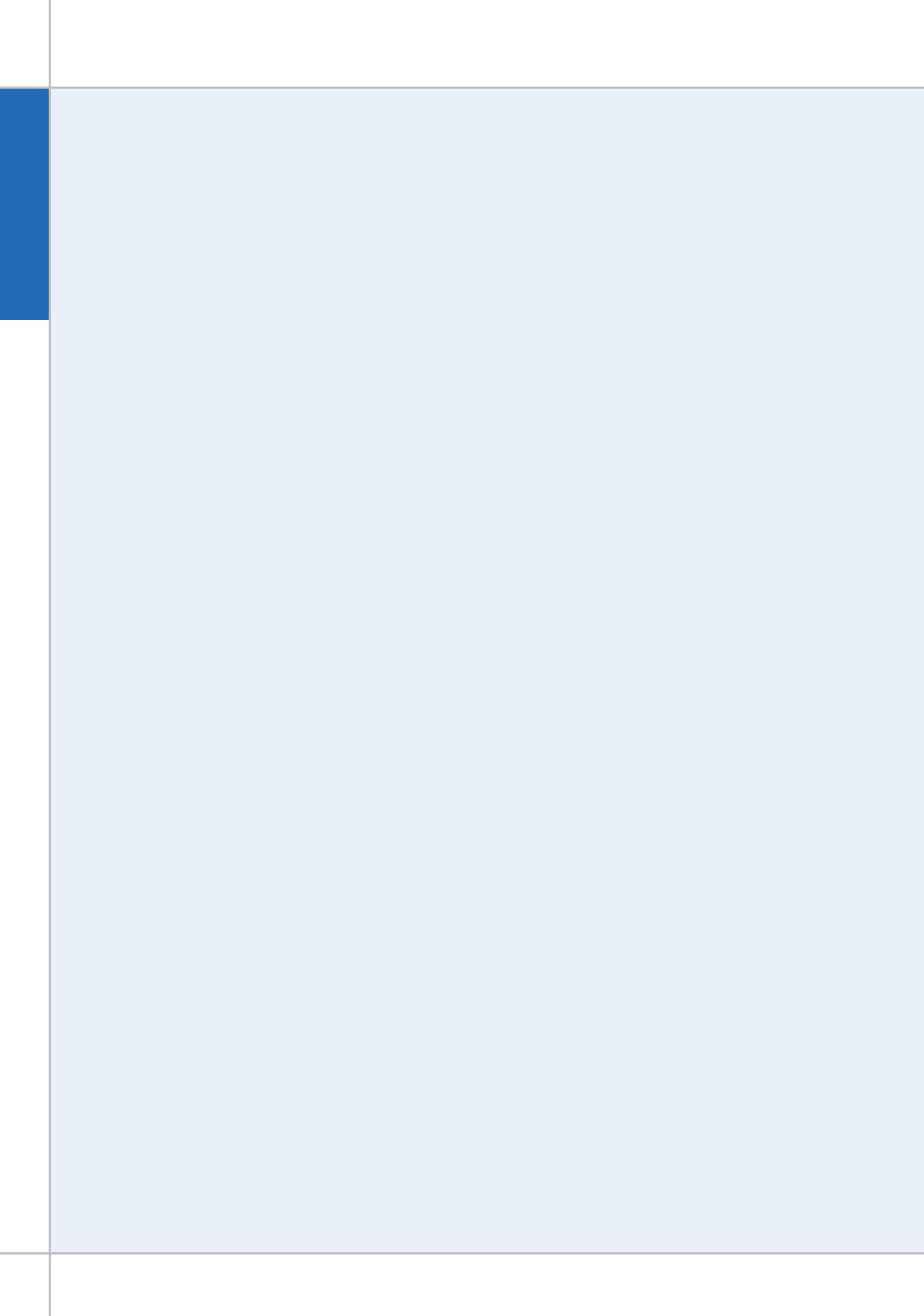




YTL
CORPORATION
BERHAD 92647-H

the journey continues...

sustainability report **2008**



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Letter from the Managing Director

Dear Stakeholder,

We are indeed living in interesting times.

Fragile global economies, subprime, banking crises, poverty, rising fuel prices and climate change are frightening realities and intense challenges that we are all experiencing, all within the same century.



TAN SRI DATO' (DR) FRANCIS YEOH SOCK PING,
CBE, FICE

Managing Director

What is more astonishing and important to note is that the global economy is losing more money from the disappearance of forests than through the current banking crisis. According to an EU-commissioned study, the annual cost of forest loss is between \$2 trillion and \$5 trillion. This figure comes from adding the value of the various services that forests perform, such as providing water and absorbing carbon dioxide. The study shows that whereas Wall Street by various calculations has, to date, lost within the financial sector \$1 - 1.5 trillion, the reality is that at today's rate, we are losing natural capital of at least between \$2 - 5 trillion every year.

We are at a critical point in human history, where we face a momentous choice. If we continue on our current course, we are, without a doubt, going to suffer under intensifying environmental catastrophes, downturns in living standards caused by interlocking crises of food, water, and energy security; as well as the likelihood of violent conflict, as people fight for their lives and space on this shrinking planet.

I personally feel obliged to make changes because of the awesome responsibility of knowing my children, grandchildren and great grandchildren will suffer because we did not do anything in our generation to correct our habits. I have always felt that we have a personal responsibility to get involved where possible, especially since we have received a bounty of God's blessings over the years, and observing how we were fortunate to have prospered from a small construction company to an infrastructure conglomerate with reach across the globe. Hence, at YTL, I trust that we continue to do our part in running the good race by continuing to adopt sustainable practices and corporate responsibility in all that we do.

Over a decade ago, YTL began innovating ways to use clean technology, realising the implications of uncontrolled carbon emissions into the atmosphere, as well as exploring renewable energy sources, due to the heavy energy demands of the utilities and construction industries. For example, as a key utilities player, we insist that our equipment suppliers continuously work to improve their technologies, not just because we demand it, but also due to the big consumer push for it.

At YTL, we have seen firsthand how sustainability programmes and policies have reaped outstanding results. To illustrate, I would like to share some of the latest developments and results from **Wessex Water**, our utilities company in the UK. Wessex Water has been recognised by the UK water industry regulator, Ofwat, as the most efficient operator in England and Wales for three year running, with several awards under its belt - including the first water company to receive the "Queen's Award for Enterprise" for continuous achievement in sustainable development.

As a progressive water and wastewater treatment company, Wessex Water is very much focused on reducing its carbon footprint, targeting to become carbon neutral as a major part of its sustainability vision. This is crucial because the water industry happens to be an inherently energy intensive business. And this becomes more challenging each year, due to the stringent water and effluent regulatory standards in Europe, which require more advanced and energy intensive treatments. They have countered this increase in energy use through an annually renewed carbon management strategy, which helps offset some of this rise through their energy efficiency measures.



To address this, our strategy is two-fold. Firstly, we have a strong monitoring system put into place to measure and track energy usage, and secondly, we are pursuing and steadily increasing renewable energy usage, wherever possible. It is important to mention that this strategy also applies to the rest of the businesses within our Group.

In 2008, milestones of YTL's corporate social responsibility achievements include winning the **Commendation for Social Reporting** at the ACCA Malaysia Environmental and Social Reporting Awards 2007.



Letter from the Managing Director

We also organised our second highly successful **Climate Change Week** in April 2008, designed to educate and raise public awareness towards the critical issue of global warming. If we look back on history, the greatest social transformations of our age - the end of slavery, the abolishment of apartheid, the end of colonisation, the women's rights and civil rights movements - all began with public awareness, then engagement. Those movements were led by scientists, thinkers, concerned individuals and young people. They led, and governments followed. This is the rationale behind our continued faith in *Climate Change Week*, our flagship campaign that continues to educate our nation towards the importance of climate change mitigation and environmental protection.

There are a few particular aspects of this year's *Climate Change Week* activities that are worth celebrating - including the book launch of the waste management book, *WASTEnomics*, and YTL's inaugural *Climate Change Gala*. The latter was a fundraising event we organised in support of three highly deserving Malaysian conservation groups: *Malaysian Nature Society (MNS)*, who have been conserving important habitats, raising public awareness and advocating environmental policy for almost 70 years in our nation; *Reef Check Malaysia*, who conserve and protect priceless local coral reefs; and *TrEES (Treat Every Environment Special)*, who promote sustainable lifestyles at the local community level through programmes like community recycling centres. At this year's Gala, we were delighted that over RM700,000 was raised by our generous donors and YTL to support the conservation activities of these three local environmental organisations.

As stewards of God's earth, YTL has long supported conservation through international groups like *The Nature Conservancy*, as well as *WWF-Malaysia* and *Rare Conservation*. Just last year, these two groups received individual YTL grants of USD100,000 each for tiger conservation and community conservation programmes, respectively.

Personally, I am also proud to serve in several non-profit organisations that make leadership in sustainability possible, namely *The Nature Conservancy (TNC)*, the *International Business Leaders Forum (IBLF)* and *The Institute of Corporate Responsibility Malaysia (ICRM)*. As a long time member of TNC, one of the largest conservation groups in the world committed to protecting nature's most precious ecosystems, I had the privilege of working alongside world leaders to strategise, build partnerships and projects, as well as open doors to resources. At the rapid rate at which forests are disappearing, I am glad to have fostered a long-term partnership with TNC, who help protect forests globally through various schemes. In the past, YTL has donated to TNC a substantial amount of USD500,000 to support conservation efforts on forest protection and on coral reef conservation in South East Asia, primarily Indonesia.

Moving onto the Arts, I was recently appointed a patron of the International Friends of the Louvre, which raises awareness of this historical museum's collections and museum expertise. At the American and International Friends of the Louvre forum held in Paris in June 2008, I was proud to help raise US\$250,000 through a live auction, encouraging guests who bid for our exotic travel package - consisting of an experience on the Eastern and Orient Express train and a stay at our private island Pangkor Laut Resort - to visit our beautiful country of Malaysia.



Back on home soil, I am proud to be the honorary advisor of the Kuala Lumpur Performing Arts Centre (KLPac). Here, my fervent passion for the environment and for the Arts has been realised through bringing nature and the artistic community together in Sentul Park, a 35-acre park in the heart of the city. Our pioneering project, the *Bird Island Green Homes Competition*, which promotes sustainable development and energy efficient homes in Malaysia, also continues its course, with judging having taken place the year before and winners of the competition to be announced duly. Here, eight leading international names in architecture and environmental engineering compete to build six eco-friendly homes on Bird Island in our Sentul Park, creating a model for sustainable living that people around the world will be able to study and emulate. At YTL, we believe sustainable architecture is going to play a significant role in addressing climate change, due to its energy and resource efficient approach to development.

Going further, we are investors of both **The Asian Renewable Energy and Environment Fund (AREEF)** and **The Renewable Energy Fund (REEF)**, the latter of which was launched during *Climate Change Week 2008*. Both are vehicles that allow us to invest in and encourage companies that innovate in clean technology and the renewable energy sector.

We also celebrated the launch of our carbon credit consultancy, **YTL-SV Carbon**, during *Climate Change Week 2008*. Having made strong strides in the areas of energy efficiency and renewable

energy, it was a logical step for us to get involved in CDM, hence our decision to take a controlling stake in SV Carbon, the largest CDM consultancy in Malaysia and third largest in South East Asia. Our new business helps companies go “clean and green” through helping them apply for carbon credits through the Clean Development Mechanism (CDM). The Kyoto Protocol calls these credits certified emissions reductions (CERS) and allows Annex B countries, such as Malaysia, help meet their domestic emission-reduction commitments under the treaty. Recent studies have shown that the carbon trading business in Malaysia is expected to be worth RM3.2 billion and RM6.4 billion in the next 5 years, driven by companies’ increased participation in environmentally sustainable projects. The Malaysia Energy Centre estimates that the country has up to RM100 million tones of carbon credit potential for the 2006 to 2012 period and it could benefit from carbon trading, which is now worth USD60 billion globally but could grow to USD1 trillion in a decade. Currently, the Government is also giving companies involved in CER, and renewable and environment-friendly energies a tax exemption for 10 years, investment tax allowances and import duty and sales tax exemptions on equipment.

I want to end with a thought that, *“For evil to continue to rule our world, all it takes is for good men to do nothing.”* I have been reminded time and again what Saint Augustine said, that is, *“Without God we cannot, without us God will not.”*



Letter from the Managing Director

Our collective voice and conscience is a lot more powerful than we think. If we vote for war, governments will go to war. If we vote for sustainable development and policies, then our leaders will follow. It all starts with public will. If you demand for recycling facilities and services, clean air and water, and the choice of using renewable energies instead of fossil fuels, then our elected officials will respond accordingly.

So let us all raise our own awareness about the state of our world, and work together towards a more sustainable future. Our future generations are counting on us to do something!

In all certainty, addressing sustainability is a long-term commitment, one that YTL is certainly proud to make. For the tenth consecutive year, the Asian Wall Street Journal Survey has put YTL No. 1 in terms of *Long Term Vision* and I believe we can maintain this, especially with regards to our long-term *Sustainability Vision*. In 2008, we continue to move our businesses towards more environmentally and socially responsible practices.

And so, our journey continues.

May God bless each and everyone of you in all your positive endeavours.

TAN SRI DATO' (DR) FRANCIS YEOH

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



Corporate Social Responsibility

YTL Corporation Berhad (“YTL Corp”) and its subsidiaries (“YTL Group”) touch millions of lives because of the nature of the industries in which we do business. We employ more than 6,200 people around the world and have developed a global customer base, hence the big influence we have on the lives of millions of people. We have responsibilities to our colleagues, customers and suppliers, the environment and the communities where we live and work.

We strive to improve lives everywhere we operate, aiming for a healthy, safe and sustainable environment. Considering the needs of the present generation whilst, at the same time, anticipating the needs of future generations are milestones of our achievements, and the forefront of our future developments. Social responsibility is one of the YTL Group’s key values and something we take very seriously. Acting responsibly should be fundamental to how we carry out every aspect of our business. We demonstrate this with passion to our employees, our customers, the environment and society as a whole in a wide range of ways. Our ongoing commitments include supporting education and community development, promotion of arts and culture, and the protection of the environment, all of which are illustrated in this Sustainability Report.

CORPORATE AND PERSONAL CONDUCT

We expect all our staff to maintain the highest standards of propriety, integrity and conduct in all their business relationships. Intellectual integrity is encouraged and corruption is not tolerated. We apply a similar requirement to our conduct as a company, and undertake to comply with all applicable legal and regulatory requirements.

RESPONSIBILITY TO EMPLOYEES

We acknowledge our employees are the key to unlocking our potential to make a good business great. We know the value of our intellectual capital and show this by encouraging development, by recognising achievement and by looking after all aspects of their wellbeing. We are committed to ensuring equality of opportunity, and the health, safety and wellbeing of our employees in the workplace. All are encouraged to play a full part in guiding their own development.

RESPONSIBILITY TO SHAREHOLDERS

We believe effective corporate social responsibility can deliver benefits to our businesses and, in turn, to our shareholders, by enhancing:

- Good management practices
- Investor protection
- Internal control systems
- Shareholder action
- Risk management performance
- Corporate leadership
- Relationships with regulators
- Social duty
- Staff motivation and attraction of talent
- Accountability
- Customer preference and loyalty
- Sustainable development
- Goodwill of local communities
- Information and transparency
- Long-term shareholder value
- Reputation, business trust and integrity

YTL Corp’s statements on corporate governance and internal control are also included in this section of the Annual Report.

Socially Responsible Business: The Roots of YTL’S Growth

The YTL Group has embraced corporate social responsibility, ever since our humble beginnings in 1955. Starting out as a small construction company, our core competencies have expanded since then to include utilities, cement manufacturing, construction contracting, property development, hotel development and management, IT, e-commerce and technology incubation.

Our group understands that today, the increasingly competitive and challenging business environment means that we will need to work harder to ensure our people and stakeholders are not only rewarded but protected by the risks these challenges bring. This shared wisdom fuels our intention to perform in this area of corporate responsibility even more as we realise giving back to society and the people helping us on our journey becomes an imperative.

Timeline of Socially Responsible Growth



Humble Beginnings



Contributing to Malaysia's Growth



Building a Global Presence

AWARDS & ACCOLADES

ACCA Malaysia Environmental and Social Reporting Awards (MESRA) 2007



ACCA Malaysia Advisory Council president Datuk Khalid Ahmad (2nd from right), Securities Commission managing director Datuk Nik Ramlah Nik Mahmood (front, 3rd from right) and director of investments at YTL Corp, Ms. Ruth Yeoh (2nd from left), with the winners of the ACCA MESRA 2007 Awards. (The Edge)

In May 2008, YTL Corporation Berhad won a top award for "Commendation for Social Reporting" at the ACCA Malaysia Environmental and Social Reporting Awards (MESRA) 2007.

The ACCA has been actively involved with the unfolding debate on corporate social and environmental responsibility since 1990 and the ACCA MESRA serves as a platform to share, encourage and acknowledge leaders in the area of environmental and social reporting, which is a vital component of corporate responsibility. Some key contributions of the ACCA include the issuance of the Guidelines for Sustainability Reporting, which serve as a good reference for responsible companies committed to ensuring credible and comprehensive reporting of their CSR performance. ACCA also took up the responsibility of being the secretariat for the industry-driven Institute of Corporate Responsibility Malaysia (ICRM).

Out of a total of 62 reports, 20 finalists were short listed, out of which 6 Awards were given to the overall winners at the ACCA MESRA 2007. Last year, YTL Corp also won the ACCA MESRA 2006 Award for "Best Social Reporting in an Annual Report".

The distinguished panel of judges for ACCA MESRA 2007 represents a broad range of stakeholders' interests. The report of the judges can be accessed at www.accaglobal.com and the judges' notes on YTL Corp's Sustainability Report 2007 are as follows:

The report:

- Demonstrates leadership's commitment to sustainability and responsible corporate citizenship
- Discloses the Group's social investments and their purposes and benefits to targeted stakeholders
- Explains what corporate social responsibility means to the Company
- Provides a detailed description of the Group's domestic and international businesses, the impact to society they operate within and initiatives undertaken to address material issues
- Explains future environmental projects such as the Group's proposed river clean-up programme and eco-friendly property developments in detail
- Engages the reader by including a list of recommendations that the public can adopt to help protect the environment
- Includes a comprehensive list of the Group's websites for accessing further information on its businesses and sustainability initiatives

YTL's winning report can be read and accessed at www.ytlcommunity.com/climatechange.

PROFESSIONAL MEMBERSHIPS

"CSR – or corporate social responsibility – means open and transparent business practices that are based on ethical values and respect for employees, communities and the environment. It is designed to deliver sustainable value to society at large, as well as to shareholders."

- The International Business Leaders Forum (IBLF)

The International Business Leaders Forum

YTL is a principal supporter of the International Business Leaders Forum (IBLF). Our Group Managing Director, Tan Sri Dato' (Dr.) Francis Yeoh, sits on IBLF's International Advisory Board which advises IBLF on its international growth and leadership strategy.

The IBLF is an independent, not-for-profit organisation which works with business, governments and civil society to enhance the contribution that companies can make to sustainable development. It is currently supported by 100 of the world's leading businesses and provides strategic counsel to companies to enable them to understand and respond to the development challenges that they face, particularly when operating in transition and emerging economies. As well as managing a number of programmes that provide businesses with opportunities to directly enhance their impact on society, IBLF helps businesses connect with other organisations and develop successful cross-sector partnerships.

IBLF works with its corporate partners to encourage vision, innovation and international leadership in corporate citizenship, working on corporate strategy and implementation, managing hot spots, building management capacity, communicating and benchmarking.

Since 1990, and with the support of its President, HRH The Prince of Wales, the IBLF has worked in over 90 countries. Their work benefits from long-term relationships with regional networks across the world, many of which IBLF has helped to establish or strengthen. Current areas of work include raising sustainable business standards, improving prospects for enterprise and employment, and enabling companies to contribute to health and human development issues.

According to IBLF, corporate social responsibility includes themes such as:

- Human rights, labour and security
- Enterprise and economic development
- Business standards and corporate governance
- Health promotion
- Education and leadership development
- Human disaster relief
- Environment

YTL addresses and responds to these themes on an ongoing basis, as we realise the benefits and necessity of being a socially responsible organisation. We also meet with key representatives from the IBLF occasionally, who assist us in our strategies for sustainability.

The IBLF website can be accessed at www.iblf.org.

The Institute of Corporate Responsibility Malaysia

"The main objective of ICR Malaysia is to promote the development of socially responsible business practices. Apart from promoting sustainable development, initiating and embedding Corporate Social Responsibility (CSR) best practices will give Malaysian companies a competitive edge in serving developed markets, whilst at the same time raising business standards for the benefit of all stakeholders."

- **Institute of Corporate Responsibility Malaysia (ICRM)**

YTL Corp is an active member of the Institute of Corporate Responsibility Malaysia (ICRM), a unique network of corporate and academic institutions committed to advancing responsible business philosophy and practices that will have positive impacts on people, environment and society. The main objective of ICRM is to promote the development of socially responsible business practices. As outlined by ICRM, Corporate Social Responsibility (CSR) aspirations are increasingly evident in the National Integrity Plan, the Ninth Malaysian Plan, the Capital Market Master Plan, the Silver Book - CSR Guidelines for GLCs, and the CSR Framework for Malaysian PLCs by Bursa Malaysia.

ICRM's Business Panel comprises government linked companies, local and multinational companies. As a Business Panel member, YTL's responsibilities include:

- Promoting, supporting and sponsoring capacity building programmes such as development of guidelines, workshops and conferences
- Sharing experiences on CSR agenda with other members through talks and articles
- Providing the Academic Panel ideas for research on CSR issues which are of relevance to local businesses
- Considering and commenting on any significant CSR or sustainability trends and issues
- Attending review meetings on a quarterly basis

More information on ICRM can be found on its website: www.my-icrm.org.

RESPONSIBILITY TO THE COMMUNITY

The YTL Group recognises our duty to be a good neighbour. We are an active partner of cities and communities, working closely with schools and charitable organisations to educate, support and engage with projects across Malaysia. From tackling poverty to helping children lead healthy and energetic lifestyles, we endeavour to build a better future for everybody.

The PRIDE Foundation



Amongst the many charities that we support, the ones that are closest to YTL's heart include Pink Ribbon Deeds (PRIDE) which increases awareness and raises funds to support breast cancer survivors and improves standards of diagnosis, treatment and care of breast cancer patients in Malaysia.

YTL supported and sponsored the "Bond with PRIDE" programme held in June 2007, where breast cancer patients were treated to a day of pampering at our hotel spas and an empowerment workshop organised by PRIDE on topics such as wellness, beauty and financial planning. "Bond with PRIDE" aspires to raise awareness and empathy on post-surgery issues through the bonding and sharing of experiences during the programme.

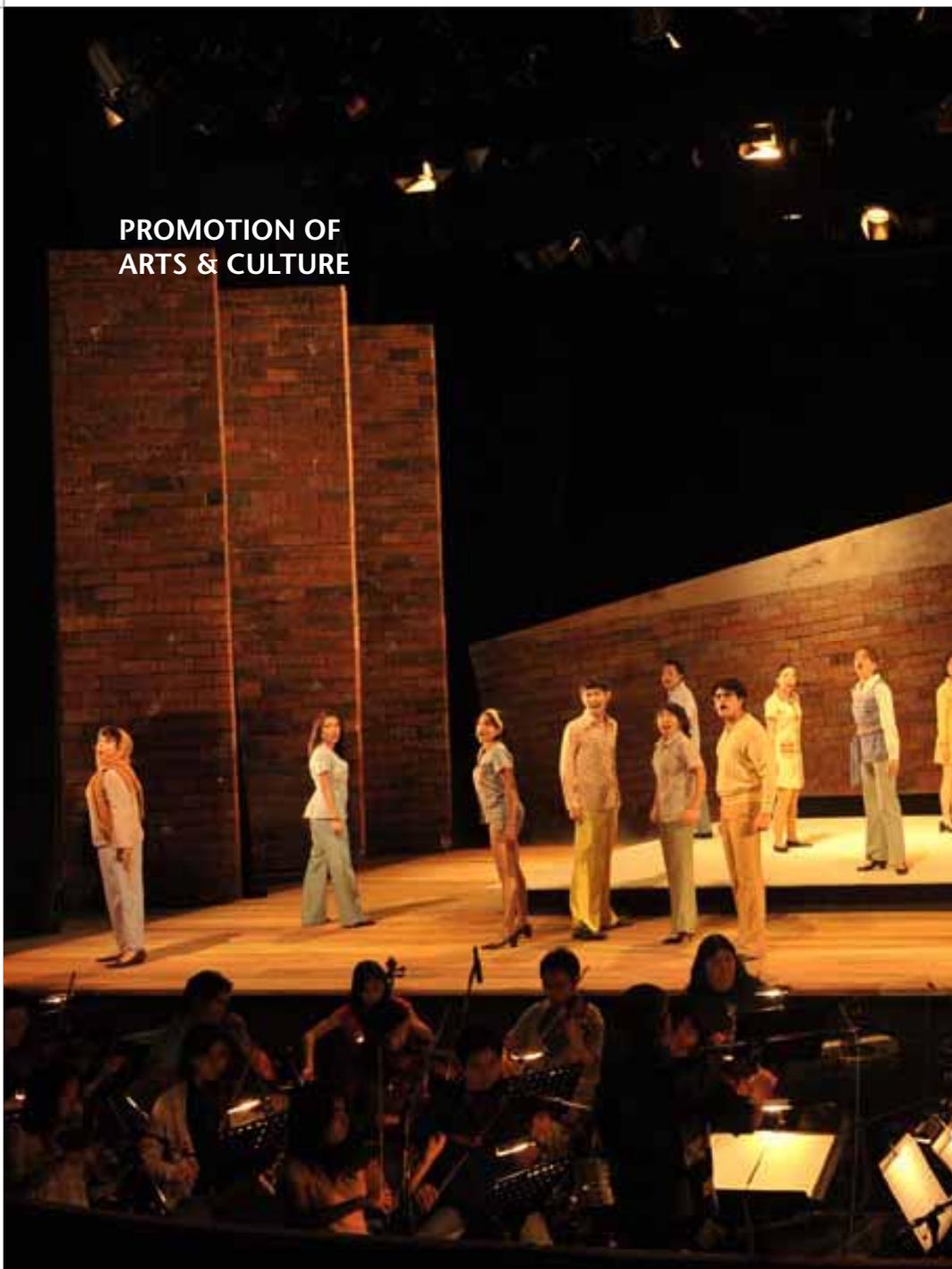
'Toys for Tots' Campaign

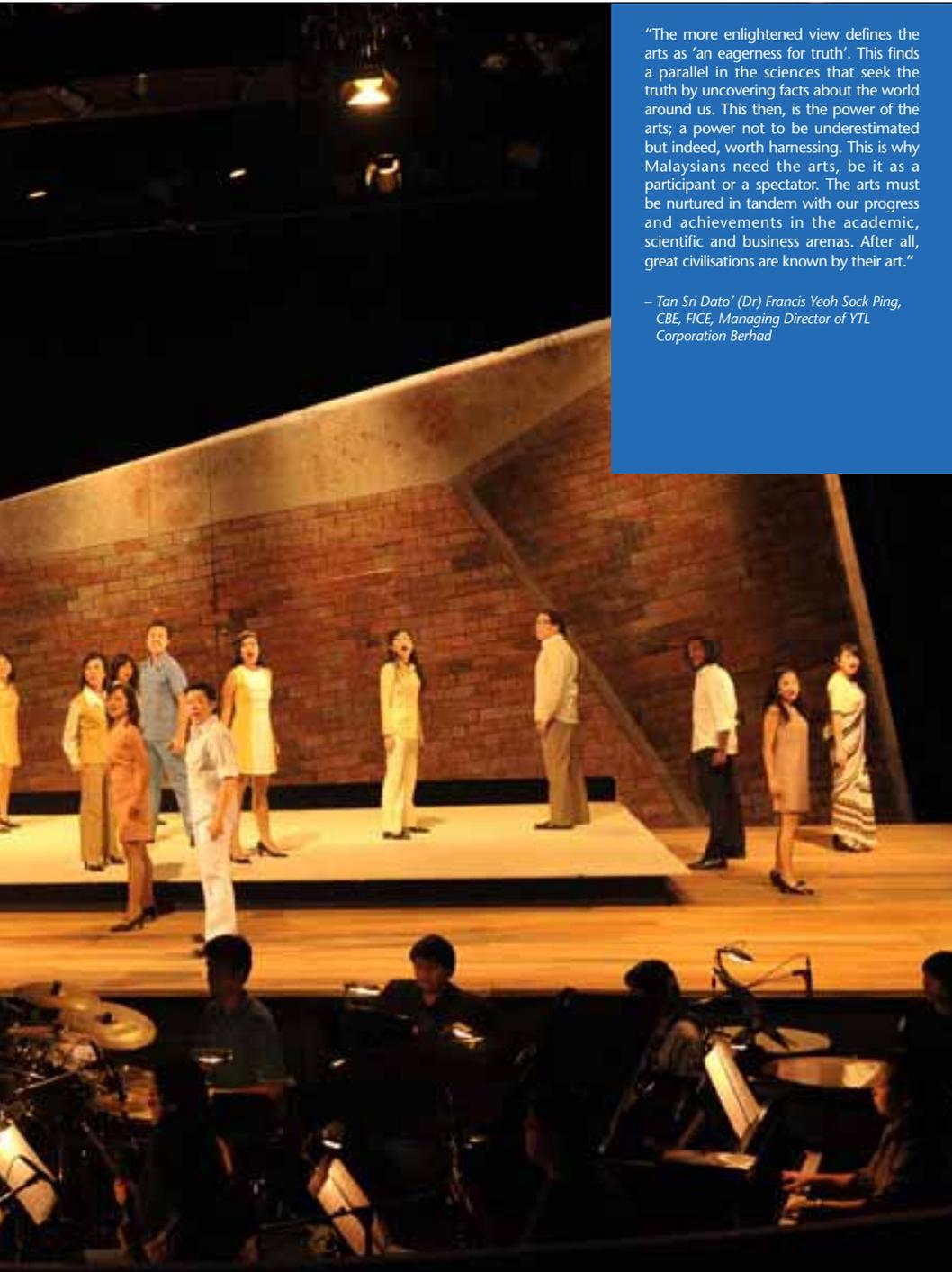


The annual 'Toys for Tots' Christmas charity campaign held at JW Marriott Hotel which YTL supports also enables guests and visitors at the Group's hotels to donate toys and gifts to benefit underprivileged children. The 'Toys for Tots' programme is one of the hotel's continuing efforts in reaching out to the society, in line with the "Spirit to Serve" tradition practised by Marriott properties worldwide. JW Marriott Hotel Kuala Lumpur appeals to the public to join in the spirit of sharing and caring for the underprivileged during Christmas by donating toys and gifts to children from selected homes.



PROMOTION OF ARTS & CULTURE





“The more enlightened view defines the arts as ‘an eagerness for truth’. This finds a parallel in the sciences that seek the truth by uncovering facts about the world around us. This then, is the power of the arts; a power not to be underestimated but indeed, worth harnessing. This is why Malaysians need the arts, be it as a participant or a spectator. The arts must be nurtured in tandem with our progress and achievements in the academic, scientific and business arenas. After all, great civilisations are known by their art.”

– *Tan Sri Dato’ (Dr) Francis Yeoh Sock Ping, CBE, FICE, Managing Director of YTL Corporation Berhad*

Promotion of Arts & Culture

COMMITMENT TO ARTS & CULTURE

YTL Corp is a passionate supporter of the arts and culture in Malaysia. We are a founding partner of the **Kuala Lumpur Performing Arts Centre (KLPac)**, together with Yayasan Budi Penyayang Malaysia and The Actors Studio. KLPac is the home for the performing arts in Malaysia, which is located in The Park at our Sentul development. This is a RM25 million effort from our part.



We take every opportunity to support productions that tap the potential of local talent and to encourage the development of our own arts and cultural scene in Malaysia to showcase the uniqueness of our heritage and also providing the people of the city an alternative medium of expression and communication.

YTL Corp is also passionate about music and believes in harvesting talent to foster appreciation of musical talent. Our Managing Director, Tan Sri Dato' (Dr) Francis Yeoh Sock Ping was the President of the **Kuala Lumpur Symphony Orchestra Society**, an orchestra comprised of local young talented classical musicians, for six years. YTL Corp has also been sponsoring the **YTL-Penang Arts Festival** since 2000.

YTL Concerts of Celebration



Perhaps our most unique efforts are our **Concerts of Celebration** which have been held at many different locations and free tickets are usually given to the public to attend. In September 2002, a momentous concert was held at our resort island of Pangkor Laut, where world renowned tenor, the late Luciano Pavarotti, was invited to sing to a global audience to foster peace and understanding, after the tumultuous events of 11th September 2001.

On the global front, YTL Corp orchestrated a performance by three famed tenors – the late Pavarotti, Domingo and Carreras – for the city of Bath, in Wessex County in the United Kingdom, to an audience of 50,000, in August 2003. This was done as a gesture of thanks to the people of Britain who welcomed our investments.

In December 2005, the YTL Corp Group celebrated its 50th Anniversary by staging a free concert at our Sentul Park development in Kuala Lumpur, featuring Britain's top tenor, Russell Watson, accompanied by the acclaimed Adelaide Symphony Orchestra. Russell Watson will yet again return to perform at YTL's celebrated "A Journey Through Time" Luxury Watch Fair in December 2008.





The cast of "Tunku – The Musical" with Tan Sri Dato' (Dr) Francis Yeoh Sock Ping and special guest Mel Gibson.

YTL Corp sponsored "Tunku – The Musical" at the Kuala Lumpur Performing Arts Centre (KLPAc) from 12–15 September 2007 with free tickets given out to the public for all performances. Created and directed by Joe Hasham, KLPAc's Artistic Director, the musical pays tribute to Malaysia's founding leader, Tunku Abdul Rahman, and played to full houses throughout its run during Malaysia's National "Merdeka Day" Celebrations.

"A Journey Through Time" Luxury Watch Fair

Now in its second consecutive year, YTL and Starhill Gallery have played host to watch connoisseurs and collectors from all around the world. Working with leading publishers Forbes and the Tourism Ministry of Malaysia, YTL hosts *A Journey Through Time*, a luxury watch fair intended

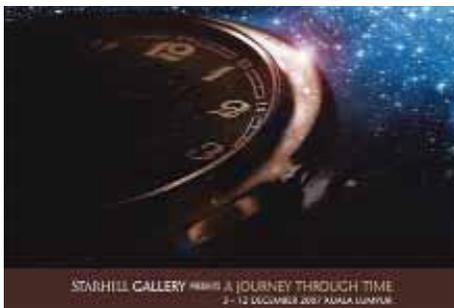
to attract visitors to Malaysia. It is anticipated that *A Journey Through Time 2008* will see many more visitors and guests at Starhill Gallery journeying through the boutiques and booths adorned with exquisite jewellery and timepieces of timeless beauty.

A notable activity that took place in the previous event held from 3 – 12 December 2007 was the Malaysian launch of the VILLEMONT "Arctic Explorer" Lewis Pugh Limited Edition watch, brought in by Khronos and Luxury Concepts, and officiated by Frank Low, Olivier Muller, Lewis Gordon Pugh, Jorgen Amundsen and Ruth Yeoh. Through its strong connections with exploration, particularly of the Poles, VILLEMONT has a genuine concern for all aspects of global warming. By becoming a partner and the official timekeeper of Lewis Gordon Pugh in his adventure to the North Pole, VILLEMONT wished to make a contribution by raising awareness on global warming and in particular, the melting of the polar ice caps. The company notably donated a proportion of the proceeds from the sale of watches to support WWF's fight against global warming, and in particular, their mission to save the polar regions.

Harnessing Creativity through Workshops and the Arts

YTL understands the need to appreciate, encourage and reward artistic talent and we do this in several ways.

(L-R) Frank Low, CEO of Luxury Concepts, Lewis Gordon Pugh, Explorer and Ambassador of VILLEMONT, Ruth Yeoh, director of Investments at YTL Corp, Olivier Muller, CEO of VILLEMONT and Jorgen Amundsen, Director of VILLEMONT.



A Midsummer Night's Feast at Starhill Gallery

"A Starhill Gallery experience where Gourmands will be drawn into the magical and enchanting world of the performing arts."

- Tan Sri Francis Dato' (Dr.) Francis Yeoh,
Managing Director, YTL Corporation Bhd

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Food and entertainment was the main theme for Starhill Gallery's *Midsummer Nights Feast* held from 11 July – 20 July 2008. The 10-day gourmet event combined the best of culinary treats and special theatrical performances by the Kuala Lumpur Performing Arts Centre (KLPac). The festival also featured a variety of mouthwatering food that ranged from Mediterranean cuisine to Thai, Korean, Italian, Japanese, Malay and Western specialities.

Highlights also included fine wine appreciation classes and the launch of "Feast Village Junior", where children aged from 5 – 11 years were put into groups for a food journey that introduced them to healthy gourmet food at Feast Village, the dining hub at Starhill Gallery. Learning about healthy food and having fun in the process saw many children taught the art of cooking and entertained with various activities.

Starhill Gallery Arts Festival



From 1 – 31 October 2008, YTL hosted a myriad of art exhibitions in an Arts Festival held at its Starhill Gallery premises. The Starhill Gallery Arts Festival 2008 in collaboration with the National Art Gallery featured an eclectic collection of art pieces from local and international artists. The festival saw the entire "Muse" Floor of Starhill Gallery transformed into a giant art gallery. Six giant paintings were also created especially for the festival by local Malaysian artists, with the main attraction being a series of Chinese paintings by reknowned artists Zhang WeiPing and He Jialin from China.

"It is significant that the National Art Gallery as custodian of Malaysia's heritage in the Fine Arts shares this passion with YTL in bringing the Arts to the people at Starhill Gallery," said executive director of YTL Corporation Berhad, Dato' Yeoh Soo Min. She shared that the Arts Festival at Starhill Gallery aims to not only enrich our lives and to encourage young creative minds but also to promote our unique heritage with pride and joy. And most importantly, to nurture the universal allure of the arts in fostering greater understanding by celebrating our individuality in a diverse world.



Guest of Honour, director general of the National Gallery, Dr. Mohammed Najib Ahmad Dawa said, "I have received invitations to collaborate with many bodies and corporations like YTL and this is an indication that the Malaysian visual arts is thriving. YTL is a passionate supporter of the arts, be it in fine arts or performing arts and they have created venues and provided scholarships and now they even have a whole festival dedicated to the arts!"



Dato' Yeoh Soo Min (Executive Director of YTL Corp) (right) and Dr. Mohammed Najib Ahmad Dawa admiring some of the paintings on display at the Starhill Gallery Arts Festival 2008

The Kuala Lumpur Performing Arts Centre (KLPac)

YTL strives to encourage the creativity of children through a rich variety of programmes which offer not only memorable experiences but which also broadens their learning capacities. We believe learning and creativity are imperative in incubating talent, and the best means is to provide a platform which children and young adults can interact.

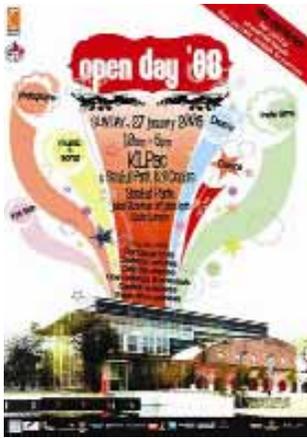


YTL has historically sponsored numerous musical performances of which most are tailored to families and have also initiated several activity workshops at the Kuala Lumpur Performance Arts Centre (KLPac) at our Sentul Park development. The KLPac / PentasSeni KL is the result of a strategic partnership between Yayasan Budi Penyayang, YTL Corporation Berhad and The Actors Studio, under the patronage of the late YABhg Datin Paduka Seri Endon Mahmood. It was built for the common goal of nurturing and developing the performing arts in Malaysia, where the Centre caters to a broad spectrum of artistes and audiences with its diverse artistic and educational programs.

Opened in May 2005, KLPac is Malaysia's only fully integrated performing arts centre, located at the fringes of Sentul Park, Kuala Lumpur. KLPac's calendar for the past three years have been filled with a multitude of both local and international performances from music and dance festivals to theatrical productions and art exhibitions. The Academy@KLPac has attracted students to its wide range of performing arts courses, facilitating the education of artists as well as audiences with the centre's 70,000 square feet of space housing facilities including a 500-seater main theatre, a 200-seater experimental theatre, 9 studios, an IndiCine theatre for independent film, a set construction workshop, and a cafe and bar area. Visit www.klpac.com to find out more.



KLPac Open Day



Visitors had the opportunity to experience first-hand KLPac's facilities along with various forms of performing and visual arts through the 60 plus activities planned for the day. All the activities were oversubscribed, including the performances, workshops, film and documentary screenings, and the guided tours where visitors had the opportunity to explore areas normally off-limits to the public such as the catwalk and backstage. The Open Day certainly showed that the barely 3-year-old KLPac has certainly become the home of the performing arts community in Malaysia.

The very first Kuala Lumpur Performance Arts Centre (KLPac) Open Day was held on 27 January 2008, where KLPac and the Sentul Park Koi Centre played host to many activities including classical performances, drama, dance, music, independent films, art, photography, and various other performances at YTL's lush 35-acre sustainable development at Sentul Park. It was a resounding success, drawing a crowd of approximately five thousand to its premises.

Quite likely the first event of its kind and scale in Malaysia, throngs of theatre goers and non-theatre goers flocked to KLPac to check out the Open Day.





SUPPORTING EDUCATION & COMMUNITY DEVELOPMENT





"It is the present generation of youth that will inherit the future. We can't start early enough training them to be good citizens and self reliant, based on sound physical activities and a clean healthy life. You could not have come, therefore, to a better place than Malaysia – with its wonderful beaches, clear waters, coral reefs and spectacular marine life. Malaysia has the most ancient forests in the world with exotic fauna and flora accessible only by rivers and jungle treks. We also have the best physical infrastructure in the region. And we must now ensure that we match this with the right and the most honourable human infrastructure."

– Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE, Managing Director of YTL Corporation Berhad, at a dinner in honour of His Majesty, King Carl XVI Gustaf of Sweden, representing the World Scout Foundation, on 3 October 2007

Supporting Education and Community Development

FOR THE NEXT GENERATION

At YTL, we believe that effective human resource utilisation and efficient teamwork are vital in achieving our aspirations. With the various businesses we are in, we do offer a wide range of career paths for those with the ability and desire to excel. Visit www.ytl.com.my/career.asp and www.ytlcommunity.com for more details on recruitment.

The YTL Group continues to play a strong role in growing and safeguarding the potential of our future generation of leaders and supporting local communities by offering scholarships to deserving individuals and through participation in adopt-a-school programmes.

The YTL Scholarship Foundation

We believe education plays a strong role in growing and safeguarding the potential of our future generation of leaders. The YTL Scholarship Foundation was established in 1995 with the objective of promoting higher education in Malaysia by offering scholarships to deserving individuals who would otherwise be denied of higher education due to financial constraints. Given the opportunity, we believe such individuals will be able to achieve their full potential and assume leadership positions to contribute towards the nation's economic development.

The YTL Power International Berhad Scholarship Fund

The YTL Power Scholarship Fund was established to complement the YTL Scholarship Foundation with the objective of promoting higher education by offering scholarships to qualified students who are pursuing full-time foundation and degree courses

at University Tenaga Nasional (UNITEN), a local university in Malaysia offering courses in Engineering, IT & Accounting. Given the opportunity, we believe qualified individuals will be able to achieve their full potential and assume leadership positions to contribute towards the nation's economic development. Visit www.ytlcommunity.com/scholarship for more details.

The University of Nottingham in Malaysia

In line with our plans for educational expansion, we have fostered a joint partnership with The University of Nottingham in Malaysia. Nottingham is declared one of the ten best universities in the United Kingdom, alongside institutions which include Oxford, Cambridge, Imperial College London and the London School of Economics.

The University of Nottingham is again confirmed in the intercontinental higher education elite, in global tables published this year in 2008. The established world rankings index compiled by Shanghai Jiao Tong University ranks Nottingham 10th in the United Kingdom. The Times Higher World Rankings in 2008 places Nottingham in the Top 1% of all universities worldwide. The institution is now firmly established within the world's 100 best universities in both tables.

The University of Nottingham also undertakes world-changing research, provides innovative teaching and a student experience of the highest quality. Ranked by Newsweek in the world's Top 75 universities, its academics have won two Nobel Prizes since 2003. The University of Nottingham has risen in world rankings and was declared Britain's 'University of the Year' 2006/7, receiving the 'Times Higher Awards 2006' for education.



YTL POWER INTERNATIONAL BERHAD SCHOLARSHIP FUND

The University of Nottingham has opened pioneering campuses in Asia, with the establishment of a multi-million pound campus in Malaysia, followed by the official opening of the first foreign university campus inside the People's Republic of China. The University's campuses in Nottingham UK, Malaysia and The People's Republic of China are award-winners in themselves. Open parkland sites, with gorgeous landscaping and signature architecture, they offer an unrivalled setting for learning. The University Park campus in Nottingham UK has also won a 'Green Flag' award for five years in succession.



The University of Nottingham Malaysia Campus has a joint partnership with two local partners. The new campus (which opened early in 2005) sits on a 101-acre site close to Semenyih, 30km south of Kuala Lumpur, and is the first purpose-built campus of a British university outside of the United Kingdom. Built at a cost of RM120 Million, it offers a high quality learning and living environment. Facilities include laboratories, library, sports complex, and Student Association building, bookshop, café and convenience stores, amongst others. Since opening its doors in Kuala Lumpur in September 2000, with just over 90 students, the student population has now grown to an international population of 1,300 students from more than 30 countries.

The University Malaysia Sabah



Tan Sri Dato' Seri (Dr.) Yeoh Tiong Lay, Chairman of YTL Corp and Pro Chancellor of Universiti Malaysia Sabah

Our Chairman, Tan Sri Dato' Seri (Dr.) Yeoh Tiong Lay, is currently Pro Chancellor of The Universiti Malaysia Sabah and attends convocations at this university annually, awarding certificates to its thousand-strong Graduates.

Universiti Malaysia Sabah (UMS) was the first local university to be built in the town of Beaufort, Sabah. As the ninth university to be established in Malaysia, it has expanded rapidly since the early days of its inception, and is a great asset to the community and development of Sabah.

Since its inception on 31st January 1994, the development of the University Malaysia Sabah (UMS) has been progressing at a tremendous pace. The physical development of a permanent campus on a 999-acre piece of land began on August 1995 and was completed in 2000, with the university's occupation of the permanent campus beginning in 1999. The Malaysian Government then granted approval to UMS to set up a branch campus in the Federal Territory of Labuan. Years that followed the acquisition of building facilities for teaching, learning and research have witnessed the emergence of an increasing number of schools, centres and units at the university.

The university is now fully committed to achieving the highest standards of quality in both academic and non-academic activities. In line with the development of Malaysia as a Centre of Educational Excellence, YTL Corp donated RM2.5 million to the Universiti Malaysia Sabah (UMS) Foundation in June 2004.

FOR OUR PEOPLE

As a Group, YTL understands the immense contribution of our people towards our growth and success, and we organise workshops, gatherings and teambuilding (“offsite”) events to enhance and foster unity within our people. On top of our Employee Welfare provisions, we also aim to inspire employee and leadership skills through our YTL Leadership Conferences, held annually. Technology also plays a crucial role in the social inclusion element of our organisation.

Employee Welfare

Providing a healthy and safe working environment is of utmost importance at our organisation. We have a Group Hospitalisation and Insurance Plan which ensures the health and safety of our workforce. We also provide our employees with Optional Saving Schemes at preferential rates, 13-month wage supplements to supplement higher costs of living, and an Employees’ Share Options Scheme.

YTL Leadership Conferences

The YTL Leadership Conference is an annual gathering of more than 500 senior managers and directors (“leaders”) from all the major subsidiaries of the Group, who attend a 2-day Forum for discussion on leadership issues. Leaders are invited to present progress of their management and share key wisdoms on leadership strategies, according to their responsibilities and the theme of the conference, which varies every year it is held. YTL’s Leadership Conference 2007 was themed “Go Forth and Multiply: 20% Compounded Growth Until 2020”, where sustainability was also discussed as a growing area of importance.

Our Chairman, Tan Sri Dato’ (Dr.) Yeoh Tiong Lay, our Managing Director, Tan Sri Dato’ (Dr.) Francis Yeoh, and fellow members of the Board normally chair and moderate these sessions, contributing to the dialogue on leadership. The conferences are very open and every colleague of ours are invited to share their views and ask questions, creating a forum for ideas exchange, inspiration, interaction, collaboration and communication.

Technology and Social Inclusion

Technology incubation is a business that YTL dedicates time to developing because we understand that developing our intellectual capital and communications in turn helps to develop our innovation potential of our Group. YTL e-Solutions becomes the bridge connecting our people and stakeholders, communicating the most up-to-date business and company-related matters to our people whom, in effect, make up our “YTL Community”.

It is an incubator and investor in high growth, knowledge intensive companies that leverage on new technologies which enhance and integrate with the Group’s existing businesses.

YTL e-Solutions’ stable of businesses currently comprises Extiva Communications Sdn Bhd (“Extiva”), Infoscreen Networks Plc (“INP”) and its wholly-owned subsidiary, YTL Info Screen Sdn Bhd (“YTLIS”), Intellectual Learning Sdn Bhd, PropertyNetAsia (M) Sdn Bhd and Y-Max Networks. Extiva provides value-added AVSP and telephony solutions and services and YTLIS is a leading plasma-based digital media networks in Malaysia with high quality “in-house” digital content.

In March 2007, YTL e-Solutions was awarded with one of three WiMax licenses in West Malaysia and it is anticipated that the deployment of WiMax will



significantly improve Malaysia's broadband penetration rate and provide high speed broadband access to the masses, over a larger area than what Wi-Fi hotspots can provide.

Through leveraging on these technologies, the media and online communication tools, we enhance the community aspect through social inclusion, updating our stakeholders and customers on YTL's latest developments thereby encouraging transparency and knowledge towards our operations, products and services.

YTL e-Solutions also powers YTL's corporate websites and the YTL Community website, which provides the latest news and information not only on YTL but on the world at large. It also includes announcements of social events and powers other related websites of the other YTL subsidiaries. There is also a channel available for customers who frequent our properties to interact with each other through the YTL Platinum Plus membership. The YTL Platinum Plus lounge and concierge service has been set up at Starhill Gallery purely to provide customer service and to inform customers of upcoming YTL social events. We invite you to visit www.ytlcommunity.com and www.ytlplatinumplus.com to sign up to our e-mailing list and to find out more about us. Come join us in our journey.

PUBLICATIONS

Education remains a top priority at our organisation, and one of the best ways we demonstrate this is through our endorsement of several international publications, and contributions to independent publications, meant to advance the awareness of sustainability and climate change in our nation and globally.

More information on our publications are available at www.ytlcommunity.com/climatechange.

Cut Carbon, Grow Profits

Launched during YTL's first Climate Change Week in 2007, *Cut Carbon, Grow Profits: Business Strategies for Managing Climate Change and Sustainability*, co-edited by Dr. Kenny Tang (CFA)

and Ruth Yeoh, Director of Investments at YTL Corp, illustrates what every corporation needs to know in order to manage the carbon and sustainability challenges facing societies, cities, individuals and businesses today. With contributions from international experts, the book shows the benefits of incorporating strategic aspects of carbon thinking into the business strategies of companies, their customers and suppliers.

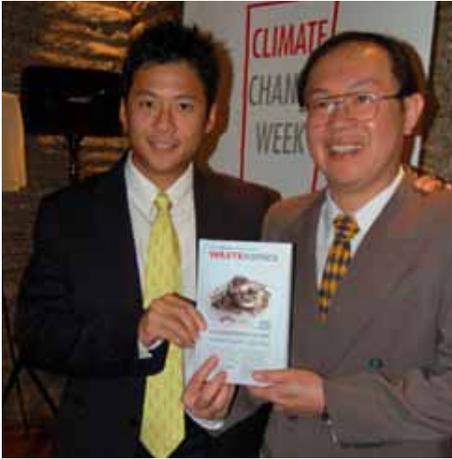
The book is essential reading for business executives at every level and contains forewords from Malaysia's Prime Minister, Dato' Seri Abdullah Ahmad Badawi, UK Foreign Secretary Margaret Beckett, UK Conservative Leader David Cameron, and Virgin boss Sir Richard Branson, among others. YTL Corp's Managing Director Tan Sri Dato' (Dr.) Francis Yeoh contributed to the postword of the book. The book brings together specific examples and case studies taken from cutting-edge international companies in a variety of sectors, including: YTL, Siemens, The Climate Group, Forum for the Future, London Climate Agency, Global Action Plan, World Resources Institute, Ceres (USA), BT plc, Ford Motor Co., Lloyd's, Arup, and Ernst & Young LLP.

Further to the launch of the book and post-Climate Change Week, *Cut Carbon, Grow Profits* books were donated to the libraries of several national and international universities in Asia and worldwide, in a conscious effort to contribute resources to the educational sector to open up knowledge of the growing importance of climate change and its available solutions.



Co-editors of *Cut Carbon, Grow Profits*: Dr. Kenny Tang (CFA) and Ruth Yeoh, Director of Investments at YTL Corp.

WASTEconomics



Jacob Yeoh, Executive Director at SPYTL, and Dr. Kenny Tang at the media preview of WASTEconomics

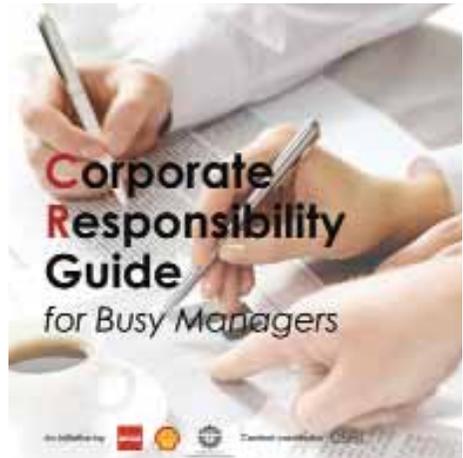
During YTL's second Climate Change Week in 2008, the book "WASTEconomics - turning waste liabilities into assets" was launched, illustrating what every responsible corporation needs to know in order to manage the waste, resource and sustainability challenges facing our planet today. Co-edited by Dr. Kenny Tang of WASTEconomics Capital and Jacob Yeoh, Executive Director at SPYTL, WASTEconomics provides strategic insights into product and process innovation to minimise waste and turn the liabilities of waste into assets. The contributors are key players who are driving important changes in the business models of their sectors and re-writing the rules of competition.

The principles outlined in WASTEconomics intends to revolutionise the way individuals view ownership of their waste and responsibility towards sustainable production and consumption. It is essential reading for business, finance and investment executives at every level. Furthermore, it provides a strategic framework for the individual, business, investor and government to deal innovatively with the issue of waste and the use of our planet's resources.

Corporate Responsibility Guide for Busy Managers

YTL contributed a chapter on sustainable practices for the ACCA-BCSDM-Shell publication entitled "Corporate Responsibility Guide for Busy Managers", jointly launched in 2008 by the ACCA, The Business Council for Sustainable Development in Malaysia (BCSDM), Shell Malaysia and CSR Asia.

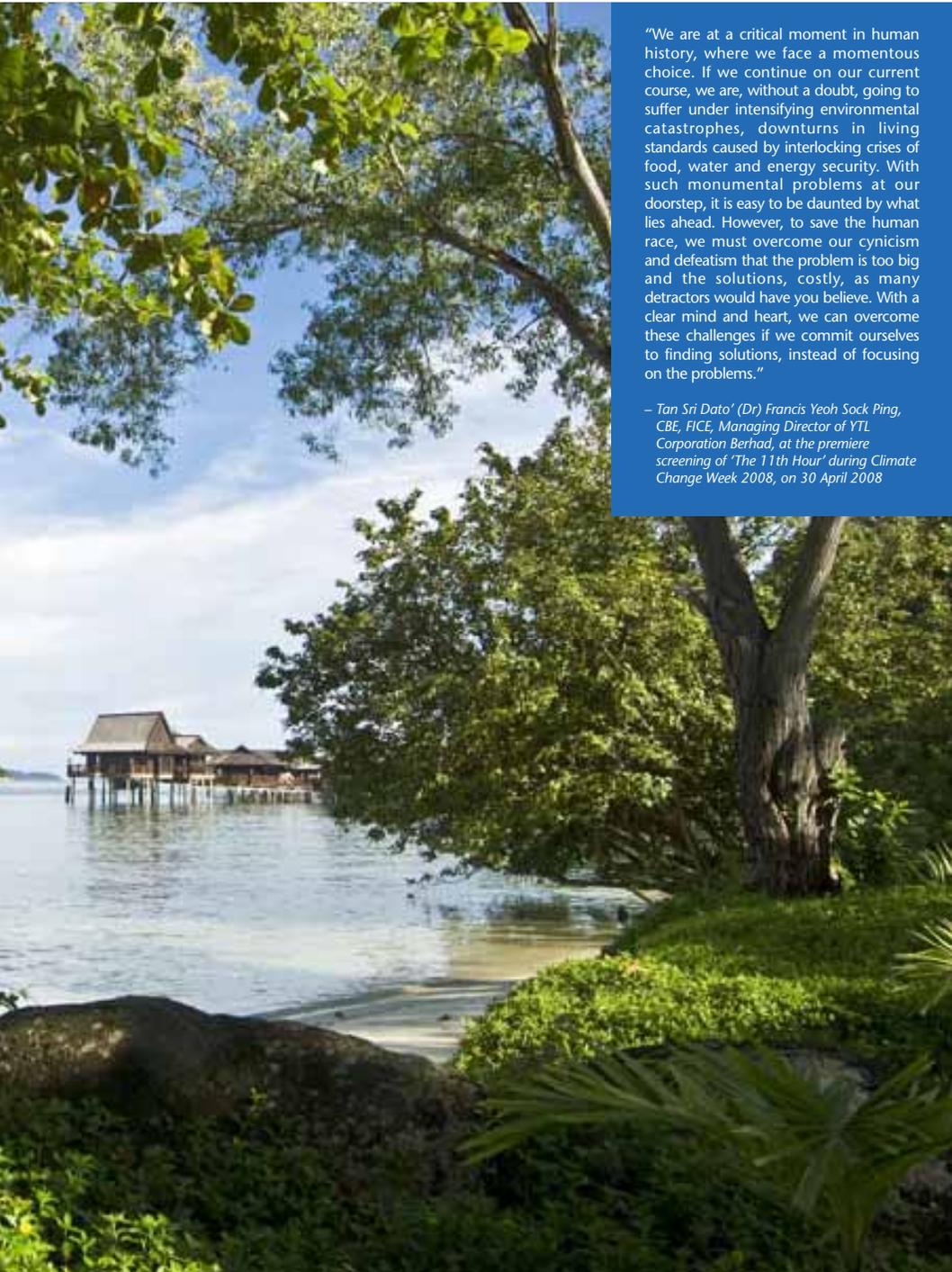
The guidebook is a collection of case studies on leading companies and promotes greater awareness of corporate responsibility. It aims to encourage more corporations and managers to practice good and sustainable business. Designed to be an easy to read format, it is a good reference point for those wanting to know more on how to integrate sustainability practices into their organisations.





A large, leafy tree with a thick trunk and dense canopy of green leaves. The tree is the central focus, with its trunk showing some texture and a few small holes. The background features a calm body of water, likely a lake or bay, and a forested hillside under a clear blue sky with some light clouds. The overall scene is bright and natural.

**PROTECTION OF THE
ENVIRONMENT**



"We are at a critical moment in human history, where we face a momentous choice. If we continue on our current course, we are, without a doubt, going to suffer under intensifying environmental catastrophes, downturns in living standards caused by interlocking crises of food, water and energy security. With such monumental problems at our doorstep, it is easy to be daunted by what lies ahead. However, to save the human race, we must overcome our cynicism and defeatism that the problem is too big and the solutions, costly, as many detractors would have you believe. With a clear mind and heart, we can overcome these challenges if we commit ourselves to finding solutions, instead of focusing on the problems."

– *Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE, Managing Director of YTL Corporation Berhad, at the premiere screening of 'The 11th Hour' during Climate Change Week 2008, on 30 April 2008*

Environmental Responsibility

THE YTL GROUP'S ENVIRONMENTAL VISION

We are fully committed to being a responsible corporate citizen. Energy plays an essential role in ensuring quality of life for people everywhere, for us and for future generations. Supplying energy efficiently is critical to helping people maintain and improve their standard of living. However, this brings with it significant challenges – for example, the very real threat of climate change means that we need to continue to provide and deliver energy in a way that minimises the impact our emissions have on the environment. We recognise the importance of sustainable development, setting targets to reduce the carbon footprint of our operations on society and understanding the dire consequences of global warming.

ENVIRONMENTAL DIVISION: INVESTING IN THE FUTURE

YTL expanded its Environmental Investment Division in 2007. It engages in five key investment activities:

- Researching and investing in the YTL Group's companies and projects to improve energy efficiency, environmental responsibility and overall sustainability
- Developing our carbon credit consultancy business (YTL-SV Carbon) and advising on clean development mechanism (CDM) and carbon emissions reduction (CER) projects both internally and externally
- Encouraging the public and youth to learn more about global warming and climate change through organising YTL's flagship Climate Change Week educational campaign yearly
- Supporting NGOs, Non-Profit Organisations and privately funded organisations for environmental advocacy, awareness, and mitigation and preventative activities
- Investing at venture capital or mezzanine level in environmentally themed companies, projects and product development companies, including water treatment and supply, alternative and

renewable energy, municipal solid waste to energy, agricultural waste, biomass energy, and other clean energy technologies. YTL Corp has also seeded three specialty investment funds managed by third party professional asset managers:

1. **Asian Renewable Energy & Environment Fund (AREEF)** - YTL seeded AREEF in early 2007, a Ringgit Malaysia denominated fund investing in listed Asian companies engaged in value chain of renewable energy and environment activities. The fund invests in upstream raw materials, plantation companies and equipment manufacturers, mid stream ECP companies, operators of renewable energy BOT and TOT projects, integrated water treatment companies, and environmentally-sound companies
2. **Renewable Energy & Environment Fund (REEF)** - YTL seeded REEF in early 2008, a USD denominated fund also investing in listed companies but with a global reach

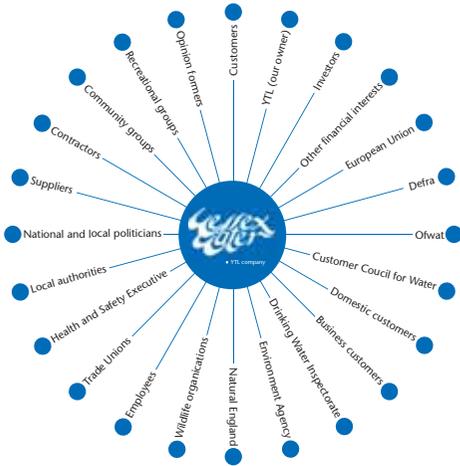
We continue to do our part to help YTL achieve carbon neutrality through researching ways on how to minimise our overall carbon footprint, and through our investments in sustainability, clean technology and renewable energy.

ENERGY SAVING AND SUSTAINABLE PLANNING

Over time, business success will depend on how we use and invest in environmental, social and manufactured resources. At YTL, we have set goals to reduce the impact of our utilities on our environment, through innovative methods such as energy saving schemes and sustainable planning measures.

Water & Sewerage Services

"The basic meaning of sustainability – the ability to continue – seems simple. However, it is a hugely significant idea because true sustainability needs economic progress, environmental protection and the well-being of people to be successfully balanced. This is not something that society has achieved in the past." - Wessex Water website



Source: Wessex Water, *Striking the Balance Report*, 2008

Wessex Water, our subsidiary in the UK, aims to be a genuinely sustainable company. In 1996, Wessex Water committed itself to becoming a sustainable water company and since then, it has experienced at first hand some of the business reasons for putting sustainability principles into practice. These include the services to society and the environment that make up its operating license, the growth of environmental taxation, the interest that employees have in being part of a business that takes sustainability issues seriously, the accountability demanded by all its stakeholders and the priorities of ethical investors when the company was listed. It considers sustainable development to be a set of activities that help society move towards sustainability. For Wessex Water to be sustainable, its work must therefore be compatible with the things that keep it going and are central to people's quality of life. For example:

- products from the environment such as water
- services provided by the environment, such as absorption of cleaned effluent
- the goodwill of customers and other outside interests
- the knowledge, welfare and motivation of their staff
- the condition of their infrastructure
- their finances

In 2003, Wessex Water became a signatory of the UN Global Compact which seeks to advance responsible action by business, centred around nine principles covering human rights, labour standards and the environment. The Global Compact is a voluntary initiative relying on accountability and transparency – There are 37 signatories in the UK of which Wessex Water was the first water company. The company is also instrumental in enabling the city of Bath to commit to the Compact.

Wessex Water operates under a stringent set of environmental directives and regulations in line with its key long term goal of becoming a sustainable water company. The company's comprehensive programme to achieve this goal has ensured that all compliance rates for drinking water, sewage treatment and bathing water have not only been met but are among the best in the United Kingdom.

Wessex Water is currently recognised by the water industry regulator, Ofwat, as the most efficient operator in England and Wales. Advanced treatment techniques, automation, state-of-the-art control and monitoring systems ensure consistently high standards at a low cost. The company has a high 99.93% compliance rate in accordance with EU standards and has adopted the ISO 9000 quality assurance for its water production and control systems. In terms of sewage treatment standards, the company has obtained greater than 99% compliance with discharge standards and almost 100% compliance with bathing water standards, as well as maintaining some of the best rivers and bathing waters in the country.

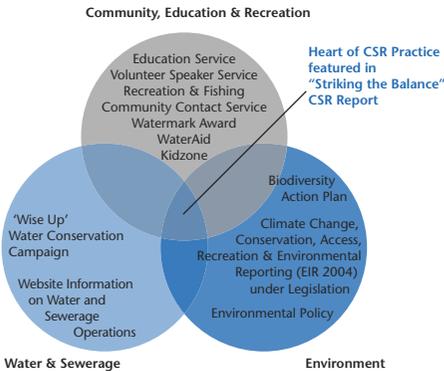
Reports are made to subsidiary level boards and communicated up to the company's Board. The Board of Wessex Water Services Ltd (WWSL) includes a Director of Compliance and Sustainability.

It can be observed that water companies in the UK readily incorporate corporate social responsibility (CSR), and environmental and social reporting, through a mixture of legislation, regulation and good practice. They are leading the way in the utilities industry through their responsible action. Because water is such a necessary commodity, CSR was placed on the agenda to give fair returns to owners and stakeholders, on top of regulation. Wessex Water's company's approach to CSR covers these four key areas:

- Investing in the community
- Promoting health and safety
- Working towards sustainability
- Empowering employees

The company has developed numerous CSR, environmental and sustainability initiatives as outlined in the diagram. Here, the programmes often overlap with each other and work together to incorporate wider issues:

Wessex Water's CSR Engagement Programmes



Its progress has been helped by its links with Forum for the Future, a sustainable development charity whose work with business partners shows how sustainable development is of critical importance in the private sector. Wessex Water also has a Sustainability Panel that meets three times a year, chaired by Jonathon Porritt CBE, a non-executive director who is currently chairman of the *UK Sustainable Development Commission* and Founder Director of *Forum for the Future*.

An example of an effective CSR and sustainability programme is Wessex Water's ongoing initiative to promote water conservation amongst school children and the next generation. It is currently promoting its new "Waterwatch Challenge", aimed at key stage two pupils.

Following a lesson on water conservation at school, the idea is that the pupils will head for home and spread the water conservation message to all members of the family while carrying out a worthwhile homework project in the form of a water audit.



Ideally, the water conservation lesson at school will be run by one of Wessex Water's education advisers, however, since it was expected that such sessions would be oversubscribed, they are also producing a lesson plan for teachers to introduce the challenge themselves.

Each child is provided with a 'water wallet' which includes:

- a booklet on water conservation
- tile stickers
- a challenge chart to record water usage
- a flushometer to track how many times the toilet gets flushed
- bookmarks

It is hoped that the resources provided will make this an easy and enjoyable task for both teacher and pupils.



For Wessex Water, it is clear that a water company can not be sustainable on its own. Regulators, the Government, customers, interests groups and indeed all stakeholders, have a part to play.

Wessex Water publishes a yearly Sustainability Report reporting on environmental indicators and sustainability issues. The company also publishes Sustainability Discussion Papers regularly which is in effect a dialogue on the growing importance of sustainability. Wessex Water's *Striking the Balance* report, which provides a wealth of information on these important areas, can be accessed at www.wessexwater.co.uk/uploadedFiles/pdf_leaflets/Strikingthebalance08.pdf. This year, the company has also produced a separate 'Conservation, Access and Recreation' report which builds on information contained within *Striking the Balance 2008*.

In summary, highlights for Wessex Water's performance in 2007/2008 include:

- maintaining its position as the most efficient operating company
- a record 98% of customers who contacted the company rated its service as either good or very good
- delivering an unrestricted service to its customers for 31 consecutive years
- compliance with drinking water standards remains at the highest levels – 99%
- compliance with sewage discharge consents is 99.6%
- delivering its largest-ever capital investment programme with more than 2,500 schemes totalling £235m

- beating its Monitoring Plan target for leakage
- reducing the number of properties at risk of internal flooding by a further 163
- increasing the proportion of energy generated from renewable sources
- winning a number of awards, including Utility Week's Customer Care award and the award as Best Creditor of the Year at the Citizens Advice Bureau's Social Policy Oscars and subsequently, receiving the Queen's Award for Enterprise for continuous achievement in sustainable development.

At the same time, the company continued to grow through its investment to meet new customer, quality and environmental standards. Overall, it has been a good year for Wessex Water, having achieved higher levels of efficiency and customer service, maintaining high levels of compliance with water quality standards and sewage discharge consents and carrying out environmental improvement work.

Further details and information are available on www.wessexwater.co.uk/sustainability.

Power Generation & Transmission



Power plant run by YTL Power. Energy experts claim cleaner technologies help power plant owners save money on fuel, operations, maintenance and other related items.

Environmental protection has been at the forefront of our planning from our first foray into utilities businesses. YTL Power has been instrumental in changing the Malaysian Government's policy to use clean fuel like natural gas instead of sticking to their four fuel policy which includes abundant use of coal and crude oil.

YTL Power was the first Independent Power Producer in Malaysia and we were very careful from the outset that our gas fuelled combined cycle power plants would not cause environmental damage. The potential damage involves the emissions of nitrogen dioxide (NOx) into the atmosphere and the discharge of hot water back into the sea. The Paka Power Station is designed to minimise these emissions.

The water cooling system uses submarine pipes laid out into the sea at different distances to carry cold sea water into the station and hot water out into the sea. This design has minimised hot water recirculation and we further ensured that the elevated sea water temperature would have a minimum impact on marine life by extending the length of the hot water discharge pipes by 10% further than required in the engineering by-laws.

Our power stations in **Paka** and **Pasir Gudang** are designed to comply with Malaysian environmental quality regulations with regard to emissions. These plants incorporate a range of measures to eliminate or reduce operational releases, including oil interceptors fitted to the site drainage systems and effluent treatment facilities to treat waste water prior to discharge. Another specific design feature is the burners of the gas turbines. These gas burners produce very low NOx levels during operation and thus help to mitigate the amount of emissions into the atmosphere. The NOx emission levels achieved are well within World Bank standards.



The 'Green Rating' PROPER Award 2008

In September 2007, YTL Power scored highly in CLSA's *Corporate Governance Watch 2007*, an annual review of the corporate governance practices of Malaysian corporates. YTL Power was ranked No.1 in terms of "Clean & Green" scoring in Malaysia, with an overall score of 55%.

Our 35%-associate, **P.T. Jawa Power** in Indonesia, has received ISO14001 certification for *Environmental Management Systems* for its 1,220 MW power station and we are currently pursuing this for our Malaysian power stations as well.

Jawa Power remains the only Indonesian energy company to receive a *Green Rating* under the government's Environmental Training Programme and has been awarded this rating for the 3rd consecutive year by the Indonesian Ministry of Environment under its *Environmental Rating Programme (PROPER)* for 2006-2007. The Green Rating indicates that the company has implemented effective pollution control programs and has successfully exceeded the requirements of environmental laws and regulations. It is awarded to those which, in addition to 100% compliance with the laws and legislations, demonstrate good efforts in community development or Corporate Social Responsibility (CSR).



YTL Power's **ElectraNet** operation in Australia operates in line with a Code of Sustainable Practice. Its environmental policy provides a framework to ensure that environmental considerations are included in the planning, design and construction and operational phases of all business activities.

The business is also pro-active in its general environmental responsibilities and conducts environmental audits on its substations and equipment on a regular basis. Amongst other initiatives, the Australian Federal Government's Greenhouse Challenge programme and Aboriginal Heritage issues are key considerations in ElectraNet's drive to maintain sound management practices and procedures.

ElectraNet's procedures and systems for the management of potential environmental impacts are incorporated in the company's guide, accessible on their website: www.electranet.com.au.

Property Development



YTL Land & Development Berhad (YTL) was proclaimed as a leader in sustainability practices in the Malaysian property industry, according to a study done in 2008 by Professor Graeme Newell, professor of property investment at the School of Economics and Finance at the University of Western Sydney. Newell presented a paper entitled "The Significance of Sustainability Practices by Malaysian Property Companies" during the International Real Estate Research Symposium (IRERS) 2008 and

Fusion of old and new, traditional and modern: The Kuala Lumpur Performing Arts Centre (KLPac).



focused his research on the top 30 property developers in the country, as ranked by *The Edge* Malaysia Top Property Developers Awards 2007. YTL was mentioned for having outstanding results and for being a total supporter of sustainability.

This brings us to our most extraordinary development in our group - our **Sentul Urban Revitalisation** scheme which saw an abandoned golf course transformed into a total green lifestyle concept development including a park, green homes, performing arts centre, koi farm and integration with the urban transportation system. To find out more about our Sentul Park development and the Kuala Lumpur Performance Arts (KLPac) centre, please visit www.maple.com.my and www.klpac.com.

The purpose behind Sentul East and West at Sentul Park was not only to renew its physical environment and wealth but also to renew its community, their access to local services and relationship with the area. Converting an abandoned golf course to a private-gated park was no easy task but the transformation of Sentul Park into a thriving park and community hub has seen the challenge bear fruit. In 2007, our **Sentul East & West** development won the International Real Estate Federation (FIABCI) Malaysia Property Award for "Best Master Plan Development". **The Kuala Lumpur Performing Arts Centre (KLPac)** also won FIABCI Malaysia's Special Award for "National Contribution."

See www.ytlcommunity.com/commnews/shownews.asp?newsid=33289 for more information.

The Tamarind at Sentul East, Sentul Park





FIABCI Malaysia Prix d'Excellence Awards 2007
Best Master Plan – Sentul West and Sentul East Master Plan
Special Award for National Contribution – The Kuala Lumpur
Performing Arts Centre

Dato' Yeoh Seok Kian, Deputy Managing Director of YTL Corporation Berhad (right), receives the award from Sultan Sharafuddin Idris Shah, Sultan of Selangor (left).

We realise going green is a growing trend among homeowners and communities worldwide. So in our Sentul project, we made the decision to maintain a 35-acre green lung in the heart of Kuala Lumpur as a park for the use of our residents because we believe that this will enhance the quality of life of the people who buy our properties. We have adopted this philosophy throughout all our current residential property developments, such as Lake Edge in Puchong, Lake Fields in Sungei Besi and Pantai Hillpark. We have placed the focus on reducing the number of units in favour of maintaining a balance between nature and development, and have adopted building and design techniques that make the most of natural sunlight and improve airflow to reduce the need for artificial light and air-conditioners.



The Sandy Island Villas surrounded by lush greenery at Sentosa Cove

Both our SPYTL Design team and property development team have attended *Leadership in Energy and Environmental Design (LEED)* workshops in the past and are currently actively pursuing LEED certification and environmental surveillance for our future building projects. LEED programmes are sponsored by the US Green Building Council.

In the past, YTL has also been responsible for transforming the city landscape, planting trees in urban spaces and ultimately creating "**Bintang Walk**", a pedestrian and shopping stretch in Bukit Bintang, the heart of the city. Our **Starhill Gallery** and **Lot 10** shopping malls readily incorporate sustainable design elements into the buildings. Most notably, the special glazing and tent used for



the atrium dome at Starhill Gallery was fitted to minimise heat loss and reduce chiller requirements, thus increasing energy efficiency. YTL's Environmental Division is also researching air-conditioning & lighting energy saving devices, and meeting with energy saving experts to see if energy saving products can be fitted for common areas of our properties and developments.

Visit www.starhillgallery.com and www.lot10.com.my for more information on these properties.

Our upcoming luxury villa developments in Asia's premier integrated marina community, **Sentosa Cove of Singapore**, will also testify towards our faith in sustainable architecture and design. Designed by world celebrated architect, Claudio Silvestrin, the villas are surrounded by lush greenery and landscaping shaped by multi-award winning Australian landscape designer, Jamie Drurie.

The Bird Island Green Homes Competition

On July 2007, YTL Land & Development launched the *Bird Island Green Homes Competition*, the first 'green' architectural competition of its kind in the

world, stemming from the recognition that energy-efficient buildings are the future of sustainable architecture and building design.

"Seeking Zero" is the aim of the project, calling for designers and everyone to play their part for a more sustainable society through striving for zero energy emissions. While achieving zero energy emissions might seem impossible, the ambition is that society would make a conscious effort to consume less and be more efficient with our environment's limited resources.

For the competition, YTL Land has partnered with Stephen Pimbley, partner at SMC Alsop, one of the UK's leading international award-winning architectural practices, who will serve as Master Planner & Project Advisor of the competition. The competition brings together eight of the world's leading names in architecture and environmental engineering, who are vying for the opportunity to design six eco-friendly homes on Bird Island, a green haven located in the 35-acre Sentul Park, part of YTL Land's iconic urban renewal development in Sentul. The three-acre Bird Island site has been divided into six plots, each with a notional area ranging from 385 to 516 sq.m., with each team submitting two designs for a three-bedroom villa, in accordance with designated requirements and criteria.

Hailing from all over the globe, the participating architects, are Atelier Ten (UK), Grant Associates (UK), GRAFT (Germany), Innovarchi (Australia), KplusK Associates (Hong Kong), MAD (China), Plasma Studio (UK), and Zoka Zola (USA).

Judging took place on September 2007 and the winning designs will be announced later on in the year. Visit www.birdisland.com.my for more information on this unique sustainability project.

Facade of a luxury villa unit on Sandy Island, Singapore



Hotel Development & Management

At our Pangkor Laut Resort and both our Ritz-Carlton Hotel and Ritz-Carlton Residences in Kuala Lumpur, "Green Meetings" are held frequently with senior managers to exchange ideas on "green operations" which are in-line with YTL's serious efforts in creating sustainable environments.

At Pangkor Laut resort, ongoing efforts are being made to assess composting equipment for Pangkor Laut Resort's kitchen waste. Upgrades of the resort's boat vessels' are also in progress. Here, vessels with two-stroke engines are assessed and tuned up by our boat engineers to improve the efficiency of the boats and to minimise wasted oil and effluent into the seas.

The Ritz-Carlton Green Meeting's vision is to develop a brand-wide green meetings initiative that is adoptable regardless of hotel age, layout, architecture or location. The objectives of these meetings are to:

- Minimise the environmental footprint of each hotel's group and catered event activity
- Reduce event resource consumption by hotel and group clients
- Adjust hotel procurement Local Services Ordering and Provisioning Committees (LSOPs) to include sustainability criteria
- Conserve water and energy while still protecting the group luxury experience
- Reduce pollution and water generated by group and catering events
- Utilise meeting by-products to broaden local Community Footprints outreach

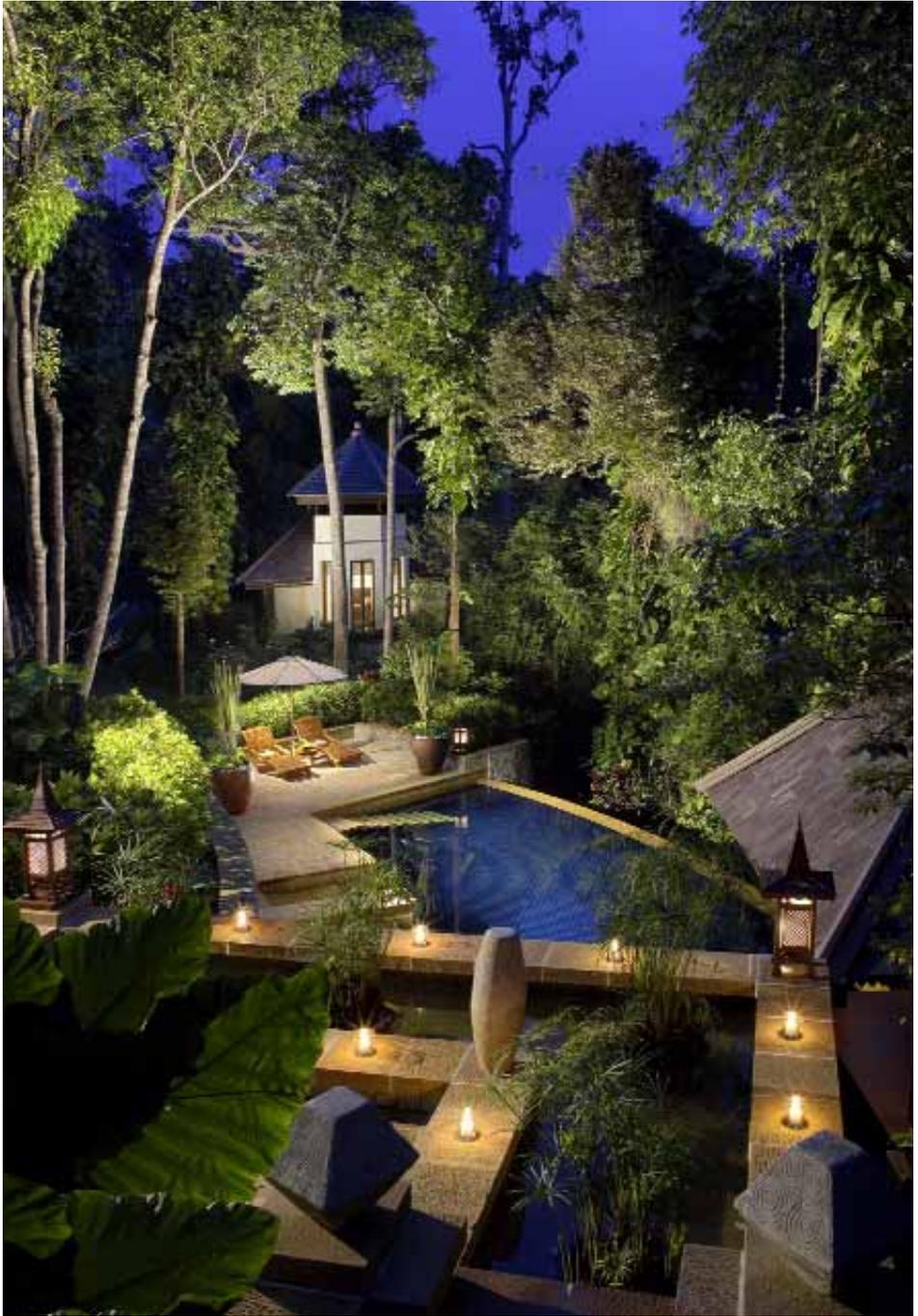
Express Rail Link

YTL Corp is a major shareholder of Express Rail Link Sdn Bhd (ERLSB), a railway development company which was awarded a concession on 25 August 1997 to finance, design, construct, operate and maintain the KLIA Ekspres, KLIA Transit and other ancillary activities related to railway services.



The ERL/CRS system is a modern electrical rail system, operating between Kuala Lumpur Sentral Station and Kuala Lumpur International Airport. The trains' operation and maintenance is efficiently managed by ERLSB's wholly owned subsidiary, ERL Maintenance Support Sdn Bhd (E-MAS). E-MAS recognises the need to be as environmentally friendly as possible and as a company, is looking into a number of initiatives to improve the environmental impact of their business activities. E-MAS is entrusted with the responsibility to provide environment-friendly high speed rail services on a day-to-day basis to, and from, the airport and city, besides ensuring that these services are safe, reliable and economical.





The fleet therefore consists of twelve state of the art, high speed trains which have no direct emissions of pollutants and have “built in” energy savings by design. E-MAS acknowledges that environment friendliness does not end with the trains. There is an Energy Saving Programme for trains that was implemented in 2003. Drivers were trained to operate the trains using energy saving techniques, which EMAS named the “MAKAN” principle:

- Make sure that trains are switched off during stabling
- As much driving as possible in coasting mode
- Know to brake early and with not more than 40% braking force
- As much as possible using the electrical brake
- No traction effort more than 80%

With this programme, E-MAS was able to reduce the energy cost per trip from RM65.59 in 2003 to RM62.11 in 2005, translating into a total saving of approximately RM300,000 for the year 2005. In 2006, E-MAS’s target is to reach an energy cost per trip of RM67, despite the 12% increase of electricity cost in June 2006. E-MAS also launched a Building Facilities Energy Saving Programme, with targets to achieve savings of energy costs of RM100,000 per year by modifying the existing installations. The objective for this project was to reduce building facilities power supply consumption. The project had to be done at the most minimal modification cost without affecting daily operation standards. Results were therefore achieved by introducing the following steps:

- Reduce amount of lighting in an area with new lighting arrangements
- Reduce time of operation – for lighting and air conditioning system, controlled by timer.
- Switching to energy saving lighting without affecting existing designed brightness.

In 2008, further energy saving measures were implemented and tabled as follow:

Expected Annual Savings

Estimated Savings Train Operation	:	RM375,000
Estimated Savings Workshop, Buildings, Maintenance	:	RM443,000
Total savings	:	RM818,000 per year

E-MAS’ calculations have shown that the total expected annual savings per year (in ringgit) will be a total of RM818,000.

E-MAS also distributes an e-newsletter highlighting energy efficiency issues, as well as ideas on energy conservation to encourage and continue dialogue in this growing area of importance.

Visit www.kliaekspres.com for more information and details.

Waste Management

At YTL, recycling is mainly carried out in our offices, as well as the power, construction, cement and hotels and resorts divisions. Overall, there is some recovery of non-organic matter such as plastics, metals, paper/board products, cans, glass and wood, which are then sent to the respective channels for further recycling processing after sorting on-site.

Our in-house recycling programme at the YTL Building recycles paper waste. The programme was implemented by the Human Resources and Environmental Division and has been very successful with the ‘cash from trash’ collected by our ‘recycling rangers’ stored for use as an emergency fund for the poor, needy, disaster relief, and other charities.



At YTL's Hotels and Resorts, inedible food waste in the resorts is currently being sent for incineration but there are plans to install composting systems which would break down the organic matter and result in the production of organic fertilizer on-site at each resort which can be used in the forests or planted and tended landscaped areas.

YTL Cement, YTL Power's 35%-associate PT Jawa Power, and other companies in the Group have attained ISO 14001 accreditation. YTL Power's stations in Paka and Pasir Gudang are designed to comply with the Malaysian environmental quality regulations with regard to emissions. They incorporate a range of measures to reduce operational releases, including oil interceptors fitted to the site drainage systems and effluent treatment facilities to treat wastewater prior to discharge. Similarly, the gas turbines are produce very low NOx levels during operation and thus help to mitigate the amount of emissions into the atmosphere. The 35%-associate PT Jawa Power in Indonesia generates about 400mt of ash per day, the bulk of which is fly ash. This is separated from the boiler ash by electrostatic precipitators. Traditional disposal would be to convert it into slurry and pump into specially-built ash lagoons. In 2003, however, Jawa Power began sending its fly ash to a nearby cement processing plant. Fly ash reduces the cost of manufacturing concrete as it is only mixed with the cement in the final stages of production, making it an inexpensive replacement for cement used in concrete. The fly ash also improves the strength of the final product. The cement plant invested in additional facilities to enable it to use Jawa Power's fly ash, resulting in the utilisation rate of Jawa Power increasing from 26% in 2003 to 78% in 2006.

Industrial waste from YTL Cement is largely fly ash, kiln dust, lubricants, kiln bricks, concrete wash water and air-borne particulates. Whatever kiln



dust or air borne particulates generated by the cement-making process in YTL Cement (collected with fabric filters or electrostatic precipitators) are returned to the system. YTL's cement plants are designed to do this. All waste materials are sent for recycling where possible and YTL Cement is ISO 14001 compliant.

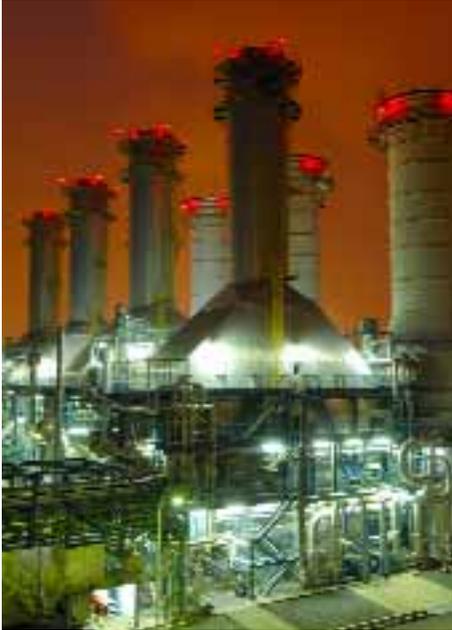
Currently, YTL's better quality recoverable construction waste is sorted and sent to specific recycling centres. The most important step for recycling of construction waste is on-site separation. Initially, this will take some extra effort and training of construction personnel. Once separation habits are established, on-site separation can be done at little or no additional cost.

Potential construction waste from our newly acquired 30 year old, 50-unit Westwood Apartments in Singapore will be an important example of how we treat construction waste in the process of remodelling or demolition when the building is either remodelled or pulled down and replaced by 20 storeys comprising 43 units of 4,000sf luxury condominium apartments. Notably, Singapore has a number of licensed waste recycling centres in Kranji & Jurong where steel, wood, plastics and glass can be sent and disposed of for a fee.



BIODIVERSITY & NATURE CONSERVATION

Power Generation



Paka Power Plant in Terengganu run by YTL Power

At our power stations in Paka and Pasir Gudang, we have employed the technology necessary to maintain the ambient temperature of the bodies of water that border the stations, thereby ensuring the sustainability of marine life in these areas.

Emissions of carbon dioxide (CO₂) and nitrogen oxide (NO_x) are monitored continuously using automated equipment. If levels of these contaminants rise above their normal levels, then steps are taken to correct the problems, since these changes are also an indication that the plant is not running at optimum conditions. Similarly, the temperature and chemical composition of liquids discharged to the marine environment are monitored regularly to ensure that the discharges will cause minimum disturbance to the marine ecosystems near to the plants. All of the emission levels are reported regularly to the Department of Environment.

At our 35%-associate P.T. Jawa Power plant in Indonesia, cooling water is abstracted from and returned to the Sea (Java Sea). Discharge water temperature and pH levels are continuously monitored by an online monitoring system. Any deviation from standards would be notified immediately for remedy action. Periodic water discharge sampling is also carried out monthly for all water discharges sources and a complete parameter analysis as prescribed in the regulation is conducted in accredited independent laboratories. All parameters are managed within regulation limits.

A part of its Environmental Monitoring Plan under Environmental Impact Analysis (AMDAL) Documents, sea water biodata surveys (of plankton, zoo plankton, macro zoo benthos, and coral reef), as well as sedimentation rates, are performed every 3 months.

After 9 years of the power plant being in operation, observations have shown that the seawater condition has been managed very well, with aquatic life continuing to thrive in the ocean's ecosystem. Jawa Power's staff also double up as volunteer divers to regularly survey the health and state of the reefs, respecting these sustainability programmes.



Clown fish and anemone, found under a Supporting Jetty Facility at the PT Jawa plant in Indonesia, with photo taken by a staff at PT Jawa, Indonesia

In 2008, P.T. Jawa Power also adopted a "Green Campaign" programme. The campaign was held in conjunction with "World Environmental Day" on 5 June.

Some highlights of the programme included:

- A “Minus 6% Electricity” campaign
- A “Water Saving” Programme
- Mangrove planting at Village areas
- Environmental Themes such as handicraft competitions using recycled materials

The programmes were designed to promote habits which respected and took into account global warming. As part of a Community Development program, some environmental initiatives were also formed and amongst these were:

- Initiating integrated waste (domestic and non-hazardous) systems in Bhinor village
- Local communities participating in the land provision of 14,000 m² with some activities carried out including teaching and training villagers how to compost organic waste
- “Green Belt Plantation” programmes around the ash disposal area of the power plant
- Biogas programme for a local cow farmer. A fixed Dome Anaerobic Digester is also under construction and is expected in operation by the middle of 2008

Water and Sewerage Services

Wessex Water, our subsidiary in the UK, is located in an environmentally sensitive region that influences how it maintains and develops its assets. For example, there are more than 450 Sites of Special Scientific Interest (SSSIs), almost 7,000 county wildlife sites and more than 4,000 Scheduled Ancient Monuments within its area. It also has a high density of Natura 2000 sites, which represent the most important areas for biodiversity in Europe. These sites are legally protected and it is

Staff supervising students in the “Green Belt Plantation” activity



essential to take into account the impact of its activities upon them. Methods to advise this include:

- a site database highlighting sensitive sites
- an in-house environmental services team
- environmental method statements
- funding biodiversity projects through its Biodiversity Action Plan
- site environment plans illustrating extensive management requirements

Biodiversity

The Wessex Water Biodiversity Action Plan (WWBAP) was the first corporate BAP when published in 1998. The publication of the BAP followed a widespread period of increased awareness of the plight of biological diversity as a result of increased development and man’s impact, following the Rio Earth Summit in 1992. This summit put biodiversity on the international stage and raised its profile in terms of international and national legislation. As a result the UK government launched the UKBAP in 1994, and the Wessex Water BAP builds on these principles within its operational region.

The WWBAP has three strands:

- minimising our impact on the environment
- conserving biodiversity within its landholding
- partners programme

The Wessex Chalk Streams Project is a good example of a project that Wessex Water supported throughout the 10 years of the WWBAP. Here, river restoration work aims to take the channel back to its natural form and provide improved biodiversity.

The “Clean Biogas” Pilot Project for a farmer (has capacity for 2 cows)



Wessex Chalk Streams Project



Feb 05



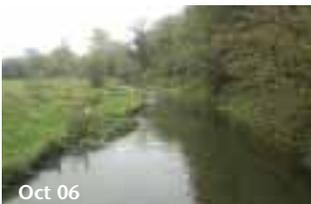
Oct 05



Nov 05



June 06



Oct 06



Jan 07

1999 Wessex Chalk Streams Project launched: project officer appointed and steering group formed with representatives from Wiltshire Wildlife Trust, Wessex Water, Environment Agency, Natural England (formerly English Nature) and Wiltshire Fishery Association.

2001 To date: financial contributions towards five river restoration schemes, 16 site visits made with advice on river management, conservation and legislation given. Site management statements produced for three fly fishing clubs covering 18 miles of river.

2003 New project officer appointed. Three river enhancement projects completed during 2003 on the rivers Wylye, Bourne and Avon. Twenty one site visits made to fishing clubs and riparian owners.

2004 River enhancement demonstration day for river keepers. A bid was submitted to the Heritage Lottery Fund for a £1m sister project called River Avon and Avon Valley Initiative (RAAVI), which encompasses the river from its source in Wiltshire to its mouth in Christchurch. Funding bid successful!

2005 The work of the Wessex Chalk Stream Project recognised the need for further dedicated work on the River Avon, which led to a further funding application. STREAM – Strategic Restoration and Management of the River Avon Special Area of Conservation (SAC) is a £1m project centred on the River Avon and Avon Valley in Wiltshire and Hampshire and supported financially by the EC LIFE Nature programme. The project began in 2005 and its key objectives include demonstrating and monitoring river restoration at six sites covering 7km, as well as holding a series of public open days to raise awareness of the river system in the local community. New project officer in place.

2006 To date: facilitated 34 river enhancement projects, 130 landowners visited and 300 site visits completed. Working with catchment sensitive farming initiative officers and Wiltshire Wildlife Trust’s water vole recovery programme.

2007 To date: facilitated 35 river enhancement projects improving more than 13km of river, secured more than £140k in grant aid, 300 site visits completed with over 140 landowners visited to provide advice on sustainable riparian management. Launched non-native invasive plant strategy to target Himalayan balsam, Japanese knotweed and giant hogweed. Invasive plant conference hosted. Assisted with wider partnerships, eg, STREAM, RAAVI and Wessex Water low flows investigation.

Source: Photo courtesy of Wessex Water, with thanks to Martin De Retuerto, Wessex Chalk Streams Project



Wessex is currently implementing an ecological survey programme of its key biodiversity assets in order to gauge the effectiveness of its conservation management. This involves a dedicated ecologist working on biodiversity management of its sites full time for 12 months. As a result of the survey programme, it has changed the frequency and method of its grassland management to reflect a traditional hay cut at one of its service reservoirs near Bath. This will improve the habitat around the reservoir for numerous plant species, which already include pyramidal and bee orchids, and also provide opportunities for other plant, invertebrate and mammal species.

90% of Wessex's landholding within SSSIs is now in favourable or recovering condition and it continues to make progress to meet the national target of 95% by 2010. In the past year, part of its active management for biodiversity, it has:

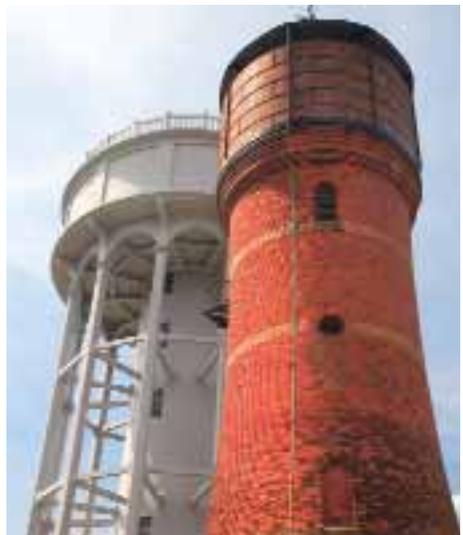
- continued to work with its agricultural tenants to improve SSSI condition
- controlled invasive species such as Japanese knotweed and Himalayan balsam at a number of sites
- started a programme of heathland management at a reservoir on Exmoor to preserve an important area of humid heath
- worked with its partners to manage other areas of habitat, for example:
 - Butterfly Conservation has been actively managing a chalk grassland site in Dorset to benefit butterfly and plant species. At this site, more than 29 species of butterfly were recorded include Marsh Fritillary and Adonis Blue, UK BAP priority species
 - Dorset Wildlife Trust has been controlling scrub and bracken to maintain an open heathland nature reserve to benefit species such as the sand lizard, a European protected species.

Conservation of historic assets

Besides biodiversity and nature conservation programmes, the Wessex Water region has strong archaeological interests. Wessex Water works with English Heritage and county archaeology officers to determine risks posed by its maintenance and engineering work. It undertakes inspections of all of its buildings to identify potential problems. This approach led to a full structural survey of two historic disused water towers in Wellington, Somerset which confirmed repair work was needed.

A restoration scheme was agreed in 2007 and conservation work began in January 2008. Scaffolding was erected around the concrete tower to enable complete access for repairs, with treatment of cracked concrete and corroded reinforcement, prior to applying waterproof protective coatings to the whole tower. Repair work on the concrete tower took 12 weeks to complete, with subsequent work then undertaken on the adjacent brick tower this year. This involved de-scaling of loose paint and metal from the steel tank and refurbishment of the brick tower below it, using bricks from a local reclamation supplier to match the existing ones. During the process Wessex Water liaised with Taunton Deane Borough Council's listed buildings officer to agree the specification of the repair work. Local residents were also consulted to minimise any disruption.

Rockwell Green Towers restoration, Wellington, UK



Hotel Development & Management

The importance of preserving the natural environment has also been the key to the design of our hotels and resorts, particularly at our Pangkor Laut, Tanjong Jara and Cameron Highlands resorts. Serious efforts have been made to ensure the development of the resorts contribute to conservation efforts and integrates environmental aspects into the design, which includes the types of building materials used, location of the buildings, forest conservation, sustainability and waste disposal.

The rainforest that covers much of Pangkor Laut Resort's island is millions of years old and is faithfully protected. On this island, natural habitats and the environment have been meticulously preserved. The draw card of Pangkor Laut has always been its natural beauty, a fact that has never been lost to our planners.

Visitors to the island are encouraged to participate in guided tours to experience this majestic environment first-hand. There are resident ecologists on these 3 resorts, passionately dedicating their time to researching the biodiversity and ecology of the rainforest, wildlife and marine life which thrives on the island, and our Senior Ecologist, Yip, has published a book and several articles on the biodiversity, plant and wildlife found on the island of Pangkor Laut.

Visit www.pangkorlautresort.com/activities/jungle.htm for details of jungle trekking excursions on the island. The walks are free of charge to guests and offer a fascinating insight into the spectacular virgin rainforest that is estimated to be over 2 million years old. Some of the interesting wildlife that can be spotted on the island include crab-eating macaque monkeys, tropical monitor lizards and yellow pied hornbills.

As part of an ongoing commitment to environmental responsibility, YTL has set up an Environment Committee at Pangkor Laut Resort which focuses on sustainability and environmental protection. Here, Green Meetings are held occasionally to discuss current sustainable practices and future improvements going forwards.

YTL is also currently investing in projects to conserve the marine ecosystem resources and coral reefs around Pangkor Laut and its surrounding islands. In February 2008, YTL Corporation invited Reef Check Malaysia to join its conservation partners, RARE Conservation and the Nature Conservancy, on a visit to the resort. The objective of the visit was to assess the prevailing environmental situation, with particular reference to the marine ecosystems around the island.

The report made the following recommendations for actions to improve the current situation:

- Net removal, to eliminate the risk of further damage caused by net movement
- Snorkel guide training, to educate guests and reduce physical damage to corals
- Reef monitoring, to improve management
- Effluent monitoring, to reduce pollution
- Protection (sanctuary), to allow for rehabilitation of reefs over the long term.

Following a meeting to review these recommendations, Reef Check Malaysia has been asked to prepare an Action Plan for coral reef conservation and rehabilitation at Pangkor Laut, which will be implemented jointly by Reef Check Malaysia, Pangkor Laut Resort and other relevant business units within YTL. The objectives of the action plan will be to:

- Remove trash and other debris from the reefs around Pangkor Laut





- Establish an on-going coral reef monitoring programme
- Improve the knowledge of guests, resort staff and local population on the importance of protecting the marine ecosystems around Pangkor Laut through awareness (materials for guests) and education (snorkel guide training)
- Engage local fishermen and other stakeholders to be involved in conservation of coral reefs around Pangkor Laut through establishment of a marine protected area

Reef Check Malaysia will have two roles in this project:

- 1) Implement specific activities such as EcoDiver training for resort staff, preparation of materials for guests and snorkel guide training
- 2) Facilitate the implementation of the Action Plan, assisting staff from Pangkor Laut Resort, YTL and possibly other operating units (e.g. Tanjong Jara) with training, advice and assistance.

This approach will ensure quick results in the short term, while also encouraging capacity building among Pangkor Laut Resort staff and more widely within YTL, contributing to long term success and reducing the need for external assistance in the future.

PARTNERSHIPS WITH ENVIRONMENTAL ORGANISATIONS

The Nature Conservancy



YTL has made a significant donation of USD500,000 to The Nature Conservancy (TNC), a leading conservation organisation working to protect the most ecologically important lands and waters around the world for nature and people. Since its founding in 1951, TNC has accomplished the following:

- Protected more than 117 million acres of land and 5,000 miles of rivers worldwide - operating more than 100 marine conservation projects globally.
- Has support of more than 1 million members.
- Worked in all 50 US States and more than 30 countries - protecting habitats from grasslands to coral reefs from Australia to Alaska to Zambia.
- Addressed threats to conservation involving climate change, fire, fresh water, forests, invasive species, and marine ecosystems.

TNC has also set an ambitious goal of ensuring the effective conservation of places that represent at least 10% of every Major Habitat Type on Earth by 2015.

YTL Corp’s Managing Director, Tan Sri Dato’ (Dr) Francis Yeoh, is a long-time member and Trustee of this organisation, joining the likes of Henry M. Paulson, Jr. (current US Treasury Secretary and former Chairman of TNC) and Mark Tercek (the current Chairman of the Board at the Nature Conservancy and Managing Director at Goldman Sachs, USA, and Head of Goldman Sachs’ Centre for Environmental Markets, as well as the firm’s Environmental Strategy Group) to support work on forest protection and on coral reef conservation in South East Asia, primarily Indonesia.

TNC used these funds to combat illegal logging in Indonesia, in partnership with the government and industry, and local communities. This resulted in development of new tools for verification of legal and illegal timber based on bar coding of logs, and tracking them from the forest through the production and export processes. This pioneering effort, which had previously never been tried anywhere else, became a success and is now being adopted by companies across Indonesia. A series of major new projects are unfolding, using international foreign assistance and private funds to help the Indonesian government to roll the system out nationally. Cooperation from Malaysia's government was paramount in this effort to help stem the flow of illegal logs moving from Indonesia to Sarawak and Sabah.

YTL’s contribution is now being used to help establish a *Tropical Forest Center* to be developed in Borneo consisting of a small group of TNC staff expert in forestry, forest ecology, training and communications.

The USD500,000 donation enables continuity of this work and identifies important forest habitats throughout the island of Borneo, including the four Indonesian provinces and Malaysian Sabah and Sarawak.

Map of Indo-Malay region to be developed



Source: The Nature Conservancy

Allocation of Funding

PROJECT ACTIVITY	REQUEST (US\$)
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1. Establish and manage a Tropical Forest Center for Indo-Malaya

Assessment of important forest habitat (HCVF) island-wide throughout Borneo.	150,000
Conduct training programs that strengthen partners, provide support to ongoing projects, and create a supportive and enabling environment for on-site conservation in Indonesia and at sites throughout Indo-Malaya	150,000
Support for policy initiatives increasing acceptance of Sustainable Forest Management in various countries throughout the Indo-Malaya region	100,000
Support for TNC site based initiatives in Borneo and Sulawesi	100,000
TOTAL	\$500,000

Source: The Nature Conservancy

TNC's work on coral reef conservation is also continuing to grow from strength to strength. The Coral Triangle Center (CTC, www.coraltrianglecenter.org) for marine conservation has been established in Bali and is now the hub for expansion of TNC's tried and tested tools to many sites around the region, combining improved enforcement methods to combat illegal and destructive fishing, with support to communities to find alternative sources of income, and use more sustainable fishing techniques. The Coral Triangle harbors the most diverse reefs on Earth and has been identified by major international biodiversity conservation organisations (TNC, WWF, WRI and CI) as a global priority conservation area. The World Resources Institute estimated that 88% of these reefs are under threat from human activities, with over-fishing and destructive fishing being the most pervasive threats. TNC's goal is therefore to establish and strengthen resilient networks of Marine Protected Areas (MPA) within priority ecoregions of the Coral Triangle area in Southeast Asia.

In 2008, the Global Environment Facility (GEF) and the United States Agency for International Development (USAID) committed over USD400 million to the Coral Triangle Initiative (CTI). In late April, the GEF Council approved a CTI programme beginning with a five-year support package for the "Coral Triangle 6" (CT6) countries: Malaysia, Indonesia, Timor-Leste, Papua New Guinea, Philippines and the Solomon Islands. The funding will be organised around the CTI Plan of Action currently developed by the CT6 which includes five major goals: marine protected areas, seascapes,

ecosystem-based fisheries management, threatened species, and climate adaptation. TNC will be working closely with the countries and other partners to develop more specific activities and investments over the next 12 – 18 month design phase, with the Asian Development Bank (ADB) serving as the Implementing Agency for the programme.

More information on TNC can be obtained from their website: www.nature.org.

YTL's Commitment to WWF-Malaysia and Rare Conservation

In October 2007, YTL donated a total sum of USD200,000 (USD100,000 each) to fund conservation efforts and sustainability projects at both *WWF-Malaysia* and *Rare Conservation*.

WWF-Malaysia is a national conservation trust that currently runs more than 75 projects covering a diverse range of environmental protection and nature conservation work in Malaysia. Since 1972, WWF-Malaysia has worked on important conservation projects, from saving endangered species such as tigers and turtles, to protecting highland forests, rivers and seas. WWF-Malaysia is able to leverage upon conservation expertise worldwide as part of WWF, the global conservation organisation. It is anticipated that YTL's contribution will be used to develop a *Human-Wildlife Conflict Mitigation Model* in the Jeli District of Kelantan. This is one of the poorest districts in Peninsular Malaysia and yet it has one of the highest incidences of human-wildlife conflict.

Ruth Yeoh, Director of Investments at YTL Corp, with fellow Rare trustees and staff at Rare Conservation's field trip to Belize, Central America, from 31 January – 4 February 2008



Ruth accepting a handcrafted Mexican 'manatee puppet' as a welcome gift to the Rare Board from Wendy Paulson, Chairperson of Rare Conservation USA, in Belize, 2008



Rare Conservation, a US-based conservation organisation, works globally to equip people in the world's most threatened natural areas with the tools and motivation they need to care for their natural resources. Because *Rare* offers a suite of replicable tools and a training program in three languages (including Bahasa Indonesia/Malay), its partnership is often sought by large international conservation groups and coalitions that need a strong outreach component to their broader strategy. Recognised by *Fast Company* magazine as one of the "Top 25 Social Capitalists" for 2005, 2006 and 2007, *Rare's* signature "Pride" program and conservation toolkit is being used by everyone from *The Nature Conservancy*, *World Wildlife Fund*, and *Wildlife Conservation Society* to the *United Nations Environment Programme*, *Earthwatch*, and more than one hundred local NGOs around the world. YTL's contribution to *Rare* will be used to establish a cadre of effective local conservation leaders in Malaysia using social marketing tools and *Rare Pride* to (1) measurably enhance local support for conservation; (2) achieve measurable threat reduction for at least three major threats to biodiversity in Malaysia, i.e. mangrove and coastal habitat degradation, destructive near shore fishing, and forest clearing by local communities; (3) and in the longer term, shift broad perceptions of and enhance support for conservation in Malaysia using broader mass media approaches (radio, local TV and other channels) integrated across the proposed partnerships and campaigns.

In January 2008, Ruth Yeoh, Director of Investments at YTL Corp, was elected to become the youngest board member of *Rare Conservation* and now serves in the Governance Committee of this US-based environmental organisation. She is instrumental in orchestrating *Rare's* partnerships with practitioners in South-East Asia and has successfully engaged with WWF-Malaysia and Reef Check Malaysia, both local environmental organisations in Malaysia, to partner with *Rare* for their *Rare Pride* Campaigns.

Visit www.wwf.org.my and www.rareconservation.org for more information on these organisations.

Support for local environmental organisations



The first YTL *Climate Change Fundraising Gala*, held in conjunction with our second *Climate Change Week* in 2008, raised more than RM700,000 in support of three Malaysian conservation groups to help them protect our precious environment. Proceeds raised went to three non-profit groups, namely:

- *Reef Check Malaysia*, a non-profit group who conserves and protects priceless local coral reefs;
- *Malaysian Nature Society (MNS)*, who have been conserving important habitats, raising public awareness and advocating environmental policy for almost 70 years;
- *TR EES (Treat Every Environment Special)*, who promote sustainable lifestyles at the local community level through programmes like community recycling centres.

Reef Check Malaysia

YTL is a proud supporter of Reef Check Malaysia in line with "International Year of the Reef 2008", believing in the fact that a third of the world's coral reefs may face extinction should nothing be done to protect them. We support Reef Check Malaysia and its broad spectrum of activities in marine and coral reef conservation. Founded in 1996, Reef Check is the world's largest international coral reef monitoring organisation. It is a non-profit organisation that recruits volunteer marine scientists and divers to survey the reef and collect

data to help assess reef health. Once the condition of the reef is determined, they find ways to manage the reef and encourage its long term health. Reef Check is now active in over 82 countries and territories throughout the world.

Its mission is to:

- Educate the public and government about the value of the coral reef and the crisis they face
- Create a global network of volunteer teams, trained and led by scientists, that regularly monitor and report on reef health using a streamlined method
- Facilitate collaborative use of reef health information by community groups, governments, universities and businesses to design and implement ecologically sound and economically sustainable solutions
- Stimulate local action to protect remaining pristine reefs and rehabilitate damaged reefs worldwide

Visit www.reefcheck.org.my for more information on Reef Check Malaysia.

Malaysian Nature Society

The Malaysian Nature Society (MNS) has been contributing towards the protection of Malaysia's natural heritage since 1940. Being a membership-based organisation, they have been the reason behind the protection of many key habitats as well as national and state parks in Malaysia, which YTL is passionate in protecting.

MNS works very closely with federal and local governments, grassroots communities, private organisations as well as members of the media. Over the years, MNS, through its members, partners and supporters, has played an integral role in the conservation of Malaysia's natural heritage. Being the largest membership based environmental organisation in the country and with a string of successes in conservation, it has now clearly become a strong voice for conservation in Malaysia; presenting its stand in promoting and ensuring responsible environmental stewardship in the country.

MNS adopts a 4-prong approach towards habitat conservation:

1. Its **Conservation** unit works towards conserving important habitats through policy and advocacy, research and data collection in consultation with the federal and state governments. Its conservation campaigns over the years have always included engaging local communities.
2. The **Environmental Education** unit of MNS works towards raising public awareness, with an emphasis amongst school children through project involvement and hands-on experience. They have established School Nature Clubs in collaboration with the Ministry of Education, throughout the country, where children learn about the importance of the environment and nature conservation.
3. MNS' **Publications** include primarily a popular quarterly periodical, the *Malaysian Naturalist (MN)*, and a scientific periodical, *Malayan Nature Journal (MNJ)*. These MN publications are aimed at relaying key conservation messages to the public; educating and increasing awareness on the environment, whilst the MNJ publications are targeted towards the scientific community.
4. The **Parks** unit of MNS looks into establishing and managing Nature Parks; primarily aimed at creating and raising public appreciation on nature and our environment. Parks bring nature closer to the public, creating an opportunity for better understanding of our natural surroundings.

In this new millennium MNS' work has become very vital for the continued conservation of our natural habitats. Visit www.mns.org.my for more information on MNS.

Treat Every Environment Special

Treat Every Environment Special (TrEES) environmental programmes seek to reconnect the public back to nature; to demonstrate the impact their activities have on the country's biodiversity and the role they play in its conservation. They have also helped YTL successfully implement a recycling programme at their Headquarters in Kuala Lumpur.

TrEES works in partnership with diverse community groups including the government, local communities, NGOs, CBOs and the private sector towards the sustainable development and management of local environmental and biodiversity resources in Malaysia. Their projects range from grassroots and action oriented projects to policy advocacy projects.

Current projects include:

- The Establishment of a Selangor State Park
- TrEES School Biodiversity Programme
- TrEES' Community Recycling & Waste Management Programme
- TrEES' Biodiversity Centres
- Environmental Awareness Programmes

With the funds raised from YTL's Climate Change Gala, TrEES are implementing community waste management programmes based on the 4Rs (Rethink, Reduce, Re-use and Recycle), targeting the Malaysian public through community recycling centres and schools in the Klang Valley, as the Klang Valley is the most densely populated area in Malaysia and generates the most rubbish.

Activities planned include:

- Identification of suitable sites for expansion of the number of recycling centres
- Setting up infrastructure for new recycling centres
- Training and motivation for centres and schools
- Increasing the amount of recyclables collected and the number of people recycling
- Logistics and collection management
- Education and public outreach programmes on reducing rubbish and promoting recycling

Visit www.trees.org.my for more information on their recycling programmes.

CLIMATE CHANGE

YTL, an advocate of environmental protection and promoting energy efficiency, have been consistently 'Seeking Zero' (carbon emissions) by working with partners who use clean technology, educating employees, supporting R&D for clean technology, investing in more efficient processes and systems while educating the public through initiatives like *Climate Change Week* and the *YTL Bird Island Green Homes Competition*.

We recognise the impact of global warming and climate change on our community, not just locally, but globally. We regard climate change as a clear risk and have taken measures to reduce Green House Gas (GHG) and noxious emissions in all our activities, from our utilities and cement manufacturing plants to property and hotel operations.





Furthermore, we understand that a company that adopts strategies to manage risks and opportunities associated with climate change in the face of uncertain regulations stands to realise significant gains. These gains come from a variety of factors including regulatory compliance, risk mitigation, cost reduction, development of a competitive advantage, and the creation of new products and markets. The three governance practices the YTL Group has adopted, and as outlined by Ceres¹, include:

- Boards of directors and senior executives working together to address climate change and other sustainability issues
- CEOs embracing climate change as a near-time priority
- Management teams pursuing practical solutions to climate change

¹Ceres (pronounced "series") is a national network of investors, environmental organizations and other public interest groups working with companies and investors to address sustainability challenges such as global climate change. More information on www.ceres.org

Our Managing Director, Tan Sri Dato' (Dr) Francis Yeoh Sock Ping attended the 2006 Clinton Global Initiative (CGI) in New York, an annual meeting where top leaders meet to focus on issues such as Energy and Climate Change. He was further invited by CNBC to discuss the effects, solutions and business of climate change, alongside a top panel of experts on their "Global Players" special, a follow up programme of the CGI. The panel included top academics and business personalities such as Jeffrey D. Sachs (Dean of the Earth Institute, Columbia University), Jim Hansen (Head of the Goddard Institute), Jeremy Leggett (CEO Solarcentury) and Fred Smith (President of the Competitive Enterprise Institute). Tan Sri Francis was the only Asian businessman chosen to represent Asian perspectives on climate change.

The YTL Group is thus actively searching for innovative ways to encourage energy saving and to minimise the risk and glaringly visible effects of climate change. We therefore anticipate our future projects to integrate technology, policy and positive action to steer our company towards being not only clean and green, but also secure, in trust for future generations.





Climate Change Week, 28 April – 4 May 2008

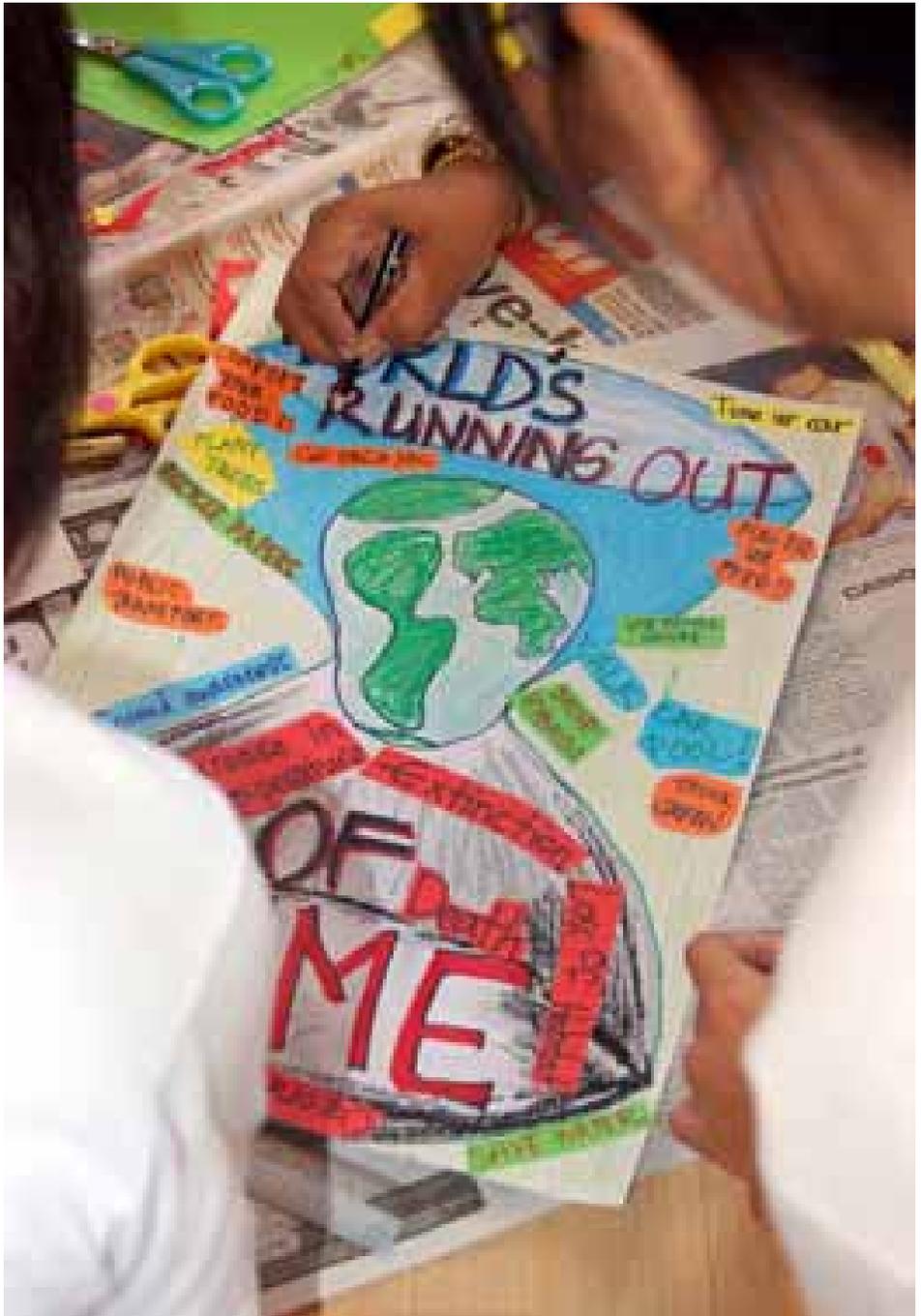
This year, YTL organised and sponsored *Climate Change Week 2008* in Kuala Lumpur, Malaysia, for the second year running. This year's theme adopted the catchphrase "We did it. We can undo it", with an exciting line-up of important activities which included:

- **The global book launch of "WASTEnomics", an important book on waste management** co-edited by Dr. Kenny Tang and Jacob Yeoh, Executive Director of the construction division at YTL Corp

- **The free week-long public screenings of the acclaimed documentary, "The 11th Hour"** sponsored and hosted by YTL held at The Kuala Lumpur Performing Arts Centre (KLPAc), a centre for arts, drama and culture which YTL is founder and patron of
- **"Energy Security and Climate Change in the 21st Century" Business Conference** - a one-day climate change business strategy conference
- **Climate Change Week Youth Workshop** - a free, interactive full-day workshop targeted at secondary schools in the Klang Valley, held at The KLPAc. The Workshop featured a fun-filled and practical programme for teachers and their students, providing tools to plan and implement sustainable practices in their schools
- **Climate Change Gala** - a Gala Dinner with a mission to help raise funds for three Malaysian conservation groups: Reef Check Malaysia, Malaysian Nature Society (MNS) and TrEES (Treat Every Environment Special)

For more information and details on our *Climate Change Week* programmes, we invite you to visit www.ytlcommunity.com/climatechange. Come and join us in our educational campaign, and sign up to receive news and updates on *Climate Change Week*.





Carbon Credit Consultancy Services



From left: YTL Corp director of investments Ruth Yeoh, Tan Sri (Dr.) Francis Yeoh and Soeren Varming at the launch of YTL-SV Carbon

In May 2008, YTL Corporation announced their acquisition of Malaysian-based Clean Development Mechanism (CDM) developer, SV Carbon, now known as **YTL-SV Carbon Sdn Bhd**. The launch of YTL-SV Carbon took place during YTL's *Climate Change Week 2008*. Managing Director of YTL Corp, Tan Sri (Dr.) Francis Yeoh, announced the acquisition of YTL-SV Carbon during the business conference themed "Energy Security and Climate Change in the 21st Century" where many leaders and entrepreneurs gathered to explore the critical role of technology in tackling climate change challenges.

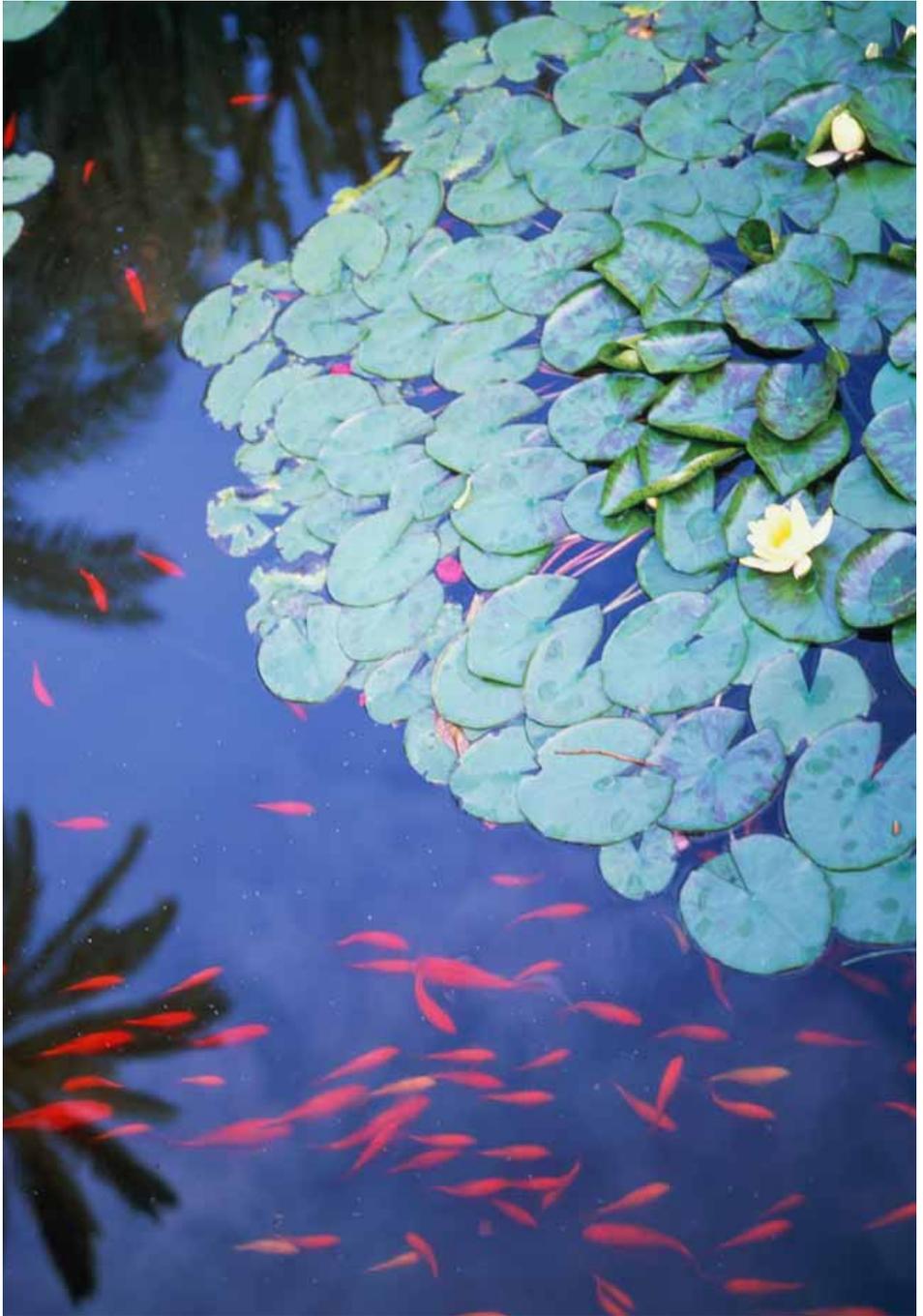
With 15 years of experience in energy and CDM, YTL-SV Carbon is currently the largest CDM consultancy in Malaysia, and is No. 3 in the ASEAN region with projects in Indonesia, Thailand and China. Following a strong commitment to nurturing clean technologies globally, YTL's latest venture will see YTL-SV Carbon provide end-to-end solutions for projects under CDM, handling all aspects of the process including identification of the potential projects, development of documentation, and approvals and sale of carbon credits regionally and globally. Examples of projects include biomass, biogas, other clean energy from agricultural waste and municipal solid waste, cement & industrial waste. It also works with plantation companies to develop clean energy from waste biomass and effluent plants.

As a background, the Clean Development Mechanism (CDM) allows companies to turn environmental improvement into a cash flow. The CDM does this by defining a new commodity, Certified Emission Reductions or CERs. The CERs are generated by an approval process involving both the host country Government and the United Nations. CERs can be sold as other commodities either on forward contracts or spot. By May 2008, more than 1,000 projects have been approved internationally as CDM projects.

Buyers of CERs are Governments and private sector in industrialised countries. In 2007, more than USD13 billion worth of CERs were traded internationally and we foresee this is the right time for companies in ASEAN countries to embark on CDM projects. Recent studies have shown that the carbon trading business in Malaysia is expected to be worth RM3.2 billion and RM6.4 billion in the next 5 years, driven by companies' increased participation in environmentally sustainable projects. The Malaysia Energy Centre estimates that the country has up to RM100 million tonnes of carbon credit potential for the 2006 to 2012 period and it could benefit from carbon trading, which is now worth USD60 billion globally but could grow to USD1 trillion in a decade. Currently, the Government is also giving companies involved in CER, and renewable and environment-friendly energies a tax exemption for 10 years, investment tax allowances and import duty and sales tax exemptions on equipment.

YTL-SV Carbon therefore offers tailor-made solutions for companies wishing to embark on carbon emissions reduction projects, starting with the screening of project potentials to the signing of the sales contract for the carbon credits. It works on a "No Cure, No Pay" basis, which means it takes the main risks involved in CDM project development. The further the project is developed in the CDM approval process, the higher a price the CERs can achieve. YTL-SV Carbon will work with its clients to maximise the value of their projects throughout the entire process.

Visit www.ytl-svcarbon.com for more information on the specialist services we provide.



Power Generation & Transmission



YTL's Paka Power Plant – a gas-fired power station is one of three plants that generate some 2,500MW of electricity for the state of Terengganu

YTL Power is in the process of obtaining ISO 14001 *Environmental Management Systems* ("EMS") certification for its power stations in Paka and Pasir Gudang in Malaysia and mechanisms are also being implemented for the management of power plant gaseous emissions, waste effluent, discharge cooling water and industrial scheduled waste.

Recent modifications made to two of the Paka Power Station's gas turbines have reduced the amount of nitric oxide and nitrogen dioxide (the combination of which is commonly referred to as NO_x) in the gas turbines' exhaust gases by around 50%. The same modifications are also planned for the stations' other gas turbines. Efforts have also been made to reduce the water consumption of the power stations by stopping blowdown on the heat-recovery boilers and reducing and eliminating, where possible, leaking valves on water-stream systems.

The Jawa Power station, which is operated by Jawa Timur, a wholly-owned subsidiary of YTL Power, continues to seek ways to reduce its carbon footprint. Jawa Power's Paiton II station has been awarded the 'Green Rating' under Indonesia's Environmental Rating Programme since 2004 and continues to maintain it. This award is given for companies that have demonstrated very good performances in environmental protection, environmental management system, and community development. This is in line with its Environmental Policy Statement "to develop and maintain a high standard of environmental care, to prevent pollution and to improve continually its environmental performance."

The station has a daily fuel consumption of approximately 12,000 tonnes [Note: Annual consumption is 4.23 mn tonnes] of coal, which in turn generates about 400 tonnes of ash per day. The bulk of this is "fly ash" – smaller, lighter particles of ash that are separated from boiler exhaust gases in the electrostatic precipitators. With the consistency of very fine powder, fly ash has the potential to pollute the air and groundwater as it contains traces of salts and metals, and the conventional method used to dispose of fly ash is to convert it into slurry and pump it into specially-built ash lagoons.

In 2002, however, Jawa Power embarked on efforts to find a safer and more environmentally-friendly use for the station's fly ash, and in 2003, the company began sending its fly ash to a nearby cement processing plant for testing. Fly ash reduces the cost of manufacturing concrete as it is only mixed with the cement in the final stages of production, making it an inexpensive replacement for cement used in concrete. In addition, fly ash actually improves the strength of the final product. After successful trials, the cement plant invested in additional facilities to enable it to use Jawa Power's fly ash, resulting in the utilisation rate of Jawa increasing from only 26% in 2003 to 78% in 2006.

Waste Management Systems

From 2007 onwards, more than 98% of fly ash was re-used by construction and cement plants. Other wastes such as specific waste (classified as hazardous waste under government regulation) are taken to landfills by a licensed waste disposal contractor and efforts have been put in place to reuse or recycle these non-avoidable wastes, with a majority of these being sludge-cake from waste water treatment processes. Jawa Power's station, Paiton II, has obtained a license to re-cycle this waste in a boiler.

Other waste like used batteries and used oils are taken to be recycled by a recycling company. In 2007, around 94% of specific waste was recycled, with extreme benefits to the environment.

In May 2001, PT Jawa Power received ISO 14001:1996 Environmental Management Systems (EMS) Certification. After the issuance of a new edition of the ISO 14001:2004 certification, the PT YTL Jawa Timur plant upgraded their EMS to comply to this requirement.

Atmospheric emissions:

Atmospheric discharges from PT Jawa Power's plant are from two chimneys, 220 metres in height. The major emissions are Carbon dioxide (CO₂), Sulfur dioxide (SO₂), Nitrogen oxide (NO_x), and particulates.

In line with its aim to cut carbon emissions, PT YTL Jawa Timur has put strong efforts to maintain the high figures of "Plant Efficiency" which will result in less carbon emission per MWh electricity generated, as shown in chart (c) on the following page.

The chart shows that efficiency figures are improving even though the power station is aging. This was achieved by implementing sound operation and maintenance practices, periodic performance tests, regular efficiency monitoring, maintaining availability figures minimising start up times, and implementing Work Improvement Teams (WIT) to explore room for efficiency improvements and auxiliary power reductions.

The improvement of efficiency figures is directly reflected in CO₂ emissions per MWh of electricity generated, as shown in chart (d) on the following page.

New efforts have recently been pursued as part of auxiliary power reductions in the power station. The programme plans to optimise the number of Absorber Pumps in operation in the FGD system which will benefit the overall environmental protection scheme in the plant. This programme has saved approximately 1,000 MWh per month of auxiliary power consumption.

Other emission figures are maintained well below the regulatory limit as shown by graphs (e), (d) and (g) on the following pages.

Water & Sewerage Services

Climate change is the biggest long-term issue for water utilities and is covered by **Wessex Water's Sustainability Vision** as follows:

Outcomes (what a sustainable Wessex Water would mean)

- Aiming for the company's combined activities to be carbon neutral, and using energy as efficiently as possible.
- Being in a position to adapt to weather events caused by climate change, without harming levels of service and standards.

Mechanisms (action for moving towards sustainability)

- An active programme to ensure that energy is used efficiently to minimise consumption
- Steadily increasing the proportion taken from renewable sources
- Reducing greenhouse gas emissions equivalent to a 60% cut between 1997 & 2050.

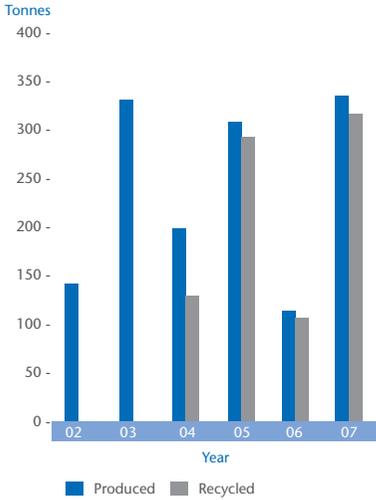
Two broad issues that are considered are:

- **Adapting to climate change** - more turbulent weather patterns will make it harder to achieve the customer and environmental standards expected of water companies.
- **Reducing emissions** - water companies' heavy energy use and sizeable process emissions make the aim of carbon neutrality extremely challenging

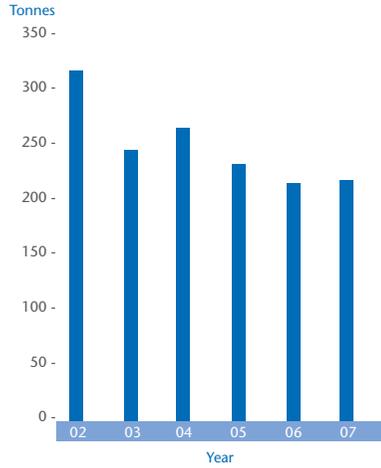
Wessex Water's Sustainability activities given in greater depth in its *Striking the Balance 2008* report which sets out its objectives and plans to become carbon neutral by 2020.

P.T. Jawa Power Figures

(a) Specific Waste



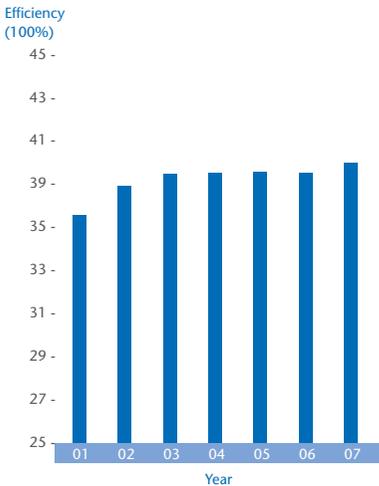
(b) Non Specific Waste



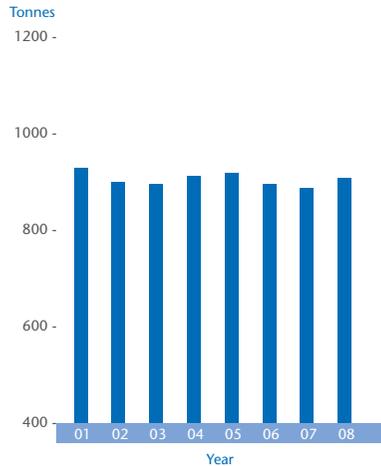
Note: The quantity of specific waste generated is mostly influenced by quantity of Wastewater treatment plant (WWTP) sludge cake. In 2003, 2005, 2007, there were programmes implemented to clean up sludge at WWTP collection basin, therefore the quantity of specific waste were double.

Overall, the decreasing figures of general waste (non-specific waste) indicates the improving efficiency of the plant's waste management program.

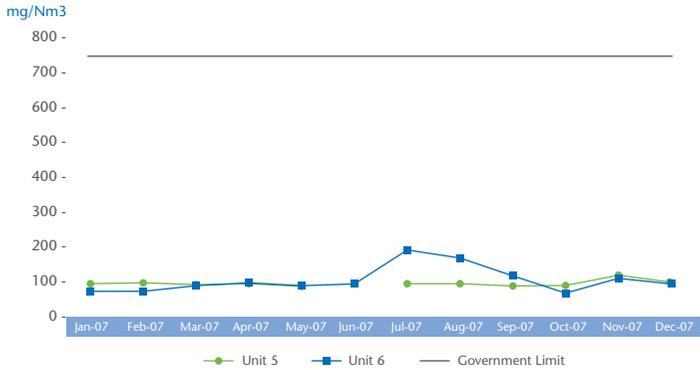
(c) Paiton II Plant Efficiency



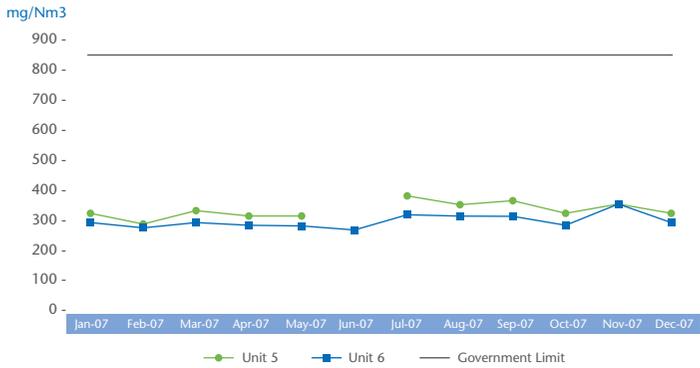
(d) CO2 emission (ton/GWH)



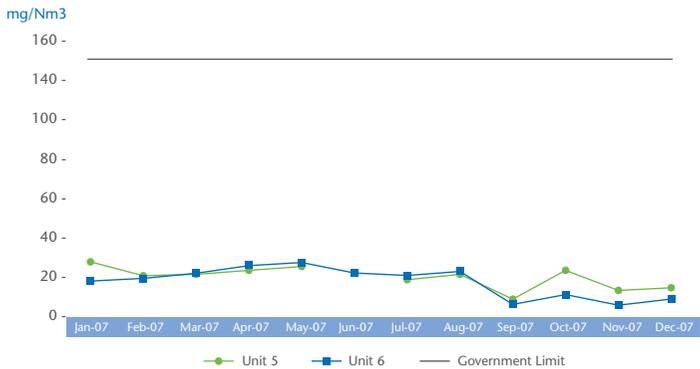
(e) Paiton II SOx Emissions



(f) Paiton II NOx Emissions



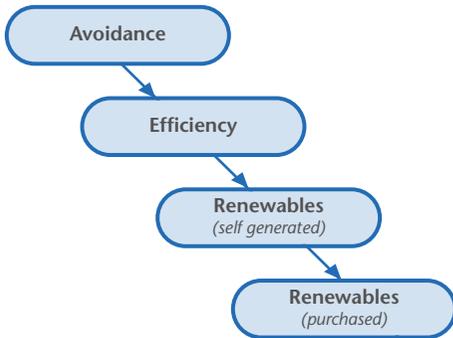
(g) Paiton II Particulate Emissions



Carbon Management

Climate change awareness and carbon management have been at the forefront of Wessex Water's developments and its central aspiration towards becoming a genuinely sustainable water company, tracking its progress against the government's reduction path for greenhouse gas emissions. Its environmental impacts - for example, quantities of water taken from the environment, effluent released into rivers, re-use of sludge and greenhouse gas emissions (mainly carbon dioxide and methane) - are closely monitored through environmental regulation. It is important to note that tighter environmental regulation has consequently benefited the water industry more. Wessex's carbon dioxide emissions are now lower than in 1990 because of technological advancements enabling the carbon content of an average kWh of electricity from the national grid to be lower.

Its carbon management plan involves the first three stages of the carbon hierarchy – avoidance, efficiency, renewable energy.



Source: WessexWater, Striking the Balance 2008 report

As well as specific carbon cutting initiatives, it is implementing a number of management measures to ensure that carbon management is built into decision making and operational activity. The principal gain from activity in 2007/2008 came from the installation of acid-phase digestion at Avonmouth. This has resulted in increased biogas production, lower methane emissions due to non-

employment of secondary digestion and the cessation of liming (which means lower embedded carbon). Wessex Water estimated the reduced carbon dioxide emissions to be 16,000 tonnes - around 9,000 tonnes from energy and methane plus 7,000 tonnes from the use of lime.

The Wessex Water group now produces 11% of its energy needs from its own renewable sources and plans to increase this to 16% by 2010. It is also currently designing a scheme to install four wind turbines at Bristol Sewage Treatment Works in Avonmouth. Each turbine will be capable of generating up to 3MW of electricity, enough to meet the needs of more than 6,000 households. The scheme has importantly taken into account responses following consultation and the findings of an Environmental Impact Assessment (EIA).



Source: Wessex Water, wind turbine leaflet

Wessex Water's sustainability target is set according to the target reduction path in the UK Climate Change Act – a 60% cut between 1990 and 2050. Its total carbon dioxide equivalent emissions were 179,322 tonnes in 2007/08. This means that it is currently in excess of the Climate Change Act target path. But this is principally because of rising energy use and a reduction in the amount of renewable electricity contracted from one of their main suppliers. Its emissions for 2007/08 were as follows:

Item	Description	Unit	Value
1	Total net annual emissions according to the CRC	tonnes of CO ₂ equivalent emissions	139,000
2	Total net annual emissions according to the Defra GHG guidelines	tonnes of CO ₂ equivalent emissions	179,000
3	Net GHG emissions per Ml of treated water	kg of CO ₂ equivalent emissions per Ml	307
4	Net GHG emissions per Ml of sewage treated	kg of CO ₂ equivalent emissions per Ml	725

Source: Wessex Water, *Striking the Balance 2008 report*

Wider Sustainability Initiatives

Wessex Water's Strategic Direction Statement (SDS) was produced following a major programme of quantitative and qualitative customer research. It is apparent that customers wanted the company to become more sustainable in their operations; in particular, to reduce their carbon footprint. The SDS also mirrors its sustainability vision, which acts as its strategy for becoming a sustainable water company.

Investment towards sustainability for the year to 31 march 2008

INVESTMENT TOWARDS SUSTAINABILITY - UNAUDITED

2007/2008
Amount £'000s

CUSTOMERS AND COMMUNITIES

Mandatory expenditure

Example - water supply quality enhancement work such as mains relining 61,879

Discretionary expenditure (a)

-

Discretionary expenditure (b)

Example - replacement of customers' supply pipes; education service 543

Discretionary expenditure (c)

Example - charitable donations to community projects 210

ENVIRONMENT

Mandatory expenditure

Example - capital investment to meet the Bathing Water Directive 27,214

Discretionary expenditure (a)

-

Discretionary expenditure (b)

Example - trials on options for more sustainable water resources 1,759

Discretionary expenditure (c)

Example - conservation grants to Wildlife Trusts 65

EMPLOYEES

Mandatory expenditure

Example - basic pay and conditions including pension 58,790

Discretionary expenditure (a)

Example - enhanced overtime payments 5,594

Discretionary expenditure (b)

Example - staff training 4,696

Discretionary expenditure (c)

Example - enhanced maternity leave -

INVESTMENT - INFRASTRUCTURE

Mandatory expenditure

Example - replacement/refurbishment of sewers 142,697

TOTALS

Customers and communities 62,632

Environment 29,038

Employees 69,080

Infrastructure 142,697

Total 303,447

Mandatory expenditure – expenditure governed primarily by legislation or regulation

Discretionary expenditure (a) – primary benefit to Wessex Water; secondary benefit to others

Discretionary expenditure (b) – equal benefit to Wessex Water and to others

Discretionary expenditure (c) – primary benefit to others; secondary benefit to Wessex Water

Investment towards sustainability is £303.4m up from £199.7m last year as a result of an increase in infrastructure investment.

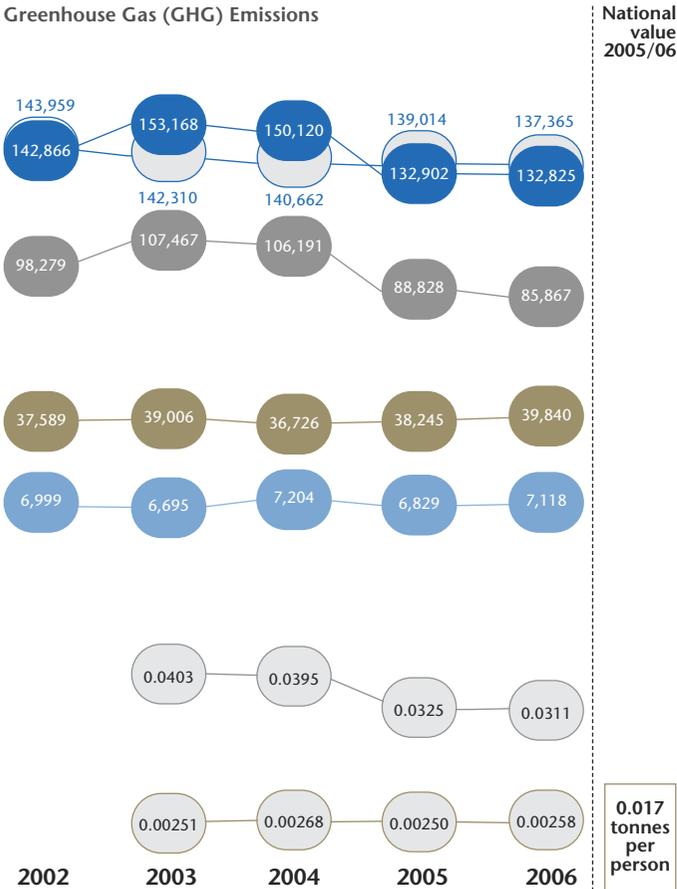
Source: Wessex Water, Annual Review 2008

In addition to investment at Avonmouth, Wessex has made progress in a number of areas:

- The third phase of their Biodiversity Action Plan Partners Programme is well underway. The projects supported are advancing catchment management and river restoration within the region of Bath. Wiltshire Wildlife Trust's Chalk Streams Project – the basis of wider projects that have secured £2m funding from the European Union and the Heritage Lottery Fund – continues to demonstrate best practice in its work to restore sections of the Hampshire Avon and its tributaries. Having shown a strong correlation between land use and nitrate levels in St. Catherine's Valley near Bath, Avon Wildlife Trust has identified three hotspots and is developing incentives to encourage farmers to change practices
- Its catchment management work to tackle nitrates and pesticides continues in South Dorset and South Wiltshire. Soil and water samples are providing clearer evidence of the precise locations where there is a higher risk of groundwater contamination from farming inputs. The quality of the advice being given by its advisors has secured strong buy-in for this work from farmers and other interests

- It is halfway through a major review of its waste management practice. Internal training is being carried out and methods for recording waste data have been improved
- It has also begun composting grit and screenings produced at Avonmouth as an alternative to landfilling

Greenhouse Gas (GHG) Emissions



- Total GHG emissions (tonnes CO₂ equivalent)
- 60% cut from 1990 – 2050 (as per Climate Change Bill)
- Energy (tonnes CO₂)
- Methane (tonnes CO₂ equivalent)
- Transport (tonnes CO₂)
- Energy (tonnes/person CO₂)
- Transport (tonnes/person CO₂)

Source: Wessex Water Sustainability Indicators 2007 Report

Environmental Responsibility

Last year, Wessex Water's total level of greenhouse gas emissions was the second lowest since detailed data collection began over 10 years ago. This resulted from the increased use of renewable energy. Emission calculations for last year were calculated using updated conversion factors from *Defra*.

The water company is currently meeting its target path of reducing emissions by 60% between 1990 and 2050. However, it will face further challenges in the area of carbon management due to increasing treatment standards requiring more energy intensive methods.

Wessex Water's energy consumption has climbed through increase of sewage treatment to meet environmental regulation. The company's carbon dioxide emissions, 95% of which came from consuming energy, has increased significantly in the last few years. The Royal Commission of Environmental Pollution published a report in 2001 that lobbied for a 60% decrease in carbon dioxide emissions from energy use by 2050 to avoid escalating damage to the earth's environment.

Emissions Forecast

The current options for reducing the company's impact are set out below:

REDUCTION OF EMISSIONS

	Carbon Dioxide	Carbon Dioxide and Methane Combined
What we emitted in 1997	101,108 tonnes	168,224 tonnes
What we would need to emit in 2050 (60% less than 1997)	40,423 tonnes	67,312 tonnes
Annual reduction needed from 1997 level	1,145 tonnes	1,904 tonnes

Source: *Wessex Water Website, 'Climate Change and Carbon Management'*

Wessex Water's energy use also increased by 35% - from 200m kWh to 270m kWh - between 1995 and 2005, mainly due the technologies required to meet tight water and effluent quality standards.



The current options for reducing the company's impact are set out below:

1. Improving efficiency of water & sewage treatment

Wessex Water already monitors sites to identify those whose energy use is higher than benchmark levels. While the company is already considered a leader in this activity, further work could become more attractive if energy prices continue upwards.

2. Renewable energy

Wessex Water met its target for 20% of energy to come from renewable sources by 2005. The next target is for 50% of energy to come from renewable sources by 2020, and ultimately 100%.

3. Process Emissions

The main greenhouse gases process emissions are methane and nitrous oxide. These are, respectively, 23 and 310 times more potent as greenhouse gases than carbon dioxide.

Methane

Water regulation brought about more sewage treatment and thus cleaner rivers and coastal waters, but it also meant more sludge (and therefore more methane) being produced. In recent years, Wessex Water has significantly reduced methane emissions by virtually ending the landfilling of sludge, but it is estimated that its emissions remain at least double that of the 1990 level.

Nitrous oxide

These emissions arise principally from ozonation (used to treat drinking water), denitrification within sewage treatment and spreading sludge on land. The UK industry has started to develop systems for estimating nitrous oxide emissions.

Reducing emissions of methane and nitrous oxide to zero is not practicable, given the scale of Wessex Water's sewage and sludge activities. In the long term, carbon offsets might be the only way of completely neutralising these impacts.

4. Transport

Wessex Water's transport fleet – dominated by vans, pickups and tankers - mainly runs on diesel. The carbon dioxide produced is about one twelfth of the carbon dioxide from energy use. While smarter scheduling of vehicle movements can bring about some mileage reductions, the ideal long term solution would be to have the entire fleet running on non-fossil fuels. This is dependent on both the availability of both suitable vehicles and carbon neutral fuels.

To further encourage proactiveness, Wessex Water has signed up to *Fair Shares, Fair Choice* (FSFC), a growing movement of people who are choosing to live and work within a fair share of carbon. Launched in March 2007, FSFC has already attracted over 400 supporters – individuals, businesses, organisations and groups who have signed up to the principle of 'a globally fair and safe carbon share for everyone'. FSFC offers services such as a carbon footprint calculator, a personal carbon budget and a carbon lifestyle coach.

Cement & Construction



A YTL Cement Plant

YTL Cement is the second-largest cement company in Malaysia with a cement production capacity of 6.1 million tonnes per annum. It is the largest ready-mix concrete company in Malaysia, with fully integrated operations across the complete manufacturing value chain, from quarry operations to clinker and cement production, sales and distribution, logistics and ready-mixed concrete.



Its Pahang Cement plant has obtained **ISO 9001** (Quality Management System), **ISO14001** (Environment Management System), **OHSAS 18001** (Occupational Safety and Health Management System) and **ISO/IEC 17025** (Laboratory Accreditation and Management System) Certification since 2001 and is rated **4 Stars** by the Independent Cement Producers Association (ICPA) in London based on the plant's comparative performance in:

- Safety & manpower productivity
- Energy efficiency
- Environmental performance

The **EMS programme** is intended to fulfill a number of objectives, including carrying out the Group's responsibilities as a good corporate citizen by taking a proactive role in adopting environmentally-friendly practices and improving employees' health and safety through the provision of a cleaner and more conducive working environment.

The Group is striving to inculcate a continuous improvement culture within the organisation so as to reduce costs and improve quality, whilst ensuring protection of the environment. These measures were successfully implemented and **MS ISO1400:2004** certification was subsequently officially awarded to its Perak-Hanjoong cement plant in November 2006.

At the Perak-Hanjoong plant, YTL Cement embarked on a number of Operations Improvement Projects with a view to increase production, improve product quality, and reduce costs. All of these projects, including recycling and reuse, has also improved the energy efficiency of the plant and reduced CO2 emissions. The modernisation and improvement projects completed at Perak-Hanjoong works include:

- Optimisation of the raw material sources and quality which improved the stability of kiln operation and increased annual clinker production.
- Modern high efficiency separators have been installed on the raw and coal mills, resulting in increased production, improved burnability and reduced electrical power consumption.
- Static inlet grate installed on the PL2 clinker cooler improved the clinker quality and significantly reduced the fuel consumption of the kiln.
- The clinker cooler and its ancillary equipment at PL1 line is being replaced with a modern, efficient and low maintenance design. When the new cooler is commissioned before the end of 2007, the fuel consumption of the kiln will be significantly reduced, clinker quality optimized, maintenance costs reduced and the run factor increased resulting in higher annual clinker production.

YTL Cement has an environmental policy outlining proper waste management procedures and there are inventories on how much industrial waste is generated and reused. There is typically no waste generated through cement production as by products. However, there are a few industrial wastes due to maintenance work such as used or spent refractories, lubricants and burst paper bags.

Most waste is recycled or reused. Waste refractories, burst bags and spent oil are almost 100% recycled. Used refractories are crushed and reused as part placement for the raw materials used in the cement manufacturing. Used oil is reused as chain open lubrication at coal and remix reclaimers, and are also sold to recyclers. Used grease and contaminated gloves go back to the firing stream to become part replacement of fuel and as for burst paper bags, they go as fuel into the firing process.

The company has regional expansion plans and is currently evaluating investment opportunities in Singapore, China, Middle East & Indonesia. The acquisition of the Jin Yuan cement company in China will further complement YTL Cement's existing core business activities and is in line with its expansion strategy.

What is an attractive opportunity is YTL's Cement's potential to generate **carbon credits and Certified Emissions Reductions (CERs)**. Activities to use alternative fuels in the Perak-Hanjoong cement plant could become a very interesting CDM project at YTL. Based on preliminary calculations by our carbon credit consultancy, **YTL-SV Carbon**, the project could generate RM2 – 3 million per year in extra revenue from carbon credits. The savings in fuel costs are also significant.



Express Rail Link

In 2007, E-MAS has embarked on a “3R Project” jointly with ERLSB to play a part in YTL Corporation Berhad’s long-standing involvement and commitment to environmental protection. It is designed to raise the level of environmental consciousness amongst the staff, as well as inspire everyone in joining the fight against global warming.

The 3R Project

- Reduce** – Minimise the usage resulting in a smaller amount of waste, or using natural resources wisely through conservation

- Reuse** – Use materials in their original form or pass them to others to use

- Recycle** – Reusable material can be remade into either the same product or new products rather than disposed.

E-MAS has already initiated and embarked in some 3R projects as highlighted below:

- **Modification of station lighting control** – Changing station lighting control from a sensor-based to a timer-based one. Timers are also set to turn off lights during non-operational hours and plans have been made to switch to energy saving lighting

- **Optimising Building air-condition systems** - Identified rooms are fitted with fans and Air-Conditioning operations are limited

Environmental Responsibility

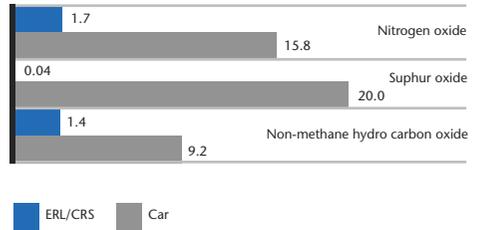
- **Train driving based on Energy Saving Profile (ESP)** - Train Drivers (OTDs) to drive train based on ESP driving profile
- **Recycling of consumables** - Train tickets, used papers, and disposed items, are recycled.

From an environmental perspective, the emission of greenhouse gases (GHGs) is a critical issue for all modes of transport. The following diagrams show a comparison of emissions between the REL/CRS system and a car over a distance of 60 kilometres, approximately the distance between KL Sentral Station and the Kuala Lumpur International Airport (KLIA). It therefore makes sound common sense as well as environmental sense to take the trains to KLIA as they emit less carbon dioxide and are thus less polluting.

The following chart shows the emissions for:

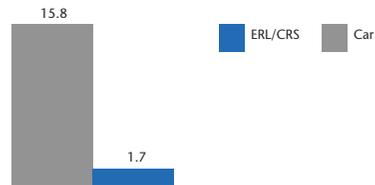
- Nitrogen Oxide
- Sulphur Oxide
- Non-Methane Hydro Carbon Oxides

Emissions g/person/trip



Source: IFFU 1999, E-MAS

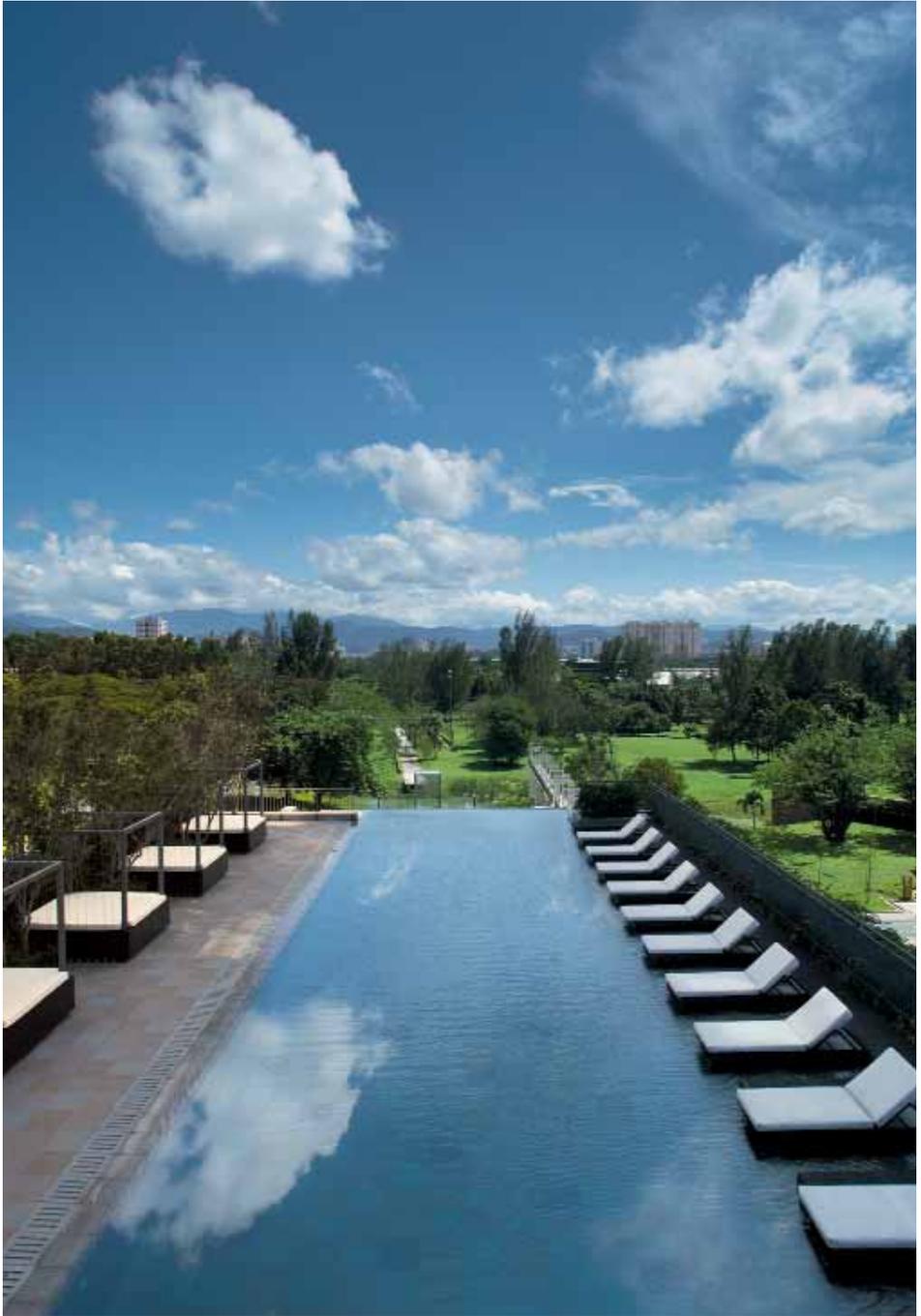
The following chart shows the emissions of carbon di-oxide.



Source: IFFU 1999, E-MAS

Visit www.kliaekspres.com for more information.





Be Part of The Solution

YTL BELIEVES EVERYONE HAS A PART TO PLAY IN PROTECTING OUR EARTH AND THE ENVIRONMENT.

Every time we flip a switch, take a hot shower or drive a car, we release more carbon dioxide that heats up the atmosphere. If everyone went on a low carbon diet, we could lose a bit of weight and even save money but ultimately, we'd end up saving the planet. Want to do something to help stop global warming? Here are 10 simple things you can do.

THE LOW CARBON DIET

Every time we flip a switch, take a hot shower or drive a car, we release more carbon dioxide that heats up the atmosphere. If everyone went on a low carbon diet, we could lose a bit of weight and even save money but ultimately, we'd end up saving the planet.

Rule #1: Finish all your food.

We dispose around one-fifth of the fruits and vegetables we buy over a year. If we finished all our food, lower market demand would reduce production and transport related CO2 emissions. So don't buy more perishables than you can eat in a week. As mum says, "Finish all your veggies."



Rule #2: Bin your trash bin for a week.

As an experiment, avoid disposing anything for 1 week. Drop paper & metal waste at your local recycling centre. Convert food scraps into compost or a treat for a neighbour's pet. Reuse plastic items. After a week, we'd have learned to use the trash bin sparingly.



Rule #3: Feeling blue? Take a cold shower.

A soak in the bath averages 80 litres of water while a 5-minute shower uses only about 35 litres. What's more, if you're feeling a little under the weather, recent studies prove that short, cold showers drive the blues away.



Rule #4: Jog to the gym.

We often choose our gyms based on proximity to the place we work or live. If your gym is a short hop away, consider jogging over. After a few months, you might not even need to go to a gym altogether.



Rule #5: Switch off standby modes.

Electrical appliances left on standby mode slurp up energy in order to support features such as timers, clocks, memory and remote "on" and "off" switches. If you don't want to incur an additional 5% to 13% on your household electricity bill, just use your finger. Switch it off.



Rule #6: Plastic bag? No, thank you.

Decline plastic bags at shopping counters if you can. Use heavy duty canvas bags instead and keep one handy in your car. If shopping for only a few items, use your purse, pockets or hands. When the demand stops, we can finally bag the plastic bag.

**Rule #7: Enjoy the morning paper on the way to work. Carpool.**

Carpooling has many perks. You'll save on petrol and toll charges. You're less likely to be stressed out (if you take turns driving) and more likely to be productive at work. In fact, you'd have already finished reading today's paper.

**Rule #8: Feed your plants.**

Recipe to convert waste into compost. Put aside fruit & veggie scraps. Add tea bags & coffee grounds. Toss in crushed eggshells, shredded paper & soft cardboard. Mix with garden & grass clippings. Leave aside in your garden for 3 - 6 months.

**Rule #9: Support your countryman. Buy local.**

Trucks, lorries and planes cover billions of kilometres a year transporting food, releasing vast amounts of CO₂. So opt for local fruits instead of imported ones. Seafood from Klang instead of air-flown from Alaska. It's good for our economy and Mother Nature.

**Rule #10: Harvest the sky.**

We all love a freebie. And last we checked, rain water is free. If you don't want to install rain harvesting equipment, just place empty buckets in position. Use to wash your car, clean up bathrooms and water your indoor plants.



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Jungle Trekking and Our Resorts

www.pangkorlautresort.com/activities/jungle.htm

Climate Change Week

www.ytlcommunity.com/climatechange

Our Carbon Credit Consultancy Business

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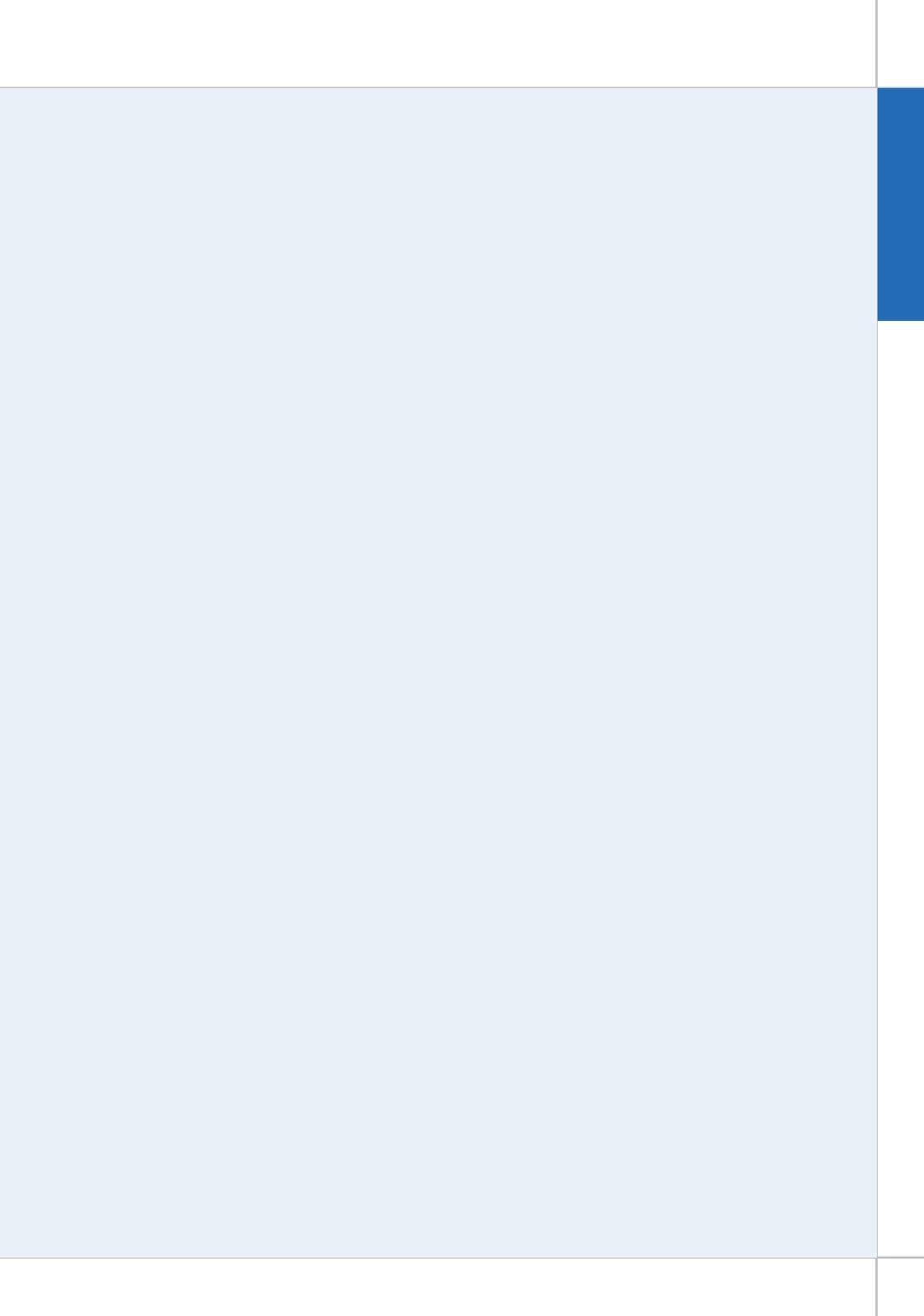
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YTL CORPORATION BERHAD 92647-H

11th Floor
Yeoh Tiong Lay Plaza
55 Jalan Bukit Bintang
55100 Kuala Lumpur
Malaysia
Tel • 603 2117 0088
603 2142 6633
Fax • 603 2141 2703

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