alternatives to replace traditional products, methods and processes. YTL Cement has in the past taken steps to choose the less environmentally damaging options in the manufacturing of their products, such as replacing natural gypsum with industrial gypsum, replacing some portion of light fuel oil with

residual fuel oil, and using discarded materials such as used rubber tyres, solvents and empty fruit bunches as substitutes for coal in the kilns.

A more recent change was the introduction of Manufactured Sand (also known as M-sand) as a replacement for natural sand in the production of concrete. Being one of the key material components, natural sand has been mined extensively to meet the increasing demands of the construction industry, causing rapid resource exhaustion and, most pertinently, an ecological imbalance at the affected locations. Much research has been undertaken to assess the suitability of quarry dust – a by-product from the crushing stage – as a replacement for natural sand, with positive results. However, recent research suggests that a cement mix made with a 100% replacement of sand with quarry dust possesses less workability (ease of use and handling) and durability. Thus, quarry dust has only been characterised as a possible partial replacement of sand, rather than a solution.

M-sand, on the other hand, is considered a full replacement for natural sand in the industry. A product of the crushing and screening plants using fourth stage quaternary crushing, concrete mixes utilising M-sand have shown better qualities such as (i) greater properties in overcoming deficiencies in concrete such as honeycombing and bleeding, (ii) better workability, (iii) better economic value, in terms of reducing waste (M-sand does not contain impurities) and, most importantly (iv) an environmentally sound solution by greatly

Principles of M-sand Production (Through the Vertical Shaft Impactor, VSI)



Protection of the Environment

reducing the need for natural sand use (thus avoiding river dredging and siltation) and reducing environmental impacts from transportation and logistics, as M-sand is typically manufactured on-site. YTL Cement thus continues to use M-sand in an effort to reduce the use of raw materials and optimise their processes.



(L-R) M-sand, quarry dust and mining sand

Improving our Businesses

Reducing the environmental footprint of our offices is a Group-wide target and obligation for the YTL Group. In this regard, YTL PowerSeraya, YTL Starhill Global REIT and YTL Starhill Global Property Management Singapore's efforts were continuously rewarded by the Singapore Environment Council and City Developments Limited as certified Eco-Office. This certification recognises companies' initiatives in environmentally friendly practices within their workplace which includes measuring and monitoring their performance in resource efficiency in areas such as water, electricity, and waste recycling.

Under this scheme, companies are required to perform a self-audit based on the Eco-Office Rating System which covers metrics such as environmental policies and commitment, purchasing practices, waste minimisation measures, etc. This has resulted in increased profits as well due to the savings gained in resource reduction and utility usage, and has encouraged employees to maintain solid sustainability practices which are often taken home by them.

Another scheme launched in Singapore to promote good environmental and sustainability governance for the construction industry is the Building and Construction Authority (BCA)'s Green and Gracious Builder Scheme (GGBS). Under this scheme is also the Green and Gracious Builder Award (GGBA), which recognises contractors that adopt these environmentally friendly practices such as the reuse of materials within their projects. YTL Construction Singapore adopts GGBS practices across the company and, upon assessment of their condominium development 3 Orchard By-The-Park, was recognised with the "Merit" classification under the GGBA, which was in line with other large-scale construction companies in Singapore.

With the intention of improving the efficiency of workflow processes and at the same time reducing paper usage, YTL Power Services enhanced their electronic workflow management system at their Head Office, Paka and Pasir Gudang power stations by integrating all operational systems within the IBM Lotus Notes Database. This included company applications and procedures such as the procurement, quality, and ICT management systems and also human resource-related approvals. This exercise replaced paper-based processes and thereby substantially reduced paper consumption. Similarly, YTLJT's ongoing paper reduction programme at Paiton II Power Station continues to show healthy progress, achieving a 37% reduction in 2014 as compared with levels before implementation in 2009.

Niseko Village – Contemporary Yet Retaining its Heritage

Famed for its powder snow and cultural heritage, Niseko in Hokkaido remains an internationally renowned destination for all kinds of travellers. Thus, during the inception and creation of Niseko Village, YTL Hotels prioritised the preservation of Japan's cultural heritage within their designs, incorporating sliding screens, wooden lattice façades, lantern-lit walkways, and other features of the traditional Japanese architectural style *machiya* which dates back to the Edo Period from 1603 to 1867 – much to the surprise of many, including their Japanese guests. Dato' Mark Yeoh, Executive Director of YTL Hotels, said that "the Japanese were very excited about it as they don't see a lot of this kind of architecture, especially in Hokkaido which, historically, was an outpost with simple architecture." Consistent with this approach, YTL Hotels, in their acquisition of TGLNV, decided to refurbish and reuse their existing mechanical systems such as the 30 year old water supply system, instead of replacing it with new equipment. TGLNV also uses hot water from the onsen, or hot spring, for various heating purposes thus saving on heat generation activities and, most recently, is phasing out conventional light bulbs over the next two years and replacing them with the more efficient LED bulbs.



Machiya-style sliding screens, wooden lattices, and lantern-lit walkways create a picturesque traditional scene in Niseko Village that comprises three retail outlets and four restaurants

Protection of the Environment

BIODIVERSITY

Earth is characterised by the diverse ecosystems that interact and correlate with one another, forming a large, intertwining web of life which is filled with richness, complexities, and mysteries. Mankind is completely dependent upon the wealth of the planet for survival; however, due to many years of irresponsible behaviour, the Earth's biodiversity and ecological systems have fallen victim to environmental damage, habitat destruction, and extreme weather.

As responsible stewards of this Earth, it is our divine mandate to coexist harmoniously with the living environment around us and to facilitate the restoration and preservation of all living and inanimate things. Bearing this in mind, YTL does its best to contribute towards this cause through a variety of avenues and collaborative efforts with other organisations.

Conservation and Rehabilitation within YTL Hotels

Gaya Island Resort

Located in the biodiversity-rich region of Borneo, Gaya Island Resort (GIR) is home to some of the most fascinating and exotic species in the world, allowing guests to embrace the wealth of flora and fauna it is part of. To attend to the care of the surrounding environment, GIR established its own Gaya Island Resort Marine Centre (GIRMC) in 2013 which is committed to long-term, hands-on conservation and rehabilitation programmes. For their exemplary efforts in responsible and sustainable tourism, GIR won the "Best in Protection of Natural Areas and Wildlife Conservation" category at Wild Asia Responsible Tourism Awards 2015. This award recognises GIR's consideration of their local environment and biodiversity by actively supporting and protecting their natural assets.



Overview of Gaya Island Resort

Being the first turtle rescue and rehabilitation centre in Malaysia, GIRMC is equipped with relevant facilities and equipment, and is staffed by qualified in-house personnel comprising marine biologists and naturalists. This team oversees the operations and has extensive experience in rescuing injured animals which are released after recovery at the centre. Some of their most recent rescues include:



(Left) Turtle "7", full-grown Hawksbill turtle – Accidentally caught in a local boatman's net. Found slightly injured, and had difficulties eating



(Right) After care and treatment – Began eating on its own, made a full recovery, and finally released



(Left) Pink-necked Green Pigeon, *Treron vernans* – Spotted flying directly into a wall and falling. Injuries – Concussion, blindness to the left eye, eating problems, temporary loss of flying ability



(Right) After treatment – Left eye began to respond, began eating on its own, regained ability to fly about 10 metres and subsequently flew into the trees by itself



(Left) Bornean short python (*New Discovery*) – Found wandering on the roadside, healthy but blind in one eye



(Right) No treatment administered. Cared for temporarily and subsequently released safely back into the wild

An important conservation activity within GIR is the protection of mangroves which surrounds Gaya Island, resulting in the mangrove reforestation project which was initiated in September 2014 to further enrich the local habitat. Direct planting was first explored; however, after months of extensive

Protection of the Environment

research on the methodology and on mangrove seed diseases, the team decided to build mangrove nurseries to allow saplings to mature within designated polybags prior to replanting in their appropriate habitats. The nurseries, currently home to 1,232 polybags of saplings, have been highly successful as they keep the seedlings protected from natural predators and rough sea conditions which affect their growth in the wild. GIR intends to nurture a total of 9,972 mangrove saplings in view of a large-scale replanting exercise to be held in 2015.



Polybags at Nursery A



Saplings at Nursery A



Polybags at Nursery B



Saplings at Nursery B

Other initiatives currently in the pipeline of their Nature Projection Plan 2015:

1. Establishing a Nature Conservation Centre
 - Facilitate more in-house research activities and potential collaboration with universities (for research attachments, internships, etc.)
 - Expand their wildlife quarantine centre and clinic
2. Proboscis Monkey Rescue and Rehabilitation Project
 - To protect existing species and help increase their numbers
 - Collaboration with the Sabah Wildlife Department
3. Build Firefly Habitats within the resort
 - Research conducted on the most suitable plants for firefly habitats
 - Plants have been germinated and will be transplanted at the designated locations once they grow to the desired heights and sizes

Pangkor Laut Resort

Renowned for being a habitat to the Oriental Pied Hornbill and the Great Hornbill, Pangkor Laut Resort (PLR) invested in preserving their existence and facilitating the increase of their numbers. Realising a noticeable level of competition for naturally-suited habitats (tree trunks with suitably-sized holes), the PLR Naturalist Department started the Hornbill Nesting Box Project by installing wooden nesting boxes made out of recycled materials at different areas around the resort in the hope of giving the hornbills more alternatives for breeding. This effort has been receiving positive feedback from visiting guests since February 2015 and is expected to bear fruit in 2016.



Rescue of a juvenile Hawksbill Turtle on 5 February 2015

- Turtle was rescued from a fishing net. Injured with infected wounds
- Transferred to the Malaysian Fisheries Department (MFD) for care and treatment
- Recovered in one month and released back into the sea
- PLR intends to partner with the MFD for future rehabilitation and conservation efforts

The Majestic Hotel Kuala Lumpur – Save Wild Tigers INSPIRE Malaysia

Save Wild Tigers (Malaysia) was proud to create the most high profile tiger fundraiser in recent years in Malaysia. Sponsored by YTL, all profits raised went to Wildlife Conservation Society of Malaysia (WCS Malaysia) for their tiger conservation work.

A star-studded Gala was held at the superb The Majestic Hotel Kuala Lumpur for more than 600 guests on 3 October 2014. Her Royal Highness The Sultanah of Pahang, Sultanah Hajjah Kalsom was the patron for the evening. Celebrity guests included Professor Dato' (Dr) Jimmy Choo, Gok Wan, Ning Baizura, Amanda Imani, Tanisha Demour, Sabrina Beneet, and Jaime Winstone. Performances were enjoyed from Lee John, Jaclyn Victor, ballerina Maria Sascha Khan, and Pure Energy.

The evening was a great success in increasing awareness of the plight of the wild tiger. An extraordinary auction, including Lauren Baker's spectacular Swarovski encrusted "Crystal Tigress", helped to raise critical funds for WCS Malaysia's ongoing tiger conservation work. The Gala dinner, together with the one-off Eastern & Oriental Tiger Express journey, achieved around RM5 million media value, reaching over 60 million people globally – an amazing result.

Protection of the Environment

An estimated RM340,000 was raised for WCS Malaysia's anti-poaching patrols and related work across Johor and Pahang. Already these funds have ensured over 200 snare traps been disabled and removed. WCS Malaysia, working closely with Malaysian authorities, undertakes dangerous and demanding work confronting the ever present threat of the illegal poaching of the last estimated 250 Malayan wild tigers.



Mr Simon Clinton, founder of Save Wild Tigers with Her Royal Highness The Sultanah of Pahang, Sultanah Hajjah Kalsom bt Abdullah



The stunning Crystal Tigress head at Starhill Gallery

YTL Jawa Timur's Continuous Conservation Effort

In line with the initiatives by the Government of Probolinggo and Ministry of Environment, Java, to revegetate the Paiton coastal areas, in 2013, YTLJT began a mangrove and sea pine replanting project on their own accord, with a target of planting 20,000 mangroves and 8,000 sea pines annually along approximately 6 km of coastline. In addition, YTLJT engaged with the Randutatah village to provide support for their Kelompok Tani Harapan 2 project which involved creating a nursery for mangrove and sea pine transplanting and developing the area to become a centre for nature conservation. At present, YTLJT has assisted in the planting of 25,000 mangroves and 11,475 sea pines.

On the equally important subject of marine biodiversity, YTLJT ensures all discharge water from the power station is monitored by an online system. Monthly water discharge sampling and testing is conducted, and at the same time, sea water quality as well as marine biota and coral reefs are also surveyed every three months. During the reporting period, the compliance to regulation was recorded at 100% and the team has continued to witness aquatic life thrive in the ocean around the power station.



YTLJT's sea pine nursery for the Kelompok Tani Harapan 2 project



Working together with the local community to replant mangroves at Asembakor, Probolinggo

A Long Tradition of Wildlife Conservation Work within Wessex Water

Building on its long history and track record of biodiversity conservation, Wessex Water is now entering the fifth phase of its Biodiversity Action Plan (BAP) Partners Programme. This was first launched in 1998 to provide funding to wildlife organisations that carry out projects to conserve and enhance biodiversity across their region. The programme has since contributed to many meaningful projects which over the last five years have yielded tangible results such as:

- South Wiltshire Farmland Bird Project: a specialist adviser has worked with 119 farmers to provide more than 800 hectares of farmland bird habitats, including safe nesting areas, summer insect food and winter seed food;
- Dorset Wild Rivers: 11 km of river restored since 2010, and over 5,000 trees planted on more than seven hectares of wet woodland;
- Wessex Springs and Seepages for Invertebrates: Buglife identified the habitats of rare insects such as the Cliff tiger beetle, Southern damselfly, Bog hoverfly and Southern yellow splinter to guide future management to help conserve populations.

Protection of the Environment

The programme's fifth phase will be supporting four major projects with each receiving between GBP15,000 and GBP20,000 annually over the next five years (2015 – 2020). The four selected projects and their partners are:

1. South Wiltshire Farmland Bird Project – Cranborne Chase Area of Outstanding Natural Beauty (AONB)
2. Dorset Wild Rivers – Dorset Wildlife Trust
3. Wessex Chalk Streams Project – Wiltshire Wildlife Trust
4. Restoring coastal and floodplain grazing marsh in the North Somerset Levels – Avon Wildlife Trust



Wessex Water keeping wildlife conservation close to their heart

Partnerships in Conservation

Reef Check Malaysia

Since starting the partnership in 2008, Reef Check Malaysia (RCM) and YTL have remained close partners continuously exploring fresh ideas for coral reef protection and rehabilitation. Improving upon the great progress achieved by the efforts in PLR, RCM decided to experiment with a new rehabilitation method along PLR's jetty to promote the recovery of reefs in that particular area. Coral fragments were attached directly onto rocks within a small reef area using epoxy and were closely and periodically monitored. In RCM's most recent progress check in July 2015, it was noted that some corals had been washed away probably due to wave action; however, the corals that were still intact were doing very well and overgrowing the epoxy used to secure them. RCM intends to continue their work on this method to identify ways for improvement.

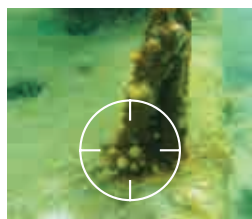


*(Left) Coral fragments attached to rock and dead coral using epoxy
(Right) Encouraging growth observed*

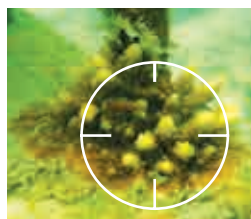
RCM's earlier reef rehabilitation programme in collaboration with YTL, National University of Malaysia (UKM), and Malaysian Institute of Architects (PAM) in 2013 is still progressing commendably. Transplanted corals are showing good survival and growth rates and, more importantly, a healthy number of new corals are naturally attaching themselves onto the concrete blocks which were deployed at Mentagor Island, off Pangkor Island. The number of new corals increased from 200 in February 2015 to 231 in July 2015, with the project showing an overall reef survival rate of 59.04%. It was also observed that some of the new corals that had naturally attached themselves grew as large as those that were initially attached at the start of the project in November 2013. This initiative has shown promising results and will continue to be monitored by RCM.

Besides contributing towards RCM's reef rehabilitation programmes, YTL has also supported their annual monitoring surveys of the Sembilan Islands, near Pangkor Island. Data collected is analysed to assess the health and status of coral reefs around the islands, and subsequently incorporated into a report covering the health of reefs nationally, which is made available to the public. RCM, in partnership with the Marine Parks Department of Malaysia, conducts these surveys at almost 200 sites annually, covering coral reef sites on the East Coast of Peninsula Malaysia as well as in Sabah and Sarawak.

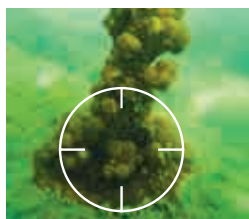
Recently, RCM collaborated with VALE Malaysia Minerals and PLR to conduct a more detailed survey of sites around the Sembilan Islands, which included a survey of biodiversity of reefs at 15 different sites. The results will contribute towards a plan to establish a managed area for coral reef protection at the Sembilan Islands.



January 2014



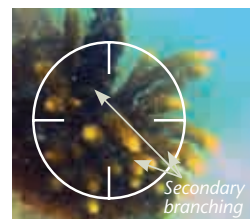
*November 2014
(coral branching out)*



May 2014



February 2015



*July 2015 (secondary
branching observed)*

Protection of the Environment

In addition to providing logistical support to rehabilitation and survey programmes, YTL Hotels and Autodome, both wholly-owned subsidiaries of YTL Corp, partnered evian® and their local distributor in Malaysia, GBA Corporation in an initiative to raise funds on a recurring and long-term basis for RCM. With the combined aim to reduce the consumption of plastic bottles and educate customers on the importance of environmental conservation, a total of 5% of the proceeds derived from the sale of evian® water bottles are donated to RCM for their projects. In 2014, the initiative managed to raise a total of RM30,000.



Mr Julian Hyde, General Manager of RCM, receiving the donation at the RCM Press Conference in June 2015 at The Majestic Hotel Kuala Lumpur

WWF Singapore

In July 2014, WWF Singapore organised the “Underwater Planet” event which involved an exhibit to raise awareness on the threats towards Southeast Asia’s coral reefs and the importance of marine parks and public aquariums as a means of protection. Wisma Atria supported this cause as a venue sponsor, offering their indoor atrium to host the roadshow which also served to promote Earth Hour and general environmental issues. This follows their previous collaboration on WWF Singapore’s Sustainable Seafood Programme, where a pocket-sized version of the guide was produced and distributed within Wisma Atria in an effort to educate consumers and businesses on sustainable seafood choices.

YTL Fellowship for a Rare Planet

Believing in strategic commercial marketing and advertising as keys to influencing human behaviour, Rare is a movement that employs proven social science methods in their advocacy for environmental conservation. For more than 25 years, Rare has empowered local communities in over 50 countries to take ownership of conservation through unconventional and creative training programmes and campaigns. Rare’s signature programme is PRIDE, a social marketing campaign which aims to inspire communities to take pride in their natural resources and to mould young conservation leaders.

In 2010, YTL honoured Rare with a USD2 million contribution, one of YTL’s largest conservation grants in history, enabling Rare

to kickstart “YTL Fellowship for a Rare Planet – Asia”, a programme designed to prepare young leaders develop community solutions to environmental challenges.

Meet Marjurie Abella, one of Rare’s YTL Fellows who is working at Ayungon, Negros Oriental, Philippines. Marju studied animal science in college and worked in marine conservation for two years before joining the Rare team. As a YTL Fellow, she works with the local government unit Negros Oriental to persuade fishers to report intrusions in the marine sanctuary. Her community’s mascot: Louie the Raccoon Butterfly Fish. She’s halfway through her Rare YTL fellowship and, when it’s completed, the Ayungon community will have a healthier, and more vibrant coastal marine life. And, as do all fellows who go through the Rare programme, she will receive a master’s degree in communications because of the academic work that goes along with her training. Marju will be accompanying Dr Sylvia Earle, a celebrated marine biologist and explorer within the ocean conservation community, on an upcoming TED/Mission Blue expedition and has been invited to share that experience in a TED talk in October 2015.



Marjurie Abella, one of Rare’s YTL Fellows

More than 81 conservation campaigns have been organised, with graduating leaders (called YTL Fellows) independently mobilising resources and networks to lead campaigns through the PRIDE approach. To date, 52% of alumni have run for their second or third campaigns (funding these campaigns on their own) and 73% of alumni have sustained their campaigns even after the formal relationship with Rare ended.

Rare’s Fish Forever programme for sustainable near-shore fisheries – which YTL currently contributes towards – was recently honoured through the Aspen Institute’s McNulty Prize which recognises exceptional leadership projects globally. With the help of YTL’s investment, Rare is currently on track to its 2020 goals which comprise:

- jobs for 100 million people who rely on fisheries;
- reliable food supply for upwards of 300 million people; and
- 20% national coastline protection of critical marine areas.



Our Commitment

Striving to be the Employer of Choice



EMPOWERING OUR PEOPLE



**Embracing diversity and
inclusiveness, and fostering a
fair workplace**



**Nurturing human capital by
growing the workforce capacity
and skills, and bridging gaps
through learning and
development**

OUR APPROACH



**Caring for our employees
through active engagement**



**Creating a well-balanced
workplace – Health, Safety
and Well-being**



Empowering Our People



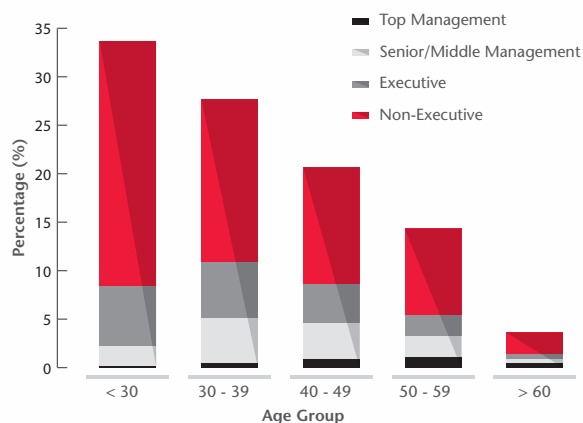
Highlights

- YTL PowerSeraya is a signatory of the United Nations Global Compact Principles
- YTL Communications won "Malaysia Best Employer Brand Award 2015"
- YTL Starhill Global Property Management and YTL PowerSeraya – Gold Award recipient for the Singapore Health Award 2014
- Wessex Water has been recognised for the fifth year by the British Safety Council for their commitment to preventing workplace injuries and ill health
- Free health checks for UK and Singapore employees

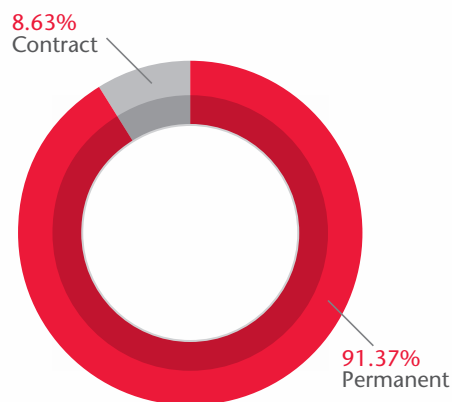
At the core of our workplace culture lies the competencies, devotion, and faithfulness of our employees. We have weathered cross-generational challenges and changes throughout our 60 years of operations, coming through periods of adversity and tests to arrive at where we are today solely on the strength and resilience of our greatest asset – Our People.

Today, YTL is a global-reaching, multi-faceted conglomerate with a family of 12,000 dedicated employees, each committed and in turn provided equal opportunities for growth, development, and maturity in their respective roles. As we move forward in this era of ever-evolving technology and paradigm shifts, our desire is to cultivate a culture which taps into creativity and innovation to ensure that we remain progressive and relevant. Ultimately, our hope is to safeguard the well-being of our people whilst continuing our healthy growth as an organisation.

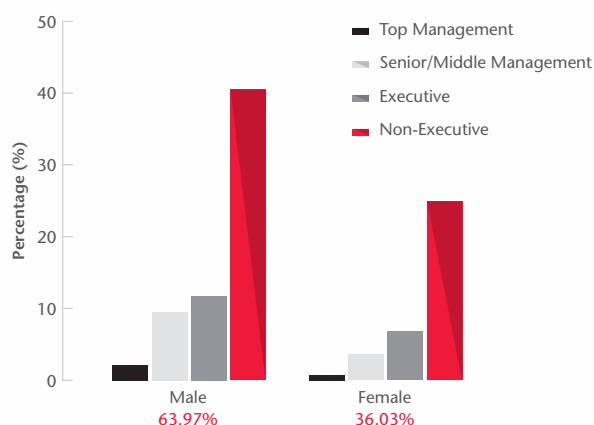
Age Profile



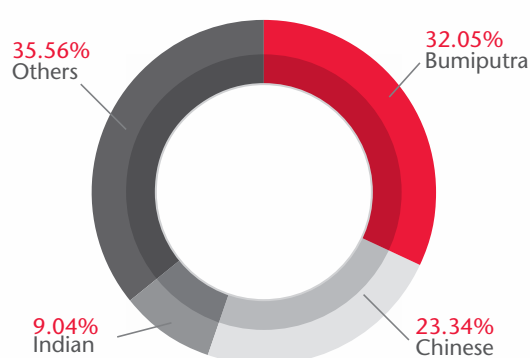
Employment Type Profile



Gender Profile



Ethnicity Profile



Empowering Our People

EMBRACING EQUALITY, DIVERSITY, AND INCLUSION

With an established presence in a variety of fields and industries, diversity is customary within our Group. Nevertheless, YTL strives for equality and operates on a foundation of fairness and respect for the rights and needs of its people. Our recruitment and career advancement policies exhibit transparency and impartiality, placing an emphasis on merit and suitability to ensure all employees have equal access to opportunities. As an organisation operating in different countries, we are committed to empowering global communities and building conducive work environments through the hiring of home-grown talent and inclusivity of local cultures within our respective workplaces.

In line with this, a taskforce comprising senior managers from Wessex Water finalised and published a diversity policy and action plan aimed at ensuring continued and improved equality, diversity, and inclusion in their workplace. Through this action plan, Wessex Water introduced shared parental leave, reviewed maternity and paternity leave policies, and developed a diversity scorecard and monitoring systems, among other measures.

ERL Maintenance Support (E-MAS), the operator of the KLIA Ekspres and KLIA Transit lines, reinforce their position on employee equality through the hiring and development of more females in a typically male-dominated industry, with females currently filling various positions such as train drivers, engineers, station supervisors, etc. E-MAS is convinced that this approach widens their target market for attracting quality candidates and contributes to increasing the involvement of females in the railway industry.



E-MAS female employees (clockwise from top left): Laxchumy Saravanamuthu, Engineer; Nurasyiqin Binti Josni, Operation Train Driver; Eng Seow Wei, Engineer

NURTURING HUMAN CAPITAL

Our foremost priority within all our businesses is ensuring that the welfare and development needs of our people are sufficiently met. At the core of this drive are talent, abilities, and experience of capable people. YTL believes in cultivating these competencies and providing the right platform for its employees to sharpen and refine their skills. Our aim is simple: to find the right fit for our people.

Whilst we offer a comprehensive and competitive employment package, we also seek to continually improve as an employer to ensure we offer the best for our people. As a testament to our efforts, YTL Communications was recently awarded the “Malaysia Best Employer Brand Award” in 2015. Hosted by the Employer Branding Institute and Stars of the Industry Group, this award platform recognises the best employers for their excellence in creating a culture of contribution and innovation at work, consistent improvement in human resource policies, and in developing and nurturing future leaders.



YTL Communications fosters a conducive work environment as one of Malaysia's Best Employer Brands



Empowering Our People

Training and Development

Whilst talent retention is essential for any organisation to thrive, honing skills is equally crucial. It is vital for employees to develop holistically, gaining exposure to best practices in their respective industries and also growing in their careers and personal lives. Thus, YTL is a strong proponent of perpetual learning, investing significant amounts of resources into various training and development programmes such as on-the-job exposure, mentoring and coaching, professional courses, and funding for continued education for the benefit of its employees.

YTL PowerSeraya's annual training needs analysis process is conducted to provide skills training in order to close performance gaps or equip employees for higher level responsibilities. Employees near retirement age are sent for pre-retirement seminars, whilst lifelong learning incentives, in the form of attaining certificates up to Masters programmes, are provided to eligible employees with bonding requirements.

SGD 600 training expenditure per employee at YTL PowerSeraya in FY2014/2015



Perak-Hanjoong Simen and Pahang Cement, both under YTL Cement, organise general competency training sessions related to respective job responsibilities of their employees such as First Aiders, Authorised Gas Testers, Authorised Entrant and Standby Persons for Confined Spaces, etc., some of which are essential to health and safety standard operating procedures. This produces employees who are multi-faceted and empowers them with industry-standard knowledge and skills to perform various roles at different levels, thus giving them the necessary flexibility and mobility within the Company. This has resulted in vast improvements in the reduction of cost overruns caused by poor performance, and also increased motivation levels which encourage employees to contribute beyond their regular individual roles.



Perak-Hanjoong Simen employees undergoing "Authorised Entrant and Standby Person for Confined Space" competency training



Hands-on firefighting training at Pahang Cement

To elevate their employees' and local managers' aptitude in social interaction, the management of The Spa Village Resort Tembok, Bali (SVRTB) holds in-house conversational English classes which aims to improve their proficiency in the language and instill confidence in communicating with guests from all over the world. Whilst the programme is not compulsory, employees showed great interest and commitment in the lessons, which have directly enhanced the reputation of the resort and, consequently, led to an increase in occupancy and sales. In addition, SVRTB launched a "homecoming" programme which was designed to attract locals – both from the community and those who work or study abroad – to join their team. SVRTB believes that this initiative is effective in delivering two-pronged benefits: (i) helping them tap into a higher quality talent pool of locals, and (ii) enabling access to candidates with a genuine connection and affinity with Bali which contributes intangible value to their operations.

Empowering Our People

An average of **3 days** per year development training for all employees at Wessex Water



Wessex Water has continued to focus on attracting existing and new skills into the business with a commitment to developing employees to their full potential. The Company actively supports employees in obtaining certification for their skills from accredited professional development bodies relevant to their industry. For instance, their Institute of Leadership and Management level five and Chartered Management Institute level seven strategic programmes were extremely successful in 2015. Currently, 30 employees are undertaking further studies to achieve professional qualifications.

Grooming Through Apprenticeships

Apprenticeships provide young people with a structured way to build professional skills necessary to join some of YTL's business units and develop their potential career prospects to become future leaders. They are groomed with practical skills gained from on-the-job training, in tandem with knowledge acquired through formal education.

Express Rail Link (ERL) runs a 3-6 month industrial trainee programme for undergraduate students, taking about 20 students per batch each year. Throughout the duration of the programme, students get the opportunity to experience professional working life and gain a broad overview of ERL and the railway industry in general. Most importantly, ERL keeps a record of each trainee's performance with an eye on offering potential employment in the future.

Through their Greenhorn Talent Programme (GTP), ERL Maintenance Support (E-MAS), a subsidiary of ERL, offers opportunities for vocational skills training and apprenticeships in the railway industry as a way to attract young talent and fresh graduates, and also to provide a second chance to selected target groups such as SPM leavers and Diploma or Certificate dropouts. The GTP was implemented to expand their pool of skilled talent in a progressive manner which reduces their downtime to search for suitable candidates when vacancies open up. The pilot test was conducted in the Rolling Stock Department with support from other shared services departments such as HR, IT, Safety, etc. and saw considerable success, as all apprentices from the first and second batch were offered permanent positions as Technicians after their 12-month apprenticeship cycle upon review of their suitability and performance.



Greenhorn Talent Programme trainees receive in-depth, industry-standard practical training and opportunities for future employment with E-MAS

YTL Hotels' employees are known as "Stars" as the Company believes they are their main assets in delivering award-winning, world class services to their guests. YTL Hotels launched its YTL Talent Development Programme crafted to lead young Stars on a rewarding career journey. This programme gives ample opportunities for Stars to shine in YTL Hotels, allowing them to take on bigger challenges and develop various leadership skills. To date, up to 21 Stars have joined the programme and they are now well on their way to become the next generation of leaders in YTL Hotels.

Wessex Water's apprenticeship schemes continue to flourish across the business, and the Company continuously monitors and updates their schemes in order to ensure young people are given the best training possible. In 2015, Wessex Water's Mechanical and Electrical Apprenticeship programme was formally recognised and approved by the Institution of Mechanical Engineers (IMechE) which enables mechanical-based apprentices to obtain the globally-recognised professional qualification as an Engineering Technician. Already approved by the Institute of Engineering and Technology (IET), the apprenticeship programme validates the capabilities of its trainees and provides the Company with a constant source of excellent and reliable talent for their operations.

Wessex Water recorded a **99%** retention rate for apprentices



Empowering Our People

Furthermore, the Company's partnership with Bridgwater College to provide a water industry apprenticeship programme which trains apprentices in the technical aspects of the water and piping systems in the South West region of the UK entered its second year in 2015. Throughout this two-year programme, students are able to gain hands-on skills and knowledge at the new well-equipped, purpose-built educational facility at Bridgwater College's Cannington centre which contributes to their National Vocational Qualification (NVQ) Level 2 certification. The first intake saw 12 students from the college accepted into the programme, who, upon completion, are considered for full-time positions at Wessex Water.

"Our close working partnership with Wessex Water has meant that we have been able to develop this sector specific apprenticeship which focuses on practical skills and industry standard training. We are very pleased with the success of the first cohort of apprentices and are looking forward to welcoming the second group to the College."

Matt Tudor,
Director of Business Development,
Bridgwater College

Most recently, Wessex Water's work at its Scientific Centre at Saltford, Bath caught the eye of the Science Council UK, which awarded the firm the Continuing Professional Development (CPD) Approved Employer status to recognise its commitment to good practices in learning and development schemes. The Centre, which analyses samples of drinking water, sewage and effluent from around the region is staffed by around 70 people and also provides services to local authorities, industrial companies, and environmental consultants. Ali Orr, Registrar at the Science Council, praised the programme saying: "The approval panel was particularly impressed with the quality of the Scientific Centre's employees and their commitment to developing personally and professionally."



Wessex Water's apprentices from Bridgwater College receiving extensive training on the water and piping systems in the UK

CARING FOR OUR PEOPLE THROUGH ACTIVE ENGAGEMENT

As an employer, our greatest hope is for our people to feel a sense of belonging, fulfillment, and purpose in the company. Therefore, we do our best to provide competitive remuneration and benefits packages for employees and their families and, most importantly, we build a conducive and flexible work environment that fosters good friendships, fellowship, and enjoyment. Some of our activities in the past year:



YTL volunteers going the extra mile at the "Food For All" event, packing delicious and nutritious meals and distributing them at the United Learning Centre – a volunteer driven centre providing children of Burmese refugees with an education in Kuala Lumpur. There was time for some fun and games with the children as well!



Employees of YTL Jawa Timur reach out to local communities by providing relief aid during natural disasters, such as donating masks to villagers affected by the Kelud volcanic eruption and food supplies to victims of the Kedung Sumur flood



YTL Starhill Global REIT's Archery & Rock Climbing workshop 2015 – taking friendships beyond the office through sports and adventure

Empowering Our People



The **Yes** team preparing to run all out for charity at the Bursa Bull Charge Run 2014



The YTL Communications, ERL and E-MAS teams hard at work during the YTL Foundation Classroom Makeover at SMK Tanjung Sepat and SMK Kota Warisan, Selangor, where old classrooms were transformed into vibrant education hubs fit for modern, 21st century learning methods



YTL Leadership Conference 2014



Perak-Hanjoong Simen employees in good spirits at the Majlis Buka Puasa 2015



Celebrating 19 years of faithfulness and service – A warm farewell for Autodome's Mr Eddie Wong

The Autodome quarterly Family Reunion – a time when employees are appreciated with awards, birthday celebrations, and above all, good food!



Forging stronger ties at Autodome's "Awakening to Oneness" Team Building Event 2015



Empowering Our People

MANAGING WORKPLACE HEALTH AND SAFETY

Of paramount importance in our business activities is the health and safety of our people. YTL is committed to building and maintaining a safe workplace across all our entities, regardless of location, conditions, or circumstances. We incorporate meticulous risk management exercises within our operational frameworks especially in higher risk industries, instilling a culture of Occupational Safety and Health (OSH) based upon global standards among all our business units and employees. As a responsible employer, we strive to ensure that our people return home safely to their families after a day's work.

In their goals to achieve "Zero Accident" and "World Class" status respectively in terms of OSH performance, YTL Jawa Timur (YTLJT) conducts an annual Safety Campaign which not only involves their own employees but also their contractors. In 2015, the Company held three programmes under the campaign, namely (i) Contractor Safety Awareness, (ii) Permit and Safety Documents Awareness, and (iii) Internal Fire and Rescue Challenge. These programmes were held to promote and encourage good OSH awareness and practices in their Paiton II Power Plant in the hope of eliminating on-site accidents and incidents.



YTLJT fire rescue team undergoing training

PHS has managed to achieve a safety record of **546 days**, or **1.4 million work hours** without lost-time injury for their employees from January 2014 to June 2015

Perak-Hanjoong Simen (PHS), on the other hand, approached OSH from a different angle, embarking on a positive safety behavioural change programme focusing on their employees with a target of zero lost-time to injury. In line with their 2014/2015 motto "Safety Starts with Me", PHS initiated the following interactive programmes:

1. Engagement with all employees and contractors through weekly health exercises cum SHE (Safety, Health & Environment) toolbox talks conducted by the line management, department/section heads, and executives. This was implemented to enhance awareness, understanding, cooperation, and commitment to good SHE behaviour and practices.
2. Social media communication amongst employee groups using "WhatsApp", where employees are empowered to provide immediate and transparent SHE feedback, and report any discrepancies on site with photos. "WhatsApp" chat groups such as "SHE Watch Feedback" and "Plant shutdown safety watch" were very effective in facilitating real-time monitoring and rapid response to any adverse situations.



Learning the fundamentals of CPR at Perak-Hanjoong Simen's site office



A forklift trainee being supervised on Forklift Competency Training at Perak-Hanjoong Simen's site office

Empowering Our People

In an effort to promote a healthy lifestyle among their employees, YTL Starhill Global Property Management Singapore extended their Workplace Health Programme in 2015 by organising sports and health-related activities throughout the year. Each event, ranging from one to three hours, was held at the office and other external venues for selected activities which included yoga, ice-skating, their self-styled "Brain Food for a Sharp & Vibrant Mind" workshops, and many more. The total investment cost was SGD18,937 which was partially offset by a workplace health grant from the Singapore Health Promotion Board of SGD13,950. The initiative was embraced and well-received by the employees which helped them in their quest to keep fit and encourage team building.

YTL Starhill Global Property Management and YTL PowerSeraya were Gold Award recipients for the Singapore HEALTH (Helping Employees Achieve Life-Time Health) Award 2014!

FY2014/2015 saw zero accidents and no fatalities for neither employees nor contractors at YTL PowerSeraya's power plant. As of 30 June 2015, the Company achieved 2,957,335 man-hours without lost-time injury. A number of OSH initiatives were carried out, including:

- a) Safety Day – an event held in May 2015 that celebrates the year's safety performance and recognition of the firefighting and first aid teams;
- b) Enhanced Confined Space Safety – an awareness campaign to familiarise employees and contractors on the enhanced permit-to-work requirement for work in confined spaces;
- c) Safe Work at Heights – an awareness campaign to refresh employees and contractors on the requirements of the recent work at heights regulations, and the roles of various parties in the work at heights permit to work system;
- d) Hearing Conservation Programme – employees diagnosed with Noise Induced Deafness were put through an earplug fit test that identifies those who are not wearing earplugs properly and to correct this. For those wearing earplugs properly, the test serves to inform them of the highest noise levels they can be subjected to (beyond which they would be exposed to unsafe excessive noise) based on their usual way of wearing earplugs.

In addition to these initiatives, the Company is also educating and engaging their employees on health and safety through (i) Vibrancy Workplace Health activities - such as weekly badminton games, archery, bowling competitions, dragon boat racing, fruit fiestas, and family outings to Gardens by the Bay, Punggol Waterways, Trick Eye Museum and Snow City; (ii) annual health screening for employees and; (iii) health talks.

As a leading and trusted employer, Wessex Water continues to develop and embed a strong health, safety, and welfare culture in their day-to-day operations. In 2014 – 2015, a number of safety initiatives were put in place to reduce risks at work which include:

1. Near miss reporting in operations;
2. Make it Right – behavioural safety campaign in engineering and construction;
3. Check 5 – dynamic risk assessment that provides an opportunity for everyone to challenge themselves and others to emphasise safety;
4. Revised health, safety, and welfare strategy to ensure continuous improvement, and further enhance the safety culture which is based around four integrated themes: (i) Strong and visible leadership, (ii) Delivery of health, safety and welfare improvements, (iii) Safe working environment, and (iv) Communication and worker involvement.

The Company and its engineering and construction department received two international health and safety awards from the British Safety Council and the Royal Society for the Prevention of Accidents (RoSPA) for the second consecutive year. Neil Stone, Acting Chief Executive of British Safety Council, said: "Wessex Water is commended for ensuring the health and safety of its own workforce and those of its contractors. This success is a real team effort." RoSPA praised the Company for their "Make it Right" initiative which promotes and develops an excellent health and safety culture among employees.



Wessex Water employees learning how to work safely within confined spaces



Our Commitment

Striving to positively impact and enrich the lives of people where we operate



ENRICHING COMMUNITIES



Engaging and supporting local
community groups, social
institutions and non-profit
organisations



Developing future
generations of leaders by
supporting educational
initiatives

OUR APPROACH



Promoting arts and culture by
showcasing unique heritage assets
and providing an alternative medium
for artistic expression and
communication

Enriching Communities



Highlights

- To date, YTL Foundation has awarded a total of 180 scholarships
- Five school classrooms were successfully transformed by YTL volunteers under the YTL Foundation Classroom Makeover Programme
- Wessex Water visited more than 140 schools and colleges, teaching around 24,000 students
- More than 350 families have benefited from the Green Renewable Energy Development programme in East Java
- Over 300 children with facial deformities worldwide benefited from the proceeds during Smile Asia Week, where over 3,000 cakes were sold
- 450 meals were packed by YTL volunteers during "Food For All 2015"

Our growth as a diversified conglomerate has meant that we have ventured into different parts of the world and interacted with stakeholders from innumerable communities. This has inspired us to embrace the diversity of the societies we cross paths with and ensure that our efforts work to bring them better conditions. We aspire to empower communities in a sustainable manner, from tackling poverty to continuous and long-term welfare and support. At YTL, we seek to meet needs, and our key priority as an organisation is to serve people and enrich communities.



Enriching communities: (clockwise from top left) Arts and Culture, Education, and Community Initiatives

PROMOTION OF ARTS AND CULTURE

YTL supports programmes that promote and foster arts and culture in countries that we operate in. These programmes are essential for strengthening local values and contributing to economic and social harmony, especially in multicultural societies such as Malaysia. In addition, the activities support artists and those working in the cultural sector to gain better visibility which in turn enables them to facilitate better access to arts and culture.

As an enthusiastic supporter of the arts especially in music and opera, YTL Group Managing Director, Tan Sri Dato' (Dr) Francis Yeoh recently donated RM4.2 million (equivalent to EUR1 million) to the world renowned Teatro dell'Opera di Roma that was reeling from financial difficulties in the midst of Italy's deepest post-war economic crisis. This significant contribution is meant to preserve Teatro dell'Opera di Roma's legacy in the arts scene so that it will continue to inspire the world for years to come.

On the other hand, YTL also supports great artists from all over the world through the renowned annual event "A Journey Through Time (AJTT)". Returning for its eighth year, AJTT – a premier watch and jewellery showcase – was the brainchild of YTL Corp and is endorsed by Malaysia's Ministry of Tourism and Culture. The annual event has grown from strength to strength, and firmly established itself as the premier event for the biggest and most prominent names in the global timepiece and jewellery industries. In 2014, YTL was honoured to have world famous performers such as Carly Paoli and Russell Watson perform at the AJTT. Many dignitaries and distinguished guests graced the event and were treated to displays of precious creations of the highest quality and a range of performances from guest celebrities.



Carly Paoli's performance in Kuala Lumpur at "A Journey Through Time"

Enriching Communities

Preserving History, Arts and Culture

Originally built in the 1800s, The Gainsborough Bath Spa occupies two Grade II Listed buildings with distinguished Georgian and Victorian façades in the heart of historical Bath City, a UNESCO World Heritage site that attracts millions of visitors every year. Paying homage to its colourful history, YTL Hotels retained the structure of the old building, and at the same time incorporated a modern interpretation of a classic design which blends in seamlessly with the city's enduring character.



(Left) The Gainsborough Bath Spa with its classic exterior structure and design

(Right) The Gainsborough's artistic roots are alive and well - A bright and brilliant piece of original artwork displayed in The Gainsborough Bar, created by a student from Bath Spa University

Did you know?

During the early redevelopment of The Gainsborough Bath Spa in 2007, archaeological excavations uncovered 17,000 ancient Roman coins in eight separate money bags, which were fused together! Now known as the Beau Street Hoard, a selection of these remarkable coins are on display in the hotel's reception area.



The Beau Street Hoard

In Japan, YTL used a similar approach to design when conceptualising the heart of Niseko Village, by incorporating traditional Japanese *machiya*¹¹ architecture which dates back to the Edo Period in 1603 – 1867 featuring screens, wooden lattice façades, and walkways lit by lanterns. YTL's intention to include *machiya* elements in the design of Niseko Village is to allow visitors to immediately feel they are in Japan because of what they see around them. This also captures the beauty inherent in the heritage of the country and the different regions.

In the Kasara Niseko Village Townhouses, each residence embraces *shibumi*¹² and its key principles, crafted with a sense of calm and a touch of richness, through contemporary furnishings that bring an undercurrent of glamour yet warmth. Stylishly designed over two floors, each townhouse can accommodate up to six persons comfortably.



(Left) The Village, Niseko Village

(Right) The Japanese *machiya*-inspired townhouses during winter

Since the arts can be seen as a reflection of a society, it is important to embrace the work of local artists. The Green Leaf Niseko Village (TGLNV) supports the development and preservation of Japan's indigenous arts and culture through their theme "Embracing Art", by showcasing artworks and art installations by Emi Shiratori throughout the hotel and inside guest rooms. Emi Shiratori is a Sapporo based artist and graphic designer, with her trademark style being hand-drawn art. Her graphic murals and unique iconography are a creative nod to the natural beauty of the region, gracing guest room keys, ski lockers and public spaces. YTL Hotels intends to continue displaying Emi's artwork in TGLNV whilst promoting her work on the international art scene.



Emi Shiratori with her artwork

¹¹ Machiya are traditional wooden townhouses found throughout Japan and typified in the historical capital of Kyoto. Machiya housed urban merchants, craftsmen and artisans, a class collectively referred to as townspeople. (Source: Wikipedia)

¹² Shibumi is a term from the Edo Period in Japan referring to places, persons, or things of effortless perfection.

Enriching Communities

SEED – A Place of Inspiration and Ideas

Sentul East Design Centre (SEED) located at d6 and d7 has served as a platform to nurture creativity and artistic pursuits. Artists, designers and anyone interested in creative activities can enjoy exciting opportunities to express their feelings through different forms of art, be it painting, drawing, clay and pottery, engraving, photography, etc. SEED also provides a platform for these people to display and share their creative ideas and insights, helping them build relationships within the arts landscape and promote their artistic creations.

One of the most popular weekly activities under SEED is the Art Jamming Workshop organised by The Refinery. The key to Art Jamming's success is that it is a fun and enriching activity. Art Jamming has grown to be a meaningful personal and creative experience where art jammers express, discover, and socialise while painting their own canvases. With SEED, the Company hopes the arts can enrich the physical, economic, social, and cultural elements of the community in Sentul East and, at the same time, provide opportunities to young emerging artists to fulfill their potential.



Different workshops organised by The Refinery under SEED (Photo courtesy of Ben Toh)

Preserving Our Food Heritage

In the midst of changing times and generational shifts, traditions and cultural heritage tend to be overlooked, with priority placed on contemporary and modern pursuits, especially in larger cities such as Kuala Lumpur, a huge melting pot of people from all over the country and the world. Thus, in an effort to preserve a slice of history where good food is concerned, YTL introduced Lot 10 Hutong, which serves local delicacies from some of the city's oldest street hawkers.

Lot 10 Hutong is made up of heritage brands that have been around since the 1920s and 1940s which are famed for their authentic tastes that appeal to Asian palates. As food forms an integral part of Malaysian and Southeast Asian lifestyles, YTL has attempted to preserve this cultural heritage and ensure that these brands and family businesses will live on for generations to come.

Following the success of its expansion in Guangzhou, China last year, YTL decided to open the third branch in Malacca, Malaysia in March 2015. Located at The Shore Shopping and Gallery, it is the country's second gourmet heritage village which is in line with the Malaysian Ministry of Tourism and Culture's national objective to promote Malacca as the region's epicentre for food tourism.

Similar to the concept of Lot 10 Hutong, all dining restaurants in Starhill Gallery represent popular cuisine from around the world, with 16 unique restaurants currently housed there. July 2015 marks the 10th anniversary of Feast Village, a rustic multi-ethnic village setting within the Starhill Gallery, with an exotic range of culinary delights from all corners of the globe available throughout.

In April 2015, Feast Village opened its doors to Khushi Spice, a fine dining establishment serving the finest of North Indian cuisine. Serving both vegetarian and non-vegetarian options, Indian cuisine lovers have been able to enjoy kebabs, tandoor oven specialities, curries, biryani and other delicacies. At the helm in the kitchen is Chef Surbeer Singh, a native of New Delhi, India, who specialises in authentic North Indian cuisine.



Khushi Spice - A North Indian restaurant at Starhill Gallery

Enriching Communities

Another addition to Starhill Gallery is the Newens Tea House, famously known for its Maids of Honour tarts. Launched in December 2014, Newens Tea House is the first international outlet aside from the original establishment in Kew Gardens, London. Rich in history, the Maids of Honour tarts were a royal favourite since the reign of King Henry VIII. To date, only 14 chefs in the world know the 200 year-old secret recipe to produce these unique tarts. The tarts, as well as the English Afternoon Tea set, are popular highlights at Newens Tea House, Kuala Lumpur.



The Newens Tea House at Starhill Gallery

Seven Natural Wonders and the PURE Activities

Set amidst the lush rainforest of Gaya Island and accessible only by boat, YTL Hotels' Gaya Island Resort (GIR) in Borneo provides a unique experience for guests, blending the best of Sabah's culture and natural heritage with a variety of exciting activities including cycling tours, culinary experiences, and exploration of the surrounding reefs and rainforests – perfect for the nature traveller and culture lover. One of GIR's main highlights will be their very own Seven Natural Wonders of GIR, which is currently in development.

The intention of the Seven Natural Wonders of GIR project is to raise awareness of the threat of extinction faced by rare flora and fauna that can still be found on the island. Through this initiative, guests are taken on wildlife sighting expeditions and educational programmes by the team of resident naturalists to learn more about biodiversity conservation, with the opportunity to encounter rare species on the island. The upcoming Wildlife Discovery Centre, which will run the educational programmes, will also be a hub for research and wildlife preservation, with a special focus on the Proboscis Monkey.

Some other activities that guests can take part in are the PURE activities, which offers special experiences for guests, from exploring miles of forested and nature trails that reveal ancient ecosystems at every turn, to getting up close and personal with marine life through snorkeling and diving, and also via a

refreshing yoga class beneath a canopy of rainforest trees. In addition, resort guests can spend the day fishing on the outer boundaries of the marine park and have their day's catch prepared by the resort chefs that same evening. PURE also offers guests the opportunity to revel in the rich heritage and culture of indigenous tribes through culinary experiences, handicraft demonstrations, dance performances, and numerous guided activity excursions.



(Left) Resort guests exploring the beauty of the mangrove forest around Gaya Island; (Right) A Proboscis monkey spotted in the lush rainforest on Gaya Island



A resort guest diving in the Tunku Abdul Rahman Marine Park where GIR is located



(Left) Singgah Singgarung, a cultural display at GIR; (Right) Guests are guided through a series of yoga practices, bringing balance to body and psyche

Enriching Communities

SUPPORTING EDUCATIONAL INITIATIVES

The progress and maturity of a nation is determined by the growth, development, and quality of its future leaders; likewise, education is at the heart of emerging generations. YTL believes in the empowerment of individuals and communities through education. As such, YTL constantly invests in endeavours that contribute to the strengthening and improvement of educational

standards within the societies it operates in. In line with this, YTL runs a variety of initiatives both independently and through collaboration such as engagement sessions with society and academic institutions by providing scholarships over a wide range of industries through their business units.

Programmes	Activities/Awards Given in 2014/2015
<p>YTL Foundation Scholarship Fund</p> 	<ul style="list-style-type: none"> – Total of 47 scholarships awarded to deserving students who are all-round high achievers, from the technical world of engineering to the creativity of the liberal arts.
<p>Puan Sri Kai Yong Yeoh Book Prize</p> 	<ul style="list-style-type: none"> – The Book Prize is open to the children of YTL Group employees. – The main aim of the Book Prize is to encourage and cultivate creativity and critical thinking skills that are essential for students to excel in university, and in the working environment. The Book Prize was also designed to encourage and instil a sense of responsibility towards the community. – Two categories of applicants; 15-17 years and 18-21 years. There are three winners in each category: <ul style="list-style-type: none"> <u>15-17 years</u> <ul style="list-style-type: none"> Grace Yeoh – 1st Prize Winner (USD5,000) Loh Su Ning – 2nd Prize Winner (USD3,000) Leow Jo Yin – 3rd Prize Winner (USD1,000) <u>18-21 years</u> <ul style="list-style-type: none"> Tiffany Chua – 1st Prize Winner (USD10,000) Tan Ting Fang – 2nd Prize Winner (USD5,000) Leow Su Yin – 3rd Prize Winner (USD3,000)
<p>UKM 1st Asian Undergraduate Summit Presentation</p> 	<ul style="list-style-type: none"> – Ralph Dixon from YTL Corp after presenting to students at the National University of Malaysia 1st Asian Undergraduate Summit Presentation on 27 May 2015. Ralph showcased YTL's various initiatives and investments in renewable energy, clean technology, community development, and sustainability.

Enriching Communities

Programmes	Activities/Awards Given in 2014/2015
<p>FrogAsia's Leaps of Knowledge Conference 2014 – Inspiring Changemakers in Education</p> 	<ul style="list-style-type: none"> – Held at The Majestic Hotel Kuala Lumpur on 27 November 2014, the conference received over 1,000 teachers and educators dedicated to bringing change to their schools. – Keynote speakers included Dr Alice Wilder (Child Psychologist), Alistair Smith (UK's leading trainer in modern learning methods), Julia Immonen (anti-human trafficking activist), and Jaul Anak Bunyau (Headmaster of SK Ulu Lubai – a rural school recognised as High Performance School).
<p>Frog Connected Classrooms</p> 	<ul style="list-style-type: none"> – A series of interactive webinars held using Google Hangouts that connects speakers and classrooms across the nation to facilitate the sharing and spreading of knowledge to students, therefore aiding a culture of collaboration between students across the world. – In late 2014, FrogAsia conducted several Frog Connected Classroom sessions focusing on titles such as Career Talks with Professionals, Healthy Eating and Living Habits as well as a series of SPM revision classes.
<p>YTL Cement</p> 	<ul style="list-style-type: none"> – Pahang Cement's employees organised eight motivational talks for standard four to six students at nearby primary schools and an engagement session for disabled children entitled "Kecemerlangan Insan Istimewa, Kegemilangan Bersama" (The Excellence of Special Individuals, The Glory of All) in an effort to inspire students to make the best of their education.
<p>YTL International College of Hotel Management Scholarship Fund</p> 	<ul style="list-style-type: none"> – Seven scholarships worth RM37,800.
<p>YTL Power Services</p> 	<ul style="list-style-type: none"> – 13,700 copies (worth RM6,850) of "Education Tutor Newspapers", a supplementary teaching material, to 97 primary schools in Terengganu for Primary Six students in preparation for their UPSR examination.
<p>YTL PowerSeraya</p> 	<ul style="list-style-type: none"> – Offers Singapore-Industry Scholarship (SgIS) and the Energy-Industry Scholarship (EIS) which aims to attract and retain young talent in the energy and power sector. – Total of five scholarships awarded under SgIS and EIS as of 30 June 2015.

Enriching Communities

Programmes	Activities/Awards Given in 2014/2015
<p>Nithiah Nandan Book Prize</p> 	<ul style="list-style-type: none"> – Two of YTL PowerSeraya's employees' children received the Nithiah Nandan Book Prize 2014 in recognition of their exemplary non-academic achievements. – Since the inception of this award in 2008, 18 youths have received this prestigious prize, which recognises the performance of youths who have made meaningful contributions to the community or the environment.
<p>Responsible Energy Advocates Programme (REAP)</p> 	<ul style="list-style-type: none"> – YTL PowerSeraya's flagship sustainability programme. – 20 tertiary students completed an engaging seven-month programme on energy conservation. – REAP Junior received close to 120 students from four secondary schools, where they attended workshops on practical energy saving measures and knowledge. – 2015 REAP Junior participants were the first to use a customised mobile application which enabled them to track their monthly household electricity use and gain access to special features for rewards.
<p>YTL Jawa Timur</p>  	<ul style="list-style-type: none"> – 12 scholarships (worth approximately RM41,000) awarded to junior and senior high school students from the "Bright" (top 3 in the school) and "Poor" (students with financial difficulties and orphans) categories respectively in the regions of Probolinggo and Situbondo. – Donated 2,000 school bags and 20,000 writing books to students in more than 120 schools and offered education financial aid to 100 students within Probolinggo and Situbondo areas. – Sponsored 1,527 students from the Probolinggo region who participated in the annual Mathematics Olympiad competition in 2014, with 1,560 students expected to compete in 2015. – Free tutoring programme for orphans and children from poor families in the Paiton region.

Enriching Communities

YTL Foundation

YTL Foundation was established in 1997 with the belief that education is the basis on which every society progresses. Education moulds minds, inspires achievements and ultimately, builds nations. By developing and improving education in the communities in which the Group operates, the YTL Foundation aims to empower individuals and communities to be catalysts of change to enrich and benefit society.

In its early years, YTL Foundation provided aid to deserving individuals who would otherwise be denied the opportunity to pursue higher education. Over the years, YTL Foundation expanded its role, organising workshops, talks and conferences to enrich and inspire educators, students, parents as well as other stakeholders in the field of education.

Backed by the YTL Group of Companies' 60-year heritage of nation building, YTL Foundation is still playing its part in building better societies, through better education.

The Chromebook and Internet Connectivity Sponsorship Programme

The Chromebook and Internet Connectivity Sponsorship Programme was established by YTL Foundation to support the government's initiatives to leverage ICT to scale up the quality of learning across the country.

Many schools have insufficient computers to meet the needs of both students and teachers. Through this programme, deserving schools receive Chromebooks and other equipment that support teaching and learning through the Frog Virtual Learning Environment (Frog VLE). The main aim of this programme is to empower students and teachers to navigate and effectively use technology in education and in the everyday learning process.



YTL Communications donated 100 Samsung 4G Chromebooks and **Yes 4G** Internet packages to the American Fulbright English Teaching Assistants in 2014, where young American participants received training for one month and subsequently served as teaching assistants in rural Malaysian schools for nine months



Between 2014 and 2015, over 60 schools nationwide have received the Chromebooks through this programme. The programme continues to support eligible schools throughout the country.

YTL Foundation Short Film Series

To commemorate YTL Corporation's 60th Anniversary, YTL Foundation is developing a series of four short films which will tell the stories of the lives YTL has touched. YTL Foundation aspires to create real stories within local communities that can inspire our nation and help build a caring and humane society.

A Boy from Teluk Intan



YTL Foundation's first scholar, Dr Nara (right) with his hero, Mr Rajendra who helped him to achieve his dream as a doctor

A Boy From Teluk Intan explains the story of Dr Narasimman Sathiamurthy (Nara), YTL Foundation's first scholar. Being an exceptional student and state hockey player, Nara had dreams of being a doctor. Regardless of his financial disadvantage and other obstacles, Nara continued to work hard without giving up.

His dedication, passion and humility caught the attention of his teacher, Mr Rajendra, who was moved to find a way to help Nara achieve his dreams. Nara went on to finish medical school and is now a liver specialist in the Penang General Hospital.

Please view the short film at www.aboyfromtelukintan.com

Enriching Communities

Ratna's Story



Ratna who received a scholarship from YTL Foundation allowing her to enrol in a private university

YTL Foundation's 2nd short film is inspired by Ratnadewi Lim (Ratna). The film aims to inspire people, particularly educators, in believing in their students, not giving up on them and ultimately motivating them to achieve the best that they can.

Ratna was unable to secure a seat from local universities despite getting the necessary grades. At the point where she felt there was no light at the end of the tunnel, a friend's mother stepped in to encourage her to apply for the YTL Foundation Scholarship and get into a private university. This simple act of intervention and belief changed her life. Realising its power and impact, Ratna took it as her calling to spread the act. She would later apply for Teach For Malaysia to inspire students in high schools to believe in themselves. Ratna is now inspiring lives as a teacher in SMK Segambut.

YTL Foundation Classroom Makeover Programme

Last year, YTL Foundation embarked on a journey to help create conducive learning spaces in schools. YTL Foundation believes that learning spaces play an important role as they influence the behaviour and motivation levels in students and teachers. A conducive learning environment today should encourage collaborative learning and the use of technology. After much research and time spent with educators and students, YTL Foundation, together with design team from Syarikat Pembinaan Yeoh Tiong Lay (SPYTL) created the "Frog Classroom."

The first recipient of the Frog Classroom was Sekolah Menengah Puchong Batu 14 (SMK Puchong). SMK Puchong was a low performing school with students mostly from lower income families. The classrooms in the school were vandalised and in a state of disrepair.

The teachers were dedicated and shared with YTL Foundation how these students had potential, but due to extenuating circumstances, they rebelled against authority. The teachers also explained that the students had so little and that a classroom such as the proposed new design would make them feel special.

The SPYTL team came together to make the Frog Classroom a reality. Within a week the old battered classroom was transformed to a 21st century learning space. The new classroom was launched in September 2014. Almost a year later, the classroom is still in great condition and is said to be the most popular classroom in the school.

"My students are happy to use the Frog Classroom. They settle down faster before lessons. I see a change in them (students) when I have my classes in the Frog Classroom. They are attentive and so eager to ask questions. They are comfortable and are at ease which makes them less aggressive."

Chong Zhi Xiong
Teacher and Teach For Malaysia Fellow

Due to the success of the Frog Classroom in SMK Puchong, YTL Foundation received a Merit Award under the category of Excellence in Provision of Literacy and Education at The Global CSR Awards 2015. The award was presented for its Classroom Makeover initiative in schools and its efforts to promote the use of technology in the teaching and learning process.

YTL Foundation, together with other departments and subsidiaries carried out another four classroom makeover projects in June 2015.

1. Sekolah Kebangsaan Jalan Selangor 1 – Legal and Corporate Finance Departments (YTL Corp)
2. Sekolah Menengah Kebangsaan Tanjung Sepat – YTL Communications (Network Operations Centre)
3. Sekolah Kebangsaan Kota Warisan – Express Rail Link and ERL Maintenance Support
4. Sekolah Jenis Kebangsaan (Cina) Sam Tet, Ipoh – YTL Communications (Pergerak 1BestariNet)

YTL Foundation aims to transform 12 classrooms by the end of 2015. YTL Foundation will sponsor tables and chairs for these classrooms for projects that meet its guidelines. YTL Foundation encourages organisations / departments to embark on classroom makeover projects. To make this possible, the Frog Classroom is easily replicable and can be built by volunteers.

Enriching Communities

Collaboration with Universities

YTL Foundation believes collaboration with universities gives an opportunity to fulfill the potential of social responsibility through education. This year, YTL Foundation collaborated with two local universities to run campaigns for their final year student's projects, namely Universiti Teknologi MARA (UiTM) and The One Academy of Communication Design (One Academy).

The UiTM Communications and Media Studies students ran a pre and post Public Relations campaign for the Classroom Makeover project in SK Kota Warisan, with the supervision from their Public Relations and Communications, Professor Dr Kiranjit Kaur. The students also created a video that documented the process of transforming the classroom at SK Kota Warisan.

Similarly, the students of One Academy, Bandar Sunway, were tasked to create a Turtle Conservation Awareness Campaign. The students were divided into groups and each group was assigned a school. The campaigns were created according to the needs of the school that they were assigned to. The schools involved in this programme are encouraged to carry out an awareness campaign in the school using the materials designed by the students.



The classrooms after the makeovers at (top to bottom) SK Jalan Selangor 1, SMK Tanjung Sepat, SK Kota Warisan, and SJK(C) Sam Tet



The winning group received a weekend away in Gaya Island, Sabah, where they visited the Gaya Island Marine Resort Centre and learnt more about turtle conservation



Logo designed by winning team from The One Academy

Enriching Communities

An Evening with St. Anne's College, University of Oxford

YTL Foundation hosted an evening of lectures at The Majestic Hotel Kuala Lumpur. The initiative was between St. Anne's College, Oxford University and YTL Foundation. The event was held in conjunction with the St. Anne's College Summer School, Kuala Lumpur which was organised by FrogAsia.

During the event, professors from St. Anne's College presented two interesting and stimulating lectures on the "Nuclear Future of Malaysia" and "Malaysia and Biodiversity Conservation in Southeast Asia". The event brought about discussions, awareness and understanding about the two subjects that were presented.

Guests were primarily from the corporate sector and included corporate foundations, education institutions, Non-Governmental Organisations (NGOs) and various other influential thought leaders.



(L-R) An evening of lectures by St. Anne's College was graced by Dato' Yeoh Seok Hong, Executive Director of YTL Corp, Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay, Executive Chairman of YTL Corp, the British High Commissioner to Malaysia, H.E Vicki Treadell CMG MVO, Mr Tim Gardam, Principal of St. Anne's College, and Datin Kathleen Chew, Programme Director of YTL Foundation



Datin Kathleen giving the closing speech

"YTL Foundation's main objective is to help raise the standard of education in the country. We are really grateful to St. Anne's College for their boldness and vision in coming to Kuala Lumpur to give students here the opportunity to experience Oxford education through the summer school."

Datin Kathleen Chew,
Programme Director at YTL Foundation

Malaysian Collective Impact Initiative Berhad

YTL Foundation is now a Group Corporate Member of the Malaysian Collective Impact Initiative Berhad (MCII), a backbone organisation responsible for organising and implementing community-related programmes.

MCII was established with the objective of improving education in Malaysia and encouraging community engagement, social activities, nutrition and employment assistance which contribute towards ensuring children successfully progress through their education and into gainful employment. MCII will organise, carry out and provide support to increase coordination between organisations to achieve this objective.

MCII believes that a larger and more sustainable impact on society will be achieved through their collective efforts.

MCII has been identified by Agency Innovasi Malaysia (AIM), a government agency under the Prime Minister's Department, as the strategic partner to develop and implement their Social Public-Private-Partnership (Social PPP) pilot study. The Social PPP will see the government and the private sector align resources, creativity, skills and experience of social purpose organisation in addressing social issues.



Tan Sri Datuk Dr Aris bin Osman (right) representing YTL Foundation attending a Q&A session at the official launching ceremony of Social Public-Private-Partnership that aims to address social disparities by delivering high value impacts at lower costs

Wessex Water's Education Services

Wessex Water provides free education services to schools and colleges in the region. The Company's three education advisers, who cover Bristol, Bath, Somerset, Wiltshire, South Gloucestershire and Dorset, teach topics ranging from the water cycle to what happens to waste once it has been flushed down the toilet, to students of all ages and community groups. Wessex Water is also a STEM (Science, Technology, Engineering and Mathematics) ambassador and helps run workshops promoting science to young learners. In 2014/2015, more than 24,000 students from across the region benefited from school visits and trips to water and sewage treatment facilities, gaining invaluable exposure and learning more about how waste is processed and reused.

Enriching Communities

GENeco, a subsidiary of Wessex Water, hosts GCSE and A Level science teachers annually as part of a sustainability summer school programme based in the Department of Chemistry at the University of Bath. The programme aims to provide teachers work-related perspectives on the issues of energy and the environment which will enhance their understanding and knowledge as educators. This year was the third time GENeco participated in this programme, welcoming a group of 20 teachers with a presentation on the extensive environmental initiatives carried out at their site at Avonmouth before taking them on a detailed tour of their sewage treatment works.



Wessex Water's education adviser teaching the students from Bournemouth School in a workshop on how sewage treatment works



The students showing a thumbs up after their visit to Bristol GENeco plant

YTL PowerSeraya's PLAY

YTL PowerSeraya officially partnered Waterways Watch Society in July 2014 to launch "PLAY" (Punggol Learning Adventure for Youths), an interactive learning programme that seeks to raise youths' awareness and knowledge of water issues at both the global and local levels. A three-year project sponsored by YTL PowerSeraya – with Waterways Watch Society as its knowledge partner – the programme received close to 360 upper primary and secondary school level students and hopes to attract another 800 students to participate over the next two years.

Under the PLAY programme, students cover an educational trail at the Punggol Waterways guided by a facilitator from the Waterways Watch Society. During the two-hour session, students learn about water and climate change related issues,

the causes of water pollution in Singapore, and gain an appreciation of water as a precious resource through activity stations. They are also given the opportunity to visit the Energy Learning Hub located at YTL PowerSeraya's adopted school, Greenridge Secondary School. The visit seeks to further enhance their understanding and knowledge of climate change and the energy-water nexus.



YTL PowerSeraya's employees who participated in PLAY

YTL Communications – Ushering a New Era of Education

In line with the Education Ministry's 1BestariNet¹³ programme – created to support the transition of schools to digital learning – YTL Communications (YTL Comms) launched a series of collaborative initiatives in 2014/2015, namely (i) Guru Muda 1Malaysia, with the Ministry of Education and FrogAsia, (ii) Digital School 2.0, with Eduspec Holdings Berhad and Dynabook Computer Centre, and (iii) 1 Murid, 1 Chromebook, with Eduspec Holdings Berhad and Multiple Technology MSC.



Students using their Chromebooks in a Chrome Lab

Guru Muda 1Malaysia is a training programme that equips young teachers with expertise and skills in the Frog VLE platform as part of the government's initiative to introduce this system as an effective teaching and learning tool for the future. The training programme ran for two months in all states from March to May 2015, where approximately 5,000 teachers from 2,500 schools from across the country participated in hands-on workshops and seminars organised by FrogAsia trainers and Frog VLE champions.

13 1BestariNet is an initiative set up by the Education Ministry to bridge the divide between rural and urban students with Internet connection.

Enriching Communities

The Digital School 2.0 was carried out at Sekolah Jenis Kebangsaan (Cina) Shih Chung at Bayan Lepas, Penang, where a 48-people capacity Chromelab was built and fitted with **Yes** 4G technology which allows students to access the 1BestariNet using their personal **Yes** ID. With the Chromelab, students are able to experience the benefits of cloud computing, which enables them to share and access lessons via the network and connect with other students from different areas.

The “1 Murid, 1 Chromebook” programme, touted as the first in the country, was launched at Sekolah Jenis Kebangsaan (Cina) Keng Chee in Pulau Ketam, Selangor, which saw 120 Samsung 4G Chromebooks provided for each student and teacher in the school and two additional computers for administrative purposes. This initiative was organised in view of improving internet connectivity in Pulau Ketam where approximately 30% of its population have connectivity at present. YTL Foundation was also involved in this programme, contributing a “Chromebook Cart” which is used to safely store and charge the school’s Chromebooks.



Launch of “1 Murid, 1 Chromebook (1 Student, 1 Chromebook)” at SJKC Keng Chee, Pulau Ketam

FrogAsia

1BestariNet Teacher Awards

The 1BestariNet Teacher Awards 2015 was an effort led by the Ministry of Education and supported by FrogAsia and YTL Foundation to celebrate and recognise teachers who showed innovation and creativity in their use of the Frog VLE as well as other teaching methods in their classes. Over 1,400 nominations were received from all over Malaysia based on categories, namely, “Most Innovative Teacher”, “Best 1BestariNet Advocate”, “Most Inspiring Teacher”, and “Best Collaboration”. Winners were announced on 14 May 2015, two days before Teacher’s Day. Among the prizes offered were **Yes** 4G Chromebooks sponsored by YTL Foundation and Google, a one day Cha-Ching School Carnival Programme (a financial literacy programme for school-going children) sponsored by Prudence Foundation and various teaching-aid hardware sponsored by Google.

Schools that sent the most nominations also stood a chance to win a Frog Classroom Makeover, sponsored by YTL Foundation, a project detailed earlier on page 66. SMK Bandar Baru Salak Tinggi, a school in Sepang, emerged victorious in this category, not only for their impressive number of nominations but also in recognition of the selfless dedication of their school teachers towards the welfare of their students.



Winners of the 1BestariNet Teacher Awards with YTL representative, (L-R) Ruzaimie Razak from SK Leftenan Adnan, Marzian bt Mohd Shapian from SMK Bandar Baru Salak Tinggi, Yeoh Pei Lou, Executive Director of FrogAsia, Norma bt Daud from SMK Bandar Baru Salak Tinggi, Nazira bt Roslee from SK Putrajaya Presint 9(1), and Kenneth Chong Wei Thart from SMK Kota Samarahan

World Book Month

In conjunction with the annual World Book Day traditionally celebrated on 23 April, FrogAsia initiated their very own World Book Month from 23 March to 30 April 2015 aimed at improving general English literacy levels among Malaysian students by encouraging and reintroducing the habit of reading. For the entire month, a total of 115 students from 23 schools participated in a series of workshops hosted by two speakers: spoken-word poet, Sheena Baharuddin and children’s storybook writer, Quek Sue Yian. By the end of the initiative, students could write and recite poems with ease and craft short stories full of rich characters and vibrant settings.



Thumbs up to another great session! The FrogAsia team with spoken-word poet Sheena Baharuddin (3rd from the left)

Enriching Communities

SUPPORTING COMMUNITY INITIATIVES

As a responsible corporate citizen, we are committed to strengthening and enriching the community where we operate. We take our social obligations seriously and we leverage the power of our employees' volunteering and outreach, work closely with schools and charitable organisations and create collaborations in making a difference to communities.

Employees in the Community

Volunteering and Charitable Giving

YTL Foundation with the support from the YTL Group raised funds to help Dignity for Children Foundation (Dignity) to provide education for 20 students. YTL Foundation carried out the Empower a Child Programme to collect funds from YTL employees to ensure that the 20 students would have access to a sound education. For the second consecutive year, the Empower a Child Programme was successful in collecting over RM120,000 to support these children. YTL Foundation aims to continue supporting the 20 students to ensure that they finish their schooling.



Students from Dignity receiving gifts

YTL Foundation also organised a mentorship programme for the secondary school students at Dignity. Dignity provides education to the urban poor and refugee children and believes that education will help break the cycle of poverty. Students were given the opportunity to hear first-hand experiences from YTL Group's leaders. The topics ranged from changing mind sets to realising learning and developing potential.



YTL Corp's Director of Environmental Investments, Ralph Dixon giving a talk to students called "Make Every Day Matter" at Dignity for Children at their school in Sentul

This year, 115 volunteers from the YTL Group came together to support the "Food For All" project, organised by a Malaysian NGO, Global Shapers Community Kuala Lumpur (GSKL). The team of volunteers packed, distributed and transported food to the homeless and underprivileged children at childcare centres, and also spent time with them playing games and entertaining them. The "Food For All" project aims to create a cohort of social change agents who are able to engage at a meaningful level with local communities and to improve their access to nutritional food. Sponsored by YTL Corp, a total of 450 meals were packed and delivered to three childcare centres, namely Rumah Hope, Stepping Stones Living Centre, and United Learning Centre.



Ms Rebekah Yeoh, Corporate Finance Manager of YTL Corp engaging with employees and children at the United Learning Centre

In mid-December 2014, heavy seasonal rain and strong winds caused severe flooding in the East Coast of Peninsular Malaysia, with more than 200,000 people affected and 21 killed. ERL and E-MAS responded to the national crisis by sending three teams of volunteers to the East Coast to provide flood relief. The first team comprising 43 volunteers were in Kota Bharu, Kelantan between 8 – 11 January 2015 and the second batch consisting of 40 volunteers were there on 15 – 18 January 2015. The third batch of 55 volunteers went to Temerloh on 24 January. The flood relief mission covered three schools, a madrasah, a mosque and cemetery. A total amount of RM26,929 was collected for items such as school bags, stationery items and water jet cleaning equipment which were distributed to the schools. ERL also went on a public donation drive and collected RM13,556 which was later channelled to the NSTP-Media Prima Disaster Fund.

Enriching Communities



ERL and E-MAS employees cleaning schools after the devastating floods of 2015 in Malaysia



ERL and E-MAS employees cleaning and painting wooden dwellings at an orphanage in Malaysia after the floods

After the devastating Nepal earthquake on 25 April 2015, an email was sent out to all employees to call for donations in April 2015. Employees from our Singapore offices namely YTL Singapore, YTL Land & Development and YTL Hotels quickly came together to raise funds amongst themselves from personal donations. The idea of raising funds for Nepal earthquake victims is to help the recovery of the earthquake crisis in Nepal as employees were mindful that YTL Group employs a sizeable number of Nepalese nationals. Just four days after the quake, the employees successfully raised SGD3,240 and the donation was given to Red Cross Singapore for the Nepalese.

On September 2014, Vistana Penang Bukit Jambul's chefs and employees took part in the Silver Jubilee Home Food Fair at the Jalan Sungai Dua Penang. The food fair was held to raise funds for future projects organised and to make the Home more conducive for the older residents. During this event, more than 120 bowls of Koay Teow Soup were sold at RM5 (USD1.20) per bowl and the collected funds were donated to the Home's projects.

Beyond their normal working hours, YTL Jawa Timur (YTLJT) employees in Paiton voluntarily give their time to several of the Company's community outreach programmes, such as the Green Renewable Energy Development programme, community care, donation drives, etc. To date, more than 25 units of micro hydro, 208 units of domestic biogas domes, 37 units of solar cell systems and a 40-metre long suspension bridge (providing permanent access for 364 villagers in Kedung Sumur Village) were successfully constructed and installed. In addition, the Company also supports religious activities such as Ramadhan Safari, Ramadhan Bazaar and the Idul Qurban celebration as well as donations during emergency situations such as natural disasters.



YTLJT employees providing disaster relief aid and donating masks to the Merapi and Kelud volcanic eruption victims



YTLJT employees working together with locals from Kedung Sumur Village to construct a bridge to provide permanent and safe access in and out of the village, especially in times of flooding and landslides

Spreading Joy to the Less Fortunate

Ever since YTL Hotels' subsidiary, Autodome started to organise charity events, the team realised that organising the projects during the festive season would be the most productive for participants. In conjunction with Hari Raya celebrations, the Company's Talent Engagement Centre organised a visit to the National Zoo with some community members. All the entrance tickets, transportation and food were fully sponsored by the Company. Around ten management staff and their family members participated in this visit with 64 Somalia refugee students.

Enriching Communities

In December 2014, the Holly Jolly Christmas Tea Party was organised at the Starhill Culinary Studio for a total of 38 children from Rumah Sayangan and Good Samaritan. The children enjoyed the games and food prepared for them, and the team at Autodome also distributed gifts that the children had wished for.

On 16 May 2015, four students from YTL International College Hotel Management (YTL-ICHM), visited the Pertubuhan Pengurusan Rumah Anak-anak Yatim & Miskin "Anning", Perak (orphanage home) to spend some time with the children. The YTL-ICHM students managed to collect donations from faculty members and college students to buy daily supplies, food, DIY bracelets, toys and water balloon materials for the children.



Students from YTL-ICHM spending quality time with the orphans at Pertubuhan Pengurusan Rumah Anak-anak Yatim & Miskin "Anning", Perak

International Coastal Clean-up

As part of a global beach clean-up effort under the International Coastal Clean-up (ICC) initiative, a group comprising 28 YTL PowerSeraya employees and students from the Singapore Polytechnic Environment Club took part in a beach clean-up along a 200-metre stretch along East Coast Park on 20 September 2014. Approximately 27 kg of trash was picked up from the beach by volunteers. Each trash item collected for disposal had to be logged into a data card which was then collated and submitted to the Raffles Museum of Biodiversity, the local agency representing Singapore for the ICC, who would subsequently submit the consolidated data to the United Nations. This is the seventh year that the Company has teamed up with the Singapore Polytechnic Environment Club to participate in this annual coastal clean-up initiative.



The team collected 27 kg of trash along the East Coast Park in Singapore during an annual coastal clean-up activity in conjunction with the International Coastal Clean-up Day

The Power of Giving Back

"Roti 1Malaysia" – Bread for A Greater Nation

In 2014, YTL Corp and YTL Hotels' Gaya Island Resort first supported an independent charity programme called "Roti 1Malaysia" to provide the needy and underprivileged with quality bread and pastries made by 14 leading hotels and 11 bakeries in various states around Malaysia. The programme was originally to serve the Klang Valley only, but has since expanded to several localities within Peninsular Malaysia and now Sabah. The aim of the programme is to promote the importance of nutritional value and the distribution of healthier food. This in turn fosters greater unity.

In total, YTL Corp contributed approximately RM100,000, and more than 5,000 people from 60 old folk's and disabled persons homes, orphanages, hospices, refugee centres and a HIV shelter have received fresh bread and pastries daily from the hotels and bakeries. We hope that through the "Roti 1Malaysia" programme, communities will benefit from access to better quality food.



Ms Rebekah Yeoh (second from right) and other programme members at the official launch of the Roti 1Malaysia Charity Programme at Sabah on 8 September 2014

Hospis Malaysia Patient Management System

On 26 August 2014, YTL Comms donated 30 Yes Huddles to Hospis Malaysia (HM). This donation was meant to complete a new IT System to upgrade the centre's patient management system. The new system aimed to improve the quality of patient care and ease the process of auditing and research for the organisation.

The upgraded system saw the transition from recording patient data and assessments on paper files to having a synchronised web-based system that can be accessed instantly by members of the clinical team. This paperless system also enables instant communication between members of the clinical team to ensure a quick turnaround with referrals, medication, reporting and auditing of patient cases.

Enriching Communities

Positive feedback from HM staff members after using the upgraded system:

- Enabled better monitoring of workflow;
- Eased the identification of potential problems;
- Provided greater confidence so that audit trails for clinical work can eventually be implemented;
- Easy access to all patient notes and web-based information at any time;
- Improved monitoring of patients' medication.

Being web-based, the system can be accessed using Samsung Galaxy Tab S tablets which were donated by Samsung Malaysia with high-speed 4G Internet connectivity provided by **Yes** Huddles. The Huddle makes an excellent mobile companion for the Samsung Galaxy Tab S so that HM staff members can access Internet on the move.

Having a large and reliable 4G network in Malaysia under the **Yes** brand made YTL Comms uniquely qualified to power the next generation of digital healthcare in the country. Through this sponsorship, YTL Comms gave back to the community by playing a part in improving the provision of palliative care.



(L-R) Samsung Malaysia Electronics president Lee Dong Yong; Hospis Malaysia CEO & Medical Director Dr Edmin Hamzah; YTL Communications CEO Wing K Lee at the official **Yes** Huddle handover ceremony

Sustainable Community Development

YTLJT has been collaborating with the Cooperative Bhinor Jaya Abadi (CBJA) which was founded in 2005 to serve communities by providing assistance in the form of loans and coaching to small handicraft, furniture and batik business operators. CBJA was also hired by the Company as a contractor to provide gardening and cleaning services at the power plant in order for them to compete with others who work in the same field.

A teakwood craftsman development programme was initiated by another cooperative, Cooperative Selobanteng Jati Makmur (CSJM) to develop a furniture business in Selobanteng Village, Situbondo Regency, which is a well-known source for high quality teakwood. This programme has been successful in

giving added value to the leftover teakwood which was previously sold as low value firewood. CSJM also works with other suppliers of raw materials to make items such as desks, chairs, cabinets and other teakwood furniture more economically. Throughout the programme, all the furniture craftsmen in Selobanteng Village were united under CSJM to share skills and knowledge in sales and marketing.



Selobanteng handicraft training



The Company also developed a new local business unit named Women's Cooperative "Bhinor Lestari" (WCBL) in the village. The development began with training the women to make cakes and provide catering business services, as well as the production of Madura batik and environmentally friendly bags. WCBL currently receives orders from companies in the Paiton area which helps them to earn extra income.



Cake making and embroidery training at Women's Cooperative "Bhinor Lestari"



In addition, a sanitation programme was organised with the aim of improving the quality of health and the environment for local communities. Various successful projects in 2014 included the improvement of the Puskesmas (community health centre) in Probolinggo Regency which planned to provide more adequate health services to the community, and the public sanitation programme where six units of public toilets were constructed in several villages.



Training for Puskesmas facilitators

Enriching Communities

The Grid Community and Watermark Awards

Wessex Water is committed to meeting public demand for water over the next 25 years. To help ensure that this happens, the Company is building an integrated supply grid which will take eight years to complete and help Wessex Water to provide for future demand around the Dorset, Somerset and Wiltshire area. This includes a new water supply pipe to transfer water from the south of the region in Dorset, to Salisbury in Wiltshire via Blandford and Shaftesbury.

In order to offset the long- and short-term effects of construction in several ways, Wessex Water set up a community grant scheme – The Grid Community Awards. This award provides cash boosts of up to GBP2,000. Community organisations, charities, schools and local groups that fall within the area covered by the water supply grid scheme can apply for an award to support their environmental projects including pond restoration, tree planting, conservation areas and nature reserves.



Winners receiving grants from Wessex Water under their Watermark Awards

Schools, parish councils, youth groups and community organisations can also apply for Wessex Watermark Awards which provides funding for environmental or water-based projects within the Wessex Water region. All applications will be judged by a panel of experts from the Conservation Foundation which is chaired by botanist, television presenter and the Conservation Foundation's co-founder, David Bellamy.

Recent projects to have benefited from the Wessex Watermark Awards are the Munching Caterpillars education project by Butterfly Conservation; Greater Bedminster Front Garden project by Bedminster, Bristol; Pond dipping platform by Ivy Lane Primary School, Chippenham; Allotment water tank and hand pump by Box Allotment Group, Corsham; Tree sparrow feeding programme by Wessex Tree Sparrow Recovery, Wiltshire; and BIG Community Grow garden project by Trowbridge Youth Parliament, Trowbridge.

New Places for Anglers

Four of Wessex Water's reservoirs, including Hawkrigde and Durleigh (near Bridgwater), Clatworthy (near Taunton) and Sutton Bingham (near Yeovil) have reopened to the public for various outdoor activities. At these locations, anglers and visitors from across the region can enjoy fishing as well as a range of leisure activities such as walking, bird spotting, sailing and picnic areas. Last year the sites saw thousands of anglers visiting and securing a rod average of two or more fish per visit. This year, Wessex Water will continue to stock a range of different varieties of trout and char as well as starting up a year-end competition alongside the Company's yearly competition to attract more anglers of all skill levels.



Anglers enjoying fishing at Clatworthy reservoir in the UK

Providing Aid to the Needy

In an effort to meet community needs, Perak-Hanjoong Simen (PHS), a subsidiary of YTL Cement donated RM10,000 to mosques and suraus at Padang Rengas during the Ramadan month for "Moreh" and "Buka Puasa" with local community heads and government agencies. PHS also donated one used ambulance to the Padang Rengas mosque to be used as a funeral vehicle.



PHS employees celebrating Majlis Buka Puasa (breaking fast) with local community members and government agencies

Enriching Communities



The ambulance donated by PHS to be used as a funeral vehicle

Similarly, Pahang Cement (PCSB) has been giving back to the local community through numerous donations to schools and NGOs during FY2014/2015. These donations were mainly for the recovery of facilities after disasters, seasonal celebrations, students' awards ceremonies, purchases of new sports equipment for students, annual dinners, and school magazine advertisements.

YTL PowerSeraya's adopted charity GROW (Goodwill Rehabilitation and Occupational Workshop of the Spastic Children's Association of Singapore) held a bazaar on 23 October 2014 at the Company's headquarters. A total of SGD422 was raised through bazaar sales proceeds which also included voluntary contributions from employees. Besides raising funds, the workshops provided employees with an opportunity to get to know the people at GROW better.



YTL PowerSeraya's employees making their purchases from GROW

On 8 June 2015, YTL Hotels partnered with Malaysian AIDS Foundation (MAF) on an exclusive fundraising event called The Red Ribbon Hi-Tea by sponsoring three vouchers for some of YTL's luxury resorts. MAF raised RM108,000 from this event, which was channelled to the Act Against AIDS Campaign. All funds were used to improve the quality of lives for People Living with HIV, and also to carry out HIV and AIDS prevention programmes for key affected people and also in support of policy works for the creation and enabling of non-discriminatory practices in the workplace for People Living with HIV.



Elegant setup at Flora Terrace, Hampshire Place, Kuala Lumpur for The Red Ribbon Hi-Tea fundraising event (Photo courtesy of MAF)



Guests comprising high society ladies and prominent businesswomen supporting the cause (Photo courtesy of MAF)

All around the world, International Women's Day represents an opportunity to celebrate the achievements of women while calling for greater equality. This year, Vistana Penang Bukit Jambu (VPG) celebrated by taking part in a "Make It Happen" event, adopting the theme of the year on 8 March 2015 at Beach Street Penang to mark the economic, political and social achievements of women. The "Make It Happen" event was organised to encourage Malaysians to bring about change by saying no to violence and to promote gender equity, justice and peace. At the event, VPG donated 240 packets of sandwiches, croissants, and muffins.

As part of ongoing sustainability activities, The Surin Phuket donated eight large containers of shampoo and body lotion to Phuket Prison in December 2014. Instead of disposing of all the shampoo and body lotion in stock, the resort donated them to Phuket Prison in an initiative to improve the prisoners' hygiene conditions and minimise waste going to landfill. The Surin Phuket also donated 300 used clean guest towels to Phuket Soi Dog Foundation to improve the welfare of dogs and cats in Thailand, resulting in better lives for both the animals and for people.

Enriching Communities



The Surin Phuket, represented by Financial Controller Khun Ahingsa Tangboonyapitkamol donated eight large containers of shampoo and body lotion to Phuket Prison to improve the sanitation and hygiene of prisoners



The Surin Phuket donating 300 used clean guest towels to Phuket Soi Dog Foundation

Help to Heal Children's Smiles

Every three minutes, a child is born with a cleft lip or palate. One in ten children die before their first birthday while those who survive often suffer severe feeding, speech, dental and hearing problems. The Ritz-Carlton Kuala Lumpur organised the "Smile Asia Week" programme held from 4 May to 10 May 2015 to sell specially created limited edition cakes. The campaign is to raise funds and awareness for children suffering from cleft and other facial deformities. For every USD285 raised, one child will be able to benefit. In total, over 3,000 cakes were sold during "Smile Asia Week" with the kind support from the employees, customers and local communities. It was reported in May 2015 that over 300 new smiles have been restored globally.



One of the delicious Smile Asia Week cakes

Supporting Non Profit and Community Groups

YTL Starhill Global REIT's shopping mall, Myer Centre Adelaide, Australia provided a free site located opposite Priceline on the Lower Ground Level especially for non-profit and community groups who do not have budgets for casual mall leasing sites.

Wisma Atria, Singapore supported the National Kidney Foundation (NKF) as the venue sponsor for the NKF Prosperity for Generation event, held from 12 April to 30 August 2015 to raise public awareness about kidney protection. The unveiling of SG50 vases was graced by Mr Koh Poh Tiong, NKF Chairman; Mr Edmund Kwok, NKF CEO; Mr Tan Boon Piin, General Manager of YTL Starhill Global REIT and Isa Halim, Captain of LionsXII.

On 20 June 2015, around 39 people donated blood during the blood donation drive organised by the Malaysian Chinese Association of Bukit Bintang, held at Lot 10 Shopping Centre (Lot 10), Kuala Lumpur. As a venue sponsor, Lot 10 encourages the community to celebrate good health by donating blood, and at the same time conducting health analysis and providing fitness advice courtesy of its tenant, Celebrity Fitness.



The blood donation drive saw approximately 55 people come forward



Blood donation drive at Lot 10 Shopping Centre

Enriching Communities

Events Sponsor

YTL Comms under its 4G mobile brand, **Yes**, participated in the 2015 Penang Countdown Jubilee, a large-scale new year countdown celebration endorsed by Penang State, as the event's Platinum Sponsor. This grand celebration took place at Automall, along Karpal Singh Drive in Penang on the night of 31 December 2014, and attracted a grand crowd of over 10,000 at its peak. The event was organised by Ewein Zeon, and supported by several NGOs namely the ASEAN Retail Chains & Franchise Federation (ARFF), Persatuan Usahawan Maju Malaysia (PUMM) North Division, and Junior Chamber International (JCI) Penang, United Penang.

As the event's Platinum Sponsor, **Yes** contributed a total of RM20,000. There were also **Yes** booth activities set up on the day. Through this sponsorship, YTL Comms was able to give back to the community by contributing in one of the most celebrated events of the year.

Yes also participated in the 2014 "Konsert Ini Malaysia Kita" as the main sponsor of the event to show its support and patriotism by commemorating Malaysia's 57th Independence and Malaysia Day celebrations. The "Konsert Ini Malaysia Kita" event was organised by Media Prima TV Network and Ministry of Communication and Multimedia Malaysia, and was held on the night of 30 August 2014 at Jalan Tuanku Abdul Rahman, in front of SOGO Kuala Lumpur. In total, RM232,860 was sponsored by the Company for this event.

Yes also actively participated in the 2014 Yuan Carnival as the main sponsor. The Yuan Carnival is a popular annual event to bring the local Chinese community together with fun, educational activities and programmes. Organised by One FM, ntv7 and 8TV, the event featured over 50 local and international celebrities. It took place at One City Mall, USJ 25 on 4 and 5 October 2014, with **Yes** contributing a total value of RM59,590 to the event, bringing fun and happiness to visitors through entertaining and educational activities during the event.



Yes was the platinum sponsor for the Ipoh Starwalk 2014

Cultivating Fitness and Health through Sport Events

Penang and Ipoh Starwalk

In continuation of YTL Comms support for The Star's International Starwalk sporting and community event, the Company participated again as platinum sponsor in the Penang International Starwalk 2014 for the third consecutive time and the Ipoh International Starwalk 2015 for the fourth consecutive time. Including **Yes** employees, the event saw over 20,000 participants at the Penang Starwalk and over 15,000 participants at the Ipoh Starwalk.

The Starwalk is a very successful annual walkathon event which was initiated to bring communities together in each state and walk for a good cause. YTL Comms continued to support the event by sponsoring a total of RM70,000 and prizes of a 3-day-2-night stay at Pangkor Laut Resort worth RM5,000 for the first participant to cross the finish line for each event. **Yes** booth activities were also featured at the event venue for the whole day.

Through this sponsorship, YTL Comms recognised the community's growing appreciation for a healthier lifestyle and thus hoped to help encourage more fellow Malaysians to inculcate fitness into their daily routines.

Bursa Bull Charge Run

In addition, **Yes** also participated in the inaugural 2014 Bursa Bull Charge as the event's Jumbo Bull Sponsor. The 2014 Bursa Bull Charge capital market charity run was organised by Bursa Malaysia to raise funds for local communities, carrying the tagline "The Day the Marketplace Runs for Others".

YTL Comms supported Bursa Malaysia's efforts to drive positive change and to foster an inclusive capital market to create equal opportunities for all. YTL Comms CEO Wing K. Lee jointly officiated the launch of the run along with other key sponsors of the event. The 2014 Bursa Bull Charge saw more than 1,300 participants from over 130 corporate organisations, including **Yes** employees.

As the event's Jumbo Sponsor, **Yes** 4G contributed a total worth of RM78,000 as well as 1,500 **Yes** branded products which were included in the event's goodie bags. YTL Comms brand was also featured in local English newspaper New Straits Times through ad placements and the **Yes** 4G logo was featured on the water bottles which were given to all runners, on the event backdrop as well as on one of the event arches.

Enriching Communities

GenYes Futsal Championship

In line with Education Partner Programme's (EPP) vision to bring about positive change in a **Yes** 4G enabled education environment for tertiary students in partner universities, **Yes** brought its first ever **GenYes** Juara Futsal (**GenYes** Futsal Championship) to Universiti Teknologi MARA (UiTM), Shah Alam. **GenYes** Futsal Championship was held in an effort to promote healthier study-life balance on campus through sports. The tournament was also meant to instil strong teamwork and good sportsmanship within the UiTM community. It also served as a platform to discover talented futsal players who could be groomed to represent UiTM in future tournaments.

On 28 March 2015, the **GenYes** Futsal Championship took place at UiTM and was opened exclusively to UiTM students with free registration. 16 teams from UiTM signed up and competed against each other in a league stage format, followed by the knockout stage, quarter-finals, semi-finals and finals. In addition to winning championship titles, the top three teams were rewarded with RM2,500, RM1,000 and RM500 cash prizes, while the best player of **GenYes** Futsal Championship UiTM was rewarded with a RM500 cash prize.

The inaugural **GenYes** Futsal Championship was favourably received by the students of UiTM, both in terms of the tournament format and cash prizes. The event will also be brought to other EPP partner universities across Malaysia so that more university students can experience and enjoy the benefits of similar sporting events.



UiTM students competing at the **GenYes** Futsal Championship UiTM 2015



YTL Comms COO Ali Tabassi (back row, 6th from left) with the top winning teams of the **GenYes** Futsal Championship UiTM 2015

White Cane Day with St. Nicholas Homes

On 18 October 2014, FrogAsia alongside St. Nicholas' Homes and more than 250 participants participated in a walkathon through the streets of Penang Island to celebrate White Cane Day, an annual event that aims to remember the achievements of the visually impaired. The event was also held to raise awareness on the rights of the visually impaired to have access to public amenities, equal education, employment and societal participation in Malaysia.

Volunteers from across Malaysia were paired with visually impaired participants from St. Nicholas Homes throughout the walkathon. It was a learning experience for the volunteers, as they were given useful pointers on how to lead and communicate with the visually impaired.

Also available were game booths where volunteers could play simple games with their partners. These games restricted the sense of sight through the use of blindfolds, forcing participants to rely on their other senses and their partners in order to succeed. Through these games, volunteers gained an understanding and appreciation of the challenges faced by the visually impaired in everyday life.



Volunteer guides attempting to stack apples whilst blindfolded – simulating some of the challenges faced by those with impaired vision



FrogAsia's employees and other volunteers working hand in hand with their partners from St. Nicholas Home to complete a walkathon on 18 October 2014 organised in conjunction with White Cane Day, an annual event which celebrates the achievements of the visually impaired



Our Approach to Sustainability

MAKING A GOOD FUTURE HAPPEN

YTL recognises the importance of a targeted approach in defining our sustainability efforts to ensure they address the key issues and challenges of all our stakeholders. We are thus committed to contributing value to our stakeholders by:

- **Embracing the Marketplace** - giving our investors a stable return on their investment, commensurate with the risks taken and at the same time, giving customers the highest standards of service, products and value for money
- **Protecting the Environment** - protecting and improving the environment and contributing to the concerns and requirements of society at large
- **Empowering Our People** - providing employees with the opportunity for personal development and a satisfying career with equal opportunities based on merit
- **Enriching Communities** - creating a better environment and standard of living for communities

CORPORATE GOVERNANCE

Dedicated to honesty, integrity, and respect, YTL seeks to uphold the highest standards of business ethics and corporate governance in all of our operations. Our Board of Directors oversees all of the Group's affairs and constantly reviews corporate governance practices to remain relevant and fruitful.

Sustainability is driven within our corporate structure through the YTL Group Sustainability Committee (YTL GSC). Led by the Managing Director, the YTL GSC was established to facilitate the embedding and sharing of sustainable practices in our organisation. The YTL GSC comprises representatives from the Group's Sustainability Division and Senior Management from all of the Group's Business Units. The YTL GSC is responsible for overseeing and ensuring sustainability implementation and setting high-level direction and strategic focus.

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is an integral aspect of our business and sustainability goals. We consistently seek the views and opinions of our employees and external partners and ensure their feedback is given the right consideration for continuous improvement. Our stakeholders are why we exist. And thus, when they speak or act, we listen.

YTL SUSTAINABILITY FRAMEWORK



Seraya Energy's Forex and Oil Symposium held in January 2015



Read more about our approach to sustainability on our website. Further details of our Statement on Corporate Governance, Risk Management and Internal Control are available in the YTL Corporation Berhad Annual Report 2015.



About This Report

This year's YTL Group Sustainability Report provides an overview of how we operate sustainably and how we manage the business to address our sustainability commitments and performance – including the achievements, progress, challenges and setbacks we faced in 2014/2015.

As per our previous sustainability reports, the report scope and methodology remain unchanged. Our report is structured using the four pillars of our Sustainability Framework, representing relevant subject areas and issues material to our stakeholders and the Company. We have adopted the Global Reporting Initiative approach, the Bursa Malaysia CSR Framework and the ACCA Malaysia Sustainability Reporting Guidelines for Malaysian Companies, which provide an accepted framework for reporting on the three main pillars of environment, social and governance performance.

This report is intended to provide a statement on non-financial data for the Company and complement our Annual Report 2015 which details the Company's business operations and financial performance. Together, the two reports, which are also available on the YTL corporate website at www.ytl.com, provide a clear and comprehensive representation of our annual progress creating economic, environmental and social value by addressing the interests of our stakeholders worldwide.

As part of our efforts for continual improvement, we appreciate and value your comments and thoughts regarding our sustainability developments, reporting and communications. Please send us your feedback at sustainability@ytl.com.my.

OUR SUSTAINABILITY TEAM, YTL CORPORATION BERHAD



Ruth Yeoh
Head of Sustainability and Director of Investments



Ralph Dixon
Director of Environmental Investments



Nico Aw
Manager, Sustainability



Titus Loh
Senior Executive, Sustainability



Chestal Chin
Executive, Sustainability



Zaiton Hashim
Office Manager

Awards and Accolades

MARKETPLACE

Wessex Water/GENeco

- Winner of Marketing Campaign (Highly recommended) at the Business Green Awards 2015 for Bio-Bus initiative
- Winner of Water Industry Achievement Awards 2015
 - Partnership Initiative of the Year for the Bristol Street Work Code of Conduct
 - Community Initiative of the Year (Highly recommended) for Money Matters grants scheme to improve financial literacy
- Best Operations Team at the Utilities Stars Awards 2015
- South West Area Innovation Award at the Institute of Water South West Innovation Award 2014 for its wastewater meter
- Minimum Disruption Award at the National Joint Utilities Group Awards 2014 for street work initiative by Wessex Water, Bristol Water, Bristol City Council and Wales and West Utilities
- The Government Standard Customer Service Excellence Award 1995 – 2015

Express Rail Link

- North Star Air Rail Link of the Year and Marketing Campaign of the Year at the Global AirRail Awards 2015
- Air Rail Link of the Year at the Global AirRail Awards 2014
- Best Operator – Intercity and Urban Rail category at LPT Symposium Awards 2014, conferred by Suruhanjaya Pengangkutan Awam Darat (SPAD)

YTL Communications

- Won five awards at the 15th National Customer Experience Industry Awards 2015 for Yes Care's customer care excellence
 - Silver award for Best Contact Centre in Telecommunications (Open)
 - Bronze award for Best Newcomer Contact Centre (Open)
 - Bronze award for Best In-House Inbound Contact Centre (under 100 seats)
 - Bronze award for Best In-House Outsourced Contact Centre (under 100 seats)
 - Bronze award for Best Contact Centre Manager
- Most Innovative Partnership Strategy with Google at the Telecom Asia Awards 2014
- Best Enterprise Cloud Offering at the Telecoms.com Awards Industry 2014

YTL Info Screen

- 3rd place in Advertising + Marketing Magazine's Ranking of the Best Out of Home Media in 2014

YTL Hotels (Tanjong Jara Resort & Cameron Highlands Resort)

- Winner of 5-Star Resort (Exceptional Experience) category at the Hospitality Asia Platinum Awards 2013 – 2015

Starhill Gallery

- Winner of Highly Commended Retail Architecture Malaysia at the Asia Pacific Property Awards 2014 – 2015

Autodome (Shook! Restaurant, Starhill Gallery)

- Gold Award in the Home Grown category at the Kuala Lumpur Mayor's Tourism Awards 2014
- 3rd Best Restaurant for Dining at the Shanghai's Restaurant Week 2014

YTL International College of Hotel Management

- Winner of College Level at the Nestle Professional Culinary Arts Award 2014

YTL Land & Development (Sales Gallery at Sentul West, Malaysia)

- Silver Award for Interior Design category and Commendation Award for Adaptive Reuse category at the PAM² Awards 2014

YTL Land & Development (3 Orchard By-The-Park, Singapore)

- BCA³ Green Mark Gold Plus Award 2014

Lakefront

- Singapore's Top 1000 Company 2014, conferred by DP Information Group

Seraya Energy

- Brand Excellence at Business SuperBrands Award 2014
- Gold award for Best In-house Contact Centre at the 14th Annual Contact Centre Association of Singapore (CCAS) Awards 2014



Awards and Accolades

ENVIRONMENT

Wessex Water/GENeco

- Waste Award – Impact at the Guardian Sustainable Business Awards 2015 for gas to grid plant
- Sustainability Award at the British Renewable Energy Awards 2015 for their commitment towards sustainability
- Sustainability Award at the South West Built Environment Awards 2015
- Winner of Rushlight Awards 2015
 - o Organic resource category for Bio-Bus
 - o Waste to energy category for gas to grid plant
- Winner of Renewable Energy Project (Highly recommended) at the Business Green Awards 2015 for gas to grid plant
- Received award at the UK Anaerobic Digestion and Biogas Industry Awards 2015 for gas to grid plant in making the most of biogas
- Resource Management Business of the Year at the National Recycling Awards 2015
- Outstanding Earth Champions Award in the water category at the Earth Champions Award 2015
- Excellence in Demand Reduction at the Energy Awards 2014 for energy reduction measures at Chilton Trinity
- Data Collection and Analysis Award at the Energy Awards 2014 for energy hub initiative
- Data Project of the Year at Water Industry Achievement Awards 2014 for energy data hub initiative

PT Jawa Power/PT YTL Jawa Timur

- Green Rating Award 2014 at PROPER (National Rating Programme in Corporate Environmental and Community Development Programme) by Indonesian Ministry of Living Environment⁴
- Received award from East Java Governor in 2014 for The Best Implementation of Reporting on the Environmental Management and Monitoring Plan for the East Java Province

YTL Construction (Singapore)

- Winner of Excellent category at Green and Gracious Award 2014 by BCA

YTL Cement

- Slag Cement and Slag Cement (Southern) received the ISO 50001 Energy Management System certification in December 2014 and January 2015 respectively

YTL Hotels (Gaya Island Resort)

- Best in Protection of Natural Areas and Wildlife Conservation category at Wild Asia Responsible Tourism Awards 2015

WORKPLACE

YTL Corporation

- Ms Ruth Yeoh – Recipient of Malaysia's Top 10 Most Impactful Young Leaders Award 2015
- Gold Winner of Best Workplace Practices category at Global CSR Awards 2014
- Ms Ruth Yeoh – Recipient of Malaysia's Top 30 Green Catalyst 2014

YTL Communications

- Malaysia Best Employer Brand Awards 2015

Wessex Water

- British Safety Council International Safety Award 2014 and 2015 for the power and utilities sector
- RoSPA⁵ Industry Sector Awards at the Occupational Health and Safety Awards 2015 for their Engineering and Construction department

YTL PowerSeraya

- Received Comrade of Labour Award 2015, conferred by Singapore National Trade Union Congress for their contributions towards employee welfare

YTL PowerSeraya & YTL Starhill Global Property Management

- Gold Winner of Singapore HEALTH⁶ Award 2014, conferred by the Health Promotion Board

PT Jawa Power/PT YTL Jawa Timur

- Received the Work Health and Safety Management (SMK3⁷) Award 2014 from East Java Governor

COMMUNITY

YTL Foundation

- Merit Award Winner of Excellence in Provision of Literacy and Education category at the Global CSR Awards 2015
- Winner of CSR Programme in English Language Education at the Raja Zarith Sofiah Award 2015

PT Jawa Power/PT YTL Jawa Timur

- Gold Winner of Excellence in Provision of Literacy and Education category at the Global CSR Awards 2015

YTL PowerSeraya

- Elaine Field Award 2014 from the Cerebral Palsy Alliance Singapore for the Company's invaluable contributions to the GROW⁸ programme

YTL Starhill Global REIT

- Customer Activation Award at the World Wide Fund for Nature (WWF) Earth Hour Singapore 2014



- 1 Received this award for the 20th time in a row
- 2 Pertubuhan Arkitek Malaysia (PAM) stands for Malaysian Institute of Architects
- 3 BCA stands for Building and Construction Authority (BCA)
- 4 Received this award for the 9th time in a row and remains the only coal fired power station to receive this award
- 5 RoSPA is the acronym for Royal Society for the Prevention of Accidents
- 6 HEALTH is the acronym for Helping Employees Achieve Life-Time Health
- 7 SMK3 or Sistem Manajemen Keselamatan dan Kesehatan Kerja stands for work health and safety management, and received this award for the 4th time in a row
- 8 GROW stands for Goodwill Rehabilitation and Occupational Workshop of the Spastic Children's Association of Singapore



GAS TO GRID

facts & figures

GENECO

Renewable Solutions

Every year at Bristol sewage treatment works, GENeco treats...



75 million m³ of sewage waste

&

35,000 tonnes of inedible food waste



The solid material undergoes anaerobic digestion...



Decomposition without oxygen

+



for 12 to 18 days

+



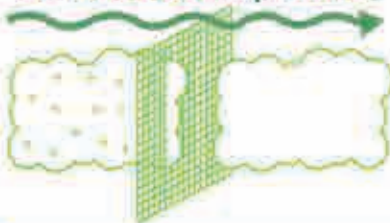
at 32 – 42°C

=

Biogas rich in methane

The gas is then...

scrubbed of impurities,



upgraded to be the same composition as natural gas



and



98% methane

Each unit of gas is



We produce 17 million m³ of biomethane a year

the equivalent of filling

one hot air balloon every hour for a year

or

supplying

8,300 homes

for a year



A volume of methane equivalent to...

the flatulence produced by



all the dairy cows

in Wales

The Bio-Bus is powered by biomethane



One passenger's annual food and sewage waste would fuel our Bio-Bus for 55km – nearly a return journey from Bath to Bristol airport

A full bus load of passengers' annual waste would cover a journey more than twice the distance from Land's End to John O'Groats



A Steward of Our Good Earth

Be part of the solution
Together we can make a difference



www.ytl.com
www.ytl.com/sustainability
www.ytlcommunity.com

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