

MAKING A GOOD FUTURE HAPPEN

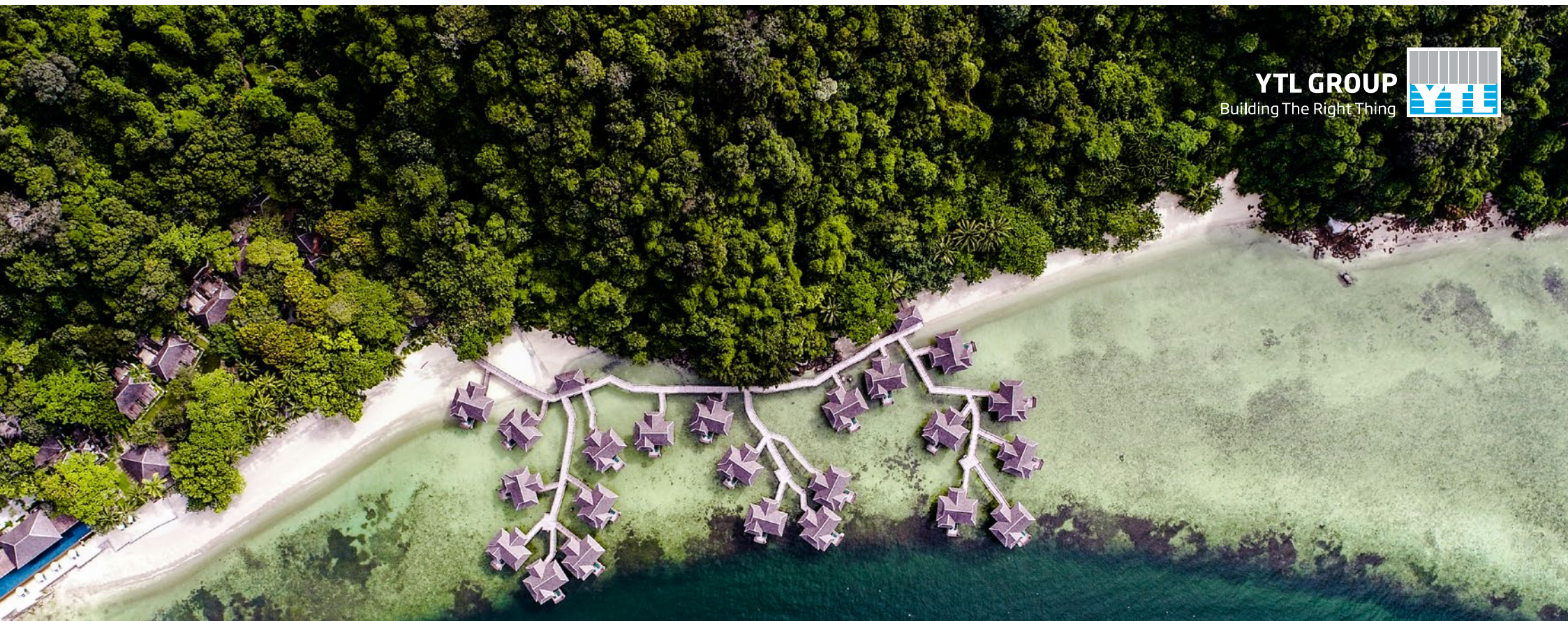
The Journey Continues...

YTL GROUP  
Building The Right Thing



SUSTAINABILITY REPORT

2023



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**MAKING A GOOD FUTURE HAPPEN**  
The Journey Continues...

reflecting our vision on what YTL Group sustainability initiatives aim to achieve internally and externally across the four pillars of YTL Group Sustainability Framework - **Environment, Workplace, Community, Marketplace**

## About This Report

[GRI 2-1, 2-2, 2-3]

We are delighted to present the 17th annual sustainability report of YTL Group. This report provides an overview of the sustainability performance of YTL Corporation Berhad ("YTL Corp") and our subsidiaries ("YTL Group" or "Group") for the financial year ended on 30 June 2023 ("FY2023"), from 1 July 2022 to 30 June 2023, unless otherwise specified. The information presented in this report is consistent and is aligned with the Annual Reports of YTL Corp, YTL Power International Berhad ("YTLPI"), and Malayan Cement Berhad ("MCB") for the same financial year.

This report includes our progress against the commitments we have made and we outline our approach, performance, and accomplishments, all aimed at operating sustainably and creating sustainable value for our stakeholders.



### Reporting Scope

This report covers YTL Group's significant and active operating units, and where we have direct financial control or combined equity share of at least 50%, as reflected in the holding company's Annual Report. This report excludes business units with minority ownership levels (less than 50%), the newly established operations, merging companies and those in the process of acquisition (less than one year), projects under development, subsidiaries divested, joint ventures, and/or associate companies of the Group.

Unless stated otherwise, the environmental and social information provided in this report pertains to our utilities and building materials business in Malaysia, Singapore, and the United Kingdom (UK), meanwhile the workforce data refers to all employees of the YTL Group. Where relevant, sustainability initiatives from other business units are also included in this report.

### Reporting Reference and Guidelines

This report has been diligently prepared in accordance with Bursa Malaysia Securities Berhad ("Bursa Malaysia") Main Market Listing Requirements relating to Sustainability Statements in Annual Reports and the Malaysian Code on Corporate Governance ("MCCG"). We have also benchmarked our disclosures and reporting against the Bursa Malaysia's Sustainability Reporting Guide 3rd Edition, the Global Reporting Initiative Standards ("GRI"), the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard ("GHG Protocol"), and the FTSE4Good Bursa Malaysia Index. We aim to

provide comprehensive coverage of material issues that are relevant to YTL Group and our stakeholders, focusing on areas where we create sustainable value and align with the United Nations Sustainable Development Goals ("UNSDGs").

### Assurance

The information and performance data presented in this report has been verified using internal sources for their accuracy. We continue to work towards improving the processes of standardising data collected across our operations, and developing and implementing stronger data collection mechanisms in order to address the challenges relating to our Group operations in various other jurisdictions, countries, and industries with different laws, regulations, and standards.

We have not sought external assurance for this reporting period, but seeking third party assurance remains under consideration for future reports. This report was prepared by YTL Group Sustainability Team and approved by the Board of Directors of YTL Corp (the Board) on 27 September 2023.

### Additional Information



This report, along with our previous reports, is accessible for online viewing or PDF download on YTL Corp's corporate website. Supplementary information can be found in the sustainability section of our website. Additionally, our subsidiaries also produce their own reports, available on their corporate websites listed on the right, which have more extensive sustainability disclosures and information.

### Forward-Looking Statement

The information presented in this report includes forward-looking statements regarding future expectations. These statements are based on current assumptions and circumstances, which are subject to potential changes.

Whilst we consider these forward-looking statements to be reasonable, they are also subject to known and unknown risks, uncertainties, and other factors that may cause actual results, performance, or achievements to differ materially from the expectations expressed or implied in such statements.

### Links

-  YTL Corporation
-  YTL Corporation's Sustainability Microsite
-  YTL Power International
-  YTL PowerSeraya
-  Wessex Water
-  Malayan Cement

### Feedback

We welcome your comments, thoughts and feedback, which can be directed to:

YTL Group Sustainability Division  
YTL Corporation Berhad  
Email: [sustainability@ytl.com](mailto:sustainability@ytl.com)

# Executive Chairman's Letter to Stakeholders

[GRI 2-22]

**TAN SRI (SIR) FRANCIS YEOH SOCK PING**

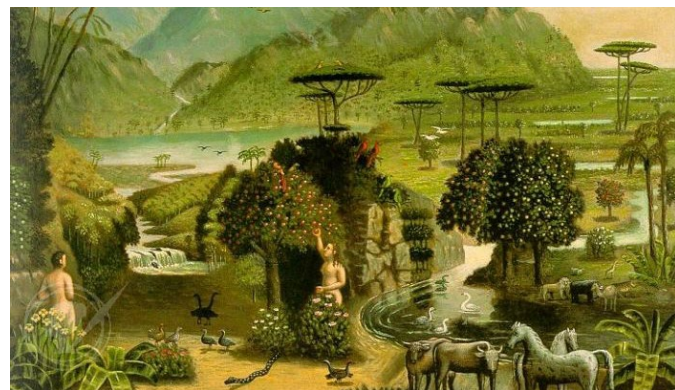
PSM, KBE

Executive Chairman  
YTL Corporation Berhad



## THE GARDEN OF EDEN AND PHYSICAL LIMITS OF THE PLANET

*In the Garden of Eden, God created man and woman and blessed them, and said to them, "Be fruitful and multiply and fill the earth and subdue it, and have dominion over the fish of the sea and over the birds of the heavens and over every living thing that moves on the earth. Behold, I have given you every plant yielding seed that is on the face of all the earth, and every tree with seed in its fruit. You shall have them for food. And to every beast of the earth and to every bird of the heavens and to everything that creeps on the earth, everything that has the breath of life, I have given every green plant for food." (Genesis 1:27-30)*



The Garden of Eden, Field, Erastus Salisbury, 1865

There are approximately 8.7 million species on Earth which we have the power to both protect and conserve. However, in spite of, or perhaps due to the abundance of life and resources on earth, we are failing to protect this magnificent Garden of Eden, and once we have destroyed our home, it may be irreparable. I believe that when God created nature, he made it to be beautiful in his eyes and ours. As it is written in Genesis 2:9, "God caused to grow out of the ground every tree pleasing in appearance and good for food". This inherent beauty radiating from within should make protecting the natural environment instinctive, and to ignore the continued and intensifying signs of environmental destruction is not only foolish, but it is utterly irresponsible.

Epistemic ambivalence means that whilst we may know the reasons for the current planetary state, we cannot be sure of the actual conditions and trajectory. Whilst a percentage of humankind believes that we need to change the way growth and success are measured, we as a species on the other hand seem unwilling to take challenging and sometimes painful and costly steps. However, we need to be reminded again and again that the costs of adapting to more extreme weather events and the consequences of climate change will be much higher than the costs associated with mitigating our impact.

We must collectively agree and act based on the premise that the Paris Agreement of 1.5°C warming is "a physical limit and not a political target" as Johan Rockström, Director of the Potsdam Institute for Climate Impact Research, reminds us. This year we will not post images of a burning or flooded planet, as you have already seen many since our previous report. Instead, I will attempt to look at some of the key environmental challenges and the transformative, restorative, and regenerative approaches we must now consider, and those that YTL Group is currently pursuing throughout our existing cement, power, water, hospitality, construction, and other newer business units. As testament to the constant transformation and mitigation efforts, we are proud to note that YTL Corporation Berhad has maintained its inclusion in the FTSE4Good Bursa Malaysia (F4GBM) Index for the seventh consecutive year, and improved its score on the range of metrics used to measure overall sustainability performance.



FTSE4Good

**YTL GROUP - ACTING LOCAL, IMPACTING GLOBAL**

Understanding and trusting the science is critical, and we do not need optimism to take action. We fully recognise the threats and risks of climate change, and YTL Group continues in its decisive and committed shift in the development of sustainable businesses.

Water is a valuable but generally mismanaged resource, and only 3% of the water on earth is fresh water with an estimated 70% of that locked in ice caps and glaciers. At YTL, we continue to find innovative and sustainable ways to conserve and recycle water in our operations.

Extreme weather events in the UK have created challenges for managing water-stressed regions as well as occasional flooding, and climate change is a threat multiplier. Since these multiple impacts stress the system further, our wholly-owned unit, Wessex Water continues with asset replacement and upgrades, is tackling storm overflows with continued vigour, and is planning to triple investments on further improvements to storm overflows by 2025, amounting to roughly GBP9 million a month with around 93 improvement projects currently in the works.

Meanwhile, at YTL PowerSeraya’s Pulau Seraya and Taser power stations, wastewater is discharged to the open sea after undergoing power plant processes. This wastewater discharge, which is within the environmental limits regulated under the Environmental Protection and Management (Trade Effluent) Regulations of Singapore, is about 24.9% of the total water withdrawn.

After water, concrete is the most widely used substance on the planet, and our cement business has been particularly active in driving the development of sustainable construction materials since the mid-1990s. YTL Cement has expanded their range of eco-friendly products such as ECOcem cement, ECOConcrete, ECOSand, and ECODrymix. The Eco Product Range is specifically formulated to reduce the environmental impact of construction projects whilst maintaining durability and safety standards. This is supported by various sustainability and innovation initiatives such as the use of alternative raw materials in cement production, improving energy efficiency, product certification, as well as research and development (R&D). In addition, CO<sub>2</sub> information labels were introduced on their cement packaging.

We embarked on new green financing initiatives this year, a first for our Group. The YTL Green Data Center Park in Kulai, Johor, Malaysia’s first data centre campus to be co-powered by on-site renewable solar energy, is one of our new digital transformation businesses. This year, we undertook a MYR1.1 billion Islamic term financing facility for Phase 1, with a commitment to secure Gold LEED certification. Integrated with on-site photovoltaic power, the YTL Green Data Center Park aims to provide data storage colocation services to clients looking for more sustainable and lower-carbon solutions within Southeast Asia and serves as the foundation for achieving YTL Power’s greater carbon neutrality for its data centres across the region.



Storm overflow improvement project at Wessex Water



One of YTL Cement’s low-carbon ECOCEM cement and ECOConcrete products



The final vertical which overlays the measurement and management of emissions in our operations and supply chains is our YTL Group decarbonisation targets and roadmaps. The overall group aim of carbon neutral by 2050 has not changed from previous statements, but the roadmap has been refined to include more granularity on specific initiatives. We reaffirm our commitment for Wessex Water to be net zero in operations by 2030 and net zero by 2040, whilst YTL PowerSeraya has set a 60% reduction in emissions against 2010 levels by 2030 and net zero ambition by 2050, and Malayan Cement Berhad (MCB) aspires to be carbon neutral by 2050.

The roadmap for Wessex Water is largely led through internal mitigation of emissions on-site and throughout supply chains, driven by several activities such as utilising biomethane from human and food waste, the reduction and recycling of waste, improved efficiency in operations, and other renewable energy sources such as solar photovoltaic (PV).

For YTL PowerSeraya’s carbon roadmap, many initiatives are continuing concurrently. These comprise maximising energy efficiencies of existing combined cycle and cogeneration plants,

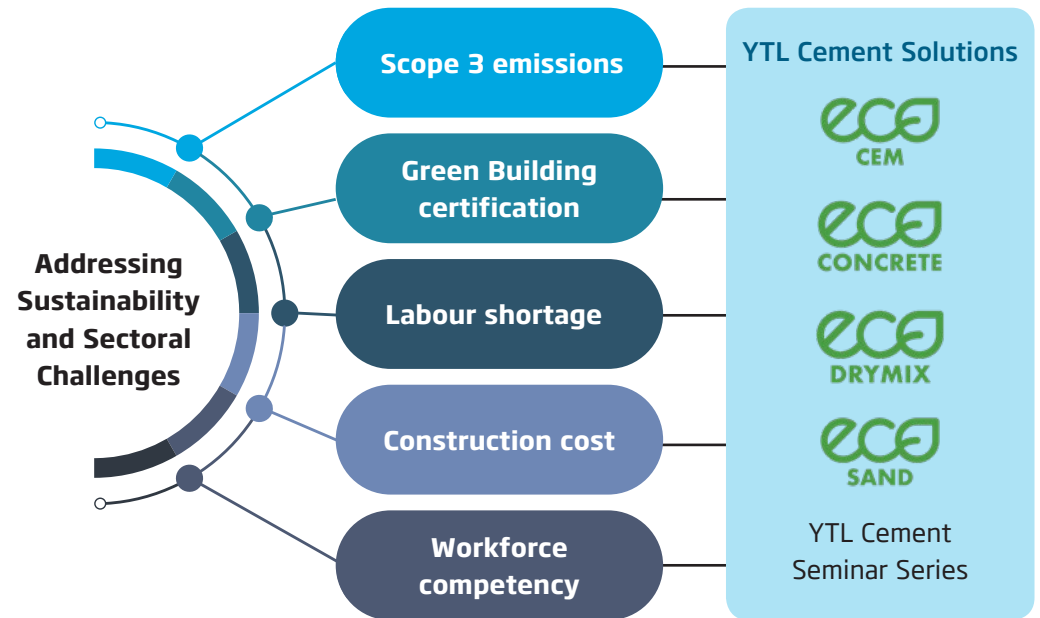
investing in low-carbon power technologies such as hydrogen-ready power generation plants, the import of at least 100 MW low-carbon electricity by 2030, and through the procurement of eligible high-quality international carbon credits to offset at least 5% of emissions commencing in 2024.

MCB’s decarbonisation roadmap covers four areas; production, sustainable construction, CO<sub>2</sub> technologies and fundamentals. MCB aims to reduce greenhouse gas emissions from their operations by improving manufacturing processes, employing energy-efficient equipment, and promoting the use of alternative fuels with reduced carbon footprints, alternative raw materials, and renewable energy. MCB’s employees and a supporting ecosystem are important to the success of their decarbonisation initiatives. The group is investing in R&D, the promotion of low-carbon products, and capacity building, in collaboration with industry players and regulators.

Further details of YTL Group decarbonisation roadmaps are in our *Environment* section on page 22 of this report and in the standalone reports for YTL Power International, MCB, and Wessex Water.



YTL PowerSeraya’s solar PV installation



Malayan Cement Berhad is investing in innovation and R&D in its decarbonisation roadmap

## COMMUNITY, WORKPLACE, EDUCATION AND RESPONSIBLE PRODUCTS AND SERVICES

Whilst matters related to the environment appear to dominate our material issues, the delicate yet clear correlation between planetary health, geopolitical tensions, and societal issues surrounding our workplace and communities at large do not make these any less pressing.

YTL Construction has been very active in organising various events and initiatives that promote workplace diversity, equity, and inclusion (DEI). In recognition, they recently secured the First Runner-Up position for the British Malaysian Chamber of Commerce Award and became the graduates' choice of employers. Wessex Water also continues their progress on DEI initiatives and have formed a Race at Work and Disability Advisory Group and government recognised apprenticeship programme. In terms of workplace health and safety, YTL PowerSeraya obtained the SS 651 standard successfully and also initiated a 3-year safety culture transformation roadmap to promote proactive safety ownership as well as completed the re-certifications of ISO 9001, ISO 14001, ISO 27001, ISO 45001 and BizSAFE STAR. Over the same period, Wessex Water received the President's Award from the Royal Society for the Prevention of Accidents. Internal and external stakeholder engagement are key to ensuring these initiatives bear fruit, and we strive to empower employees through fluid communication and engagement with events such as townhalls, roadshows, after work activities, the annual *Building The Right Thing* awards, and our YTL LEAD Conference.

The other side of engagement comes in the form of community programmes and initiatives. YTL Foundation partnered with the University of Birmingham to co-develop the Teachers for Educational Equity Initiative - an initiative that aims to uplift and empower teachers in underserved schools through world-class teacher education, providing teachers with the skills to meet the diverse needs of their students.

Additionally, the KelasKita programme, an online tutoring programme, which is an evolution of the Learn From Home Initiative, allows implementers to provide tuition (online or on-site) through volunteer tutors using the Learn From Home materials. Drawing on the rich bank of Learn From Home's educational content, KelasKita provides organisations and companies with ready volunteers to collaborate with YTL Foundation, Teach For Malaysia and FrogAsia in tutoring students from low-cost housing communities and other underserved communities.

Wessex Water operates Community Connectors that works with local communities to address the concerns brought up by local communities and supports their goals. They select local projects to fund and community actions to support them.



YTL Construction holding a workshop on workplace diversity, equity and inclusion



Being responsible was the foundation of Corporate Social Responsibility (CSR), a term we see less and less of now, but which still stands as a central pillar of our commitment and moral obligation to all stakeholders. It is not only to balance their interests, but to provide customers with world-class services and products at reasonable prices. Apart from the array of eco-friendly products developed by MCB detailed on page 5, our other business units work with the same principles.

Following the successful launch of Singapore’s First-and-Only customisable green add-on (Renewable Energy Certificates or Carbon Credits) for an electricity plan, YTL PowerSeraya’s retail arm, Geneco SG, expanded Power Eco Add-on’s availability from new sign-ups and renewals to all of its residential customers. As a result, 3,408 customers had opted for Power Add-on as of 30 June 2023, in line with Geneco SG’s commitment to supporting the Singapore Green Plan 2030.

In the UK, like in many other countries, inflation and the cost of living have become major concerns for maintaining sustainable communities. Wessex Water continues to make water affordable and accessible to everyone through their Tailored Assistance Programme (tap), with increased levels of support in 2022. They will further triple the levels of financial support schemes over the next couple of years with the addition of new programmes to help alleviate financial stress in the communities they serve.

**CONCLUDING REMARKS - EINSTEIN AND ANGST**

When Einstein said that “mankind invented the atomic bomb, but no mouse would ever construct a mousetrap,” he was alluding to the concept of humanity unknowingly bent on a path of self-destruction. Whilst we have been on the edge of nuclear war several times, it is humanity’s other inventions that are now slowly but surely eating away at the very fabric of our life and the health of the planet, with fossil fuels at the heart of them. Breaking apart such entrenched systems, infrastructure, and supply chains is not simple, but we have made a commitment to a just and orderly transition ourselves in all our diversified business units.

The extreme weather events and climate disasters of recent years evoke memories of Edvard Munch’s famous painting, The Scream. There are several theories about its meaning. It has been suggested that it represented human angst following the massive eruption of Krakatoa,

**GO GREEN.  
YOUR WAY.**

Only with Power Eco Add-on

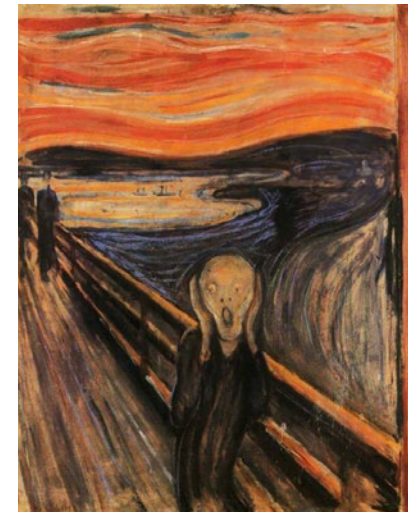
From \$1 More Per Month First & Only in SG



which turned the skies shades of red, partially blocking out the sun, and causing global temperatures to fall by more than 1°C for over a year. In fact, the German name for the artwork was “The Scream of Nature,” and Munch himself suggested that whilst out for a walk, he sensed an “infinite scream passing through nature” as the sun was setting, turning the clouds a blood red. It could be this emotion that some of us are feeling now, representing a final call to action.

Whilst YTL Group values are grounded in our strong religious beliefs, our strategy and approach are based on the science. We cannot be luddites, nor technophiles at a critical moment when we are also seeking to balance stakeholder interests. Facilitating a just and orderly transition forms the basis of our response to the climate crisis and the myriad of related impacts.

May God bless you in all your endeavours.



Edvard Munch, 1895, The Scream

**TAN SRI (SIR) FRANCIS YEOH SOCK PING**  
PSM, KBE  
**Executive Chairman**  
**YTL Corporation Berhad**



# About YTL Group

[GRI 2-1, 2-6]

YTL Group is an integrated infrastructure developer domiciled in Malaysia, with international operations, investments projects under development in countries including Singapore, the United Kingdom, Australia, France, Indonesia, Japan, Jordan, the Netherlands, Thailand, and Vietnam.

The core businesses of YTL Group comprise utilities, building materials, construction, property investment and development, hotel operations, as well as management services and others.

## Building The Right Thing

We have a long-held strategy of building profitable businesses that are financially sustainable, driven by the overriding life philosophy of always doing the right thing for people, society, and the business itself. This vision of “Building the Right Thing” is foremost in our business mindset, pervades our culture, and forms the foundation of everything we do at YTL Group.



## CORPORATE FACTS AT A GLANCE



Providing job opportunities to more than **12,000** people globally



Listed on the Main Market of **Bursa Malaysia** since 1985 and **Tokyo Stock Exchange** (Prime Market Foreign Stocks Segment) since 1996



Operating in **>10** countries across 3 continents



Constituent of **FTSE Bursa Malaysia Mid 70 Index** and **FTSE4Good Bursa Malaysia Index** since 2017



Delivering value-added goods and services to more than **15 million** customers

# Awards and Accolades

## YTL Group

- Tan Sri (Sir) Francis Yeoh Sock Ping, YTL Corporation’s Executive Chairman was awarded the UK-Malaysia Business Personality of the Year Award at the 4th British Malaysian Chamber of Commerce (BMCC) Business Excellence Award 2023, honouring his role in investment developments in the UK.
- Tan Sri (Sir) Francis Yeoh Sock Ping, YTL Corporation’s Executive Chairman won the “Malaysia Real Estate Personality of the Year” at the recent 9th PropertyGuru Asia Awards Malaysia 2022.
- The UK-Malaysia Business of the Year Award at the 4th British Malaysian Chamber of Commerce (BMCC) Business Excellence Awards 2023.



## YTL Foundation

- Learn From Home programme has been awarded the “People’s Choice Award” at the Constellations Awards 2022, conferred by Asian Venture Philanthropy Network (AVPN).



## YTL Construction

- Awarded the Notable Achievement at the Prime Minister’s Hibiscus Award 2021/2022 under the Environmental Performance category.
- Voted as one of the winners for Graduates’ Choice of Employers in the Construction category at Graduates’ Choice Award (GCA) 2023, conferred by Talentbank GCA.
- “Best Companies to Work For in Asia 2022” award at HR Asia Awards 2022, conferred by HR Asia.
- “HR PDL (People Development and Leadership)” award at The Brand Laureate Award Sustainable Business Achievement 2023, conferred by Brand Laureate.
- The First Runner-Up for the esteemed Diversity and Inclusivity (D&I) Award at the 4th BMCC Business Excellence Award 2023.



## Awards and Accolades

### YTL Communications

- “Best Quality of Service”, “Best in Consumer Satisfaction”, “Best in Corporate Social Responsibility”, and “Best Mobile Network Operator with Less Than 5 million Subscribers” at MCMC Star Rating Award 2021.
- “Malaysia’s Top Telco for Availability” award at Mobile Experience Awards 2022, conferred by Opensignal.
- “Malaysia’s Fastest Mobile Network, Q3-Q4 2022” award at Mobile World Congress 2023 (MWC), conferred by Ookla.
- Gold in “Prepaid Plan of the Year” and Silver in “Mobile Telco of the Year” at SoyaCincau Awards 2022.



### YTL PowerSeraya

- Plaque of Commendation (Gold) under the category of “NTUC Oil, Petrochemical, Energy and Chemical Cluster” at NTUC May Day Awards 2023.
- Workplace Safety and Health (WSH) Innovation Award 2023 by the WSH Council and supported by the Ministry of Manpower, Singapore.
- Gold in “Best Use of Social Media”, Silver in “Best Engagement Strategy – B2C”, and Bronze in “Best Use of Contests/Promotions” at Loyalty and Engagement Awards 2022, conferred by Marketing Interactive.
- Silver in “Excellence in Communications/Public Relations” at Marketing Excellence Awards 2022, conferred by Marketing Interactive.
- Silver in “Best Use of Advocates” and Silver in “Best Use of Content” at PR Awards 2023, conferred by Marketing Interactive.
- Announced as Singapore’s No.1 Residential Electricity Retailer by Energy Market Authority as of 2023.



### Wessex Water

- GENeco UK was awarded Gold (highly commended) 1st and 3rd under the Renewable Energy Category at The Royal Society for the Prevention of Accidents (RoSPA) Health and Safety Awards 2023.
- Rated as the top-performing water and sewerage company in the latest UK Customer Service Index 2023 by the Institute of Customer Service.
- Retained the National Customer Service Excellence (CSE) quality mark certificate in acknowledgment to their excellent customer focused culture.



# Our Approach to Sustainability

[GRI 2-9, 2-14, 2-17, 2-22, 2-29]

Founded on the ethos of “Building The Right Thing” (BTRT), YTL Group is committed to consistently reinforcing our creative thinking and innovative approach to ensure our businesses are sustainable, so that we can continue in *Making A Good Future Happen*. We continue to place a strong emphasis on operating responsibly and sustainably to strengthen resilience, mitigate risks, and future-proof our businesses.

Our sustainability strategy remains focused on the four pillars: Environment, People, Community, and Marketplace, as outlined in our Sustainability Framework, and is aligned with the United Nations Sustainable Development Goals (UNSDGs), YTL Group Corporate Statements, Policies and Code of Conduct and Business Ethics. The Sustainability Framework has a comprehensive set of guidelines that serve as the foundation for our current and future sustainability plans, guiding us towards well-rounded goals encompassing economic, environmental, social, and governance aspects.

## YTL Group Sustainability Framework

### Brand Values

*Building the Right Thing*

### Sustainability Commitment

*Making a Good Future Happen*

*Aligned with*

### Sustainable Development Goals



## Sustainability Governance

YTL Group believes that good governance starts with integrity and ethics, it plays a vital role in integrating sustainability goals into our decision making processes, promoting transparency, managing risks, and driving long-term success. Our Board of Directors (the Board) is the highest governance body in our organisation, responsible for overseeing the conduct of our Group’s business operations and financial and sustainability performance.

Our unwavering commitment is to achieve our business objectives whilst delivering sustainable value to all stakeholders. To uphold this commitment, we have implemented robust policies and processes that enhance corporate performance and accountability. These measures are bolstered by our strict adherence to applicable laws, regulations, rules, and international standards in the jurisdictions where we operate.

### YTL Group Sustainability Governance Structure

#### BOARD OF DIRECTORS

- Accountable for the overall sustainability strategy and direction of responsible business operations, risk management, and other ESG-related matters across our value chain.
- Oversees the progress of the sustainability strategy and performance across material governance and ESG issues.
- Reviews and approves the material matters, results, and sustainability report.

↑ Annual reporting

#### EXECUTIVE CHAIRMAN

↑ Periodic reporting

#### YTL GROUP SUSTAINABILITY COMMITTEE (YTL GSC)

- Comprises representatives from YTL Group Sustainability Division and Senior Management from YTL Group’s Business Units.
- Supports the Board in setting high-level sustainability direction and strategic focus.
- Oversees the implementation of sustainability strategy and ESG-related matters.
- Reviews, monitors, and provides YTL Group’s sustainability strategic plans and initiatives across our value chain.

#### YTL GROUP SUSTAINABILITY DIVISION

- Spearheaded by the Head of Group Sustainability.
- Formulates the sustainability framework.
- Leads and oversees YTL Group sustainability strategy implementation.
- Coordinates and implements YTL Group sustainability initiatives and programmes.
- Monitors and tracks YTL Group’s sustainability performance.

↔ Ongoing

↑ Periodic reporting

#### SUSTAINABILITY CHAMPIONS (BUSINESS UNITS/YTL GROUP FUNCTIONAL SUPPORT DIVISIONS)

- Play a significant role in aligning the sustainability agenda with business practices on the ground.
- Integrating sustainability priorities into their day-to-day responsibilities.
- Implementing, managing, and monitoring sustainability activities and monitoring performance.

The YTL Groups’ policies in the following areas are available on our corporate website:




- 🌐 Anti-Bribery and Corruption (ABC Policy)
- 🌐 Global Privacy Policy
- 🌐 Remuneration Policy and Procedures for Directors and Senior Management
- 🌐 Code of Conduct and Business Ethics (The Code)
- 🌐 Human Rights and Ethics
- 🌐 Environment
- 🌐 Health and Safety
- 🌐 Commitment to Ethical Purchasing

The YTL Group Sustainability Committee (YTL GSC), led by the Group’s Executive Chairman, Tan Sri (Sir) Francis Yeoh Sock Ping, supports the Board in setting the high-level sustainability direction and strategic focus, overseeing and monitoring the implementation of our sustainability agenda. Spearheaded by the Head of Group Sustainability and supported by members from the Sustainability Division, key business units, and functional support divisions worldwide, the YTL GSC reports to the Board on an annual basis or more frequently, as and when needed. The Sustainability Champions spanning our operations play a significant role in aligning our sustainability agenda and ensuring the effective implementation of sustainability initiatives on the ground.

## Stakeholder Engagement









To foster profound and meaningful connections with our stakeholders, we utilise designated communication channels to engage with them and gain insights into their perspectives on all aspects of Environmental, Social, and Governance (ESG) and material matters related to our operations. This engagement allows us to better address their needs, deliver sustainable value, and enhance our responsiveness. Our stakeholder engagement process entails identifying and prioritising material issues, as well as periodically reviewing the actions taken to address concerns. The table presented offers an outline of the essential stakeholder groups, the methods employed for engagement, the topics discussed, and our corresponding responses.

### Stakeholder Engagement for YTL Group

Stakeholder Groups	Modes of Engagement	Frequency	Stakeholders' key interests and concerns	Our Strategy
 <b>Employees</b>	<ul style="list-style-type: none"> <li>Intranet, newsletters, and broadcasts</li> <li>Training, town halls, and Leadership Conference</li> <li>Annual performance appraisals</li> <li>Recreational and team-building sessions</li> <li>Public digital platforms (website, LinkedIn, Facebook, Instagram, etc.)</li> </ul>	<p>A</p> <p>Q</p> <p>O</p>	<ul style="list-style-type: none"> <li>Corporate priorities, vision, core values, and ethical conduct</li> <li>Business strategy, direction, and performance</li> <li>Rewards, recognition, leadership, and talent development</li> <li>Competitive remuneration and benefits</li> <li>Human rights and fair labour practices</li> <li>Diversity, equity, and inclusion</li> <li>Workplace health and safety</li> </ul>	<ul style="list-style-type: none"> <li>Opportunities for career development</li> <li>Employee benefits</li> <li>BTRT and Monday Memo</li> <li>Women of YTL (W@Y)</li> <li>YTL LEAD Conference</li> <li>YTL Learning Academy</li> <li>Peer-to-peer sharing sessions</li> <li>The Code, Corporate Statements, and ABC Policy</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>Websites and social media</li> <li>Marketing, promotional programmes and events</li> <li>Feedback channels (emails, phone calls, hotlines, and surveys)</li> <li>Product launches and roadshows</li> <li>Sales team visits and meetings</li> </ul>	<p>O</p>	<ul style="list-style-type: none"> <li>Product and service quality and innovation</li> <li>Competitive pricing</li> <li>Customer experience</li> <li>Safety and security</li> <li>Cybersecurity and data privacy</li> </ul>	<ul style="list-style-type: none"> <li>Global Privacy Policy</li> <li>Innovative products</li> <li>Reliable customer service</li> <li>Appreciation events</li> </ul>
 <b>Shareholders, Investors, Banks and Lenders</b>	<ul style="list-style-type: none"> <li>Annual and extraordinary general meetings</li> <li>Annual reports, sustainability reports, and quarterly financial reports</li> <li>Stock exchange announcements and website updates</li> <li>Investor relations events, analyst briefings, and press releases</li> <li>Regular meetings and networking functions</li> </ul>	<p>A</p> <p>Q</p> <p>O</p>	<ul style="list-style-type: none"> <li>Company growth and value chain</li> <li>Business strategy and direction</li> <li>Financial performance</li> <li>Compliance and governance</li> <li>ESG risk management</li> </ul>	<ul style="list-style-type: none"> <li>Regular investor and analyst engagement</li> <li>Announcement of quarterly financial results</li> <li>Consistent profit generation</li> <li>Being a constituent of FTSE4Good Bursa Malaysia Index</li> <li>Take measures to continuously improve ESG performance</li> <li>ESG performance and disclosure through reporting</li> </ul>

A Annually Q Quarterly O Ongoing

**Stakeholder Engagement for YTL Group**

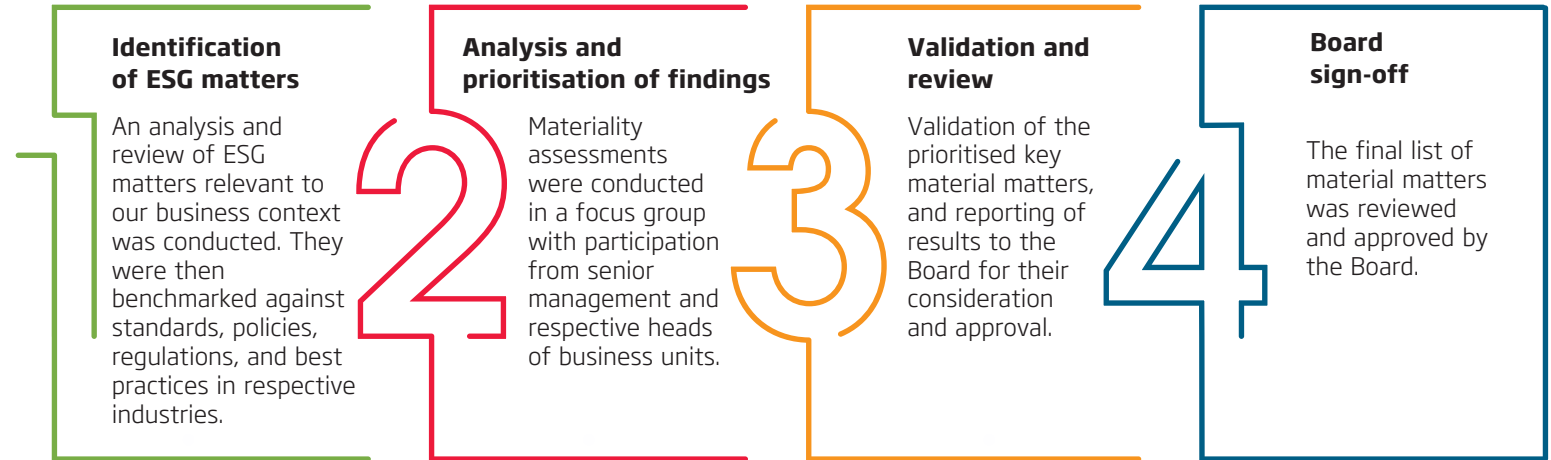
Stakeholder Groups	Modes of Engagement	Frequency	Stakeholders' key interests and concerns	Our Strategy
 <p><b>Suppliers, Business Partners and Industry Groups</b></p>	<ul style="list-style-type: none"> <li>Regular meetings, site visits, and networking functions</li> <li>Product launches and roadshows</li> <li>Supplier briefings, training, and workshops</li> <li>Supplier assessment system</li> </ul>		<ul style="list-style-type: none"> <li>Compliance with industry best practices, legislation, rules, and regulations</li> <li>Health and safety</li> <li>Fair treatment of suppliers and business partners</li> <li>Ethical and responsible conduct</li> <li>Opportunities for business collaboration</li> <li>Local procurement or nearshoring</li> <li>Understanding the requirements and supporting improved supplier ESG performance</li> </ul>	<ul style="list-style-type: none"> <li>Increased compliance audits</li> <li>Appreciation events</li> <li>Seminars and peer sharing sessions</li> <li>The Code, Corporate Statements, and ABC Policy</li> <li>Supporting local small and medium-sized enterprises (SMEs)</li> </ul>
 <p><b>Government and Regulators</b></p>	<ul style="list-style-type: none"> <li>Official meetings and visits</li> <li>Industry dialogues, events, and seminars</li> <li>Industry consultation</li> </ul>		<ul style="list-style-type: none"> <li>Compliance with legislation, rules, and regulations</li> <li>Development and enhancement of resilience of capital markets</li> <li>Opportunities for business investment</li> <li>Community investment</li> <li>ESG integration</li> </ul>	<ul style="list-style-type: none"> <li>Public-Private Partnerships</li> <li>Foreign investment</li> <li>Sharing of industry best practices</li> <li>Embed ESG into business operations</li> </ul>
 <p><b>Media</b></p>	<ul style="list-style-type: none"> <li>Press releases</li> <li>Official launches and corporate events</li> <li>Media coverage</li> <li>Websites and social media</li> <li>Customer magazine</li> </ul>		<ul style="list-style-type: none"> <li>Economic performance, company growth, and value chain</li> <li>Business strategy and direction</li> <li>New projects and future prospects</li> </ul>	<ul style="list-style-type: none"> <li>Regular media engagements</li> <li>Announcement of quarterly financial results</li> </ul>
 <p><b>Communities</b></p>	<ul style="list-style-type: none"> <li>Community outreach programmes</li> <li>Charitable contributions</li> <li>Website and social media</li> <li>Consultation, dialogues, and collaboration with charities and NGOs for community development</li> </ul>		<ul style="list-style-type: none"> <li>Environmental and social impacts</li> <li>Community investments and project-based initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Corporate donations and fundraising</li> <li>Corporate social responsibility initiatives</li> <li>Employee volunteering programmes</li> </ul>

 Annually  Quarterly  Ongoing

**Materiality**

We periodically update the assessment to ensure it remains current, accurate, reflective, and relevant to our businesses. This helps us to align our strategy and day-to-day operation with business needs, and create long-term sustainable value to stakeholders. This year, we carried out an internal assessment and observed that the 18 material matters still remained relevant to our businesses and stakeholders. We plan to conduct a further materiality assessment, to engage with key stakeholders, and publish the results in our next report.

**Materiality Assessment Process**



**YTL Group Materiality Matrix**





Mapping Our Material Matters

YTL Group’s material matters, which are aligned with the UNSDGs, are inherently tied to our sustainability strategy, and they are categorised into four sustainability pillars. The identification of risks and opportunities within each of the sustainability pillars helps us to prepare and integrate suitable action plans into our operations, creating a positive impact on all ESG aspects.

PROTECTION OF THE ENVIRONMENT

Key Stakeholders : Communities, customers, governments and regulators, investors, banks and lenders

UNSDGs :



Materials Matters	Risks	Opportunities	Our Approaches
Climate and energy	<p><b>Short-term (1-5 years)</b></p> <ul style="list-style-type: none"> <li>Physical risks: Increased severity and frequency of extreme weather events including floods and heatwaves that may disrupt operations and increase operational, capital, and supply chain costs</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrate business alignment with environmental and climate change priorities and participation in carbon markets</li> </ul>	<ul style="list-style-type: none"> <li>Improve operational resilience through spare capacity management, regular asset maintenance, and adoption of appropriate technological advances</li> </ul>
Waste management	<ul style="list-style-type: none"> <li>Regulatory and policy risks: Interventions such as escalating carbon prices and/or carbon taxes, as well as new legislations and/or reporting requirements</li> </ul>	<ul style="list-style-type: none"> <li>Leverage new and cleaner technologies with the use of supportive policy incentives, subsidies, and tax benefits</li> </ul>	<ul style="list-style-type: none"> <li>Reduce our impacts on the environment through green initiatives, innovation, and investments.</li> </ul>
Air emissions	<ul style="list-style-type: none"> <li>Financial risks: Increased capital and/or operational expenditure to comply with new regulations, R&amp;D, as well as the adoption of new technologies</li> </ul>	<ul style="list-style-type: none"> <li>Pursue attractive ESG-linked lending options from banks or lenders</li> </ul>	<ul style="list-style-type: none"> <li>Develop and invest in low emission and renewable energy technologies to allow us to fulfil increased customer demands for cleaner energy and circular economy</li> </ul>
Biodiversity	<ul style="list-style-type: none"> <li>Reputational risks: Shift in consumer behaviour and investor preference for more sustainable businesses may influence demand for services</li> </ul>	<ul style="list-style-type: none"> <li>Development and expansion of green business lines through R&amp;D and innovation</li> </ul>	<ul style="list-style-type: none"> <li>Explore viable new green business lines, including incorporation of potential climate-related financial risk management into investment decisions for major growth projects</li> </ul>
Water efficiency	<ul style="list-style-type: none"> <li>Operational risks: Cancellation, expiration, termination, or renegotiation of any concessions or key contracts or the imposition of restrictive regulatory controls</li> </ul> <p><b>Long-term (&gt;5 years)</b></p> <ul style="list-style-type: none"> <li>Physical risks: Longer-term shifts in temperature and precipitation patterns may influence consumer demand, disrupt operations, and/or impact resources</li> <li>Technological risks: Disruption of existing technologies; development and use of emerging low emission technologies and products may affect competitiveness, costs, and consumer demand</li> </ul>	<ul style="list-style-type: none"> <li>Improve resource management efficiency (e.g. biodiversity, energy, water, and waste) to reduce operational costs</li> <li>Identify and invest in innovative technologies and solutions to build adaptive capacity and ensure climate resilience</li> </ul>	<ul style="list-style-type: none"> <li>Efficient resource management through the conservation of both terrestrial and marine biodiversity and ecosystems, energy efficiency, the prioritisation of sustainable water use, and responsible waste management</li> </ul>

EMPOWERING OUR PEOPLE

**Key Stakeholders :** Employees, Suppliers (who work at our operation sites)

**UNSDGs :**



Materials Matters	Risks	Opportunities	Our Approaches
<p>Health and safety</p> <p>Diversity, equity, and inclusion (DEI)</p> <p>Human rights and labour practices</p> <p>Employee development</p>	<p><b>Short-term (1-5 years)</b></p> <ul style="list-style-type: none"> <li>Regulatory and policy risks: Labour rights violations that may lead to regulatory fines as well as business reputation and branding damage</li> <li>Workforce retention risks: Inadequate talent training and development plan, lack of DEI, insufficient incentives or remuneration packages, and stalled career progression that may lead to high employee turnover and talent retention challenges</li> <li>Health and safety risks: Unsafe workplace, physical, ergonomic, and psychosocial hazards coupled with inadequate emergency preparedness that may lead to injuries, illnesses, or accidents in the workplace and regulatory fines and impact business reputation and branding</li> </ul> <p><b>Long-term (&gt;5 years)</b></p> <ul style="list-style-type: none"> <li>Operational risks: Incompetent workforce resulting in reduced productivity, higher operational costs, increased errors and accidents, as well as causing disruptions to business operations</li> <li>Financial risks: Weak workforce can cause the loss of competitive advantage, impact on customer retention, as well as missing business opportunities and damaging company reputation</li> </ul>	<ul style="list-style-type: none"> <li>Develop talent and provide equal opportunities with industry benchmarked standards</li> <li>Uphold principles of human rights and best labour practices</li> <li>Good occupational health and safety practices improve overall productivity and all aspects of physical, mental, and social health and safety in the workplace</li> <li>Promote a positive DEI culture to improve workplace performance</li> </ul>	<ul style="list-style-type: none"> <li>Continuously invest in human resources, including upskilling and re-skilling programmes</li> <li>Ensure employees are able to continue working in a safe and conducive environment with good workplace safety and health practices</li> <li>Exemplify workplace DEI through inclusive leadership, diverse recruitment, comprehensive policies, ongoing education, and a supportive work environment</li> <li>Prioritise local community hiring as it cultivates shared values between the company and workforce</li> </ul>

ENRICHING COMMUNITIES

**Key Stakeholders :** Communities, Media

**UNSDGs :**



Materials Matters	Risks	Opportunities	Our Approaches
<p>Local communities</p>	<p><b>Short- and long-term</b></p> <ul style="list-style-type: none"> <li>Reputation and branding risks: Inadequate community engagement may pose threats and negative impacts on the company's reputation and local support for the company</li> </ul>	<ul style="list-style-type: none"> <li>Build a responsible brand and foster healthy relationships with partners</li> <li>Develop partnerships and collaboration opportunities with like-minded partners for better outreach</li> <li>Use of technologies to enhance the resilience of the local community through capacity building initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Enrich local communities through community engagement initiatives with like-minded partners to create shared values</li> <li>Empower underprivileged and underserved groups through education and by creating opportunities for access to knowledge and education</li> </ul>

EMBRACING THE MARKETPLACE

**Key Stakeholders :** Customers, suppliers, business partners and industry groups, shareholders and investors, governments and regulators, banks and lenders

UNSDGs :



Materials Matters	Risks	Opportunities	Our Approaches
Ethical business and compliance	<p><b>Short-term (1-5 years)</b></p> <ul style="list-style-type: none"> <li>Cybersecurity risks: Data breaches, intellectual property theft, phishing, and social engineering attacks can cause financial losses, reputational damage, and loss of competitive advantage</li> <li>Regulatory and policy risks: Failure to adhere to required standards or relevant regulations may lead to regulatory fines and retraction of the business's license to operate</li> <li>Supply chain risks: Vendors reliability, human rights practices for suppliers' workers, logistics challenges, product quality, and information security create vulnerabilities and possible disruptions in supply chains</li> </ul> <p><b>Long-term (&gt;5 years)</b></p> <ul style="list-style-type: none"> <li>Financial risks: Revenue volatility, payment delays and defaults, transaction fraud, regulatory compliance costs, competition pressure, and limited financing options can negatively impact the company's financial health</li> <li>Reputational risks: Weak corporate governance may lead to potential reputational damage and loss of license to operate</li> <li>Market risks: Inadequate or insufficient investment in innovation and product development reduces the company's competitive position and potential losses in the customer base</li> </ul>	<ul style="list-style-type: none"> <li>Inculcate a strong compliance culture throughout the company</li> <li>Invest in long-term sustainable products and infrastructure to promote business resilience</li> <li>Stimulate and increase competitiveness and create new green business segments</li> <li>Integrate climate-related risk management with the current risk management and internal control framework</li> <li>Build an agile and resilient supply chain that is sustainable</li> <li>Create a secure environment for digital assets, customers, and stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Uphold sound corporate governance and achieve resilient financial performance</li> <li>Implement effective risk management practices as well as board oversight on ESG matters</li> <li>Adopt and enforce a zero tolerance approach towards fraud, bribery, and corruption</li> <li>Implementation of integrity pledge and dedicated ongoing employee training programmes to disseminate and improve understanding of the organisation's policies, business values, and expectations</li> <li>Ensure fair and responsible supply chains and procurement processes</li> <li>Commit to producing world-class products and services at competitive prices for global markets</li> <li>Innovation in products and solutions</li> </ul>
Anti-bribery and corruption			
Governance and transparency			
Financial sustainability			
Risk management			
Cybersecurity and data protection			
Responsible products and services			
Sustainable supply chain			

## Progress On Aspirations



### Carbon neutral by 2050 (in our operations)



#### Approach

- Actively expanding our renewable energy footprint by continuously monitoring and exploring advancement opportunities of existing systems and equipment. We are also avidly looking to increase on-site renewable electricity capacity, where operationally and economically viable.
- To ensure a smooth and just transition towards carbon neutrality in operations by 2050, we are vigorously exploring nascent and breakthrough technologies (e.g., solar and clean hydrogen).
- To report TCFD-aligned disclosures of internalised climate change considerations in risk management and business strategies.

#### Performance and Progress

##### Malayan Cement Berhad (MCB)

- MCB actively seeks ways to improve energy efficiency and optimise the cement production process. This includes replacing outdated and inefficient equipment and addressing factors that affect specific heat consumption through regular inspections and maintenance. The investments made in recent years have significantly contributed to reducing both fuel consumption and emissions, marking a positive shift towards more eco-friendly operations.
- MCB reduces their emissions from fuel by partially replacing traditional fuels with lower-carbon alternative fuels.
- MCB is committed to continuing to develop low-carbon building materials and support the transition to sustainable construction.
- During the year, MCB assessed the potential of two key technologies: oxyfuel and new generation of waste heat recovery.
- MCB's research extends beyond their current operation boundaries through Project ReGen, where trials with microalgae are being conducted.

##### YTL PowerSeraya

- Partner with leading chemical company and data centres to develop proof-of-concept that green hydrogen mixed with natural gas can be used as potential fuel for existing power plant to power the data center ecosystem in Singapore.
- To install an additional 4 MWp of solar installation at the power plant to supplement green energy supplies.
- Actively seeks ways to improve energy efficiency of the power plant such as upgrading gas turbine blades to allow for high temperature firing and installing variable speed drives in feed water pump to reduce energy consumption.
- Diversify energy source by importing 100 MW of electricity.

##### Wessex Water

- This year, 12% of Wessex Water's electricity demand came from renewable electricity generated at the company's sites. Furthermore, biomethane exported by Wessex Water to the gas grid was 2.5 times the natural gas the wastewater treatment centre had consumed.



### Zero single use plastic (SUP) by 2025



#### Approach

- Reducing our generation of plastic waste.
- Raising awareness for operations, employees and customers to use less SUP.
- Monitoring and evaluation: focus on avoidable SUP elimination.
- Continuous improvement through the use of alternative items, innovative solutions, industry best practices, and/or partnerships.

#### Performance and Progress

##### Office Operations

- Reduction of 94% of water cups and bottles; reduction of 9% of cutlery and containers.

##### Hotels Operations

- Reduction of 86% of cutlery and containers and 22% of water cups and bottles; nonetheless, there has been an increase in amenities and food and beverage packaging due to the expansion of our scope.
- Installation of water refill systems and changing to more environmentally friendly amenities, toiletries, takeaway cutlery, and containers instead of disposables at our hotel properties in Malaysia.
- Similarly, our overseas hotel properties are also actively planning to transition to more environmentally friendly water refill systems, amenities, toiletries, takeaway cutlery, and containers.
- Adopting the 3Rs concept and raising awareness.

##### Wessex Water

- Wessex Water is committed to reducing the use of plastic across the region through a range of initiatives and activities, covering three key areas: operational waste plastics, plastic in the water cycle, and plastic used to consume water.
- For operational waste plastics, Wessex Water no longer uses a range of disposable and single-use items, such as bottles and cups. They have replaced protective plastic packaging with shredded recycled cardboard. They also worked with waste contractors to estimate how much plastic the business uses for target setting and to identify further improvements.
- In 2022, Wessex Water completed the installation of 24 new drinking water refill units across the region. The units are well used, providing free water and preventing more than 245,000 single use plastic bottles going to landfill every year.



## Zero fatalities



### Approach

- Putting strong focus on the safety of our people.
- Growing our capacity and better protecting our people through enhancement of standard operating procedures (SOPs).
- Providing professional education and training as a critical tool in staying abreast of the shifting trends of health and safety in the workplace.

### Performance and Progress

- MCB recorded 31,073 hours of training and conducted 1,344 workplace inspections to further improve operational safety. A new YTL Cement Group Logistic Safety Standard was rolled out for its logistics operations.
- YTL PowerSeraya successfully recertified of ISO 9001, ISO 14001, ISO 27001, ISO 45001 and BizSAFE STAR.
- Wessex Water received the Royal Society for the Prevention of Accidents' President's Awards, with 11 golds.



## Zero tolerance for bribery and corruption



### Approach

- Maintaining the highest standards of corporate governance and ethical business practices.
- Issued Anti-bribery and Corruption (ABC) policy.

### Performance and Progress

- Zero cases of bribery and corruption reported.
- The ABC policy and the Code of Conduct and Business Ethics have recently undergone revisions to better align with our evolving business landscape and regulatory requirements.



## Empower and enrich local communities



### Approach

- Empowering youth and underprivileged groups by providing access to quality education and sharing valuable knowledge.
- Improving livelihoods of those in need through financial aid, in-kind contributions, and volunteering.
- Enriching local communities through community outreach initiatives to create shared values.

### Performance and Progress

#### YTL Foundation

- YTL Foundation currently supports 70 active scholars studying in both local and international educational institutions.
- The Teachers for Educational Equity Initiative was launched to provide world-class quality education to teachers teaching underprivileged communities in Malaysia.

#### MCB

- Through its YTL Cement Seminar Masterclass series, MCB collaborated with Universiti Teknologi Petronas, Universiti Teknologi MARA, Universiti Malaya, and Universiti Putra Malaysia to conduct seminars and workshops on cement, concrete, architecture, and ESG topics. The goal is to offer a platform where undergraduates and young individuals with potential can learn about sustainable construction from industry practitioners and gain insights into the construction industry.
- MCB will contribute to the *Simen Rahmah* scheme by The Cement and Concrete Association of Malaysia (C&CA) which has pledged to supply up to one million tonnes of cement to approved affordable housing projects at a special price.

#### YTL PowerSeraya

- Support the Singapore-Industry Scholarship and the Energy Industry Scholarship programmes to develop and nurture young talents for the power sector.
- Donated SGD45,000 and planted 200 trees in support of Singapore's OneMillionTrees movement.

#### Wessex Water

- Wessex Water developed Community Connectors, a place-based engagement scheme to involve the local communities in identifying and achieving environmental and social goals together.

# Protection of the Environment

## OUR COMMITMENT

Integrating responsible and sustainable environmental strategies into our core business decisions to protect and enrich the natural environment for future generations

## ALIGNED WITH



## OUR APPROACH

- Minimising the environmental impacts of our operations
- Protecting and conserving both terrestrial and marine biodiversity as well as their ecosystems
- Reducing greenhouse gas emissions through energy efficiency and renewable energy towards a low-carbon economy
- Managing waste streams through responsible waste management, whilst optimising resource efficiency towards a truly circular economy
- Prioritising sustainable water use and efficiency

## Protection of the Environment

[GRI 2-27, 302-1, 302-4, 303-1, 303-3, 303-4, 303-5, 304-1, 304-2, 304-3, 305-1, 305-2, 305-3, 305-5, 306-2, 306-3, 306-4, 306-5]

The urgency to conserve and preserve the environment and its resources is becoming increasingly critical as the world continues to prioritise profit-making development. Natural conditions are exacerbated by the emergence of El Niño, the weather system that has been bringing record-breaking heat waves to regions in the Southern Hemisphere in 2023<sup>1</sup>, which may soon be a frequent occurrence. On a positive note, more and more companies are recognising the dire importance of taking action against environmental deterioration. Maintaining a sustainable business helps minimise risks related to climate change and environmental disasters and can help build resilience.

At YTL Group, we understand the need for collective efforts to safeguard the environment in order to secure our future. Hence, we continue to focus on sustainable development through the commitments spelt out in our Corporate Statement on Environment, and Code of Conduct and Business Ethics - Responsible Corporate Citizen, which can be accessed on our corporate website. We uphold the highest environmental standards in our work by improving our environmental performance and minimising our environmental impacts through our collective efforts in climate change strategy, energy, waste and water management, and biodiversity conservation. These serve as the groundwork for us to guide our business units in setting their own targets in reducing environmental impacts.

Our investments in the protection of the environment have resulted in a growing portfolio of green investments, environmental technologies, greenhouse gases (GHG) emission reduction measures, resource efficiency, and biodiversity conservation programmes across YTL Group. It is our aspiration to foster a prominent presence amongst conglomerates in environmental protection and stewardship through learning from experts and sharing best practices with our stakeholders in *Making A Good Future Happen*.



<sup>1</sup> Source: <https://www.carbonbrief.org/record-breaking-2023-heat-events-are-not-rare-anymore-due-to-climate-change/>

## ENVIRONMENTAL MANAGEMENT AND COMPLIANCE

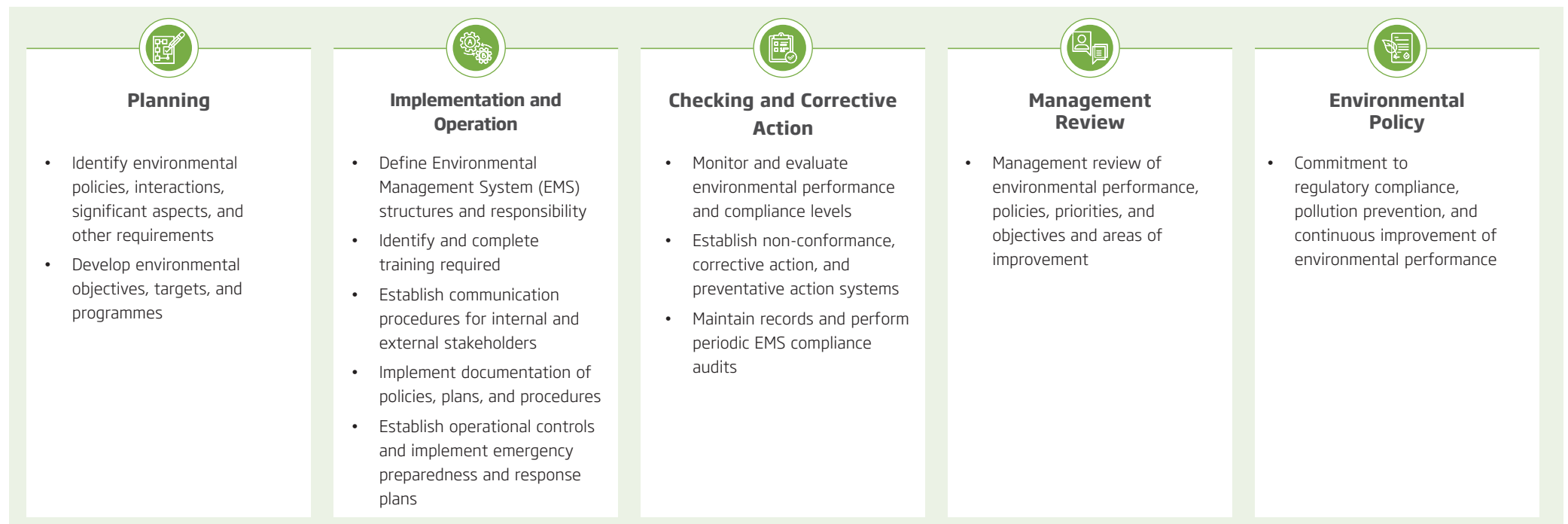
At YTL Group, our approach to managing environmental impacts is based on stringent operating practices and adherence to high international standards and local regulatory requirements. We are committed to minimising negative impacts on the environment and optimising our operational efficiency during the design, planning, construction, and operation of our projects and businesses. We stay updated on local, national, and international regulations that apply to our operations, ensuring compliance and maintaining our social license to operate.

Driven by YTL Group Corporate Statements – Environment and the respective business units’ Environmental Policies, our environmental management and compliance commitments are aligned with ISO 14001 Environmental Management Systems which include environmental impact and risk assessments, laws and regulations, due diligence, planning, and monitoring. Standard operating procedures are established and reviewed regularly to ensure they are up to date with the latest environmental requirements set by relevant authorities in order to manage and mitigate environmental risks arising from our operations and those within our supply chains.

All of MCB’s cement plants are ISO 14001 Environment Management System certified, which is the same as YTL PowerSeraya and Wessex Water. A full list of certifications attained by our business units can be found in the *Other Information* section on page 102.

Additionally, YTL Group provides periodic training and awareness programmes for our employees to ensure they are well-versed in basic knowledge on environmental management and its effective implementation. Topics covered included climate change, environmental policies and operating procedures, environmental legal compliance, environmental emergency preparedness and response, energy savings, waste and water management.

We ensure all our plants and operations comply with legal and regulatory requirements. We have dedicated individuals at each location responsible for ensuring our activities are compliant with permit conditions, local laws, and regulations on environmental issues such as air emissions, waste, pollution, etc.



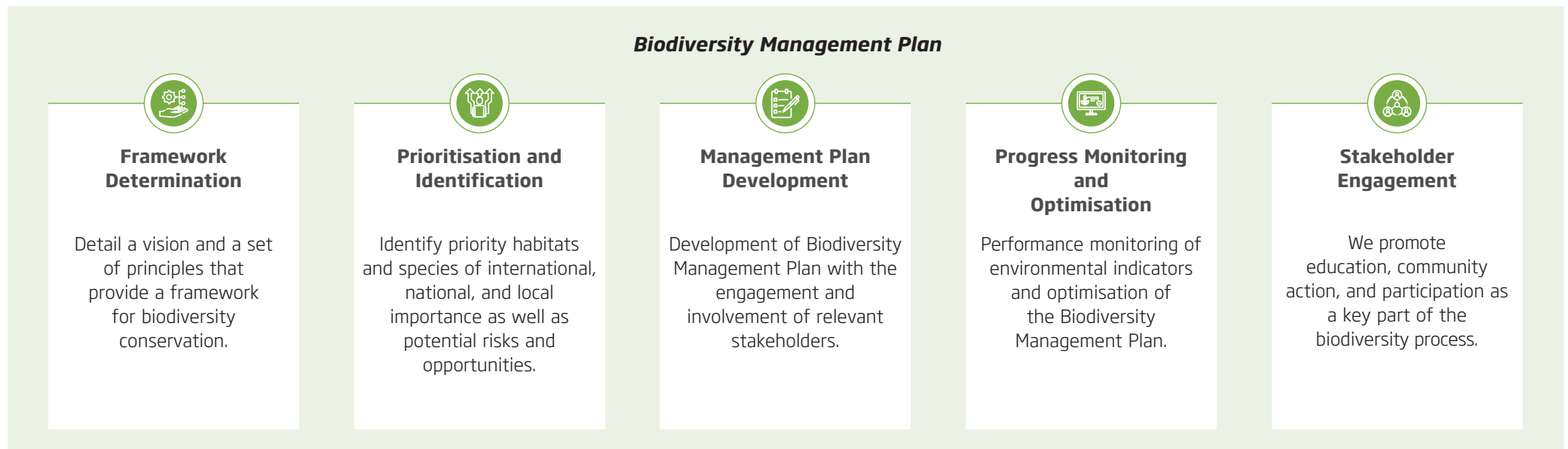


## BIODIVERSITY

Biodiversity is vital for the health of the planet and its inhabitants, and a report from the World Economic Forum has stated that ecosystem services are worth at least USD44 trillion – over half of the world’s GDP<sup>2</sup>. We recognise the importance of biodiversity and the consequences of its degradation towards the environment and on humans, and hence, it is our responsibility as stewards of the Earth to facilitate the restoration and preservation of all living and inanimate things.

### Management Approach

We understand that our business operations may bring about detrimental consequences to the environment and biodiversity in the vicinity, hence, we implement conservation initiatives and educational programmes that promote awareness amongst our employees and local communities. Our teams on the ground regularly engage with and seek partnership opportunities with their local organisations and communities so that appropriate programmes can be implemented in the local context. We also ensure compliance to relevant regulations and adopt the principles of mitigation hierarchy – avoiding, minimising, restoring, and offsetting potential adverse impacts that arise from our operations.



<sup>2</sup> Source: World Economic Forum Report: Nature Risk Rising: Why the Crisis Engulfing Nature Matters for Business and the Economy [https://www3.weforum.org/docs/WEF\\_New\\_Nature\\_Economy\\_Report\\_2020.pdf](https://www3.weforum.org/docs/WEF_New_Nature_Economy_Report_2020.pdf)

### Environmental Screening and Monitoring

Environmental screening is conducted to review and assess the potential environmental risks and impacts, including the biodiversity value of development projects and operational activities in YTL Group. These come in the form of Environmental Impact Assessment (EIA), where preliminary habitat research is carried out to identify potential environmental and social impacts, for which mitigation plans are devised accordingly.

Malayan Cement Berhad (MCB) has been practising responsible quarrying. All of the company's quarries are in locations gazetted by the local government for mining and production. MCB has the permits to operate and their operations are fully compliant with applicable regulations by relevant authorities. The company also regularly reviews plant performance in meeting internal standards and requirements of environmental laws and regulations. Each site has a mining development plan with strict adherence to environmental requirements and health and safety procedures.

Wessex Water has agreed actions with Natural England to improve a number of Sites of Special Scientific Interest (SSSI) in the region. They exceeded the target number of actions to be delivered by 2022-23. Of Wessex Water's SSSI landholding, 63% is in favourable condition and 30% is classified as unfavourable - recovering, a total of 93%. This is unchanged from last year. Work is also ongoing towards the UK government's 25 Year Environment Plan target to restore 75% of protected sites to favourable condition.

### Conservation of Life on Land and Life Below Water

Life on Earth is made up of complex interactions between living organisms, making them interdependent for survival. Conservation of life on land and life below water can maintain ecological balance which ensures both environmental and economical sustainability; ultimately, healthy ecosystems can positively contribute to our climate goals. YTL Group has established various initiatives that aim to restore and preserve terrestrial and marine ecosystems, aligning with SDG 14: Life Below Water, SDG 15: Life On Land, and SDG 17: Partnerships For The Goals.

For almost a decade, we have been partnering with a myriad of Non-Governmental Organisations (NGOs) with different areas of expertise to carry out biodiversity conservation initiatives. In doing so, we support grassroot organisations in their missions to protect the environment, whilst achieving our aim of addressing conservation gaps within the vicinities of our operation sites.



Various conservation programmes across YTL Group

## Life on Land Initiatives

### **Gaya Island Resort (GIR)**

- GIR expanded the existing mangrove nursery to enhance mangrove species diversity. They have also established another nursery in the mangrove forest itself and is estimated to have capacity for more than 1,500 saplings. The naturalist team visited the Sulaman Wetland Centre in March 2023 to obtain more mangrove species for this.
- Multiple mangrove planting methodologies have been tested with varying number of seeds/saplings and varying stages of maturity. Eventually, the most successful method was planting 250 one-year-old saplings, which presented an 83% survival rate. This has encouraged the re-establishment of the mangrove nursery and expansion on a different site.
- GIR also launched “The Young Explorer”, a new nature programme for young kids to educate them on the importance of conservation. They are guided around the resort observing wildlife and are encouraged to complete a wildlife journal at the end of the session.
- GIR collaborated with Danau Girang Field Centre and Tunku Abdul Rahman Park (TARP) to implement a camera-trapping programme, aiming to establish a proper wildlife species database and to monitor illegal activities. Habitat variables and statistical studies were used to classify wildlife species and their habitats, whilst EIAs were conducted to assess potential impacts on larger wildlife species and the possibility of avoiding areas inhabited by humans.

### **Malayan Cement Berhad (MCB)**

- In 2014, MCB established The Centre for Biodiversity, Conservation, and Research Efforts (BCRE) to develop a better understanding of the karst system and its biodiversity, to help them achieve a good balance between conservation and development.
- There are currently two active initiatives: the Kanthan Biodiversity Conservation Initiative at Gua Kanthan and the Langkawi Biodiversity Conservation Initiative at Gua Pinang. MCB worked with the Institute of Biological Science, Universiti Malaya (UM) to develop the biodiversity inventories for Kanthan in 2014 and Langkawi in 2016.
- In Kanthan, the Elephant Pupinid snail translocation project that was initiated in 2020 in collaboration with University Malaysia Sabah and RIMBA to study suitable living conditions to ensure their survival following translocation, was revisited in 2023 to monitor its progress. Eleven newborns were recorded – such successful reproduction within the first three years were promising indicators for the viability of the translocated population.
- In Langkawi, MCB has committed to conserving Gua Pinang, one of the largest caves on the island of Langkawi. Langkawi has recently achieved its fourth revalidation for its UNESCO Global Geopark status, underscoring MCB’s collective commitment. MCB will continue their conservation endeavours to ensure the continuation of this esteemed recognition.

### **Pangkor Laut Resort (PLR)**

- PLR established the Nature Conservation Centre in 2021 as part of their long-term strategy and vision to help conserve their unique surrounding environment. The centre helps to educate hotel guests on PLR’s biodiversity and conservation efforts.
- Upon completion of a preliminary wildlife survey, PLR has produced a booklet on terrestrial and marine wildlife to be shared with hotel guests with an interest in PLR’s wildlife. A total of 212 wildlife species were recorded.
- PLR accepted two interns as an extension of the internship programme at Gaya Island Resort (GIR) in partnership with University College Sabah Foundation (UCSF). The interns carried out census research for the Oriental Pied Hornbill to obtain population data.



## Life below Water Initiatives

### Tanjong Jara Resort (TJR) x Lang Tengah Turtle Watch (LTTW)

- 17,691 eggs were saved and 20,538 hatchlings were released in the current year.
- Since its inception in FY2016, a total of 107,024 eggs have been saved from 1,268 nests and 76,750 hatchlings have been released.
- The resumed guest engagement activities (Visitors' Hut, nest checks, and hatchling releases) have seen over 6,466 TJR guest visits to the hatcheries.
- A part of the previous beach hatchery next to the Visitors' Hut was swept away in October 2022, leading to the formation of two new guest hatcheries further inland to escape beach erosion.

### Gaya Island Resort (GIR)

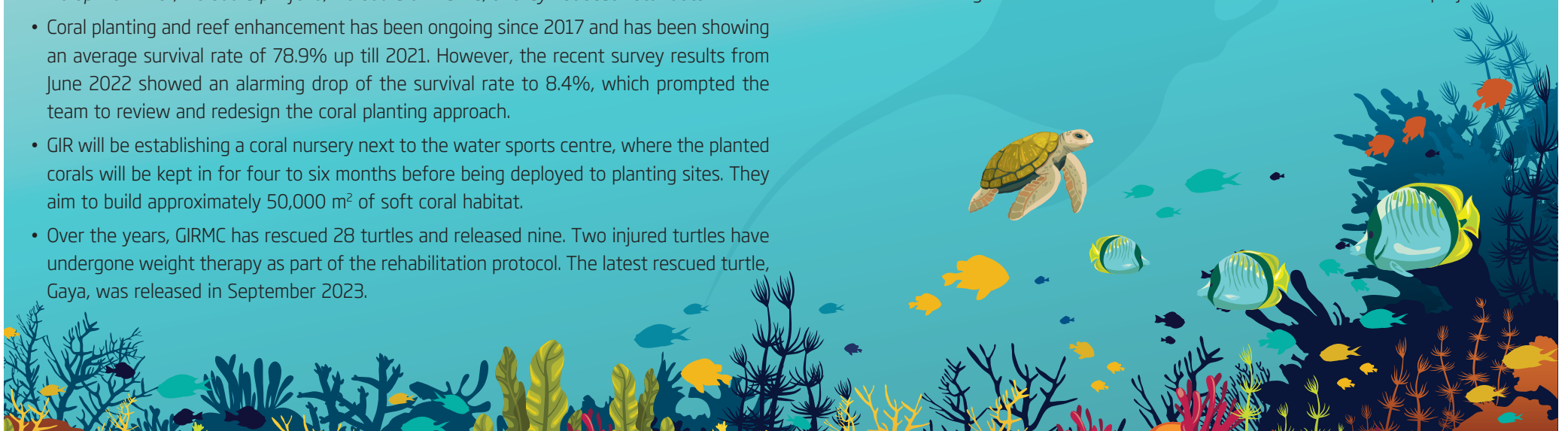
- Seagrass research initiated in 2018 to evaluate the most suitable method for seagrass propagation. Three different methodologies with seven species of seagrass were introduced.
- Four years later, the naturalist team has identified the most successful method where seagrass has grown over an area of 255 m<sup>2</sup>. The growth rate was recorded at 4.77 m<sup>2</sup> per month and measured over a healthy seagrass meadow covered with *Halophila ovalis*, *Halophila minor*, *Halodule pinifolia*, *Halodule uninervis*, and *Cymodocea rotundata*.
- Coral planting and reef enhancement has been ongoing since 2017 and has been showing an average survival rate of 78.9% up till 2021. However, the recent survey results from June 2022 showed an alarming drop of the survival rate to 8.4%, which prompted the team to review and redesign the coral planting approach.
- GIR will be establishing a coral nursery next to the water sports centre, where the planted corals will be kept in for four to six months before being deployed to planting sites. They aim to build approximately 50,000 m<sup>2</sup> of soft coral habitat.
- Over the years, GIRMC has rescued 28 turtles and released nine. Two injured turtles have undergone weight therapy as part of the rehabilitation protocol. The latest rescued turtle, Gaya, was released in September 2023.

### Pangkor Laut Resort (PLR) x Reef Check Malaysia (RCM)

- Recent surveys by RCM around Sembilan Islands, Pangkor and PLR have found high levels of disturbance indicators such as discarded fish nets, trash, and rubble at the survey sites. Fish have also been heavily harvested. This deterioration in reef health may reflect the increase in economic activity following the COVID-19 pandemic.
- RCM rehabilitates reefs through coral propagation, which involves attaching coral fragments onto concrete blocks.
- There were no new coral nubbins or blocks added this year as the previously transplanted coral colonies since 2020 are growing and thriving.
- These corals have been observed to be growing well on the concrete blocks, and have branched out and spread. A variety of fish and invertebrates have been attracted to the sites, indicating increase in marine diversity.

### Pangkor Laut Resort (PLR)

- The naturalist team has removed more than a tonne of ghost nets lying in coral reefs and tangled around building pillars.
- PLR collaborated with a local veterinary student to run preliminary reef monitoring with the aim of evaluating the coral reef distribution for future reef construction projects.



Feature Story

**Nature-based Solutions and Conserving Biodiversity**

Wessex Water is utilising nature-based solutions to tackle environmental challenges at strategically selected sites. Nature-based solutions are sustainable actions that utilise nature to address socio-environmental challenges and benefit both people and the environment.

In addition, as part of the Water Industry National Environment Programme (WINEP), Wessex Water has a five-year project delivered by their Conservation Access and Recreation (CAR) team to support and enhance biodiversity on land at Charmy Down, Durleigh Reservoir, and Bleadon Levels. The project is restoring and creating priority habitats on these sites, including improving and managing public access where appropriate. The team has used expert advice and wildlife surveys to establish the extent and method of restoration, ensuring sensitive delivery of the project for both wildlife and people. Throughout this project, Wessex Water will sensitively improve sites including lowland mixed deciduous woodland, wet woodland, lowland calcareous grassland, ponds, lowland meadows, and saltmarsh, to the benefit of their associated wildlife.

**Charmy Down**

A former reservoir near Charmy Down is being given a biodiversity makeover by the CAR team. Certain areas are being re-seeded with a local grass and wildflower seed mix and whilst mature woodlands will remain untouched, some scrub and secondary woodland areas are being managed to provide a mix of open and densely-vegetated habitats. Cattle grazing will provide a sustainable management solution for the created and restored habitats following the installation of water troughs and access. Some footpath steps on the public right of way running through the site are also being refurbished to facilitate better access and amenity.

Charmy Down links up with other neighbouring areas of rare grassland habitat, which will amplify the effect of the restoration and help to bolster plant and insect resilience to climate change threats. This project will encourage species such as the clustered bellflower, bee orchid, mining bees, and chalkhill blue butterfly to return to this limestone grassland and re-establish their populations.



**Durleigh Reservoir**

Durleigh Reservoir has newly-built wetlands that act as a nature-based solution in boosting biodiversity value of habitats on site whilst improving water quality. These wetlands were constructed as part of a three-year GBP50 million scheme to revamp the Durleigh Water Treatment Centre, which was returned to operation in late 2022.

Findings have shown a 55% to 75% increase in biodiversity in the surrounding river and land habitats, according to measurements calculated through the Natural England Biodiversity Metric. The wetlands have brought significant wildlife benefits, welcoming a diverse array of wildlife, including amphibians, dragonflies, birds, and wildflowers. The CAR team's work at Durleigh is building on this success, creating a mosaic of habitats such as ponds and seasonal pools, wet woodland, lowland mixed deciduous woodland, and lowland meadow.



**Bleadon Levels**

Wessex Water is introducing grazing cattle to the saltmarsh at Bleadon Levels as an attempt to allow as wide a variety of species as possible to thrive within this ecologically-vital area near Weston-super-Mare. A type of grass called sea couch has become dominant and formed a tall, dense mat within the habitat, preventing wading birds and wildfowl from feeling safe enough to roost there. Many of these birds require lower-growing vegetation to help them stay on guard for nearby predators, such as the peregrine falcon and buzzard.

The CAR team aims, with the introduction of a herd of around 30 cattle, to manage the biodiversity of the 16-hectare site. Cattle will munch on the sea couch, keeping its growth under control and hence encouraging rare birds to roost at high tide, whilst also promoting the establishment of a wider variety of plants that provide a habitat for specialised invertebrates and hence birds and small mammals, thus conserving biodiversity in this coastal saltmarsh. This effort is scheduled to take place between 2023 to 2025. Saltmarshes have wider environmental benefits than just biodiversity that have been carefully considered in the project design: vegetation on saltmarshes traps tidal sediment, locking up the carbon and preventing future release as carbon dioxide, and the structural complexity of the land also helps with flood protection.



**CLIMATE CHANGE**

Greenhouse gas (GHG) emission levels continue to break new highs and scientists have emphasised that the world is rapidly depleting its “carbon budget” in order to stay within the 1.5°C global temperature rise limit<sup>3</sup>. Corporates collectively have the power to make decisions that will move the needle and minimise the severity of climate change impacts.

In line with YTL Group’s commitment towards reaching carbon neutrality in operations by 2050, we strive to assess and mitigate climate-related risks in anticipation of stricter climate regulations and higher carbon prices. Our ongoing efforts to reduce, mitigate, and adapt to climate change are continually refined to meet the evolving challenges posed by climate change.

**Management Approach**

Establishing effective climate governance is essential for developing a comprehensive top-down strategy and a strong commitment to taking climate action. As a result, the YTL Group Sustainability Committee (YTL GSC) was formed, comprising representatives from YTL Group’s Sustainability Division and senior management across our business units. The YTL GSC convenes regularly to deliberate on YTL Group’s sustainability strategy, address significant ESG concerns, devise action plans, set performance objectives, and ensure transparent reporting.

In addition to the YTL GSC’s efforts, climate-related risks and opportunities within YTL Group receive due attention during annual Board meetings. The Board retains its responsibility in overseeing YTL Group’s overarching sustainability strategy, providing guidance for responsible business operations, managing risks, and addressing pertinent issues throughout the value chain.

Our aspiration of achieving carbon neutrality in operations by 2050 is strategically underpinned by a strong emphasis on innovation in our growth and investment strategies. This approach has catalysed the development of innovative solutions within each of our business units, not only yielding environmental, economic, and social (EES) advantages, but also prioritising the reduction of carbon emissions across our operations.

**Climate Change and Decarbonisation**



**GHG Emissions**

We track, assess, and reduce our GHG emissions. Our focus lies in exploring innovative business approaches and environmentally friendly products, expediting the reduction of GHG emissions and enhancing climate change-adaption initiatives.



**Atmospheric Emissions**

We comply with regulatory requirements concerning atmospheric emissions from our business operations through active monitoring and continuous improvement of the air emissions we release.



**Energy Efficiency**

We enhance our energy consumption by improving the efficiency of our equipment through optimisation of energy utilisation, exploring, and expanding our energy-efficient appliances and retrofitting inefficient equipment within our processes.



**Renewable Energy**

We are actively exploring the adoption of renewable energy sources, the expansion of our renewable energy portfolio and the implementation of clean energy solutions and technologies as viable alternatives to traditional fossil fuels.



**Research & Development (R&D)**

We are committed to R&D in areas such as energy efficiency, digitalisation, resource reuse, and clean energy solutions, all aimed at facilitating a smooth transition towards a low-carbon and climate-resilient future. We continuously explore adaptable alternative technologies with lower GHG emissions whilst maintaining technical, functional, and economic excellence.

<sup>3</sup> Source: The Guardian, <https://www.theguardian.com/environment/2023/jun/08/global-greenhouse-gas-emissions-at-all-time-high-study-finds>

As progress is made over time, these timelines may shift and new aims may be added, particularly with the development of new businesses and technological advances. At YTL, we are aware of the diverse climate-related risks that could impact our operations, and recognise that these risks encompass a broad spectrum, from extreme weather events to regulatory changes, and market dynamics.

Our dedication in addressing these risks is clearly articulated in our *Mapping Our Material Matters* section on page 17 of this report, where a detailed account of our proactive measures and strategies can be found. By strategically managing climate risks, YTL not only safeguards its operations, but also seizes opportunities to innovate, adapt, and contribute to a sustainable future, underscoring our commitment to environmental stewardship and long-term success through just and orderly transition.

**01** Embrace energy efficiency in our operations

**02** Increase on-site renewable electricity capacity, where operationally and economically viable

**03** Explore and grow green business lines, where feasible

**04** Fuel substitution with alternative fuels and use of alternative raw materials

**05** Explore long-term Renewable Power Purchase Agreements, where feasible

**06** Explore nature-based solutions

**07** Broadening our portfolio of cement and concrete products with low-carbon intensity

**08** Explore emerging technologies such as hydrogen as fuel and Carbon Capture and Utilisation (CCU)

**09** Explore options for conversion to clean renewable energy

**10** Clinker replacement and alternative cementitious materials production





**11** Explore internal carbon pricing in the long-term

**12** Establish position and strategy on renewable electricity certificates (RECs) and carbon credits for residual or hard-to-abate emissions in selected business units

● Short- to Medium-term Plans    ● Medium- to Long-term Plans

### Malayan Cement Berhad's (MCB) Carbon Neutrality Roadmap 2050

Having made progress and gained valuable insights from technical discussions, research, trials, and third party plant visits throughout the year, MCB has updated their 2050 Carbon Neutral Roadmap. MCB's strategy remains the same: Driving efficiency and innovation in their organisation. Leveraging innovation and forging partnerships, MCB is committed to continuing to develop low-carbon building materials and championing sustainable construction practices. Additionally, MCB will persistently explore new technologies in CCU.

PRESENT TO MID-TERM INITIATIVES		MID- TO LONG-TERM DEVELOPMENT			
<b>Production</b> 	<b>Production efficiency</b> - Equipment design and efficiency - Process automation and digitisation - Operation mastery	<b>Low-carbon energy</b> - Alternative fuel - Waste heat recovery - Solar power	<b>Production method</b> - Alternative cementitious materials - New generation production process	<b>Clean energy</b> - Renewable energy as main fuel for clinker production - Increase conversion solar power	
<b>Sustainable Construction</b> 	<b>Product</b> - Low-carbon cement (ECOCem) and concrete (ECOConcrete) - Product solutions for different applications - YTL Cement Sustainable Construction Tools	<b>Market</b> - Capacity building programmes - Raising awareness through YTL Cement Seminar Series, collaborations, and stakeholder engagement	<b>Product innovation</b> - Ultra-low-carbon cement and concrete - New generation building materials	<b>Market</b> - Market for new generation cement and concrete	
<b>CO<sub>2</sub> technologies</b> 	<b>Cement</b> - Alternative production method to facilitate decarbonisation	<b>Concrete</b> - Ultra-low-carbon concrete	<b>Cement</b> - Alternative production method to facilitate carbon capture - Carbon capture and utilisation/sequestration	<b>Concrete</b> - Carbon utilisation/sequestration	
<b>Fundamentals</b> 	<b>People</b> - People development - Stakeholder engagement	<b>Regulatory framework</b> - Regulatory framework promoting and supporting transition to low-carbon economy	<b>People</b> - People development - Stakeholder engagement	<b>Regulatory framework</b> - Support for technology transfer - Regulatory framework for low-carbon economy	
<b>2030 Targets</b>	<b>Production</b>	Increased use of alternative fuel by at least 30%, from 5.2% in 2022 to 6.8% in 2030.		<b>CO<sub>2</sub> Technologies</b>	In-house R&D or collaboration with external parties to assess at least two technologies each year.
	<b>Sustainable Construction</b>	Reduce clinker/cement factor by at least 10% from 80.2% in 2022 to 72.2% in 2030.		<b>Fundamentals</b>	Minimum of eight hours ESG training each year for managers and above.



### YTL PowerSeraya: 2030 vision and 2050 net zero ambition

Being a leading power generator in Singapore, YTL PowerSeraya is committed to reducing its emissions by 60% from the 2010 level by 2030. To advance its decarbonisation goal by 2030, YTL PowerSeraya aims to:

- 1 Maximise energy efficiencies of its existing power plants and reduce emissions intensity by at least 10% from 2020 level by 2030
- 2 Invest in low-carbon power technologies such as hydrogen-ready power plants
- 3 Diversify energy sources by importing low-carbon or green electricity
- 4 Secure eligible high-quality international carbon credits to offset at least 5% of its taxable emissions by 2030

As an alternative energy disadvantage nation, Singapore needs to push the envelope on energy innovation to achieve net zero emissions by 2050. The country will focus on four key energy switches: natural gas, solar energy, regional electricity imports and emerging low-carbon alternatives as part of its 2050 energy transition pathway.

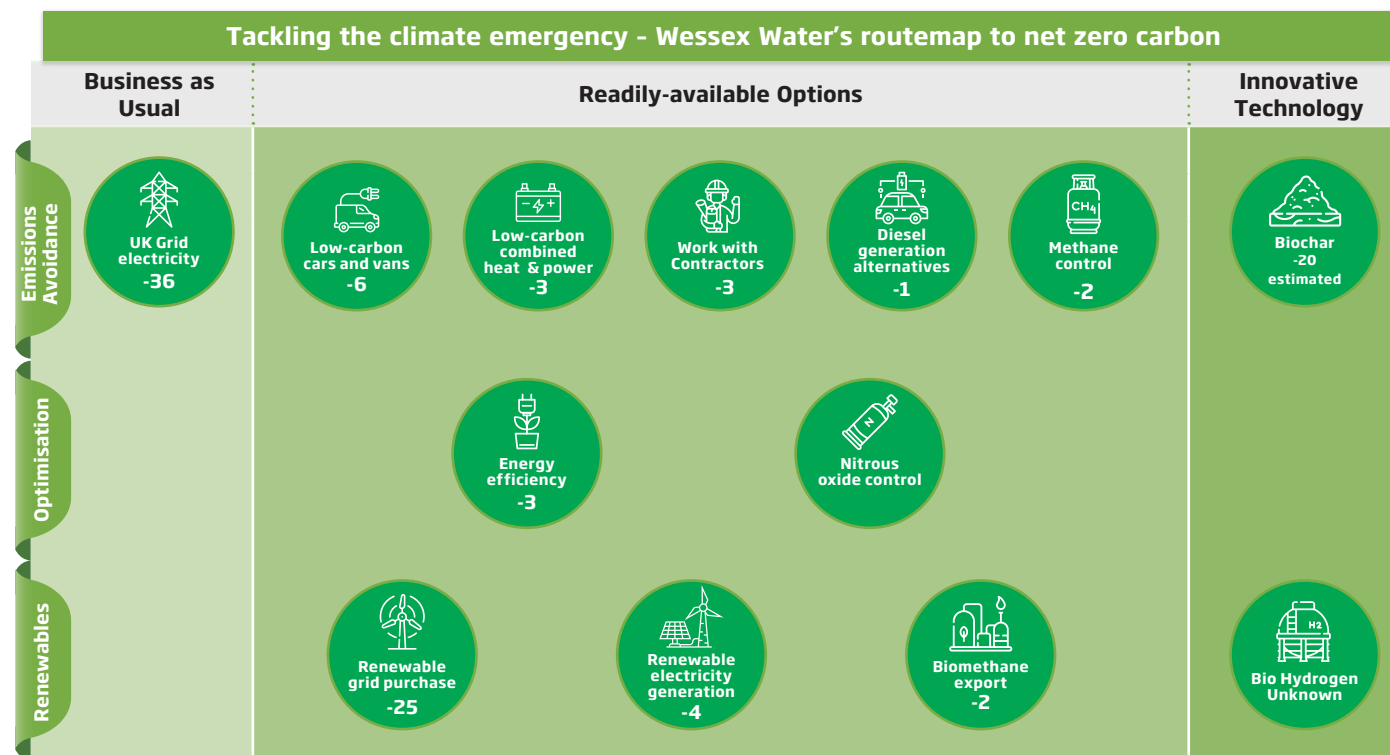
Taking guidance from Singapore’s blueprint, YTL PowerSeraya shall develop a long-term decarbonisation strategy that will transform its brownfield assets through low-carbon fuel shifts, convert existing combined cycle gas turbine (CCGT) to hydrogen-ready power plants, hybridise power generations with renewable energy sources generated locally and overseas as well as deployment of various energy storage solutions to advance its net zero ambition by 2050.

### Wessex Water’s Routemap to Net Zero Carbon

In 2020, water companies in England produced a routemap to achieve net zero operational carbon emissions by 2030. This was the first sector routemap of its kind in the world, and Wessex Water published their own detailed plan in mid-2021 to achieve net zero operational carbon emissions by 2030, alongside a goal to achieve full decarbonisation by 2040, a decade ahead of the UK government’s 2050 target. The 2030 aim is not a science-based target, it is aligned with the principles of the Paris Agreement and the United Nations Convention on Climate Change 1.5°C pathway.

The plan has three strands:

- (i) Emissions avoidance, e.g., further reducing leakage and encouraging water efficiency, use of lower-carbon transport, and promotion of low energy, nature-based solutions;
- (ii) Optimisation measures, e.g., improving energy efficiency and controlling process emissions; and
- (iii) More renewable energy, e.g., increasing generation from biogas and pursuing new opportunities for wind and solar power, both as generator and end user.

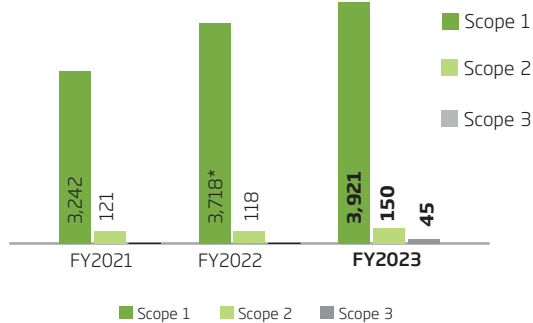


Note: Items under ‘business-as-usual’ and ‘readily-available options’ will occur in the 2020s, whereas the ‘innovative technologies’ are more likely to be implemented at scale in the 2030s once they are established in the supply chain. All figures are in estimated reductions in kilotonnes of carbon dioxide equivalent.

## Greenhouse Gases (GHG)

Within YTL Group, the measurement of GHG emissions in our core operations is carried out to ensure accurate accounting of our emissions. We establish our emissions boundaries and scope in alignment with the GHG Protocol Corporate Accounting and Reporting Standard.

**YTLPI GHG Emissions (kilotonnes CO<sub>2</sub>e/year)<sup>4,5,6</sup>**



\* Note: This figure has been restated.

### Scope 1



Direct emissions from the consumption of fossil fuels in operations as well as company-owned or operated vehicles and refrigerant use.

### Scope 2



Indirect emissions from purchased or grid electricity consumption.

### Scope 3



Other indirect emissions from supply chain, such as business travel, outsourced activities, purchased electricity and fuels, treatment chemicals, and reuse of biosolids on third party land.

This year, total emissions of YTL Power International (YTLPI) registered a slight increase compared to last year due mainly to higher power generation in Singapore, which rose 13% for the financial year under review. However, their GHG intensity decreased 13% to 0.19 this year compared to 0.22 last year, based on scope 1 and 2 GHG emissions, measured against revenue.

Substantially all the power generated by YTL PowerSeraya comes from natural gas, which is amongst the least carbon intensive fossil fuels commercially available, and efforts are ongoing to source clean energy options to continue to deliver affordable electricity to customers.

In the UK, Wessex Water’s trajectory of diminishing annual gross GHG emissions continued during the year, falling to the lowest annual operational carbon footprint since reporting began in 1997. A combination of energy efficiency improvements, renewable energy generation, and the rapidly falling carbon dioxide intensity of UK grid electricity has led to steadily falling emissions over the last seven years.

Separately, MCB has reduced their emissions intensity from 0.699 tCO<sub>2</sub> per tonne cementitious product in FY2022 to 0.663 tCO<sub>2</sub> per tonne cementitious product in FY2023.

<sup>4</sup> Includes selected Scope 3 categories of employee commuting for YTL PowerSeraya; employee commuting and business travel for YTL Communications (YTL Comms); business travel, outsourced activities, purchased electricity and fuels (extraction, production, transmission, and distribution), treatment chemicals, and reuse of biosolids on third party land for Wessex Water. Work is ongoing to assess materiality and put in place the necessary processes to measure this data in our other operations.

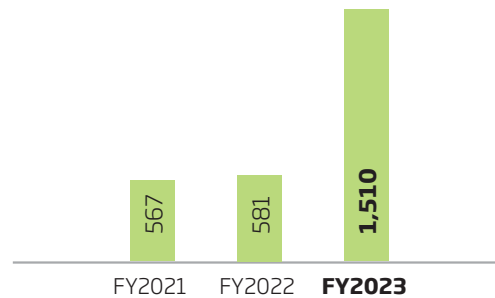
<sup>5</sup> Emission factors used for calculation of GHG emissions above are sourced from the Intergovernmental Panel on Climate Change (IPCC), Malaysian Green Technology Corporation (MGTC), Energy Market Authority (EMA) Singapore, the UK Department for Environment, Food & Rural Affairs (DEFRA), the UK Department for Energy Security and Net Zero (DESNZ) and research commissioned by UK Water Industry Research.

<sup>6</sup> Main GHGs comprise carbon dioxide, methane, nitrous oxide, and refrigerants from our water and sewerage and telecommunications businesses based on the nature of their operations, as well as carbon dioxide from our power generation segment as other emissions are negligible.

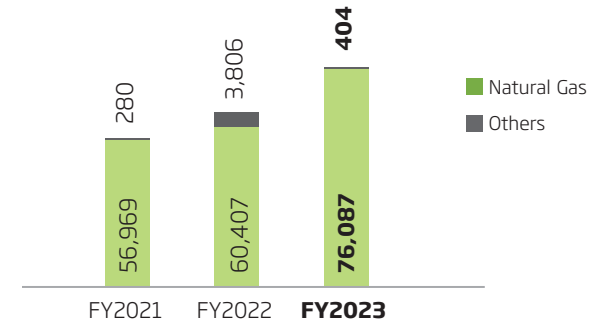
## ENERGY CONSUMPTION

We are dedicated to a comprehensive approach to energy conservation, which includes ongoing monitoring, the incorporation of energy-saving elements across all facets of our operations and properties, and the seamless integration of energy-efficient practices in our day-to-day operations.

**Total Grid and House Load Energy Consumption (Gigawatt Hours)**



**Total Direct Fuel Consumption (Terajoules)**



The overall total fuel consumption for the financial year has increased from FY2022. The 13% increase in electricity market demand experienced by YTL PowerSeraya has led to a corresponding rise in their fuel consumption as they strive to meet this heightened demand. YTL PowerSeraya’s increase in demand is in line with our energy generation market share which saw a strong annual increase of 3.9% with the successful acquisition of Taser Power Plant. Furthermore, the electricity market in the reported year has stabilised which led to low volatility of prices in the Singapore wholesale electricity market except for hotter months, which saw a surge in electricity supply commitments. As for YTL Comms, there has been a slight increase in total electricity consumption as the number of base stations included in FY2023’s reporting boundary has increased. In FY2023, MCB has begun reporting on external power purchase where their total consumption is 904 GWh.

### Energy Efficiency and Innovation Initiatives

We manage and monitor our energy consumption and efficiency to implement the appropriate energy management practices in our daily operations. We have implemented several initiatives to reduce energy consumption, improve efficiency, and progressively upgrade our existing infrastructure with energy saving features across YTL Group’s operations and properties.

#### YTL PowerSeraya

- In June 2022, YTL PowerSeraya signed an MOU with Linde, ST Telemedia Global Data Centres, and YTL Data Center to explore the feasibility of using clean hydrogen to power the data centre ecosystem in Singapore. The MOU focuses on developing proof that green hydrogen mixed with natural gas can be used as potential fuel for existing CCGTs to generate low-carbon electricity to support the industries’ clean energy demand and reduce YTL PowerSeraya emissions intensity by 2030.
- In the same year, tapping on Energy Market Authority (EMA)’s Genco Energy Efficiency Grant Call, YTL PowerSeraya completed the installation of variable speed drives to our co-generation power plant’s boiler feedwater pumps which reduces the annual power consumption for the feedwater pump by 6,800 MWh (equivalent of 1,400 tCO<sub>2</sub>e of GHG emissions). YTL PowerSeraya has also implemented several digitisation initiatives to enhance plant performance and improve operations through the use of self-serving PowerApps application.

#### Wessex Water

- In the UK, Wessex Water’s electricity use, at 254 GWh, was relatively low in the context of the last five years, in part due to the dry summer, but close to its average consumption over the last ten to 15 years. Wessex Water continues to pursue energy efficiency opportunities to offset rising energy use and high energy prices driven by tighter water and sewage treatment standards, and the operation of the regional water supply grid.

## Renewable Energy

The further expansion of the energy market has once more underscored the vital role that renewable energy sources play in bolstering energy security, in addition to their well-established potential for emissions reductions. In line with our commitment to advancing the shift towards a low-carbon economy, the YTL Group is actively engaged in the implementation of projects focused on the integration of renewable energy. This commitment is evident throughout our business units, as we continuously expand both the production and utilisation of renewable energy, facilitating the transition process and reducing our environmental impact.

### Renewable Energy Initiatives

#### *Wessex Water*

- This year, 12% of Wessex Water's electricity demand came from renewable electricity generated at their sites. Furthermore, biomethane exported by Wessex Water to the gas grid was 2.5 times the natural gas that it consumed itself.

#### *YTL PowerSeraya*

- Following the successful launch of Singapore's First-and-Only customisable green add-on (Renewable Energy Certificate or Carbon Credits) for an electricity plan, YTL PowerSeraya's retail arm, Geneco SG, expanded Power Eco Add-on's availability from new sign-ups and renewals to all of its residential customers, at any point of their contracts, on 1 April 2023.
- With this expansion, existing Power Eco Add-on customers are able to upgrade their current add-ons via Geneco SG's self-service portal and mobile app. As at 30 June 2023, 3,408 customers had opted for Power Eco Add-on. This 2.0 initiative is in line with Geneco SG's commitment to supporting The Singapore Green Plan 2030 and building a more sustainable future for the nation by encouraging its customers to do their part for the environment.

#### *MCB*

- MCB's strategy to reduce Scope 2 emissions primarily focuses on two areas, e.g., energy efficiency and transition to clean energy.
- The company's Technical and Projects Department supported plants in identifying power reduction opportunities. The company has a pipeline of CAPEX projects focused on upgrading material handling systems, replacing electrical equipment with newer, energy-efficient technology and improving cement mill productivity. Positive results from completed projects have motivated MCB to continue these efforts in the next financial year.
- Currently, MCB is actively pursuing clean energy alternatives. The company has initiated discussions with the relevant authorities to secure approval for investing in solar PV farms, which will enable the company to generate renewable power for the company's cement plants. MCB believes that this step aligns with the country's energy transition goals.
- Additionally, the company is exploring the possibility of investing in another waste heat recovery plant to further bolster the company's clean energy efforts. During the reporting period, MCB's power generation from waste heat was lower than expected due to a major stoppage and overhaul of the plant. This maintenance activity is part of the company's three-year plan to enhance plant reliability and extend its designed operational life.
- Clean energy generated in FY2023 was 47,230 MWh.

## Atmospheric Emissions

YTL Group maintains continuous oversight of the company's atmospheric emissions stemming from our power and cement operations by adopting ISO 14001 Environmental Management Systems. This forms an integral component of our regulatory compliance strategy, complementing our already established pollution control technologies aimed at minimising emissions. YTL Group is committed to enhancing the comprehension and quantification of atmospheric emissions whilst consistently exploring avenues for enhancement.

All of MCB's cement facilities adhere to the Environmental Quality Act 1974 and the Environmental Quality (Clean Air) Regulation 2014 ("CAR 2014"). According to CAR 2014, specific emissions standards apply, including reducing particulate emissions from cement kilns from 100 mg/m<sup>3</sup> to 50 mg/m<sup>3</sup>, limiting NO<sub>x</sub> emissions to less than 800 mg/m<sup>3</sup>, maintaining mercury levels at 0.05 mg/m<sup>3</sup>, and ensuring PCDD/PCDF levels do not exceed 0.1 ng TEQ/m<sup>3</sup>.

MCB's plants conduct routine preventive maintenance to ensure the company's emissions control systems consistently operate at peak efficiency. These plants are equipped with continuous emissions monitoring systems with a data interface accessible by the Department of Environment (DoE). Additionally, MCB submits quarterly and annual emissions performance reports to the DoE to meet regulatory requirements.

Each year, a third party contractor accredited by the DoE conducts emissions monitoring to assess operational adherence to regulatory limits and calibrate emissions monitoring systems. This annual assessment also includes the examination of additional parameters like dioxin and furan as mandated by regulations. The contractor subsequently submits their report to the DoE as evidence of compliance.

In Singapore, YTL PowerSeraya's power generating stations undergo source emissions assessments through the Singapore National Environment Agency (NEA)'s source emission tests. With this, the company collaborates with accredited laboratories operating under the Singapore Laboratory Accreditation Scheme (SAC-SINGLAS) to conduct annual source emissions tests to measure particulate matter, carbon monoxide, and NO<sub>x</sub> levels. The results of these tests are then submitted to the NEA for monitoring purposes followed by necessary actions to ensure the atmospheric emissions conform to prescribed standards.

Emissions of SO<sub>2</sub> are regulated by restricting the sulphur content in fuels used at power plants to a maximum of 1%. Emission tests for SO<sub>2</sub> from the source are mandatory and are part of the source emission test requirement when the power plant is firing for loading.

**WASTE MANAGEMENT AND RESOURCE EFFICIENCY**

In this era of extensive global development, waste generation is an inevitable consequence of industrial and commercial activities. Improper management of resources can lead to resource depletion, environmental degradation, and result in negative economic implications. With rapid development and urbanisation, we need to turn to a circular economy to maximise the recovery of valuable finite resources and reduce the risk of pollution. At YTL Group, we recognise the importance of resource and waste management, as failure to do so negatively impacts the health of the surrounding environment and local communities.

**Management Approach**

At YTL Group, we place a strong focus on the importance of resource efficiency across all our business units by ensuring all resource use is carefully planned, efficiently utilised, and processed to optimise the finite natural resources available. We monitor our waste generation and their disposal avenues in our efforts to reduce waste and pollution. We strive to minimise unnecessary consumption and waste, whilst continuously exploring innovative solutions and collaboration opportunities that lead the transition to a circular economy. Waste management guidelines are established across our business units to act as guidance to our stakeholders for proper waste management practices. In our engagement with third party contractors for handling hazardous waste, we ensure they adhere to applicable laws and regulations and, are certified and/or licensed by relevant authorities.

**Waste Management and Resource Efficiency**



**Prevention and Reuse**

Preventing waste generation in the first place is a priority. We check, clean, repair, and refurbish products or spare parts that are discarded to be put to use for the same purpose for which they were originally designed.



**Repurpose**

We transform or redeploy waste which may no longer be usable for their original purpose into another object with an alternative value.



**Recycling**

We segregate and send recyclable waste to licensed third parties to process and convert into new materials and objects, including compost.



**Waste to Energy**

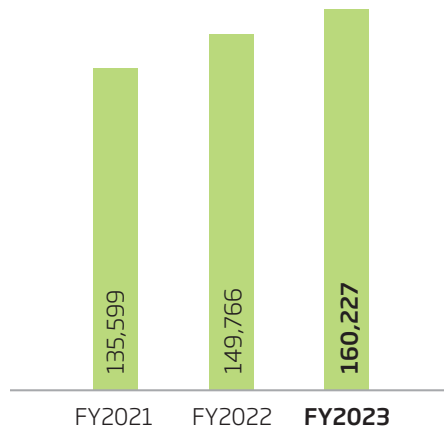
We collect and send waste to licensed third parties to produce energy (biofuel, electricity, and/or heat) via anaerobic digestion, or incineration with energy recovery, gasification, and other processes.



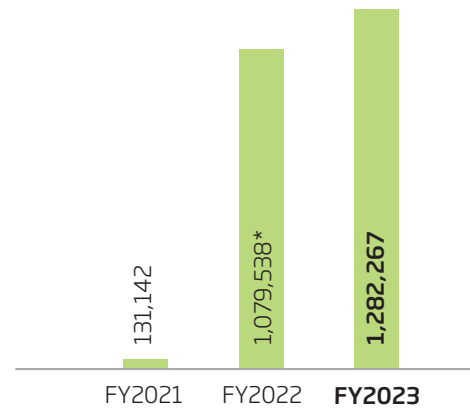
**Treatment and Responsible Disposal**

We work with licensed third parties to properly handle and dispose of waste that has no further use and for the responsible treatment of hazardous waste.

**Waste Generated (tonnes)**

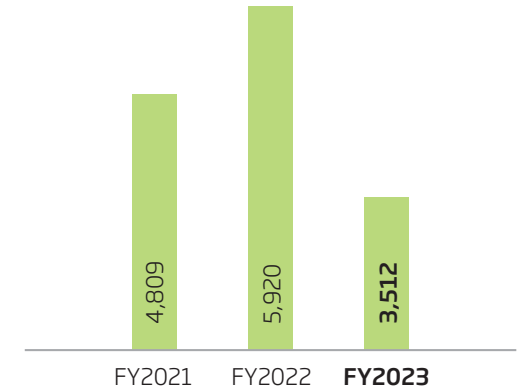


**Waste Diverted from Disposal (tonnes)**



\*Note: This figure has been restated.

**Waste Directed to Disposal (tonnes)**



For waste diverted from disposal, we have restated the figure of FY2022 due to a correction of error. In FY2023, YTL Group has observed a notable rise in waste diverted from disposal, as we have increased volume of waste materials used in MCB operations. Our cement company utilises waste that is processed into alternative fuels and raw materials for cement and concrete production, hence conserving natural resources and diverting waste from landfills. Conversely, our waste directed to disposal has dipped because of a decrease in waste to taxable landfills.

**Ongoing Waste Avoidance and Diversion in Action**

**YTL Group**

- Our group-wide initiative, the “Say No To All Plastic (SNAP)” campaign, was rolled out in 2019 with the goal of achieving zero use of avoidable Single Use Plastic (SUP) by 2025. To date, the majority of our business sites have been/are practising zero avoidable SUP, whilst the remaining ones are steadily and gradually implementing the change to the best of their capabilities.
- It is important to acknowledge that, despite our best efforts, achieving absolute zero may present challenges beyond our control. Whilst we have taken steps and made considerable progress in reducing our SUP consumption and implementing sustainable alternatives, we have reached a juncture where further substantial reductions may be challenging without compromising essential operations. However, we are continuously working to maximise our efforts in reduction and recycling. Our commitment to sustainability remains resolute and our objective is to ensure that any SUP we do employ serves an essential purpose and is managed responsibly, aligning with our broader sustainability goals.

**Lot 10 Shopping Mall**

- Fabric recycling in collaboration with Kloth Cares has been in place at Lot 10 shopping mall since 2017 with the placement of receptacles for visitors to bring recyclables to. A total of 4,992 kg of fabrics were collected and recycled in FY2023.

### YTL Construction

- “Go Green Campaign” is an ongoing campaign by YTL Construction aimed at creating environmental awareness amongst employees.
- Avenues for raising awareness include circulation of monthly newsletters and online talks organised by the stakeholder department.
- Employees are encouraged to practise mindful electricity consumption, and reduce use of paper, plastic, non-biodegradable waste, and papers in their daily work.



### YTL Hotels

- Disposable hotel amenities, toiletries, straws, bottles, cutlery, and containers are being replaced progressively with recyclable and/or reusable items across YTL hotels to reduce their plastic waste.
- Ingredients across selected hotels were standardised within the menu, enabling the redistribution of underutilised food items from one outlet to another with greater demand, thus reducing food waste. This resulted in total food costs across participating hotels being reduced, and consequently lower wastage of food ingredients.



### Wessex Water

- Released a plastics position statement on their commitment to reducing their plastic footprint through multiple planned actions.
- Works with authorities and industry partners to tackle plastic reduction in operational waste, in the water cycle, and in consumer use.
- Completed the installation of 24 new drinking water refill units across the region. The units are well used, providing free water and preventing more than 245,000 single-use plastic bottles going to landfill every year.



### MCB

- Geo Alam Environmental (GAE), an industrial and commercial waste management service provider under MCB, provides long-term solutions to industries and retailers to divert their waste from landfills, putting these into resource recovery value chains and converting suitable waste streams into alternative resources for their manufacturing plants. Through this industrial symbiosis, GAE can reduce the carbon footprint of both cement plants and waste-generating industries, whilst conserving natural resources. In FY2023, MCB recorded 1,129,327 tonnes of waste materials processed into alternative fuels and raw materials to be used in their operations.
- GAE and YTL Hotels co-organised a Recycling Open Day in collaboration with MCB’s CSR arm, BUILDS. Employees were encouraged to bring items to be recycled or donated. More than 2,400 kg of recyclable waste was collected, including paper, plastic, metal, e-waste, and textiles. Proceeds from the sale of recyclable items were donated to the Kloth Woman Up programme, which empowers and supports marginalised women.





## WATER STEWARDSHIP

Water is one of Earth’s precious resources that is not only required for life, but also for economic purposes. Virtually all physical processes involved in infrastructure development require water, and with the looming water scarcity that is projected to devastate almost a third of the global urban population in 2050<sup>7</sup>, YTL Group ensures that our diverse business operations practise sustainable water management to strengthen resilience against the forthcoming water crisis.

Climate change, aggravated by El Niño, is expected to be a growing threat to water security. With recent months bringing heat spells and decreased rainfall to regions where YTL Group operates, responsible management of water is essential for business sustainability. Out of our countries of operations, Singapore faces the biggest risk of water stress; according to the World Resources Institute, Singapore is the fifth country most likely to face extremely high water stress by 2040<sup>8</sup>. Although Malaysia is bountiful in water resources, water disruptions are recurring events that can affect our operation sites, which require consistent water supply to run efficiently.




YTL Group’s sources of water withdrawal consist of third party water (municipal supply and reclaimed water), surface water, groundwater, and seawater. Overall, our businesses utilise water largely within their industrial processes, such as production of potable water for public water consumption, electricity and process steam generation, wastewater treatment, infrastructure maintenance, as well as concrete production, with a fraction for commercial and domestic use in our offices and properties (i.e. drinking, landscaping, amenities) and the production of potable water through desalination.

All trade effluent from our operations are treated and discharged to water courses or sewer systems in accordance with the environmental discharge limits and effluent standards in countries where we operate. Water discharge compliance from Wessex Water’s water treatment and water recycling centres remained very high at 99.4%. This was below the 100% target with two sites failing in the year, and process improvements have been implemented to restore and maintain compliance at the specific sites. There has been no chemical or oil spills into water bodies during the reporting year.

### Management Approach

To safeguard our operations from water-related risks, we prioritise practising sustainable water management, improving and optimising water efficiency, strengthening water conservation efforts, and improving our water footprint as part of our commitment to enhancing water resilience within our operations.

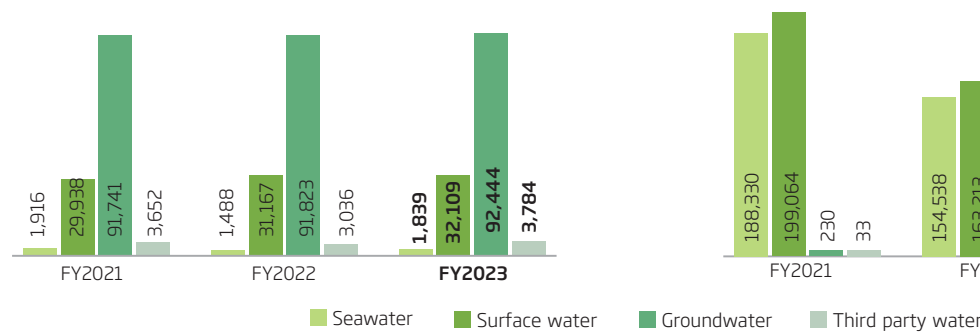
**Water Resource Management**

 <p><b>Water Withdrawal</b></p> <p>We take into consideration water stress levels in each of the areas where we operate and work on improving our water footprint and safeguard water resources throughout the supply chain via sustainable water management.</p>	 <p><b>Water Discharge</b></p> <p>We appoint accredited third party consultants approved by local authorities to conduct regular monitoring and assessment of the quality of discharged wastewater and/or sewage to minimise our negative impacts on the environment and ecosystems.</p>	 <p><b>Water Consumption</b></p> <p>We regularly review water management plans, monitor, and analyse progress and improve our water consumption through the introduction of water conservation initiatives, process improvement, integration of technologies, and innovations to treat, reuse, and recycle water from our operations.</p>
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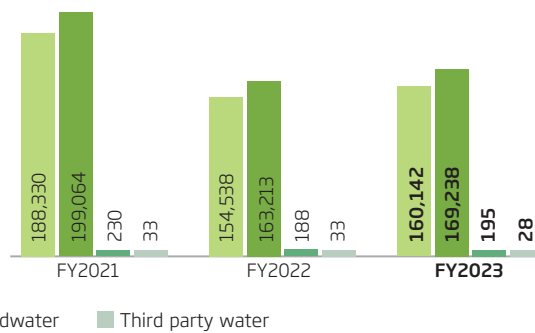
<sup>7</sup> Source: <https://www.unesco.org/reports/wwdr/2023/en>

<sup>8</sup> Source: <https://gca.org/how-singapore-is-putting-a-stop-to-water-running-out/>

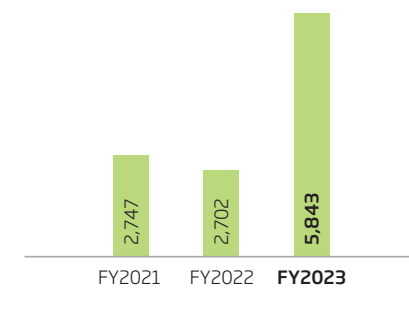
**Water Withdrawal ('000 m<sup>3</sup>)**



**Water Discharge ('000 m<sup>3</sup>)**



**Water Consumption ('000 m<sup>3</sup>)**



In comparison to the previous year, there is no remarkable change in YTL Group’s water withdrawal and water discharge this year. The slight increase in water discharge is due to the increase in rainfall in England, which has led to more water being treated and discharged by Wessex Water, our water sewerage business. As for water consumption, the number has increased due to the inclusion of MCB in our Group’s water data this year. This marks their first year of disclosure of water consumption data.

Being in the building material industry, MCB uses water for purposes such as vehicle cleaning, cooling, and concrete production. During cooling, water is circulated in the system and eventually evaporated. Meanwhile in concrete production, water is used to prepare concrete mixes and to wash mixer trucks.

**Water Efficiency and Conservation Initiatives**

**Gaya Island Resort (GIR)**

- Constructed a reverse osmosis (RO) water treatment plant with assistance from Wessex Water to desalinate seawater into potable water for general use and consumption throughout the hotel.
- Since 2012, the RO water treatment plant has been producing water used for consumption and washing. In line with health and safety regulations, samples are sent to the lab for quality control every six months.
- The RO water treatment plant and membrane bioreactor also treats wastewater from guest villas and produces grey water that is distributed throughout the resort grounds for landscaping and watering purposes.

**Wessex Water**

- The company has already increased investment and is currently spending GBP3 million per month - at no additional cost to customers - to make a 25% reduction in the operation of storm overflows by 2025, from the 2020 level. After 2025, they are proposing a threefold increase in investment to GBP9 million per month, with the aim of fully treating or eliminating any discharge from storm overflows by 2050.
- As part of the work to reduce the number of overflows, 93 improvement projects are currently in progress, with many more to come.

# Empowering Our People

## OUR COMMITMENT

Recognition of YTL Group as an employer of choice

## ALIGNED WITH

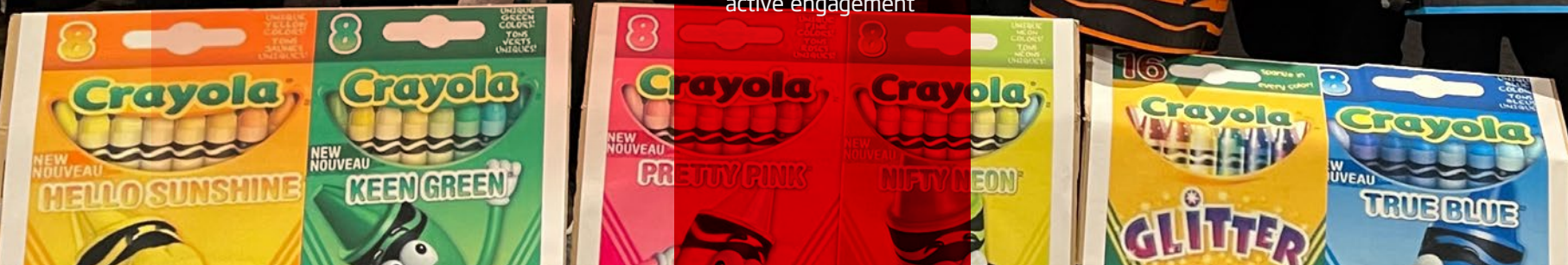
3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

## OUR APPROACH

- Fostering a strong and positive culture of health, safety, and well-being
- Creating a harmonious workplace by embracing diversity and providing equal opportunities
- Nurturing human capital and bridging gaps through talent development and active engagement



# Empowering Our People

[GRI 2-7, 2-8, 2-27, 401-2, 401-3, 403-1, 403-2, 403-4, 403-5, 403-6, 403-7, 404-2, 404-3, 405-1, 406-1, 408-1, 409-1]

At the heart of YTL Group lies an unwavering commitment to our most valuable assets: our employees. We recognise that a thriving organisation is built on the foundation of a workforce that feels valued, empowered, and respected. Within the framework of a secure and healthy workplace, we strive to offer all employees equal access to resources, benefits, and opportunities to build skills for further career advancement. This approach not only helps employees grow personally but also drives sustainable business growth. An empowered, diverse, and inclusive workforce is the foundation of our success – a collective force that fuels innovation, fosters collaboration, helps to embed our Group values, and ensures the longevity of our operations.

## MANAGING WORKPLACE HEALTH, SAFETY, AND WELL-BEING



Given the nature of YTL Group’s diverse businesses, some of our operations are physically demanding and heavily reliant on labour, which exposes our workforce to occupational risks. In response, we remain steadfast in our pursuit of the highest health and safety (H&S) standards, prioritising the safeguarding of our employees, co-workers, customers, and communities. Besides physical H&S, we also recognise the importance of managing their mental well-being.

Our resolute focus on H&S aligns with our aspiration for zero fatalities. Our approach and strategy are underpinned by our Corporate Statement on H&S commitments and respective business units’ policies. This includes multifaceted approaches to ensure the protection of our employees, suppliers, and contractors, equipping them with the knowledge to identify and manage hazards, as well as an understanding of feedback mechanisms for reporting potential risks.

### Management Approach

We are committed to a zero fatality workplace. To achieve this, we maintain a proactive approach by consistently monitoring, reviewing, and enhancing our H&S practices to minimise hazardous events in our operations. We have also established standard operating procedures (SOPs) and regular training to ensure that relevant H&S requirements are followed. This helps us to identify and mitigate H&S risks arising from our operations.

*Workplace Health and Safety*

 <p style="font-weight: bold; margin-top: 10px;">Leadership</p> <ul style="list-style-type: none"> <li>Workplace Safety and Health (WSH) Committees to monitor H&amp;S performance and report to top management</li> <li>Establishment of H&amp;S policies and guidelines to ensure effectiveness</li> </ul>	 <p style="font-weight: bold; margin-top: 10px;">Risk Assessment and Management</p> <ul style="list-style-type: none"> <li>Development and compliance with H&amp;S management systems and applicable regulatory requirements and guidelines</li> <li>Safety and security action plans and SOPs</li> <li>Hazard Identification, Risk Assessment and Risk Control (HIRARC)</li> </ul>	 <p style="font-weight: bold; margin-top: 10px;">Reporting</p> <ul style="list-style-type: none"> <li>Implementation of proper incident reporting, investigation, and monitoring systems</li> <li>Periodic safety audits and inspections</li> </ul>	 <p style="font-weight: bold; margin-top: 10px;">Training and Engagement</p> <ul style="list-style-type: none"> <li>Regular workplace safety training and Emergency Response Plan (ERP)</li> <li>Develop internal H&amp;S capabilities</li> <li>Share knowledge and best practices through effective communication and engagement</li> </ul>
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## Health and Safety Performance

Our aim is for zero fatalities and we regularly monitor, review, and optimise our H&S practices to minimise incidents in our business operations. This year, we are streamlining data across Group-wide and we target to report this information in our next report. Our commitment to H&S is evident in the initiatives and accomplishments across our business units.

In Malaysia, MCB prioritises the well-being and H&S of all employees and contractors in their operations. During the reporting period, MCB continued their efforts to promote a safety culture and improve their safety performance. Initiatives were implemented to enhance safety awareness amongst plant employees through training and workplace inspection.

Separately, YTL Construction's Gemas-Johor Bahru Electricified Double Track Project (GJBEDTP) has achieved the target of 24 million safe work manhours as of June 2023. This achievement is a testament to YTL Construction's unwavering focus on maintaining a culture of safety excellence, where every worker's health and well-being are paramount.

In Singapore, YTL PowerSeraya obtained the SS 651 standard successfully and also initiated a 3-year safety culture transformation road map to promote proactive safety ownership. SS 651 is a standard developed specifically for the chemical industry in Singapore on occupational safety and health management systems. Re-certification of ISO 45001 and BizSAFE STAR were also successfully completed during the year. YTL PowerSeraya was conferred the Workplace Safety and Health (WSH) Innovation Award 2023 in August, for a project titled "Elimination Cellular". The award was presented by the WSH Council and supported by the Ministry of Manpower (MOM) in recognition of organisations that achieved excellence in WSH.

Once again, Wessex Water was proud to receive the Royal Society for the Prevention of Accidents' President's Award, which is reserved for organisations which have achieved ten or more consecutive gold awards. This year Wessex Water made it eleven golds, in addition to retaining its ISO 45001 certification.

## Leadership in Health and Safety

We have embedded a strong H&S culture within our organisation, driven by our leadership's unwavering commitment to creating a healthy and safe workplace for all. This commitment is cascaded through all levels of our company, emphasising the importance of responsible and accountable behaviour. To enhance H&S management, our key business units have established dedicated WSH committees and corresponding policies. These committees are particularly crucial for business units with elevated hazard risks. WSH committees convene on a monthly basis and encompass representatives from different departments, along with employee representatives. The WSH committee shares and discusses H&S matters at WSH meetings, and the Board of Directors are regularly updated on developments on the ground.

The WSH committee is responsible for developing and reviewing H&S policies, guidelines, and management systems, monitoring performance, ensuring full compliance and implementing SOPs, promoting effective communication and training, sharing best practices and developing internal H&S capabilities, as well as being responsible for participating in incident investigations. Furthermore, the committee's additional responsibility includes carrying out studies on trends of possible hazards and reporting any workplace practices or conditions that do not adhere to H&S policies and guidelines along with recommendations for corrective actions.

At MCB, each cement plant, ready-mixed concrete batching plant, and aggregate quarry region establishes its own Safety and Health Committee (SHC). The primary objective of these committees is to enhance workplace H&S conditions. The SHCs comprise representatives from both management and employees.

The H&S Committee at Wessex Water has focused on process safety, prioritising personnel well-being, continuous process enhancement, facility resilience, and learning from the expert input of its Advisory Board. Wessex Water reviewed legislative requirements and plan to develop a new range of H&S standards. During the year, the company restructured and augmented their safety team, including implementing a multi-disciplined upskilling programme for their H&S advisers. More than 3,000 safety audits were completed and site visits from senior leaders increased by 41%. The company also introduced a QR code induction process for all sites, automating key site-specific safety controls.

## Risk Assessment and Management

Our key operating subsidiaries within YTL Group have clear guidelines and policies regarding occupational health and safety (OSH) that are disseminated across their operations to ensure employees and external stakeholders understand and practise H&S standards in the workplace. The policies focus on minimising H&S risks through complying with legal requirements, conducting thorough risk assessment and HIRARC management, implementing ERP, incident reporting, providing adequate training, and continuous improvement in H&S performance.

The ISO 45001 standard for OSH management system has been embraced by our primary operating entities, spanning across our global operations. A full list of certifications attained by our business units can be found in the *Other Information* section on page 102. These OSH management systems undergo regular audits by accredited certification bodies or internal audit teams, ensuring the conformity of all employees, contractors, and third party suppliers of our key operating companies to regulatory requirements whilst ensuring uniform OSH standards throughout our operations.

## Health and Safety Reporting

Our utmost priority lies in safeguarding the health, safety, and well-being of our employees – a commitment upheld through vigilant oversight and continuous improvement. The availability of an incident reporting mechanism allows us to log occurrences, facilitating the creation of mitigation plans and preventive measures that minimise workplace incidents. We established incident investigating and reporting procedures to respond to H&S incidents transparently and in a timely manner. Within each worksite, a designated safety officer or committee is entrusted with the responsibility of enforcing and overseeing safety measures. In the event of reported incidents or unsafe working conditions, the safety officer conducts thorough investigations to determine root causes and formulates corrective and preventive actions.

Our primary operating companies, Wessex Water and MCB have implemented dedicated reporting platforms. This ensures consistency in reporting standards across all worksites whilst enhancing visibility, action tracking, and action management.

## Training and Engagement

To build a strong safety culture, we engage in routine evaluation of our safety and security action plans, incident reporting protocols as well as the provision of training programmes and materials. This ensures that we are always up-to-date with the latest equipment, materials, and safety standards. We conduct training and awareness programmes for employees and workers throughout the year to ensure the effective implementation of H&S management within the business, and to raise awareness on workplace H&S. This training encompasses a spectrum of subjects, spanning slip, trip, and fall prevention, fire prevention, first aid, cardiopulmonary resuscitation (CPR), manual handling, and working at height, amongst others.

Acknowledging that emergencies can happen at any time, we prioritise equipping our employees with adept decision-making and management skills to promptly address crises. We organise ERP exercises to test our prevention and management systems and prepare our employees for worst-case scenarios. These exercises help our employees develop the skills and judgment they need to quickly and safely respond to emergencies, such as fires, chemical spills, and interruptions to power and water supplies. After each ERP exercise, we conduct a post-training review to identify areas for improvement. This helps us to continuously advance our emergency response capabilities and ensure the safety of our employees and customers.



Various H&S training and awareness programmes

## Health and Safety Initiatives



### HSE Conference

- YTL Construction organised a two-day conference for their employees, titled “Engage. Educate. Enforce.” to enhance and promote productivity through Health, Safety and Environment (HSE) culture whilst fostering the development and adaptation of the highest HSE standards and practices.
- The conference was attended by top management, directors, HODs, and managers. It was officiated by the Director General of Department of Occupational Safety and Health (DOSH), Tuan Mohd Anuar Embi who was joined by five speakers from various government agencies such as DOSH, Department of Environment (DOE), Construction Industry Development Board (CIDB), the National Fire and Rescue Department and Public Universities i.e. Universiti Putra Malaysia (UPM) and Universiti Tun Hussein Onn Malaysia (UTHM).
- Three awards were presented to recipients that demonstrated their outstanding performance in achieving high standards of HSE performance. A special award was also given to the non-HSE personnel for their contribution and for supporting HSE programme since 2020.



### Logistics Safety Standard (LSS)

- In March 2023, MCB implemented the YTL Cement Group LSS across their logistics operations, comprising five pillars: Logistics Organisation, Driver, Vehicle, Journey Management, and Load Handling.
- The standard aims to promote heightened awareness and adhere to safety protocols to ensure safety in logistics activities across all MCB operations, safeguarding the well-being of personnel, drivers, and other road users.
- To further reinforce LSS’s implementation, MCB utilised data collected from Global Positioning System (GPS) fitted on all vehicles within the YTL Cement fleet to monitor, identify, and address road safety issues.



### Incident reporting

#### Engage EHS

- Wessex Water implemented the new H&S reporting system which has been in place for its first full year. The system ensures consistent reporting across the company and improves visibility and action management.
- Improved safety trends and quicker response times have been observed from improved visibility of actions, with behaviour analysis guiding the company’s proactive intervention strategies.
- In 2022, employee engagement increased by 17%, resulting in an 11% increase in reported incidents. This upturn was construed as a successful drive for openness and reporting rather than as a failure, as injury and frequency rates both declined. This included a 15% fall in serious RIDDOR<sup>9</sup> incidents; a 9% reduction in injuries; and a 12% fall in their all-injury frequency rate.

#### My Safety Intervention (MySI)

- MCB initiated MySI to mobilise operation management teams to actively engage with workers on-site, all to reduce the number of safety incidents.
- Currently being piloted at selected plants, the programme fosters a strong sense of ownership and responsibility for safety at plant level whilst enhancing safety awareness.

#### Electronic Health and Safety Incident Reporting Form

- All employees at MCB operation sites can access the form easily simply by scanning a QR code.
- Based on the severity of the incident, further investigations will be conducted, and corrective action will be taken to prevent recurrence.
- MCB practices a “no-blame culture” and encourages all employees and contractors’ workers to come forward and report all H&S incidents.
- This prevents recurrences of incidents whilst contributing to a safe work culture.

<sup>9</sup> RIDDOR is the Reporting of Injuries, Diseases, and Dangerous Occurrences Regulations 2013. These regulations require employers, the self-employed, and those in control of premises to report specified workplace incidents.



## Health and Safety Training

### Train the Trainer

- A total of 13 YTL Construction's HSE employees attended the Human Resource Development Corporation (HRDC) Train the Trainer Programme organised by the YTL Learning Academy, with one of the employees receiving Accredited Trainer status from HRDC.

### Defensive Driving Training

- Recognising the integral role of road transport for MCB's business operation, road safety is of utmost priority. To address this, MCB road transport fleets have initiated the implementation of advanced devices designed to detect signs of microsleep, fatigue, and distractions. These devices proactively caution drivers, so they remain vigilant.
- Comprehensive Defensive Driving Training (DDT) has been instituted for all MCB fleet truck drivers. This training equips them with vital techniques for safe road navigation, covering a wide array of topics, including hazard identification, maintaining a safe following distance, adhering to speed limits, managing distractions whilst driving, and the imperative for adequate rest before and during journeys. A total of 386 fleet truck drivers underwent this training.

### Kelvin TOP-SET Incident Investigation Training

- Wessex Water's H&S professionals undertook the nationally recognised incident investigation training to improve, amongst other things, root cause analysis and prevention.

### Safe Work Operation

- MCB aims to provide everyone within their business with the knowledge and tools to perform every task safely. Participants were trained on not just the theories; MCB include practical sessions to provide opportunities for employees and contractors to practise what they learned.
- During the year, MCB has conducted numerous training sessions on safe work operations, including job risk assessment, rigging and lifting, safe forklift operation, chemical safety, energy isolation, and working at height, recording more than 31,000 hours of training for their employees and contractors.



## Emergency Preparedness and Response

### First aid and CPR

- MCB organised the training to provide essential first aid skills to the Emergency Response Team (ERT) members and conducts regular refresher courses at other locations.

### Confined Space Training

- MCB periodically organises training on confined space at the plant level. This training is important since work in confined spaces is undertaken during major shutdowns and scheduled silo cleaning within the plant.
- During the year, the ERT at Kanthan Plant organised confined space rescue training with the National Fire and Rescue Department. Meanwhile, Pasir Gudang conducted three sessions of training focusing on the Industrial Code of Practice for Confined Space.



### Emergency Preparedness and Response Training

- YTL Construction organised a series of trainings to enhance knowledge and awareness amongst office and site employees about emergency response preparedness, first aid and CPR with automated external defibrillator (AED). YTL Construction's HSE department jointly collaborated with YTL Learning Academy, which organised in-house training conducted by OSH Trainer PLT.
- During the year, four sessions were conducted on emergency preparedness and response, whilst three sessions were conducted on first aid and CPR with AED.





**DIVERSITY AND INCLUSION**

Recognising and embracing the multifaceted dimensions of diversity – encompassing differences in race, gender, ethnicity, age, religion, cultural belief, disabilities, and sexual orientation – alongside the unwavering commitment to inclusion and human rights, is no longer a choice but a strategic imperative. By valuing and harnessing the unique talents of every employee, we not only enrich our workforce culture but also unlock a plethora of benefits that positively impact our operations. This approach resonates deeply with YTL Group, which consists of employees of diverse nationalities and backgrounds. By providing a level playing field for all, we strive to create a workplace that is free from discrimination, marginalisation, and harassment.

**Management Approach**

We remain committed to embracing diversity, providing equal opportunity, and respecting human rights to help employees grow and thrive. This commitment is reinforced by YTL Group’s Corporate Statement on Human Rights and Ethics, alongside the Code of Conduct and Business Ethics. These frameworks set out the acceptable practices and ethical principles guiding our employees’ responsibilities in all business interactions. These guiding documents are communicated to all employees and are conveniently accessible on our corporate website, underscoring our dedication to transparency and adherence to these fundamental values.

**Diversity and Inclusion**



Reinforce disability inclusion by providing job opportunities to people with disabilities (PWD)



Respect rights to freedom of association and opinion



Zero tolerance for all forms of discrimination



Oppose unfair labour practices and any form of forced or child labour



Provide equal opportunities regardless of ethnicity, religion, gender, age, sexual orientation, disability, nationality, or geographical background



Focus on gender balance through building female representation in the workforce

YTL Group Workforce Dashboard FY2023<sup>10</sup>



**12,627**  
Total Workforce

**86%**  
Permanent Employees

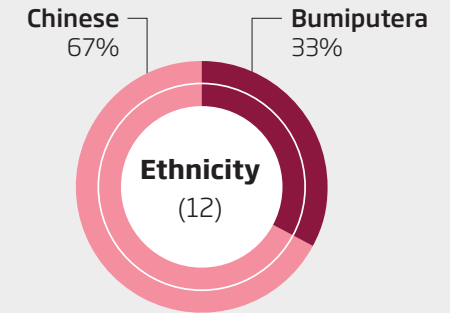
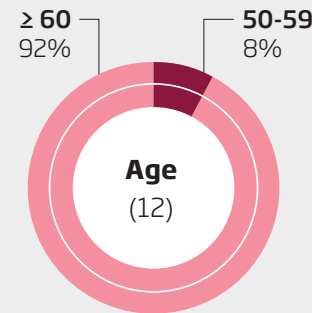
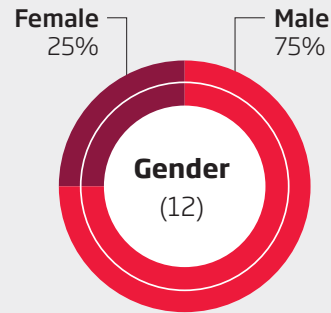
**88%**  
Local Workforce

**14%**  
Contract Employees

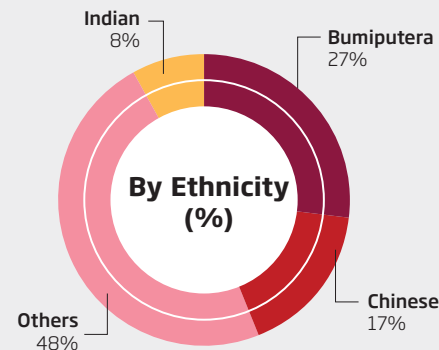
**31%**  
Female Workforce

**86%**  
Proportion of Locally Hired in Senior Management

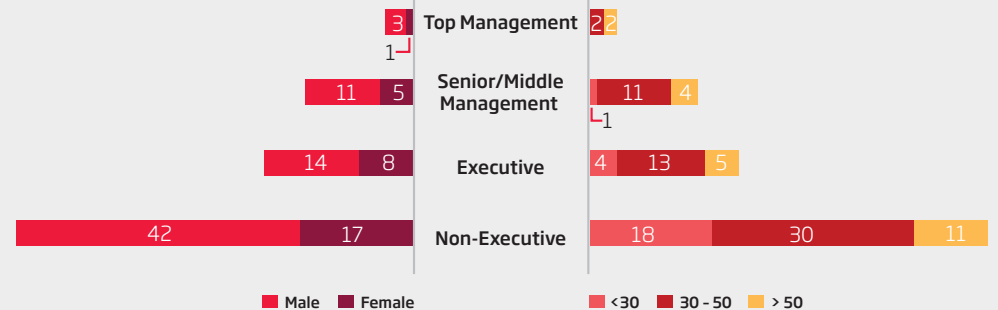
**Board of Directors' Profile<sup>11</sup>**



**Employee Diversity (%)**



**By Gender (%)**



<sup>10</sup> The scope covers all of YTL Group business units globally.

<sup>11</sup> Board of Directors' profile is a representation of YTL Corporation Berhad.

## Fair Employment

As of 30 June 2023, YTL Group had a total of 12,627 employees globally. Whilst YTL Corporation is domiciled in Malaysia, our operations extend to numerous other countries, resulting in a workforce characterised by racial diversity and a significant representation of mixed ethnicities. We adopt local employment strategies to help create jobs and support the local economy as well as to ensure our people have local knowledge and incorporate cultural sensitivity to enhance our capabilities on the ground. In FY2023, locals accounted for 88% of our workforce across our global operations within YTL Group.

YTL Group hires employees based on their merits and capabilities, and we take professional qualifications, work experience, and achievements into consideration. We do not discriminate when it comes to gender, race, and age in building our workforce. Where possible, we also provide fair employment opportunities for people with disabilities (PWD). YTL Group currently employs 134 employees with disabilities across our global operations, which accounts for approximately 1% of our total workforce. We ensure their needs are met by providing facilities and services such as disabled-friendly restrooms, accessible car parks, and wheelchair ramps in buildings, as well as employment services to improve their access and opportunities in the workplace, where possible.

YTL Group's commitment to Diversity, Equity, and Inclusion (DEI) is exemplified through our participation in the British Malaysia Chamber of Commerce (BMCC) DEI Network. Led by Natasha Zulkifli, Stakeholder Director of YTL Construction, the BMCC DEI Network currently comprises representatives from 14 organisations. Convening twice a month, this platform is dedicated to fostering a culture of belonging and equity for all. Through open dialogue, the network addresses existing gaps and collaborates on sharing best practices amongst participating organisations, working collectively in bridging disparities.

We acknowledge and support our employees' rights to participate in professional bodies, cultural societies and/or associations of their choice, including but not limited to Master Builders Association Malaysia (MBAM), Malaysia Board of Technologists (MBOT) and Institute of Engineers Malaysia (IEM) in Malaysia, Union of Power and Gas Employees (UPAGE) in Singapore, Unite and General Trade Union (GMB) in the United Kingdom (UK), as long as their involvement adheres to local laws and regulations, maintains the company's reputation, and does not impede their job performance.

YTL PowerSeraya prides itself on having a harmonious and collaborative relationship with UPAGE. In 2022, a new 3-year Collective Agreement was successfully negotiated and renewed. Over the years, they have actively partnered with UPAGE in programmes such as education grants for members' children and health screening for their employees. In recognition of the company's contributions to the Labour Movement's mission to uplift wages, welfare, and work prospects of workers, the distinguished Plaque of Commendation (Gold) Award was conferred on YTL PowerSeraya by the Singapore National Trades Union Congress (NTUC) Oil, Petrochemical, Energy, and Chemical Cluster at the NTUC May Day Awards 2023.

YTL Group adheres to an open-door policy that enables our employees to raise their concerns relating to their work, harassment, human rights, or discrimination through grievance mechanisms and whistleblowing channels to superiors, heads of departments, higher management, or the Human Resource Department. Any issues raised will undergo a thorough investigation process, involving review and investigation by the respective business units. Subsequent actions are taken based on confirmed grievances and complaints. During the year under review, there were no non-compliance incidents involving labour standards, including child labour, forced labour, or discrimination recorded in our operations.



*A group photo of one of the sessions Ignition Lab Build to LEAD in YTL LEAD Conference 2022*

## Gender Equality and Pay Parity

Within YTL Group, our workforce composition echoes the nature of our business activities, with 69% of employees being male. This ratio aligns with the demands of sectors such as cement manufacturing, construction, and utilities. Notably, female employees constitute approximately 31% of our total workforce, with senior management positions encompassing 31% in the reporting period. We fully comply with any local legal requirements with respect to minimum wages and we reward men and women fairly based on merit, ability, and experience for comparable roles.

### Women @ YTL

Women @ YTL (W@Y) is a dedicated women's network within YTL Group, designed to empower and uplift women throughout the organisation, fostering their professional growth, and realising their full potential. This initiative focuses on bolstering confidence, raising competency in the workplace, and fostering a spirit of camaraderie amongst the female workforce.

On 19 August, 2022, W@Y hosted a webinar titled "The Vogue Leadership", featuring Janet Lee, Founder and Chief Executive Officer (CEO) of 95%. A pioneer in corporate culture consultancy, Janet shared her life story, highlighting her mother's impact on her journey. Addressing various leadership styles, she engaged with attendees' questions and encouraged participation in a personal values assessment test for self-discovery. This event offered insights into fostering a vibrant workplace culture and provided valuable takeaways for attendees.

### International Women's Day

In conjunction with International Women's Day (IWD) on the 8 of March each year, W@Y hosted its highly acclaimed annual event, "The Power of Her - Celebrating Women in Leadership Breakfast Talk," on 7 March, 2023. Attended by approximately 90 people from diverse departments across the YTL Group, this event served as a platform for networking and empowerment.

This year's event featured an engaging panel discussion with prominent figures in their respective fields: Datin Paduka Marina Mahathir, a socio-political activist and author, and Dato' Professor Dr Elizabeth Lee, CEO of Sunway Education Group. The conversation revolved around multifaceted themes such as leadership, balancing motherhood with a career, personal career journeys, addressing generational dynamics in the workplace, and finding inspiration for continuous growth.

W@Y's IWD event fostered connections and facilitated the sharing of stories and experiences amongst women within the YTL Group. The positive feedback and comments received from attendees underscored the significance of such events, expressing a desire for more similar initiatives in the future. The W@Y events held throughout FY2023 not only provided a platform for women in the YTL Group to acquire insights but also offered opportunities to seek support and empowerment, centered around the theme of leadership.



*A group photo with our distinguished panelists: Datin Paduka Marina Mahathir, Dato' Professor Dr Elizabeth Lee, and Dato' Yeoh Soo Min during the International Women's Day event*

## Feature Story

### YTL Construction's Journey Towards an Inclusive Workforce

Almost seven decades ago, YTL Construction embarked on its journey as a basic construction company. Over the years, it has evolved into an organisation that proudly embraces diversity, equity, and inclusion (DEI). With a workforce comprising individuals from diverse backgrounds and nationalities, YTL Construction's commitment to fostering a welcoming environment has led to a unique blend of expertise within its family.

The employees at YTL Construction represent an amalgamation of different age groups, cultivating a mosaic of experiences and skills. From Baby Boomers to Gen Z, this diverse mix of generations is the driving force behind the company's accomplishments. This blend has proven pivotal in driving innovation and knowledge sharing, encapsulating the essence of an inclusive organisation.

In an industry often labelled as "Dirty, Difficult, and Dangerous", YTL Construction defies prevailing stereotypes and emerges as a trailblazer. The company actively encourages gender diversity amongst its employees, ensuring equitable access to employment, training, and development. A noteworthy testament to this commitment is the fact that 50% of YTL Construction's workforce involved in the monumental 192 km GJBEDTP are women. Inside the company's corporate offices, this commitment translates into tangible support. YTL Construction established dedicated facilities to assist pregnant and nursing female employees, whilst also providing free access to essential sanitary products.

Additionally, YTL Construction prioritises inclusivity across various age groups by setting up the Solo Parents Support Group and offering flexible working hours to support work-life balance, especially for those caring for their families. By addressing the unique circumstances of single and young parents, YTL Construction strives to foster an environment where all employees can flourish.

In 2020, YTL Construction conceptualised and incubated the YTL Learning Academy to empower their employees with continuous learning opportunities. This platform evolved into a comprehensive resource, from technical to non-technical subjects covering language, physical and mental health, leadership, social justice, and more. Over the past three years, the YTL Learning Academy hosted a range of DEI-focused talks, including nutrition, healthy vision, physiotherapy, cancer awareness, mental health, gender equality, diversity at the workplace, inclusive language use, and environmental conservation topics such as turtle and coral reef preservation, energy efficiency, recycling, and urban forests. Since the launch, 40 talks have been conducted both online and physically, attended by more than 2,000 attendees. The YTL Learning Academy is a testament to YTL Construction's commitment to holistic growth.



**Cultural Richness:** YTL Construction's workforce reflects a beautiful tapestry of races and nationalities, creating a vibrant and inclusive atmosphere. Embracing festive seasons like Chinese New Year, Christmas, and Hari Raya, the company organises celebrations that resonate with all employees, regardless of their background.

The embedded DEI spirit within the YTL Construction family has also spilt over into the public space in multiple ways. Employees have volunteered to teach refugee children from Myanmar English language classes at YTL Foundation's 54C community centre on Friday afternoons. Similarly, YTL Construction has actively engaged with marginalised communities by sourcing meals from social enterprises like Picha Eats<sup>12</sup> and Dapur Rakyat<sup>13</sup> for their employee events, showcasing the company's commitment to positive social impact. In 2020, YTL Construction also partnered with Women in Rail Malaysia to initiate a series of monthly online talks supporting female business owners with the theme "Think Local. Buy Local".

YTL Construction's unwavering dedication to DEI has garnered it a host of prestigious accolades. Notably, YTL Construction recently secured the First Runner-Up position for the esteemed Diversity and Inclusivity Award at the 4th British Malaysian Chamber of Commerce (BMCC) Business Excellence Awards 2023. The Brand Laureate Sustainable Business and Brands Inspirational Achievement Award for 2022-2023 in the HR-People Development Leadership Category further underscores the company's commitment to DEI. For the past two years, the company's initiatives have been recognised with the HR Asia Awards for the Best Company to Work For In Asia - Malaysia category. Locally, YTL Construction has been distinguished as one of the finalists for the Graduates' Choice of Employers in various categories since 2020. These accolades stand as a testament to YTL Construction's relentless pursuit of excellence in DEI.

The journey towards creating an inclusive environment demonstrates that fostering diversity is not just an obligation, but a responsibility. YTL Construction's dedication to promoting inclusivity has led to improved teamwork, higher morale, and the creation of an environment where everyone's contributions are recognised and appreciated. As YTL Construction continues to evolve, this ethos serves as an inspiration, motivating the company to strive for excellence, embrace diversity, and lead the way towards a more inclusive future not only within the company but across industries and societies as a whole.



**Making Every Voice Heard:** YTL Construction organises town halls, roadshows, and other engagements like "Hi Boss", "D2D", "Meet n Eat", and "Come Chat" to foster dialogue, collaboration, and camaraderie.

<sup>12</sup> Picha Eats partners with refugees to prepare home-cooked meals from their respective homelands.

<sup>13</sup> Dapur Rakyat is a group of disabled, low-income earners, and single mothers, set up to support them in their efforts for financial independence in providing for their families.

## Feature Story

**Wessex Water Continues to Make Progress on Diversity and Inclusion**

Building on the achievements of the previous year, Wessex Water's programme for the year continued with a broad spectrum of activities across gender, ethnicity, disability, sexual orientation, and social mobility. Wessex Water has an active working group overseeing all the company's efforts in this area. To better understand how they are doing, Wessex Water took part in the 2022 Energy and Utility Skills Diversity and Inclusion Measurement Framework. This provided excellent insight into how Wessex Water compares with the utility industry in the UK, including the water sector, both nationally and regionally.

Whilst Wessex Water is making good progress in ensuring the company's workforce reflects the community they serve, Wessex Water's ethnicity results are below the UK industry average. In response, the company formed the Race At Work Group - an internal network of employees from across the business, to plan how the company can provide more opportunities for those from ethnic minorities. Similarly, Wessex Water has formed a Disability Advisory Group, again consisting of employees across the company business, with an interest in promoting opportunities for those with a disability, including hidden disabilities. The group provides feedback and advice on improving opportunities.

In September 2022, during National Inclusion Week, Wessex Water announced executive sponsors for all key characteristic areas. This was to demonstrate senior-level commitment to improving diversity and inclusion and to provide practical executive-level support for working group members to help them enact their plans. The internal networks Wessex Water created in 2021 have continued to gather momentum in 2022:

1. The ARC Alliance, formed to promote acceptance, respect and celebration of Wessex Water's LGBTQ+<sup>14</sup> colleagues, provided valuable advice and recommendations.
2. Wessex Water's Working Families Group provided ongoing help to colleagues juggling work and family life. Tangible policy progress was made here, too. After undertaking external benchmarking on their family leave policies, the company improved their leave and benefits entitlements to attract and retain talent and build a reputation as an employer of choice, especially in male-dominated business areas.
3. The Menopause Network has also proved highly successful, running a series of events for both men and women and providing useful information across Wessex Water's internal media.
4. Partnerships with external organisations continued to thrive. For instance, Wessex Water provided work placements to help women re-enter employment in collaboration with the Women's Work Lab, and as a result their work with Seetec Plus and Bristol Future Talent Partnership expanded.

“

**I applied for a job at Wessex Water and was completely open about the fact that I am a wheelchair user. I was one of 40 applicants who was shortlisted for an interview. My manager has been amazing - anything I needed was provided for me. My disability doesn't matter, and I just get on with my job like everyone else in the team.**

**- Ryan, Junior CAD Technician**

”

<sup>14</sup> LGBTQ+ stands for lesbian, gay, bisexual, transgender, queer (or questioning) and others

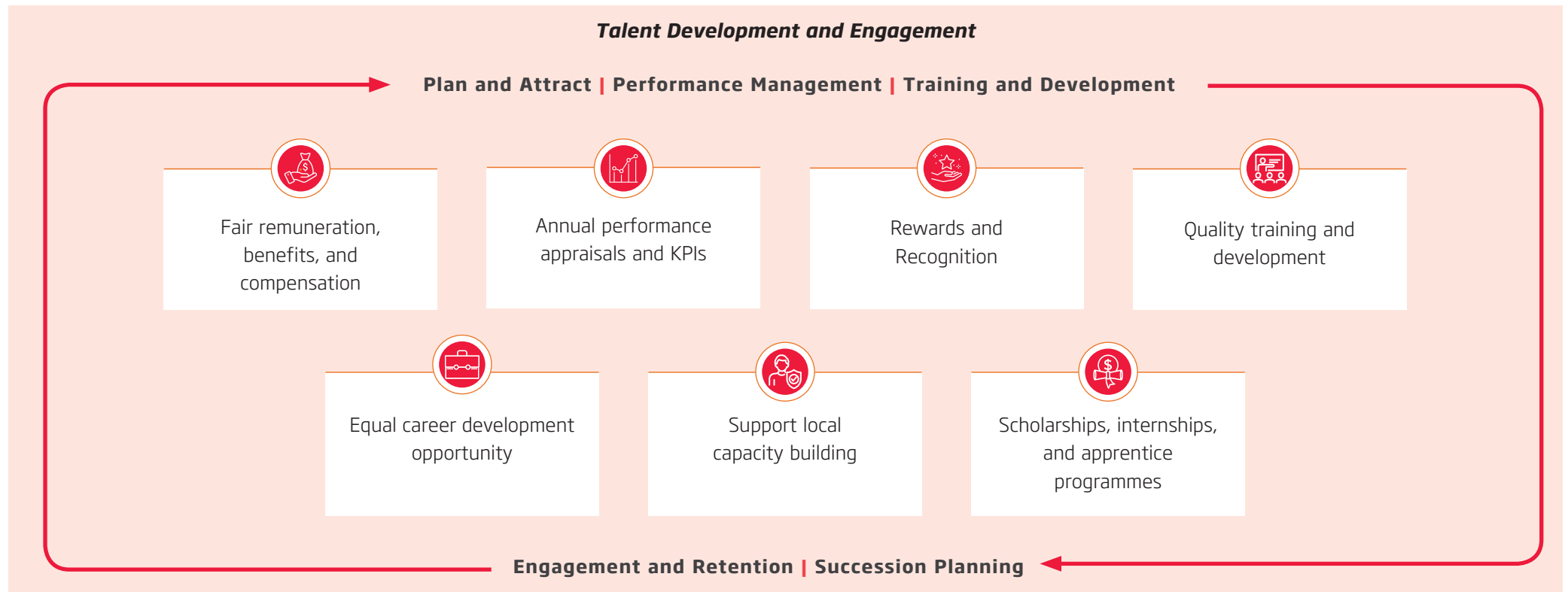
**NURTURING HUMAN CAPITAL**

In any organisation, the well-being and satisfaction of employees are integral to their success and sustainability. By placing individuals at the heart of their operations, businesses not only demonstrate their commitment to ethical and responsible practices but also reap a myriad of benefits that extend far beyond the office walls. At YTL Group, we view our people as the essence of our company. By investing in the growth and well-being of our employees, we not only fortify our company’s resilience but also foster innovation, drive operational excellence, and enhance our overall contribution to society.

**Management Approach**

Guided by the YTL Group Employee Handbook, we aim to attract, retain, and develop a competent workforce by providing competitive remuneration packages, recognising and rewarding achievements, advocating work-life balance, and developing our human resources. We also strive to increase our talent pool by offering early career development programmes to attract young individuals with potential and equip future potential employees with extensive industry knowledge as well as hands-on experience.

We conduct annual performance appraisals of our employees where we provide valuable feedback on their performance and achievements from the preceding year. This ongoing dialogue enables us to gain insights into our employees’ developmental needs and career aspirations. Key performance indicators (KPIs), for both businesses and employees, are also in place to ensure that performance goals are aligned with our overarching business goals.





## Employee Benefits and Welfare

Recognising the indispensable role our employees play in propelling the company's growth, YTL Group believes that they should be adequately compensated and rewarded for their valuable contributions. Our competitive remuneration packages and comprehensive benefits stand as a testament to our deep appreciation for our workforce, motivating them to perform better. We have also extended this ethos to temporary and part-time employees within certain business units, acknowledging the importance of their well-being and affirming our commitment to holistic care.

Paid Leave Entitlement	Uniform and Equipment Provision
Employee Share Options Schemes	Healthcare Coverage and Group Insurance Plans
Mobile Device and Internet Plan	Corporate Vouchers and Discounts
Learning and Developing Opportunities	Educational Support
Health and Wellness	Flexible Work Arrangement

*Note: Certain benefits and entitlements only apply to selected business units.*



### Health and Wellness

#### Weekly Exercise Classes

- Organised by YTL Construction to promote healthy living and good well-being amongst employees. Held once a week, the classes include Zumba, Yoga, and Chinese Kickboxing.
- Since September 2022, YTL Construction has organised 44 weekly exercise sessions. These classes have proven highly beneficial to 500 employees who have participated.

#### Sunset Yoga

- Organised by YTL Cement, the four-week yoga sessions were conducted to give employees the ability to learn basic yoga whilst encouraging work-life balance. The sessions resulted in 76 employees participating.



### Flexible Work Arrangement

- Certain business units within YTL Group offer flexible working hours, work-from-home, and remote working arrangements, based on mutual consensus with department heads, and to accommodate employees balancing their professional and personal obligations.



### Parental Benefits

#### Parent-friendly Facilities

- We offer a range of parent-friendly facilities in the workplace to support employees with families.
- Mothers are provided with free access to the Mother's Room on the 23rd Floor at Menara YTL, which includes private nursing cubicles and changing rooms.
- Pregnant employees are also eligible for the allocation parking spots in Menara YTL.

#### Parental Leave

- As part of empowering working parents, all eligible female and male employees are entitled to paid maternity and paternity leave according to the respective country's Employment Act. In FY2023, a total of 264 employees took parental leave.



### Job Mobility

- Certain business units within YTL Group offer internal job transfer options for employees to promote professional growth and development. YTL PowerSeraya launched a new internal job market scheme to provide internal career opportunities and mobility for employees.

## Training and Development

Employee training and development stand as a pivotal strategy for fostering a skilled and adaptable workforce, critical for achieving success. By investing in professional growth, organisations empower individuals and the broader workplace to navigate challenges, seize opportunities, and drive efficiency. This strategic approach also leads to increased productivity, job satisfaction, and a strong competitive edge. To align with these principles, YTL Group empowers our employees with the skills essential for their roles and to develop exceptional qualities. Our comprehensive learning and development programmes, workshops, and seminars cover a wide array of topics, ranging from OSH, environmental management, awareness to project management, technical proficiency, and soft skills cultivation, including effective communication and leadership capabilities. Through these efforts, we strive to create a workplace where mutual investment in employee growth and company success both thrive.

### Total Training Hours

Employee Category	FY2023
Top Management	1,225
Senior/Middle Management	8,420
Executive	16,859
Non-Executive	51,838
<b>Total</b>	<b>78,342</b>

## Training and Development Programmes across YTL Group



### Managing Learning

- In 2021, Wessex Water launched a new learning management system which enables employees to book courses and access resources online in one place and tracks all mandatory and compliance training. The system has allowed more detailed reporting and governance of the company’s training requirements, ensuring compliance standards are being maintained.
- Wessex Water delivered more than 1,000 training courses and added a “learning bites” section to their platform to provide quick and simple eLearning opportunities for employees. They expanded the eLearning catalogue by adding new courses to help users refresh knowledge quickly, including new courses for customer service and national water hygiene.



### YTL Cement Solutions for Sustainable Construction

- MCB organised two-part training sessions on ESG and Sustainable Construction in January and February 2023. The in-house training aims to equip sales, marketing, and communication teams with the required knowledge in ESG, development in sustainable construction, and MCB’s product solutions meeting changing needs. 145 employees with commercial roles in Cement, Concrete, and Aggregates attended the sessions.



### Project-2-Project (P2P)

- YTL Construction hosts a monthly virtual sharing session that facilitates learning and connection between employees from two different projects. This initiative provides a platform for employees to engage and understand the challenges, roles, and progress of each project within the company. Each session was attended by approximately 150 employees.



### Operation and Technology Roadmapping (OTR)

- This year, YTL PowerSeraya led the pack in embarking on OTR in partnership with Singapore’s National Trades Union Congress (NTUC) under the Company Training Committee. The initiative involved the review of Terminal Operations’ end-to-end work processes to identify operation and technology improvement areas for focused development in their transformation roadmap. In the exercise, the competency framework for YTL PowerSeraya’s workforce will be updated to meet the new business requirements, and the training and development needs of the workforce will also be mapped out.



### Digital Skills Training Series

- To equip employees to be more proficient in analysing data in their day-to-day tasks and for data-driven decision-making, YTL PowerSeraya rolled out a series of digital skills courses including Microsoft Excel, Power BI, and Machine Learning for their employees.

**YTL Learning Academy**



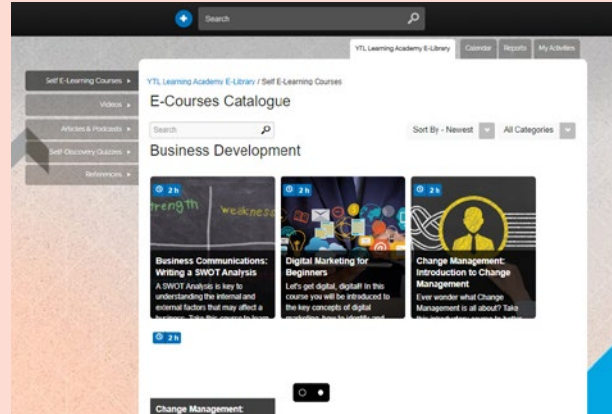
**Training Programmes**



- As part of YTL Construction’s Transformation 2.0 initiative to push the company to greater heights, a series of training and development initiatives were planned to upskill and engage with the workforce, promoting a culture of lifelong learning within the company.
- Comprehensive year-round training, encompassing technical and soft skills, through a mix of face-to-face sessions was held in-house or offsite, as well as accessible via online programmes.
- A total of 143 instructor-led sessions were held in FY2023, attended by 3,670 employees.
- To promote a culture of continuous learning amongst employees, the YTL Learning Academy rewards employees with the highest training hours.



**e-Learning Modules**



- In collaboration with FrogAsia, the YTL Learning Academy leverages the Frog platform to deliver e-learning modules to all employees. These modules, created by YTL Construction, undergo a thorough evaluation by the YTL Learning Academy and the Branding department for branding compliance.
- To date, they have successfully launched 32 modules on the platform, with 1,453 employees taking up the opportunity.



**Sponsorship Programme**



- An initiative to encourage employee upskilling through fully-sponsored higher learning education or professional certification programmes.
- A company-wide roadshow “YTL Learning Academy Roadshow 2023” was conducted over two weeks in March 2023, to encourage employees to explore MBA and professional certifications.
- A speaker from University of West Scotland was invited to speak on “Accelerate Your Leadership Potential” to promote their MBA programme in April 2023.

### Grooming Future Talent

Nurturing and expanding our talent pool is crucial for cultivating a skilled and sustainable workforce. Aligned with our commitment to grooming the next generation, we made a concerted effort to expand our early career development programmes across our wide array of industries, ensuring inclusivity. Today, we have a robust young talent pool, comprising interns, apprentices, scholars, and management trainees.

In the UK, Wessex Water welcomed 27 entry apprentices, 21 career development apprentices, 13 people on industrial placements, and 13 graduates in the year. Wessex Water was excited to launch the YTL Wessex Academy this year - a government recognised employer provider for apprenticeship delivery. The Academy will enable the delivery of high-quality training to be done in-house.

So far, more than 150 people have benefited from the early career programmes, with an additional 35 having formal advice and guidance sessions on their potential career development steps. Wessex Water has also opened their doors to 40 work experience placements, showcasing career insights into the water industry, and has benefited from the creation of a fantastic pipeline of talent to help futureproof the business.



*New starters joining Wessex Water on their entry and career development apprenticeship programmes, graduate schemes, and university industry placements*

### Feature Story

#### YTL Wessex Academy

The YTL Wessex Academy was launched in the summer of 2022 with the aim to provide a sustainable and competent workforce for the future following the learning principles of “Know it, Show it, Live it”. The Academy gained recognised government status for apprenticeship delivery in February 2022. As an employer provider, the company was also able to train and develop their existing employees. Work within the Academy is supported by experienced Wessex Water skills coaches.

The Academy’s initial focus centres on the operational aspects of the business, and it currently holds approval for delivering three apprenticeship programmes:

Water Process Operative	Water Industry Process Treatment Technician	Water Industry Network Technician
A two-year programme at level 2, equivalent to 5 GCSEs grade A-C/4+.	A three-year programme at level 3, equivalent to 2 A Levels.	A three-year programme at level 3, equivalent to 2 A Levels.

Apprenticeship training within the Academy covers a diverse array of roles, including water recycling operatives, leakage inspectors, distribution inspectors, sewerage operators, and production technicians. Notably, these apprenticeship programmes hold recognition from both the Environment Agency and the Drinking Water Inspectorate as qualifications for competent operators.



## Employee Engagement

As businesses evolve, it becomes increasingly apparent that a highly engaged workforce not only translates to enhanced work performance but also stands as a bedrock for the seamless functioning of a company. At YTL Group, we aim to enhance the strength of mental and emotional connections of our people with their workplace. We are committed to cultivating an engaged and empowered atmosphere, fostering optimal performance amongst our workforce.

YTL Group recognises the importance of diverse employee feedback mechanisms in establishing effective communication channels. We have established engagement avenues through various platforms, such as the annual YTL LEAD Conference, town hall sessions, Monday Memos, YTL Group Sustainability Committee, YTL Community, and BTRT websites amongst others that facilitate the smooth flow of information.

We value the perspectives of our people and consistently strive to cultivate a globally engaged workforce. We firmly believe that collaboration amongst employees brings forth diverse viewpoints that drive our business. We view all types of employee feedback mechanisms across YTL Group as essential in creating effective communication channels.

### Employee Engagement Programmes across YTL Group



#### Employee Communication

##### Town Halls

Business units across YTL Group organise their respective town hall sessions that facilitate engagement between top management and employees, promoting alignment with the company's overarching direction.

##### Workplace Culture 2023 Survey

A survey was sent to all YTL Construction's employees at both Menara YTL and Johor Site Offices to better understand their thoughts on existing workplace culture initiatives and to seek their input on how to improve the initiatives.

A total of 105 responses were received, which were reviewed during YTL Construction's biweekly Culture meetings. One key feedback was the need for more engagement with site employees, leading them to introduce site roadshows, festive celebrations, and knowledge-sharing sessions.

##### YTL Learning Academy Roadshow

The roadshows are organised for both Heads of Departments (HODs) and employees of YTL Construction, aiming to effectively communicate updates, new training information, and policies. This initiative serves to enhance work quality output by understanding the training needs of departments and promoting the training programme plan for the calendar year. 500 employees attended the roadshows.

##### "Come Chat" Series

The "Come Chat" series made its debut in YTL Construction's internal newsletter in 2021, with the objective of fostering camaraderie amongst employees. It features one employee at a time with insightful questions about their work and personal experiences.

From June 2022 to July 2023, a total of 12 employees were highlighted on a monthly basis.

##### SPYTL Site Roadshow 2022

A total of five roadshows at different sites were hosted by YTL Construction for employees who are based in Kuala Lumpur and Johor. The roadshows were filled with activities and information related to YTL Construction's Transformation 2.0 journey.

##### "Hi Boss"

The "Hi Boss" initiative was introduced with the aim of fostering a stronger connection between YTL Construction's leaders with their employees, enabling them to learn from the experiences and journeys of these leaders.

Since its launch in 2021, a total of nine sessions have been carried out with two sessions taking place in 2023. Amongst all of YTL Construction's internal events, "Hi Boss" stands out as the most popular. With almost 900 employees logging in for all sessions, it has garnered significant participation and enthusiasm.



## Employee Appreciation

### BTRT Awards 2022

- This prestigious Group award was introduced in September 2016 to recognise exceptional individuals and teams who exemplify the YTL core values - Honesty, Hard Work, Moral Responsibility, Togetherness and Vitality, and go above and beyond for the company and people. Employees of YTL Group were encouraged to nominate their colleagues and teams who have inspired them and significantly impacted the company and their peers.
- The winners - four individuals and one team, were announced at YTL LEAD Conference 2022 and presented the coveted BTRT Light Brick trophy. This year saw winners representing YTL Corporation, YTL Construction, YTL Land, and FrogAsia.



### Wall of Fame

- YTL Construction introduced the Wall of Fame to honour outstanding or distinguished people who served in the company for 20 years or more. To date, there are 177 names on the Wall of Fame.

### Employee of the Quarter Award

- YTL Construction nominates and recognises individuals who reflect the core values of the company and have gone above and beyond in serving the company.
- The award celebrates and rewards exceptional employees, fostering a culture of excellence and motivation within the organisation. Recipients will have the opportunity to share meals with the senior management team.



## Activities and Club Memberships

### Solo Parents Support Group

- The group was part of YTL Construction's Diversity, Equity and Inclusion (DEI) initiatives that have been extended Group-wide.
- Held once a month, the gathering creates a safe and casual environment for single parents to unwind, exchange support, and share their challenges and triumphs in navigating parenthood independently.



### ASPIRE

- Launched as a club led by young leaders for all YTL Construction employees. It provides a community for club members to network and polish their personal and professional skills, as well as engage in fun activities.
- ASPIRE has organised a series of outdoor programmes, including hikes at Gunung Lambak, Bukit Gasing, and Sungai Kanching, as well as a Go-Kart event at Pinnacle Kart, Subang Jaya. In addition, ASPIRE also hosts a weekly badminton tournament for employees. These engaging activities drew participation from a total of 300 enthusiastic employees.



### VIBRANCY

- Post-pandemic, YTL PowerSeraya's 'VIBRANCY' club has been revived with on-site after-hours recreational activities such as board games night and happy hour. Corporate celebratory and get-together lunches were regularly organised for employees to enjoy their meals together.



## Engaging Activities



### Photography Contest

- Open to all YTL Construction employees, the contest revolved around the theme “Take Your Best Shot at Work”, designed to ignite creativity amongst employees.
- In celebration of Earth Day 2023, YTL Construction organised an Earth Day Photography and Drawing Contest. The photography contest was open to employees whilst the Drawing Contest was extended to children of YTL Construction’s employees.



### 65th Merdeka Celebration Parade

- YTL Group was invited to be part of the celebration parade at Dataran Merdeka.
- 33 employees participated, representing the private sector, and our contingent included representatives from YTL Corporation, YTL Construction, and YTL Communications.



### Brown Bag Luncheon Sessions:

- MCB hosts interactive sessions to encourage lifelong learning amongst employees and to bring employees together from different departments.
- Three sessions were held throughout FY2023, two “Say Cheese!” mobile photography workshops followed by a session on upcycling old T-shirts into tote bags. 120 employees in total attended the three sessions.



## Engaging Activities



### Meet N' Eat

- Every quarter, YTL Construction hosts a collaborative learning initiative that showcases an influential leader from a business entity. This session is designed to introduce employees to novel concepts and ideas that can contribute to their personal and professional development.
- March 2023 session with Aireen Omar in conjunction with International Women's Day. The topic discussed was *"DigitALL: Innovation and technology for gender equality"*.
- June 2023 session with Datin Fara Ikma Rahim and Datin Shelina Razaly in conjunction with Global Parents Day 2023. The topic discussed was *"Embracing diversity in families: How to support our children to reach their full potential?"*.



### Friday Social: After 6

- YTL Construction's Friday social gatherings initially began as monthly movie nights on the last Friday of each month. Subsequently, these gatherings were rebranded as "After 6" to facilitate more networking opportunities for their employees. "After 6" now includes activities like karaoke sessions and board games, all enjoyed over food and drinks.
- As of June 2023, they have hosted nine sessions, benefitting a total of 400 employees at Menara YTL.



### Lunchtime Talks

- Recurring lunchtime talks within YTL Construction that encompass a wide range of topics including mental and physical well-being, leadership, rail-related matters, finances, and more. These talks are intended to expose employees to new things which may benefit their personal and professional growth.
- From July 2022 to June 2023, a total of nine lunchtime talks were arranged, encompassing discussions on topics such as diversity and inclusion, health-related subjects, mental health, technology, and the observance of international celebration days, including International Women's Day and International Men's Day.



### Lunch Lotto

- YTL Construction introduced the programme aligning with the Group's fundamental value of "togetherness."
- Ten employees were randomly chosen each month to enjoy a social lunch gathering, fostering camaraderie and interaction amongst colleagues. To date, 110 employees have participated in the Lunch Lotto initiative.



Feature Story

**YTL LEAD Conference 2022**

Each year, YTL Group holds an internal leadership conference known as “LEAD” that revolves around four pillars – Lead, Educate, Aspire, and Discover. The LEAD Conference offers a lineup of specially curated keynotes and seminars each year. The main objective of this event is to empower the leaders of YTL and enhance and hone their understanding and skills in leadership.

LEAD serves as a valuable avenue for employees across different business units and management levels to connect and engage with one another. It also serves as a platform to align participants with the company’s ongoing plans and strategic direction.

On 9 November 2022, the LEAD conference took place at the KL Performing Arts Centre (KLPAC) in Sentul. Following two years of virtual LEAD conferences, it was a refreshing sight to witness participants engaging and establishing connections in a physical setting. This year, the event saw a remarkable turnout, with over 500 attendees from YTL Group of companies globally. Attendees had the opportunity to hear from experts discussing global trends, business management, and to learn more of the Group’s ventures into new business opportunities.

Following the enriching session, the networking amongst YTL’s leaders – encompassing both seasoned and emerging professionals, it then continued with a dinner and After Party celebration at the Sentul Pavilion.



*Tan Sri (Sir) Francis Yeoh, the Executive Chairman of YTL Group, kicked off the conference with his annual opening address. He highlighted how challenges can lead to new opportunities and shared stories of visionary figures like Henry Ford and William E. Boeing as examples of individuals who achieved remarkable success by embracing trial and error. He emphasised the significance of YTL Group embracing uncertainty to foster growth, transformation, and make a positive impact on society and the nation.*



**Keynote 1:** CK Chim, The Field Chief Security Officer for APAC of Cybereason presented on “The State of Cyberattack and Beyond”, highlighting the potential impact of global cyber threats and the importance of protecting data in today’s digital age.



**Keynote 2:** Thomas Tsao, Co-Founder and Chairman of Gobi Partners discussed the emerging trends in China and their impact on regional companies.



**Keynote 3:** Chan Zi Xiang, Co-Founder of Langit Collective shared his journey of bridging the urban-rural divide through economic empowerment initiatives in his session titled “Discover Indigenous Malaysia”.



**Keynote 4:** Isaac Tan, the Principal at Boston Consulting Group in his “Winning the Digital Banking Battle” session, discussed the global impact of digital banking and the challenges and strategies involved in reshaping the global financial services landscape.

# Enriching Communities

## OUR COMMITMENT

Positively impacting and enriching the lives of communities where we operate

## ALIGNED WITH



## OUR APPROACH

- Developing future generations of innovators and leaders by providing quality education and supporting education initiatives
- Supporting community groups, social institutions, NGOs, social enterprises, and non-profit organisations
- Promoting arts and culture by providing platforms for artistic expression as well as supporting events that promote health and wellness

# Enriching Communities

[GRI 413-1, 413-2]

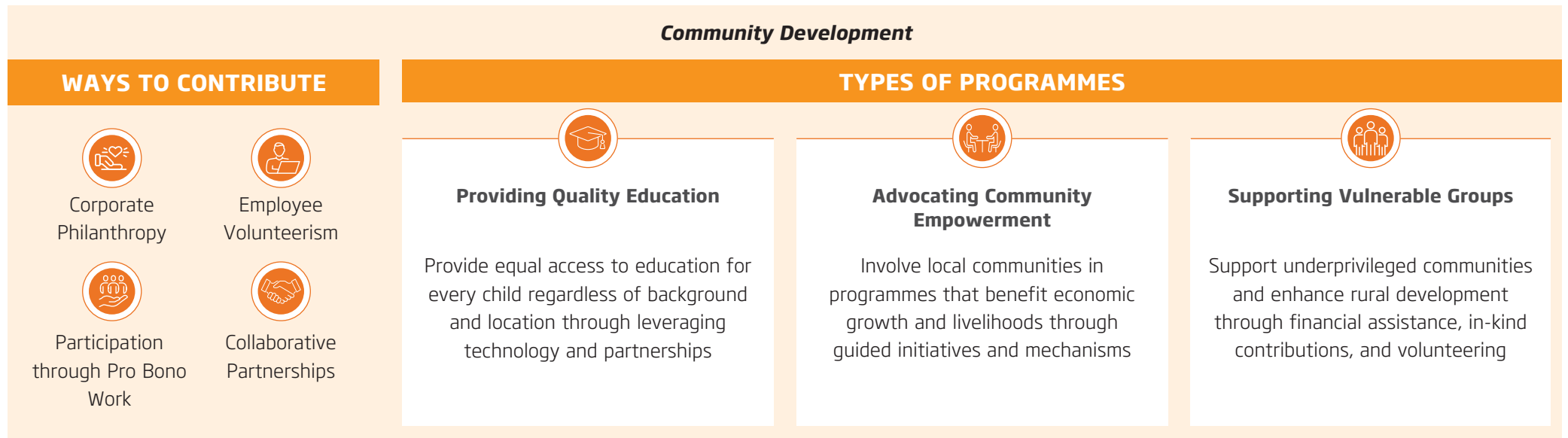
The success of an organisation is affected by how well it serves society and the local communities in the areas where it operates. Uplifting communities from marginalisation is part of YTL Group’s goal in empowering and enriching local communities. Providing them with the tools and instruments to better their quality of life and develop socio-economically will ultimately benefit both the company and the communities. Additionally, some of our business operations may bring indirect impacts to local communities that inhabit the surrounding environment. As we have a wide geographical coverage, it is our duty to ensure these impacts do not jeopardise the livelihoods of communities within our vicinity.

Our initiatives focus on elevating economically-challenged communities, bridging the education gap, empowering ostracised groups, fostering community spirit, and strengthening connections with potential partners in community-building.

## MANAGEMENT APPROACH


In line with YTL Group’s core value of “Building the Right Thing” and our ethos “Making A Good Future Happen”, driving sustainable development that benefits both the company and society is one of our key goals. We have established various educational initiatives for low-income communities and students, plus community engagement efforts that help in improving their quality of life. We aim to positively impact communities through corporate philanthropy, employee volunteerism, collaborative partnerships, knowledge sharing, community building, and development programmes, all of which are guided by our framework for community development.

Community planning is conducted to engage and involve local communities to understand and address their interests, needs, and concerns. Once the development programmes are carried out, monitoring and evaluation mechanisms are put in place to measure the short- and long-term progress.



**NURTURING EDUCATION**

Education should be every child’s fundamental right, and it helps in planting the seeds for a new generation of leaders that will help shape a better future for the world. At YTL Group, we understand the severity of the inequality gap in quality education and have been working to address this issue, starting with the vulnerable and marginalised communities around our operations. YTL Group leads a series of programmes tailored towards providing quality education for students and aiding low-income parents to ease their burden.



**YTL Foundation’s Scholarship Programme**  
**70** scholars under scholarship programme currently

**YTL Foundation 25th Anniversary Gala Dinner**

YTL Foundation celebrated its 25th Anniversary on 7 October 2022 at The Majestic Hotel, Kuala Lumpur. DYMM Tuanku Muhriz ibni Almarhum Tuanku Munawir, Yang di-Pertuan Besar of Negeri Sembilan and DYMM Tuanku Aishah Rohani binti Almarhum Tengku Besar Mahmud graced the dinner as the guests of honour. The dinner brought together about 500 of YTL Foundation’s partners, grantees, board members, as well as senior YTL employees for an evening of celebration.



*During the dinner, DYMM Tuanku Muhriz ibni Almarhum Tuanku Munawir presented awards to the top five finalists of the first-ever Malaysia Teacher Prize*

**YTL Foundation Scholarship Programme**

YTL Foundation believes that education moulds the mind, inspires achievements, unleashes potential, and is the basis on which every society progresses. YTL Foundation works towards unlocking opportunities for young Malaysians to grow, develop, and reach their full potential. YTL Foundation champions 21st century learning, organises talks and conferences, provides funds for programmes, and invests in developing moral leaders of character. They are dedicated to the principle that all Malaysians deserve quality, equitable education and leaders with strong values and character. YTL Foundation channels their resources and expertise into a focused set of initiatives to ensure measurable and meaningful impact.

The foundation of the Scholarship Programme is the belief that future generations hold the key to a prosperous and progressive nation. From the technical wonders of engineering to exploring the world of humanities, the YTL Scholars can pursue their interests and aspirations both locally and internationally. Two scholarship programmes are available for qualifying high achievers who also possess a strong interest in community service.

There were 15 successful YTL Foundation scholars in 2022, including one pursuing a degree in Human, Social, and Political Sciences at Cambridge University, the United Kingdom (UK) and another in Law at the University of Bristol, UK.

**YTL Scholar Induction Ceremony**

This annual programme is held to initiate the new YTL Foundation scholar cohort into the YTL family. Parents of the scholars were also invited to the event as YTL Foundation believes that it is important for parents to understand the scholarship programme and the YTL values so that they will be able to provide support to the scholars during their duration in university. The event started with a welcome speech by Programme Director, Dato’ Kathleen Chew, followed with a talk by Independent Non-Executive Director, Tan Sri Datuk Seri Panglima Dr. Abu Hassan Bin Othman, on the importance of university life. The scholars were also briefed on the scholar’s code of conduct, which sets out YTL Foundation’s expectations of their conduct, aligned to the YTL values, during their tenure as scholars.

YTL Foundation’s Trustees Dato’ Ahmad Fuaad Bin Mohd Dahalan and Dato’ Yeoh Soo Min were also present. The event ended with dinner and the trustees getting to know the scholars and their parents.

### YTL Scholar Training

Eleven scholars studying in the UK started the academic year with a three-day residential training on “Growth Mindset” in October 2022 and continued with monthly coaching sessions with our UK Scholar Coach to support their personal growth alongside their studies.

Eleven scholars attended the training on “Growth Mindset” which took place at Grafham Water Centre, an outdoor learning venue in Cambridgeshire. It involved a mix of theory sessions, practical activities, and guided self-reflection to help embed the learning. In addition, the event encouraged the scholars to form bonds and to create a support network for their time with YTL Foundation. Overall, the event was a great success, and the scholars were a credit to YTL with their enthusiasm and the way they conducted themselves throughout. All the scholars committed to learning new things and meeting new people, which helped make the event a success. It was clear from their feedback at the end of the event and from their evaluations that they really enjoyed the event, learned more about their own mindset and how to be in a growth mindset more of the time, and made great bonds with each other.

Following on from the training, the scholars received monthly online coaching sessions to empower them to set goals for their time in the UK, gain awareness on what limiting beliefs and factors hold them back, reframe their situations, and create action plans to move them closer to their goals. As part of the ongoing support, scholars were visited in person by the UK Scholar Coach during the British springtime.



**“Thank you for creating such a meaningful session for us. I have learned a lot from the sharing of other scholars, and it inspired me to continue to better myself as well as to face my weaknesses. Looking forward to more activities like this one.”**

**- Quote from a YTL Scholar**

### YTL Foundation Scholar Group Coaching Pilot Programme

In order to give the local scholars more opportunities to practise communication and critical thinking in a safe setting, YTL Foundation piloted several small group sessions. The pilot, held in February 2023, was based on the theme “*skills are built, not born*” and aimed at giving the local scholars the opportunity to build confidence. The sessions included an icebreaker, a short video, a group discussion, and an individual activity looking at personal strengths. Feedback was positive and going forward, they intend to run these sessions every year.

### KelasKita: An evolution of the Learn From Home Initiative

With the rich bank of Learn From Home’s educational content, KelasKita allows volunteers to provide tuition (online or on-site) to children in low-income communities most affected by the COVID-19 pandemic using the Learn From Home Lessons and FrogAsia’s virtual learning platform (Frog VLE). Through the Frog VLE, volunteers are able to teach using the ready-made lessons, edit lessons to add their own content, assign homework and quizzes, and monitor the progress of their students.

YTL Foundation has over the course of the year conducted several training sessions for KPMG and PricewaterhouseCoopers Associates Sdn Bhd (PwC) for both the administrators and volunteers on using the KelasKita platform. In June this year, KPMG started the programme with students from SK Bukit Lanjan Selangor, and PwC volunteers tutored students from Rumah Kebajikan Anbu Illam, Rumah Kebajikan Karunai Illam, and Pusat Jagaan Rumah Juara.

Teach For Malaysia (TFM) received a grant from CIMB Foundation to carry out the KelasKita classes for students in PPR Hicom and Lembah Subang. They recruited and trained volunteers from Universiti Teknologi MARA (UiTM) and kicked off the first session on 25 March 2023 in PPR Lembah Subang with 16 volunteers and 60 students. On 8 April 2023, FrogAsia joined the programme and 12 volunteers conducted classes for 80 students at PPR Hicom.

Micron Technology, an American producer of computer memory and computer data storage with a large facility in Penang, also started the KelasKita programme in June this year with more than 70 students in two schools near their facility (SK Batu Kawan Penang and SJKT Batu Kawan Penang).

YTL Foundation is also working to recruit volunteers within the YTL Group and currently has volunteers tutoring students online from PPR Seri Perak in Sentul.

## Leaps Academy

### Online Classes at Leaps Academy

After a two-and-a-half-year hiatus due to the COVID-19 pandemic, Leaps Academy resumed physical classes at 54C and has been conducting outreach programmes since July 2022. Leaps Academy is currently running both physical and online programmes for children from the underserved community including the B40<sup>15</sup> and refugee communities, to help them gain quality education to build a stronger foundation for success. Leaps Academy aims to focus on three key areas; improving academic performance, developing strong character through programmes that focus on social awareness and values, and building relationships with the refugee school administrators, parents, and students to be more invested in learning.

To date, Leaps Academy has worked with over 200 volunteers that comprise both local and international volunteers. In 2022, they had three volunteer students from top UK universities, Bath University and Oxford University, who were recruited through a partnership with Soroptimist International Damansara under their Building Bridges Beyond Borders programme. They served in the high-need refugee schools. Each of them worked with over five schools and taught over 100 classes for both academic and non-academic subjects for a minimum of three to six months. These volunteers were the first batch of international volunteers who conducted physical classes in the schools. Moreover, five YTL employees took the opportunity to contribute their time and expertise to make a difference in education within the B40 and *Orang Asli*<sup>16</sup> community. They have been conducting online English and Mathematics tuition classes for both primary and secondary students.

As of June 2023, there were 291 students attending classes on a weekly basis. In collaboration with Lions Club Raub, a new cohort of over 50 *Orang Asli* students from SEMOA, Kampung Tras Pahang, joined the online classes since May 2023 for English, Mathematics, and Bahasa Melayu lessons at primary and secondary levels. This is their first online learning experience, which these *Orang Asli* students showed great enjoyment.

### Leaps Holiday Programme

Three sessions of “Empowering Students and Shaping a Socially Aware Generation Equipped with Social and Emotional Skills” were conducted from July 2022 to June 2023, with 105 students taking part in this programme.

They learned about the United Nations Sustainable Development Goals (UNSDGs) and the students learned how their ambitions can be connected to these goals, identified problems in the community, and discussed why these problems exist. They learned about change makers in the community, their contributions, and the values that they practise. Each student designed an action plan for a community or global problem with solutions. Social injustice in society and across the world was also explored. The students shared their personal experiences on social injustice and learned about ways to overcome it. Besides, the students examined how gender inequality occurs, what makes it persist, how it affects the community, and what can bring about equality. They also looked at this issue in the global context and within their own community, examining the current reality of women in their lives and community. They designed posters to raise awareness on gender inequality.

### Computer Skills Programme

A computer skills programme was conducted at 54C by three YTL scholars for ten children from two refugee community schools over the course of four lessons in March 2023. Each session was one and a half hours long. Amongst the skills taught was creating presentation slides using Canva. They came up with a topic of interest and created a simple deck with relevant pictures and key points. During the last session, each of them took turns to conduct a presentation followed by a Q&A session. On top of learning how to make their presentation slides more creative, they had the opportunity to practise their presentation skills and learned how to deliver their presentations more effectively.

<sup>15</sup> B40 refers to the bottom 40% of households in Malaysia with a median monthly income of MYR4,850 and below. <https://www.dosm.gov.my/portal-main/release-content/household-income-estimates-and-incidence-of-poverty-report-malaysia-2020>

<sup>16</sup> *Orang Asli* is a collective term referring to the indigenous population of Malaysia.

### **YTL Sustainability Programme**

The YTL Sustainability team conducted a physical session on waste management at 54C for a group of 15 students from two refugee schools on 8 March 2023 during which they learned about the importance of recycling. Apart from “Reuse, Reduce and Recycle”, they also explored the concepts of “Refuse” and “Repurpose”. There was enthusiastic participation by all the children during the hands-on activity and quizzes. The content created was simple, adequate, and easy to understand. The session was very interactive and they had a great deal of fun whilst learning with the team. They also planted spring onions in self-watering planters using materials such as used plastic bottles and cloth.

### **Healthy Living Awareness Programme**

In collaboration with the International Medical University (IMU), three programmes were carried out with a combined attendance of 350 children from seven refugee schools. There were 28 volunteer students who conducted the programmes.

During the online session on sleep hygiene in September and October 2022, the children learned about sleep hygiene, the importance of sleep hygiene and sleep schedules, stages of the sleep cycle, and healthy sleeping habits. They explored ways to make a good sleep schedule. The impact of sleep hygiene on physical health and growth, learning, and cognitive development were examined.

The physical session on nutrition in June 2023 emphasised the importance of nutrition and healthy food consumption. There were activities to learn ways to maintain healthy nutrition, identify healthy food for consumption, compare food labels and identify the healthier options, and build a food pyramid.

A dental check-up was carried out for 200 children from four refugee schools as a follow-up after the oral hygiene sessions. 100 of them received dental treatment under the IMU CARES project.

### **54C Holiday Programme**

About 30 children between five and 13 years old, comprising children of YTL employees and from the Sentul community joined the programme on 15 March 2023. It started off with games conducted by three YTL scholars. The children explored the basic skills of drawing and the art of colouring, learned about movement and rhythm, and played games whilst listening to the sounds made. During the Science, Technology, Engineering, and Mathematics (STEM) workshop conducted by Universiti Tunku Abdul Rahman (UTAR) lecturers, the children learned about the different parts and functions of the heart and even got to touch and hold a goat’s heart. They also enjoyed Mathematics and Physics activities through games. There was an exciting volcano eruption experiment too.

### **54C Music Classes**

Music classes re-started on 27 June 2022 at 54C. The classes were conducted by a few educators from Tick-Tock Beats Music and Movement, a well-renowned music school established in 2002. Nearly 30 students aged five to 15 from the underserved community learned to play multiple musical instruments such as the ukulele, melodian, and percussion instruments. The preschool children were involved in dance movements and there was a performance at the year-end Christmas celebration to showcase their musical skills.

### **Christmas Party**

54C continued to spread Christmas cheer by organising six Christmas parties from 29 November till 13 December 2022. A total of 220 children joined the parties including YTL employees’ children, Sentul community children, and refugee children. Festive food was provided followed by a performance by refugee children playing the ukulele and melodian. A group of volunteers from UTAR including lecturers and students conducted the session on games and crafts.

There was a balloon modelling workshop and a craft session using recyclable items to make doorknob hang tags, photo frames, and cardboard house models. A group of 19 students performed using percussion instruments followed by dance movements. The session ended with speech, drama, and acting according to the characters, actions, and objects related to Christmas. The energetic presence of the children once again filled the 54C premise with joy and laughter.

**AVPN Global Conference 2023**

YTL Foundation, as a Lead Partner for the AVPN Global Conference 2023, hosted the opening dinner for about 200 guests at Shook!, The Starhill Dining KL on 19 June 2023. This provided an opportunity to promote the work of YTL Foundation on a regional platform, building on the AVPN Constellations Award for the Learn From Home Initiative which they won last year in Bali. This event was held in place of the Dialogue Series this year.

On the third day of the event, Programme Director Dato’ Kathleen delivered a keynote on the Teachers for Educational Equity (TfEE) programme developed in collaboration with the University of Birmingham. In her speech, Dato’ Kathleen spoke about how teachers in Malaysia working with displaced and marginalised communities will be receiving world-class education through the TfEE programme. By building the capacity of the teachers themselves, this approach gives young learners an avenue for receiving quality education and overcoming long-standing educational barriers faced by marginalised populations. The keynote conveyed three key takeaways: to understand the unintended consequences of systemic challenges in education, to learn how to apply insights from the TfEE programme in other contexts, and to learn how solutions at a local community level can have a lasting ripple effect.



*Dato’ Kathleen, Programme Director of YTL Foundation and Jacqueline Novogratz, Founder and CEO of Acumen speaking on why shared values are vital to the establishment of long-lasting partnerships, and how their shared values led to the creation of Malaysia Acumen Academy during one of the panel discussions at the AVPN Global Conference*



*YTL Foundation won the prestigious AVPN Constellations Award for the Learn From Home Initiative in 2022*

Additionally, Dato’ Kathleen also spoke on a panel with the Founder and CEO of Acumen, Jacqueline Novogratz, and James Chen from the Chen Yet-Sen Family Foundation about shaping Philanthropy Leaders of the Future, moderated by Robert Rosen, Director of Philanthropic Partnership for Bill and Melinda Gates Foundation. The panellists shared what inspired them to start their journeys in philanthropy, and how a shared commitment to moral leadership helps guide that path. They considered what sort of leadership is required in the world today to build a more just, inclusive, and sustainable future. The panel session imparted principal notes: to learn how character, purpose, and sense of self factor into impact-driven leadership, to explore how to develop shared values for long-lasting partnerships and why values are crucial, and to understand moral leadership and its importance in philanthropy and other work focused on building a better future.

The conference brought together over 1,000 social investors, philanthropists, institutional investors, and impact investors from around the world. From climate action and empowering communities to impact investing, participants gained valuable perspective from change makers in the field.



**PEMIMPIN GSL****Leadership Programme for Schools**

PEMIMPIN GSL (PGSL) has been supported by YTL Foundation since its inception in 2017. YTL Foundation has helped the organisation grow and expand its reach from just 22 schools initially to over 1,854 schools all over Malaysia, impacting over 3,277 school leaders and teachers, and 406,200 students.

Over the period from July 2022 to July 2023, PGSL ran four programmes: Accelerated School Leaders Initiative (ASLI) Cohort 1 and 2, Leadership, Enrichment, and Development Programme (LEAD) Cohort 3, Leadership and Development Application (LADAP Plus), and the Malaysia Teacher Prize.

The ASLI programme, targeted at *Orang Asli* school leaders and launched last year after eight months of research, is currently running in *Orang Asli* schools in Perak, bringing impact to 30 schools through face-to-face workshops.

**Malaysia Teacher Prize**

Together with the Global Teacher Prize and PGSL, YTL Foundation organised and funded the first ever Malaysia Teacher Prize in 2022 to elevate the status of teachers and recognise Malaysian teachers who go above and beyond their call of duty to make a difference. The inaugural event saw education and industry leaders coming together to celebrate the teaching profession.

This year, the Malaysia Teacher Prize has returned for its second year to celebrate exceptional educators in Malaysia. Applications for the Malaysia Teacher Prize 2023 was launched on 4 April 2023 and ran until 2 July 2023. In addition to YTL Foundation, the Malaysia Teacher Prize 2023 is also funded by Yayasan Hasanah and ECM Libra Foundation. With the support of these funders, YTL Foundation hoped to reach 10,000 teachers and by the end of the application period, they received over 2,100 nominations. Furthermore, in November this year, the Prize will also feature a Summit to showcase the work of teachers and provide a platform for stakeholders within and beyond the education sphere to network and exchange ideas on innovations in education.

As part of the Malaysia Teacher Prize's broader scope to drive long-term impact for the education landscape in Malaysia, the Top 10 Finalists will also be given professional development to sharpen their expertise and scale their teaching methods beyond their classrooms.



Cikgu Anuthra Sirisena from SMJK Chung Hwa Tenom, Sabah was the recipient of the first ever Malaysia Teacher Prize in 2022. She was awarded MYR50,000 for her amazing efforts not just in her classroom, but in her community.

She said that the award has opened countless new opportunities and connections for her. "Winning the Malaysia Teacher Prize allowed me to extend my reach further and share my enthusiasm for education with even more people. The Malaysia Teacher Prize has given me a voice and a platform to make a positive impact in the lives of my students and beyond, particularly in promoting STEM education within rural communities and I am grateful to have been a part of this amazing journey."

**Teachers for Educational Equity Programme**

YTL Foundation partnered with the University of Birmingham to co-develop the Teachers for Educational Equity (TfEE) Programme – an initiative that aims to partner with alternative learning centres and Teach For Malaysia to provide world-class quality education to teachers teaching in underserved, underprivileged, and marginalised communities across Malaysia.

TfEE includes a variety of teacher education programmes such as the Postgraduate Certificate in International Education (PGCEi in International Education), Postgraduate Diploma in International Education (PGDipi) and Master's in Education (International Learning and Teaching). YTL Foundation and the University conducted desktop research and stakeholder consultations to gain clearer understanding of the notable challenges experienced by teachers in these national schools and alternative learning centres, from October 2022 to January 2023.

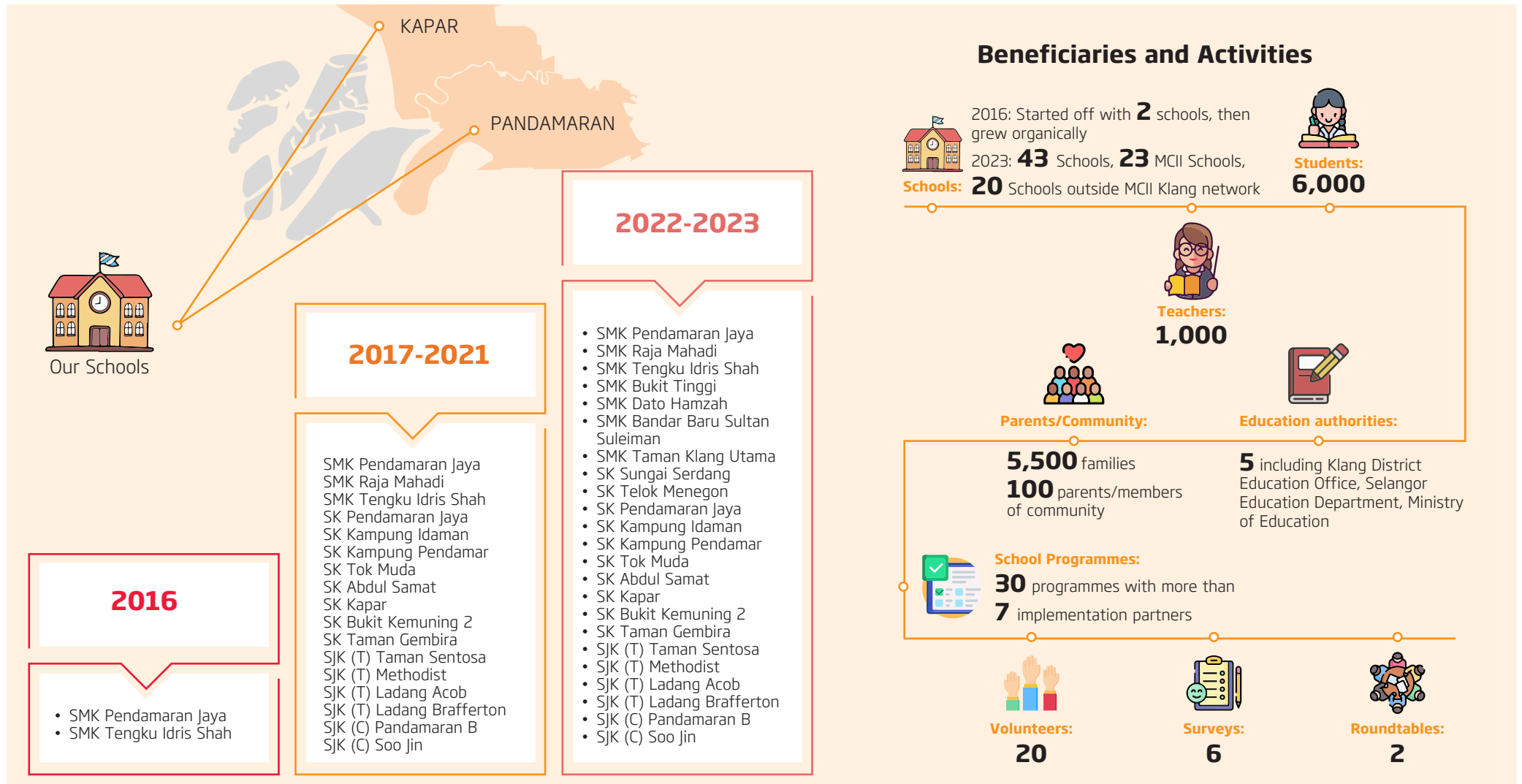
Following the research and consultations, the University developed a bespoke hybrid PGCEi in International Education which includes modules such as Teaching and Assessment, Adaptive Teaching, and Inclusivity in Curriculum. For the inaugural year of the PGCEi in International Education, YTL Foundation and the University chose to reach out to alternative learning centres within the Klang Valley (Selangor, Kuala Lumpur, and Putrajaya) within YTL Foundation's network. This is to ensure a smoother execution and management of the programme, especially as there is no existing framework for such a collaborative teacher education initiative.

A total of 36 teachers from the alternative learning centres and 41 from Teach For Malaysia were nominated by their school leaders and Teach For Malaysia, respectively. YTL Foundation and the University conducted the Admission Assessments throughout the week of 25 June 2023. The results of the Assessment of English Communication for Multilingual Speakers were announced in mid-July 2023 followed by the registration and enrolment of the teachers by the University.

### Malaysia Collective Impact Initiative (MCII)

MCII is a collective impact organisation for education in Malaysia. Collective Impact is a framework for facilitating and achieving large scale social change. It is a structured and disciplined approach to bringing cross-sector organisations together to focus on a shared mutual outcome that results in sustainable impact. YTL Foundation is a founding member of MCII.

During the year, MCII carried out various literacy, STEM, and leadership programmes in 23 schools in the Klang district, working with organisations such as MyReaders, OSK Foundation, and PGSL. It continues to engage the community in its Education Roundtables and Online Sharing Sessions.



## Malaysia Acumen Academy

Malaysia Acumen Academy runs the Acumen Fellows Programme Malaysia that is fully sponsored and incubated by YTL Foundation. As of June 2023, Malaysia Acumen Academy comprises 59 inspiring Fellows across seven states, who are leaders/key decision makers of their organisations. The Fellows continue to make a difference in Malaysia's most pressing social issues such as food waste, hunger, access to healthcare, financial inclusion, and more.

### Acumen Academy Malaysia Summit

In conjunction with the launch of the 2023 cohort applications, Acumen Academy hosted the Acumen Academy Malaysia Summit at the end of July 2022. It was attended by 150 social impact makers from various sectors who spent the day with Acumen Fellows and experienced parts of the fellowship programme during the day. Attendees walked away with tools and connections to create change, and 70% expressed interest in the fellowship.



2023 fellows at KLCC Park, reflecting on the change they aspire to bring in Malaysia after their Story Walk – an activity that allowed them to dive deep into each other's stories

## 2022 and 2023 Fellows Programmes

The Fellows for the 2022 Fellows Programme came together for in-person and virtual immersive sessions and workshops throughout July to November 2022. They explored the ideas of self vs role, authority vs leadership in the Adaptive Leadership Immersive, and delved into equality and the current state of Malaysia in the Good Society Reading (GSR) Immersive. During the Closing Immersive, the Fellows shared their personal and professional growth throughout the programme and were welcomed into the Malaysian Foundry community. A Closing Celebration Dinner was held for the Fellows and was attended by fellow Foundry members and YTL Foundation's Board of Trustees. In December 2022, the 2022 cohort also officially joined The Foundry – Acumen's global community of incredible builders as they celebrated their one-year fellowship journey at the Acumen Global Foundry Celebration.

Moving on to the 2023 Fellows Programme themed "*Partnering with Humility and Audacity*", the highly anticipated cohort of 2023 was selected from a group of dynamic individuals during the Selection Conference held in November 2022. The selected Fellows embarked on a leadership transformation journey which will prepare them for a lifetime of accompaniment and service to others.

The 2023 cohort began their Fellowship Programme in January 2023 with some pre-work and small group virtual meetings, which enabled them to build a strong foundation leading up to their first Immersive in February.

In their first physical Immersive spanning five days, the Fellows shared their Life Maps and reflected on their personal values and how their worldviews were formed. They were introduced to adaptive leadership tools such as "Generative Listening", "Polarity Management", "Getting on the Balcony", and "Thinking Politically", and leadership concepts like "Raising the Heat" throughout the Immersive. In March 2023, the Fellows crafted impactful public narratives during the Authentic Voice virtual workshop, aimed at inspiring call to action. In the most recent Adaptive Leadership Immersive in June 2023, the Fellows went through peer consulting sessions which prompted challenging and supporting each other, leading to personal transformations and a deeper appreciation for authentic support. A silent nature walk and the creation of a symbolic "Mandela" sparked emotional connections and rekindled their sense of self.

**Foundry Fellows Gathering and Support**

Graduated Fellows and programme alumni join the Foundry, a global community of leaders daring to disrupt the status quo. Foundry Fellows gain access to online resources, financial capital, expert mentorship, and opportunities to showcase their work and expand their reach.

**Consciousness and Spirituality in Leadership**

The Foundry Fellows gathered in November 2022 for an enlightening workshop on “Consciousness and Spirituality in Leadership” facilitated by Acumen’s partner, Nguyen Phuong Lam who is also a member of the Asia Philanthropic Circle (APC). Foundry Fellows were urged to be more mindful and compassionate in their leadership and strive for a world built on solidarity, compassion, and social sustainability.



**Visit from Founder and CEO of Acumen, Jacqueline Novogratz**

As part of her trip to Malaysia, Jacqueline Novogratz, Founder and CEO of Acumen, visited three Malaysian Fellows (Clara Wan from Graze Market, Lakshwin Muruga from Women of Will, and Dato’ Hartini Zainuddin from Yayasan Chow Kit) and witnessed firsthand the inspiring work that they do.



**Foundry Co-Creation Brainstorm**

In May 2023, a few Foundry members met up in a hybrid session to discuss how they can contribute and co-create the Foundry experience moving forward. The insightful session brought about ideas for the Foundry community to experiment together with the purpose of scaling the impact of the work of the Fellows in Malaysia.

**Knowledge Network**

Two of Acumen Malaysia Foundry Fellows got matched through the Knowledge Network. In this Network, Fellows Maheswari Jaganathan (National Cancer Research Malaysia) and Dr Teh Su Thye (Global Peace Foundation) will receive peer mentoring from Acumen Nexters, Acumen’s cohort-based programme for early investors.

**Conversation with Director of Acumen Academy, Bavidra Mohan**

The Foundry Fellows had the opportunity to meet with Bavidra Mohan, the Director of Acumen Academy, in early January 2023. They discussed the significance of community in driving change and the need to challenge each other to grow as members of a community.

**Acumen Academy Southeast Asia Gathering**

The first Acumen Academy Regional Gathering was held successfully, bringing together over 100 Foundry Members and partners from across South-East Asia. The event offered a unique opportunity for Fellows to envision the world they aspire to create collectively and to foster connections, through conversations and workshops conducted amongst themselves.

**Bain & Company Pro Bono Consulting**

Early last year, Acumen Academy Foundry Global Team relaunched an opportunity for Foundry Fellows to get pro bono consulting from Bain & Company. Three Fellows were successfully matched with Bain consultants and had a six-month engagement to help them find answers to important strategic questions.

**Nurturing Youth for the Future**

**YTL Construction**



**Health and Safety**

YTL Construction conducts monthly health and safety briefings with primary and secondary school students who study in schools along the Gemas-Johor Bahru Electricified Double Track Project (GJBEDTP) alignment in Johor. The stakeholder department, with support from the Health, Safety, and Environment (HSE) team, has spoken with almost 500 students across ten schools. These briefings ensure the students adhere to health and safety regulations and understand the road signages near the construction site. They also serve as a platform to exchange knowledge and encourage students to consider STEM and rail as education and career options. MYR5,000 has been invested in making these engagements a success.



**STEM**

To celebrate the International Day of Women and Girls in Science, YTL Construction held a knowledge sharing session titled "Why STEM, Why Not STEM?" in partnership with Women in Rail Malaysia. 150 students from SMI Al-Amin, Gombak and SMK Sg. Buloh including approximately 30 school staff, members of Women in Rail Malaysia, and employees of YTL Construction attended this programme. The programme celebrated this significant day by recognising the work and achievements of women and girls in the field of STEM. This also encouraged young girls to pursue career pathways in STEM.



**Mental Health**

A panel discussion was organised in conjunction with World Mental Health Day to discuss the skills required before stepping into the working world, such as soft skills, mental strength, technical, and non-technical skills. Collaborating with Women in Rail Malaysia, YTL Construction invited panellists to come together to share insights with 250 senior students from Universiti Tun Hussein Onn Malaysia (UTHM).



**Public Transportation**

In conjunction with Merdeka 2022, a panel discussion was hosted in partnership with Women in Rail Malaysia to discuss and promote the development of local public transportation and its role in driving national aspirations with university students. 200 students from University Kuala Lumpur (UniKL) and 20 lecturers attended this programme which included speakers from YTL Construction, Malayan Railways Limited (KTMB), Ministry of Transport Malaysia, and UniKL.

**Malayan Cement Berhad (MCB)****Masterclass Series**

MCB organised a Masterclass Series for university students to expose them to the industry and gain insights to the use of cement and concrete. Partner institutions include Monash University, Universiti Teknologi Petronas (UTP), Universiti Teknologi Mara (UiTM), Universiti Malaya, and Universiti Putra Malaysia (UPM). The target audience for these series were university students and those in the early stages of their careers, and the participants had the opportunity to learn from industry practitioners, as well as gain insights on the use of cement and concrete. Amongst the highlighted classes is the Biomorphic Pattern Exploration event held for 24 first-year architectural students of UiTM Puncak Alam. This event was held as part of their "Embodiment of Life" module, where students draw inspiration from natural organisms to create 200x200 mm modular concrete tiles. The process required students to create their moulds and utilise MCB's Quickmix DIY Craft Cement for casting the tiles, promoting hands-on learning and creativity.

In the company's second involvement with UiTM Architecture School's programme, known as "The Pet Centre Project," they engaged with 70 fourth semester students. Their task was to design a model for a comprehensive one-stop centre catering to visitors' pet necessities. Craft cement played a pivotal role in this project, enabling the students to explore construction techniques whilst understanding the significance of building materials.

Overall, this Masterclass series proved to be an effective platform for architectural students to experiment with cement and concrete, deepening their understanding of these materials as fundamental elements in construction. Additionally, the workshops introduced them to the concept of sustainable construction, fostering awareness of the importance of environmentally conscious building practices.

**YTL Cement Scholarship**

YTL Cement greatly values the young generation and aims to empower student studying in local institutes of higher learning, enabling them to unlock their potential and forge a path in engineering. This year, they proudly welcomed two additional scholars, bringing the total to 77 scholars supported since its establishment in 2007. This scholarship reflects the company's dedication to capacity building as they foster talented individuals who will contribute to the progress of the Malaysian construction industry. Upon graduation, over 50% of the beneficiaries opt to join YTL Cement for employment. Many of the scholars have grown their careers with YTL Cement and are now in senior positions within the company.

**SERVING LOCAL COMMUNITIES**

With business operations spanning the globe, we recognise the importance of creating sustainable and positive social value for communities where we operate. At YTL Group, we envision a sustainable and resilient society with minimised poverty. We aim to establish our role as a resolute contributor in building resilient and empowered communities. Building trust amongst local communities and reducing unemployment amongst the impoverished make for a sustainable partnership that allows our company and these communities to grow together.

**Our Community Impact Initiatives**

**Donations and Fundraising**



YTL Construction sponsored MYR10,000 for the Institute for Democracy and Economic Affairs (IDEAS) 13th Anniversary Dinner in May 2023.

YTL Construction periodically donates to various organisations with the aim of building community ties and providing for the needy. They contributed MYR3,000 to the Buddhist Maha Vihara Temple at Brickfields in conjunction with International Women’s Day in March 2023, which enabled the Temple to organise activities such as Zumba sessions and health screenings for residents in Brickfields. YTL Construction also donated MYR7,500 to the Malaysian Press Institute in June 2023 for the organising of Malam Wartawan Malaysia 2023, which is an annual award ceremony that recognises the contributions and efforts of journalists and the local media.

MCB made cement donations to public centres and schools such as Ladang Dovenby Temple, Ibu Pejabat Polis Kontinjen Ipoh, Perak, Sekolah Menengah Methodist (ACS) Sg Siput, Perak, Sekolah Menengah Chong Hwa Kuantan, Pahang, and SJK (C) Chung Hwa Langkawi, Kedah. The cement donated was utilised to enhance the facilities.

The charitable Wessex Water Foundation spent just over GBP800,000 in 2022-23 supporting thousands of people and environmental initiatives across the south-west. Every year, the Foundation distributes GBP225,000 of core funding to Citizens Advice and GBP70,000 to five key environmental partners. This year, in recognition of the cost-of-living crisis, it provided an extra GBP160,000 to debt advice partners. And as part of the Community Connectors launch, GBP66,360 of new funding was devoted to supporting community-led projects in Chippenham and Bridport.

The Wessex Water Foundation also delivered two community funding rounds in 2022:

- The Environment Fund awarded more than GBP72,000 to help 63 community groups make improvements to their local environment.
- The Community Fund awarded GBP176,000 to 67 charitable and community groups to support a variety of activities which aim to improve the lives of people throughout the south-west.

YTL Construction sponsored MYR50,000 for the 55th Anniversary Royal Gala Dinner of Malaysian Institute of Management (MIM) in August 2022. Dato’ Yeoh Soo Min is a Court Emeritus Fellow under MIM.



**Disaster Relief**

Our Executive Chairman, Tan Sri (Sir) Francis Yeoh contributed a donation of MYR200,000 to *Yayasan Raja Zarith Sofiah Negeri Johor* (Raja Zarith Sofiah of Johor Foundation) under the foundation’s donation drive for flood victims in May 2023.



On 6 February 2023, Turkey and Syria were hit by a major earthquake that devastated both countries, leaving millions of citizens in dire need of humanitarian and economic aid. In the spirit of rebuilding a friendly nation and helping those in need, YTL Corporation donated MYR2,000,000 to the Disaster Fund initiated by the Ministry of Foreign Affairs in Malaysia, as part of Malaysia’s aid to Turkey and Syria.

When Johor was hit with floods in March 2023, YTL Construction helped flood victims at Bukit Pasir, Johor by donating essential items worth MYR15,000.

**Volunteerism**

Water Force, Wessex Water’s employee volunteering programme, really thrived this year – 541 colleagues, more than 22% of the whole workforce, took part, donating 3,148 hours of work to 26 different local charities. Activities included beach cleans in Dorset and Somerset, Christmas tree recycling collections for hospices, gardening support for therapy gardens, packing Christmas parcels for food banks and the Salvation Army, and animal sanctuary support and work for the Bristol Avon Rivers Trust and the Dorset, Avon, Wiltshire, and Somerset Wildlife Trusts.



On National Environment Day 2022, MCB received a donation of 400 trees, which included local species such as *Meranti Temak Nipis*, *Merawan Siput Jantan*, mangosteen, and durian from the Department of Forestry Perak. 16 volunteers planted 200 trees around the Kanthan Plant and another six planted the remaining 200 within the premises of the Perak-Hanjoong Plant. MCB’s tree-planting initiatives resonate with the “100 Million Tree-Planting Campaign” under the Greening Malaysia Programme and solidifies the company’s commitment in their sustainability journey.



BUILDS, the CSR arm of MCB, organised a beach cleanup on 13 August 2022. 30 volunteers cleaned up Pantai Cunang, Selangor, amassing nearly 500 kg of waste in just 1.5 hours. The collected trash was handed to a recyclable waste collector and waste management company.

Recognising the potential risks posed by the river depth at Sungai Teluk Ewa, Kedah, particularly during the rainy seasons, MCB organised a thorough visit and conducted a productive discussion session with the local community in February 2023. With the assistance of employee volunteers, the company actively worked towards mitigating issues that contributed to flash floods. This involved cleaning and deepening the river to ensure lower water levels, thus reducing the likelihood of flooding. Moving forward, the company remains fully committed to consistently maintaining the river to prevent any potential reoccurrence of floods.

MCB had volunteers from Langkawi and Perak exemplify their commitment to nurturing strong community relationships. They actively engage in various sports activities organised by the local communities, displaying the company’s dedication to supporting and participating in the events that bring the community together. In March 2023, three of the company’s Pahang Plant employees participated in the charity-bowling match organised by *Persatuan Pegawai Kanan Kastam Malaysia* in Pahang. In November 2022, three of the company’s Langkawi Plant employees joined the friendly badminton match organised by *Perbadanan Kemajuan Kraftangan Malaysia* (Malaysian Handicraft Development Corporation) in Langkawi.

MCB partnered with the Department of Environment (DOE) Perak to organise a cleanup event in Sahom Valley, Perak in conjunction with National Environment Day 2022. 80 volunteers including employees from the Perak-Hanjoong Plant, Kanthan Plant, and Geo Alam collected more than 300 kg of recyclable and non-recyclable waste. Besides the cleanup, the volunteers planted trees within the area, conducted river water quality testing for the surrounding Sungai Dipang, and installed three signages for public environmental awareness. The Department of Forestry Perak donated 500 trees with 100 trees planted in Sahom, whilst 400 were planted on the premises of the Kanthan Plant and Padang Rengas Plant.



### Preserving Arts and Culture

MCB aims to inspire and encourage creative curiosity across all levels of education, skillsets, and talent, and they executed this vision by initiating an exclusive cookie Jar design competition for local artists in 2021 and 2022. The competition showcases the unique stories, styles, and artistic talent of Malaysian artists.

The 2021 winner was Lim Anuar, a well-known Malaysian deaf artist, illustrator, and designer with over 25 years of experience in the local art scene. The 2022 winner was Haffendi Anuar; his captivating artwork focusing on the distinct architecture and infrastructure of Malaysia, particularly the lively city of Kuala Lumpur. In recognition of their talent, both Lim Anuar and Haffendi had their artwork featured on exclusive merchandise. MCB proudly shared these creations with their stakeholders, both locally and internationally.

**“** *Malaysian Favorite Pastime*

*“Batik has always been my passion and medium of choice as it is an embodiment of the Malaysian identity, culture, and heritage. Even though I am not able to vocalise my thoughts, batik has allowed me to express myself on the matters close to my heart. My work are excerpts of my childhood. I grew up in Penang, in a community that is very diverse. The many cultures and various colours of traditions are the reasons why I love Batik painting. I hope I can continue to share my story and inspire others through my art.”*

**- Lim Anuar** **”**

### Community Outreach

YTL Foundation collaborated with Deloitte on their Kids Edu Programme, helping to equip children in the states of Negeri Sembilan, Pahang, Selangor, and Penang with YES 4G SIM cards for online tuition classes. This initiative impacted over 300 students.



YTL Construction is dedicated to giving back to the communities where they operate, reflecting their belief in supporting the places they call home. YTL Construction’s initiative, *Santun Komuniti YTL*, aims to establish strong, mutually respectful relationships with the local community, with a focus on public engagement, CSR, and education initiatives. One of the activities

include a series of art classes for senior citizens and orphans, as a way to stay connected with the less fortunate and instil appreciation for art, history, and culture. In FY2023, they have spent over MYR5,000 on resources for the classes and engaged with more than 100 people from seven different centres in the Klang Valley.



The Ministry of Local Government Development (KPKT) together with The Cement and Concrete Association of Malaysia (C&CA) and private housing developers introduced the Simen Rahmah Scheme in April 2023 for the construction of affordable homes. Under this scheme, C&CA, which MCB is a member of, has committed to supply up to one million tonnes of cement at a special price to qualified affordable housing projects.

MCB’s Back-to-School programme is dedicated to promoting education and fostering community development. In March 2023, during the back-to-school season, MCB contributed essential textbooks and workbooks to the students of Sekolah Kebangsaan Ladang Dovenby School in Perak. In Kedah, specifically at Sekolah Kebangsaan Ewa Langkawi, they distributed valuable cash vouchers to the students, enabling them to purchase stationeries and books, further supporting their academic endeavours.

YTL Foundation has recently partnered with Yellow House KL, an organisation run by an Acumen Fellow, dedicated to serving and empowering underserved communities. The collaboration aims to renovate their existing premises, which serves as a hosting space for volunteers and a shelter for the homeless.

The Design Group at YTL Construction has generously provided their design services for this rejuvenation initiative, with a special focus on sustainability. A key feature of the design is the incorporation of bamboo as a building material in the project. The total project expenditure is estimated at MYR275,000 (after accounting for donations of building materials by suppliers), with YTL Foundation contributing MYR50,000, matching the MYR50,000 raised to-date by Yellow House KL. The remaining funds will be raised through public fundraising efforts to engage the wider community.

Work on the project commenced in July 2023 and is expected to be completed by the end of the year.



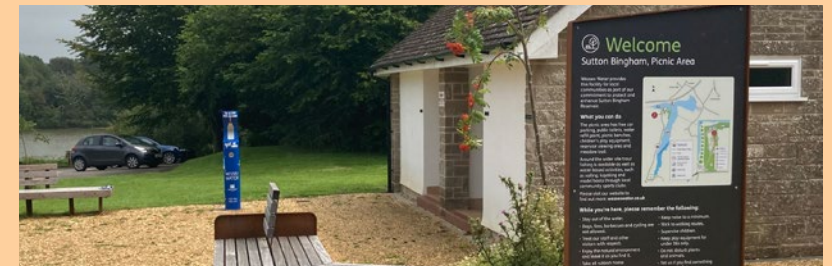
Ruang KITA is a community programme which provides children at low-cost flats a safe space for learning. Humankind, Sentul Raya Sdn Bhd, Toy Libraries Malaysia, Kelab Belia Sentul, and Childline Foundation joined hands to run a Community Day on 3 December 2022, reaching out to 1,200 families with around 200 children, parents, and volunteers coming together for the event. During the event, YTL Foundation also showed appreciation towards the eight graduates who completed the psychological first aid training carried out by Humankind since 2021 to support individuals from PPR Sri Perak struggling with mental health, an issue exacerbated by the COVID-19 pandemic.

Besides that, a 1,000-day nutritional programme in collaboration with International Medical University (IMU) launched in 2020 has reached out to over 150 pregnant mothers, impacting 10 pregnant women from PPR Sri Perak, and 123 pregnant women from PPR Setapak. This programme educates mothers, pregnant women, and post-partum mothers about the importance of healthy diets for themselves and their newborn, in the first 1,000 days.

In the fight against hunger within the student community, YTL Foundation collaborated with the Free Food Society to widen their reach to needy students outside the YTL Foundation Scholarship Programme, providing a grant of MYR36,000 to the Free Food Society to serve a meal daily for approximately 200 B40 students in Universiti Malaya in 2023. The grant will also be utilised to provide snacks to students under the *Orang Asli* Tuition Project in Kampung Serigala, Tanjung Malim Perak.



YTL Foundation provided a grant of MYR15,600 to the Sister Enda Welfare Organisation (SEWO) for 60 needy students in SMK Assunta to sponsor school uniforms, shoes, stationeries, and exercise books.



Wessex Water completed adaptations to make the Clatworthy and Sutton Bingham reservoir sites more inclusive in the summer of 2022, by providing wheelchair accessible routes at the sites. They also improved signages and information to better explain how the reservoirs provide security of water supply and valuable homes for wildlife – and what visitors can do to support both missions. Wessex Water also hosted multiple education and engagement events through the summer and school holidays at the sites.



Fico-YTL collaborated with Dong Tam Charity Club, investing VND1.3 billion to build four bridges in remote areas to help improve the social economy of the local people. The first bridge named FICO 5 was built in Vinh Long, whilst FICO 6, 7, and 8 were constructed in Tay Ninh.



Fico-YTL prioritises education and development amongst youths. The company has organised seven technical workshops on sustainable materials and construction for students and contractors, sponsored prizes for Creative Engineering competitions open to students, provided scholarships and school supplies to students in need, and worked with the Department of Education in Tay Ninh to organise sport competitions and swimming classes for students. The company also sponsored 540 cement bags for the renovation of schools. In total, Fico-YTL has contributed over VND300 million as part of these efforts.

MCB is committed to providing support to the programmes of their adopted schools. Their assistance and support, mostly financial, has included a diverse range of events. MCB believes that student participation in these events fosters exploration, talent discovery, and essential life skill development for their future. They have supported events at primary and secondary schools such as cross-country running and sports competitions, co-curricular day, youth leadership camps, and facilitated students' participation in prestigious competitions on a global level.

To improve the conditions of rural areas and impoverished communities, Fico-YTL was involved in various initiatives that help alleviate poverty. The company has sponsored VND2.5 billion worth of lights for a 3.5km-long road in Tan Hoa Commune in Tay Ninh. They have also sponsored VND380 million to renovate six houses for the poor. During the Green Summer Campaign that encourages youth volunteering, Fico-YTL contributed VND30 million and 4,000 cement bags to build houses and roads in rural areas.



In support of sports development, Fico-YTL partnered with the Tay Ninh Department of Culture, Sports, and Tourism to organise Fico Cement's Cup for the locals in the city, involving sport competitions such as running, badminton, and football. Fico-YTL spent approximately VND1 billion on this initiative.



**Celebrating Festive Seasons**

**Christmas 2022**



YTL Construction donated MYR3,000 worth of Christmas packs to 250 children at Young Men’s Christian Association (YMCA) for the YMCA Kuala Lumpur Community Children’s Christmas Celebration 2022.

YTL Construction initiated a Christmas charity event that mobilised visits to 13 locations consisting of orphanages, old folks’ homes, and mentally disabled homes for the abandoned in the Klang Valley and across Johor. Not only did the employees raise funds totalling MYR27,000 for the beneficiaries, they also organised sports games at the orphanages and provided assistance including home repair services and cooking meals for the residents at the homes.



**Chinese New Year 2023**

YTL Construction distributed 179 hampers worth MYR20,500 to external stakeholders involved in the GJBEDTP as Chinese New Year gifts.

MCB extended cash donations and essential food items to the elderly in the Kanthan Baru community during Chinese New Year.



**Hari Raya Aidilfitri 2023**



MCB distributed *daging korban* (sacrificial meat) to 150 underprivileged community members in Kampung Teluk Yu, Kampung Belibis, and Kampung Kubang Badak, Langkawi during *Hari Raya Aidiladha*. These donations played a significant role in meeting the recipients’ needs over the festive season.



YTL Construction emphasises charitable activities with their stakeholders during festive seasons. For *Hari Raya*, YTL Construction continued their annual tradition, *Santun Ramadan*, of visiting shelters that support marginalised individuals to celebrate the holy month of *Ramadan* with them. MYR10,000 was invested in this programme that supports women convicts, women who experienced unwanted pregnancies, and women who suffer from behavioural and social problems, plus empowers recovered drug users by providing them tools and resources to rebuild their lives. A group of Muslim employees of YTL Construction visited over 100 women, men, children, and guardians at two women’s shelters and a rehabilitation centre between March to April 2023, where they delivered motivational talks, broke fast

with the residents, and conducted *Maghrib* prayers. The company also distributed 196 hampers worth MYR20,600 to external stakeholders involved in the GJBEDTP as *Hari Raya* gifts.

Furthermore, YTL Construction hosted multiple *Iftar* (breaking fast) sessions with seven media organisations, namely Astro, Media Prima, BERNAMA, NSTP, The Star, Malay Mail, and REV Media Group. These sessions build rapport and connections between the company and media, and was a good opportunity to meet the top editors of various media outlets in Malaysia. YTL Construction also hosted a *Raya Open House* at JW Marriott, Kuala Lumpur with external stakeholders and members of the media to celebrate *Raya*. The event saw the gathering of 400 attendees.







MCB organised several *Iftar* events during the *Ramadan* celebration benefiting nearly 3,000 individuals in Padang Rengas, Perak, and Teluk Yu, Langkawi. They also distributed food hampers to the less fortunate members of the Ladang Dovenby community during *Hari Raya Aidilfitri*.

Feature Story

**Geneco SG: Powering Positive Change in the Community**

At YTL PowerSeraya, the company aims to contribute to the community and collaborate with partners to support programme that will deliver lasting positive impact. Geneco SG, the electricity retail brand of YTL PowerSeraya has embarked on numerous initiatives that resonates with the company’s values such as environmental protection and community engagement.

Partner	Description	Initiative
<p>National Parks Board (NParks), REFASH, CRU, IUIGA, Wisma Atrium, OTO and Tay Paper Recycling</p>  	<p>To advocate biodiversity protection and support eco-friendly actions during the Chinese New Year festive season.</p>	<p>As part of the Chinese New Year celebration, Geneco SG collaborated with NParks to incorporate silhouettes of four native wildlife fauna on their red packets to highlight the wonders of biodiversity and the importance of protecting the wildlife. To rally the public to support the conservation of biodiversity, Geneco SG held a pledge movement and received 72,138 pledges. With these pledges achieved, Geneco SG donated SGD10,000 to NParks’ Garden City Fund to support research efforts and conserve biodiversity.</p> <p>Geneco SG also launched the Used Red Packet Recycling initiative for the third consecutive year. The company partnered with REFASH, IUIGA, CRU, Wisma Atrium and OTO and rolled out 30 recycling bins nationwide for the collection of old and used red packets. 2,930 kg of red packets were collected and sent to Tay Paper Recycling during the collection period from 28 December 2022 to 31 March 2023.</p> <p>A special event was held at Waterway Point, a leading shopping mall in Singapore, to encourage the community to pledge their support for biodiversity conservation and recycle their old and used red packets.</p>

Partner	Description	Initiative
<p data-bbox="129 252 454 284">NParks and Strides Mobility</p> 	<p data-bbox="510 252 918 395">To support Singapore Green Plan 2030 and contribute to the OneMillionTrees Movement by the NParks.</p>	<p data-bbox="1003 252 2101 363">Geneco SG is committed to planting 250 trees over 5 years and has planted 150 trees since 2021. Its third plant-a-tree event was held in Bedok Reservoir and 50 trees were planted by the employees to commemorate Earth Day 2023.</p> <p data-bbox="1003 403 2101 624">In addition to the 250 trees commitment, Geneco SG planted another 150 trees in 2022 to commemorate the International Day for the Preservation of the Ozone Layer and to celebrate Geneco SG being Singapore's Number 1 Residential Electricity Retailer. Besides inviting Strides Mobility, the partner of a joint venture ChargEco, to participate in the event, the public gets to contribute to the tree planting movement through the Geneco SG x Garden City Fundraising initiative.</p>
<p data-bbox="129 858 349 890">NParks and Apiary</p> 	<p data-bbox="510 858 918 1078">To support the Singapore Botanic Garden Seed Bank and contribute to their efforts for the conservation of Singapore's botanical diversity through preserving the seeds of threatened plant species.</p>	<p data-bbox="1003 858 2101 1002">In celebration of Geneco SG's 5th Anniversary, Geneco SG wanted to demonstrate that though the transition from brown energy to green energy might take the industry years or even decades to change globally, they are committed to playing a critical role, beyond just about power generation.</p> <p data-bbox="1003 1042 2101 1153">Geneco SG collaborated with NParks and supported the Singapore Botanic Gardens Seed Bank with a SGD10,000 donation to Garden City Fund, to contribute to their efforts for the conservation of Singapore's botanical diversity through preserving the seeds of threatened plant species.</p> <p data-bbox="1003 1193 2101 1337">Geneco SG also partnered with local ice creamery, Apiary, on a creative approach to raise awareness on the Singapore Botanic Gardens Seed Bank and its cause, by co-creating an exclusive Geneco SG x Apiary ice cream to spark conversations on sustainability and extend the reach of its campaign message.</p>

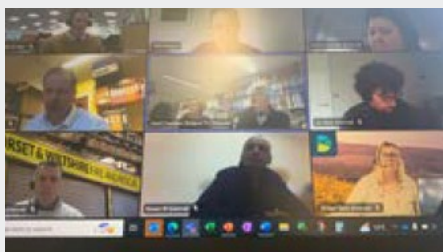
Feature Story

**Transforming How Wessex Water Works with Communities**

In April 2022, Wessex Water launched a place-based engagement scheme called Community Connectors, which aims to transform how the company works with communities in the area. The programme will identify future shared environmental and social goals that can be achieved in partnership with the local communities. Community Connectors has been piloted in two selected areas - Chippenham and Bridport. The project is conducted in four phases:

**Phase 1 Gathering insight**

Initial engagement begins with the community and stakeholders. Wessex Water started by bringing together local advisory groups in May 2022 to consult on the formation of the project, and conducted face-to-face customer research in September 2022 in the form of questionnaires, interviews, and surveys to collate baseline data. These engagements allow for exploration of local concerns and identification of priorities regarding the project.



**Phase 2 Engaging with the wider community**

Wessex Water started to reach out to a wider range of local community groups from September 2022, attending local events to gather views and opinions. In November 2022 and January 2023, the company hosted community workshops for local stakeholders, carried out stakeholder mapping, and identified long-term goals and steps required to achieve them.



**Phase 3 Co-creating projects to deliver impact**

Taking the shared goals that were identified during community engagement and ideas extracted from workshops and internal team discussions, Wessex Water identifies projects that can be delivered over the next year to help achieve these goals. The company will provide funding of up to GBP50,000 for projects led by local groups in Chippenham and Bridport in partnership with the Wiltshire and Dorset Community Foundations. A Community Connector manager has been appointed for each area, and will be supporting network development and implementation of local projects through 2023.



**Phase 4 Evaluation and legacy**

Wessex Water will repeat community surveys in Autumn 2023 and April 2024 to evaluate the success of the project for both the company and the local communities. Performance data will be reviewed and shared in a final report. To celebrate and honour the efforts of the local communities, Wessex Water has planned the Watermark Awards, awarding gold, silver, and bronze Watermark accreditation to recognise environmental and water-saving achievements where agreed goals are reached.



Primary concerns identified during this programme include climate change, river and plastic pollution, and the rise of living costs. Wessex Water is now taking steps to address the concerns brought up and support the goals, and select local projects to fund and community actions to support. The co-designed projects aim to deliver improvements to the environment and local communities, thus progressing towards achieving the shared goals.

This programme is scheduled to run until April 2024. The company hopes to champion these communities as “Watermark” communities, who will have transformed their approach to saving water and valuing their local green and blue environment. Should this approach prove successful, Wessex Water plans to expand the programme to add more communities across the region to co-create and co-deliver shared outcomes for 2025-30 and beyond.



# Embracing the Marketplace

## OUR COMMITMENT

Reinforcing YTL Group's reputation as a trust-based organisation that upholds and advocates the highest ethical, sustainable, and responsible business practices

## OUR APPROACH

- Delivering sustainable growth through effective risk management and compliance
- Building responsible supply chains and procurement processes
- Advocating responsible stewardship of resources, products, and services
- Investing in sustainable solutions and innovations
- Providing a seamless experience to meet customers' needs sustainably

## ALIGNED WITH

 <b>8</b> DECENT WORK AND ECONOMIC GROWTH	 <b>9</b> INDUSTRY INNOVATION AND INFRASTRUCTURE	 <b>11</b> SUSTAINABLE CITIES AND COMMUNITIES	 <b>17</b> PARTNERSHIPS FOR THE GOALS
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# Embracing the Marketplace

[GRI 2-6, 2-16, 2-23, 2-24, 2-25, 2-26, 2-27, 204-1, 205-2, 205-3, 418-1]

Understanding and adapting to the ever-changing business landscape is essential for any successful operation. It enables businesses to cater to customer needs, stay ahead of competitors, and foster loyalty. By embracing innovation and responsible practices, businesses can ensure long-term operational sustainability as well as stable financial performance. Compliance with regulations is not only essential for meeting legal requirements but also serves as a foundation for maintaining ethical and responsible business practices. Additionally, aligning with societal values demonstrates a company’s commitment to its stakeholders and opens up new opportunities. By remaining agile and responsive, businesses can achieve resilience and thrive in their endeavours.

## MANAGEMENT APPROACH

At YTL Group, our unwavering commitment to “Building the Right Thing” is at the core of our brand values, encompassing honesty, hard work, moral responsibility, togetherness, and vitality. Guided by a lifelong philosophy of doing what is right for people, society, and business, we strive to uphold the highest ethical standards in all operations and dealings with stakeholders.

In today’s dynamic and ever-changing world, we remain agile, adapting our businesses to align with global trends, ensuring exceptional customer satisfaction through a customer-centric approach, and maintaining a competitive edge. Innovation and continuous improvement drive our efforts as we seek to minimise environmental impacts throughout our product lifecycle.

Furthermore, we take pride in maintaining the highest ethical business standards not only within our organisation, but also across our supply chains. Compliance with all relevant laws, policies, and regulations is paramount, and we go the extra mile to ensure that we exceed these requirements whenever possible. At YTL Group, we also take pride in being proactive and responsible stewards, championing sustainability and ethics as cornerstones of our success.

**Responsible Business Practices**

<p><b>ETHICAL BUSINESS CONDUCT</b></p>		<p><b>CUSTOMER EXPERIENCE</b></p>		
 <p><b>Ethics and Compliance</b></p> <p>Meeting our business targets without compromising the highest levels of ethics and integrity</p>	 <p><b>Sustainable Supply Chains</b></p> <p>Ensuring our suppliers incorporate ESG considerations into their products and services, and adhering to sustainable business practices</p>	 <p><b>Responsible Products and Services</b></p> <p>Producing affordable and accessible products and services for all</p>	 <p><b>Innovation and Technology</b></p> <p>Leveraging technology and innovation for businesses and communities</p>	 <p><b>Customer Satisfaction</b></p> <p>Providing a seamless customer experience in line with society’s expectations</p>

## RISK MANAGEMENT, ETHICS, AND COMPLIANCE

YTL Group's unwavering dedication to risk management is a fundamental pillar in sustaining our long-term viability and cultivating stakeholder confidence, whilst simultaneously fostering a lasting positive impact. We have a robust system of risk management and internal control in place which not only cover financial controls, but also operational and compliance controls and risk management. Our system of risk management and internal control is a concerted and continuing process, designed to minimise the likelihood of fraud and error, and to manage rather than eliminate the risk of failure to achieve business objectives.

Robust risk management is essential to our business so we regularly horizon-scan to identify material risks that could impact our ability to deliver the services on which our customers depend. We have a systematic Group-wide approach under which risk management reviews progress through a hierarchy of expert colleagues, senior managers and executive directors, overseen by dedicated risk management teams at our operating subsidiaries, escalating to the Group-level risk management and internal audit functions that brief the Audit Committee. Details can be found in our *Statement on Risk Management & Internal Control* in our Annual Report.

Environment, Social, and Governance (ESG) risks are just as important as financial and business risks. These risks have the potential to directly impact the continuity of our business, our ability to operate sustainably, and our capacity to create long-term value for our stakeholders. Hence, YTL Group has taken proactive measures to manage our exposure to both short- and long-term ESG risks, strategically converting them into opportunities, as detailed in the *Mapping Our Material Matters* section on page 17 of this report.

To foster transparency and cultivate a risk management culture, we have proactively implemented various initiatives at both group and individual business unit levels. Our corporate policies and guidelines are accessible to employees and the public on our intranet and corporate website. To ensure compliance with these policies, employees will receive training through an e-learning platform, either during onboarding or regular training. These efforts reinforce our dedication to responsible business practices and strengthen our commitment to managing risks effectively and transparently.

## Anti-Bribery and Corruption

YTL Group maintains a strict zero tolerance approach towards all forms of bribery and corruption, as outlined in our Anti-Bribery and Corruption (ABC) Policy. The ABC Policy reinforces the principles set forth in the YTL Group's Code of Conduct and Business Ethics (the Code), ensuring that employees and external stakeholders understand their responsibilities in upholding our zero tolerance stance within the organisation. The ABC Policy is readily accessible on our website and communicated to all relevant stakeholders.

A comprehensive implementation plan has been established to communicate and disseminate the ABC Policy throughout YTL Group's Malaysia-based workforce through online training modules and other communication methods. Electronic communications put in place over the past two years to comply with physical distancing guidelines implemented in response to the COVID-19 pandemic have proven highly effective and we have continued to employ these methods as part of the overall dissemination and training process.

Employees are required to read and understand the ABC Policy and the Code, successfully complete the online training modules to reinforce their understanding of the policy and sign the YTL Group Integrity Pledge in acknowledgement of their obligations and responsibilities.

Compliance with the ABC Policy remains diligently monitored, both on an ongoing basis and in conjunction with our annual corruption risk assessment. This assessment helps identify potential corruption risks faced by YTL Group and assesses the appropriateness of mitigation measures in place to minimise exposure to these risks.

Training modules and other methods of communication are employed on an ongoing basis to familiarise employees with their duties and obligations in this area. Training carried out during the financial year under review focused on areas including data security and protection, cybersecurity awareness and an ABC refresher course. Topics covered in the refresher course included corruption, corporate liability, gratification, whistleblowing, and best practices in preventing and reporting corruption.

Our overseas business units maintain their own tailored policies and procedures to address anti-bribery and corruption matters, aligning with local requirements, practices, and standards in their respective operating regions.

During the year under review, there were no employee faced with disciplinary action or dismissal due to non-compliance, affirming our dedication to maintaining a high standard of ethical conduct within our organisation.

## Cybersecurity and Data Protection

Cybersecurity is of utmost importance for companies in today's digital landscape. With the increasing reliance on technology, interconnected systems, and the growing sophistication of cyber threats, organisations face significant risks to their systems, data, and operations. At YTL Group, we have acknowledged this by implementing robust mitigation measures.

To demonstrate YTL Group's commitment to maintaining information security across our business, some of our business units have ISO 27001 Information Security Management System in place which provides a systematic approach to managing information security risks.


We also established the Cybersecurity Task Force in 2022 to safeguard the YTL Group of Companies from cyber threats and attacks. Under the task force, YTL Zero Trust Framework (ZTF) was established as a guide to implementing effective and efficient cybersecurity best practices.

We strongly believe that cybersecurity is a shared responsibility. As the first line of defence against any major security risk, employee awareness and training have become critical components of our cybersecurity risk management strategy. A six-part cybersecurity training module has since been released, covering the introduction to cyberattacks, malware, impostor scams, phishing attacks, and best practices to protect oneself and the company from cybersecurity threats for our employees in Malaysia during the year under review. Spanning a diverse spectrum of topics, this module equips our employees with the knowledge to effectively counter cyber threats. Simultaneously, the Task Force has also established a centralised channel for incident reporting. This channel allows employees to report on potential incidents or seek clarity on the legitimacy of the content that they receive. These reporting channels are consistently communicated on the intranet to ensure employee accessibility.

Our Cybersecurity Task Force maintains a proactive stance by continually analysing threat intelligence to identify potential risks that could impact YTL Group. In collaboration with our subsidiaries, the Task Force is also actively engaging to assess their existing levels of maturity and to provide guidance on enhancing their cybersecurity defence

mechanisms. This collaborative approach bolsters the overall cybersecurity resilience of our entire corporate ecosystem.

At YTL Group, our commitment to upholding the highest level of data security and privacy is underscored by the implementation of our Global Privacy Policy. We prioritise the protection of personal data and privacy for our valued customers, employees, and stakeholders. Our data management practices strictly adhere to all applicable data protection regulations in the countries where we operate, including the Personal Data Protection Act 2010 of Malaysia, the Personal Data Protection Act in Singapore, and the United Kingdom (UK) Data Protection Act 2018 and the General Data Protection Regulations (GDPR). We will continuously monitor developments in data protection laws and industry best practices to adapt and enhance our data protection measures, ensuring the ongoing security and privacy of the data entrusted to us.



**zero**  
recorded cases of substantiated complaints received concerning breaches of customer privacy, identified leaks, thefts, or losses of customer data in FY2023

## Human Rights

Our Corporate Statement and relevant legal requirements form the basis of our dedication to human rights across all aspects of our operations. We ensure that basic human rights are upheld for our employees and all partnering stakeholders, and are in accordance with the Malaysia Employment Act and any local regulations and employment act where we operate. Our focus includes preventing child and forced labour, opposing slavery and human trafficking, promoting non-discrimination, allowing freedom of expression for employees, safeguarding employment rights, and fostering business ethics and compliance with a zero tolerance policy towards bribery and corruption. Notably, in the year under review, there were zero substantiated complaints of human rights violations. By upholding these principles, we strive to create a safe, inclusive, and ethical working environment that drives positive social impact and sustainable development.

### Whistleblowing Policy

In line with our commitment to ethical conduct, the Code also sets out YTL Group’s whistleblowing policy and procedures. The policy provides channels for employees to raise genuine concerns, including reporting unlawful, unethical, or questionable behaviour, in confidence and without risk of reprisal. Employees have various channels available to raise any concerns, including directly with the line manager, human resources department, internal audit team, and legal department, depending on the outlined circumstances in accordance with the policy.

All whistleblowing reports are treated with utmost confidentiality and will only be known to persons on a need-to-know basis for investigation purposes. To conduct fair and unbiased investigations, we encourage whistleblowers to provide sufficient details about the reported conduct or incident. This approach underscores our commitment to maintaining a transparent and accountable process whilst protecting the identity and safety of those who come forward with concerns.

Our overseas business units adhere to their own whistleblower policies to facilitate employees and external parties to disclose any improper conduct and ensure compliance with applicable law and the company’s policies and guidelines, where they operate. This commitment underscores our dedication to transparency, accountability, and fostering an ethical work culture across all YTL operations.

### SUSTAINABLE SUPPLY CHAIN

At YTL Group, we acknowledge the vast diversity of our business operations, mirrored in our extensive network of suppliers, business partners, and service providers spread globally. Recognising the significance of responsible and sustainable supply chains, we have woven sustainability considerations into every facet of our supply chain management processes, from supplier selection to registration, risk assessment, operational control, and evaluating economic, social, and environmental impacts. Our rigorous approach ensures that all suppliers and partners align with ethical and responsible business practices, mitigating potential risks and minimising environmental and social impacts.

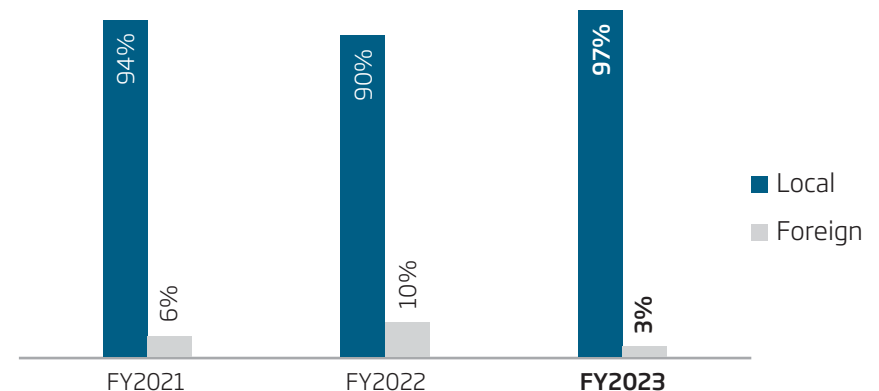
Whilst we do not have a specific local procurement policy in place, we strive to source locally whenever possible. This commitment allows us to support local suppliers, foster employment opportunities, drive domestic economic growth, and reduce emissions

related to transportation. Through these efforts, YTL Group aims to create a positive impact on the communities where we operate, promoting sustainable development and responsible business practices.

YTL Power International’s payment policy in respect of suppliers is to agree to the payment terms for transactions in advance and to make payments in accordance with those terms. Due to the geographical and operational diversity of business units, the company does not follow one specific external code or standard on payment policy and adapt their practices to local standards. Suppliers want the company to provide them with fair, open, and competitive opportunities regardless of their size, so that both parties can grow and excel. Suppliers also want fair payment terms and assistance during times of economic hardship, so that they can support the company in delivering critical services to their customers.

At Malayan Cement Berhad (MCB), the company is committed to ensuring sustainable work practices for all in their operations and supply chain. The company launched the YTL Cement Sustainable Procurement Policy in FY2023. The policy covers seven areas related to ESG, which has since been communicated through YTL Cement Suppliers’ Day. In line with the policy, a comprehensive screening process for new supplier qualification and the annual performance evaluation form for existing suppliers have also been introduced, both covering environmental and social criteria. Should any suppliers fall short of expected standards, the procurement team offers dedicated support to facilitate improvements in the identified areas.

**Proportion of Spending on Suppliers**



### Promoting Responsible and Ethical Supply Chains

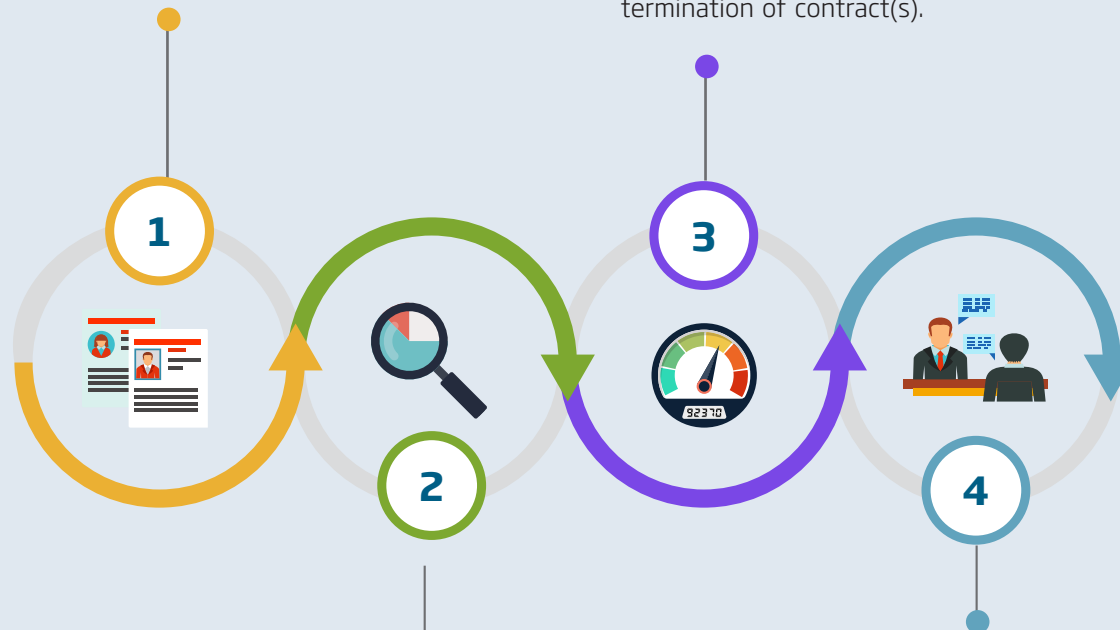
We are fully committed to managing responsible and sustainable supply chains across all our businesses through the integration of sustainability elements into our procurement processes. Our Code of Conduct and Business Ethics and ABC Policy set out our expectations of our suppliers and contractors and explain our policy of zero tolerance for bribery and corruption within the organisation. Our policies also provide channels for external parties to submit any genuine whistleblowing reports. These are made available and easily accessible to our employees and the public on our website.

#### QUALIFICATION/PRE-QUALIFICATION

- The pre-qualification/qualification exercise aims to ensure that suppliers have the necessary capability to supply the required goods and services in a sustainable and reliable manner.
- Screening based on ESG criteria.

#### PERFORMANCE EVALUATION

- All suppliers are regularly assessed and monitored to synergise opportunities for improvement through partnerships under effective supply chain risk controls.
- Any non-compliance results in a warning notice which may lead to penalties and/or termination of contract(s).



#### SELECTION

- Selected vendors are expected to sign and abide by the Supplier Code of Conduct and Responsible Procurement Guidelines and policies.

#### COMMUNICATION AND TRAINING

- We work closely with our suppliers and business partners to maintain high standards of conduct through face-to-face briefings, virtual meetings, regular email broadcasts, etc.
- We conduct various capacity building training programmes, on the topics of anti-bribery and corruption, human rights, health and safety, environmental management, and product briefings.

## RESPONSIBLE PRODUCTS AND SERVICES

In today's world, businesses are increasingly under pressure to operate in a sustainable manner. As a responsible corporate citizen, YTL Group is committed to delivering sustainable solutions that not only meet the needs of our customers, but also to minimise any potential negative health, safety, and environmental impacts throughout their entire lifecycles. We constantly enhance our products and services according to customers' expectations and promote growth in our core business with the use of leading-edge technology and innovative solutions. Through YTL Group's strategic sustainable investments and diligent operations, we aim to build a more resilient and sustainable future whilst addressing the pressing challenges of our time.

### YTL Cement: Driving the Transition to Sustainable Construction

As the market leader in Malaysia, YTL Cement recognises the importance and benefits of sustainable development and has made significant strides in promoting sustainable construction. On 11 April 2023, YTL Cement signed a Memorandum of Understanding (MOU) with the Construction Research Institute of Malaysia (CREAM), a subsidiary under the Construction Industry Development Board (CIDB) Malaysia, to support the transition of the nation's construction industry to sustainable construction. The MOU centres on three key areas: personnel development, research and development (R&D), and supporting the construction sector to transition to sustainable construction.

This MOU marks the beginning of meaningful collaboration between the Government and industry to achieve construction excellence and promote sustainable practices, in line with the nation's 2050 carbon neutral aspiration. CIDB and YTL Cement are joining forces to drive progress in several key areas. They will jointly design training programmes aimed at certifying youths as concrete technicians, with a focus on developing training syllabi for accreditation programmes for qualified personnel in operations. This initiative is expected to assist in attracting, retaining, and nurturing skilled workers vital to the construction industry's growth. Additionally, YTL Cement's laboratory and testing facilities will be made available for R&D efforts. Collaborating with YTL Cement's team of experts, CREAM will explore lower embodied carbon alternatives in materials and construction methods, contributing to environmental sustainability. Furthermore, the partnership will play a pivotal role in supporting the construction sector's transition to sustainable practices. This workstream will centre on the development of a Sustainable Construction Roadmap, capacity building initiatives, and effective communication strategies to promote sustainable construction practices amongst industry players. Together, CIDB and YTL Cement are poised to drive positive change, nurturing a skilled workforce, fostering innovation, and advancing sustainable construction in line with national goals.

On 23 June 2023, YTL Cement and The Edge Malaysia co-organised a symposium titled "Embracing Sustainability in Construction and Real Estate". The symposium aimed to foster an open dialogue about ESG considerations amongst industry players and discuss its relevance to the local construction sector. The event also served as a platform to share industry trends and encourage networking amongst various stakeholders, with the collective mission of advancing sustainable construction practices in the country.



(From left): CREAM Chief Executive Officer Ir. M Ramuseren, the then CIDB Chief Executive Datuk Ir. Ahmad Asri Abdul Hamid, YTL Cement Bhd Managing Director, Datuk Seri Michael Yeoh, and YTL Cement Marketing Sdn Bhd Executive Director, Patrick Pereira at the MOU signing ceremony



Our range of ECOCem cement:

- Contains up to 40% recycled material.
- Is made with 20 to 50% lower-carbon intensity.



ECOConcrete:

- Is made with 30 to 70% recycled material replacing Portland cement.
- Contains 20 to 60% lower embodied carbon.
- Is customisable to meet the required performance of different applications and has up to 100 years of durability.



ECOSand:

- Is an alternative to mining sand which offers consistent quality.
- Has no environmental impact associated with sand mining, hence no compliance and reputation concerns.



ECODrymix:

- Is our range of dry mortar products.
- Contains certified low Volatile Organic Compounds (VOC).
- Has jumbo size packing available for customers who seek to reduce packaging waste.

### **Leading the Way with Eco-Friendly Building Materials**

In response to the construction industry's rising need for more environmentally friendly building materials, YTL Cement has been expanding their range of eco-friendly products. These products, such as ECOCem cement, ECOConcrete, ECOSand, and ECODrymix, are produced with lower embodied carbon and contain recycled materials. They are specifically formulated to reduce the environmental impact of construction projects whilst maintaining high durability and safety standards. Carbon Dioxide (CO<sub>2</sub>) information labels were also introduced on the cement packaging to raise awareness amongst consumers about the availability of more environmentally friendly and sustainable products.

The company also strives for continuous innovation through in-house R&D at the Construction Development Lab (CDL) and collaborations with technical experts and pioneers of emerging technologies from other countries. During the reporting period, YTL Cement had three product development projects: Flowable concrete (an improved version of self-compacting ECOConcrete, designed to be easier to pump, lay, and compact), Lightweight aggregate (for lightweight concrete production), and Ultra-low-carbon concrete (a groundbreaking innovation with the potential to accelerate sustainable construction practices and reduce CO<sub>2</sub> emissions by up to 60%).

### **Supporting Sustainable Construction through Capacity Building**

Realising there is more to be done, YTL Cement supports the transition to sustainable construction through capacity building. Each year, through the YTL Cement Seminar Series, YTL Cement connects industry practitioners, stakeholders, young talents, and subject matter experts to discuss and share insights to advance the sector towards sustainable construction. To date, the YTL Cement Seminar Series has organised 66 seminars covering a broad range of topics such as architectural, cement and concrete, ESG, and masterclass series which was attended by 6,450 participants.



*YTL Cement Construction Development Lab*

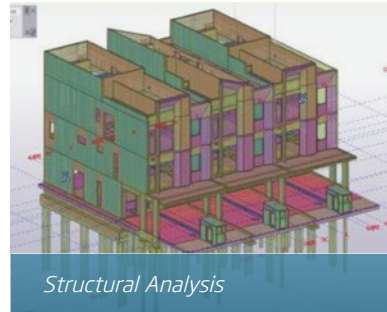
**YTL Construction: Building a Better Future with BIM**

YTL Construction has harnessed the power of Building Information Modelling (BIM) to revolutionise their construction practices, fostering efficiency, and enhancing the resilience and longevity of the built environment. At the heart of this innovation is the creation of comprehensive three-dimensional (3D) building models, readily accessible to engineers, architects, quantity surveyors, planners, and operators throughout a building’s entire lifecycle.

Across a diverse spectrum of projects, from data centres, warehouses, and residential developments, the YTL Construction team has masterfully crafted 3D composite models. These models have proven to be invaluable time-savers during both the design and construction phases. During the design phase, BIM introduces an unparalleled transparency between stakeholders, enabling designers to visualise structures even before the first brick is laid. This visualisation capability empowers them to make critical decisions that enhance building sustainability and elevate design precision.

The early planning stages at the design phase has enabled the construction team to envision the project and prevent abortive work. Furthermore, BIM has substantially improved efficiency by providing accurate material procurement projections, ultimately reducing material deliveries and minimising on-site wastage. These dynamic 3D models have emerged as powerful communication tools, enabling the seamless exchange of meticulous information between design and construction teams.

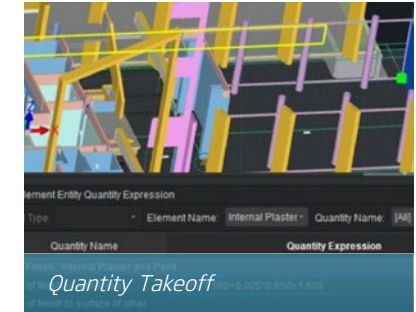
To elevate YTL Construction’s commitment to sustainability, the company has augmented these models with layers of data, including specifications and lifecycle predictions. This enhancement enables the operations teams to formulate sustainable maintenance strategies that contribute significantly to the prolonged lifespan of the buildings. At YTL Construction, BIM represents not just technology, but also the company’s pathway to constructing a smarter, more sustainable, and enduring built environment.



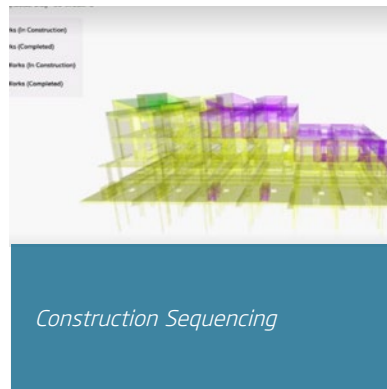
*Structural Analysis*



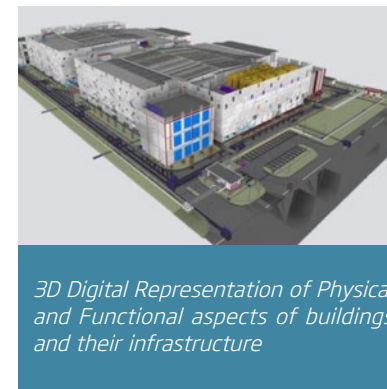
*Lighting Simulation*



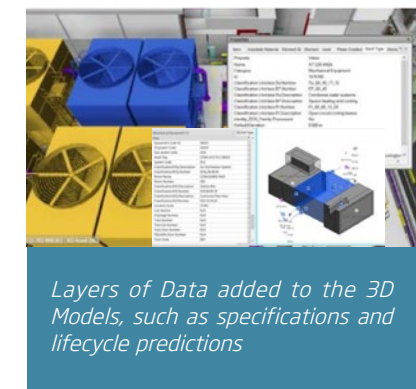
*Quantity Takeoff*



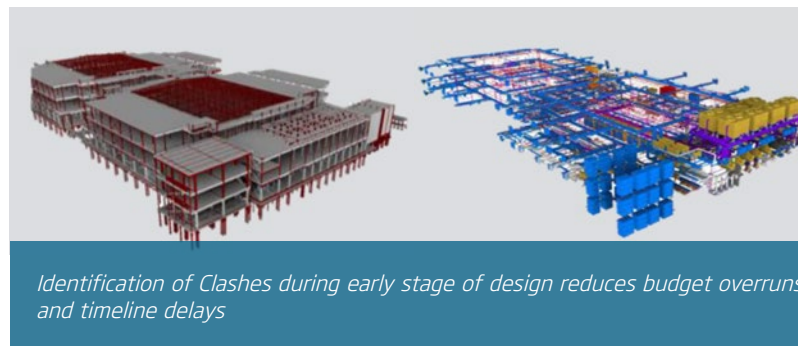
*Construction Sequencing*



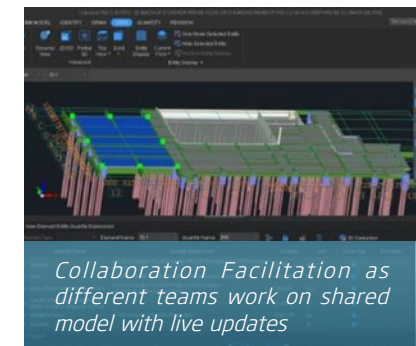
*3D Digital Representation of Physical and Functional aspects of buildings and their infrastructure*



*Layers of Data added to the 3D Models, such as specifications and lifecycle predictions*



*Identification of Clashes during early stage of design reduces budget overruns and timeline delays*



*Collaboration Facilitation as different teams work on shared model with live updates*



## Sentul Works: A Refreshing Blend of Modernist and Heritage Architecture by YTL Land and Development Berhad

Sentul Works, situated within the serene and verdant landscape of Sentul West in Kuala Lumpur, holds a deep historical significance. The location was originally home to the Federated Malay States Railways (FMSR) rail complexes dating back to 1904. The Sentul Works building, like many century-old colonial structures, has gracefully aged and evolved beyond its original purpose whilst retaining its significant historical value reflecting the community's identity and character.

YTL Land and Development Berhad's restoration of Sentul Works is part of their ongoing commitment to sustainable development within the Sentul West area. This initiative aligns with the broader Sentul Masterplan, which seeks to regenerate and rejuvenate the region.

Under an adaptive reuse approach, Sentul Works has been meticulously transformed into a new contemporary heritage office building, yet updated to meet modern demands whilst retaining its historical integrity. Respectful of the building's heritage, new adaptations were integrated seamlessly into the original architecture to breathe new life into the building. Innovative building forms were explored to reinstate visual interest, richness, and diversity through a meticulous selection of materials, colours, ornamentation and spatial organisation to fulfil the building's new role as a modern office whilst retaining the authenticity of its original architecture.

Originally a 2-storey building, Sentul Works now stands at four storeys, offering spacious open-plan office spaces across its floors to cater to diverse tenant needs. The juxtaposition of original and contemporary materials creates a dynamic atmosphere that resonates particularly well with the younger generation of dynamic employees and professionals.

Preserving the building's historical significance, large bay windows that played traditional roles of daylighting and natural ventilation remain intact, to enhance the workspace's ambience. A landscaped outdoor terrace, new glass openings, and windows of various sizes and orientations were incorporated on the new upper floors, inviting natural light and calming greens to transform the interior into welcoming and well-lit spaces.

Rising above the colonial brick structure, a Corten-clad vertical extension comprising two new floors with its characteristic rust-coloured grainy texture perfectly complements the existing brickwork, whilst also blending harmoniously with the exposed steel frame of the adjacent old railway workshops of Sentul Depot. This

contemporary extension adds a cutting-edge visual dimension to the industrial surroundings, mirroring the unique environment of Sentul today - its new urbanism enhanced by a rich railway history.

Nestled amidst lush greenery, Sentul Works harmoniously blends modernist and heritage architecture with a seamless connection to the natural environment. This setting encourages new modes of working that emphasise collaboration, creativity, productivity, and positive employee engagement. In its entirety, Sentul Works stands as a living example of how heritage and modernity can seamlessly coexist through innovative solutions in the pursuit of sustainable development.



*A century-old architectural gem metamorphosed into an inspiring office arena. Exposed brick, large windows beaming in natural light and metal beams that hark back to its industrial past. Set in a pristine and lush, sprawling private park in the heart of Kuala Lumpur*

## YTL Power International: Green Financing

YTL Power International (YTLPI) embarked on new green financing initiatives this year, a first for our Group.

The YTL Green Data Center Park in Kulai, Johor, Malaysia's first data centre campus to be co-powered by on-site renewable solar energy, is one of YTLPI's new digital transformation businesses. This year, the company undertook an MYR1.1 billion Islamic term financing facility for Phase 1, with a commitment to secure Gold LEED certification in compliance with Green Loan Principles published by the Loan Market Association, Asia Pacific Loan Market Association, and Loan Syndications and Trading Association.

Integrated with on-site solar photovoltaic power, the YTL Green Data Center Park aims to provide data storage colocation services to clients looking for more sustainable and lower-carbon solutions within Southeast Asia. It also serves as the foundation for achieving YTLPI's greater objective of carbon neutrality for the company's data centres across the region.

Meanwhile, Wessex Water has put in place a Sustainable Financing Framework to support the company's financing ambitions to deliver tangible environmental and social benefits. The framework aligns Wessex Water's purpose - to support customers' health and well-being and enhance the environment and the diverse communities they serve - and their business plan commitments to their financing ambitions through targeted financing.

Under the framework, Wessex Water may issue environmental or social debt instruments to support their environmental and social objectives, enabling investors to participate in the provision of a sustainable future. Through a Sustainable Finance Framework to finance their plans, investors will be able to monitor how their contributions directly support the realisation of Wessex Water's sustainability goals.

Wessex Water launched an inaugural GBP300 million sustainability bond in March 2023, re-opening the sterling primary markets following recent financial sector volatility. The strong execution dynamics demonstrate the willingness of the UK investor base to look through the current financial environment for names which are more insulated from the financial sector volatility.

## YTL PowerSeraya: Powers Ahead with Sustainable Energy Solutions

YTL PowerSeraya, a wholly-owned subsidiary of YTLPI, stands as a key integrated energy solution provider in Singapore. With a licensed generating capacity of 3,100 MW, YTL PowerSeraya ranks amongst Singapore's largest electricity generators. The company also provides multi-utility services such as steam, water, and natural gas to meet its customers diverse energy and resource needs.

As a prominent power generator in Singapore, YTL PowerSeraya is committed to a 60% reduction in emissions from 2010 levels by 2030. The company is also aligned with Singapore's energy transition blueprint to achieve net zero emissions by 2050. In pursuit of these ambitions, YTLPS has undertaken an array of energy transition initiatives and innovative endeavours to explore, develop, and implement low-carbon energy solutions for Singapore.

In June 2022, YTL PowerSeraya signed an MOU with Linde, ST Telemedia Global Data Centres, and YTL Data Centers to explore the feasibility of employing clean hydrogen to power Singapore's data center ecosystem. The MOU focuses on developing a proof of concept, that green hydrogen mixed with natural gas can be used as potential fuel for existing combined cycle gas turbines to generate low-carbon electricity to support the industries' clean energy demand by 2030.



*Taser Power Station, combined cycle power station acquired in June 2022, complements YTL PowerSeraya's existing power generation assets on Jurong Island*

Furthermore, January 2023 witnessed a collaboration between YTL PowerSeraya and TNB Power Generation Sdn Bhd (TNB Genco), a wholly-owned subsidiary of Tenaga Nasional Berhad. The joint agreement pertains to the import and export of 100 MW of electricity between Malaysia and Singapore through a newly upgraded interconnector. The strategic alliance marks the inaugural electricity import from Malaysia to Singapore commercially whilst adhering to the Malaysian Energy Commission's Guide for Cross-Border Electricity Sales. This initiative will diversify Singapore's energy sources, further enhance the nation's energy security, and is a significant step towards the vision of a strong ASEAN power grid.

Besides embarking on upstream low-carbon energy solutions, YTL PowerSeraya is committed to supporting carbon abatement initiatives and providing low-carbon electricity to end-users across Singapore. Geneco SG, a brand under YTL PowerSeraya and a licensed electricity retailer, launched the Power Eco Add-on for the company's residential customers in August 2021. The Power Eco Add-on is Singapore's first customisable green add-on for an electricity plan that allows customers to purchase Carbon Credits or Renewable Energy Certificates (RECs) at varying green contribution levels of 25%, 50%, 75%, and 100% to support international carbon abatement and renewable projects. Following the successful launch, Geneco SG has expanded Power Eco Add-on's availability from new sign-ups and renewals to all of their residential customers, at any point of their contracts since April 2023. As of 30 June 2023, 3,408 customers have opted for Power Eco Add-on, and 7,805 units of carbon credits and 11,937 units of RECs were sold in FY22/23.

Aligned with Singapore's goal of deploying 12,000 electric vehicle (EV) chargers in public housing estates' carparks by 2025, a joint venture company ChrgEco was formed in November 2022. This collaboration between YTL PowerSeraya and Strides Mobility, a subsidiary of SMRT Corporation Ltd and a prominent mobility solutions and services provider, is aimed at installing, operating, and maintaining EV chargers in Singapore. ChrgEco aims to install 1,200 EV chargers within public housing estates by the year 2025. As of 30 June 2023, over 39 EV chargers have been successfully installed across 13 public housing estates in both the Central and East regions of



*(From left) International Trade and Industry Minister Tengku Datuk Seri Zafrul Aziz, TNB Power Generation Sdn Bhd Managing Director Datuk Nor Azman Mufti, YTL PowerSeraya Pte Ltd Chief Executive Officer John Ng, and Singapore's Minister for Manpower and Second Minister for Trade and Industry Dr Tan See Leng*

Singapore. Besides providing electrification solutions to the public housing estates, ChrgEco is taking proactive steps to explore opportunities within private, commercial, and industrial estates.

Echoing the United Nations' call for "Everything, everywhere all at once" to combat climate change, YTL PowerSeraya shall earnestly pursue upstream decarbonisation efforts by developing clean energy solutions and actively sourcing for low-carbon electricity imports. Simultaneously, the company will also to unlock downstream opportunities through sustainable electrification and carbon abatement solutions.

### Wessex Water: Making Water Affordable and Accessible to Everyone

Water must be affordable for everyone, all of the time. With that in mind, Wessex Water offers their customers extensive financial and debt support through a range of schemes and low-rate tariffs under their Tailored Assistance Programme (tap). This increased in 2022 as customer incomes were increasingly squeezed by inflation and the high cost of living. The company is now tripling the numbers on their financial support schemes over the next couple of years, making help much easier and quicker to access, auto-enrolling customers onto discounted tariffs where possible, and injecting additional funding into the debt advice sector to build extra capacity.

Wessex Water made the following changes in the past year:

1. Worked to fast-track up to another 60,000 customers onto the company's Assist social tariff, so they can benefit from discounts of up to 90% on their water bills more quickly and easily.
2. Worked with the Department of Work and Pensions to automatically apply a 20% discount to the bills of up to 55,000 low-income pensioners. Overall, more than 23,900 low-income pensioners received around GBP60 off their bill.
3. Set up data shares with local councils to auto-enroll customers on help schemes.
4. Promoted the company's schemes using a variety of communication channels, and using imagery and wording customers have said will best encourage them to get in touch. The company also built new partnerships with organisations to increase take-up.
5. Simplified the application process for the company's schemes based on feedback from customers through focus groups.
6. Injected an additional GBP160,000 from out-performance into the debt advice sector, funding seven new projects across the region to directly increase capacity.
7. Ran a large pilot with debt advice organisation, Money Wellness to directly refer Wessex Water's customers to them through a web portal. With consent, Wessex Water is also able to receive customer data return and support them with the right scheme.

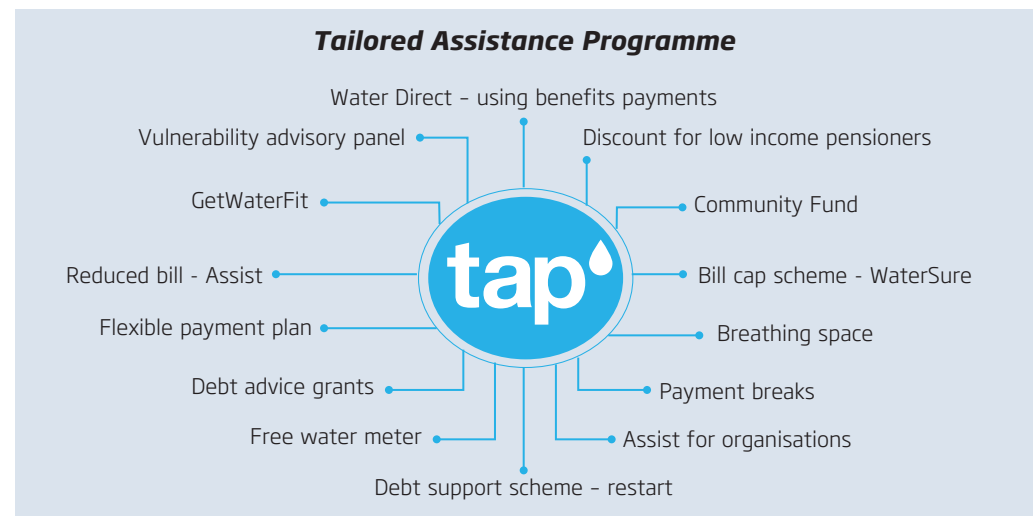
Beyond financial vulnerability, Wessex Water is committed to an inclusive and tailored service for all customers, regardless of age, physical health, mental health, literacy level, language skills, or personal challenges. The company has expanded their Priority Services Register, adding nearly 27,000 customers in 2022. Through specialised training and partnerships with disability organisations, Wessex Water equips employee with the skills needed to deal with complex customer situations effectively. This includes deaf

awareness iLearn, Speakeasy presentation, and a Virtual Dementia Tour Bus, where the company's employees had the opportunity to experience what it can be like living with dementia. The company also introduced tailored feedback survey questions for Priority Service customers.

Another vital element is working in partnership. Wessex Water values the insights of around 300 partners who help them support vulnerable customers. Some recent examples of their work with partners include:

1. Asking disability charity, Scope, to review the accessibility of their bills, which resulted in changes to the language and colours used.
2. Co-funding a project with Bristol Water and their two energy distribution networks for the Royal Association for the Deaf to signpost or register customers for Priority Services and/or affordability support through promotional literature, social media, community outreach events, and home visits.

Wessex Water has more activities planned for 2023-24 to ensure water is affordable and accessible for everyone. These include in-depth training with Age UK and UK Kidney Care, exploring data sharing with more councils and the fire service to auto-enrol customers on help schemes, and launching a new online eligibility calculator. The company will also continue to work with the Consumer Council for Water (CCW) and the rest of the water industry to provide options to the government regarding the introduction of a single social tariff.



## CUSTOMER SATISFACTION

At YTL Group, we recognise that customer satisfaction is not merely a benchmark; it is the foundation of our sustainability journey. Our commitment to sustainability extends beyond minimising environmental impacts and embracing ethical practices; it encompasses a profound dedication to meeting and exceeding the expectations of our valued customers. This helps to maintain long-term relationships with existing customers and attracts new customers in today's competitive business environments.

We take a comprehensive approach to managing customer engagement, starting from the ground up in order to cater to and address the unique needs of diverse customer segments. Our teams on the ground at the local level regularly engage with customers, soliciting and reviewing their feedback on our products and services as part of our business improvement initiatives. This invaluable input equips us with critical insights that drive continuous improvement, enabling us to gain a deeper understanding of our customers' expectations and ultimately elevate their overall experience with us.

Singapore's open electricity market makes it easy for customers to choose their electricity provider, which incentivises electricity retailers to come up with attractive, innovative plans that address the needs of their customers. Rising awareness of the need to address climate change and the unique geographic and resource-related challenges Singapore faces have increased customer interest in more energy-efficient solutions that would enable them to mitigate their carbon impacts.

Last year, YTL PowerSeraya's retail brand, Geneco SG, responded to this demand by introducing the Power Eco Add-on plan. The plan offers eco-conscious customers the option of choosing either carbon credits or RECs to lower the carbon footprint of their electricity consumption. This year, availability of the plan, which was previously available for new sign-ups and renewals, was extended to all residential customers, at any point of their contracts.

In 2022, Wessex Water delivered a very strong performance in the water sector customer satisfaction metric (C-MeX), coming third overall. This was in part a product of their dedicated Customer Experience Group, continually reviewing C-MeX performance and feedback from customers in order to drive continuous improvement.

Despite challenges, including extreme weather and negative media coverage about the wider water sector, 87% of Wessex Water's customers expressed satisfaction with the service, reflecting a slight decline from 92% in 2021. 79% of customers said Wessex Water's service was good or very good value for money; a higher proportion than in 2021 but still below target. Wessex Water's average Trustpilot rating for 2022 was 4.6 stars out of 5, and 86% of reviewers gave the top possible rating of five stars. Wessex Water also again received the Customer Service Excellence award and retained the Service Mark with distinction from the Institute of Customer Service, one of only 20 companies in the country to hold the accreditation.

In Malaysia, YTL Communications (YTL Comms) continued to build on the roll-out of their 5G services in tandem with the expansion of Digital Nasional Berhad's network. The company has long led the way in democratising access to high-speed mobile broadband services, offering the most affordable plans and bridging the access divide across rural and urban areas of Peninsular Malaysia.

This year, YTL Comms received several awards for their customer-centric approach including "Best in Consumer Satisfaction", "Best Quality of Service", "Best in Corporate Social Responsibility" and "Best Mobile Network Operator with Less Than 5 Million Subscribers" at the Malaysian Communications and Multimedia Commission (MCMC) Star Rating Awards in December 2022, as well as Gold Winner for "Prepaid Plan of the Year" and Silver Winner for "Mobile Telco of the Year" at the SoyaCincau Awards in December 2022.

In line with staying connected with customers, MCB has established a strong social media presence. Through MCB's website, Facebook, Instagram, and LinkedIn, the company shares updates and news about MCB, keeping customers informed about the latest developments. To uphold MCB's commitment in providing a positive customer experience, all complaints and feedback undergo thorough discussion during a weekly meeting, presided over by the Managing Director. It is worth noting that during the reviewed year, MCB received no complaints on their products related to health, safety, or the environment.

# Other Information

[GRI 2-4, 2-28]

## CERTIFICATIONS

Business Units	ISO 9001	ISO 14001	ISO 45001	ISO 50001	ISO 27001	ISO/IEC 17025
Malayan Cement	✓	✓	✓	✓		✓
Wessex Water	✓	✓	✓		✓	✓
YTL Communications					✓	
YTL Construction	✓	✓	✓			
YTL PowerSeraya	✓	✓	✓	✓	✓	

Note: The certifications of the business units are considered as an input at company level if the majority of its subsidiaries possess such certifications.

## MEMBERSHIP OF ASSOCIATIONS

Details of industry associations and other groups in which the YTL Group participates in a significant way are as follows:

### Representation via YTL Power International Group

YTL PowerSeraya	<ul style="list-style-type: none"> <li>Sustainable Energy Association of Singapore</li> <li>World Energy Council, Singapore Chapter</li> <li>Energy Studies Institute</li> </ul>
YTL Communications	<ul style="list-style-type: none"> <li>Consumer Forum of Malaysia</li> <li>GSM Association</li> <li>Malaysian Technical Standards Forum Bhd</li> <li>The Communications and Multimedia Content Forum of Malaysia</li> </ul>
Wessex Water	<ul style="list-style-type: none"> <li>Aldersgate Group</li> <li>All Party Parliamentary Water Group</li> <li>Apprenticeship Ambassador Network</li> <li>Avon Wildlife Trust</li> <li>British Water</li> <li>Careers and Enterprise Company: Cornerstone Employer and Youth Advisory Group</li> <li>Confederation of British Industry</li> <li>Energy and Utility Skills Group</li> <li>Engineering UK: Engineering Code</li> <li>Future Water Association</li> <li>Isle Utilities</li> <li>Major Energy Users' Council</li> <li>Somerset Wildlife Trust</li> <li>Stem Ambassador Network</li> <li>Sustainability First</li> <li>UK Water Industry Research</li> <li>Water Research Centre</li> <li>Water UK</li> <li>Wiltshire Wildlife Trust</li> </ul>

### Representation via YTL Group/Board member

YTL Group of Companies	<ul style="list-style-type: none"> <li>British Malaysian Chamber of Commerce</li> <li>Eastern and Oriental Express Train</li> <li>Global Compact Network Singapore</li> <li>Malaysian Business Council</li> <li>Malaysian Dutch Business Council</li> <li>Malaysian Employers Federation</li> <li>Paris Pledge for Action</li> <li>Rome Opera House</li> <li>Singapore Green Building Council</li> <li>The Asia Society</li> <li>The Capital Markets Advisory Council</li> <li>The Nature Conservancy's Asia Pacific Council</li> <li>VGB PowerTech E.V</li> </ul>
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### Representation via Malayan Cement Berhad Group

YTL Cement	<ul style="list-style-type: none"> <li>Federation of Malaysian Manufacturers</li> <li>Global Cement and Concrete Association</li> <li>Malaysia Green Building Council</li> <li>The Cement and Concrete Association of Malaysia</li> <li>The National Ready-Mixed Association of Malaysia</li> </ul>
Geo Alam Environmental	<ul style="list-style-type: none"> <li>Waste Management Association of Malaysia</li> </ul>

GRI CONTENT INDEX

**Statement of use** YTL Group has reported the information cited in this GRI content index for the period from 1 July 2022 to 30 June 2023 with reference to the GRI Standards.

**GRI used** GRI 1: Foundation 2021

GRI Standard	Disclosure Number	Disclosure Title	Page	
GRI 2: General Disclosures 2021	2-1	Organisational details	3, 9	
	2-2	Entities included in the organisation's sustainability reporting	3	
	2-3	Reporting period, frequency and contact point	3	
	2-4	Restatements of information i) Restatement of GHG emissions data reported in YTL Group SR2022 (pg 32). The Scope 1 figure for FY2022 was 3,715 kilotonnes CO <sub>2</sub> e/year and it should be 3,718 kilotonnes CO <sub>2</sub> e/year. ii) Restatement of waste data reported in YTL Group SR2022 (pg 45). The combined waste diverted from disposal figure for FY2022 was 740,421 tonnes and it should be 1,079,538 tonnes.		103
		2-5	External assurance	No external assurance was made
	2-6	Activities, value chain and other business relationships	Annual Report, 9, 92-101	
	2-7	Employees	50	
	2-8	Workers who are not employees	50	
	2-9	Governance structure and composition	13	
	2-10	Nomination and selection of the highest governance body	Annual Report	
	2-11	Chair of the highest governance body	Annual Report	

GRI Standard	Disclosure Number	Disclosure Title	Page
GRI 2: General Disclosures 2021	2-12	Role of the highest governance body in overseeing the management of impacts	Annual Report
	2-13	Delegation of responsibility for managing impacts	Annual Report
	2-14	Role of the highest governance body in sustainability reporting	13
	2-15	Conflicts of interest	Annual Report
	2-16	Communication of critical concerns	92
	2-17	Collective knowledge of the highest governance body	13
	2-18	Evaluation of the performance of the highest governance body	Annual Report
	2-19	Remuneration policies	Annual Report
	2-20	Process to determine remuneration	Annual Report
	2-21	Annual total compensation ratio	Annual Report
	2-22	Statement on sustainable development strategy	4-8, 17-19
	2-23	Policy commitments	13, 89-92
	2-24	Embedding policy commitments	13, 89-92
	2-25	Processes to remediate negative impacts	13, 89-92
2-26	Mechanisms for seeking advice and raising concerns	92	
2-27	Compliance with laws and regulations	24, 51, 89-92	
2-28	Membership associations	102	
2-29	Approach to stakeholder engagement	14-15	

**GRI Content Index**

GRI Standard	Disclosure Number	Disclosure Title	Page
<b>MATERIAL TOPICS</b>			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	16
	3-2	List of material topics	16
<b>ECONOMIC</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	89
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	17
	201-3	Defined benefit plan obligations and other retirement plans	Annual Report
GRI 3: Material Topics 2021	3-3	Management of material topics	49
GRI 202: Market Presence 2016	202-2	Proportion of senior management hired from the local community	50
GRI 3: Material Topics 2021	3-3	Management of material topics	92-93
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	92
<b>GOVERNANCE</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	89-90
GRI 205: Anti Corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	89-90
	205-3	Confirmed incidents of corruption and actions taken	89-90

GRI Standard	Disclosure Number	Disclosure Title	Page
<b>ENVIRONMENT</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	30, 35
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	35
	302-4	Reduction of energy consumption	35
GRI 3: Material Topics 2021	3-3	Management of material topics	41
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	41
	303-3	Water withdrawal	42
	303-4	Water discharge	42
	303-5	Water consumption	42
GRI 3: Material Topics 2021	3-3	Management of material topics	25
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside	25-29
	304-2	Significant impacts of activities, products, and services	25-29
	304-3	Habitats protected or restored	25-29
GRI 3: Material Topics 2021	3-3	Management of material topics	30
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	34
	305-2	Energy indirect (Scope 2) GHG emissions	34
	305-3	Other indirect (Scope 3) GHG emissions	34
	305-5	Reduction of GHG emissions	31-33
GRI 3: Material Topics 2021	3-3	Management of material topics	38
GRI 306: Waste 2020	306-2	Management of significant waste-related impacts	38-40
	306-3	Waste generated	39
	306-4	Waste diverted from disposal	39
	306-5	Waste diverted to disposal	39



GRI Content Index

GRI Standard	Disclosure Number	Disclosure Title	Page
<b>SOCIAL</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	56
GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	57
	401-3	Parental leave	57
GRI 3: Material Topics 2021	3-3	Management of material topics	44
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	44-48
	403-2	Hazard identification, risk assessment, and incident investigation	44-48
	403-4	Worker participation, consultation, and communication on occupational health and safety	44-48
	403-5	Worker training on occupational health and safety	44-48
	403-6	Promotion of worker health	44-48, 57
GRI 403: Occupational Health and Safety 2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	44-48
	3-3	Management of material topics	56, 58
GRI 404: Training and Education 2016	404-2	Programmes for upgrading employee skills and transition assistance programmes	58-60
	404-3	Percentage of employees receiving regular performance and career development reviews	56







GRI Standard	Disclosure Number	Disclosure Title	Page
GRI 3: Material Topics 2021	3-3	Management of material topics	49
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	50
GRI 3: Material Topics 2021	3-3	Management of material topics	49
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	51
GRI 3: Material Topics 2021	3-3	Management of material topics	49
GRI 408: Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	51
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GRI 409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	51
GRI 3: Material Topics 2021	3-3	Management of material topics	67
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	67-87
	413-2	Operations with significant actual and potential negative impacts on local communities	67-87
GRI 3: Material Topics 2021	3-3	Management of material topics	91
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	91

# HEAT WAVES






## What is it?

A heat wave is a prolonged period of excessively high temperatures, often lasting several days or weeks, that occurs within a specific region or area.

## Factors Contributing to Heat Waves

-  Lack of cloud cover
-  Climate change
-  Drought and dry soil
-  Greenhouse gas emissions
-  Urban heat island effect
-  Energy consumption

## Impacts of Heat Waves

-  Health risks
-  Social and equity issues
-  Climate change feedback
-  Wildfires
-  Food insecurity

## What Can People Do to Help?

- **Support climate action:** Advocate for policies and practices that address climate change.
- **Support sustainable practices:** Choose sustainable products, such as organic and locally sourced items, to reduce your carbon footprint.
- **Raise awareness:** Educate others about the impacts of heat waves and adaptation measures.
- **Create green spaces:** Consider creating a green space with a backyard or community garden.
- **Reduce your carbon footprint:** By opting to use public transportation and supporting renewable energy sources.



**Be Part of the Solution,**  
Stay cool and beat the heat.



**YTL CORPORATION BERHAD**

198201012898 (92647-H)

33rd Floor, Menara YTL  
205 Jalan Bukit Bintang  
55100 Kuala Lumpur,  
Malaysia

Tel • 603 2038 0888

Fax • 603 2038 0388

**[www.ytl.com](http://www.ytl.com)**  
**[www.ytl.com/sustainability](http://www.ytl.com/sustainability)**  
**[www.ytlcommunity.com](http://www.ytlcommunity.com)**