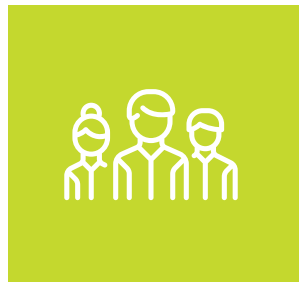




Ranhill

A Brighter Future Ahead



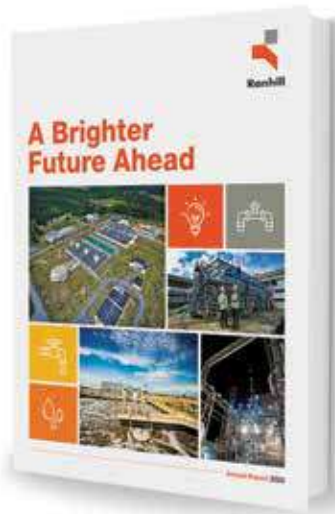
7th

Annual General Meeting ("Fully Virtual")

Date : 28 June 2021, Monday
Time : 2.00 p.m.
Broadcast Venue : Tricor Business Centre,
Gemilang Room, Unit 29-01,
Level 29, Tower A,
Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur

COVER RATIONALE

As in previous years, the cover of the Ranhill Utilities Berhad ("Ranhill") Sustainability Report 2020 ("SR2020") is identical to our Annual Report 2020 ("AR2020"). This is in line with ensuring consistency in our corporate messages.



Our Reports



ANNUAL REPORT 2020

The AR2020 provides a comprehensive account of Ranhill's financial performance as well as the audited financial accounts.

It also provides strategic information pertaining to the Group's business and operational strategies, its challenges and risks, outlook and prospects as well as information on its business model and industry value chain including financial and non-financial values created.

REPORTING SUITE

SUSTAINABILITY REPORT 2020

The SR2020 is a comprehensive report of the Group's sustainability performance. It covers results achieved for material Economic, Environment and Social ("EES") topics.

The SR2020 is developed in accordance to the GRI 2018 Standard as well as disclosure requirements under the Bursa Malaysia FTSE4Good Index.

CORPORATE GOVERNANCE REPORT ("CG2020")

CG2020 demonstrates how Ranhill has applied corporate governance practices as provided for in the Malaysian Code of Corporate Governance 2017 ("MCCG" 2017").

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OUR MISSION

**TO BE A REGIONAL LEADER IN WATER,
WASTEWATER AND ENERGY WITH
EMPHASIS ON CIRCULAR ECONOMY.**



OUR VISION

**ENRICHING LIVES THROUGH
SUSTAINABLE SOLUTIONS**

ENRICHING LIVES

Ranhill aspires to lift the quality of life by being at the forefront of nation building through sustainable environment and power solutions using innovative and clean technology.

SUSTAINABLE SOLUTIONS

Ranhill aspires to meet the needs for an enhanced quality of life and a cleaner planet through innovation.

We subscribe to the triple-bottom-line approach, to the Environment (Planet) and Communities (People) whilst achieving our Financial Objective (Profit).

We inspire our employees to be innovative in providing solutions beyond customers' expectations.



OUR VALUES



RESPECT

Respect for the environment, communities we serve and for our employees.



RESOURCEFUL

Determination in sourcing and adopting innovative solutions.



RESULT

Focused on delivering growth and value to our stakeholders.

Business Overview

Ranhill Fact Sheet



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Provides Water to
3.8 Million
 in Johor, Malaysia



705 Active Treated Water Reservoir	44 Water Treatment Plants
--	-------------------------------------

NRW Level stands at
26.7%




99.8%
 Water Supply Coverage




23,341 kilometres
 of pipelines of which

19,748 kilometres of water reticulation mains
3,347 kilometres of water mains distribution
169 kilometres of raw water pipelines
77 kilometres of PUB distribution



Provides Electricity to
1.2 Million
 population with a total energy generating capacity of **380 Megawatts ("MW")** from **two Combined Cycle Gas Turbine ("CCGT")** power plants in Sabah, Malaysia

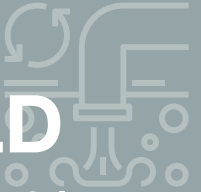


12 Wastewater Treatment Plant in China	10 Water & Wastewater Treatment Plant and Water Reclamation Treatment Plant in Thailand
--	---



Total Water and Wastewater Treatment Capacity


2,367 MLD	
85.6% Local	14.4% International



Employees
3,086

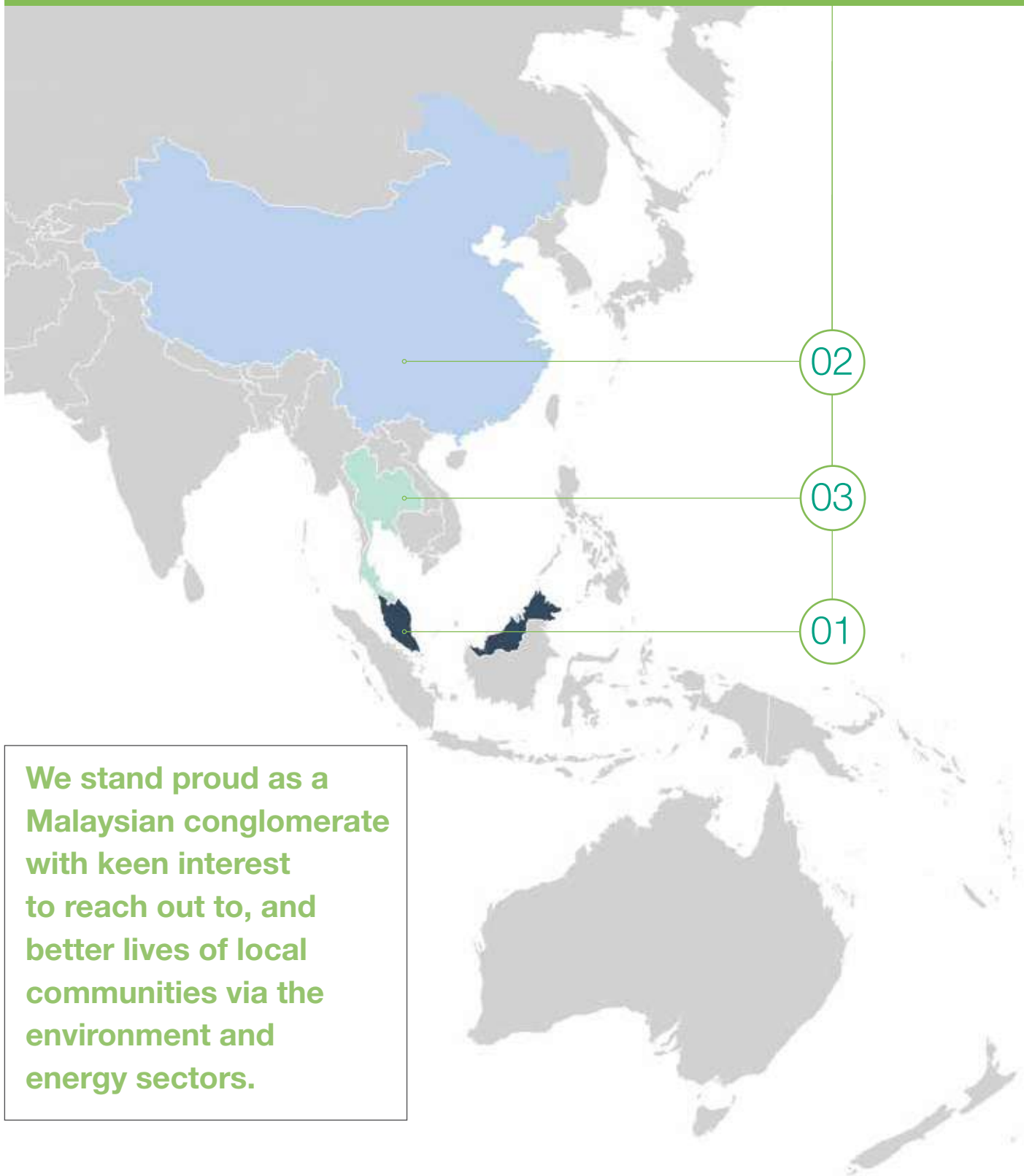


Ranhill Utilities Berhad included in **FTSE4Good Bursa Malaysia Index**



Business Overview

Our Presence



02

03

01

We stand proud as a Malaysian conglomerate with keen interest to reach out to, and better lives of local communities via the environment and energy sectors.

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Operates in 3 countries

Our Businesses

Water Supply Services	
Water and Wastewater Treatment & Reclamation Water Treatment	
Non-Revenue Water Management	
Energy	

01 MALAYSIA

Water Supply Services in Johor, Malaysia

- Exclusive license to provide source to tap water supply services throughout the State of Johor
- Johor is the third most populous state with a population of approximately 3.8 million as at December 2020
- 44 Water treatment plants
- Total treatment design capacity of 2,026 MLD

Power Business in Sabah, Malaysia

- The largest IPP in Sabah, Malaysia
- Operates two (2) 190 MW CCGT power plants in Kota Kinabalu Industrial Park
- 21-year PPA with SESB for the sale of up to 380 MW of electrical generating capacity and electricity production
- Total capacity represents approximately 40% of combined installed capacity of all IPPs in Sabah

02 CHINA

- Concession agreement with local authorities or industrial park management councils
- 12 Wastewater treatment plants ranging from 25-30 years
- Total treatment design capacity of 227 MLD

03 THAILAND

- 10 Water, wastewater treatment plant and reclamation water treatment plant
- Total treatment design capacity of 114 MLD



SEGMENTAL REVENUE (RM'Million)

1,464.3

99.0% of group revenue



SEGMENTAL REVENUE (RM'Million)

14.1

1.0% of group revenue



SEGMENTAL REVENUE (RM'Million)

154.0

Revenue of RMB 253.0 Million (RM154.0 Million) but is not consolidated (effective December 2016, Ranhill Water (Hong Kong) Ltd. ("RWHK") has become an associate as the group's shareholding in RWHK reduced to 40%)

Performance Review

Group Financial Highlights

**Revenue**
(RM'000)**1,478,409**(FY2019 : 1,551,844)
(FY2018 : 1,468,127)**Profit from Operation**
(RM'000)**92,128**(FY2019 : 215,432)
(FY2018 : 201,683)**Net Profit for the Year**
(RM'000)**36,492**(FY2019 : 65,689)
(FY2018 : 64,969)**Shareholders' Equity**
(RM'000)**463,973**(FY2019 : 468,903)
(FY2018 : 451,500)

	FY2018 (RM'000) (Restated)	FY2019 (RM'000) (Restated)	FY2020 (RM'000)
Revenue	1,468,127	1,551,844	1,478,409
Profit from operation	201,683	215,432	92,128
Net Profit for the year	64,969*	65,689**	36,492***
Weighted average number of ordinary share	1,065,975	1,065,975	1,067,057
Basic earnings per ordinary share (sen)	6.09	6.16	3.42
Total Asset	2,190,108	2,804,568	2,309,216
Shareholders' Equity	451,500	468,903	463,973
Net Asset per share	0.42	0.44	0.43

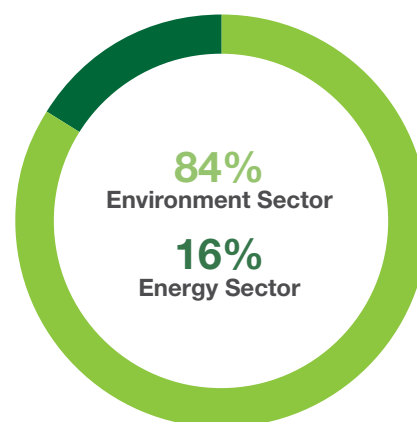
Note:

* Adjusted to exclude non-recurring items and IC Interpretation 12 Service Concession Arrangements ("IC. 12")

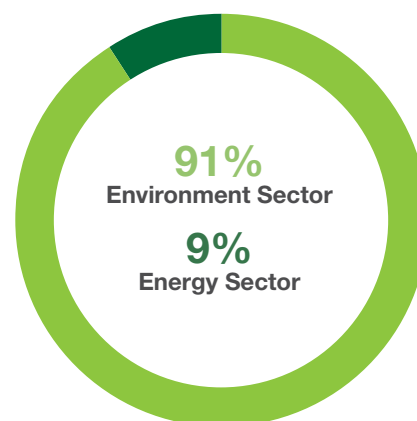
** Adjusted for IC. 12

*** The drop in profit (from RM65.7 million to RM36.5 million) is due to lower contribution from RPI and RanhillSAJ (due to discount to B40, COVID-19 contribution and non-recurring income recognition in FY2019)

Segment Revenue



Segment Profit/(Loss)



Performance Review

Message From The President and Chief Executive

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Tan Sri Hamdan Mohamad President and Chief Executive



Dear Stakeholders,

As President and Chief Executive of Ranhill Utilities Berhad (“Ranhill” or “the Group”), I wish to thank you for your interest in Ranhill’s sustainability journey and performance for the financial year ended 31 December 2020 (“FY2020”).

FY2020 has been an unusual year due to the unprecedented disruptions and impacts caused by the COVID-19 pandemic. Certainly, all of us have been affected in some way, and our lives have changed as we continue to adjust to the new normal scenario.

However, beyond just disruptions and adapting to the present status quo, COVID-19 reminds us just how fragile our economic, social and environmental ecosystems are. The virus pandemic is a stark and timely reminder of what is at stake if we do not place sustainability as the way forward for businesses.

The question remains, if there were better governance of Economic, Environmental and Social (“EES”) issues and a stronger focus on a triple bottom line beyond financial performance, would the pandemic have been so widespread and so impactful?

Highlights

- » In FY2020, the Group established a cross functional Sustainability Working Group (“SWG”) comprising members from all Ranhill operating companies.
- » The SWG has developed a more accurate list of materiality to better address its environmental and social topics going forward.
- » Utilising solar to power our WTPs and look forward to further adoption of renewable energy across the business.

Performance Review

Message From The President / Chief Executive



The Sustainability Working Group comprises members from Ranhill operating companies established in 2020.

Today, we yearn for our prior lifestyles, the conveniences and pleasures of modern living. Perhaps we are fortunate that the impacts have not been worse. However, to continue neglecting sustainability would mean that we risk much more harm than just life's pleasures.

COVID-19 aside, there are more pressing, chronic issues with significant impacts. Climate change, global warming, environmental degradation and pollution, water scarcity, corruption, forced labour, health and safety – these issues are not happening in someone else's backyard or in some far flung location. It is happening right here and now.

We must act.

The United Nations Sustainability Development Goals ("UN SDGs") call for corporations to align themselves towards addressing the world's sustainability challenges. Ranhill has adopted several of these goals and our approach to realising these goals is centred on the circular economy approach.

In FY2020, we have made progress within our own business operations towards contributing to these goals in the markets that we operate in.

In providing further impetus to our sustainability journey, in FY2020, Ranhill established a cross functional Sustainability Working Group ("SWG"). The SWG comprises members from all of Ranhill's operating companies. In July 2020, the SWG met to chart the Group's sustainability path forward and developed several proposals.

Among these proposals included utilising solar to power our Water Treatment Plants ("WTP"). Plans for this have been put in motion and we look forward to further adoption of Renewable Energy ("RE") across the business. It is also important to inculcate a stronger sustainability mindset among all levels of staff. The SWG has also developed a more accurate list of materiality topics. This will enable Ranhill to better address its environmental and social topics going forward.

On a related note, the Group scored higher on the FTSE4Good Index Series ("FTSE4Good"), affirming the Group as an organisation that is committed to addressing its EES impacts and in providing transparent disclosures on its performance.

On a related note, Ranhill scored higher on the FTSE4Good Index Series ("FTSE4Good"), affirming the Group as an organisation that is committed to addressing its EES impacts and in providing transparent disclosures on its performance.

We remain committed to driving progress on our material EES topics towards not just being a force for good, but in ensuring continued value creation, including financial performance for the Group and its stakeholders.

We shall never lose sight of the importance of the triple bottom line. While industry trends, developments and even technology evolve with time, sustainability will always remain relevant.

A business that is able to provide solutions to the world's sustainability issues is one that is well placed to remain competitive in the future. We will continue to ensure the Group's relevance, growth and progress amidst a dynamic, complex and rapidly transforming external environment.

TAN SRI HAMDAN MOHAMAD
PRESIDENT AND CHIEF EXECUTIVE

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SCOPE & MATERIAL BOUNDARY

Ranhill Utilities Berhad (“Ranhill” or “the Group”) is pleased to present the Sustainability Report (“SR2020”). This report provides a comprehensive account of the Group’s continued efforts in managing its EES impacts and in delivering sustainable stakeholder value.

Sustainability is vital in ensuring continued value creation for the Group, notably in the realisation of non-financial values pertaining to organisational and brand reputation, stakeholder relationships, social and environmental impacts as well as ensuring a meaningful contribution to the Group’s adopted UNSDG.

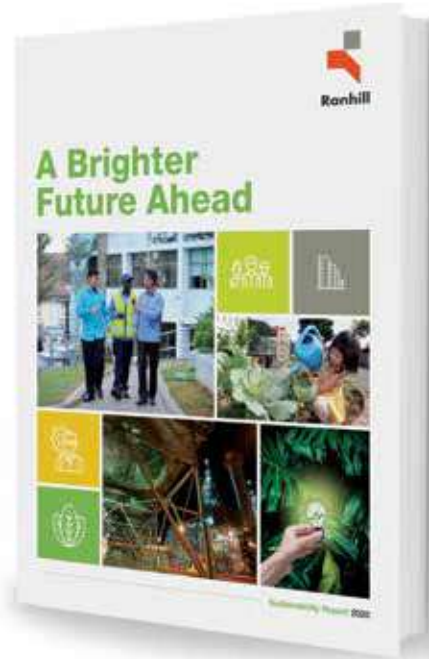
Beyond improving EES performance, the Group’s approach to sustainability also includes developing a sustainability oriented organisational culture as well as cascading sustainability across its value chain to its suppliers and business partners.

REPORTING SCOPE AND BOUNDARY

Contents of the SR2020 covers Ranhill’s business operations and activities of the holding Company, Ranhill Utilities Berhad (“RUB”), and all major subsidiaries. Excluded are outsourced activities, activities and operations of joint venture companies.

SR2020 is prepared in accordance with the Global Reporting Initiative (“GRI”) Standards 2020 Core Option. The full GRI content index is provided at the end of this report. SR2020 has also been prepared in accordance with the Bursa Malaysia Sustainability Reporting Guide Second Edition and the FTSE4Good Bursa Malaysia Index.

Ranhill is cognisant that data-gathering challenges still exist for certain indicators.



We are in the process of implementing more robust data tracking and gathering mechanisms for improved reporting going forward.

Ranhill is cognisant that there may be significant EES impacts from its value chain and is committed to cascading its sustainability commitment, practices and culture to its extended business partners, suppliers and contractors. The Group aims to report on impacts and achievements from its value chain in future sustainability reports.

REPORT QUALITY & DATA ASSURANCE

Report quality has been guided by the GRI principles of accuracy, balance, clarity, comparability, reliability and timeliness. All data contained within this Report has been sourced internally and has been verified by the respective business units or information owners.

Where possible, data has been internally assured by Ranhill’s Group Corporate Assurance Division (“GCAD”). GCAD is Ranhill’s in-house internal audit function and its primary role is to assess the effectiveness and efficiency of the Group’s governance, its risk management and internal control systems as well as to provide verification of audited data.

We continue to enhance our data collection and analysis processes towards improving data accuracy and quality to strengthen disclosures going forward.

STATEMENT OF USE

The Head of Group Corporate Communications (“GCC”) acknowledges responsibility for the following statement of use: The information reported by the Group for the financial year ended 31 December 2020 has been prepared in accordance with the GRI Standards.

About This Report

APPROACH TO MATERIALITY

A matter is deemed material to the Group if it causes impact (or potential impact) based on the following perspectives:

- Extent of environmental and social impact caused
- Extent of impact on the Group's value creation ability (financial and non-financial values).
- Extent of financial impact

REPORTING PERIOD

The reporting period for SR2020 is from 1 January 2020 to 31 December 2020. SR2020 provides three-year statistical data for most disclosures towards establishing trend lines and to enable readers to better track and understand the comparative performance achieved.

AVAILABILITY

SR2020 can be downloaded from the Group's corporate website at: www.ranhill.com.my. Limited printed copies are available towards minimising our paper consumption and reducing environmental impact.

MEMBERSHIP IN ASSOCIATIONS

Ranhill is a member of the following industry bodies and associations:

WATER INDUSTRY	ENERGY INDUSTRY
<ul style="list-style-type: none"> • Malaysia Water Association • Construction Industry Development Board ("CIDB") • National Institute of Occupational Safety and Health ("NIOSH") • Institution Engineer Malaysia 	<ul style="list-style-type: none"> • Akaun Amanah Industri Bekalan Elektrik ("AAIBE") • Sabah Labuan Grid Code ("SLGC") • Industrial Advisory Panel for Universiti Tenaga Nasional

FEEDBACK

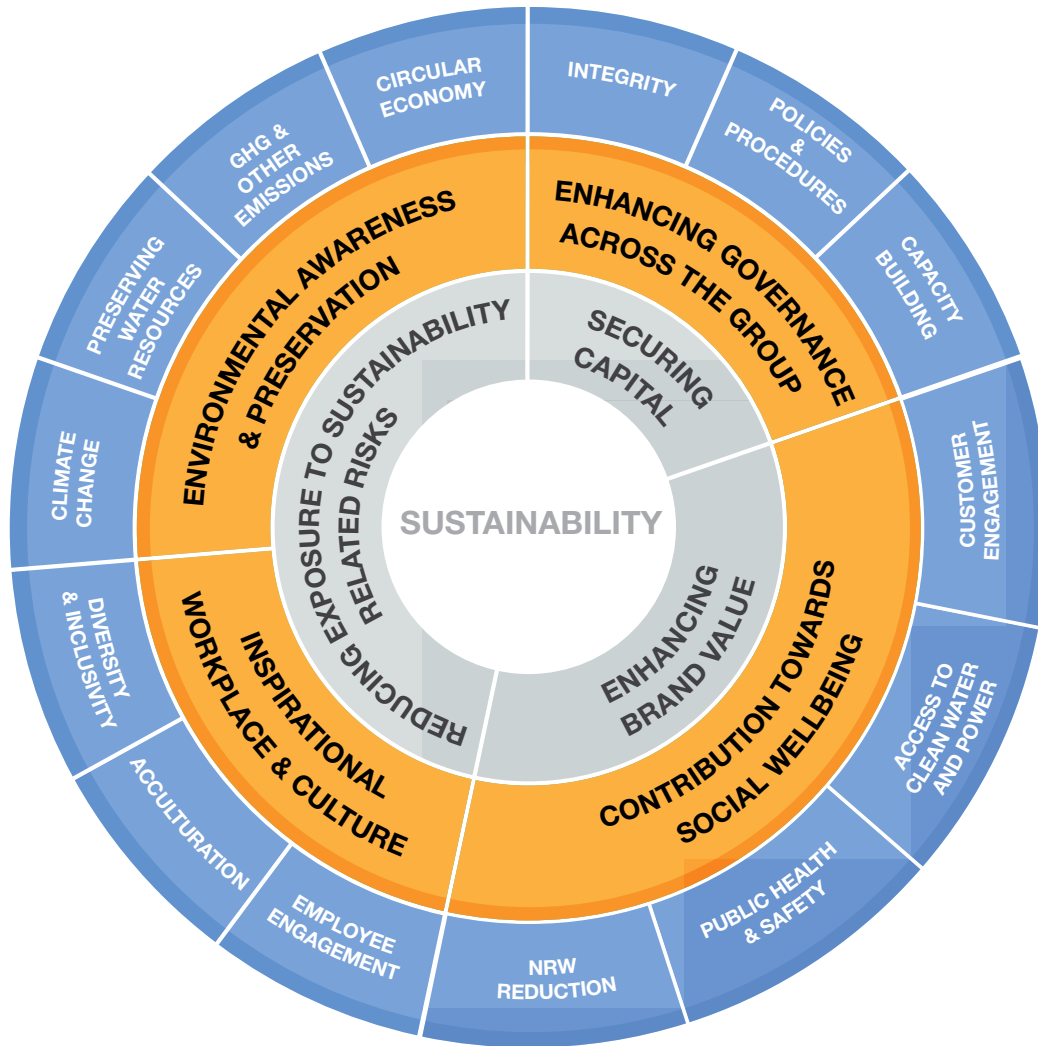
We welcome feedback, comments and suggestions on this report or Ranhill's practice of sustainability. These can be sent to:

Group Corporate Communication,
 Ranhill Utilities Berhad,
 Bangunan Ranhill SAJ,
 Jalan Garuda, Larkin,
 80350 Johor Bahru,
 Johor, Malaysia
 Tel: +607 2255 300 Fax: +607 2255 310
 Email: sustainability@ranhill.com.my

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Sustainability At Ranhill

MANAGEMENT'S APPROACH TO SUSTAINABILITY



The Group's approach to sustainability is strategically driven by the following four pillars: Environmental Awareness & Preservation, Contribution Towards Social Wellbeing, Inspirational Workplace & Culture and Enhancing Governance Across the Group.

Hence, the Group's business model, which is centred on the circular economy model aims to create both financial and non-financial values. Beyond just revenues and profits, the business aims to provide solutions or at the least, contribute to the resolution of environmental and social issues. These include water scarcity, waste management, renewable energy and other pertinent challenges that the world faces today.

Sustainability At Ranhill

The pillars serve as guiding posts towards aligning business aspirations with environment, social and governance issues, which are becoming more influential in their ability to impact financial performance. In essence, the pillars enable the linkage between financial and non-financial matters for Ranhill to develop an integrated, strategic approach across a triple bottom line perspective.

The pillars serve as the basis for the alignment of business strategies, goals and objectives as well as business processes. As such, sustainability is embedded within the Group's business model and its strategies.

Based on its sustainability pillars, the Group identifies its top Economic, Environmental and Social ("EES") topics (material matters) based on the importance of the identified topics in impacting financial and non-financial value creation. Subsequently, management approaches towards mitigating or addressing these material topics are developed and implemented.

SUSTAINABILITY COMMITMENTS, TARGETS AND PLEDGES

Giving further credence to its sustainability approach, Ranhill has developed several key sustainability commitments, targets and pledges. While the aforementioned quarter of sustainability pillars provide broad objectives, the commitments, targets and pledges spell out specific, tactical goals that Ranhill intends to pursue or achieve. These are tangible or measurable goals, that enable the Board of Directors and Management to take stock of the progress achieved on the sustainability journey; and to assess whether corrective action is required to accelerate / expedite the level of progress achieved.

Following are our sustainability commitments, targets and pledges in FY2020:






RanhillSAJ	<ul style="list-style-type: none"> All WTPs operated by RanhillSAJ will be equipped with sludge treatment facilities by 2025. 5% reduction target in emissions for every cubic meter of water produced.
RWS	<ul style="list-style-type: none"> Towards reducing fuel consumption, GHG emissions and fuel costs, there will be stricter adherence to reducing idling time and closer fuel efficiency monitoring via online tracking systems for all 128 vehicles in RWS' fleet.
RWT	<ul style="list-style-type: none"> Forging closer collaboration with contractors at Amata Industrial Park towards improving environmental and social impact on the local communities in the vicinity of the industrial estate.
RPI and RPII	<ul style="list-style-type: none"> Formulation of its Environment Policy Statement that addresses stack dust, carbon and other emissions, noise pollution and waste schedule disposal.

In addition to the above, Ranhill also tracks its EES performance by monitoring relevant industry or widely accepted key performance indicators ("KPIs"). These include (but are not limited to) Non-Revenue Water ("NRW"), water withdrawn from sources, power consumption, greenhouse gas emissions ("GHG") and others. A full list of material topics is provided in the Materiality section of this report.









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ALIGNMENT TO THE UNITED NATIONS SUSTAINABILITY DEVELOPMENT GOALS

In ensuring congruence of the Group’s overall sustainability approach, in FY2020, the pillars were aligned to relevant UN SDGs. Following is a snapshot of how Ranhill has contributed to the realisation of the UN SDGs during the financial year:

RANHILL SUSTAINABILITY PILLARS	DESCRIPTION	ACHIEVEMENTS AND HIGHLIGHTS	FUTURE PLANS	UN SDGs
<p>Environmental Awareness & Preservation</p> 	<p>The Group continues to seek ways to minimise its impact on air, water, land and other natural resources. This includes safeguarding upstream and downstream water resources and conserving, preserving and recycling resources as much as possible.</p> <p>The Group believes that its concept of environmental awareness and perseverance must also be propagated to external stakeholders such as the general public, students, and the communities at large and also across its value chain.</p> <p>Only through shared vision and commitment can we truly safeguard our natural resources and the surrounding environment.</p>	<ul style="list-style-type: none"> • Circular Economy – three (3) reclaimed plants, two (2) in Thailand (17 MLD) and one (1) in Forest City, Johor (11 MLD) • Continued NRW programmes and contracts in Johor, Kelantan • Continuous enforcement against polluters in concerted efforts with regulatory authorities • Joint sampling with Ministry of Health (“MOH”) for water quality • Water Safety Plan (“WSP”) • Carbon Footprint Programme • Combating Ammonia Programme • Use of solar energy to power WTPs 	<ul style="list-style-type: none"> • Increase reclaim plant capacity • Increase water conservation through NRW reduction • Increase use of RE across business operations • Usage of processed water at treatment plants • Cascade Carbon Footprint Programme to Group and other subsidiaries besides RanhillSAJ • Increase efficiency of GHG Scope 1, 2 and 3 Emissions • Use Big Data, Industry 4.0 and Internet of Things technologies to yield new improvement opportunities in asset management 	   

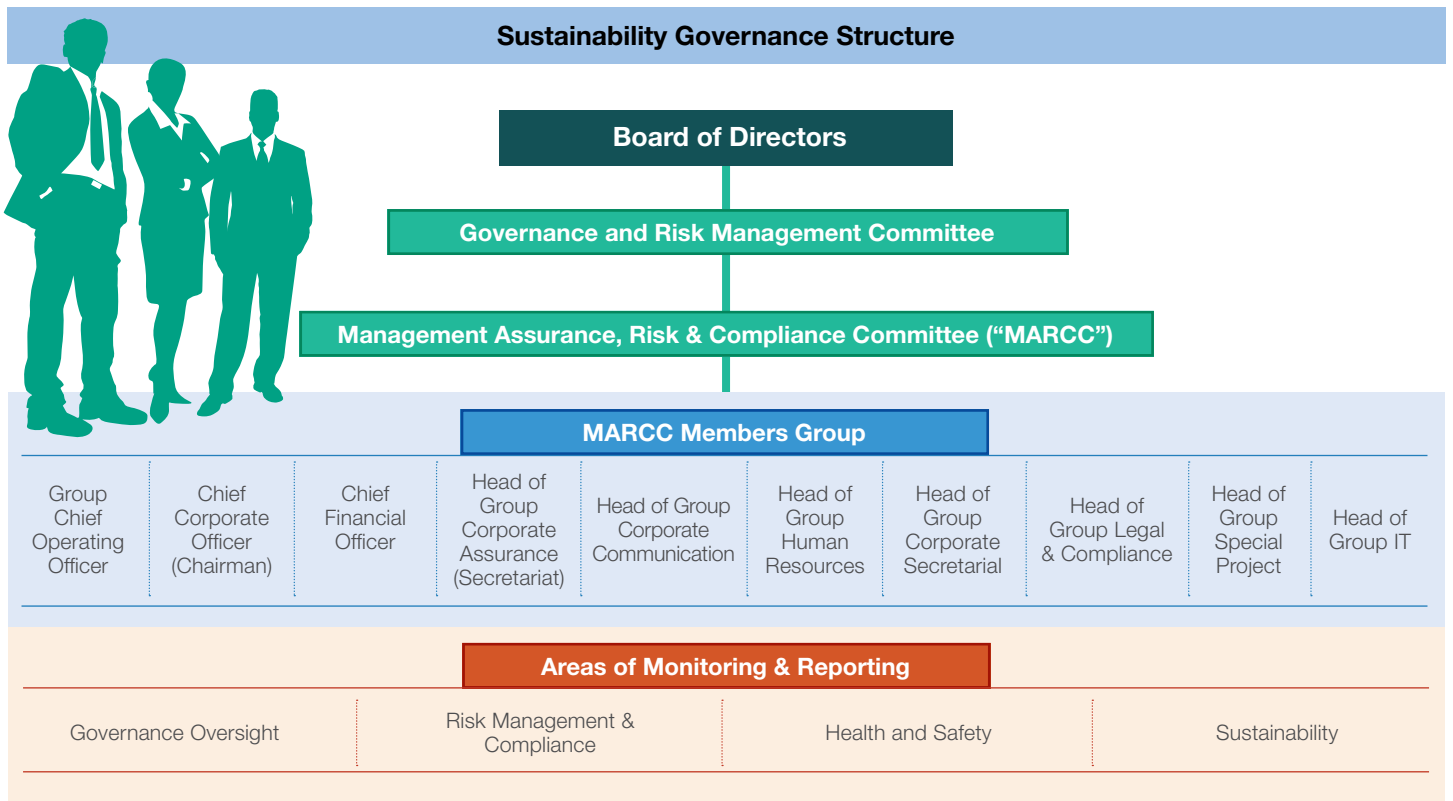
Sustainability At Ranhill

RANHILL SUSTAINABILITY PILLARS	DESCRIPTION	ACHIEVEMENTS AND HIGHLIGHTS	FUTURE PLANS	UN SDGs
<p>Contribution Towards Social Wellbeing</p> 	<p>As Ranhill pursues its business objectives, it has also integrated a social empowerment agenda to close the infrastructure gap between urban and rural communities.</p> <p>As an industry leader, the Group continues to actively share its knowledge to enhance overall industry standards towards developing a more competitive and sustainable value chain in the businesses it operates in, especially Non-Revenue Water (“NRW”) management.</p>	<ul style="list-style-type: none"> • Rebate for the first 25m³ to the underprivileged in Johor • RM887,461.35 provided in water rebates to 3,207 households • Undertook community development projects such as a school library upgrading, and a wide range of financial and non-financial COVID-19 aid • Continued positive results from annual customer satisfaction survey • Sponsored tree planting activities 	<ul style="list-style-type: none"> • Provide access to underserved areas (water & power) • Further establish RUB as an industry and thought leader via involvement in local and international industry events • Capacity building - Collaboration with the Ministry of Higher Education and universities to develop talents for both the water and power industry 	   
<p>Inspirational Workplace & Culture</p> 	<p>The Group believes in harnessing the rich and diverse aggregate talent pool of the Group, across all geographic sectors to create cross-sharing of knowledge, synergy and more to empower greater productivity and competitive advantage.</p> <p>Crucial to this is the retention of talent, the recognition and rewarding of excellent performance and the injection of fresh, high calibre professionals to infuse vibrance and new ideas that will propel RUB towards continued realisation of its business goals.</p>	<ul style="list-style-type: none"> • R-Care Programme • Sijil Kemahiran Malaysia (39 recipients) • Knowledge Sharing Sessions • Customer Service Efficiency Blue Print • High Performance Culture (HPC) Programme • Employee Engagement Survey • Cranfield Water Science Institute Scholarship 	<ul style="list-style-type: none"> • Encourage greater employee diversity and inclusivity across the Group • Provide opportunities for person with disability (PWD) • Drive succession planning • Identify and equip employees with Industry 4.0 knowledge 	 

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RANHILL SUSTAINABILITY PILLARS	DESCRIPTION	ACHIEVEMENTS AND HIGHLIGHTS	FUTURE PLANS	UN SDGs
Enhancing Governance Across the Group 	<p>The Group is of the view that sustainability and corporate governance are intrinsically linked and that accountability, business ethics, transparency and integrity are essential to the sustainability journey.</p> <p>Strong business values are vital to mould a growing consciousness on sustainability.</p>	<ul style="list-style-type: none"> • Health and Safety - Ranhill Rules of Life • Code of Conduct and Business Ethics ("CCBE") • Business Continuity Management • Third Party Dealings • Risk Management • Fraud and Whistleblowing • Corporate Disclosure • Customer Satisfaction Survey • ISO Certification • Open tender approach in procurement processes • Personal Data Protection Act • Hazard Analysis Critical Control Point ("HACCP") at 44 WTPs 	<ul style="list-style-type: none"> • Implementation of ISO Certification group wide (ISO 45001 Occupational Health and Safety) • External assurance on our Sustainability practices for Sustainability Report 	  

SUSTAINABILITY GOVERNANCE & LEADERSHIP



Sustainability At Ranhill

One of the reasons for the continued promulgation of a sustainability driven organisational culture and mindset at Ranhill is the existence of a robust sustainability governance structure.

In essence, sustainability resides within the Board as a key strategic agenda. This is reflected via the Board's focus on a wide range of EES material topics. Specifically, it is the Board's Governance Risk Management Committee ("GRMC") that provides detailed and regular oversight on EES topics.

The GRMC is supported by the Management Assurance Risk & Compliance Committee ("MARCC"). The MARCC is in turn, supported by Senior Management and Department Heads across the Group's organisational structure.

The Group's working committee, the Sustainability Working Group ("SWG") is tasked to develop sustainability programmes targeted at employees, society, the environment and other stakeholders.

In FY2020, the SWG developed a new materiality matrix, which provides a more accurate view of the Group's EES material topics. The SWG has also earmarked several key sustainability programmes in FY2020. However, due to the impact of the COVID-19 pandemic, these programmes have been differed for implementation to FY2021.

The aforementioned sustainability governance structure ensures a strategic and comprehensive approach to embedding sustainability within the organisation; in driving the creation of a conducive mindset and in developing required policies.

The structure also allows for organisation wide representation to drive the sustainability agenda and ensures that the views of all internal stakeholders are cascaded to management and included in the overall sustainability approach towards achieving a united front.

Supporting the structure are the following guidelines, policies and procedures:

- Board Charter (inclusive of Terms Of Reference ("TOR") for all respective Board Committees
- Ranhill Authority Manual ("RAM")
- Code of Conduct & Business Ethics ("CCBE")
- Whistleblowing Policy and Procedures
- Ranhill's Rules of Life for Health and Safety



For further details on the Board's roles and responsibilities as well as Board composition and independence, kindly refer to the Corporate Governance ("CG") Report for FY2020.

GOVERNANCE THROUGH INDUSTRY COMPLIANCE

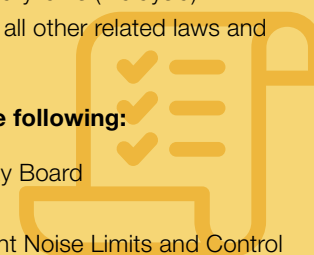
Ranhill's business operations comply with laws and requirements in the countries that the Group and its subsidiaries operates in. These include environmental and social regulations.

The Group's water operations are governed by the following:

- Water Services Industry Act (WSIA) 2006 and subsidiary laws (Malaysia)
- Industrial Estate Authority of Thailand – Thailand and all other related laws and regulations

The Group's power operations are governed by the following:

- Power Purchase Agreement with the Sabah Electricity Board
- Malaysian Ambient Air Quality Standard
- Schedule 3 of the Planning Guidelines for Environment Noise Limits and Control
- Standard B of the Fifth Schedule and Eight Schedule as stated in the Environment Quality (Industrial Effluents) Regulations, 2008
- Malaysia Marine Water Quality Standard, Class E for waste water disposal



GOVERNANCE THROUGH OPERATIONAL SITE CERTIFICATION

In FY2020, Group subsidiary, RanhillSAJ acquired OHSAS 18001 certification for its headquarters as well as for eight (8) water treatment plants ("WTP"). These are Sg. Sayong, Semangar, Sg. Johor, Sg. Lebam, Tenglu, Sultan Iskandar, Sri Gading and Gersik WTPs.

As such, the total number of RanhillSAJ sites with OHSAS certification is 47, or 19% of all sites. Site certification continues to be pursued working closely with the national certification body, SIRIM. This includes obtaining ISO 45001:2018 certification.

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Both Teluk Salut and Rugading power plants, operated by Ranhill Powertron (“RPI”) and Ranhill Powertron II (“RPII”) have obtained the ISO 9001: 2015 certification. Similarly, Ranhill Water Service (“RWS”) has also been certified ISO 9001:2015 for its operations. Ranhill Water Technologies (“RWT”) was recertified to the latest ISO 9001:2015 standard by UKAS United Kingdom. It is also presently working towards the certification of ISO 45001 Occupational Health and Safety Management System by FY2021.

STRONG ANTI-CORRUPTION STANCE

Ranhill has always maintained a zero tolerance approach towards any form of bribery, favouritism or misconduct in any business dealing involving the Group, its subsidiaries or suppliers and business partners.

All dealings and relationships must be in accordance to the Group’s CCBE. The Code explicitly defines what acts of corruption are and also covers related areas such as potential or actual situations of conflict of interests, the giving and receiving of gifts or favours as well as other forms of gratification for business interest.

In FY2020, the Board of Directors received several hours of training on anti-corruption and bribery. Annually, 100% of staff across the Group received communication on the Group’s anti-corruption practices. New employees receives an anti-corruption briefing during their company induction.

Beyond policies, the Group has instituted check and balance processes to mitigate against the possibility of corruption happening within the organisation. This includes a practice of open tender for contracts, the requirement for multiple tender bids or quotations and other practices. The review of such tenders and the approval to award contracts is also done in a transparent manner, involving multiple stakeholders and if required, multiple approval levels.

Suppliers who bid for projects must first be prequalified under Ranhill’s procurement list. This ensures that only qualified suppliers may bid for projects.

ASSESSMENT OF OPERATIONS AT HIGHER RISK TO CORRUPTION

In FY2020, Ranhill conducted a gap analysis on its corruption risks and other business and operational risks. Among the findings was that functions related to procurement were more prone to

corruption risks. Various measures have been implemented to close identified gaps and to strengthen procurement processes.

INCIDENTS OF CORRUPTION AND WHISTLEBLOWING

The Group has had zero incidents of corruption reported across its reporting channels. However, it did receive a number of whistleblowing reports. Reports received were handled in accordance to the Whistleblowing Policy. All reports received were thoroughly investigated and appropriate action was taken on the relevant parties.

EXTENDING ANTI-CORRUPTION STANCE TO THE VALUE CHAIN

As a prerequisite for entering into a business transaction with Ranhill, suppliers and vendors must affirm that they are free from corrupt practices and will remain as such throughout their business dealings with the Group.

Suppliers must renew this commitment on an annual basis. Any supplier who is found to have engaged in corrupt practices will be reprimanded accordingly. This includes immediate termination of the contract and also being reported to the authorities for legal action.



Sungai Lebam Water Treatment Plant, one of the water treatment plants that acquired OHSAS 18001.

Sustainability At Ranhill

STAKEHOLDER ENGAGEMENT

COVID RELATED STAKEHOLDER ENGAGEMENT

In light of the COVID-19 pandemic, Ranhill and its subsidiaries have been proactive in engaging all relevant government ministries, agencies and other regulatory authorities. The engagement had several objectives, which included enabling the resumption of business operations (where relevant), developing a clear understanding of SOPs and ensuring effective implementation and continuing to work closely with governmental stakeholders to ensure continued completion of infrastructure projects and the awarding of contracts.

Employee engagement was also intensified towards ensuring employees health, safety and wellbeing throughout FY2020.

OUR APPROACH TO STAKEHOLDER ENGAGEMENT

In FY2020, Ranhill has continued to engage its stakeholders across a wide range of mediums. Our definition of stakeholders is individuals, groups or entities that have the potential to influence or impact Ranhill's operations. Individuals or groups who are, or may be potentially impacted by the Group's presence or business operations are also regarded as stakeholders.




One of the significant highlights in FY2020 was being the first public listed company in Malaysia to conduct its Annual General Meeting ("AGM") for shareholders virtually due to the restrictions imposed by the regulators during the MCO period.








Ranhill's Annual General Meeting was held virtually due to the pandemic last year.

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Following is a snapshot of the Group’s stakeholder engagement activities for the financial year:

STAKEHOLDER	ENGAGEMENT METHOD	FOCUS AREA	RESULT / OUTCOME
EMPLOYEES 	Virtual Town Hall Session: “Tanyalah Pengurusan” (TaP), forum	Employee engagement forum to provide staff with a channel to voice their concerns and aspirations to the Management	Improved staff morale. Higher awareness and understanding of the Group’s business plans. Reduced attrition rates. Improved organisational culture. Greater sense of belonging to the Ranhill brand among staff
	Virtual R-Care Program: Wellness activities, dietary plan, health screening and coaching	With the COVID-19 pandemic, R-Care was tapped to focus on employees’ physical, mental and emotional well-being	Employees remained in good spirits and health throughout the pandemic year. The R-Care programmes continues to see increased staff participation
	Sijil Kemahiran Malaysia – Convocation Ceremony	To enhance employees’ technical and learning competencies, social and human development	39 employees were certified
	Food.Learning.Experience (“F.L.E.X”) : Knowledge sharing session	Towards communicating key company information such as business plans, goals and strategies for the financial year	Employees have a clear understanding of company’s goals and expectations
	Sponsorship <ul style="list-style-type: none"> • Umrah for selected RanhillSAJ staff through ballot system • Ranhill Education Sponsorship Programme 	Acknowledgment and appreciation towards staff	For educational sponsorship, it is the Company effort in nurturing the right talent from the undergraduate level in which they are expected to contribute back to the company and industry
FRONTLINERS, OPERATORS, RECEPTIONIST AND CUSTOMER SERVICE STAFF 	Customer Service Efficiency Blue Print	Improving the skills and service levels of frontliners such as operators, receptionists and customer facing staff	Improved customer service levels which leads to customer satisfaction
	Website and Social Media / RanhillSAJ Info Center	Information on Planned / Unplanned water disruption and issues on water supply	Faster and more efficient notification to customers, which reduces concerns and frustrations. Contributes to reduced complaints during water disruptions / water supply issues
FINANCIAL COMMUNITY 	Annual General Meeting / Financial performance / Operational performance / Regulatory Compliance / Reputation / Investor Relations / Initiatives	Open communication with shareholders, analysts and investors beyond key events of the corporate calendar. This includes platforms such as domestic and international roadshows, seminars and conferences	Our shareholder engagement programme provides a direct avenue for shareholders, investors or clients to access information and engage with the company

Sustainability At Ranhill

STAKEHOLDER	ENGAGEMENT METHOD	FOCUS AREA	RESULT / OUTCOME
GOVERNMENT AND REGULATORS 	Briefing & Presentation	Briefing on RanhillSAJ matters to Johor State Executive Council ("EXCO"), Members of Johor State Legislative Assembly ("ADUN") and Members of Parliament	One of the recommended ways to advertise to a target market and create brand awareness and also for operational efficiency The Group is complying with various regulatory requirements set by our regulators and clients
	Sponsorship • UTM Student Ranhill Book Prize Award Programme	Engagement between RUB and Higher Learning Institutions	This is part of succession planning, a process of identifying and developing new leaders in the young generation
LOCAL COMMUNITIES 	Corporate Social Responsibility ("CSR") - Contributions to identified community at Larkin Flat	Contribution of groceries to underprivileged families affected by the COVID-19 pandemic	Creating brand awareness while giving back to the community
	CSR - Program Wakalah RanhillSAJ	Contribution of RM1,000 each to 342 individuals recognised through Majlis Agama Islam Negeri Johor and e-Kasih's lists	
MEDIA 	Press Conferences	Launch of Merdeka Preview of RanhillSAJ short film in conjunction with Merdeka 2020 commemorations Launch of R-Care programme Distribution of Wakalah to underprivileged people	Dissemination of information through mainstream media
NON-GOVERNMENTAL ORGANIZATIONAL ("NGO") 	Briefing & Presentation	Plant Visit and Technical Knowledge Sharing with N.U.R Power Sdn Bhd Kulim, Kedah with NGOs	Support from NGOs is important in influencing public opinion towards the Company
SUPPLIERS / VENDORS 	Regular supplier / vendor meetings, tender briefings and tender site visits	Engagement with suppliers is important to ensure that proper transparency and governance are being practiced in procuring their services	A fair, transparent and win-win relationship with our vendors / suppliers

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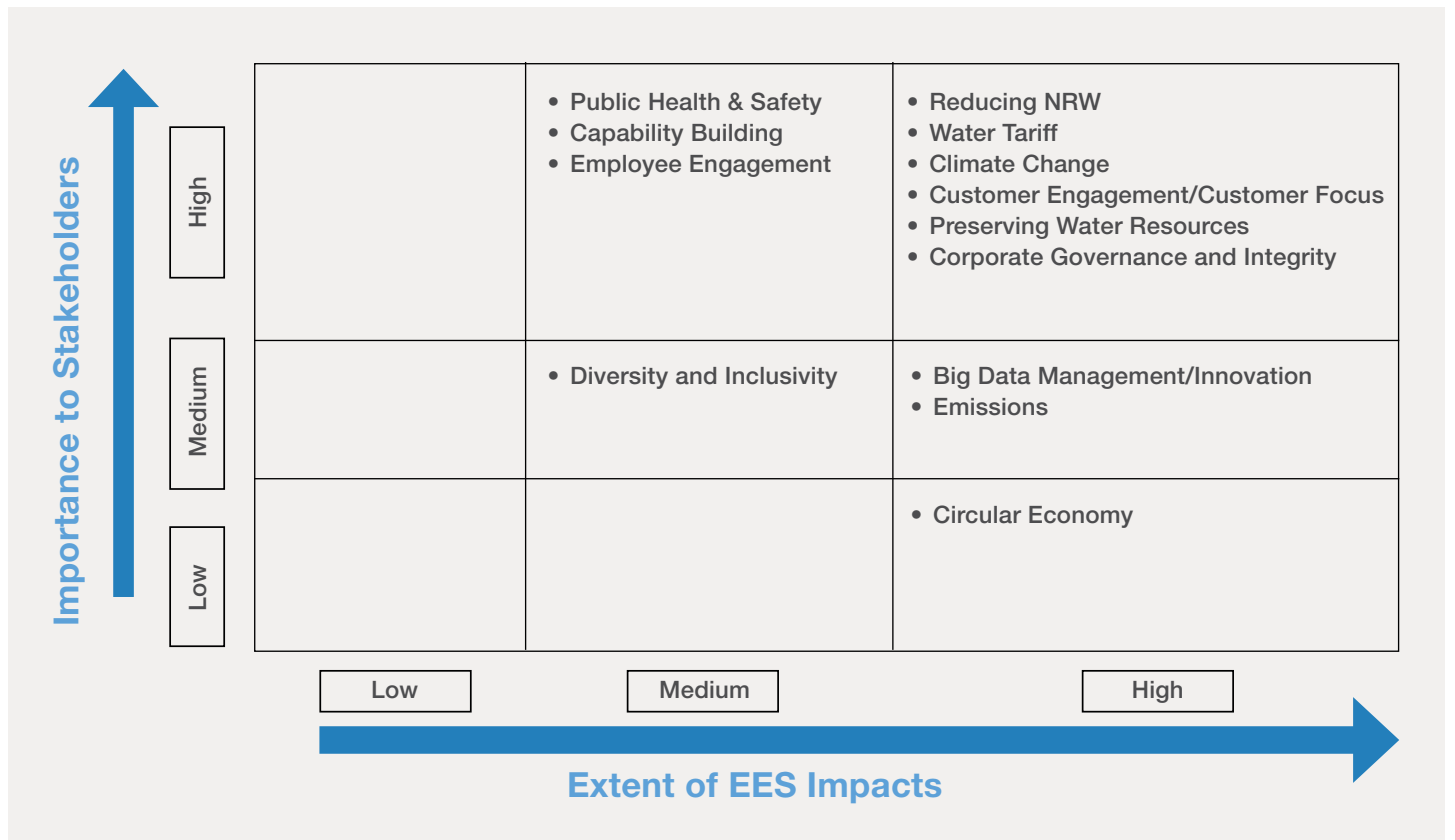
MATERIALITY

In August 2020, a special SWG sustainability retreat was held where staff from both Ranhill’s water businesses and its power operations gathered to develop sustainability strategies and action plans.

One of the key highlights of the workshop was the development and finalisation of the Group’s materiality matrix. The prototype matrix was then refined based on feedback from management. In particular, the feedback provided was in line with developing a present as well as a future oriented matrix that would guide the Group in terms of its EES topics.

The Group’s revised list of material topics are as follows:

1. Reducing Non-Revenue Water (“NRW”)
2. Water Tariff
3. Climate Change
4. Customer Engagement / Customer Focus
5. Preserving Water Resources
6. Corporate Governance and Integrity
7. Public Health and Safety
8. Big Data Management / Innovation
9. Emissions
10. Circular Economy
11. Capacity Building
12. Employee Engagement
13. Diversity and Inclusivity










Sustainability At Ranhill

RELEVANCE OF MATERIALITY MATTERS TO OUR STAKEHOLDERS

MATERIAL TOPICS / IMPACTED STAKEHOLDERS	Employees	Financial Community	Government & Regulators	Local Communities	Media	NGOs	Suppliers / Vendors
Reducing NRW			√	√	√		
Water Tariff		√	√	√	√	√	√
Climate Change		√	√	√	√	√	√
Customer Engagement / Customer Focus				√	√	√	
Preserving Water Resources			√	√	√	√	
Corporate Governance and Integrity	√						√
Big Data Management / Innovation	√	√	√				
Emissions			√	√		√	
Circular Economy		√	√	√		√	√
Public Health & Safety		√	√	√		√	√
Capacity Building	√			√			√
Employee Engagement	√						
Diversity & Inclusivity	√			√		√	√

LINKAGE OF MATERIALITY MATTERS TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

MATERIAL TOPICS	UN SDGs
Reducing Non-Revenue Water (“NRW”)	  
Water Tariff	  
Climate Change	 
Customer Engagement	

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MATERIAL TOPICS	UN SDGs
Preserving Water Resources	
Corporate Governance and Integrity	 
Big Data Management / Innovation	    
Emissions	 
Circular Economy	    
Public Health & Safety	    
Capacity Building	 
Employee Engagement	 
Diversity & Inclusivity	 

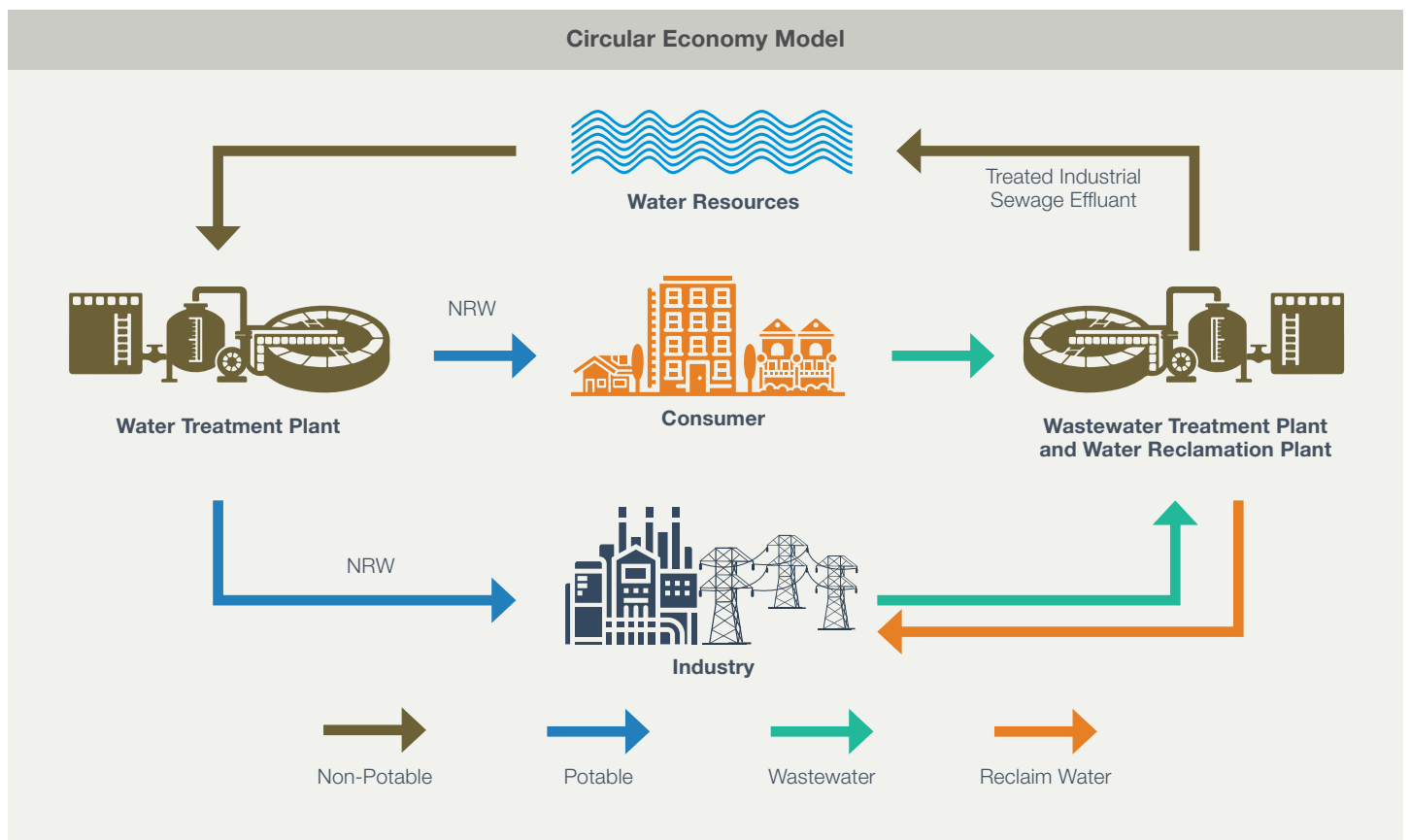
Environmental Awareness & Preservation

CIRCULAR ECONOMY

Ranhill continues to be an active proponent of the circular economy approach to value creation. In essence, the circular economy model is based on the concept of producing zero waste and reusing / recycling resources used in a complete cycle.

Guided by the International Water Association’s (“IWA”) guideline, “Water Utility Pathways in a Circular Economy”, Ranhill’s adoption of the circular economy approach is exemplified in the Group’s reclaimed water treatment operations and its combine cycle gas turbine (“CCGT”) power plants.

With sustainability being a focus in Ranhill’s water and power operations, the Group are actively pursuing an ambitious plan to continuously reduce our carbon footprint. Eventually, the Group aims to produce enough clean renewable energy to match our annual electricity consumption.



Beyond its own business operations, the Group has sought to promote the adoption of the circular economy approach to customers, its value chain and also to various industries and the government sector.

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DRIVING RECLAIMED WATER USE FOR ZERO DISCHARGE

At the end of the cycle, wastewater which is often treated and discharged into rivers, is reclaimed and reused for a wide range of non-potable commercial and industrial applications.

The use of reclaimed greywater is beneficial as it reduces demand for treated water extracted from the upstream rivers. This reduces pressure on a finite and an increasingly pressured water source while providing a sustainable long-term solution for industrial and commercial customers, who are the biggest consumers of treated, potable water.

Ranhill's circular economy approach is best exemplified in its operations of Wastewater Treatment Plants ("WWTP") in the Amata Industrial Park in Rayong, Thailand and Forest City, Johor, Malaysia.



Amata Reclamation Plant, Thailand.



Forest City Sewerage Treatment Plant ("STP4").

Environmental Awareness & Preservation

At both locations, treated effluent from the existing wastewater / sewage treatment plant is channelled to a separate reclamation plant for further treatment in accordance to set standards by regulatory authorities. This treated water, also known as greywater, is then channelled back for use. There is zero discharge into rivers, thus contributing to the health of the rivers, which contributes to better quality of river water.

Better river water quality reduces the level of contaminants in water and thus reduces the costs of treating abstracted water. It also reduces the probability of WTP shutdowns caused by excessive pollutants in the water.

Cumulatively, from its reclaim water operations in Thailand and Malaysia, RWT produces 28 million litres daily (“MLD”) of greywater; 17 MLD from Thailand and 11 MLD from operations at Forest City. We intend to further expand our recycling capacity going forward with the construction of more state-of-the-art WWTPs with the capacity to recycle wastewater into greywater.

PROMOTING SUSTAINABLE ENERGY CONSUMPTION

Ranhill also continues to make strides in growing its Renewable Energy (“RE”) footprint. In FY2020, a proposal to the Energy Commission was submitted for the supply of solar powered electricity to RanhillSAJ’s WTPs under the Green Third Party Contract (“GTPC”) framework. Ranhill’s Energy Division will develop, finance and operate the solar PV plants on a long-term basis. The system will generate up to 61,257kWh of electricity, sufficient to power the WTP’s operations, thus making it energy efficient. Potential savings number RM28,200 per annum. Solar power will reduce up to 39 tonnes of carbon emission annually.

The transition to solar energy is aligned to the circular economy approach. If approved, the deployment of solar panels shall be at the RanhillSAJ former headquarters as well as at the following WTPs: Sg. Johor, Sultan Iskandar, Sri Gading, Semangar and Parit Raja 4 WTPs.

Beyond this, the Group also submitted a bid for a 50MW solar farm under the Energy Commission’s Large-Scale Solar (“LSS”) 4 bidding exercise. Further details of these and other RE initiatives are provided in the Management Discussion and Analysis section of the AR2020.



54kw solar panel installation at Sultan Iskandar Water Treatment Plant extension project.

CCGT OPERATIONS

Ranhill operates two (“CCGT”) plants. CCGT operations are regarded as the cleanest of all fossil fuelled fired power plants. Natural gas produces 50%-60% less carbon dioxide than when burning coal and 30% less than when burning oil. According to the American Gas Association, natural gas emits 90,000 fewer pounds of CO₂ per billion British Thermal Unit (“BTU”) than coal.

In addition, CCGT plants generate up to 50% more electricity from the same fuel source than a conventional simple-cycle plant. Using the closed cycle approach enables reduced consumption of fossil fuels to generate the same quantity of electricity.

Carbon emissions as well as emissions of other gases from both plants remain below the Department of Environment’s threshold for emission levels.

Going forward, there are plans to explore the feasibility of carbon capture towards a zero emission operation, which is consistent with the circular economy approach of zero discharge or zero emissions.

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ADDRESSING NON-REVENUE WATER CHALLENGES IN MALAYSIA

Beyond recycling, reusing resources and achieving zero waste or discharge, one of the key aspects within the circular economy approach is to eliminate wastage. Hence, RanhillSAJ's focus on addressing Non-Revenue Water ("NRW") loss.

In Malaysia, NRW loss is high. The national average is as high as 36.8%, three (3) times more than that of developed countries as estimated by the World Bank. Malaysia still remains far short of its NRW target of 25%.

High NRW loss is a leading cause of many water and water related problems. More water loss translates into more water required to be abstracted from dwindling river water supply. Increased water abstraction translates into higher water treatment costs, increased

environmental footprint due to power consumption and emissions from WTPs and increased workload on the existing water assets and infrastructure. NRW loss is also a loss of revenue.

By reducing NRW levels, the stress on WTPs and supporting assets can be reduced significantly – resulting in lower maintenance cost as well as lower consumption of power, water and other resources. Water saved will increase the reserve margin with the surplus being redistributed to high demand areas such as Johor Bahru city. This also simultaneously contributes to increased revenue.

In addition, lower NRW levels will translate into lower pressures placed on upstream river water supply, which is the main source for water in most parts of Malaysia and Johor.

RANHILL'S EFFORTS IN ADDRESSING NRW

Via subsidiary company, Ranhill Water Services ("RWS"), Ranhill has thus far saved over 64 MLD of treated water in Johor with a cumulative 375 MLD total saving in Johor. Effective NRW management is a key benchmark indicator of the overall efficiency and competency of any water operator in the world.

However, in FY2020 due to a wide range of external factors beyond the Group's control, the NRW levels in Johor has slightly increased. Nevertheless, with a low NRW level of 17.5 m³/km/day, RanhillSAJ is one of Malaysia's most efficient water operators, a fact further evidenced by Johor State's low NRW levels of 26.7% in FY2020.

Further details are explained in the President's Message and Management Discussion & Analysis sections of the Ranhill AR2020.



The Group hopes that in FY2021, with the concerted effort and support of all stakeholders, the NRW levels in Johor can be restored to a downward trend and the Group's goal of realising a level of 7.5% in the long-term can be realised.

Environmental Awareness & Preservation

CLIMATE CHANGE

Climate change has altered weather patterns as well as led to erratic rainfall or even declining rainfall. In extreme cases, climate change has led to extended dry seasons and at the most extreme, drought. The aforementioned scenario has impacted overall upstream water quantity, with some areas in Johor more severely affected than others.

CLIMATE CHANGE EFFECTS ON WATER SUPPLY

<p>Increased levels of nutrients in water from foreign elements i.e. fertiliser runoff can cause algae to grow at excessive rates. When this algae dies, bacteria can lower the level of oxygen in the water, creating dead zones where nothing can live.</p>	<p>Rising sea levels could push saltwater into freshwater river (saline intrusion), making the water unusable for drinking or irrigation unless it is treated using an energy-intensive process.</p>	<p>Rising water levels in other areas may necessitate infrastructure changes.</p>	<p>As certain areas experience more droughts, RanhillSAJ will have to more frequently transport water to where it is needed.</p>	<p>Rising water levels in other areas may necessitate infrastructure changes. Both of these essential measures may result in more emissions and more used energy.</p>	<p>Extreme change in weather patterns.</p>	<p>As water becomes a scarcer resource, we may need to treat this increasingly polluted water to make it usable. This process requires a lot of energy and could lead to more emissions.</p>

In FY2020, RanhillSAJ reported that its Lok Heng & Sungai Gembut WTPs were most affected. Other WTPs were also affected in FY2020 due to climate change.

NO.	DISTRICT	WTP	COMMENCEMENT OF RATIONING	END OF RATIONING	NO. OF DAYS	REASON FOR RATIONING
1	Kota Tinggi	Lok Heng	27-Mar-2020	26-Apr-2020	30	
2	Kota Tinggi	Lok Heng	27-Apr-2020	9-May-2020	12	Water level below critical level
3	Kota Tinggi	Sg. Gembut	2-Apr-2020	9-May-2020	37	

In ensuring sufficient water supply, RanhillSAJ has increased the volume of raw water transfer from rivers to designated dams. An example of this includes water transfer activities from Tasik Biru and Chabang Tiram River to the Upper Layang Dam.

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Throughout the designated period, an average of 40 MLD of raw water from the Chabang Tiram River and an average of 20 MLD from Tasik Biru were transferred to the Upper Layang dam to sustain dam water levels. Aside from ensuring sufficient supply (and to avoid rationing), the raw water transfer activities is important to preserve oxygen levels in water. Higher water levels in the dam means larger water surface areas which increases oxygen levels.

In FY2020, several existing WTP locations were explored for groundwater extraction. WTP Skudai has the highest potential for groundwater extraction with a 1.5 MLD capacity. Production wells and an abstraction system will be developed at said site by the first half of FY2021. In addition, RanhillSAJ also continues to explore the possibility of developing off river storage (“ORS”). However, this requires substantial CAPEX and requires the support of both the regulator and the state and federal governments.

PRESERVING WATER RESOURCES

Ranhill continues to implement its Water Safety Plan (“WSP”) which focusses on identifying all hazards that affect the safety and acceptability of drinking water. Risk assessment starts from the catchment areas right through to treatment and distribution and extends to the consumers’ premises.



- Under the WSP, we undertake various water security programmes:**
- Daily and quarterly raw water quality monitoring (7 parameters at WTPs) based on the set River Water Quality Index
 - Water Treatment Plant (WTP) auditing (3 times / year)
 - WTP intra-laboratory test (3 times / year)
 - Water Supply System auditing (2 times / year)
 - Water quality troubleshooting (when necessary)
 - Raw water source awareness (2 times / year at selected source)
 - Review WTP documents (Once every 3 years)

WATER CONTAMINATION AND POLLUTION

It is necessary that upstream water sources are preserved to ensure uninterrupted water supply and safe water quality. However, in FY2020, RanhillSAJ continued to face water pollution issues.

There were a number of incidents that caused excessive levels of ammonia and other contaminants in the upstream water source. This necessitated the shutdown of WTPs in the affected areas.

The shutdown of WTPs is necessary once ammonia and pollutant content in water surpasses a certain threshold as the WTPs are unable to treat water with high levels of pollutants. Shutting down WTPs is the only option to prevent contaminated water from being distributed to consumers.

Environmental Awareness & Preservation

COSTS ASSOCIATED TO WATER POLLUTION

The costs associated with upstream river pollution is reduced treated water output, which results in lost revenue. In addition, prolonged shutdowns may lead to water supply disruption to consumers.

Industrial and commercial customers may experience disruption to their business operations, which could lead to commercial losses. Residential customers would suffer various inconveniences when there are scheduled or unscheduled water disruptions.

Access to clean water is a basic human right and hence RanhillSAJ would need to rely on alternative means to supply water during prolonged periods of disruption. This includes supplying customers via mobile tankers. This increases operational costs (petrol, staff, etc.) and results in higher greenhouse gas (“GHG”) emissions and fuel consumption.

There is also the danger of pipes bursting once water supply resumes due to the build-up of air locks within the piping system. This can potentially lead to higher maintenance outlay as well as increased water loss due to burst or leaky pipes. Frequent shutdowns would also affect RanhillSAJ’s brand credibility as a reliable water operator.

TOTAL NUMBER OF WATER POLLUTION INCIDENTS AND WTP SHUTDOWNS

YEAR	INTERRUPTION DUE TO *CONTAMINATION IN RAW WATER (NO. OF CASES)	TOTAL HOURS OF SHUTDOWN	FINANCIAL LOSSES (RM'Million)
2016	27*	2,384.1*	3.3*
2017	38*	319.5*	0.9*
2018	30*	962.7	1.8*
2019	24*	1,109.3*	1.1*
2020	5	115.2	0.1

* Data includes all types of interruption including ammonia contamination.

The causes of upstream water pollution are Industrial, agriculture and domestic discharge, untreated sewerage as well as effluent and discharge from upstream sand mining activities. Many conventional effluent treatment systems do not adhere to regulatory standards for effluent discharge or are poorly maintained. As a result, discharge into rivers exceeds permissible levels, thus causing river water contamination.

In addition, there are differing discharge standards for ammonia based effluent ranging from 10 ppm for industrial discharge to 150 ppm for palm oil effluent. WTPs in Johor are only able to handle a designated maximum threshold of ammonia content in water. The situation is further exacerbated during the dry season especially when reduced river water levels results in higher concentration of ammonia content and subsequently higher ppm levels.

ADDRESSING AND PREVENTING WATER POLLUTION

RanhillSAJ continues to work closely with enforcement authorities towards addressing and preventing pollution incidents. A good working relationship has been established with Badan Kawalselia Air Johor (“BAKAJ”), the Department of Environment (“DOE”), Ministry of Health (“MOH”) and National Service Water Commission (“SPAN”) on addressing river water pollution.

In FY2020, the establishment of the Environmental Crime Prevention Unit (“UCJAS”) has provided further effectiveness in addressing incidents of water source pollution. The UCJAS is supported by the Department of Environment, the National Water Services Commission and the Royal Malaysia Police.

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RanhillSAJ continues to do its part by immediately reporting all water pollution incidents to the relevant regulatory bodies for further action. The company also undertakes constant surveillance of upstream rivers for signs of illegal activity while also engaging in educating upstream river stakeholders on the importance in ensuring clean water conditions for sustainable water supply in the state.

INCIDENTS OF RAW WATER POLLUTION AND ACTION TAKEN

No.	Date	Issues	Action
1	25/01/2020	Bukit Batu WTP shutdown due to ammonia pollution. Raw water source: Ulu Sg Pontian. Root cause: Chicken factory.	Farms' operations were closed by Jabatan Perkhidmatan Veterinar ("JPV") and Badan Kawal Selia Air Johor ("BAKAJ").
2	11/02/2020	Simpang Renggam WTP shutdown due to ammonia pollution. Raw water source: Ulu Sg Benut. Root cause: Chicken factory.	
3	08/01/2020	Disruption to the Panchor 1, 2, 3 & 4 WTPs as well as Gersik, Gombang and Bukit Serampang WTPs due to high levels of manganese in raw water. Raw water source: Sg Muar. Root cause: Effluent overflow from a factory as well as floods upstream of Sg Muar.	BAKAJ ordered the factory to repair leaks in its catchment ponds.
4	05/03/2020	Sultan Ismail WTP shutdown due to ammonia pollution especially during low rainfall. Raw water source: Sg Skudai. Root cause: Domestic waste as well as sewage treatment plant and industrial waste.	Release of treated wastewater from two IWK sewage treatment plant was drained into Sg Tebrau.
5	25/03/2020	Excessive ammonia levels at Sg Segamat. Root cause: Effluent from palm oil factory.	In the hands of JAS and BAKAJ.
6	29/06/2020	Sg Mersing WTP shutdown due to ammonia pollution. Raw water source: Sg Mersing. Root cause: Unable to verify though a pig farm located upstream of the WTP is suspected.	JPV and BAKAJ have been notified.
7	21/07/2020	Sg Johor, Semangar WTPs, affected Tetrahydrofuran (THF) content in water. Raw water source: Sg Johor. Root cause: Riverside recycling operations.	Raid on premises and suspension of operations by JAS and Kulai municipal council.
8	17/09/2020	Fertiliser dumping that resulted in the shutdown of PUB WTP. Root cause: Fertiliser dumped into farm drainage that subsequently flowed into Sg Sayong.	Under investigation by JAS and BAKAJ.
9	14/10/2020	Sembrong Timur WTP shut down due to ammonia pollution. Raw water source: Sg Sembrong. Root cause: Palm oil factory.	JAS and BAKAJ issued a factory closure order until repairs on the latter's retention / treatment ponds have been completed.
10	22/10/2020	High ammonia levels in Sg Segamat. Root cause: Effluent from nearby palm oil factory.	BAKAJ and JAS ordered factory to undertake improvement works to prevent effluent discharge into Sg Segamat.

Environmental Awareness & Preservation

REGULATORY COMPLIANCE (MALAYSIA WATER OPERATIONS)

Despite the various issues faced by RanhillSAJ, the company continued to meet the standards for treated water as provided below:

TREATED WATER QUALITY COMPLIANCE KEY PERFORMANCE INDICATORS

Water Quality Parameter	MoH Standard	SPAN Target (%)	Achievement (%)
Residual & total chlorine	0.2 - 5.0 mg/L	99	100
Turbidity	Absent in 100 ml sample	99.7	100
Aluminium	<5.0 NTU	95	97.6
E.coli	<0.2 mg/L	99.9	100
E.coli with residual chlorine	Absent in 100 ml sample & 0.2 - 5.0 mg/L	99.95	100
% of water supply coverage for Urban Areas	--	100	100
% of water supply coverage for Rural Areas	--	99.5	99.77



Water Quality Test at Sungai Skudai by RanhillSAJ.

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REGULATORY COMPLIANCE (THAILAND WATER OPERATIONS)

As in previous years, WTP and WWTP operations in Thailand have continued to meet or exceed standards set by the Thailand regulatory authorities.

		Target	Actual YTD January	Actual YTD December
1. Amata City Chonburi Industrial Estate WTP2-CB Stage 1 & Stage 2 (Concession)	Color	15	15	15
	Turbidity	4	0.51	0.89
	pH Range	6.5 - 8.5	7.10	7.30
	Total Solids	600	424	404
	Influent Compliance	100	100	100
2. Amata City Chonburi Industrial Estate WWTP1-CB (Concession)	Color	300	N/A	N/A
	pH at 25°C	5.5 - 9.0	6.90	6.80
	Total Dissolved Solids	3,000	1,148	1,244
	Suspended Solids	50	8.0	18.0
	BOD (5 Days, at 20°C)	20	4.0	12.0
	COD	120	33	55
	TKN as N	100	1.92	4.96
	Oil & Grease & Fat	<5	2.0	2.0
	Effluent Compliance	100	100	100
	3. Amata City Chonburi Industrial Estate WRTP1-CB (Concession)	Color	15	15
Turbidity		4	0.50	0.58
pH Range		6.5 - 8.5	7.10	7.10
Dissolved Solids		600	468	480
Influent Compliance		100	100	100
4. Amata City Rayong Industrial Estate WTP2-RY (Concession)	Color	≤15	5	10
	Turbidity	4	0.50	0.70
	pH Range	6.5 - 8.5	7.30	7.40
	Total Solids	≤600	284	188
	Influent Compliance	100	100	100
	pH at 25°C	5.5 - 9.0	7.30	7.30
	Total Dissolved Solids	<3,000	732	768
5. Amata City Rayong Industrial Estate WWTP2-RY (Concession)	Suspended Solids	<50	6.0	8.0
	BOD (5 Days, at 20°C)	<20	6.4	8.6
	COD	<120	30	51
	Total Kjeldahl Nitrogen as N	<100	4.96	6.59
	Oil & Grease & Fat	<5	2.0	2.0
	Effluent Compliance	100	100	100
	pH at 25°C	6.5 - 8.5	7.10	7.30
	Turbidity	4	0.70	1.15
	Color	≤15	15	10
	Total Dissolved Solids (TDS)	≤600	320	184
6. Amata City Rayong Industrial Estate WTP1/2-RY (Concession)	Total Hardness (as CaCO ₃)	≤300	42	54
	Chloride	≤250	70	30
	Influent Compliance	100	100	100

Environmental Awareness & Preservation

	Target	Actual		
		YTD January	YTD December	
7. Amata City Rayong Industrial Estate WWTP4-RY (Concession)	Color	300	N/A	N/A
	pH at 25°C	5.5 - 9.0	7.20	6.80
	Total Dissolved Solids	3,000	1,684	1,660
	Suspended Solids	50	12	12.0
	BOD (5 Days, at 20°C)	20	6.30	10.0
	COD	120	32	28
	Total Kjeldahl Nitrogen as N	100	10.68	7.29
	Oil & Grease & Fat	<5	2.0	2.0
	Effluent Compliance	100	100	100
8. AIT (O&M)	pH	5.0 - 9.0	7.30	7.60
	BOD	<20	5.1	11.9
	Total Suspended Solids	<30	4.0	9.0
	Total Dissolved Solids	<500***	388	244
	Oil & Grease	<2.0	2.0	2.0
	Total Kjeldahl Nitrogen	<35	11.96	3.56
	Effluent Compliance	100	100	100
9. Amata City Rayong Industrial Estate WRTP2-RY (Concession)	Color	15	5	10
	Turbidity	4	0.57	0.43
	pH Range	6.5 - 8.5	6.60	7.20
	Dissolved Solids	600	228	212
	Influent Compliance	100	100	100

*** These values are in addition to the TDS of water used.

ADDRESSING HIGH CONSUMER WATER CONSUMPTION

Aside from addressing the sustainability of water supply, RanhillSAJ also continues to focus on addressing high water consumption per capita, which in Malaysia, stands at 210 million litres per capita per day. This is far higher than the 180 litres per capita per day recommended by the World Health Organisation ("WHO").

Ranking of Water Usage In A Household

	1	Bath/Shower/Toilet
	2	Laundry
	3	Cooking
	4	Home Cleaning (dishwashing, floor cleaning, etc.)
	5	Outdoor (gardening, etc.)

- **Bath/Shower/Toilet** uses most water in a household.
- On average, take **10 minutes** for a shower.
- 66% of them took their showers at least **twice a day**.
- In terms of water usage for outdoor activities, 95% of the respondents have an average of **2 cars in each household**. Most of them will either wash their cars at home or send their cars to the car wash once a month.
- Only 21% of them have pets at home and they only engaged in activities for their pets once a week (bath/change water for aquarium/clean cage).

Source: Frost and Sullivan

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While high water consumption equates to more water sales and thus revenue, such an approach is not sustainable. With a growing population as well as increasing socio-economic growth, a more sustainable approach is warranted to moderate consumption per capita.

However, bringing down consumption remains a challenge and requires a multi-stakeholder approach. Beyond consumer awareness and education, reducing water consumption per capita requires political will, effective policies and decision making and industry participation and input.

For example, water consumption in homes, offices and factories can be reduced if the aforementioned are designed or built with water saving features from the start, rather than attempting to undertake a retrofit. However, to incorporate such features may incur increased expenditure for property developers. Hence, developers may choose to eschew the approach or, if they proceed, to pass the cost down to buyers via higher property prices. Buyers, due to lack of environmental consciousness or due to cost sensitivity, may be less interested to buy such properties.

The government can play a role either by making such features mandatory, or by providing incentives to reduce the costs of incorporating water saving features into these buildings. This will certainly require industry input to ensure viability. At the same time, efforts to educate the public must continue.

In short, a multi-faceted and multi-stakeholder approach is required towards effectively addressing high water consumption per capita in Malaysia.



RanhillSAJ committed to create awareness and educating the community about water conservation.

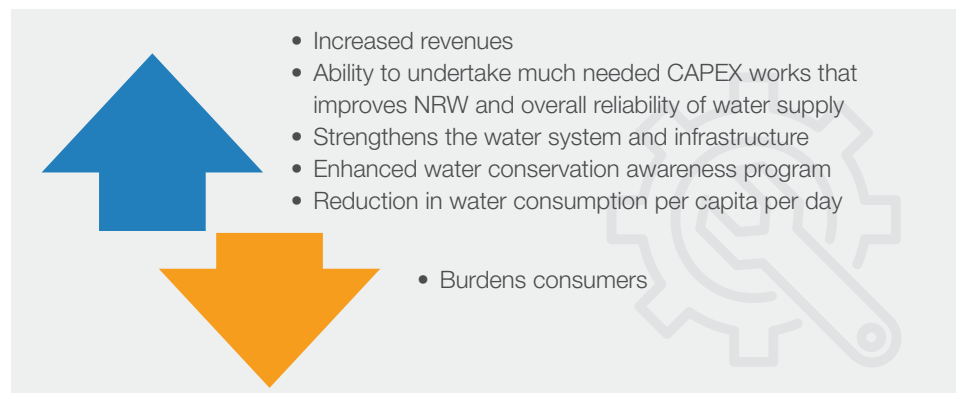
One of the ways proven effective is the upward revision of water tariffs. By making water consumption more costly, consumers may automatically look to reduce consumption. However, revision of water tariffs remains a sensitive issue due to the social, political and economic ramifications.

WATER TARIFF

Water tariffs were scheduled to be increased in FY2020. However, the tariffs in Johor and many states across Malaysia remains unchanged. The Federal government has approved an upward revision of tariffs and is in discussion with respective State governments to implement in the several states.

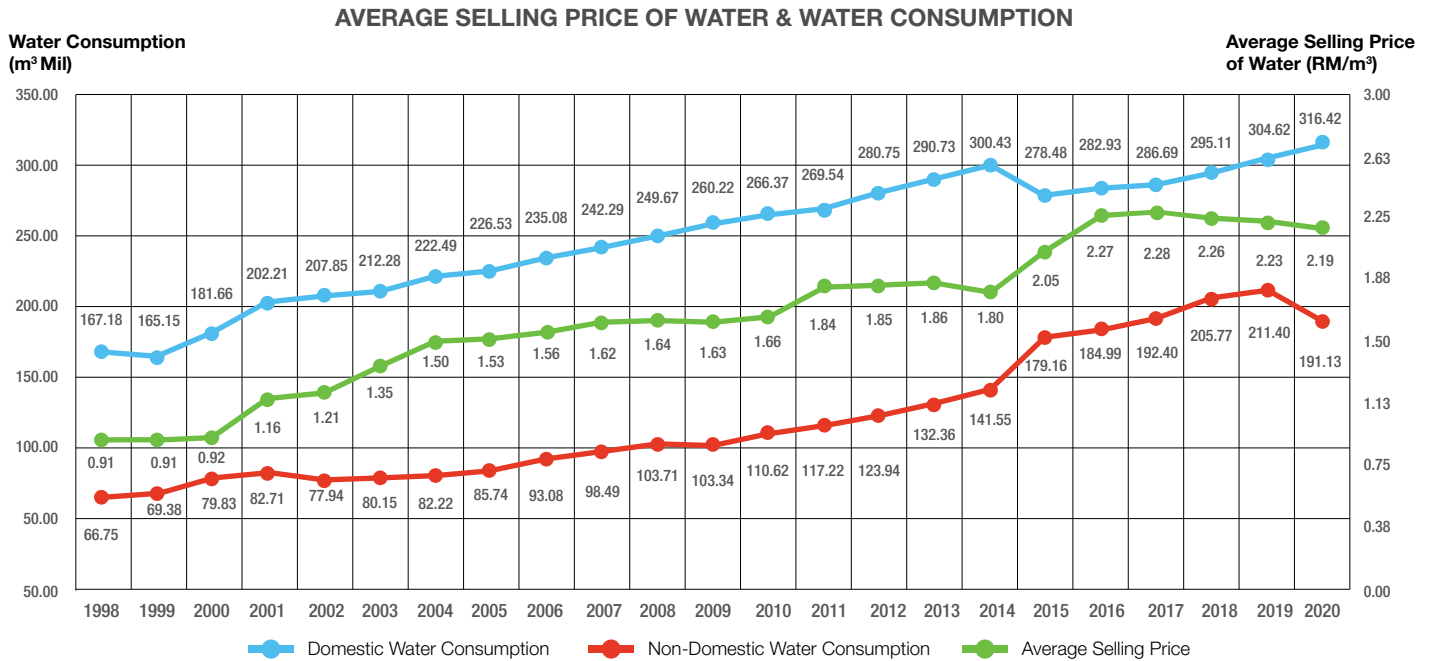
Without a tariff increase, RanhillSAJ is dependent on increasing water consumption to achieve higher revenues. At the same time, we continue to take all measures to achieve cost and production efficiency towards improving earnings due to the static tariff.

We share a similar view with other water operators and the water industry at large; that an upward tariff revision is beneficial for the water industry as a whole.



Environmental Awareness & Preservation

WATER CONSUMPTION TREND FOR THE YEAR 2018-2020

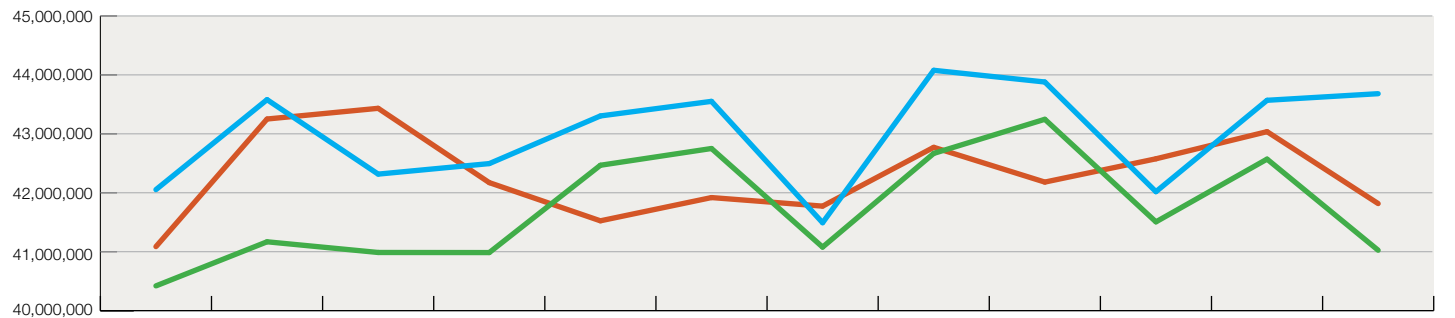


In FY2020, RanhillSAJ saw its water operations in the Johor state report marginally lower water consumption, largely attributed to reduced non-domestic demand.

Non-domestic demand comprises industrial and commercial customers, many of whom were affected by the imposition of MCO which may have curtailed their operational activities or led to a closure altogether.

However, with more of the populace staying at home during the MCO, domestic consumption increased significantly.

CONSUMPTION TREND FOR THE YEAR 2018 - 2020



Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018	40,420,364.00	41,168,697.00	40,987,202.00	40,985,692.00	42,466,862.00	42,751,194.00	41,078,408.00	42,667,994.00	43,246,877.00	41,506,610.00	42,571,231.00	41,025,181.00
2019	42,053,184.00	43,579,866.00	42,316,741.00	42,495,140.00	43,303,472.00	43,551,136.00	41,492,096.00	44,077,902.00	43,879,387.00	42,018,611.00	43,569,052.00	43,681,128.00
2020	41,086,513.00	43,251,460.00	43,433,052.00	42,172,355.00	41,524,403.00	41,918,825.00	41,773,638.00	42,771,250.00	42,181,378.00	42,576,400.00	43,036,955.00	41,816,848.00

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RANHILLSAJ WATER CONSUMPTION

Year	Total (m ³)	Raw Water Abstractions River (m ³)	Raw Water Abstractions Dam (m ³)	Average (m ³ /month)
2017	644,084,373	393,886,741	250,197,632	53,673,698
2018	672,482,177	395,921,313	276,560,864	56,040,181
2019	693,301,475	411,299,327	282,002,148	57,775,123
2020	698,371,127	424,640,758	273,730,369	58,197,594

Year	Raw Water (m ³)	Treated Water (m ³)	In Plant Usage (m ³)	Total Sludge (kg)
2017	644,084,373	613,206,307	30,878,066	86,502,141
2018	672,482,177	641,291,211	31,190,966	87,204,581
2019	693,301,475	663,261,141	30,040,335	90,724,787
2020	698,371,127	668,147,604	30,223,523	93,857,414

Following are RanhillSAJ's water sources across Johor:

WATER SOURCED FROM SURFACE WATER

Source	Name	Source	Name
River	Sungai Pengeli	Dam	Labong
	Sungai Mersing		Congok
	Sungai Sedili Besar		Lebam
	Sungai Lenggong		Bekok
	Sungai Kahang		Pulai 2
	Sungai Bekok		Pontian
	Sungai Pontian Besar		Upper Layang
	Sungai Sedili Kecil		Sembrong
	Sungai Gembut		Gunung Ledang
	Sungai Muar		Juaseh
	Sungai Pelepah		
	Sungai Sayong		
	Sungai Jementah		
	Sungai Segamat		
	Sungai Juaseh		
	Sungai Johor		
	Sungai Skudai		
	Sungai Sembrong		
	Sungai Benut		

Environmental Awareness & Preservation

WATER CONSUMPTION FOR POWER OPERATIONS

Ranhill power operations saw a decrease in water consumption in FY2020. At both the Group's Teluk Salut (RPI) and Rugading (RPII) power plants, water is used for the gas turbine offline water wash and boiler tube leaking and valves passing works as well as by employees.

Maintenance works are necessary to ensure optimum operational capacity and to prevent any issues that may affect the plants' ability to despatch power or to maintain its uptime.

WATER CONSUMPTION FOR RPI AND RPII

Year	RPI (m ³)	RPII (m ³)
2016	86,165	48,117
2017	81,427	46,638
2018	89,581	53,187
2019	91,266	68,241
2020	81,937	55,459

GREENHOUSE GAS ("GHG") EMISSIONS

Ranhill remains cognisant of its carbon emissions arising from both its water and energy operations. The biggest contributor to Scope 1 and Scope 2 emissions are the power operations.

In FY2020, RanhillSAJ initiated its Carbon Footprint Programme towards reducing CO₂ emission. This includes identifying a baseline figure for emissions. Emissions are measured in accordance with the recognised industry standard – MS 1596:2003. Emission levels remain within the thresholds set by the Department of Environment ("DOE") in Malaysia and Thailand. This includes exhaust gas emissions released from the gas turbine combustion which complies with MS1596:2003.

RANHILLSAJ: TOTAL CO₂ EMISSIONS (MT CO₂ EQ)

Performance Measure	mt CO ₂ eq		
	2018	2019	2020
Total CO ₂ e emissions	263,391	253,964.5	226,796.4
Scope 1 CO ₂ e emissions	2,957.7	3,735.3	4,351.5
Scope 2 CO ₂ e emissions	235,611.5	225,550.6	205,526.1
Scope 3 CO ₂ e emissions	24,821.8	24,678.6	16,918.8

RANHILLSAJ: TOTAL CARBON INTENSITY (KG CO₂ EQ/M³ OF RAW WATER)

Performance Measure	kg CO ₂ eq/m ³ of raw water		
	2018	2019	2020
Carbon Intensity	0.34	0.34	0.31

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ENERGY DIVISION: TOTAL NO_x EMISSIONS AND SO₂ EMISSIONS

Performance Measure	Boiler	2016	2017	2018	2019	2020
NO_x Emissions		Average g / M ³			Average Mg / M ³	
RPI	HRSG 11	115.04	5.53	3.19	63.17	48.24
	HRSG 12	137.85	6.58	3.75	51.58	52.0
	HRSG 21	235.25	6.39	3.98	61.51	77.77
	HRSG 22	331.82	6.29	4.17	49.38	85.49
RPII	HRSG 1A	52.36	2.29	1.40	7.68	8.93
	HRSG 1B	73.60	1.78	1.15	10.50	11.40
CO₂ Emissions						
RPI	HRSG 11	159.57	179.13	105.78	68.07	62.6
	HRSG 12	108.72	182.63	114.11	73.04	56.02
	HRSG 21	168.09	154.07	113.79	70.09	69.99
	HRSG 22	177.12	142.04	116.83	58.95	73.25
RPII	HRSG 1A	119.59	111.89	96.31	63.90	57.77
	HRSG 1B	110.22	99.48	83.28	76.15	66.3

Note: Station's emission limit complied with Third Schedule, part A(2), Environmental Quality (Clean Air) Regulations 2014 (first enforced in June 2019), based on emission sources and O₂ references corrected at 15%.

Measurement of results is based on SOPs set by the DOE of Sabah and is conducted by an independent 3rd party environmental consultant. Results can also be influenced by the following:

- Quality of gas supplied to the gas turbine during the measurement period.
- Load demand during sampling.
- Operational conditions of the gas turbine i.e. temperature, efficiency and other ambient factors.

NO _x EMISSIONS	CO ₂ EMISSIONS
<ul style="list-style-type: none"> • Data for FY2019 and FY2020 are presented in mg / m³ compared to previous years which used g / m³, hence the disparity in figures. • No_x readings for RPI are higher as the power plant does not have a dry low No_x ("DLN") system for its turbines. 	Effective 2017, a differing parameter has been used to measure and assess CO ₂ emissions. Sampling is performed on different Gas Turbine loads as per requests from the offtaker, SESB.

ENERGY CONSUMPTION & MANAGEMENT

RanhillSAJ's approach to energy consumption is guided by the MS ISO50001:2011 Energy Policy. Energy consumption data is scoped to the Group's subsidiaries of RanhillSAJ which oversees the Group's water business; and Ranhill Powertron I ("RPI") and Ranhill Powertron II ("RPII"), which operates the Group's CCGT power plants.

Environmental Awareness & Preservation

Based on a four-year consumption trend, RanhillSAJ has achieved optimal power consumption in relation to growing consumption demand for its WTP operations. Beyond regular WTP operations, power consumption is mainly due to plant upgrading and maintenance works as well as introduction of new WTPs into the WTP network.

In FY2020, RanhillSAJ implemented various energy-saving methods as prescribed under ISO 50001:2011 at five (5) of our WTPs and at its headquarters. This includes green technology initiatives, continuous pump performance tests and refurbishment, infrared investigation, enhancement of preventive and corrective maintenance works.

TOTAL ENERGY CONSUMPTION (GWh):

Year	RanhillSAJ (WTPs)	Ranhill Headquarters	RPI	RPII	Total
2016	300.1	1.5	38	40	379
2017	292.7	1.5	41	38	373
2018	305.2	1.5	42.1	44	393
2019	281.7	1.5	42.5	42.9	369
2020	327.9	1.5	43.2	42.4	455

As mentioned earlier, Ranhill has proposed to the Energy Commission (“EC”) for the deployment of solar panels at the former’s headquarters as well as to power several WTPs. Identified WTPs are the Sg. Johor, Sultan Iskandar, Sri Gading, Semangar and Parit Raja 4 WTPs.

Please refer to the Circular Economy: Promoting Sustainable Energy Consumption section of this report for more information.

HEAT RATE GENERATED

Data for heat generated is based on heat generated from the operations of the Group’s two CCGT power plants.

Heat rate can be managed by reducing open cycle operations and instead, operate under a Combined Cycle system. The latter reuses heat generated to produce additional energy for the turbine. The use of combined cycle technology significantly reduces atmospheric heat emissions by an average of 110 °C to 500 °C.

Ranhill’s Energy division’s preference is to operate on Combined Cycle, though this decision is also dependent on the preferences of the offtaker, Sabah Electricity Sdn Bhd (“SESB”). Heat emitted can also be reduced through proper routine and preventive maintenance.

HEAT RATE FROM POWER PLANT OPERATIONS (kJ/kWh)

	kJ/kWh		
	2018	2019	2020
RPI	9,512.8	9,392	9,828.7
RPII	8,724.7	8,596.3	8649.7

GAS CONSUMPTION

The usage of gas in our operations is confined to our energy division, where Liquefied Natural Gas (“LNG”), a much cleaner fossil fuel as compared to diesel and other fuels is used for combustion at the power plants.

The gas consumed by RPI Power Plant is more due to the older gas turbines installed. This is an early model of a Frame 6B Gas Turbine. At RPII, the Frame 6FA is used, which is one of the world’s most fuel-efficient gas turbines in the market today.

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GAS CONSUMPTION AT POWER PLANTS

	2017	2018	2019	2020
RPI	275,296.5	281,806	298,086	282,554.7
RPII	216,454.1	233,247	218,184	238,527.6

WASTE MANAGEMENT

Sludge is a waste product that is produced from water and wastewater treatment operations in Malaysia and Thailand.

In line with its circular economy approach, the Group continues to seek solutions for the recycling of sludge, beyond sending them to landfills. The same applies to biogas. However, all plant sludge cakes are treated and are non-hazardous.

Sludge is sent to designated areas within the confines of the respective WTP area. In Malaysia, sludge is treated and managed according to the Department of Environment Act 1974 Effluent Standard A and Effluent Standard B.

In Thailand, sludge is managed in accordance to Notification of Ministry of Industry Re: Industrial Waste Management and Disposal, B.E.2548 (2005).

SLUDGE PRODUCTION (RANHILLSAJ)

Year	Total (kg)	Average (kg/month)
2017	86,500,900	7,208,408
2018	87,204,581	7,267,048
2019	75,372,479	6,281,039
2020	93,857,414	7,821,451

BIODIVERSITY

Ranhill presently has no International Union for Conservation of Nature (“IUCN”) Red List species and national conservation list species residing or have a habitat within, or adjacent to its areas of operations.

The Group will continue to monitor for any potential impacts of its operations on the environment and thus far, all discharge, effluents and emissions from our operations remain within the permissible levels as stipulated by the DOE and other regulatory bodies. The Group will continue to monitor the environmental impact of its business presence and operations.

In FY2020, efforts to engage stakeholders on biodiversity were disrupted by the onset of the COVID-19 pandemic. Ranhill continues to harbour plans to conduct a biodiversity audit and to initiate a biodiversity based sustainability programme in the coming financial year, if operational conditions permit.

ENVIROMENTAL NON-COMPLIANCE

Ranhill in FY2020 has had zero incidents to fines, censures or other forms of punitive action for non-compliance to environmental regulatory standards.

Contribution Towards Social Wellbeing & Capacity Building

CONTRIBUTION TOWARDS SOCIAL WELLBEING & CAPACITY BUILDING

Ranhill has contributed to the fight against the COVID-19 pandemic, while also offering various forms of assistance to the government, society and the healthcare sector. This is above and beyond the present support it provides to society, which includes water rebates to poor and hardcore poor households.

COVID-19 PREVENTION

Ranhill, first and foremost prioritises the health and safety of its staff. As such, the Group has ensured a high level of Standard Operating Procedure (“SOP”) compliance across its operations. Ranhill developed special COVID-19 procedures and work processes and updated its Business Continuity Plan (“BCP”) to ensure smooth and safe operations during the pandemic.

At Group and subsidiary level, the BCP covered all aspects such as preventive measures, emergency responses and also addressed supply chain, manpower management, project construction and data management.

New measures introduced include reduced manpower, new social distancing requirements at the workplace, regular screening and testing of employees including temperature checks, mandatory 14-day quarantine periods for infected staff and staff who may have been in close contact with infected staff. Regular disinfection was conducted at various operational sites.

A general work-from-home (“WFH”) order was issued to all staff with exceptions made for staff who are stationed at WTPs and other operating sites or who are performing site / field work. All staff have been supplied with masks and hygiene kits were distributed to staff and visitors on a complimentary basis.



Given the stringent measures taken and the strict compliance to SOPs, the Group is pleased to report only a small number of positive cases in FY2020.

ENTITY	NO. OF COVID-19 POSITIVE CASES
Ranhill Capital	0
RanhillSAJ	18
RWS	2
RWT	0 (from both Malaysia and Thailand operations)
RPI & RPII	2

Equally encouraging was the fact that the power operations based in Sabah have only reported two (2) positive cases, despite the whole state of Sabah being declared a COVID-19 red area for the second half of FY2020. All infected staff have made full recoveries.

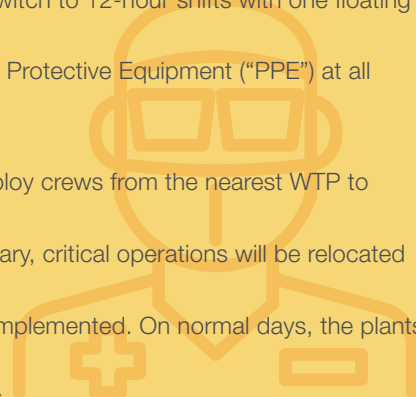
RanhillSAJ water treatment plant staff are required to wear Personal Protective Equipment (PPE) at all times during their working shift.

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EXTRACT FROM RANHILL COVID-19 BCP

The following measures shall be implemented at all WTPs to ensure that operations are not disrupted and that the quality of treated water is maintained:

1. WTPs are currently operated using three shifts of 8 hours, and 1 floating shift. If a staff is suspected to be infected, that particular shift will be quarantined and the operating hours for the remaining shifts will switch to 12-hour shifts with one floating shift.
2. The WTP will immediately be disinfected and all teams will be required to wear Personal Protective Equipment (“PPE”) at all times during their work shift.
3. During the disinfection process, all staff will be required to wear full HAZMAT suits.
4. In the event that all teams at the affected WTP must be quarantined, RanhillSAJ will deploy crews from the nearest WTP to assume operations with both WTPs running on 12-hour shifts.
5. For any cases of infection at any of RUB’s office premises and if office closure is necessary, critical operations will be relocated to pre-determined alternative premises.
6. For our power plants, similar Standard Operating Procedures (“SOP”) as above will be implemented. On normal days, the plants have three shifts of 8 hours and 2 floating shifts.
7. In the event of infection, the two floating shifts will operate the plants with 12-hour shifts.
8. If all teams are quarantined, Ranhill Power will deploy crews from its other plant.



COMMUNITY ENGAGEMENT

The Group’s usual community engagement plans were disrupted by the onset of COVID-19 and the subsequent MCO. Ranhill has adopted digital channels as well as social media to drive its community engagement activities.

Community engagement plans are focussed on creating awareness on water conservation, NRW, water theft as well as water pollution. A key community initiative was the continued provision of free water and water rebates to poor and hardcore poor households in FY2020.

NRW AND INDUSTRY RELATED STAKEHOLDER ENGAGEMENT

The issue of NRW continues to be prioritised. Given that tackling NRW requires the support and involvement of multiple regulatory and industry stakeholders, Ranhill has continued to drive engagement on the topic throughout FY2020.

NRW engagement was also focussed on employees, who can serve as ambassadors to reach out to their families, friends and social circle to convey the seriousness of the issue. The focus is to emphasise the physical and commercial loss of NRW and what employees as individuals can do to help address the issue.

Contribution Towards Social Wellbeing & Capacity Building

At both Group and subsidiary level, Ranhill continued to engage stakeholders amidst a new normal scenario brought on by the pandemic. Some of the key engagement highlights include:

Events attended:

- *Jom Sembang*
- World Water Monitoring Day
- Corporate Education Programme at IOI Oleochemical and Malaysia Marine and Heavy Engineering
- AsiaWater 2020 Virtual Conference and Exhibition



RanhillSAJ Townhall Session with the local community, *Jom Sembang* at Felda Tenggaraoh, Mersing.



Tree planting activity during World Water Monitoring Day 2020 at Sungai Layang dam, Pasir Gudang, Johor.

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YOUNG WATER PROFESSIONAL

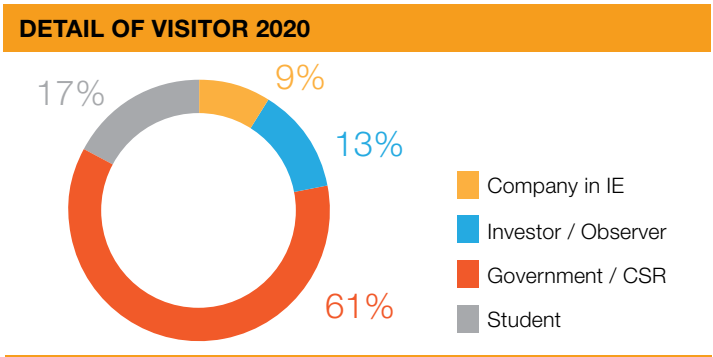
In FY2020, Ranhill’s Young Water Professional (“YWP”) Programme saw participation from 112 employees (FY2019: 94 employees). YWP participants are selected from staff and are trained to facilitate various water-related community outreach programmes. Among activities held for them were various development programs and team building sessions, public speaking engagements and industry networking opportunities.

	FY2018	FY2019	FY2020
YWP participants	88	94	112

LEARNING CENTRE AT AMATA NAKORN INDUSTRIAL ESTATE, THAILAND

Despite the presence of COVID-19, the Amata Learning Centre continued to serve as a community education centre. With full safety protocols implemented, the centre continued to receive visitors comprising investors, local government officials, students, individuals from private companies as well as members of the local community. In FY2020, Amata Learning Centre received 543 visitors (FY2019: 822 visitors).

The centre is managed by RWT. It caters to industry professionals, students and the general public by sharing with them the latest technologies in water and wastewater treatment.



Post refurbishment and renovation, the centre features interactive displays, a larger and better equipped lecture room and other amenities.



Ranhill Water Technologies (“RWT”) Learning Center at Amata Nakorn Industrial Estate, Thailand.

Contribution Towards Social Wellbeing & Capacity Building

DEVELOPING LOCAL INDUSTRY VIA LOCAL PROCUREMENT

Ranhill continues to adopt a “locals preferred” policy with regards to procurement. Local suppliers are defined as suppliers / vendors who are incorporated within the country of origin in which RUB operates in.

The Group's preference to source locally is aimed at developing local value chains and facilitating local job creation and entrepreneurship opportunities. Local sourcing also contributes to reduced environmental footprint from shipping and transportation.

Interested vendors may bid under an open tender system where contracts are awarded based on the best value proposition offered; in terms of cost, quality of goods and services and other set criteria. All Ranhill contracts must have multiple tender bids prior to awarding.

In FY2020, an overwhelming majority of contracted suppliers were local:

- RanhillSAJ: 99% Local suppliers / vendors
- RWT: 98.2% Local suppliers / vendors
- RWS: 100% Local suppliers / vendors
- RPI & RPII: 94% Local suppliers

INDIRECT ECONOMIC VALUE CREATED

Through its business operations in the water and energy industries, Ranhill continues to generate growing indirect value for a wide range of stakeholders.

Our business presence and circular economy model provides sustainable returns to employees, the government, the community, lenders of capital, shareholders and others.

- Total payout to employees in salaries and benefits: RM17 million
- Total local procurement spend: RM1,122.1 million
- Total taxes paid to the government: RM39.5 million
- Total value of water rebates provided: RM887,461.35

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CORPORATE SOCIAL RESPONSIBILITY PROGRAM

SUPPORTING THE BASIC HUMAN RIGHT TO WATER (WATER REBATE PROGRAMME)

In FY2020, RanhillSAJ provided 3,207 customers with water rebates of 25m³ to 3,122 poor and 85 hardcore poor households. This is in support of UN SDG 6: Clean Water and Sanitation.

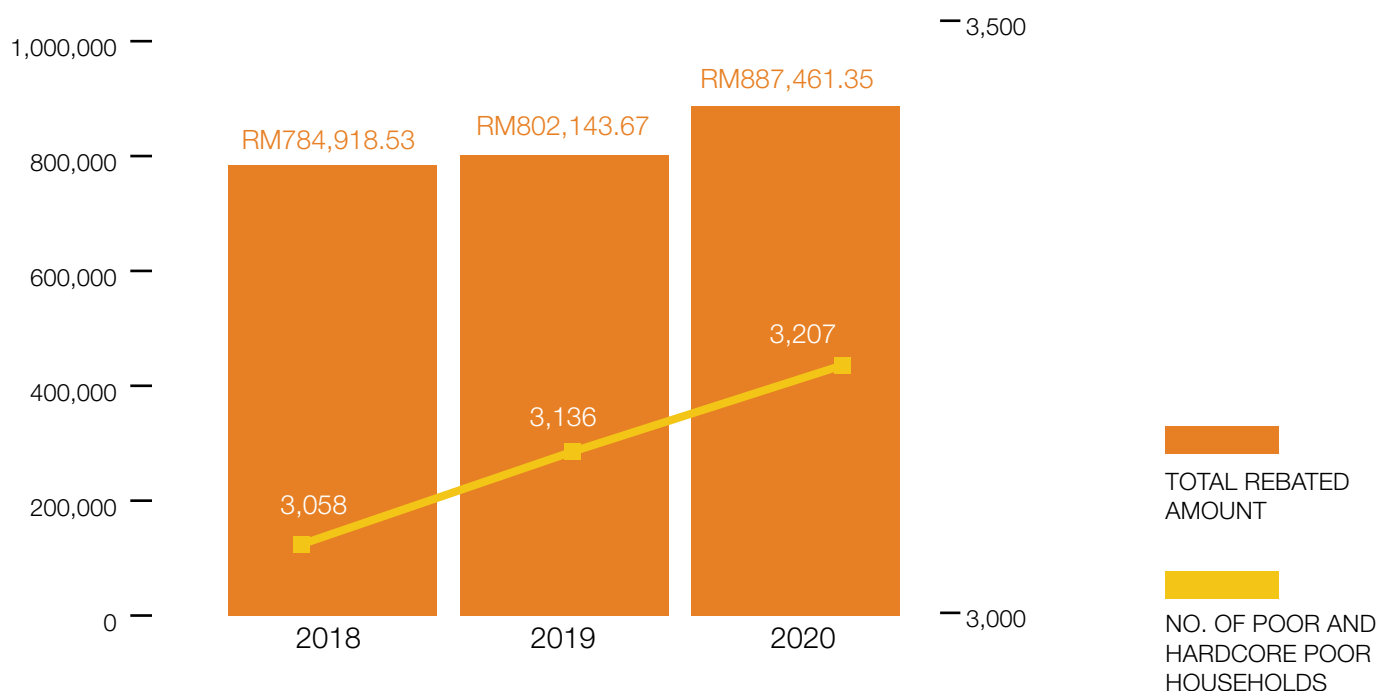
Despite increasing costs, RanhillSAJ remains committed to provide free water to the deserving in line with ensuring that all segments of society have access to clean water supply, which is a basic human right.

Households who qualify for the water rebate programme are based on Johor State’s e-kasih programme list, which provides a comprehensive register of urban and rural poor and hardcore poor households.

WATER REBATE PROGRAMME

YEAR	NO. OF POOR AND HARDCORE POOR HOUSEHOLDS	TOTAL REBATED AMOUNT
2018	3,058	RM784,918.53
2019	3,136	RM802,143.67
2020	3,207	RM887,461.35

WATER REBATE COSTS & TOTAL BENEFICIARIES



Contribution Towards Social Wellbeing & Capacity Building

COMMUNITY OUTREACH AND SUPPORTING COMMUNITY INFRASTRUCTURE

In FY2020, due to the COVID-19 pandemic, customary activities such as beach clean-ups and other environmental activities were not held. However, the Group through its staff continued to step forward to contribute both financial and non-financial assistance to various charitable courses.

These include undertaking upgrading works for a school library at Sekolah Kebangsaan Termunong, Tuaran as well as undertaking classroom extension and making building improvements at Tabika Kemas Kg. Menengah, Ulu Sipitang. Both of these infrastructure development projects are located in Sabah, and were in relatively close proximity to Ranhill's power plant operations.



RanhillSAJ contributed RM1,000 to one of the destitute individuals in the Wakalah Programme.

Ranhill also helped underprivileged communities affected by the COVID-19 pandemic. In collaboration with the Larkin State Assemblyman's office, the Group distributed groceries to various needy families. In addition, Ranhill also contributed a total of RM1,000 each to 342 destitute individuals for the execution of the Wakalah Programme. Wakalah is a surplus of Zakat payment that has been made to Majlis Agama Islam Negeri Johor, therefore it is compulsory to distribute back the whole amount to destitute individuals. The list of individuals were provided by the Majlis Agama Islam Negeri Johor and from the state government's e-Kasih's lists.

CSR ACTIVITIES

Heeding the national blood bank's call, RWT staff stepped forward to donate blood on 3 July 2020. Taking advantage of the event, food was also distributed to medical frontliners in recognition of their sacrifice and commitment in combatting the ongoing pandemic.

In Thailand, RWT donated 50 large plastic tanks of varying sizes for containing and mixing ethyl alcohol to be used for sanitisation purposes at public areas due to the COVID-19 pandemic. RWT also sponsored 30 trees for a tree planting exercise at Amata Industrial Park.

However, with the Chonburi Province declared a Red Zone, the tree planting activity has been postponed and will resume in FY2021.



Ranhill Water Technologies ("RWT") sponsored 30 trees for tree planting at Amata Industrial Park.

Inspirational Workplace & Culture

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EMPLOYEE ENGAGEMENT

Beyond looking after the health and safety of its employees during the pandemic in FY2020, Ranhill has continued developing its organisational culture and workplace environment, and has focussed on talent management.

The Group remains committed to this approach as it believes that the competence, capabilities and satisfaction of its workforce is key to the growth and success of the Group and the realisation of business and operational sustainability and value creation.

The Group’s approach to talent management is driven by Group Human Resources (“GHR”). GHR’s management approach is centred on the 4Rs which are recruitment, retention, reward and rejuvenation.

These four (4) aspects of talent management are further realised through the following focus areas:



Inspirational Workplace & Culture

Ranhill complies with the following UN Global Compact 10 Principles:

- Human rights, labour, environment and anti-corruption
- UN Guiding Principles on Business and Human Rights
- International Labour Law
- Prohibiting child and forced labour
- Ensuring non-discrimination and equal opportunity
- Supporting a harassment-free and violence free workplace
- Prohibiting retaliation or any form of physical and mental disciplinary practice
- Respecting workers' right to freedom of association
- Ensuring compliance with laws governing working hours and wages



COMPLIANCE TO LOCAL LAWS AND LEGISLATION

Ranhill is governed by the Malaysian Employment Act 1995 and all other relevant labour laws of Malaysia. These are in line with the statutes stipulated by the International Labour Organisation (“ILO”) and the Universal Declaration of Human Rights.

In FY2020, Ranhill continues to uphold its track record for zero reported incidents of infringements of the rights of any persons, adult or child, nor any incidence of forced or compulsory labour. Neither has there been any violation of human rights involving the rights of indigenous people at any time in the Company’s history.

EMPLOYEE REMUNERATION

Ranhill continues to provide market competitive compensation packages to all staff. This is in line with attracting and retaining high-calibre and experienced talent. The compensation package comprises both financial remuneration as well as non-financial benefits and perks.

The total remuneration that employees receive is based on their experience, professional qualifications, job performance and also seniority within the Group. Full-time employees are entitled to an annual bonus, with annual salary adjustments (pay period ending) to take into account rising living costs and inflation.

A comprehensive pay grade or salary scale is given in the employee handbook or manual. GHR also periodically conducts industry benchmarking exercises to assess if salaries paid are in line with market rates and industry standards.

MINIMUM WAGE

All employees earn wages that are above the minimum wage scale as even the lowest salary scale is higher than the minimum salary stipulated by the government.

SALARY STATISTICS EMPLOYEE BENEFITS

As mentioned earlier, beyond financial remuneration, employees are also entitled to a wide range of non-monetary benefits. These benefits form the total compensation package provided to employees.

Benefits may differ based on seniority, tenure and position within the company, such as technical / field and office-based positions. However, all employees are accorded these benefits as provided for by the Employment Act 1955 as well as additional benefits which the company provides on its own volition.

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LEAVE BENEFITS

Employees are entitled to various types of paid and unpaid leave, which include marriage leave, Haji, study / exam leave and unrecorded leave for sports and social participation.

Female employees are entitled to paid maternity leave of 60 consecutive days for each confinement period. Male employees are granted paternity leave of 4 days.

Full time employees enjoy the following benefits



Statutory sick pay leave without hospitalisation depending on the period of services:

- 14 days for less than two years
- 18 days between two and five years
- 22 days for more than five years



A period of up to 60 days is granted if hospitalisation is necessary.



Company supported / subsidised health / medical insurance plan for staff.



Free medical check-up.



Insurance benefits.



Allowances and reimbursement claims.



Overtime payments (where applicable)



Employee's Birthday Gift.



Employee's Wedding Benefits.



Employee's New Born Benefits.



Employee's Bereavement / Wreath.



Employee's Treat - Fruits Season.



Employee Education Assistance Programme.



Inspirational Workplace & Culture

APPROVED APPLICATIONS FOR PARENTAL LEAVE

PARENTAL LEAVE	FY2017	FY2018	FY2019	FY2020
Paternity Leave	11	10	11	78
Maternity Leave	2	2	3	20

RETURN TO WORK RATES POST PARENTAL LEAVE

Post Paternity & Maternity Leave	FY2017		FY2018		FY2019		FY2020	
	Female	Male	Female	Male	Female	Male	Female	Male
Return to Work Rates (%)	100	100	100	100	100	100	100	100
Retention Rates (%)	100	100	100	100	100	100	100	100

EMPLOYEE APPRAISALS

100% of employees are provided annual appraisals. The Group views the appraisal process as being key to its overall talent management approach.

Beyond evaluating staff performance for salary increments and other incentives, appraisals provide an excellent two-way communication platform, where staff are encouraged to provide feedback to management on areas they believe that the company can improve on, or play a more supportive role in facilitating the career progression of employees.

Appraisals are conducted based on a 360° approach that comprises self and peer assessment, as well as assessment by a superior. This provides a more balanced and fairer evaluation of the employee's conduct and performance. The final results are presented by the employee's superior on a one-to-one discussion basis.

The employee retains his or her rights to accept or dispute the findings of the appraisal. This may include providing mitigating circumstances for non-performance or non-achievement of KPIs, which can be considered by his / her superior towards refining the appraisal results.

However, post discussion, if there remains serious grievances, the employee may channel his / her disagreement of the appraisal results to GHR via its grievance mechanism for employees.

RECOGNISING EMPLOYEE CONTRIBUTION THROUGH SPECIAL AWARDS

In FY2020, Ranhill has continued to acknowledge long-serving, high-performing and dedicated staff through a wide range of awards. Employees are also recognised for maintaining their health and fitness. Following are the awards given to staff during the financial year.

- Long Service Award
- Knowledge Management (KM) Award – Best KM Product
- High Performance Culture Award – High Commitment Staff
- R-Care Award (Ranhill Health Programme) – R-Care Idol (High Commitment and Body Mass Index (“BMI”) Achievement)

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COLLECTIVE BARGAINING AND FREEDOM OF ASSOCIATION

Ranhill's Collective Agreement provides employees the right to bargain collectively for wages and benefits. The Group respects the right to freedom of association in Malaysia which is provided for in the Trade Union Act 1959, Industrial Relations Act 1967 and Immigration Act 1956 / 63 of Malaysia.

As at 31 December 2020, Ranhill has 64% of its employees covered by collective bargaining agreements. Employees are constantly updated on their rights and Group Management continues to communicate actively with employees, including employee interest groups and unions.

Beyond remuneration, the collective bargaining agreements addresses healthcare and other benefits. Ranhill does not employ child labour.

Where possible, Ranhill has always sought to provide a minimum notice period for major operational changes towards reducing the impact of changes to employees work conditions and their daily lives.

EMPLOYEE MEDICAL TRUST FUND

The RanhillSAJ Medical Trust Fund ("MTF") is a special initiative provided by the subsidiary company to provide medical coverage for medical treatments that is not covered under the Group medical insurance scheme.

RanhillSAJ staff only need to contribute RM5 monthly to participate in the MTF while RanhillSAJ has contributed close to RM100,000 to the fund. Funds collected are managed by a selected committee who is responsible for providing cash disbursements as and when required by members. Monies are used to purchase supplementary vitamins and medical equipment such as weighing scales, blood pressure monitors, and glucose test kits for all members.

In FY2020, 78.5% of RanhillSAJ staff (1,746 employees) have subscribed to the MTF.

	FY2018	FY2019	FY2020
% of RanhillSAJ	74	76.6	78.5
Actual Number	1,650	1,748	1,746
Amount Disbursed (RM)	63,111	524,611.9	236,250

WORK LIFE BALANCE

In FY2020, the necessity to switch to work-from-home arrangements due to the COVID-19 pandemic has certainly disrupted the work life balance for many of Ranhill's staff.

Many usual employee recreational and social activities had to be cancelled or downscaled in FY2020. However, efforts have been made to hold such events online using virtual platforms. These include fitness classes, cooking classes, religious talks and various other activities.

Given that COVID-19 has impacted lifestyles, in general compelling people to stay indoors, Ranhill through GHR has encouraged staff to stay physically and mentally healthy by making time to exercise and to spend time with their families.

Under the R-Care programme, Ranhill held various virtual events using digital platforms for staff. In FY2020, over 32 hours of such events were held for staff across the year.

Inspirational Workplace & Culture

EMPLOYEE ENGAGEMENT – COMMUNICATION

Management has not neglected its duties to communicate regularly with staff. Perhaps, more so during a pandemic year, when employees are looking for guidance and support during a trying time.

While physical engagements such as townhalls and meetings were not conducted, Management replaced these with virtual communication channels such as virtual townhalls, meetings and others.

These proved successful with high attendance recorded at all sessions. At these sessions, management presented a macro perspective of the Group, the impact of external developments, the company's business strategies and its prospects and plans going forward.

Similar sessions were also conducted in cascading new SOPs and policies to employees. This included COVID-19 SOPs and the Group's anti-corruption and anti-bribery policies. Employees were encouraged to ask questions and seek clarification at all sessions, even to provide suggestions and feedback.

In addition, other communication channels such as the company Intranet, electronic memos and e-newsletter were also leveraged to engage with employees.

Employee Engagement Survey Results (Satisfaction Category)	FY2018 (%)	FY2019 (%)	FY2020 (%)
Ranhill Powertron	79	95.5	95
Ranhill SAJ Sdn Bhd	92.1	89	95.9
Ranhill Water Technologies	77	79	78
Ranhill Water Services	84	78	83

GRIEVANCE MECHANISM & PROCEDURES

Employees have full access to the Group's official grievance mechanism to express dissatisfaction or grouses with regards to any company related matter. While employees are encouraged to attempt to resolve issues informally, management unequivocally supports employees' rights to bring up issues via this official channel for redress or further action.

Employees are neither censured nor discouraged from using the grievance mechanism. The grievance is considered resolved if the matter is a) not referred to the highest authority or b) both the employee and his / her union representatives fail to attend any of the meetings that have been arranged at any stage of the grievance procedure.

In FY2020, there were zero cases of grievances.

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EMPLOYEE ENGAGEMENT – TRAINING & DEVELOPMENT

Ranhill continued to focus on developing the competencies of its staff, even during the pandemic year. In FY2020, by transitioning to online training mediums, a wide range of training and skills development programmes were conducted for employees.

Training programmes comprised professional and personal programmes, which included technical programmes, soft skills and others.

TRAINING KPI	FY2018	FY2019	FY2020
Total Training Budget	RM2,961,679	RM2,388,660	RM3,285,000
Average Training Spend Per Employee	RM983.00	RM780.00	RM561
Total Number of Training Hours	97,368	58,398	102,363
Average Training Hours Per Employee	32	19	33

Training is paid for via funds contributed to the Human Resources Development Fund (“HRDF”). In FY2020, we increased our utilisation of contributed funds by 70% for a total utilisation of RM394,916.

EMPLOYEE RECRUITMENT

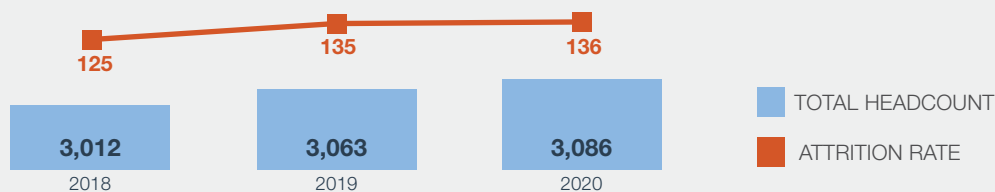
Ranhill’s workforce expanded by 6% in FY2020 on the back of 177 new hires. As at 31 December 2020, total workforce strength stood at 3,086. The Group continues to have a low attrition rate of just 4%.

Ranhill’s recruitment approach is centred on a culture of merit, whereby employees are hired based purely on their competence, skills, capabilities and experience for any job position within the Group.

The Group’s Code of Conduct and Business Ethics is aimed at fostering gender and ethnic diversity with clear stipulations that forbid discrimination, bias or favouritism based on demographic factors such as race, personal beliefs, gender and so on.

	2020				
	Ranhill Capital	RanhillSAJ	Ranhill Powertron	Ranhill Water Services	Ranhill Water Technologies
New Hires	23	41	5	103	5
Staff Attrition	21	75	5	28	1

Total Number of Employees and Turnover Rates



Inspirational Workplace & Culture

ORGANISATIONAL ACCULTURATION				
CHAIRMAN				
SPONSORS				
SECRETARIAT	LEAD	CAMPRO	SHARP	TAAT
Change Management Team	Learning & Development Team	Campaign & Promotion Team	SHARP Project	Tracking & Assessment Team
Roadmap & Timeline	Retraining	Weekly/Monthly Campaign	HRC Practices - Organisation - Functional	Tracking & Promoters & Facilitators
Tracking Sponsors	Counseling Member/Promoter	Newsletter & E-Newsletter	SHARP Project	Assessing Members
Reporting	Best-Practice Benchmarking	Communication Board & Bunting	SHARP Convention	Rewards & Recognition
Integrity & Discipline	Learning	Teamwork	Customer Oriented	Passion

Developing a high-performance culture is necessary to ensure the continued sustainability of the Group.

Towards this goal, Ranhill continues to invest in organisational cultural development towards reinforcing key corporate values and desired behaviours, while developing a conducive workplace that drives excellent performance.

As such, various strategic efforts were initiated in FY2020 to continue the acculturation process. This included continuing to cascade the HPC Group wide to all subsidiaries.

DIVERSITY & INCLUSIVITY

Ranhill is committed to fostering workplace diversity in its workforce. The value of diversity is that it allows the Group to benefit from varied perspectives and ideas. In today's globalised world, being able to tap the unique experiences of its workforce is an asset to a company.

Hence, the Group continues to seek individuals with varying skill sets and job experiences, even hiring talents not from the core business industries of water and energy operations.

At present, there remains a disproportion in terms of gender parity with male employees still constituting a large composition of the workforce. This is expected as water and energy operations, to a large extent, typically requires more labour intensive or field / on-site jobs which customarily are not preferred by many women.

However, both men and women are accorded equal opportunity to apply to any available job position with appointment based purely on merit.

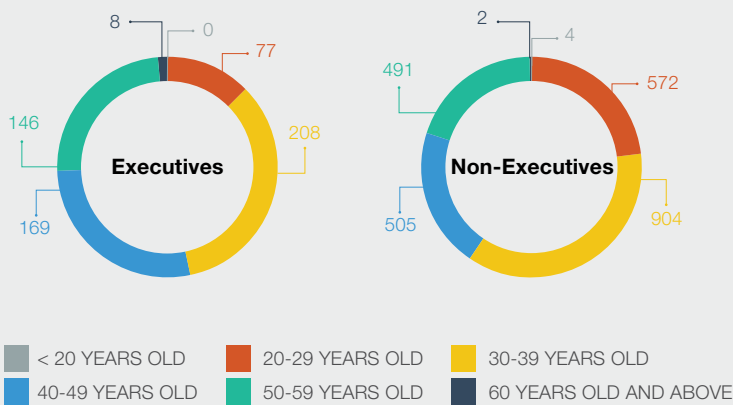
The disproportion between male and female employees is considerably lower when considering the employee gender profile for non-manual jobs such as office jobs.

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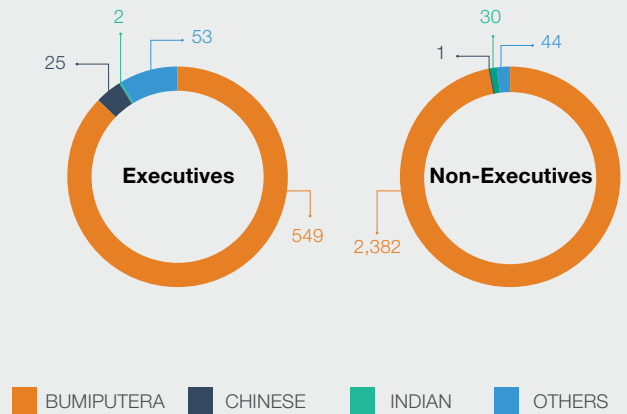
Employee Diversity (Gender)



Employee Diversity (Age Group)



Employee Diversity (Ethnicity)



Gender Breakdown of Workforce at Group Level



Ethnic Breakdown of Workforce at Group Level



Inspirational Workplace & Culture

SUCCESSION PLANNING

Ranhill in FY2020 has continued to focus on succession planning for key leadership and technical positions within the Group. The management approach to succession planning is spearheaded by the Leadership Development Centre (“LDC”), which comes under the purview of GHR.

In essence, two potential candidates are identified for each senior management position or for positions deemed essential to Group operations. Following is the progress of the Group’s succession planning programme in FY2020:

Title	No. of Candidates FY2018	No. of Candidates FY2019	No. of Candidates FY2020
Leadership Development Center (C-1)	21	21	24
Leaders Ready (C-2)	30	30	41
Leadership Potential Early Identifier	50	50	0

At the Company level, our various subsidiaries have or will be initiating their own leadership development programmes.



Succession planning is vital to ensure key leadership and technical positions within the Group.

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HEALTH & SAFETY

Occupational health and safety as well as public health and safety have always been important for Ranhill. More so in FY2020 as a COVID-19 pandemic year.

The Group’s response in creating a safe workplace for its employees and stakeholders in relation to COVID-19 impacts is provided in the Contributions Towards Social Wellbeing & Capacity Building: COVID-19 Prevention section of this report.

Hence, the following narrative will primarily touch on Ranhill’s health and safety issues, challenges and action plans in relation to its business and operations.

Occupational health and safety is of paramount importance to the Group. Our focus is to ensure a safe working environment for employees at all times. We are cognisant that excellent health and safety for our people as well as for the general public requires constant vigilance and effort. We strive to continuously improve our performance against a wide range of internal and external health and safety indicators.

IDENTIFIED IMPACTS / COSTS OF HEALTH AND SAFETY INCIDENTS

Health and safety is viewed as the Group’s license to operate. A poor track record in this aspect of its operations will not just cause financial and non-financial losses, but may also lead to injury, loss of life and disrupted operations. Frequent occurrence of health and safety incidents, be it serious or minor incidents may lead to the Group’s subsidiaries being regarded poorly, and thus having its operational licenses suspended or revoked permanently.

There are also issues of loss of public trust and stakeholder confidence, which must be regained. Damaged credibility may also impact business development activities both locally and abroad.

Hence, without a doubt, ensuring excellent health and safety performance is essential to value creation and is in the best interest of all stakeholders concerned.

BOARD OVERSIGHT ON HEALTH AND SAFETY

Given the importance of health and safety as aforementioned, Ranhill’s approach to managing this material topic is to ensure strong leadership oversight on health and safety matters.

The Board of Directors of the Group, as well as its subsidiary companies maintain oversight on all health and safety matters pertaining to their companies. This is achieved by regular reports being provided to the respective Board of Directors for their review. The reports provides health and safety related quantitative data such as the number of loss time injury (“LTI”), fatalities, injuries, near misses, non-compliance issues and other track health and safety KPIs.

The reports also provide qualitative information such as specific incident reports which contain pertinent details of major health and safety incidents such as the root causes of incidents and remedial / preventive action taken to reduce or eliminate future occurrences.

Ultimately, the Boards as the highest decision making body of their respective organisations, accept responsibility for health and safety performance. The Boards

and Senior Management may also conduct site visits and initiate investigations of their own into major health and safety incidents.

The designated senior leadership individual for oversight on health and safety matters is as follows:

RanhillSAJ	Chief Executive Officer
RWT	Chief Executive Officer
RWS	Chief Executive Officer
Ranhill Power	Chief Executive Officer

OPERATIONAL SITE CERTIFICATION

The Group adheres to the Occupational Health and Safety Assessment Series, (OHSAS 18001) certification with nine (9) locations under RanhillSAJ and two (2) locations under the energy division in compliance with the standard. At present, 19% of RanhillSAJ’s sites are certified, while both RPI and RPII continue to pursue their respective certification programmes.

Both RPI and RPII have obtained the ISO 9001:2015 standard for its power plant operations. Similarly, RWS has also been certified ISO 9001:2015. RWT was recertified to the latest ISO 9001:2015 standard by UKAS United Kingdom.

All Group companies continue to undertake quality and industry related certification programmes. More sites will be progressively certified going forward with plans to also obtain the ISO 45001 accreditation by March 2021.

Enhancing Governance Across The Group

WORKER REPRESENTATION ON JOINT HEALTH AND SAFETY COMMITTEES

All subsidiaries have established their respective HSE Committees with worker representation being a prerequisite. Health and Safety matters are jointly discussed with employees at all subsidiaries via the Committee.

At RanhillSAJ, meetings are held quarterly. In FY2020, health and safety committee meetings were held on 17 March, 15 October, 2 November and 7 December 2020.

For RWT, its HSE Committee consists of the HSE advisor, Management Representatives, HSE Representatives, HSE Coordinators and employees. RPI and RPII adopt a cross-functional approach with representatives selected from all departments to be part of their Committee.

Following are the percentages of our employees that have worker representation in formal joint management-worker health and safety committees:

SUBSIDIARY	2018 (%)	2019 (%)	2020 (%)
RanhillSAJ	5	6.6	6.9
RWS	1.3	12	9.2
RPI and RPII	31	22.1	8.7
RWT	2.4	2.9	12.5

HEALTH AND SAFETY PERFORMANCE – GROUP

Ranhill's health and safety performance is provided as a Group with all reported incidents from subsidiary companies aggregated. In FY2020, the Group's overall performance has improved. We continue to maintain an exemplary track record for health and safety as reflected across our KPIs given below:

Occupational Incident Case	2018	2019	2020
Fatality	0	0	0
Loss Time Injury	4	0	0
Incidence Rate	16.2	11.7	13.6
Frequency Rate	7.9	5.1	5.5
Severity Rate	11.1	0	0
Number of workers undergoing health surveillance (long convalescence)	0	0	0





In FY2020, Ranhill achieved Zero LTI cases for the second year in a row. The main factor in this achievement is the implementation of the Ranhill Rules of Life policy which has been introduced since 2019.

The policy has been the main driver in making health and safety an intrinsic part of the work culture of staff and sub-contractors. In addition, Ranhill has recorded 6,847,824 hours without LTI for 2020 and the cumulative man-hours without LTI stood at 14,008,273 hours from the last LTI case on 12 December 2018.

Business Overview	●	Contribution Towards Social Wellbeing & Capacity Building	●
Performance Review	●	Inspirational Workplace & Culture	●
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Environmental Awareness & Preservation	●		

CONTINUAL IDENTIFICATION AND ASSESSMENT OF HIGH RISK LOCATIONS & MITIGATION MEASURES

All subsidiary companies practice a Hazard Identification, Risk Assessment & Risk Control (“HIRARC”) methodology to ensure that risks are identified, mitigated and reduced if not eliminated. In FY2020, Ranhill has identified the following operational locations and processes as being of higher risk:

RANHILL CAPITAL	RANHILLSAJ	RWS	RWT	RPI and RPIL
<ul style="list-style-type: none"> Physical hazards due to noise, vibration and fallen particles from ceilings due to constant renovation at headquarters The biological hazards e.g COVID-19 pandemic 	<ul style="list-style-type: none"> Chlorine installation and chlorine leaks Working at height Diving works Confined space activities Drowning while working at dams and reservoirs Struck by falling objects Traffic accidents when working by road sides or high traffic areas 	<ul style="list-style-type: none"> Working in high and confined spaces Excavation work 	<ul style="list-style-type: none"> Confined space activity especially during inner pipe welding activity Noise hazard at pump areas Chemical hazard such as Ammonia, Chlorine and Caustic Soda Deep excavation work for pipe laying and tee off Working at height for roof installation, solar panel installation and tank construction Scaffold work activity especially to support loads such as concrete slabs Heavy lifting activity High voltage activity Biological hazard 	<ul style="list-style-type: none"> Electrical switching activities Working in “online” conditions Lifting activities Working at height Working at transformer area Confined space activities Manual handling of hazardous chemicals

On a related note, all third-party contractors must submit a Safe Work Method Statement (“SWMS”) prior to undertaking high-risk works. The Group also practices a Permit To Work (“PTW”) system. All contractors must display their PTW prior to undertaking any works. PTWs are only issued if a contractor has clearly presented his SWMS, which include precautionary measures taken to mitigate and reduce health and safety risks.




Enhancing Governance Across The Group

HEALTH AND SAFETY RELATED TRAINING

Health and safety related training remains a key component in the overall management approach to maintain high standards and reducing worker related incidents. Following is a list of courses that was organised by Ranhill or in which staff attended. All expenses related to these courses were borne by the Group or the relevant subsidiary company.

TOTAL BUDGET SPENT FOR HEALTH AND SAFETY RELATED TRAINING IN MALAYSIA

RanhillSAJ	RWS	RWT	RPI and RPII
<ul style="list-style-type: none"> • Ceramah Keselamatan Jalan Raya Organised by Jabatan Pengangkutan Jalanraya ("JPJ") • MS 45001:2018 Occupational Health And Safety Management System (Internal Auditing) • Safe Handling Chemicals • Initial Ergonomics Risk Assessment: Ergonomics Trained Person ("ETP") • Ranhill's Rules of Life & Safe Method Statement Guidelines • Emergency Response Plan & Crisis Management (Pasca COVID-19) • Emergency Response Plan Revision Workshop 4 	<ul style="list-style-type: none"> • ISO 45001:2008 Awareness Programme • Ranhill Rules of Life Refresher • Authorised Entrance & Standby Person ("AESP") for Confine Space (New & Refresher Course) • Authorised Gas Tester & Entry Supervisor ("AGTES") for Confine Space (New & Refresher Course) • Working at Height • Traffic Management Officer • COVID-19 Management Standard Operating Procedure • Forklift Safe Driving • Continual Education Programs (CEP for SHO) 	<ul style="list-style-type: none"> • Oil & Gas Safety Passport 	<ul style="list-style-type: none"> • Confine Space Rescue Emergency Response Team ("ERT") • Pandemic Disease Handling at Workplace • Personal Protective Equipment ("PPE") Training • AESP Refresher Training



	FY2018	FY2019	FY2020
Malaysia (RM)	366,972.90	441,453.80	106,849.20
Thailand (THB)	44,000	71,771.50	22,140

Business Overview	●	Contribution Towards Social Wellbeing & Capacity Building	●
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PUBLIC HEALTH AND SAFETY

In terms of its water operations, the quality of water supplied is the key health and safety concern. RanhillSAJ has achieved full compliance with SPAN’s KPIs for water quality.

Likewise, RWT has also continued to achieve full regulatory compliance for its water operations in terms of water quality and the operations of its WTPs and WWTPs in Thailand.

Ranhill’s two power plants’ potential health and safety risks are fires or explosions that may spread to the surrounding vicinity. The company has developed prevention plans for this as well as a SOP in the event of such incidents. As such, the risk of this remains minuscule.

In FY2020, there were zero public health and safety incidents.

CUSTOMER ENGAGEMENT

RanhillSAJ continues to engage its customers via its annual survey. Results of the survey show that customer satisfaction levels remain high and on an uptrend.

Customer service and satisfaction is driven by RanhillSAJ’s Quality Management System (“QMS”) ISO 9001:2015 certification. The QMS provides a formalised approach to enhancing customer satisfaction. This includes a structured methodology to develop related systems and approaches as well as documentation towards systemising customer satisfaction as part of RanhillSAJ’s business operations and processes.

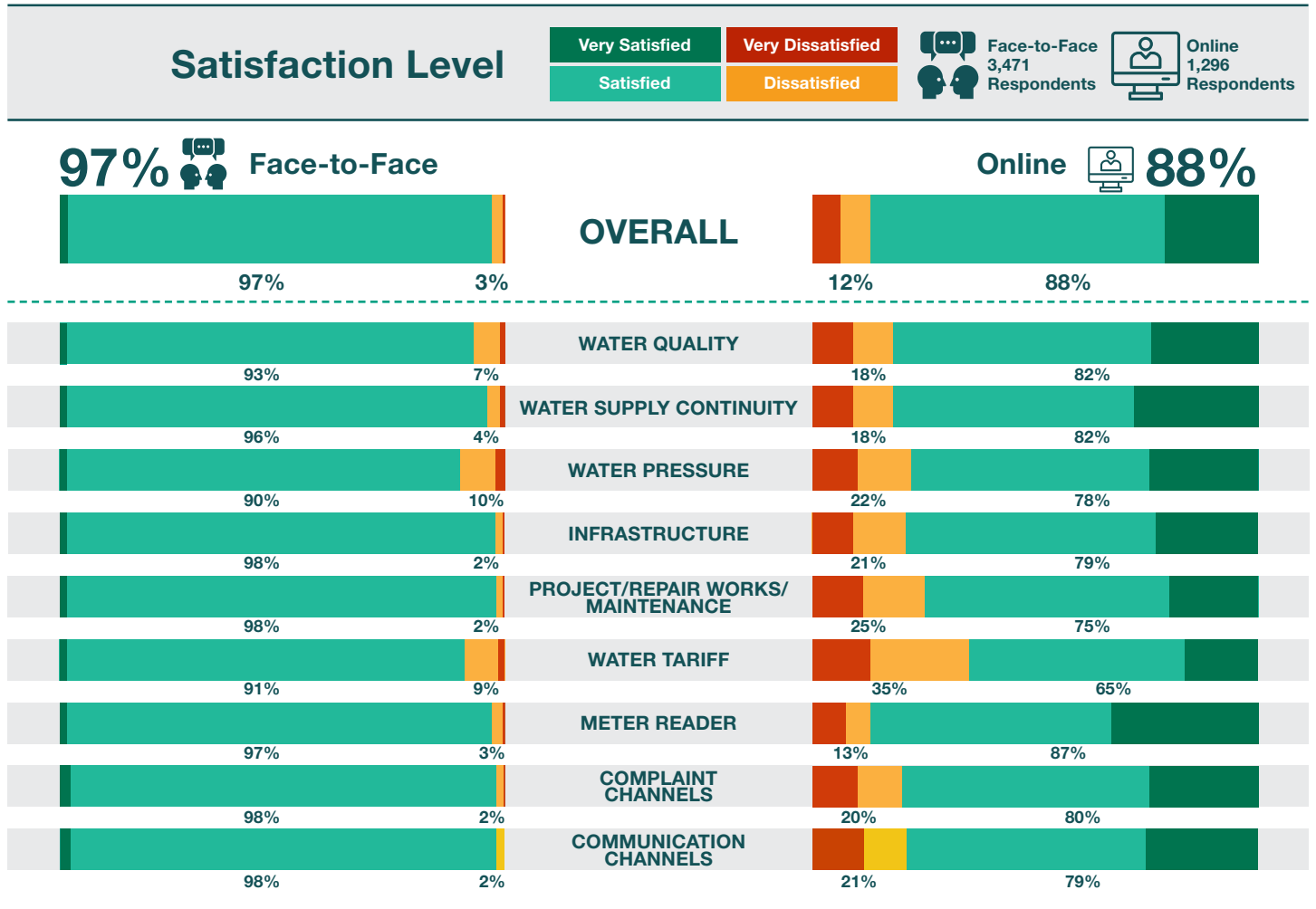


Customer service and satisfaction is driven by RanhillSAJ’s Quality Management system (QMS) ISO 9001:2015 certification.

Enhancing Governance Across The Group

In addition, the Customer Service Department has been certified to ISO 27001:2013 Information Security Management System, which attests to the department's systematic and secure approach to manage customer information.

FY2020 Customer Satisfaction Survey Results



Source: RanhillSAJ Customer Survey 2020 by Sage Consulting.

Ranhill Data Table

WORKPLACE			
Description	2018	2019	2020
Employees			
Total Number	3,012	3,063	3,086
Permanent	2,877	2,902	2,837
Contract	135	161	249
New Hires	146	185	177
% of New Hires Who Attended The Onboarding Programme	100%	100%	100%
Staff Attrition	125	135	136
Diversity			
Bumiputera	2,739	2,796	2,931
Chinese	30	25	26
Indian	44	37	32
Others	199	205	97
Region / Nationality			
Local	2,922	2,966	2,976
Other Nationality	90	97	110
Gender			
Male	2,509	2,558	2,570
Female	503	505	516
Age Group			
<30	619	874	644
30-50	1,796	1,521	1,773
>50	597	668	669
Composition of Governance (Board), by Gender			
Male	6	6	6
Female	2	2	2

Ranhill Data Table

WORKPLACE			
Composition of Governance (Top Management), by Gender			
Male	4	15	15
Female	0	3	3
Composition of Governance (Board), by Age Group			
<30	0	0	0
30-50	1	1	1
>50	7	7	7
Composition of Governance (Top Management), by Age Group			
<30	0	0	0
30-50	3	6	7
>50	1	12	11
Proportion of senior management hired from the local community as significant locations of operation	100%	100%	100%
Women in Management			
Top Management (Vice President and above)	3	3	3
Senior Management (Assistant General Manager, General Manager, Senior General Manager)	1	2	2
Middle Management (Assistant Manager to Senior Manager)	44	52	69
Employee Participation in Training			
Training Hours - Male	78,686	43,601	80,475
Training Hours - Female	18,682.3	14,797	21,888
Total Spent	RM2,961,679	RM2,388,660	RM1,732,139
Average Training Spent per Employee	RM983.28	RM780	RM561
Average Number of Training Hours per Employee	32.3	19	33
Performance Review Towards Career Enhancement			
Employees who are formally appraised (annually)	100%*	100%	100%
One-on-one performance review for year-end evaluation	100%*	100%	100%

WORKPLACE			
Occupational Safety and Health (OSH)			
Fatalities	0	0	0
Lost Time Injury (LTI)	4	0	0
Incidence Rate	16.2	11.7	13.6
Frequency Rate	7.9	5.1	5.5
Severity Rate	11.1	0	0
Work Related Injuries	4	0	3
Number of workers undergoing health surveillance (long convalescence)	0	0	0
Total employees covered by collective bargaining agreements	64.2%**	63.1% **	64%
Employee Engagement Survey Results (Satisfaction Category)			
1) Ranhill Powertron	79%	95.5%	95%
2) Ranhill SAJ Sdn Bhd	92.1%	89%	95.9%
3) Ranhill Water Technologies	77%	100%	78%
4) Ranhill Water Services	84%	78%	83%
Non-Discrimination			
Number of incidents of discrimination during the reporting period	0	0	0
Customer Privacy			
Number of substantiated complaints received concerning breaches of customer privacy	0	0	0

GRI STANDARDS CONTENT INDEX

This report has been prepared in accordance with the GRI Standards: Core option.

Note:

* Based on employee who are eligible to participate in the year-end appraisal

** Applicable to RanhillSAJ

GRI Standards Content Index

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Reference/Link	Omission		
				Part Omitted	Reason	Explanation
GRI 101: Foundation 2016						
General Disclosures						
GRI 102: General Disclosures 2016	Organizational profile					
	102-1 Name of the organization	Cover Page	Cover Page			
	102-2 Activities, brands, products, and services	Page 3	Ranhill Fact Sheet			
	102-3 Location of headquarters	Page 4-5	Our Presence			
	102-4 Location of operations					
	102-5 Ownership and legal form					
	102-6 Markets served					
	102-7 Scale of the organization					
	102-8 Information on employees and other workers	Page 49-58	Inspirational Workplace & Culture			
	102-9 Supply chain	Page 46	Developing Local Industry Via Local Procurement			
	102-10 Significant changes to the organization and its supply chain	Not Applicable	No significant changes reported			
	102-11 Precautionary Principle or approach	Page 61	Continual Identification and Assessment of High Risk Locations & Mitigation Measures			
	102-12 External initiatives	Page 9-10	About This Report			
	102-13 Membership of associations					
	Strategy					
102-14 Statement from senior decision-maker	Page 7-8	Message From The President and Chief Executive				
102-15 Key impacts, risks, and opportunities	Page 11-14	Management's Approach to Sustainability				
Ethics and integrity						
102-16 Values, principles, standards, and norms of behavior	Page 2	Our Vision, Our Mission, Our Values				
102-17 Mechanisms for advice and concerns about ethics	Page 15-17	Sustainability Governance & Leadership				

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Reference/Link	Omission		
				Part Omitted	Reason	Explanation
GRI 101: Foundation 2016						
General Disclosures						
GRI 102: General Disclosures 2016	Governance					
	102-18 Governance structure	1) Page 89-101, 2) Page 15-17	1) Annual Report FY2020: Corporate Governance Overview Statement 2) Sustainability Report 2020: Sustainability Governance and Leadership			
	102-19 Delegating authority					
	102-20 Executive-level responsibility for economic, environmental, and social topics					
	102-21 Consulting stakeholders on economic, environmental, and social topics					
	102-22 Composition of the highest governance body and its committees					
	102-23 Chair of the highest governance body					
	102-24 Nominating and selecting the highest governance body					
	102-25 Conflicts of interest					
	102-26 Role of highest governance body in setting purpose, values, and strategy					
	102-27 Collective knowledge of highest governance body					
	102-28 Evaluating the highest governance body's performance					
	102-29 Identifying and managing economic, environmental, and social impacts			Page 21-23	Materiality	
	102-30 Effectiveness of risk management processes	Page 106 – 108	Annual Report FY2020: Statement on Risk Management and Internal Control			
	102-31 Review of economic, environmental, and social topics	Page 21-23	Materiality			
	102-32 Highest governance body's role in sustainability reporting	Page 15-17	Sustainability Governance & Leadership			
102-33 Communicating critical concerns	Page 21-23	Materiality				
102-34 Nature and total number of critical concerns						

GRI Standards Content Index

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Reference/Link	Omission		
				Part Omitted	Reason	Explanation
GRI 101: Foundation 2016						
General Disclosures						
GRI 102: General Disclosures 2016	Governance					
	102-35 Remuneration policies	Page 89-101 and standalone CG Report	Annual Report FY2020: Corporate Governance Overview Statement and Corporate Governance Report			
	102-36 Process for determining remuneration					
	102-37 Stakeholders involvement in remuneration					
	102-38 Annual total compensation ratio					
	102-39 Percentage increase in annual total compensation ratio					
	Stakeholder engagement					
	102-40 List of stakeholder groups	Page 18-19	Stakeholder Engagement			
	102-41 Collective bargaining agreements					
	102-42 Identifying and selecting stakeholders					
	102-43 Approach to stakeholder engagement					
	102-44 Key topics and concerns raised					
	Reporting practice					
	102-45 Entities included in the consolidated financial statements	Page 3-17	Annual Report FY2020: Business Overview			
	102-46 Defining report content and topic Boundaries	Page 9-10	About This Report			
	102-47 List of material topics	Page 21-23	Materiality			
	102-48 Restatements of information	Page 18-19	Stakeholder Engagement			
	102-49 Changes in reporting	Page 21-23	Materiality			
	102-50 Reporting period	Page 9-10	About This Report			
	102-51 Date of most recent report					
	102-52 Reporting cycle					
	102-53 Contact point for questions regarding the report					
	102-54 Claims of reporting in accordance with the GRI Standards					
	102-55 GRI content index	Provided at the end of SR2020	GRI Standards Content Index			
	102-56 External assurance	Not Applicable	External Assurance was not obtained for the SR2020			

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Reference/Link	Omission		
				Part Omitted	Reason	Explanation
Material Topics						
GRI 200 Economic Standard Series						
Economic Performance						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 18-49	Annual Report FY2020: Performance Review			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed					
	201-2 Financial implications and other risks and opportunities due to climate change	Page 7-8	Message From The President and Chief Executive			
	201-3 Defined benefit plan obligations and other retirement plans	Page 50-52	Inspirational Workplace & Culture: Employee Remuneration			
	201-4 Financial assistance received from government	Not Applicable	No financial assistance received from government.			
Market Presence						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 18-49	Annual Report FY2020: Performance Review			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Page 50-52	Inspirational Workplace & Culture: Employee Remuneration			
	202-2 Proportion of senior management hired from the local community	Page 88	Annual Report FY2020: Governance - Key Senior Managements' Profile			
Indirect Economic Impacts						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1) Page 3-17, 2) Page 46	1) Annual Report FY2020: Business Overview 2) Indirect Economic Value Created			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported					
	203-2 Significant indirect economic impacts					

GRI Standards Content Index

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Reference/Link	Omission		
				Part Omitted	Reason	Explanation
Material Topics						
GRI 200 Economic Standard Series						
Procurement Practices						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1) Page 17, 2) Page 46	1) Strong Anti-Corruption Stance 2) Developing Local Industry Via Procurement			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers					
Anti-corruption						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 15-17	Sustainability Governance & Leadership			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption					
	205-2 Communication and training about anti-corruption policies and procedures					
	205-3 Confirmed incidents of corruption and actions taken					
GRI 300 Environmental Standards Series						
Energy						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1) Page 24-26, 2) Page 40	1) Circular Economy 2) Total Energy Consumption			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 302: Energy 2016	302-1 Energy consumption within the organization					
	302-2 Energy consumption outside of the organization					
	302-3 Energy intensity					
	302-4 Reduction of energy consumption					
	302-5 Reductions in energy requirements of products and services					

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Reference/Link	Omission			
				Part Omitted	Reason	Explanation	
Material Topics							
GRI 300 Environmental Standards Series							
Water							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1) Page 24-26, 2) Page 29-31, 3) Page 37 and 4) Page 38	1) Circular Economy 2) Preserving Water Resources, 3) RanhillSAJ Water Consumption, 4) Water Consumption for Power Operations				
	103-2 The management approach and its components						
	103-3 Evaluation of the management approach						
GRI 303: Water 2016	303-1 Water withdrawal by source						
	303-2 Water sources significantly affected by withdrawal of water						
	303-3 Water recycled and reused	Page 24-26	Circular Economy				
Biodiversity							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 41	Biodiversity				
	103-2 The management approach and its components						
	103-3 Evaluation of the management approach						
Emissions							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 38-39	Greenhouse Gas Emissions				
	103-2 The management approach and its components						
	103-3 Evaluation of the management approach						
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions						
	305-2 Energy indirect (Scope 2) GHG emissions						
	305-3 Other indirect (Scope 3) GHG emissions						
	305-4 GHG emissions intensity						
305-5 Reduction of GHG emissions							
305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions							

GRI Standards Content Index

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Reference/Link	Omission		
				Part Omitted	Reason	Explanation
Material Topics						
GRI 300 Environmental Standards Series						
Effluents and Waste						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 41	Waste Management			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 306: Effluents and Waste 2016	306-1 Water discharge by quality and destination					
	306-3 Significant spills					
	306-4 Transport of hazardous waste					
	306-5 Water bodies affected by water discharges and/or runoff	Page 30-31	Addressing and Preventing Water Pollution			
Environmental Compliance						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 41	Environmental Non-Compliance			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations					
GRI 400 Social Standards Series						
Employment						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 49-58	Inspirational Workplace & Culture			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 55	Inspirational Workplace & Culture: Employee Recruitment			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 50-52	Inspirational Workplace & Culture: Employee Remuneration			
	401-3 Parental leave					

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Reference/Link	Omission		
				Part Omitted	Reason	Explanation
Material Topics						
GRI 400 Social Standards Series						
Labor/Management Relations						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1) Page 53, 2) Page 54	1) Inspirational Workplace & Culture: Collective Bargaining and Freedom of Association 2) Inspirational Workplace & Culture: Grievance Mechanism & Procedures			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes					
Occupational Health and Safety						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 59-64	Enhancing Governance Across the Group			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 403: Occupational Health and Safety 2018	403-1 Workers representation in formal joint management-worker health and safety committees					
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities					
	403-3 Workers with high incidence or high risk of diseases related to their occupation					

GRI Standards Content Index

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Reference/Link	Omission		
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Material Topics						
GRI 400 Social Standards Series						
Training and Education						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 55	Inspirational Workplace & Culture: Employee Engagement – Training & Development			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 52	Inspirational Workplace & Culture: Employee Appraisals			
	404-2 Programs for upgrading employee skills and transition assistance programs					
	404-3 Percentage of employees receiving regular performance and career development reviews					
Diversity and Equal Opportunity						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 56	Inspirational Workplace & Culture: Diversity & Inclusivity			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 80-87	Annual Report FY2020: Board of Directors Profile			
Non-discrimination						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 56	Inspirational Workplace & Culture: Diversity & Inclusivity			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken					

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Reference/Link	Omission		
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Material Topics						
GRI 400 Social Standards Series						
Freedom of Association and Collective Bargaining						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 53	Inspirational Workplace & Culture: Collective Bargaining and Freedom of Association			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
Child Labor						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 50	Inspirational Workplace & Culture: Compliance to Local Laws & Legislation			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor					
Forced or Compulsory Labor						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 50	Inspirational Workplace & Culture: Compliance to Local Laws & Legislation			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					

GRI Standards Content Index

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Reference/Link	Omission		
				Part Omitted	Reason	Explanation
Material Topics						
GRI 400 Social Standards Series						
Local Communities						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 42-48	Contribution Towards Social Wellbeing & Capacity Building			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs					
	413-2 Operations with significant actual and potential negative impacts on local communities					
Customer Health and Safety						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1) Page 29-31, 2) Page 32-34	1) Environmental Awareness and Preservation: Preserving Water Resources 2) Regulatory Compliance (Malaysia and Thailand Water Operations)			
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories					
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services				Zero incidents reported in FY2019	

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