

Corporate Responsibility

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Putrajaya Perdana Berhad emphasizes the importance of positively contributing to our essential environment which involves the marketplace, workplace, environment and community.

We adopted the Japanese kaizen which advocates that we apply the principles of continuous improvement to every level of our CR implementation.

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CORPORATE RESPONSIBILITY POLICY

We look to the following principles to guide us in our daily operations in order to fulfill our role as a responsible corporate citizen. We have also in place Corporate Governance, Risk Management, Quality, Environment and Health & Safety Policy to manage and support our CR practices.

RELIABLE MARKETPLACE PRACTICES

- We are committed to complying with legal and regulatory requirements in all our activities, and we strive for continuous improvement in all our business practices.
- We actively promote a strong, healthy and safe culture within our supply chain, ensuring a safe and conducive working environment at all our project sites and the places where our employees and other business associates work.
- We promote sustainable construction and design

in our work to minimise any negative impact on the environment and society.

- We endeavor to engage actively with all stakeholders by anticipating and satisfying stakeholders' needs, engaging in ethical procurement practices, and continuing to deliver and create value for our shareholders.

FAIR WORKPLACE PRACTICES

- We uphold equal opportunities in all areas of work opportunities.
- We are committed to improving the quality of life of our employees through good remuneration packages, staff benefits and personal development programmes.
- We strive to cultivate and maintain a conducive working environment and healthy working culture at all times.
- We practice open-door communication between employees and management.



Corporate Responsibility (cont'd)



SUSTAINABLE ENVIRONMENT PRACTICES

- We seek to protect and preserve the environment by promoting and maintaining best practices in our activities.
- We reduce waste through 3R (Reuse, Reduce and Recycling) whenever possible to enhance our waste management practices.
- We promote energy efficiency and sustainable development in all our products and services to reduce global carbon footprint.
- We take into consideration the value of all biodiversity within our construction sites to minimise any impact on the fauna and flora within the area.

IMPACTFUL COMMUNITY PRACTICES

- We are committed to undertaking philanthropic efforts among the communities we operate in by supporting them in terms of monetary means and in kind with the overall aim of elevating their lives.
- We are involved in upgrading the standard of living of the community around our office and work sites via a structured community programme.

OUR COMMITMENT TOWARDS HEALTH & SAFETY ("H&S")

We strongly believe that Health & Safety ("H&S") has become a vital part of our organization as our key business, which is structural construction, is a dangerous working environment, and therefore H&S is given the highest priority in our operations.

The management has openly accepted full responsibility of providing a safe working environment to our employees. At the same time, employees are expected to take full responsibility of working in accordance with the H&S standards and practices set by the Group and

monitored by our H&S Committee.

At PPB, we believe that we need to work as a team to ensure safety and health. Therefore, the Group emphasizes on the 5-S Practice endorsed by SIRIM and I5SA where everyone has a role to play in promoting safety and health at the workplace and taking every reasonable measure to assure safe working environment. Our H&S Committee continuously play a critical role in introducing and improving safety measures to minimize workplace hazards. Trainings and workshops on tool and machinery handling are carried out extensively at all construction sites to ensure proper handling of equipment to reduce possibility of injuries.

Management also regularly conduct Site Safety Audits, Hazard Identification Risk Assessment Determining Control ("HIRADC") and quarterly meetings on H&S related problems to ensure that H&S issues were given immediate attention and resolved before any mishap takes place. All tools and machinery are also routinely checked and serviced to ensure they are in prime working condition to avoid injuries and also downtime.



H&S RELATED ACTIVITIES HELD IN 2013:

1. Company Health Safety Security Environmental Committee (CHSSEC) Meeting
2. Site Safety Assessment (modified from CIDB's SHASSIC)
3. Site Safety & Health Programme (eg. Induction, Tool Box, Fire Extinguisher Demo etc)
4. Training (eg. First Aider)
4. Internal Health & Safety Audit (combined with Q & E)
5. Management Review Board Meeting (combined with Q & E)

Corporate Responsibility (cont'd)



6. Health & Safety Audit by SIRIM (combined with Q & E)
7. 5-S Blue Belt Visit/Audit and 5-S Award (Quarterly)
8. 5-S Audit by Prof Sam /SIRIM (Westport and Ara-Greens)

OUR ENGAGEMENT WITH EMPLOYEES

In PPB, we value our employees' contribution towards the company's success. Just like any other service industry, having a talent with the right attitude and skills is the primary factor in successfully delivering of quality products within a given time.

Throughout 2013, our Human Resource Department had aggressively rolled out various trainings and internal communication activities to improve our employees' technical knowledge and to encourage closer communication between employees and management. Particular trainings and workshops were carried out to help our employees grow and move upward in their career path. Teambuilding activities were also arranged

to boost each employee's potential, increase self-confidence, trust amongst colleagues and readiness for new challenges.

HUMAN CAPITAL DEVELOPMENT

The company prides itself with its pool of talented and skilled workers, which produces a diversity of ideas and creativity at Putrajaya Perdana. It is this dynamic depth of ideas and expertise, ingrained at every level, which turns visions into reality and creates outstanding landmarks for our clients.

PPB also fosters a continuous learning culture. This was further enhanced with the Group-wide implementation of 5S in 2013. It is only through constant self-improvement and upgrading via trainings, workshops and seminars, that every employee can remain competitive in the market. We strongly believe that with this principle, the Group will have the added advantage to secure profitable projects which require skilled builders with advanced construction technology and expertise.

Corporate Responsibility (cont'd)



RECOGNISING EMPLOYEES CONTRIBUTIONS

Every effort contributed towards growing the Group will not pass unnoticed in PPB. Every employee's contribution in the area of Health & Safety, operational procedures, innovations and improvements for the betterment of the Group will be recorded and rewarded accordingly.

1. Good Action Awards ("GAA")

GAA is one of the most sought after employee awards in the Group. Besides the stringent qualifying procedure, this cash award is well-recognized for an employee's contributions towards the furtherance of the Group. It is judged based on 5 categories, Standard Based Management System including 5-S, People's Growth, Problem Solving and Innovation, Productivity and Service Excellence, Company Image and Branding.

For GAA 2013, a total of 30 nominations were received and three teams walked away with the first three prizes and another three with the consolation prizes.

2. Long Service Awards

PPB's history dates back to 1986, and over these years, the Group has grown leaps and bounds, strongly supported by a team of loyal employees who went through thick and thin to see the Group grow from a humble beginning to its current position as a premier builder especially in energy efficient buildings in the country.

Therefore, the Group continuously reward its staff who stayed by the Group all these years with a

Long Service Award. The award is given during Annual Dinner to staff who has served the Group for 20 long and dedicated years. For 2012, two employees received this award. To date, we have about 14 employees who have already served the Group for more than 20 years.

3. Non-utilization of Staff Medical Claims Award

PPB appreciates those employees who serve the company with their utmost effort and as such, the company awards RM300 cash to those who had never utilized their Staff Medical Claims.

4. Non-utilization of Medical Leave Award

To encourage the employees to give their full commitment, PPB offers the Non-utilization of Medical Leave Award to those employees who had never utilized their medical leave.

BUILDING A WORK-LIFE BALANCE CULTURE

We encourage our employees to practice a work-life balance to ensure their work productivity and health are both excellent. Realizing this, Kelab Sukan Putrajaya Perdana Berhad ("KSPPB") was formed to inculcate a work-life balance culture for the Group's employees.

It is the nature of the industry where the employees regularly work for long hours. By establishing this KSPBB, it is expected that the employees could use this as a platform for them to take a break from their daily routine and socialize with other colleagues.

KSPBB has organized several interactive and sport activities for all staffs in Head Office, Site Offices, and the neighborhood community.



Corporate Responsibility (cont'd)

ACTIVITIES BY KSPPB FOR YEAR 2013:-

Activity	Category	Number of participants (employees of PPB and external parties)
Trip to Sg Lembing	Employee Interaction	39
Chinese New Year Celebration	Employee Interaction	400
Bowling Tournament 2013	Sports	60
Hari Raya Celebration	Community and Employee Interaction	400
Annual Dinner 2013	Stakeholder Interaction	800
Group Exercises	Sports	20
Recycling Campaign	Environment Conservation	Company-wide
Trip to Sg Lembing	Employee Interaction	39
Chinese New Year Celebration	Employee Interaction	400

EMPLOYEE DIALOGUE

PPB organised its inaugural dialogue with employees in 2013 to receive the voices of grass-root employees. This is because the Group wanted to know the heartbeat of the employees besides creating a platform for the employees to convey and highlight their concern to the top management directly and have a better understanding of the Group's direction.

A series of group dialogues were organized at Head Office and Site Offices where Executive Chairman, Dato' Rosman Abdullah hosted the dialogues which covered employees' concerns and suggestions to move the Group forward.

BALANCE SCORECARD AWARENESS BRIEFING

On 11 November 2013, HR Department organized a Balance Scorecard Awareness Briefing, aimed to create awareness and common understanding of balance scorecard and to prepare for the focus groups on Key Performance Indicators (KPI) design.

In the briefing, PPB staffs were informed of the new objectives achieved during the recent "1 Vision, 1 Team" Management Retreat which includes the vision, mission, core values, goals and KPIs. The Corporate Scorecard across the four perspectives that PPB has set for the next three years were also clearly briefed to the employees.



Employee Dialogue with Executive Chairman

Corporate Responsibility (cont'd)



OUR COMMITMENT TOWARD STAKEHOLDERS AND COMMUNITY

PPB continues to play an active role in constant engagement with its stakeholders especially with its employees, customers and industry related organizations and authorities. Constant engagements with our stakeholders via formal and informal meetings enable us to exchange ideas, knowledge and technical know-how in the industry.

Besides, PPB has also established long tradition of social involvement, in particular through its corporate CR programmes to benefit the community and society in general. PPB has voluntarily taken up the responsibility to improve the livelihood of its surrounding community through various upgrading programmes such as improving the infrastructure of schools and charitable homes.

EASY TO ACCESS COMMUNICATION PLATFORMS FOR STAKEHOLDERS

PPB highly values the opportunity to communicate with our stakeholders and ensures that access to information that interests our stakeholders are easily available.

Although PPB is not a public-listed company, the Group continues to produce our annual report and half-yearly newsletters. These publications are aimed to regularly update our stakeholders' about the Group's progress.

Besides annual reports and newsletters, the Group also regularly maintains its website with the latest project updates, statistics, and activities.

Having a reputation of a premier green-builder, we are also frequently approached by undergraduates for interviews as part of their course curriculum. Besides the requests of responding to questionnaires, and interviews, we also frequently receive requests for field trips to assist their assignments and thesis requirements.

To improve communication with our business partners, employees, and surrounding community, PPB frequently organize corporate events such as the annual golf tournament, festive gatherings, annual dinner and other activities that bring our stakeholders together in an informal platform. We believe that through this informal setting, it further encourages sharing and exchanging of views and ideas.

Corporate Responsibility (cont'd)

ENGAGEMENTS WITH GOVERNMENT AND NGOS

PPB engages with the Government agencies and NGOs in the industry mainly through membership participations by its subsidiaries. Among them are CIDB, MBAM, MGBC and REDHA. Being an active member in these NGOs has given PPB many opportunities to share industry know-how and exchange technical ideas among each other.

As one of the 14 core founders in Malaysia Green Building Confederation (“MGBC”) back in 2007, PPB was involved in the development of the Green Building Index rating tool for Malaysian buildings. Prior to this,

PPB lobbied hard with Government agencies back in 2000 to build sustainable buildings for their offices. As a result, we delivered three iconic green buildings in the country for the Ministry of Energy, Green Technology and Water; Malaysian Green Technology Corporation; and Malaysian Commission of Energy respectively.

PPB also supported the 2012 quarterly survey conducted by Bank Negara. We believe that our contribution towards the questionnaire is important in helping Bank Negara to obtain a more concrete outlook of the construction sector including raw material prices, labor market and work progress for construction jobs.



Chinese New Year celebration

Corporate Responsibility (cont'd)

CARING FOR THE UNDERPRIVILEGED

As a corporate member of the community, PPB realizes that it has a responsibility to lend a hand to the less fortunate and to contribute towards a common good of our society. As such, it has never stopped giving back to the society as PPB recognized that investing in our own community is another great way to give back to those who have helped support our businesses.

1. PPB Home Adoption Programme

For 2013, PPB rendered support to three charity homes which houses orphanages, the elderly, and people with special needs. PPB has customized its support to these homes according to their individual needs such as daily provisions, premises upgrading and visitations to boost morale of the residents.

In early 2013 during Chinese New Year, PPB showered the House of Hope and Light with joy and laughter. This old folks' home which is located in Kajang had the ground floor area tiled up by PPB and its sub-contractor in the last quarter of 2012.

PPB also contributed RM5,000 for 40 underprivileged children at Pusat Jagaan Baitus Sakinah Wal Mahabbah, Kota Warisan, Selangor. This contribution will be used for the children's school expenses in 2014.



Corporate Responsibility (cont'd)

We also visited Pertubuhan Kebajikan Skizofrenia Malaysia to celebrate Father's Day with the patients. At the same time, PPB and its employees contributed various products mainly food items to meet their daily needs.

2. PPB School Adoption Programme

PPB initiated this programme in 2008 and has since contributed positively towards improving the infrastructure of the adopted schools. Besides that, the welfare of deserving and less fortunate students were also taken care of through financial aid which we hope to reduce the parents' financial burden so that these children can achieve better academic results through extra tuition classes, provided meals and transportation.



Contributions made towards the schools in 2013

Name of School	Description of Contributions made	Value of Contribution in Ringgit
SJK (T) Ladang West Country Barat, Kajang, Selangor	Sponsored transportation cost for Standard One underprivileged students	RM7,260
SJK © Chin Woo, Pudu, Wilayah Persekutuan	Sponsored a year's tuition classes fees for 16 Standard Six underprivileged students	RM7,200
SJK (T) Sungai Manggis, Banting, Selangor	Sponsored lunches to 16 Standard Six underprivileged students	RM5,520



Corporate Responsibility (cont'd)



ENHANCING EDUCATIONAL OPPORTUNITIES

1. PPB Scholarship

PPB upholds its belief in nurturing the young and giving opportunity to deserving Malaysian citizens to pursue higher education. Through its Scholarship Programme, PPB has helped many undergraduates to complete their higher education along the way. The scholarship also provides career opportunity for scholars to gain working experience at PPB and its subsidiary companies.

This Scholarship Award was first introduced in 2006 and to date, RM1.08 million has been awarded to almost 70 scholars. Successful scholars are selected among the local students with specific courses mainly Civil/Structural Engineering, Mechanical/Electrical Engineering, Quantity Surveying and Building/Construction Management. The students' families' financial background is also taken into account where priorities are given to those students who are financially challenged.



Corporate Responsibility (cont'd)



2. Industrial Training Programme

In 2013, a total of 64 interns were trained under the PPB Internship Programme. These undergraduates who were mainly Year 3 students pursuing courses related to the construction industry such as civil engineering, quantity surveying and mechanical and electrical engineering were guided by appointed seniors at project sites throughout the programme.

3. Examination Excellence Reward Programme

This programme is to reward children of PPB's employees who performed outstandingly in UPSR, PMR, SPM and STPM (or similar). The Group realizes that it is also important to support and reward the children of our own employees. The Group hopes with such reward, it will drive the parents to put more effort in nurturing their children to become high-valued citizens. For FY2013, a total of 16 students received the reward.

