

Sustainability Report

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ABOUT THIS STATEMENT

(GRI 102-1; GRI 102-3; GRI 102-4; GRI 102-13; GRI 102-46;
GRI 102-52; GRI 102-53)

Eupe Corporation Berhad ("Eupe" or "the Group") proudly presents this sustainability statement for the fiscal year ended 28 February 2022 ("FY2022"). It covers the progress the Group has made and the challenges we have identified and addressed to strengthen ESG performance across our operations.

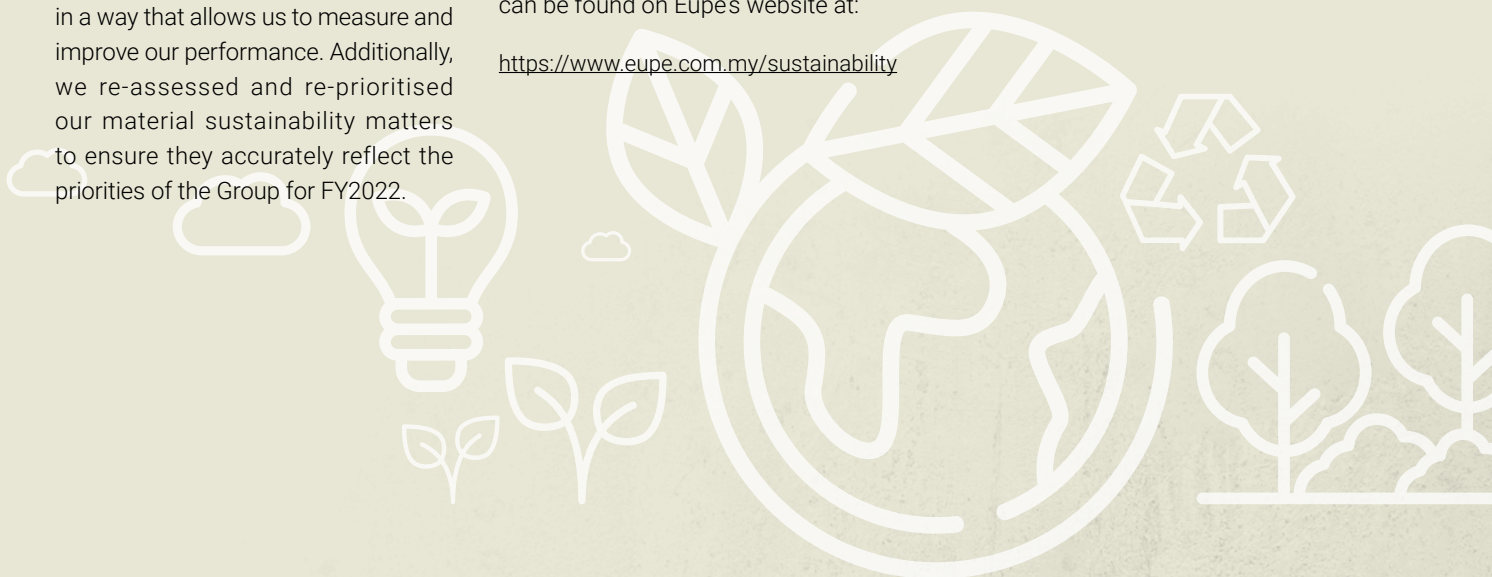
As Malaysia's economy moves towards the recovery phase from the impacts of COVID-19 and associated movement restrictions, we remain committed to creating long-term value for our stakeholders and the communities in which we operate. Sustainability is an integral practice to creating lasting environmental, economic and social value and this year, to further embed accountability and transparency into our environmental, social and governance ("ESG") performance, we have developed a set of Key Performance Indicators ("KPIs"), based on four key focus areas selected by our Board of Directors. These KPIs allow us to further focus on sustainability efforts in a way that allows us to measure and improve our performance. Additionally, we re-assessed and re-prioritised our material sustainability matters to ensure they accurately reflect the priorities of the Group for FY2022.

As this report outlines, all our efforts align with Eupe's ongoing *Sustainability Plus* strategy - an integrated platform of sustainability goals and objectives developed by the Group since 2015 - which in turn sets the framework for our specific ESG initiatives and achievements that are set out in this report.

This year, Eupe took the opportunity to update and expand its *Sustainability Plus* strategy, following the previous update in 2017. The updated strategy remains organised around our two overarching sustainability principles, Sustainable Eco-Design and Building Strong Communities. However, in response to the COVID-19 pandemic, the revised strategy incorporates COVID-safe principles and practices into our Healthy Air framework (part of the Sustainable Eco-design principle) that we have utilised into the design of two of our major Klang Valley developments, namely Parc3 and Est8.

The 2022 *Sustainability Plus* strategy can be found on Eupe's website at:

<https://www.eupe.com.my/sustainability>



Reporting Boundaries & Scope

As part of our ongoing commitment to strengthening Eupe's sustainability governance practices, the Group has also this year expanded the scope of reporting to include Eupe's Northern Region Property Sector projects located in Sungai Petani, Kedah. The ESG disclosures in this statement cover the following entities as well as our major KL projects:

- i. **Offices: Headquarters** ("HQ") in Sungai Petani as well as the Klang Valley office
- ii. **Property Sector (Central Region):** Novum, Parc3, Est8, and Helix2¹ in Kuala Lumpur
- iii. **Property Sector (Northern Region):** Astana Park Homes, Puncak Surya, Padang Serai, and Cinta Sayang Resort Villas in Kedah²
- iv. **Hospitality Sector:** Cinta Sayang Resort in Kedah



Reporting Framework

This statement has been prepared in accordance with the Bursa Malaysia Securities Main Market Listing Requirements with reference to the 2nd Edition Sustainability Reporting Guide issued by Bursa Securities. The statement is also guided by the reporting standards set by the Global Reporting Initiatives ("GRI") as well as our support for the United Nations Sustainable Development Goals ("UN SDGs" or "SDGs") which form part of our reporting framework.

Feedback

We welcome feedback, and if you have any questions or concerns regarding matters disclosed in this statement, please contact:

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Accessibility

This statement forms part of our Annual Report which can be accessed on our corporate website: <http://www.eupe.com.my> in the "Investor Relations" section.

¹ Disclosures on Helix2 are limited to the Design and Innovation, and Affordability sections of this report.

² Disclosures on Northern Projects are included in general disclosures for the Group and in raw materials data. Moving forward, we are working to improve data collection capacity from the Northern Projects.

SUSTAINABILITY HIGHLIGHTS

FY2022 Highlights



Introduced **KPIs** to give clear, specific and measurable ESG goals to improve the Group's sustainability performance



Parc3 awarded the **Best Sustainable High Rise Development** at iDEA 2021



Donated over **RM150,000** to community development mainly through food aid and monetary support



Achieved **100%** local procurement throughout the Group's operations



Established a **Sustainability Framework** which serves as a blueprint in managing our ESG risks and opportunities



Zero whistleblowing, bribery or corruption cases reported for FY2022



Enhanced **risk mitigation mechanism** to control project impacts



Digitalised Cinta Sayang Resort's promotion campaigns



Zero lost time injury recorded for the Group in this reporting year



Realignment of job grades to **streamline rewards** and **employee communication**

Awards and Recognition



Eupe's Association Memberships

(GRI 102-13)

REHDA Malaysia

Real Estate & Housing
Developers Association

FIABCI Malaysia

International Real Estate
Federation

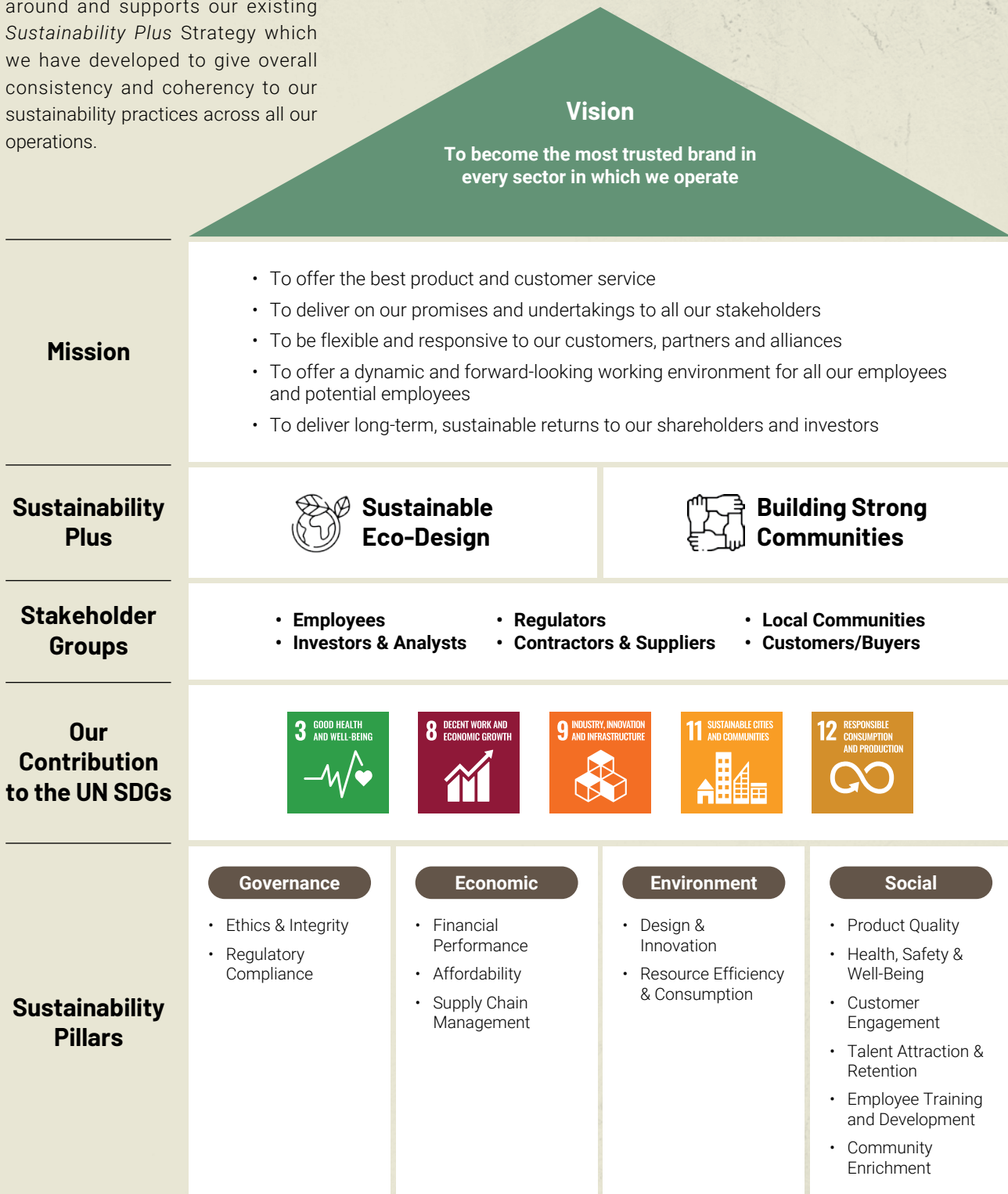
CIDB

Construction Industry
Development Board

OUR APPROACH TO SUSTAINABILITY

Sustainability Framework

To illustrate the connectedness of our sustainability objectives, our UN SDG contributions, as well as our Group Mission, we have established the following sustainability framework. This framework has been built around and supports our existing *Sustainability Plus* Strategy which we have developed to give overall consistency and coherency to our sustainability practices across all our operations.



Sustainability Strategy

At Eupe, we integrate eco-friendly designs into our residential projects that seek to create natural living environments that also have a positive impact on surrounding communities. With this in mind, we have developed our “Shared Value” philosophy, which is at the core of our *Sustainability Plus* approach. Our *Shared Value* philosophy dictates us taking less so that we can give more - to the planet, to our buyers and to communities.

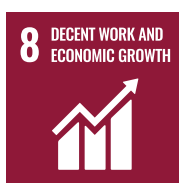
Our *Sustainability Plus* approach is comprised of two main principles; **Sustainable Eco-Design** and **Building Strong Communities**. We apply these principles in our sustainable green building design and construction, as well as in the governance and management of our business operations. For more information on *Sustainability Plus*, please refer to the relevant section of our website: <https://www.eupe.com.my/sustainability>

Our Contribution to the UN SDGs

In addition to our *Sustainability Plus* approach, we adopted the United Nations Sustainable Development Goals for the first time in FY2020. The Group remains fully committed to contributing positively towards the global targets set for these 17 goals. We have identified five UN SDG goals that are particularly relevant to our operations and targets we can achieve by leveraging our *Sustainability Plus* strategy.



- Zero lost-time injuries reported this year, showcasing our strong OHS systems and policies.
- All properties are designed with an emphasis on the mental and physical health of our residents with shared green spaces for meditation, exercise and social gatherings.
- Our residential developments are designed with a range of COVID-19 safe design features to protect our residents.
- Due to the pandemic, many of our operations shifted to virtual and online platforms; virtual recording tours for our customers.



- 100 per cent of the contractors and suppliers we engage are local.
- We host regular appreciation events and external training sessions for our employees to foster employee-management relationships.
- We provide opportunities and financial support for staff who desire to pursue higher education.
- We have zero tolerance for any kind of discrimination or bullying at the workplace and have a corporate-wide whistleblowing policy.



- Our properties embrace a range of design innovations, including Est8's state-of-the-art Active Drainage System which prevents air pockets within the plumbing system from being released into apartments.
- Our buildings use energy-efficient technology such as 5-star energy-efficient air conditioning and elevators with regenerative drive systems.



- Our building designs promote active air flow and minimise direct sun exposure, reducing reliance on air conditioning systems to keep the building cool.
- Proximity to public transport, services, and essential shops is a key consideration when selecting property locations.
- Beautification and upgrading government reserve land next to our Parc3 development and preserving existing trees and natural habitats at the Est8 land.



- Adoption of the Industrialised Building System (IBS) precast method for one Northern project - which saves both time and raw materials required.
- Our properties have user-friendly recycling facilities to encourage residents to recycle their waste.
- Incorporation of solar panels at Est8 to reduce the electricity consumption in common areas within the property.

Sustainability Governance Structure

(GRI 102-18, GRI 102-32)

The Group has a robust governance structure based on high standards of ethics, transparency and accountability. Overall responsibility for our three-tier governance structure rests with Eupe's Board of Directors ("the Board") which exercises leadership and oversight of the Sustainability Steering Committee ("SSC") and the Sustainability Working Committee ("SWC"). The Board is responsible for managing the Group's ESG opportunities and risks.

The SSC, chaired by the Group's Managing Director comprises of the Group's Chief Financial Officer and other members of the Senior Management. It is responsible for advising the Board on ESG initiatives to be implemented within the financial year. The SWC, on the other hand, is responsible for implementing the identified initiatives and monitoring the Group's ongoing performance.



Board of Directors

- Oversees proposed sustainability strategy and initiatives
- Oversees and approves Group's annual sustainability statement

Sustainability Steering Committee ("SSC")

- Advises the Board on sustainability initiatives
- Oversees implementation and performance
- Reports progress of sustainability initiatives to the Board

Sustainability Working Committee ("SWC")

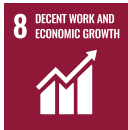
- Implements sustainability initiatives
- Monitors sustainability performance
- Proposes relevant sustainability initiatives to the SSC


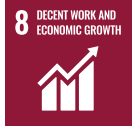
Sustainability Key Performance Indicators ("KPIs")






This year, we developed Key Performance Indicators ("KPIs") to provide clear, specific and measurable goals to improve our year-on-year ESG performance. Developing and adhering to focused targets allow us to efficiently manage our sustainability performance, allocate our resources, and track our progress. To be achieved by 2025, these targets correspond to four focus areas identified by the Board:

Customer satisfaction and quality
Employee development
Waste reduction
Energy and resource consumption

Specific KPIs aligned with the four focus areas have been developed for each business division following a series of internal workshops with staff with specific responsibilities for sustainability management. The KPIs are outlined below:

Business Division	Key Performance Indicator	Material Matter and SDG	Progress
Economic Vitality			
Customer Satisfaction and Quality			
HQ - Klang Valley & Northern Region	Conduct and track 2 customer satisfaction surveys by 2025: a. After the signing of the sales and purchase agreement b. After the handover period for a project	 <ul style="list-style-type: none"> Product Quality Customer Engagement Financial Performance 	Systems in development
	Achieve a customer satisfaction score of at least 85% by the end of 2025 for all surveys conducted.		To commence in FY2023
Contract/Projects - Klang Valley	Segregate customer complaints by nature of issues and monitor the type which occurs most frequently during the defects liability period through an app provided to purchasers.		In-progress
	Achieve a response time of 24 hours by 2025.		Achieved (within 24 hours) for FY2022
Projects - Northern Region	Segregate customer complaints by nature of issues and monitor the type which occurs most frequently during the defects liability period through an app provided to purchasers.		In-progress
	Achieve a response time of 24 hours by 2025.		In-progress
	Achieve at least 80% on customer satisfaction surveys during the defect liability period by 2025.		To commence in FY2023
	Achieve a defects rectification time of 28 days by 2025.		Achieved 25 days for FY2022
Cinta Sayang Resort	Achieve the following scores based on the product and service quality surveys by 2025: a. Rooms : a score of at least 85% "Good" b. F&B : a score of at least 85% "Good"		In-progress
	Maintain customer complaints tracking and report monitoring outcomes for all divisions.		In-progress
	Achieve the response times as follows: a. Online travel agents : within 24 hours b. Social Media : within 24 hours c. Walk-in guest : immediate d. F&B Customers : immediate		In-progress







Business Division	Key Performance Indicator	Material Matter and SDG	Progress
Healthy Communities			
Employee Development			
HQ - Klang Valley & Northern Region	Record and report training hours based on type of training offered.	  <ul style="list-style-type: none"> • Talent Retention and Attraction • Employee Training and Development 	Systems in development
	Achieve an average of 12 training hours per employee annually by 2025.		To commence in FY2023
	Achieve an average of 70% of employees engaged in training and development by 2025.		To commence in FY2023
	Reduce the total turnover rate year-on-year with a set benchmark of less than 25% by 2025.		To establish baseline in FY2023
	Set a benchmark voluntary turnover rate with year-on-year reduction targets .		Systems in development
	Separate and report voluntary turnover rate from total turnover rate.		Systems in development
	Implement and set a score of 70% or greater for employee satisfaction surveys by 2025.		Target reached 73% for FY2022
	Set an average of 6 hours of CSR participation per employee yearly by 2025.		To commence in FY2023
	Set at least 4 hours of employee engagement activities by 2025 (e.g., gatherings, parties, cultural exchanges, company activities, family days, etc.)		To commence in FY2023
Cinta Sayang Resort	Record and report the number of hours for each type of training offered.		In-progress
	Achieve 100% employee engagement in training by 2025.		In-progress
	Separate and report the voluntary turnover rate compared to the total turnover rate.		Systems in development
	Set a total turnover rate of less than 5% for all operations of Cinta Sayang Resort by 2025.		To commence in FY2023
	Conduct anonymous employee satisfaction surveys on an annual basis.		In-progress
	Achieve at least 70% "Agree" or "Strongly Agree" based on employee satisfaction surveys by 2025.		In progress, currently at 59%

Business Division	Key Performance Indicator	Material Matter and SDG	Progress
Natural Environment			
Waste Reduction			
HQ - Klang Valley & Northern Region	Monitor and record recycling in the KL offices.	<div> </div> <ul style="list-style-type: none">Regulatory ComplianceSupply Chain ManagementResource Efficiency and Consumption	In development
	Segregate recycling by type (paper, plastic, glass, etc.).		In-progress
Contract/Projects - Klang Valley	Steel Wastage: Reduce steel wastage to not more than 10% of wastage per project by 2025.		In-progress
	Concrete Wastage: Reduce concrete wastage to not more than 3% of wastage per project by 2025.		In-progress
	Steel Reinforcement: Use of materials with recycled content is such that the sum of post-consumer recycled content and one-half of the pre-consumer recycled content constitutes more than 10% (based on cost) of the total value of the materials in the project by 2025.		In-progress
	Aluminium Formwork: Ensure reused products/materials constitute more than or equal to 2% of project's total material cost value in the project by 2025.		In-progress
	Paper/Plastic/Glass: Segregate and weigh recycling by type (paper, plastic, glass, etc.)		In-progress
Projects - Northern Region	Reduce building construction waste by 5% by 2022 .		In-progress
Cinta Sayang Resort	Achieve 100% recycling of golf buggy and vehicle batteries.		In-progress
	Measure fuel waste (kitchen oil) sold back to vendors on a quarterly basis.		In-progress
	Measure quarterly collection of recyclables (paper, cardboard, plastic bottles, glass bottles).		In-progress
Energy and Resource Consumption			
HQ - Klang Valley & Northern Region	Track and monitor electricity consumption intensity and maintain a minimum reduction rate of 2% per year until 2025.	<div>  </div> <ul style="list-style-type: none">Regulatory ComplianceSupply Chain ManagementResource Efficiency and Consumption	To commence in FY2023
	Track and monitor electricity consumption intensity and with year-on-year reductions or maintain consumption below a benchmark year (pre-COVID year).		Systems in development
	Track headcount (for consumption intensity calculations).		In-progress
Contract/Projects - Klang Valley	Monitor electricity consumption and ensure energy consumption is less than 8 kWh/m² Gross Floor Area (GFA) .		In-progress
	Monitor diesel consumption and ensure consumption is less than 3 L/m² GFA .		In-progress
	Monitor water consumption and ensure consumption is less than 500 L/m² GFA .		Achieved 37.92 L/m² for FY2022
Projects - Northern Region	Reduce electricity consumption in workers' quarters at all project sites by 5% from the previous year by 2022 .		Systems in development
Cinta Sayang Resort	Maintain total utilities consumption (RM) below 18% of Cinta Sayang Resort's annual revenue.		In-progress

Stakeholder Engagement

(GRI 102-40, GRI 102-43, GRI 102-44)

Our stakeholders are integral to our business operations as their expectations guide our corporate strategies and objectives, including our ESG practices and goals. Based on their feedback, we adapt our operations in response to stakeholder feedback as well as general social, economic and community trends that affect the Group's non-financial and financial performance.

	Areas of Interest	Methods of Engagement	Frequency of Engagement
 Employees	<ul style="list-style-type: none"> Employee engagement Staff development and progress Positive and productive workplace 	• Town Hall Meetings	• Annually
		• Employee surveys	• Annually
		• Employee committees	• Monthly
		• Eupe <i>Sustainability Plus</i> planning sessions	• Ad hoc
		• Training & development	• Planning - Annually • Execution - As planned
 Investors & Analysts	<ul style="list-style-type: none"> Timely disclosures of relevant corporate proposals and financial activities Communication and promotion of the Eupe Group Strategy 	• Annual Report	• Annually
		• Annual General Meeting	• Annually
		• Financial Statements	• Quarterly
		• Company website	• Ad hoc
		• Letter to shareholders	• Annually
 Contractors & Suppliers	<ul style="list-style-type: none"> Occupational health and safety Quality delivery Efficient construction processes Sourcing sustainable products Energy/water/effluents management practices 	• Project management meetings	• Bi-weekly
		• Tender evaluation	• As per tender schedule
		• Transparent selection process	• As per tender schedule
		• Supplier Code of Conduct	• Ad hoc
 Regulators	<ul style="list-style-type: none"> Compliance with regulatory, planning and financial disclosure frameworks 	• Dialogue and discussion with government and other planning authorities (Regulatory and financial)	• Ad hoc
		• Dialogue and discussion with government and other planning authorities (Project planning)	• Ad hoc
		• Corporate and financial disclosure framework activities	• Ad hoc
 Customers/ Buyers	<ul style="list-style-type: none"> Company responsiveness Customer satisfaction Product quality 	• Customer Service and Quality ("CSQ") channels	• Ad hoc
		• Social media engagement (Eupe corporate account)	• Bi-weekly
		• Social media engagement (Project accounts)	• Ad hoc
		• Marketing events and customer promotions	• Ad hoc
		• Corporate magazines	• 2-4 times a year
		• Company website	• Ad hoc
		• Electronic direct mail	• Ad hoc
 Local Communities	<ul style="list-style-type: none"> Community support through Building Hope program Cultural development and support through Planet Eupe cultural events Affordable housing 	• Relations and engagement with local community	• Ad hoc
		• Community and cultural events	• Ad hoc
		• Social media engagement	• Ad hoc

Our Materiality Assessment

(GRI 102-47)

To guide the Group's sustainability strategies and decision-making, we conduct periodic materiality assessments to assess and prioritise ESG issues that affect our business operations and stakeholders. Through this materiality assessment process, the Group is able to prioritise and allocate resources based on the relative importance of these key issues. This year, to increase the robustness of the governance over the material sustainability matters, we revised the materiality assessment process to incorporate the Board in the validation stage.

As a result of the review, we consolidated two existing material matters "Employee Training and Development" and "Employee Engagement" into a new category "Employee Training and Development". We also added one new material matter, "Talent Attraction and Retention". Both of these changes align with our KPIs and better reflect the Group's sustainability goals.

As shown in the matrix below, "Ethics and Integrity" has remained the highest priority in FY2022. An additional change this year compared to the previous year was that "Affordability" ranked higher.

1. Identify

Material sustainability matters are identified based on relevance to the company and stakeholders in the current reporting period and also by analysing global trends and investor requirements

2. Survey

Internal and external stakeholders are engaged via appropriate survey tools to rank material matters in terms of importance to the business and stakeholders

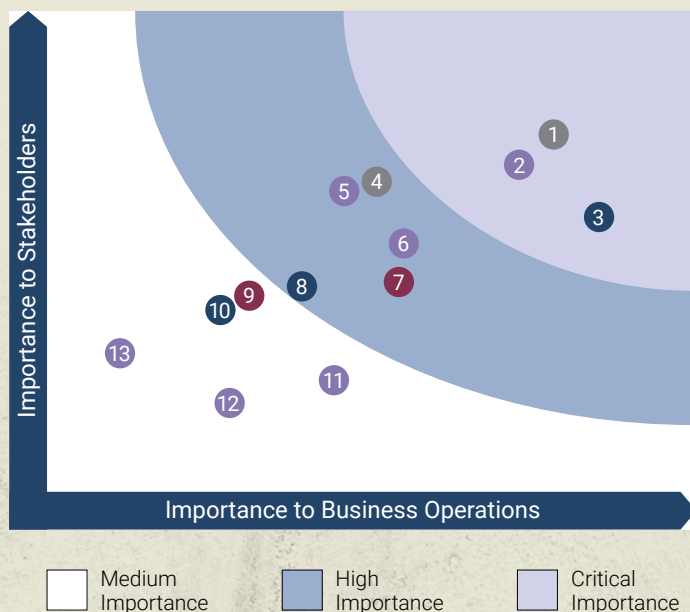


4. Validate

The materiality matrix is presented to the Sustainability Committee and Board of Directors for review and confirmation

3. Develop

The responses are collated and analysed to form a materiality matrix for effective visualisation of the prioritisation or ranking of material sustainability matters



GOVERNANCE

- 1 Ethics and Integrity
- 4 Regulatory Compliance

ECONOMIC

- 3 Financial Performance
- 8 Affordability
- 10 Supply Chain Management

ENVIRONMENTAL




















- 7 Design and Innovation
- 9 Resource Efficiency and Consumption

SOCIAL

- 2 Product Quality
- 5 Health, Safety and Well-being
- 6 Customer Engagement
- 11 Talent Attraction and Retention
- 12 Employee Training and Development
- 13 Community Enrichment

Mapping Our Material Sustainability Matters

The table below links our material matters to the relevant stakeholder groups, GRI indicators and UN SDGs.

Material Sustainability Matters	GRI Indicators	Stakeholder Groups	Relevant UN SDGs
Governance			
Ethics and Integrity	102: General Disclosure 103: Management Approach 205: Anti-Corruption 206: Anti-Competitive Behaviour	• Employees • Regulators • Investors and Analysts • Contractors and Suppliers	
Regulatory Compliance	102: General Disclosure 103: Management Approach 307: Environmental Compliance 419: Socioeconomic Compliance	• Regulators • Investors and Analysts	
Economic			
Financial Performance	102: General Disclosure 103: Management Approach 201: Economic Performance	• Investors and Analysts • Contractors and Suppliers	
Affordability	103: Management Approach 203: Indirect Economic Impacts	• Customers/Buyers • Local Community	
Supply Chain Management	103: Management Approach 204: Procurement Practices 308: Supplier Environmental Assessment 414: Supplier Social Assessment	• Contractors and Suppliers	 
Environmental			
Design and Innovation	203: Indirect Economic Impacts 304: Biodiversity	• Investors and Analysts • Customers/Buyers • Contractors and Suppliers	  
Resource Efficiency and Consumption	103: Management Approach 301: Materials 302: Energy 303: Water and Effluents 306: Waste	• Regulators • Local Community	 
Social			
Product Quality	103: Management Approach 416: Customer Health and Safety	• Customers/Buyers • Investors and Analysts	
Health, Safety & Well-being	103: Management Approach 403: Occupational Health and Safety	• Customers/Buyers • Employees • Contractors and Suppliers • Local Community	 
Customer Engagement	Non-GRI	• Customers/Buyers	
Talent Attraction and Retention	103: Management Approach 401: Employment 405: Diversity and Equal Opportunity	• Employees	
Employee Training and Development	103: Management Approach 404: Training and Education	• Employees	
Community Enrichment	103: Management Approach 413: Local Communities	• Local Community	 

ADVANCING ROBUST GOVERNANCE



At Eupe, we believe that an organisation's ethical performance and integrity is the result of a strong governance framework. Implementing, enforcing and reviewing best governance practice allows us to achieve high levels of confidence in the company's integrity, as well as enables us to manage risks effectively while reducing potential incidences of non-compliance.

Ethics and Integrity

(GRI 102; GRI 103; GRI 205; GRI 206)

This year, ethics and integrity was ranked highest in the materiality assessment. Eupe employees continue to be well informed of Eupe's corporate governance policies in a range of integrity areas including potential conflicts of interest, discrimination, gifting or bribery, and occupational health and safety violations. Relevant information is outlined in the Employee Handbook which is provided to all employees during on-boarding, and is also available on the Group's corporate website.

The Group-wide Anti-Bribery and Anti-

Corruption ("ABAC") Policy, introduced in May 2020, codifies Eupe's strong stance against corruption and bribery and defines the range of actions that can be categorised as either corruption or bribery. This, coupled with our Whistleblowing Policy, provides clear mechanisms for both our internal and external stakeholders to anonymously report on any suspected or actual cases of corruption, bribery or general misconduct.

The Board's Risk Management and Audit Committee ("RMAC") is responsible for dealing with cases of

misconduct or any whistleblowing cases, as well as subsequent investigation and disciplinary action if deemed necessary. The RMAC's Chairman can appoint an internal auditor or an independent party to carry out the investigation on behalf of the Group, if required.

As a result of our strong commitment to responsible business conduct, there were no reported cases to Eupe of corruption or bribery, nor any legal action related to anti-competitive behaviour or anti-trust and monopoly behaviour during this reporting period.

Regulatory Compliance

(GRI 102; GRI 103; GRI 307; GRI 419)

Ensuring compliance to all applicable laws and regulations for each business operation is essential in reducing the risk of financial losses of the Company through fines and penalties, while maintaining and building upon the Company's reputation as a good corporate citizen. Some of the key applicable laws and regulations we comply with are listed below:

- Building Operations & Works of Engineering Construction Regulation 1986
- Companies Act 2016
- Construction Industry Development Board ("CIDB") Act 520
- Employees Provident Fund Act 1991
- Employees' Social Security Act 1969
- Employment & Labour Law Act 1955
- Employment Act 1955
- Employment Insurance System Act 2017
- Environmental Quality Act 1974
- Fencing of Machinery & Safety Regulations 1983 Revision
- Housing Development (Control and Licensing) Act 2007
- Housing Development Act
- Income Tax Act 1967
- Main Market Listing Requirements ("MMLR")
- Malaysian Anti-Corruption Act 2009
- Occupational Safety and Health Act 1994
- Personal Data Protection Act 2010
- Prevention & Control of Infectious Diseases Act 1988
- Safety, Health & Welfare Regulation 1983 Revision

To identify potential areas at risk of non-compliance, internal audits are conducted regularly. We have developed a comprehensive Enterprise Risk Management (“ERM”) framework to assess and record potential risks, along with relevant mitigation methods and strategies. The ERM framework is updated annually and reviewed on a quarterly basis to ensure that all identified risks, including those of potential non-compliance, are being addressed.

In the Klang Valley Contracts and Projects division, which accounts for a large share of the Company’s

financial, regulatory and operational activities, risks are further listed into a Risk Register and a comprehensive flowchart has been established to ensure regulatory compliance for several processes, including Development Orders (“DO”), Building Permits (“BP”), Pejabat Tanah dan Galian (“PTG”) permits, and Advertising Permit and Developer Licenses (“APDL”).

We can confirm that, as a result of our continuing strong governance efforts, there were no recorded cases of social, environmental, economic or governance-related non-compliance this financial year.



ENTERPRISE RISK MANAGEMENT

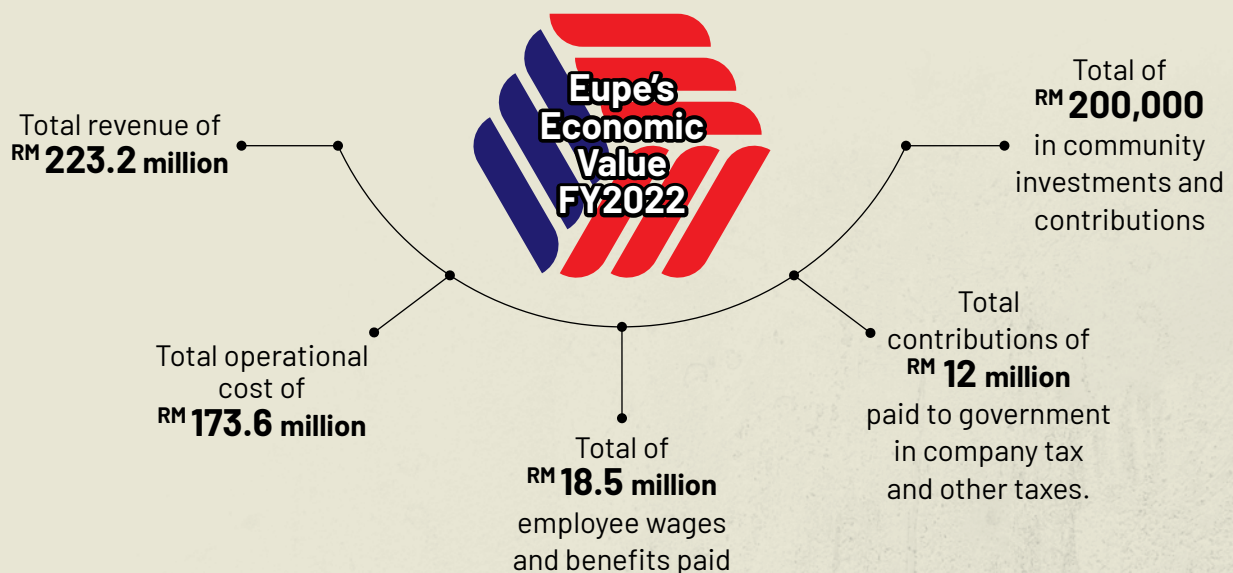
CREATING LONG-TERM ECONOMIC VALUE



Eupe’s business success is based on long-term value creation for all our stakeholders including our buyers and customers, and the communities in which we operate. In response to the many challenges faced due to the on-going COVID-19 pandemic, Eupe has adapted its practices and building designs to cater to this “new normal” in order to continuously improve our operations and sustain economic value for our stakeholders. Our financial strategies and focus on continuing operational improvements provide the foundation for us to continue delivering innovative projects, products and services to our customers.

Financial Performance

(GRI 102; GRI 103; GRI 201)



Despite the COVID-19 pandemic and associated lockdowns and restrictions creating significant headwinds for the Group, Eupe has continued to perform solidly in terms of its financial results. These financial results underpin our capacity to provide employment security and career opportunities for our staff, as well as providing significant inputs into the broader economy through the purchase of local construction materials, and employment of local contractors. A key part of our corporate responsibility is to support local

communities and economy. This year, 100% of our procurement contracts were awarded to local vendors and suppliers. For more information on Eupe's FY2022 financial performance, please refer to pages 84 to 155 of this Annual Report.

Climate change is both a major environment risk and a risk to the sustainability of all economies. As a company committed not only to the sustainability of its own financial performance but also the

wider economy, we are committed to identifying and addressing risks associated with the impact of climate change on our development projects as well as putting in place resource efficiency measures that aim to lessen the Group's carbon footprint. To curb the impact of climate related risks on our construction projects, the Group has developed a risk mitigation mechanism which includes a SWOT (*Strength, Weakness, Opportunities, Threats*) analysis to evaluate the viability of each proposed project.

Affordability

(GRI 203)

As a company with origins in building major township communities in the Northern region, Eupe has a long and continuing history of designing and building affordable homes that give Malaysian's opportunities to enter the property market. In the Northern region, much of our project development focus is constructing homes in the affordable housing segment. Specifically, our projects are designed to maximise affordability in

accordance with the Dasar Perumahan (Housing Department) Kedah, which places certain requirements for low-cost ("LC"), low-medium-cost ("LMC") and medium-cost ("MC") housing units within each property development. In line with the government's affordable housing requirement, we have allocated 10% of units for such purposes at our latest development in Selangor, Helix2 in Petaling Jaya.

As part of our *Shared Value* approach to property development, all of our property designs aim to exceed the quality of design, fixtures as well as range of lifestyle facilities offered by other residential properties at similar price points. Locations are selected meticulously with emphasis on its proximity to amenities such as public transport.

Supply Chain Management

(GRI 103; GRI 204; GRI 308; GRI 414; GRI 417)

When engaging third party vendors and suppliers, we follow a stringent selection process that takes into account a range of environmental, social, governance and financial aspects of the supplier or vendor's operations. Existing suppliers are monitored and assessed through random visits to the suppliers' production plants and offices to assure compliance with our ESG criteria. Prior to tendering, in addition to suppliers being screened and assessed on price, quality, and prior performance, we also employ a range of environmental criteria to screen building materials or products. These criteria are listed below.

Materials/Products	Environmental Considerations
Tap fittings	Taps with slower flow rates based on water-per-minute are preferred for more efficient water conservation.
Sanitary wares	Dual-flush systems are selected for reduced water consumption, as only half of the water that is needed for solid waste is dispensed for liquid waste.
Light fittings	LED light fittings are preferred as they consume less power per unit of light emitted hence reducing greenhouse gas emissions and generate less heat hence associated cooling costs are comparatively lowered.
Air conditioners	5-star rated air-conditioners with inverter systems that efficiently control motor speed are sourced to reduce energy consumption.
Paint	The volatile organic compound (VOC) content in paints cause ozone depletion and increase greenhouse effects; hence, paints with low VOC and non-solvent based waterproofing paints are preferred as they decrease the impact on the environment and lower the carbon footprint.

Eupe has established a Supplier Code of Conduct that clearly outlines our expectations and standards for third-parties. This ensures they prioritise safe working conditions, observe fair employee treatment and manage the environmental impacts of their products and services. The Supplier Code of Conduct is available on our corporate website.

PROTECTING OUR ENVIRONMENT



At Eupe, we conduct every aspect of our operations from land acquisition, project construction, resource consumption and waste management with the environment in mind. We use innovative construction practices and resource efficient technologies that aim to reduce our environmental footprint in a sustainable way. We have implemented specific resource efficiency measurements to ensure we track our resource consumption and allows us find ways to further reduce resource usage. Design of the homes we build is also carefully crafted to incorporate a range of natural features such as expansive green spaces and healthy air.

Design and Innovation (GRI 203; GRI 304)

Guided by our *Sustainability Plus* strategy, we aim to go beyond the property sector's conventional ESG requirements by setting new and innovative standards in eco-design that benefit not only our customers and buyers but the broader community.

★ ★ ★ Project Highlights **Parc3 @ KL South** ★ ★ ★

In May 2021, Parc3 @ KL South garnered the Best Sustainable High-Rise Development award at the iProperty Development Excellence Awards ("iDEA"). The award is a testimony to Eupe's innovative and 'green' designs that showcase the quality and excellence of our development projects and seek to set new benchmarks in Malaysian property development for eco-design.

Parc3's architectural design is centred around three internal parks with an expansive landscaping within and surrounding the high-rise. This creates green spaces that encourage connectivity while promoting our residents physical and mental well-being. The project also includes the innovative *My Home Garden* concept, where residents can grow and harvest their own herbs and plants.





Parc3 residences have also received a provisional GreenRE Gold certification. This certification is awarded to property developments with green design features at the forefront of sustainable property development projects in Malaysia. This third-party certification gives homebuyers independent verification that the property was designed and constructed to achieve excellence in six categories: energy efficiency, water efficiency, carbon emissions, environmental protection, indoor environmental quality and the incorporation of other green features such as rainwater harvesting, residential herb gardens and user-friendly recycling facilities.

We have also beautified and rehabilitated the government-reserve land adjacent to Parc3 which used to be a landfill owned by Dewan Bandaraya Kuala Lumpur ("DBKL"). We have regenerated this site into an eco-friendly park accessible by the neighbouring developments and residences. The Group has also taken the initiative to protect, enhance and restore the surrounding landscape and biodiversity of Parc3, by retaining the trees where possible within the development area.





Project Highlights **Est8 @ Seputeh**



Our third development project in Kuala Lumpur, Est8, has been meticulously designed to encompass our unique vision for sustainable living. It is located just a stone's throw from Mid Valley, one of the largest shopping complexes in Malaysia. Est8 embodies innovative sustainable design and community inclusivity. The project has incorporated an array of natural green landscapes and serene walking trails that connect our residences to gardens and other building facilities.

Prior to breaking ground, we assessed the land acquired to determine the trees and habitat areas that could be retained. Landscaping consultants have been engaged to work with our main contractors to retain and incorporate flora into the overall design.

In response to the COVID-19 pandemic and heightened concern with public health, the Est8 project incorporates a range of COVID-safe designs. The principal aspect in our pandemic response is Est8's innovative drainage system which releases the air trapped in empty U-bend pipes throughout the wastewater plumbing system, preventing it from being released back into the homes. This Active Drainage System is more effective in the fight against COVID-19 and other viruses than the usual passive drainage system for wastewater used in most multi-level buildings. We have also introduced a Supplemental Fresh Air system which is an active ventilation system which introduces fresh, healthy air into the common facilities and can be activated as and when required for enhanced ventilation, expelling any potential contaminants and pathogens in the air.

To promote health and wellness among its residents, Est8 also offers state-of-the-art facilities including forest walks, an Olympic sized pool, a multi-purpose hall, a kaleidoscope courtyard containing a barbecue area and a gourmet kitchen. Other features include:

Sky gardens equipped with an **outdoor gym** and **play zones** to cater to different age groups

Green open roofs with landscapes to **improve air quality** and **reduce heat** transmitted to units below

Herb gardens and **community planting** at the roof gardens to promote **clean air and water** and **improve mental health**

Wash stations at common facilities to reduce the spread of COVID-19

Villa designs with **private garden** spaces to promote gardening





We are also utilising technology such as the Building Information Modelling (BIM) 300 software which provides a high level of detail and accuracy for 3-D modelled images to plan and build these innovative features in Est8. The BIM system enhances the productivity and progress of the development as well as assisting in maximising resource efficiency, through early detection of potential mechanical and electrical service clashes or architectural flaws.

To enhance Est8's sustainability performance, solar panels will be installed to reduce electricity consumption from the grid as well as the project's ongoing carbon footprint. We also aim to achieve GreenRE Gold certification for Est8 upon its completion.



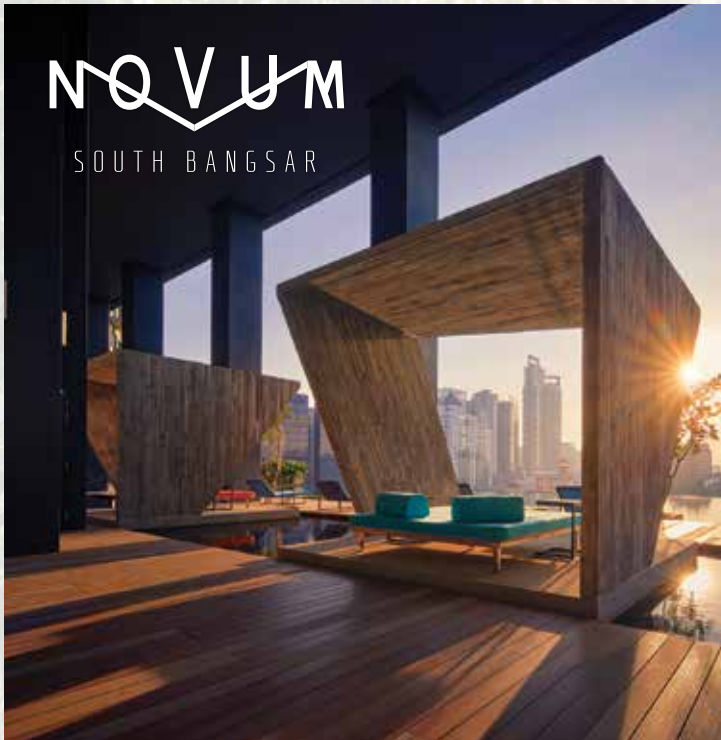


Highlights from Central Region Projects



Novum @ Bangsar South, our maiden KL project completed last year, is certified under the Green Building Index ("GBI") certification which assesses six criteria:

- ✓ **Energy efficiency**
- ✓ **Indoor environmental quality**
- ✓ **Sustainable site planning & management**
- ✓ **Materials & resources**
- ✓ **Water efficiency**
- ✓ **Innovation**



Novum buyers are equipped with a 'Green User Manual' which is a comprehensive information package detailing the building's green features.

Eupe's fourth KL project, Helix2, is expected to begin construction in the second half of 2022 and will cater to first-time homebuyers and young families. The current planning for Helix2 incorporates a rooftop garden space that uses recycled and refurbished cars as leisure areas for the residents, showcasing Eupe's sustainability strategy of reducing wastage and emphasising connectivity. As with Est8, we aim to achieve GreenRE Gold certification upon project completion.



Resource Efficiency and Consumption

(GRI 103; GRI 301; GRI 302; GRI 303; GRI 306)

We acknowledge our role and responsibility in minimising our environmental footprint, and have taken measures and adopted strategies to minimise our impact on the environment within and surrounding our development projects. As stated, this year we have implemented a range of resource efficiency measures and targets that seek to quantify our performance and in this way our resource efficiency measures can be broken down into four categories: materials, energy, water, and waste.

Materials

Eupe utilises the Industrialised Building System ("IBS") which is an industry-leading construction system where components are manufactured, either off-site or on-site, then placed and assembled on site. One of the main IBS methods implemented in Eupe projects is the use of precast concrete panels. This system allows for a more precise construction process, resulting in the

minimisation of construction waste and a reduction of energy usage.

Eupe's Central Region projects have in place a range of materials reduction initiatives, including the use of reusable aluminium formwork, which has reduced the use of timber formwork on KL projects by an estimated 385,941 m² to date. We also utilise

shear wall reinforced concrete framework instead of brick walls and plastering, which minimises the use of cement plaster. Soffit slab off-form finishes used in the construction of the property's car parks has reduced the use of skim coating by 33,119 m². Overall, the construction of our projects utilised 23.5% of recycled input materials.

Property (Central Region)

Material	Novum	Parc3	Est8
Raw Material			
Sand (Tonne)	Project completed	5,131	0
Aggregates (Tonne)		5,030	0
Manufactured Materials			
Rebar (Tonne)	Project completed	966	0
Cement (Tonne)		6,752	3,421
Concrete (M²)		9,688	0
Brick (M²)		18,145	0
Glass (M²)		10,811	0
Renewable Materials			
Aluminium Formwork (M²)	Project completed	38,594	0

Property (Northern Region)

Material	Astana B	Astana C	Astana D - PHA	Astana D - PHB	Puncak Surya	Padang Serai	Cinta Sayang Resort Villas
Raw Material							
Sand (Tonne)	108	573	660	4,936	998	2,408	311
Aggregates (Tonne)	518.9	1,315.3	4,303	5,234.3	1,171	20,167.4	206.7
Manufactured Materials							
Rebar (Tonne)	58.1	48	100.8	32	200	69.6	52.4
Cement (Tonne)	51.3	970.8	1,052.9	46.7	1,354.2	4,504	946.4
Concrete (M ²)	616	311.5	302	1,993	466	684	1,154.3
Bricks (pieces)	135,076	27,600	-	17,328	22,800	110,400	159,600

Energy

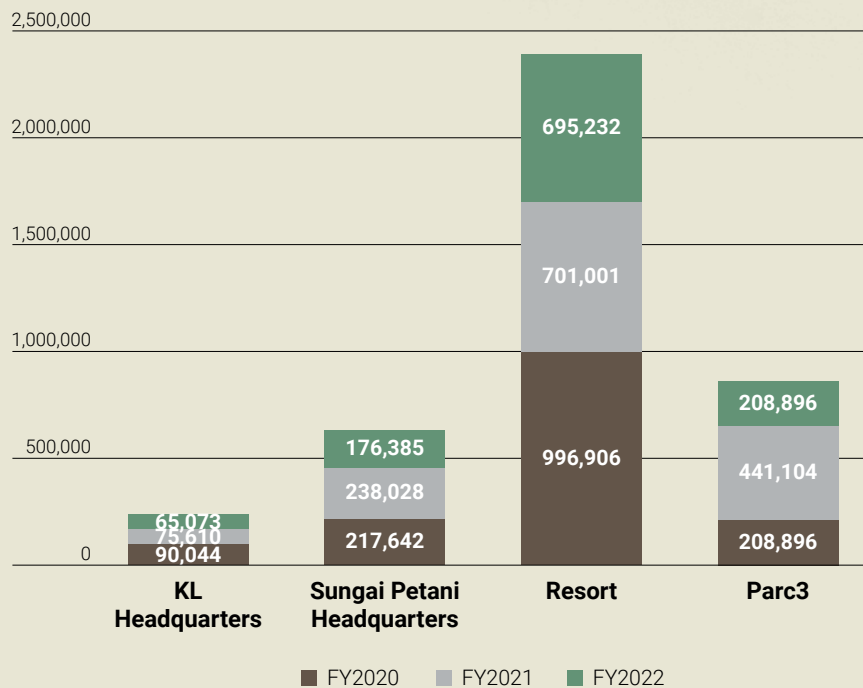
Good energy management minimises both our operational costs and reduces our overall carbon footprint. At our construction sites, properties and headquarters, we have adopted a range of energy efficiency measures. All fluorescent light bulbs at our headquarters have been replaced with energy efficient LED light bulbs. Smart energy saving practices are in place in our offices such as switching on lights and air-conditioning units only when necessary and shutting

down machinery and equipment at our KL construction sites during lunch, tea and dinner breaks, for safety reasons as well as to minimise energy consumption. Our properties are equipped with 5-star rated energy efficient air-conditioners and the elevators at Novum and Parc3 utilise a regenerative drive technology which is 70% more energy efficient than conventional elevators.

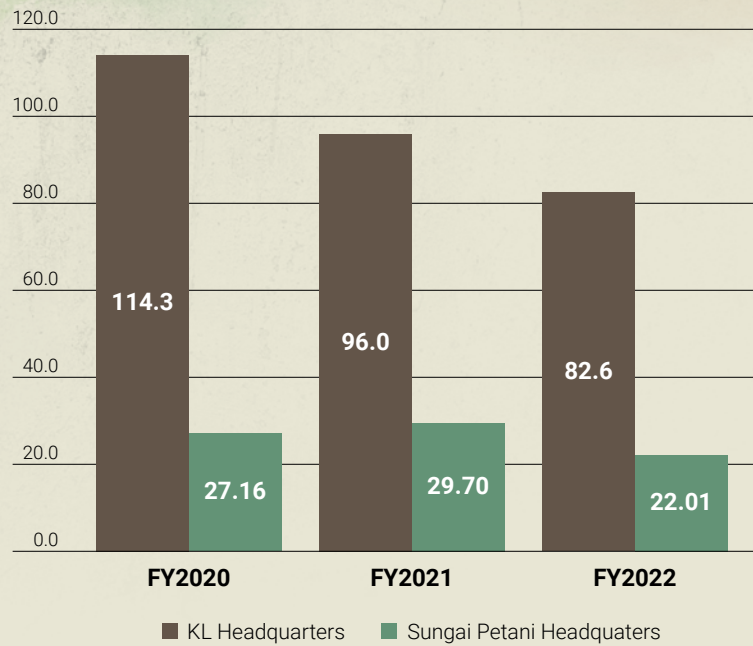
At Cinta Sayang Resort, timers and

sensors are in place for external lights, solar water heaters, and room key sensors which turn off a room's power. Electricity and fuel consumption at the resort are monitored through careful monitoring of bills and invoices, so that overconsumption can be quickly identified and rectified. Due to the COVID-19 pandemic, occupancy decreased dramatically and we took this opportunity to reduce our energy consumption at the resort by closing off nine blocks of the resort.

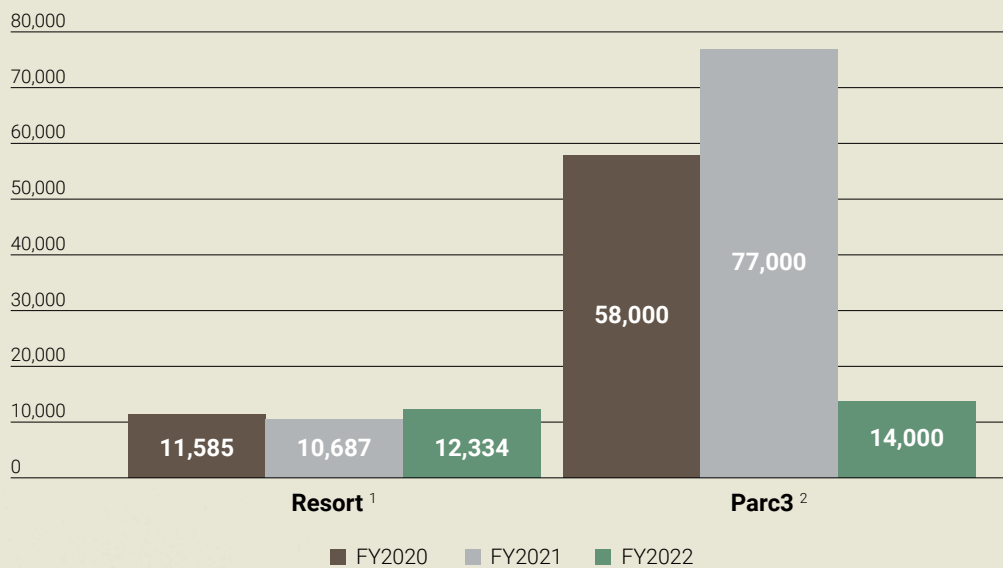
Electricity Consumption (kWh)



Energy Intensity (kWh/m²)



Fuel Consumption (l)



Water

Eupe aims to minimise its impact on local water supplies by implementing efficient water management practices across its project sites, properties and headquarters.

At Novum, we have fitted all units with water saving faucets, shower heads and toilets. These features are

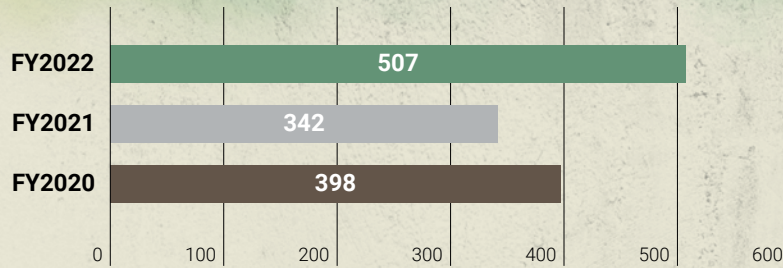
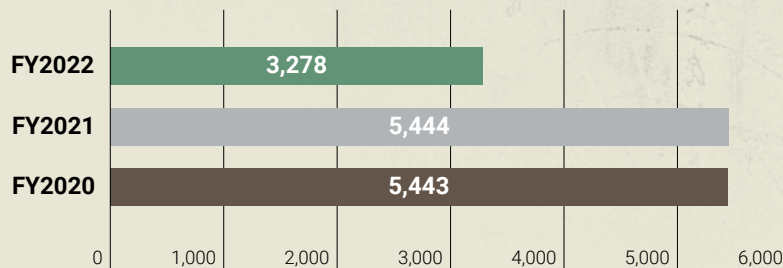
estimated to save around 30% more water than conventional fittings. We have also implemented rainwater harvesting at the property's rooftop for use in garden irrigation. Rainwater harvesting is also used at our construction sites for general washing. Water discharged from our project sites is monitored as per Indah Water

Konsortium's guidelines.

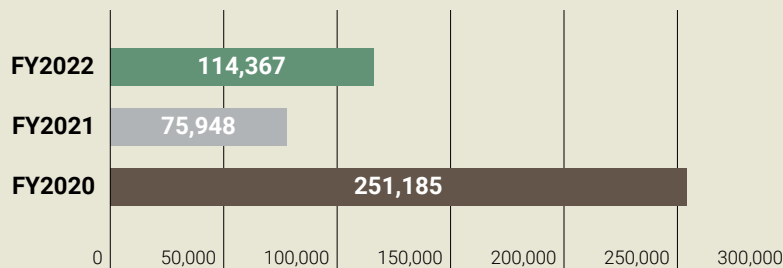
At Cinta Sayang, daily water meter readings are conducted to detect any anomalies in water usage. This allows for quicker responses to water leakages, which prevents unnecessary water wastage and higher operational costs.

¹ Fuel consumption at the Resort refers to kitchen oil used, at the Parc3 project site it refers to the diesel used in the machineries and equipment

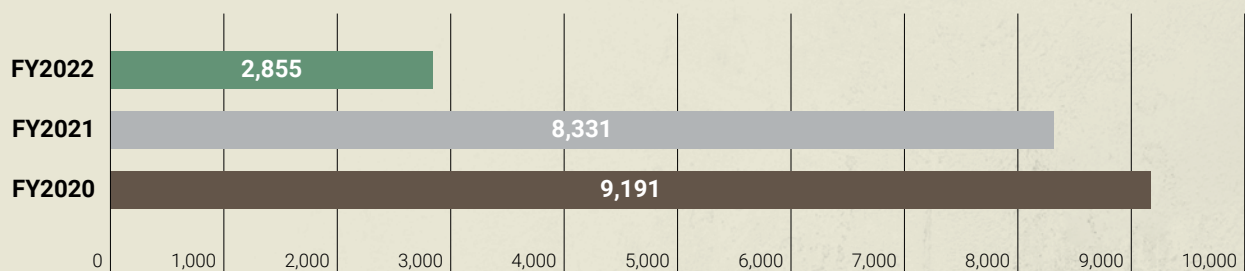
² The sudden decrease in fuel consumption for Parc3 for FY2021 and FY2022 can mainly be attributed to the completion of the project in the 2nd quarter of FY2022.

Water Consumption at KL Headquarters (m³)Water Consumption at Sungai Petani Headquarters (m³)

There was an increase in water consumption in the last fiscal year which can be attributed to the easing of lockdown restrictions which resulted in an increase in occupancy and operations at the resort.

Water Consumption at Cinta Sayang Resort Resort (m³)

Water consumption at the Resort is largely the result of maintenance and the upkeep of the Resort's golf course and gardens, the restaurant operations, the Carnival Waterpark and guests' general usage. Water consumption at Cinta Sayang Resort has similarly decreased over the last two years which could be mainly attributed to COVID-19 restrictions. However, a proportion of this decrease can also be attributed to Cinta Sayang's wastage prevention measures, as described above.

Water Consumption at Parc3 (m³)

Water consumption at the Parc3 construction site decreased over the last three years, largely due to the COVID-19 pandemic. The sharp decrease in water consumption between FY2021 and FY2022 is mainly attributed to the project's completion in the 2nd quarter of FY2022.

Waste

Handling and disposal of project construction waste, including recyclables generated at our construction sites are carried out on behalf of Eupe by licensed contractors at appropriate landfill sites and recycling centres.

At the Parc3 construction site, waste containers are placed at designated locations to collect recycled items from construction. We have also committed to using more Integrated Construction System methods to reduce waste generated and maximise material utilisation. Our waste podiums are made of cable instead of the conventional timber and plywood podiums to mitigate timber waste and reduce the amount sent to landfills. The amount of waste reused and recycled at our Parc3 construction site in FY2022 is as follows:



WASTE REUSED

Concrete
50,000 kg

Timber
40,000 kg



WASTE RECYCLED

Scrap Iron
57,400 kg

At Sungai Petani, the Astana C construction site generated 5,640 kg of construction waste, while Astana D Park Homes A and Park Homes B generated a combined total of 680 kg of general waste.

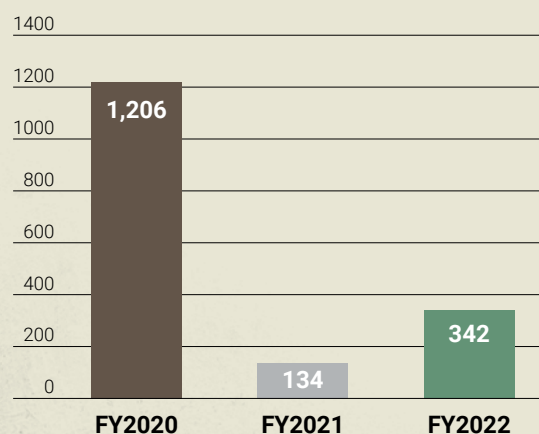
In Padang Serai, the construction of 215 units, currently at 80% completion, generated a total of 132,120 kg of construction waste and 25,560 kg of general waste.

At Cinta Sayang Resort, we have adopted the 3R (reduce, reuse, recycle) method to carefully segregate and monitor our waste generation to maximise the amount recycled. Our fuel waste and kitchen oil from the restaurant are sold back to vendors on a quarterly basis. We also recycle

our old golf buggy batteries. Paper, cardboard, plastic and glass bottles are collected monthly by local councils, with the value of recyclables compensated with a grocery cashback card, which the Resort utilises during employee engagement functions. The Resort has also begun monitoring food wastage by weightage during buffets or food preparations at the hotel restaurant. (Plans to distribute excess food from buffets to shelters and soup kitchens have been delayed due to Movement Control Order ("MCO") restrictions. As a result of these initiatives, Cinta Sayang Resort is considered a model resort in Kedah for waste management and segregation practices.



Cinta Sayang Resort - General Waste (kg)



As can be seen from the graph above, there was a significant drop in waste generated from the Resort from FY2020 to FY2022, although a part of

this reduction has been due to reduced occupancy of the Resort resulting from COVID-related movement restrictions.

BUILDING OUR SUSTAINABILITY RELATIONSHIPS



As a responsible business committed to open and transparent governance and stakeholder relations, we understand the necessity of building and maintaining positive and beneficial relationships with our customers, our employees and the local communities in which we operate.

Customer Engagement

We connect regularly with our customers and homebuyers through a range of communications forums to keep them up to date with relevant projects and developments via social media such as Facebook and Instagram. We use email and direct messaging systems and non-digital platforms such as postal and courier services, for consultations and complaints resolution pertaining to property ownership.

We also keep our customers and potential homebuyers apprised of the latest news and views on our projects and products through our Property Trust Magazine which we started

publishing in both English and Chinese in June 2014.

To maintain customer satisfaction, we make sure that complaints and queries are resolved within an acceptable turnaround time. For our KL and Northern Projects, the average response time to customer enquiries is 24 hours. At Cinta Sayang, issues reported from Resort guests are resolved immediately, whereas broader Resort issues such as property repairs are addressed within 30 days.

The Northern Region Property division is set to implement customer satisfaction survey forms at Astana C in April 2022 as well as handover survey

forms which will be rolled out starting with Cinta Sayang Resort Villas and Padang Serai.

To maintain focus on our customers' needs and improve the way we respond to stakeholder issues and concerns, we conduct Customer Satisfaction Surveys. Surveys are currently underway for purchasers at Parc3.

To gauge customer feedback and satisfaction at Cinta Sayang Resort, guests are provided with feedback forms during their stay. We have also embarked on the digitalisation of our promotion campaigns at the Resort. Flyers and brochures are displayed on TVs and can be viewed using QR codes.



Product Quality



Customer satisfaction is directly linked to the quality of products and services we offer and is an integral part of building trust with our customers and our broader stakeholders. In Malaysia, the Construction Industry Development Board ("CIDB") has designed a scoring system - Quality Assessment in Construction ("QLASSIC") to measure and assess the workmanship quality of a building based on Construction Industry Standards (CIS 7:2014). Eupe has sought and received Quality Assessment in Construction ("QLASSIC"), certifications for our development projects since 2020.

We ensure reported property defects are rectified within a six-week timeframe, depending on the nature of the defect.

In addition to these external certifications and internal mechanisms to resolve and respond to customer issues, Eupe seeks to enhance our product offering in line with our commitment to 'Shared Value'. As part of our commitment to provide high quality homes, we have included a range of fixtures and improvements at no additional cost to homeowners. For example, with Parc3 we included for buyers a covered walkway connecting to the new, nearby MRT link, installation of premium fixtures in all units such as bathroom mirrors, and installing public art pieces to enhance visibility and aesthetics.

Health, Safety and Well-being

(GRI 103; GRI 403)

Property development is a labour-intensive industry, and protecting and enhancing employee health and safety is an integral part of the Group's operations. In compliance with the Malaysian Health and Safety Act of 1994, the Group, through its Safety and Health Committee, continues to implement a range of occupational safety practices and procedures, including the following:

- ✓ Comprehensive safety and health policies
- ✓ Safety plans
- ✓ Safety manuals
- ✓ Standard of practice
- ✓ Safety induction training at project sites (unless approaching project completion)

The Hazard Identification, Risk Assessment and Risk Control ("HIRARC") process is conducted regularly to identify work-related hazards at project sites and assess the corresponding risks. Submission of a safe work method statement and shop drawings are undertaken, as well as 'toolbox' meetings at project sites to communicate site safety procedures.

In response to COVID-19 infection rates at construction sites, we have updated our occupational health and safety practices to include standard operating procedures ("SOPs") aimed at containing any spread of the virus on site. With new protocols in place, we organise a monthly RTK antigen test for all employees, and any employee who tests positive is placed in home quarantine. Colleagues identified as Category A close contacts of those with the virus undergo a PCR test while those who are classified as Category B close contacts take an additional RTK Antigen test. Employees with the virus only return to work after 10 days of home quarantine and a negative test result.

We continue to prioritise the health and safety of our staff throughout our operations by implementing the following additional COVID-19 preventive measures:

- ✓ Thoroughly sanitise all our offices and work spaces
- ✓ Provide employees with face masks
- ✓ Limit visitation at our sales gallery and require all guests to sanitise, undergo temperature checks, maintain physical distance and wear a face mask; only vaccinated visitors verified via the MySejahtera app are allowed to enter the premises.



Talent Attraction and Retention

(GRI 102; GRI 103; GRI 401; GRI 405)

Employee Distribution and Staff Diversity

At Eupe, we believe that our employees are the cornerstone of the Group's continued growth and success. As such, we strive to support our employees by promoting diversity and inclusion within the Group with a strict no tolerance policy for bullying and discrimination.

With our commitment towards gender diversity, we are pleased to report that

similar to last year, the Group saw an increase in percentage of female employees, improving the gender ratio to 1.1 : 1.0 (male : female). In terms of age group, 56% of the workforce was within the 30 - 50 years age group. The Group also believes in cultivating local talents and currently 94% of our workforce is comprised of local employees.

Employee New Hires and Turnover

Performance-based remuneration and merit-based rewards are integral to employee attraction and retention that in turn are the foundation of a sustainable workforce. At Eupe, we provide the following benefits to our employees:

LEAVE BENEFITS:

Annual
Maternity and paternity
Marriage
Compassionate
Study

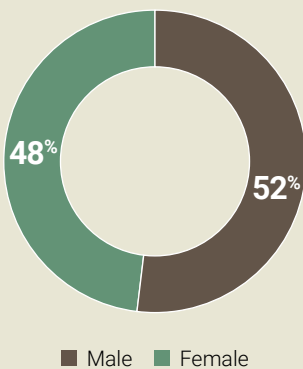
MEDICAL BENEFITS:

Dental
Optical

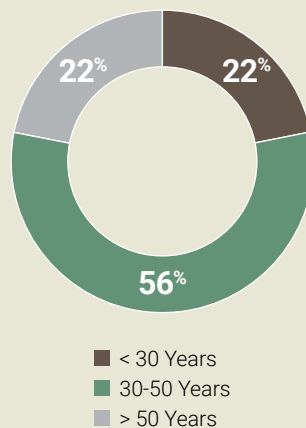
INSURANCE:

Including hospitalisation

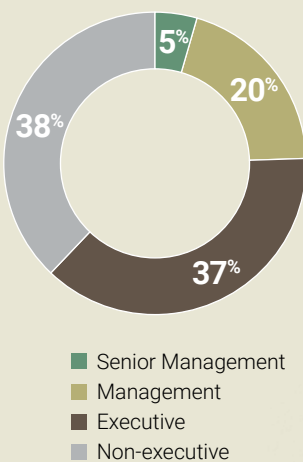
Employee Distribution by Gender



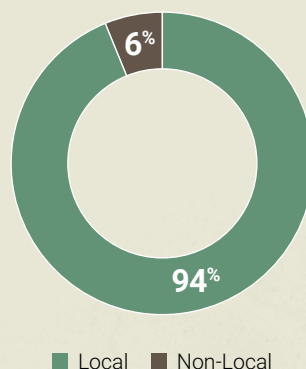
Employee Distribution by Age Group



Employee Distribution by Employment Category



Employee Distribution by Nationality



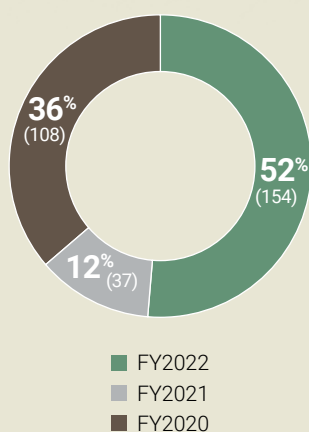
In FY2022, our talent management initiatives included the realignment of Job Grades across the board through a major job evaluation exercise. This initiative ensures that employees within the same job level receive a similar remuneration package and streamlines the flow of employee communication.

In addition to providing essential salary and benefits, employee appreciation is equally important for the Group. Due to restrictions

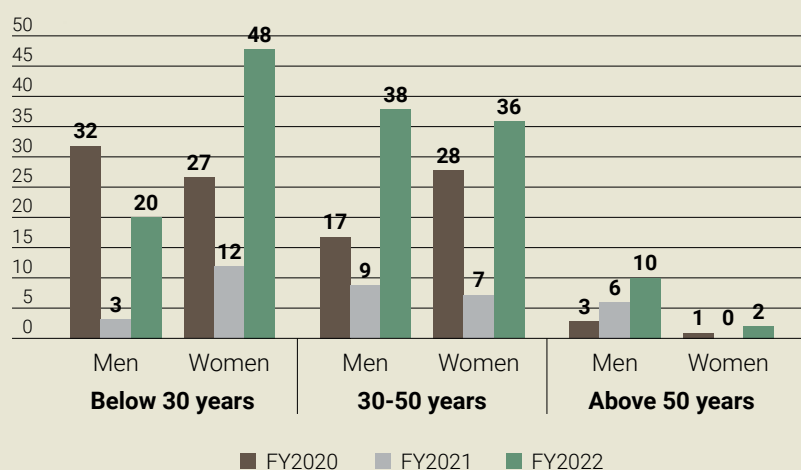
on gatherings, cash tokens were distributed in lieu of festival celebrations and birthday celebrants received greeting cards with accompanying food and beverage ("F&B") vouchers.

We continue to grow our team year-on-year and in FY2022, 36 new team members joined our increasingly diverse workforce. It is important to note that the Group does not tolerate any form of discrimination.

Annual New Hires

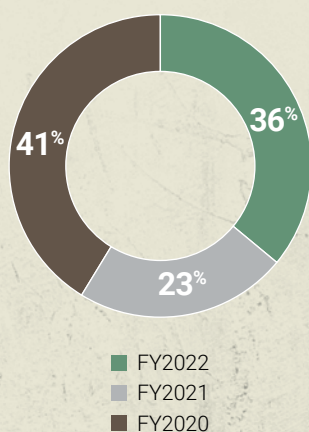


New Employee Hires Breakdown

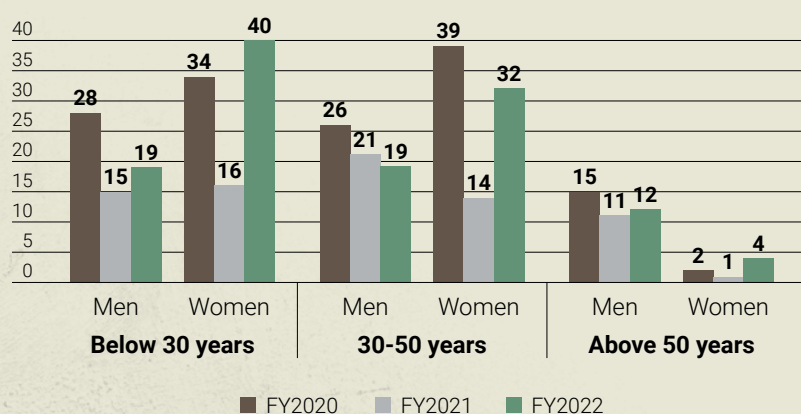


We recorded an annual turnover rate of 25% which was a 14% increase from last year. This however does not distinguish between overall turnover and talent loss turnover.

Annual Turnover



Employee Turnover Breakdown



Employee satisfaction

Ensuring employee satisfaction has become one of the Group's focus areas as it is interconnected to employee turnover rates. As such, we have developed KPIs for both head offices and Cinta Sayang Resort.

The head offices have begun conducting an employee engagement survey to gauge employee satisfaction this year and we are pleased to report that we have achieved our KPI with a

73% employee engagement score for FY2022.

At Cinta Sayang Resort, 100% of the associates completed the employee satisfaction survey on a scale ranging from Strongly Agree -> Agree -> Neutral -> Disagree -> Strongly Disagree -> I Don't Know. The score achieved for FY2022 was a 50% "Agree" and 9% "Strongly Agree".

Employee Training and Development

(GRI 103; GRI 404)

Providing relevant training opportunities is also an effective employee engagement and retention strategy. In FY2022, despite the limitations imposed by MCOs, we recorded an average of almost 4.39 training hours per employee.

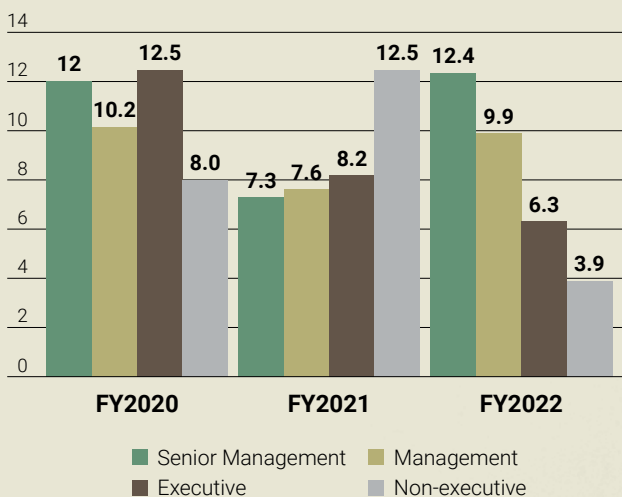
The Group's total training hours in FY2022 are

1,972 hours

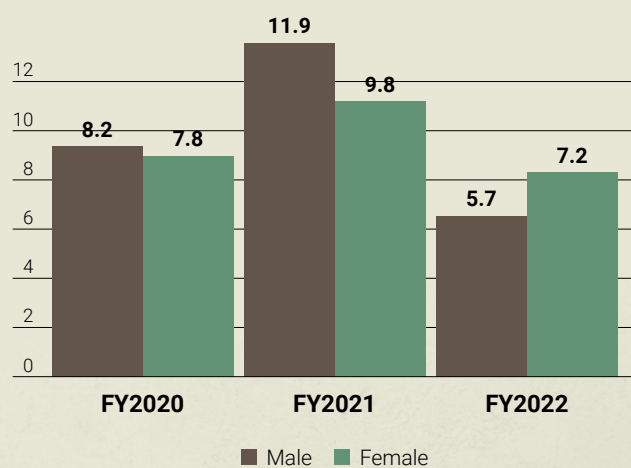
with an average of

4.39 training hours per employee

Average Training Hours by Employment Category



Average Training Hours by Gender



List of training offered at the head office:

Training Programmes
Microsoft Project Training
Intermediate Digital Marketing
2022 Malaysian Budget
HR2000 HRMS Training
Product Knowledge Training
Software Training: Novade defect app and BIM 360 app



Training programmes to continuously upskill our employees.

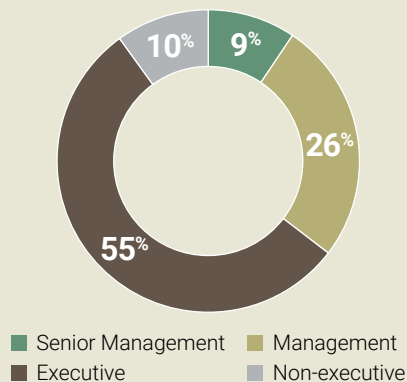
Training provided by the Property Sector (Central Region) includes but is not limited to:

Training Programmes and Products Presentation		
Solar system	Retaining wall system	HDPE pipe
Parcel box/Locker	Active Drainage Ventilation	Rainwater harvesting system
Landscaping	Defect apps	STP System (Bi-Act SDO)
ID Consultant	Architect	Paints
Facilities apps	Waterproofing	Big data analytics
Sustainability KPIs	Mosquito trap	Webinar – Facilitation talk
Lift factory visit	Autodesk Construction Cloud (“ACC”)	Plumbing and bathroom accessories
Tiles	Somfy Smart Home	Sculptures maker

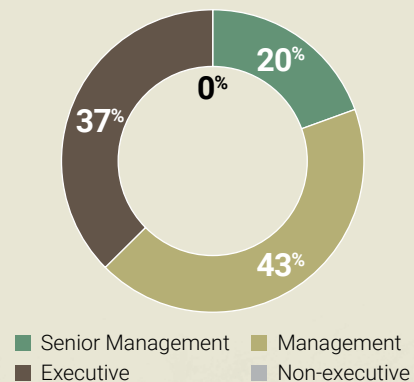
As for Cinta Sayang Resort, capacity building programmes include:

Training Programmes	
Internal	External
<ul style="list-style-type: none"> Room cleaning Bathroom cleanliness Various cuisine cooking training Breakfast set-up Sahur work flow Orientation E-HR system Webinar session - NCER's Human capital programmes for Kedah tourism industry players Various LSOP Training Market List Process Flow Kensoft training Halal/Labelling Effective communication Swimming pool vacuuming procedure Digital marketing platforms Greeting guests Webinar - STR COVID-19 Patrolling Water quality monitoring Grooming standards 	<ul style="list-style-type: none"> Insentif Penjana Kerjaya 3.0 and MyFutureJobs briefing by PERKESO Purchase/Store Requisition/Recipe costing E-Soft E-HR Refresher Training

Group Technical Training Hours by Employment Category



Group Soft Skills Training Hours by Employment Category



Employee Engagement

At the Klang Valley office, the Group has organised several events to enhance employee working experience and boost morale during the pandemic and lockdowns, which includes:

1. Annual Chinese New Year dinner and celebrations
2. Tea time at the office
3. International Women's and Men's Day gifts
4. A durian feast in the office
5. Monthly birthday wish email blasts
6. Townhalls

Cinta Sayang Resort celebrates the main festivals in Malaysia with its employees including organising Yee Sang lunches and handing out tokens to commemorate the festivities, giving birthday bash greeting cards with F&B vouchers and organised gotong-royong activities.

Enriching Our Communities

(GRI 103; GRI 413)

In order to build strong communities, we invest time and resources to support worthy community groups as well as directly assist those in need. Although the COVID-19 restrictions restricted our program of community building events, Eupe carried out the following initiatives:

Food Aid Programme for those who lost their livelihoods due to the COVID-19 pandemic. In partnership with two charity organisations – The Lost Food Project and Food Aid Foundation, Eupe distributed 100 food packs under the Program Perumahan Rakyat (PPR) Kerinchi who were undergoing home quarantine and to the underprivileged families and victims of domestic violence at Union Flat Sentul.

Cash donation of RM10,000 to Hospital Sultan Abdul Halim Sg. Petani to procure a water dispenser for the hospital's COVID-19 isolation ward and personal protective equipment for its frontliners.

Visit to an old folks' home, Pusat Jagaan Orang Tua Chu Ai, by Cinta Sayang Resort employees during the Chinese New Year celebrations to spread festive cheer by spending time with the residents while providing packed lunches and *red packets* or "*ang pau*" with dry food for the residents at the home.

Flood Relief Donation, in collaboration with Mercy Malaysia, encompassing the delivery of 90 dignity kits along with other essentials including cleaning and hygiene kits and beddings for the residents of Kampung Kuala Kenau whose homes were devastated by the overflow of the nearby Sungai Lembing during the December 2021 nationwide floods.



Cinta Sayang Resort employees spread cheer to old folks' home.



Food aid programme to assist those affected by COVID-19.



Eupe's collaboration with MERCY Malaysia for flood relief efforts.

PAVING THE WAY FORWARD

Sustainability is about building resilience and innovation with business practices and operations that effectively anticipate and address environmental, social and economic challenges in a way that benefits customers, stakeholders and the broader community. Resilience and innovation require an ability to successfully adapt to an ever-changing and often unpredictable business and social landscape.

The last year has brought forth a number of new challenges, as well built on existing ones, such as climate change, resource depletion and urban

congestion. The continuing impact of the COVID-19 pandemic is the most significant of the new challenges faced by the business, and has in particular, heightened public awareness about the imperative of safeguarding community health. For Eupe, the pandemic has raised new challenges for our day-to-day operations, workplace health and safety, as well as the safe and sustainable design of the homes we build. As the report highlights, we have responded to this challenge in a multifaceted way, as part of our ongoing efforts to embed best-practices throughout our operations, projects, products and supply chain.

With the establishment of our new KPIs this year that measure our business sustainability inputs, we aim to further embed accountability and transparency into our annual reporting process. In addition, we have revised and updated the Group's *Sustainability Plus* strategy to reflect our Group's approach to addressing both new and existing sustainability challenges.

We look forward to continuing our efforts into the future as we strive to expand and enhance our sustainability initiatives, building a more sustainable future for both Eupe and the customers and communities we serve.

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