



BERJAYA LAND BERHAD

SUSTAINABILITY PRACTICES AND POLICY

THE COMPANY'S SUSTAINABILITY PRACTICES

The proposed practices have been produced as a complete framework to summarize the existing practices of the Company and comply with the Economic, Environmental and Social (EES) framework as described in Bursa Malaysia Securities Berhad's Practice Note 9.

The Company's Sustainability Practices			
A. Respect of Government and the Law	B. Respect in the Workplace	C. Respect in the Marketplace	D. Respect in Society and Communities
Compliance with Law, Company Policies and Business Conduct	Behavior in the Workplace	Product Safety	Community Relations
Accuracy of Company Records <i>- Book and Records</i> <i>- Internal Controls</i>	Health and Safety Policies	Health, Safety and the Environment	
Security Trading	Conflict of Interest, <i>- Business, Financial and Personal Relationships</i> <i>- Use of Company Assets</i>	Proper Business Dealings	
Competitive Policy	Employee Privacy	Fair Dealings with Suppliers and Customers: <i>- Treating Suppliers appropriately</i> <i>- Supplier Diversity and Support of Local Industries</i> <i>- Treating Customers appropriately</i> <i>- Feedback from Customers and Suppliers</i> <i>- Advertising and Promotion Policies</i>	
International Business	Employee Feedback and Grievances	Fair Competition	
		Confidentiality and Consumer Privacy: <i>- Employee Confidentiality</i> <i>- Consumer Privacy</i>	
		Communicating with the Media	
E. Sustainability Policy : <i>- Sustainable Development</i> <i>- Environmental Quality Policy</i>			

As a business conglomerate with interests at home and abroad, the Company aspires to continuously generate sustainable stakeholder value. The Company's main stakeholders comprise its employees, community, customers, shareholders, investors, business partners, regulators and the environment.

The Company is committed to achieving economic, environmental and social sustainability in all its business operations, whether locally or abroad. By doing so, the Company strives to promote and create Sustainable Development in its business and operations and adopts a management system to ensure that such practices are being monitored and controlled.

In striving to be sustainable, the Company desires to:

- Integrate sustainability values and practices in the strategic execution and operational decision processes. These efforts will be embedded in management, communication, procurement, supply chain and operations to support sustainable practices in its business.
- Safeguard and protect its operations by ensuring a healthy, safe and secure work environment, while remaining efficient and effective.
- Support the professional, developmental and personal growth of its employees through team-building activities as well as human capital development.
- Develop the Environmental agenda and plans in a pragmatic way, so as to incorporate them into the business operations, as well as formalize the sustainable management system to identify measures and monitor material sustainability matters to an extent possible. This is to achieve continuous improvement towards sustainability performance.
- Institute sustainability initiatives through effective leadership and proper engagement with its stakeholders in order to enhance the social and community well-being where the Company operates.
- Promote the use of locally sourced and sustainable products, services and other resources.

The Company acknowledges that through these practices, its employees will be motivated, public acceptance and reputation will be enhanced, and long term value for the stakeholders will be preserved. The Company also believes that positive engagement with its key stakeholders will help to enhance the sustainability of the businesses that it operates, both locally and abroad.

A. Respect of Government and the Law

The Company is committed to complying with all laws and regulations wherever it conducts its businesses. Every employee is expected to know the relevant laws and policies that apply to the Company's businesses, and to carry out their duties and responsibilities with honesty and integrity.

1. Compliance with Laws and Company Policies and Business Conduct

The Company expects all employees in the various countries in which that it operates to comply with all laws and business policies and practices that relate to its business activities. Each and every employee is expected to take responsibility of knowing and understanding legal and policy requirements applicable to their respective portfolios, and to inform the management immediately, if any violation of law or the Company's policies/standards has occurred.

2. Accuracy of Company Records

Books & Records

The Company's business records are relied upon by the management, shareholders, creditors, banks, governmental entities and others and therefore, need to be produced reliably and accurately. All Company records must be reliable, complete and accurate, without any constraint

or qualification in any form. Factual documentation and ethical evaluation form the basis of accurate records. The Company does not condone to any fraudulent element relating to any transaction or payment executed illegitimately going through the books or accounts of third parties, such as agents, consultants or contractors.

The Company's operations in any part of the world must adhere to all national and international laws that to proper, accurate and complete handling of the Company's financial books and records. Employees are expected to be honest and trustworthy, objective and loyal when performing their record keeping duties and responsibilities.

Internal Controls

Internal controls are management and financial systems and processes that govern policies, authorization and procedures, with proper audit trails carried out. Such systems are designed to ensure orderly and efficient business operations.

The Company's internal controls should be in place to enable reasonable assurance to be provided, such that:

- Authorization, proper and accurate record keeping of transactions are in accordance with the Company's policies and procedures;
- Company's assets are safeguarded;
- Reporting, both financial and management, is kept reliably and accurately, to reflect the actual business of the Company;
- All activities adhere to applicable legal requirements; and
- Business operations are conducted effectively and efficiently.

All employees are responsible for developing and adhering to strong and effective internal control systems.

3. Securities Trading

In the course of employment, employees may have access or become aware of any unpublished price sensitive information (“UPSI”). It is expected that all employees will strictly abide by the fundamental principles of fairness and integrity in financial markets by not trading in the Company’s securities on the basis of UPSI acquired through their employment.

UPSI can be described as any information that an investor, if known, would reasonably consider as important when making an investment decision to trade in the Company’s securities, such as information about an acquisition or disposal, new product launch or other market sensitive information. UPSI about the Company must not be divulged without any legitimate business reason, and proper authorisation is required.

4. Competitive Policy

The Competitive Policy is intended to prohibit companies from entering an agreement with one another that disrupts, impedes or manipulates the normal market forces, such as fixing prices, dividing markets and restricting supply or other factors. The Company’s policy requires all employees to strictly adhere to the Competitive Policy and Anti-Monopoly Laws in all countries in which they conduct its businesses. Local leadership and others in supervisory capacity are responsible to ensure that employees comply with this policy.

5. International Business

Employees of the Company that are engaged in cross-border trade must comply with specific laws and regulations applicable to the importation/exportation of products or services. This includes adhering to international regulations in all geographical locations that the Company operates in.

B. Respect in the Workplace

1. Behavior in the Workplace

The Company's policy relating to the workplace is to treat all employees with respect. The Company strives to provide a safe, healthy and conducive work environment. This responsibility also extends to its employees, contractors, visitors and other related parties. Each employee has a personal responsibility to his/her colleagues, other employees and the Company, and to help avoid actions or conduct which may undermine a harmonious work environment.

The Company's policy requires that everyone is to be considered for employment opportunities in a system that promotes meritocracy, as measured using the performance management system through Key Performance Indicators which are benchmarked against the objectives of the job requirement. Every effort will be made to implement programmes designed to offer fair employment opportunity.

The Company expects every employee to fully support its continuing efforts toward equal employment opportunity for all.

All employees are expected to perform their duties responsibly, free from the influence of alcohol or drugs in the workplace.

2. Health and Safety Policies

The Health and Safety Policies are derived from good practices, legal and regulatory requirements. The Company is committed to maintaining a safe and healthy workplace for all employees, and to protecting the environment in which we operate.

The policy focuses on Standard Operating Procedures, best practices and adopts performance standards for each operation and facility.

This is supported by training and development and annual internal audits. Business units have the flexibility in terms of how they deliver the performance standards, so that local circumstances may be considered and costs can be controlled.

The Company is fully committed to ensuring that its operations are managed in a safe and healthy way in order to protect the life and health of all its employees and the community around its operations. This will also help to safeguard the Company's assets, ensuring business continuity and engendering public trust. Every employee has the responsibility for incorporating safe behavior in their daily business activities.

3. Conflict of Interest

Business, Financial and Personal Relationships

All employees are required, at all times, to act in the best interests of the Company. A conflict of interest will arise when personal relationship or financial or other form of interest interferes with this obligation, or when employees use their position in the Company for personal benefit or gain. To prevent any conflict of interest, the Company requires all employees to disclose all potential conflicts of interest and promptly take the necessary actions to avoid the incidence of conflict if the Company requests them to do so. Employees are also obligated to inform the Company should they become aware that their positions could potentially lead to conflict of interest such as in dealings that could undermine their objectivity when making a decision.

Use of Company Assets

The Company does not permit the misuse of assets with personal motives. Improper use occurs when an employee uses the Company's assets defined in the broadest sense, property or information for personal benefit or gain, or for the benefit of others outside the Company, such as family and friends.

4. Employee Privacy

The Company respects all employees' privacy. Information about employees is retained confidentially and can only be released to those who have a legitimate basis to procure such information or used for the effective operation of the Company or as required by law. The Company respects the confidentiality of its employees' data and seeks to comply with the Personal Data Protection Act 2010(PDPA).

5. Employee Feedback and Grievance

The Company is committed to promoting and maintaining workplace harmony throughout the organisation.

The Group Human Resource Policy includes, among others, a Code of Conduct which provides a mechanism for employees to provide feedback or raise any grievance arising from employment. The Policy ensures that such information is dealt with promptly, fairly and in accordance with other related policies. All reports on grievances will be attended as quickly and equitably as possible with the aim of reaching agreement at the lowest possible level. To ensure fair handling of a problem or complaint, employees must bring their area of concern to the attention of the Company in writing or by completing the Grievance/Complaint Form which can be obtained from the Company's intranet or Human Resource Department.

C. Respect in the Marketplace

1. Product Safety

The Company ensures the safety of its products, packages and operations for its key stakeholders: employees, consumers and the environment. The Company conducts its business responsibly, building and maintaining public trust in its products, by carefully evaluating the safety of products before going to market.

2. Health, Safety and the Environment

Health and Safety extends beyond employees, including customers and suppliers and other elements within the supply chain of the Company. The Company and its employees comply with all applicable laws and regulations and adopt standards, procedures and management systems to ensure that its operations are managed safely, and in a sustainable way for the benefit of all its external stakeholders as well.

3. Proper Business Dealings

The Company observes ethical conduct in its business dealings in all countries where it operates. The Company's employees, authorized representatives or agents must not make any illegal transaction or payment to anyone under any circumstances.

4. Fair Dealings with Suppliers and Customers

The Company's success depends on developing and maintaining a productive relationship with its suppliers and customers, based on integrity and ethical conduct.

Treating Suppliers Appropriately

The Company recognizes that its suppliers are valued partners for the success of its business. Suppliers are preferred on an arm's length and competitive basis using criteria such as total value, including quality, service and price. Terms and conditions are determined with any variation and modification agreed at the onset before a supplier is awarded the contract. What have to be included in the standard terms and conditions are the Company's Procurement Policies regarding product specification, payment terms, confidentiality and labour practices.

Supplier Diversity and Support of Local Industries

Supplier diversity is key to the Company's business strategy as customers and suppliers are becoming more diverse, in terms of their needs and capabilities. Diversity embraced throughout the organisation and across different geographies as uniqueness, broad perspectives and value can be generated from suppliers to employees to corporate officers to meet the Company's Purpose, Values and Principles.

The Company is also committed, wherever possible, to purchasing materials from local suppliers in order to support the local industries. The Company's vendor selection process is instrumental in ensuring that it provides the best quality in products and services, with sustainability values integrated, by preferring the local industries and also providing a self-sustainable basis to add value, reduce costs and create a more efficient supply chain.

Treating Customers Appropriately

The Company acknowledges the diversity of its customers' needs and expectations, as they present unique opportunities for business success. The Company's principle is to treat all customers equitably without pitting one customer against the other with unfair advantage.

Feedback from Customers and Suppliers

The Company highly treasures views and feedback from customers or suppliers, and therefore formulates both customer and supplier feedback mechanism and sets up an effective system to handle their feedback. The Company also collects, analyses and evaluates feedback from customers or suppliers, in order to improve its operational procedures, product and service quality.

Advertising and Promotion Policies

The Company adopts honesty as its basic operating principle. Marketing strategies such as advertisement that are deceptive or promotional activities that violate the principle of honesty cannot be justified.

The Company observes good standards of fairness in developing, using and adopting advertising and promotional methods to communicate its product quality, performance and the Company's reputation.

5. Fair Competition

The Company promotes fair competition through fair, free and open markets with a close observation of the regulatory requirements, and competes on the merits of its products and services and does not make attempts to limit trade.

6. Confidentiality and Consumer Privacy

Employee Confidentiality

All employees must respect confidentiality of information.

Confidential information means:

- Non-public information that are known to the employees due to their positions within the Company that are subject to exploitation by the Company's competitors or detrimental to the Company, if disclosed; and
- Non-public, private and confidential contents obtained from other colleagues or employees, customers or consumers.

Group Human Resource has documented the practice on the proper use of Company's electronic mail and Internet. When using electronic mail, it is susceptible to interception that can be disclosed to unauthorized or unintended person(s). In addition, such information may create a permanent record, and can be printed or forwarded to others by the recipient and will likely be retained on the recipient's computer for long periods. Therefore, employees need to exercise the same care in sending electronic mail as with other written business communications. All employees should not use the Company's internet connection or computer equipment to access, transmit or download contents that are inappropriate and does not meet business requirements. The Company respects employee data confidentiality and seeks to comply with the Personal Data Protection Act 2010(PDPA).

Consumer Privacy

The intent of the Company's Privacy Policy is to ensure confidence and trust that will encourage consumers to exchange information with the Company. A secure environment enables the Company to better understand and meet their needs, while reflecting its stewardship of customer data.

The Company believes in protecting the privacy of personal information and strives to treat information provided by an individual as belonging to that individual, which has been entrusted to the Company. The Company informs people about the use and management of data they have been provided. This includes informing consumers about what information it collects, what it does with it, and the choices or options consumers have concerning further usage of their information. The Company respects customer confidentiality and seeks to comply with the Personal Data Protection Act 2010(PDPA).

7. Communicating with the Media

By providing clear and up-to-date information to the media and general public, the Company is able to maintain the integrity of its relationships with the public. As this is vital, the Group has designated public relations officials, who are responsible for communicating product information and the Company's position on a variety of issues.

D. Respect in Society and Communities

1. Community Relations

The Company recognizes the importance of being a good corporate citizen in the communities where it operates. Forging a close relationship with the local charitable organisations and stakeholders, the Company supports various programmes addressing the different areas of social

needs which enable it to create social value for the business and the community. Among the programmes include providing support for the underprivileged community, literacy and education, sporting events and environment development. The Company, in particular, believes that providing support for literacy and education is a critical element in the sustainable development society.

Over the years, the Company continued to bring about positive difference in the lives of those in need by extending monetary support and in-kind contributions through various means for social initiatives at home and abroad.

The Company also encourages its employees to volunteer their time and make charitable contributions to organisations within their communities as a means to bring about positive impact where it operates.

E. Sustainability Policy

1. Sustainable Development

Sustainable development, or sustainability, combines and integrates economic outcome, social responsibility and environmental concerns with the aim of improving the quality of life for everyone, now and for the future generation.

Sustainability complements well with the Company's values in meeting its consumers' needs, building its revenue and profitability, and helping to improve the well-being of its employees, shareholders and communities.

Through sustainability practices, the Company strives to contribute towards the development of economic, environmental and social well-being of key stakeholders - employees, shareholders, communities in which the Company operates, both locally and abroad.

2. Environmental Quality Policy

The commitment towards sustainable business operation is carried out by its key business segments and supported by a cross section of employees from its corporate office such as Legal, Finance, Operations and Human Resources.

The Company's Environmental Quality Policy focuses on developing and improving environmental quality in its products, processes and operations wherever it operates. The general policy is as follows:

- Ensure the Company's products and services, processes and operations are relatively safe for its employees, consumers and the environment.
- Reduce the environmental impact of the Company's products and services, processing and distribution and promote the use of renewables whenever possible to sustainably manage energy, water and waste, in line with the environmental goals such as reducing pollution and other hazards. The Company supports the sustainable and responsible use of resources in the Company's business ecosystem which includes operations, processes and activities and encourages renewable strategies in the form of "re-use, reduce and recycle" where possible.
- Endeavor to comply with all requirements of all environmental laws and regulations and formulate cost-effective ways to comply with good environmental practices.
- Encourage employees to understand and be responsible for incorporating environmental quality considerations in their daily business activities.