



**Sustainability**



# *Our Journey*

*Our journey of embedding sustainability initiatives into our organisation*





# About This Sustainability Statement

Matrix is committed to reporting its sustainability performance, transparently. The scope of this sustainability statement has been expanded for more balanced and comprehensive disclosure.

Matrix aims to present stakeholders with detailed information on the Group's development and activities. The Group's challenges and results from its sustainability endeavours are presented in this sustainability statement.

This annual disclosure follows Matrix's financial calendar and covers 1 April 2016 to 31 March 2017. The Global Reporting Initiative (GRI) standards and the Bursa Malaysia Sustainability Guide have been used as references in the preparation of this report.

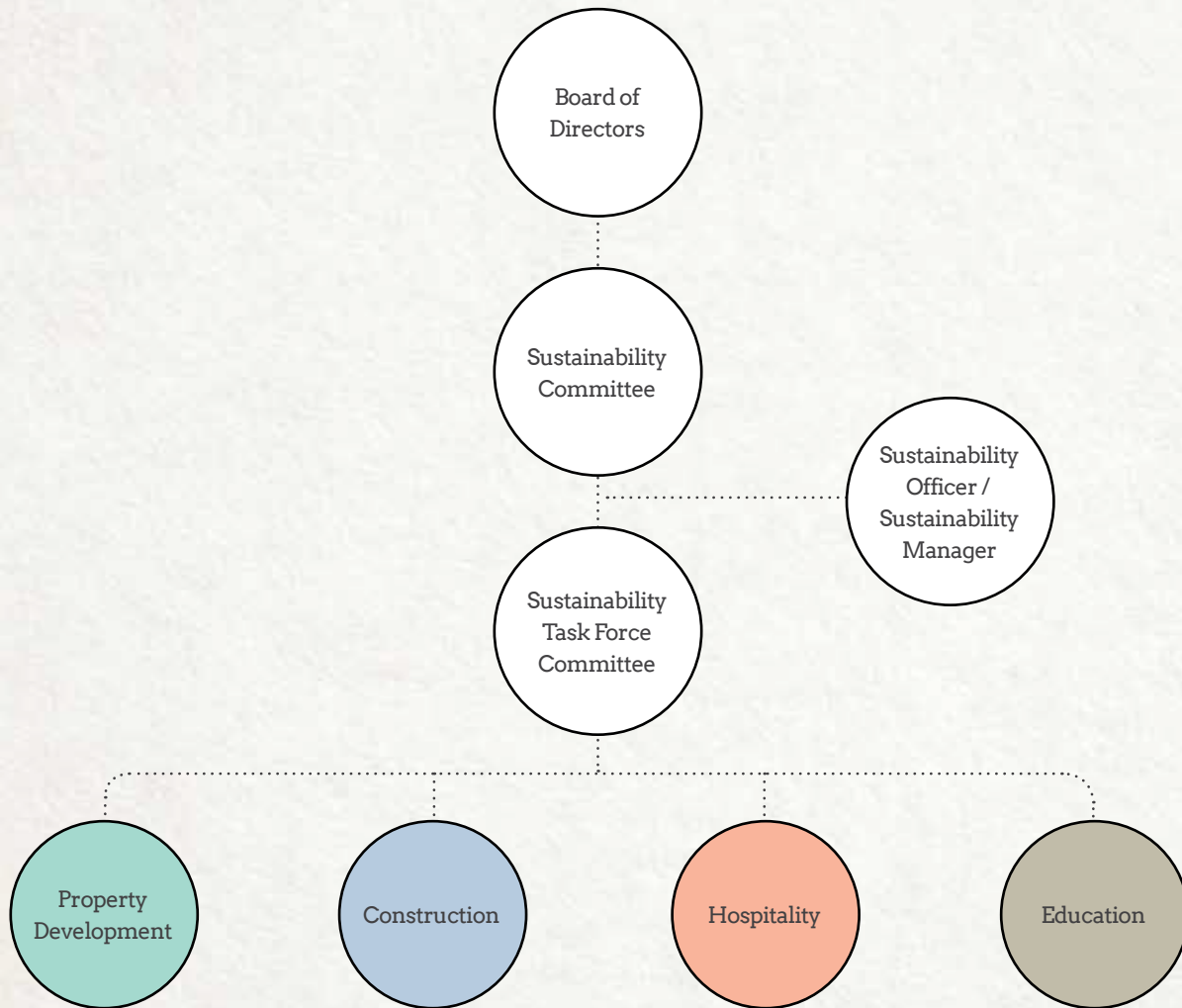
The reporting process is prepared to the best of the management's abilities by providing full comprehensive report subject to availability of information. However, Matrix will continue to improve its future sustainability disclosures.



# Sustainability Governance:

## Our Contributions to Sustainability Measured, Shared and Valued

At the end of 2016, we established a sustainability working group to develop a consistent approach to assessing what we provide to our stakeholders and measuring our contributions. The challenge is to cover not only economic value, but social and environmental contributions too.



Our aim is to stress the contributions we have made to stakeholders and place less emphasis on what we did. Focusing on outcomes rather than inputs requires us to examine the context in which we operate.

For example, rather than examining the number of units of housing sold it is better to focus on the special qualities of our developments including providing a comfortable environment and enhancing the lifestyle of our purchasers.



## **Sustainability Governance:** *Our Contributions to Sustainability Measured, Shared and Valued*

### **Sustainability Statement**

This Matrix's Sustainability Statement captures targets and actions regarding sustainability strategies each year comprising core components of our sustainability goals. It is reviewed and updated annually by the Sustainability Officer and endorsed by the Board.

**Environmental Aspects, Impacts and Actions** – identifies our direct and indirect environmental impacts and sets out the steps we will take to reduce these.

**Legal Requirements** – describes how we identify and access the applicable legal requirements related to our environmental aspects.

**Objectives, Targets and Programme** – establishes measurable targets consistent with our sustainability policy and describes our plan to achieve these.

**Responsibility** – describes how we establish, implement, maintain and improve the sustainability goals.

**Communication** – describes how we will communicate our performance of sustainability goals with staff, clients and interested parties.

**Monitoring Performance** – defines how we measure and report our sustainability performance.

### **Our Sustainability Vision**

Sustainability is a critical part of achieving our mission and ensuring long-term competitiveness. Our customers, employees, business partners and regulators expect us to uphold the highest business standards, continuously improve the quality of our products and support their communities. Operating ethically and sustainably is not just a responsibility; it is a fundamental enabler of our commercial success.

We provide solutions that reduce the environmental impact of our business while playing a key role in achieving our economic, social and environmental goals.

To achieve this we will:

|                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Projects</b>     | <p>Develop and encourage solutions that improve the environmental performance of every project we work on by considering practical ways to reduce greenhouse gas emissions, the occurrence of accidents and hazards, energy and water consumption, natural resource depletion, waste to landfill and pollution.</p> <p>Develop and encourage solutions that provide better spaces for people that consider comfort, glare, internal air quality, noise and connectivity with nature.</p> |
| <b>People</b>       | Provide our staff with the skills, knowledge and enthusiasm to deliver practical sustainable solutions through a strong commitment to training and knowledge sharing.                                                                                                                                                                                                                                                                                                                    |
| <b>Leadership</b>   | Provide leadership to the commitment of the implementation of sustainable practices through active contribution and support.                                                                                                                                                                                                                                                                                                                                                             |
| <b>Our Business</b> | <p>Set and implement sustainable goals.</p> <p>Reduce the environmental impact of our operations by managing our energy and water consumption, minimising our carbon footprint, implementing an eco-friendly purchasing policy and demonstrating environmental sustainability.</p>                                                                                                                                                                                                       |
| <b>Management</b>   | Implement and maintain an Environmental Management System and seek to continually improve our environmental performance, comply with applicable legal requirements and prevent pollution.                                                                                                                                                                                                                                                                                                |
| <b>Report</b>       | Transparently report our environmental and social performance and make this available on our websites.                                                                                                                                                                                                                                                                                                                                                                                   |

## Sustainability Governance: Our Contributions to Sustainability Measured, Shared and Valued

### Our Sustainability Goals



#### Culture and Community

- Positively contribute to communities less fortunate than our own
- Increase financial support for local and international charities
- Promote community harmony and unity



#### Equity and Local Economy

- Compliance with ethical business policy
- Development of projects in line with the economic impact of the nation
- Increase income per capita



#### Work Satisfaction / Well-being

- Diversity in the workforce, employees' benefits and adequate remuneration
- Consider flexible working policies for more members of the business whenever applicable
- OSHA - Reduce hazards and accidents in the workplace
- Self/career improvement workshop/training
- Provide employees with a conducive working environment



#### Our People

- Increase knowledge of sustainability
- Industry recognition for our people and business



# Dialogue and Partnering

Matrix engages and partners with its stakeholders to balance needs and create value. We take a complete role in supporting the development of our properties in order to increase the supply and affordability of high quality, sustainable developments.

Dialogue with our stakeholders is crucial for gauging the relative importance of multiple aspects so that our strategy and actions can be fine-tuned.

Matrix remains in close contact with all stakeholder groups so that issues of greater interest or concern can be easily identified. This approach helps us respond to the expectations of each respective group.

| Key Stakeholders                          | Methods of Engagement                                                                                                                                                                                                                                                      |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Clients and Customers                     | <ul style="list-style-type: none"> <li>• Master planning</li> <li>• Half-yearly bulletins</li> <li>• Customer charter and complaints handling</li> <li>• Specialised customer care teams</li> </ul>                                                                        |
| Shareholders, Investors and Analysts      | <ul style="list-style-type: none"> <li>• Annual General Meeting</li> <li>• Quarterly analyst briefing</li> <li>• Annual report</li> <li>• Bursa Malaysia announcements</li> <li>• Quarterly reports</li> <li>• Website</li> </ul>                                          |
| Business Associates                       | <ul style="list-style-type: none"> <li>• Agreement with business partners</li> <li>• Partnership approach to procurement and project work</li> </ul>                                                                                                                       |
| Employees                                 | <ul style="list-style-type: none"> <li>• Ongoing engagement such as meetings and the intranet</li> <li>• Celebrations such as festivals and birthdays</li> <li>• Employee satisfaction survey</li> <li>• Events such as annual dinners and festive celebrations</li> </ul> |
| Community Members and the Public          | <ul style="list-style-type: none"> <li>• Community programmes</li> <li>• Roadshows</li> <li>• Social media</li> <li>• Corporate website</li> </ul>                                                                                                                         |
| Suppliers, Contractors and Subcontractors | <ul style="list-style-type: none"> <li>• Appreciation Day</li> <li>• Training for suppliers, contractors and subcontractors</li> <li>• Suppliers, contractors and subcontractors are also invited to our annual dinner</li> </ul>                                          |
| Authorities and Regulators                | <ul style="list-style-type: none"> <li>• Compliance report</li> <li>• Site visits</li> </ul>                                                                                                                                                                               |
| Media                                     | <ul style="list-style-type: none"> <li>• Press conference</li> <li>• Media event</li> <li>• Media appreciation night</li> <li>• Festive celebrations</li> </ul>                                                                                                            |
| Non-Governmental Organisations            | <ul style="list-style-type: none"> <li>• Community programme partnerships</li> <li>• Discussion and consultation on social events</li> <li>• Charity events</li> </ul>                                                                                                     |

# Engaging on Material Issues

## The Methodology

The Matrix Stakeholders Materiality Survey 2017 was conducted in the last quarter of FY2017. To ensure impartiality and secure the anonymity of the respondents, the survey was performed by an external consultant. The opinions of representatives from the following major stakeholder groups were sought:

- Clients and Customers
- Shareholders, Investors and Analysts
- Business Associates
- Employees
- Community Members and the Public
- Suppliers, Contractors and Subcontractors
- Authorities and Regulators
- Media
- Non-Governmental Organisations

A total of 525 complete responses were obtained and analysed to ascertain the views of our stakeholders. We believe the sample size provides a reasonably accurate representation of our stakeholders' opinions. The same survey was also completed by 11 members of the Board whose responses were used to represent the views of Matrix.

Respondents were asked to rate the importance they placed on 27 issues related to economic, environmental and social performance. These issues are summarised below.

## Sustainability Areas Assessed in the Materiality Study



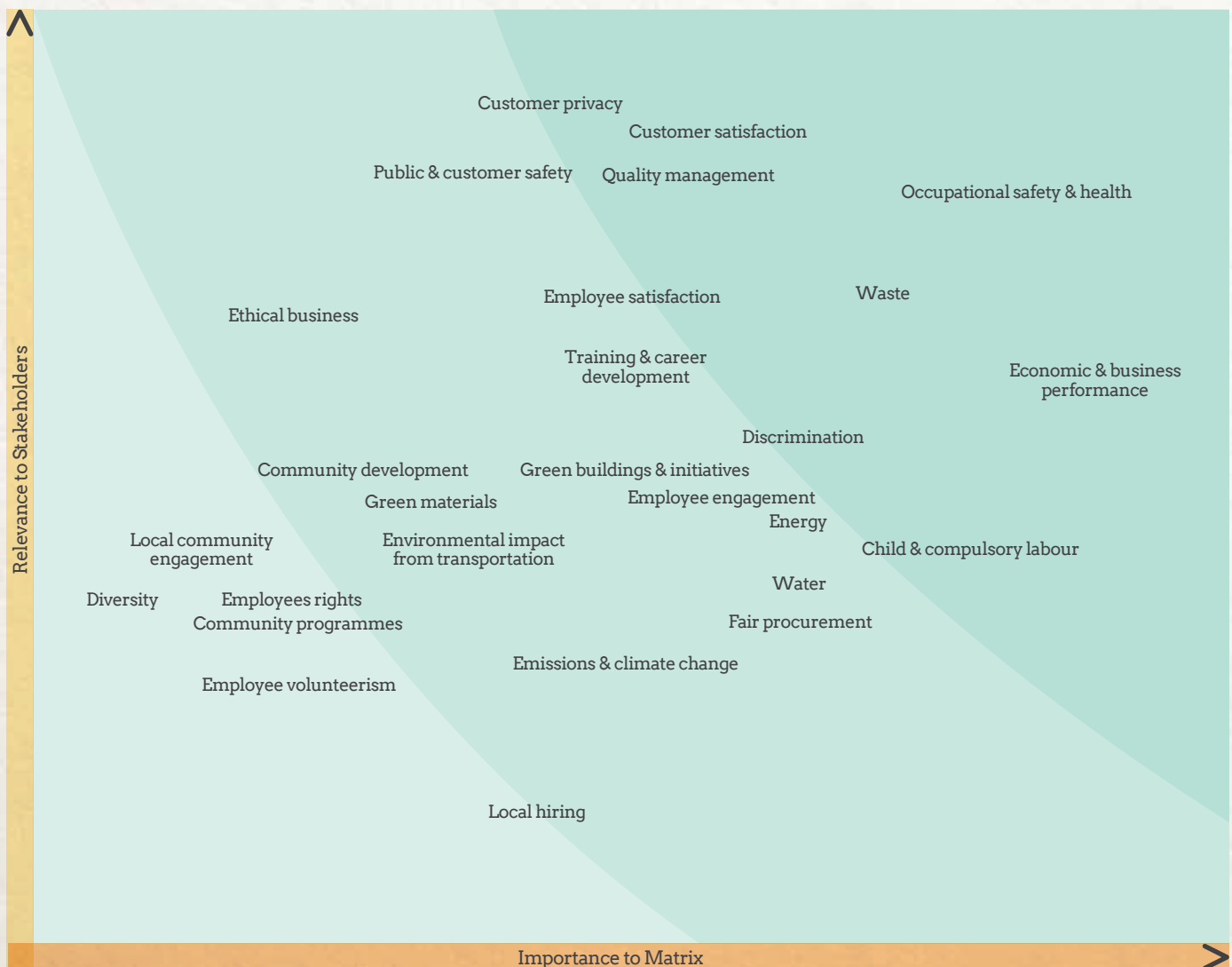
## Engaging on Material Issues

A five-point Likert scale was used, allowing respondents to indicate how important each criterion was, from 'Very Unimportant' (1) to 'Very important' (5). The survey could be completed in either English or Bahasa Malaysia.

There was a natural skew in the results as the different stakeholder groups were not represented equally. Employees were the highest represented stakeholder group with the fewest respondents representing authorities and regulators. A separate average score was calculated for each of the 27 areas within each stakeholder group, following which an average from all nine (9) stakeholder groups was obtained.

### The Results

The data was analysed and the results used to develop a materiality matrix. The level of importance to Matrix was plotted along the X axis and the relevance to stakeholders on the Y axis. The matrix is presented in the following diagram.





# Economic



## Economic

The economic section of this statement concerns Matrix's impact on the economic conditions of its stakeholders. It covers our nationbuilding efforts, our contribution to education and how we create value for our stakeholders at local, national and global levels.



Artist impression

### Our Economic Goals

1



#### Equity and Local Economy

Creating local economies that support fair employment and development of the nation

2



#### Local and Sustainable

Engaging in activities that enhance the local economy and sustainability

### ADVANCING THE NATION THROUGH IMPROVED CONNECTIVITY

Connectivity in the modern context has evolved beyond building simple road networks for individual vehicles to include mass transportation via multiple-lane expressways and electronic railway tracks.

Easily accessible from major highways, Bandar Sri Sendayan:

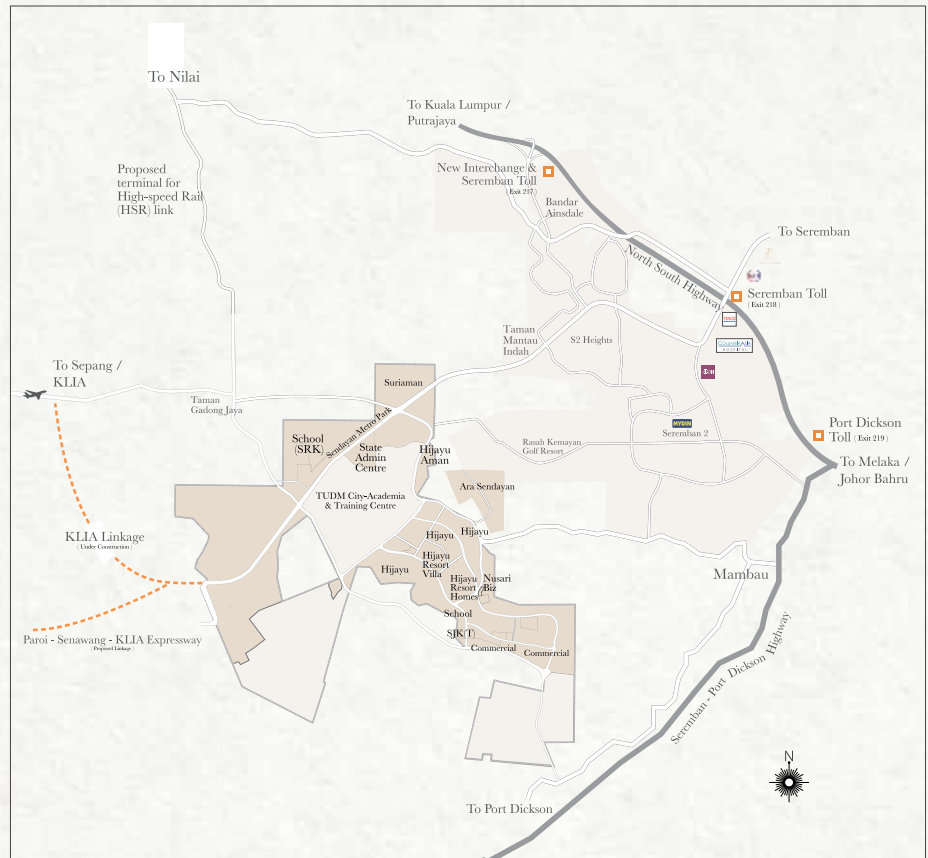
- Is approximately 7 km from the North-South Expressway Southern Route (E2) exit at the Seremban-Labu toll;
- Is 20 km from the Kajang-Seremban LEKAS Expressway (E21) exit at Setul; and
- Connects to the Seremban-Port Dickson Highway (E29), which links to Port Dickson.

## Economic

The new Paroi-Senawang-KLIA Expressway, leading to Sendayan TechValley, is currently under construction and will improve connectivity further. The upcoming Kuala Lumpur-Singapore High Speed Rail (HSR) will not only connect Kuala Lumpur with Singapore but will also create exciting new growth opportunities in other major destinations such as Seremban, Melaka and Nusajaya. Potentially, this project can have a high impact on Bandar Sri Sendayan. Establishing an HSR station in Seremban validates its position as a key township that is thriving with economic activity and new developments to continue on its growth path.

The HSR is expected to boost tourism in Negeri Sembilan and other stops on the line. The hassle-free, fast and convenient travel, coupled with large rider capacity, is expected to create new demand for tourism-related services such as food and beverage, retail, leisure, wellness and entertainment. We are also upgrading facilities at our d'Tempat Country Club and Icon Park so these venues can handle a higher demand from tourists.

A connecting road to the proposed link highway to KLIA via Sendayan TechValley is also scheduled, adding to the township's efficient arterial road system. The upcoming connectivity augurs well for the existing and potential industries established in the high-technology park of Sendayan TechValley. It will also increase accessibility to a greater pool of knowledge workers from Singapore and various parts of South and Central Malaysia.



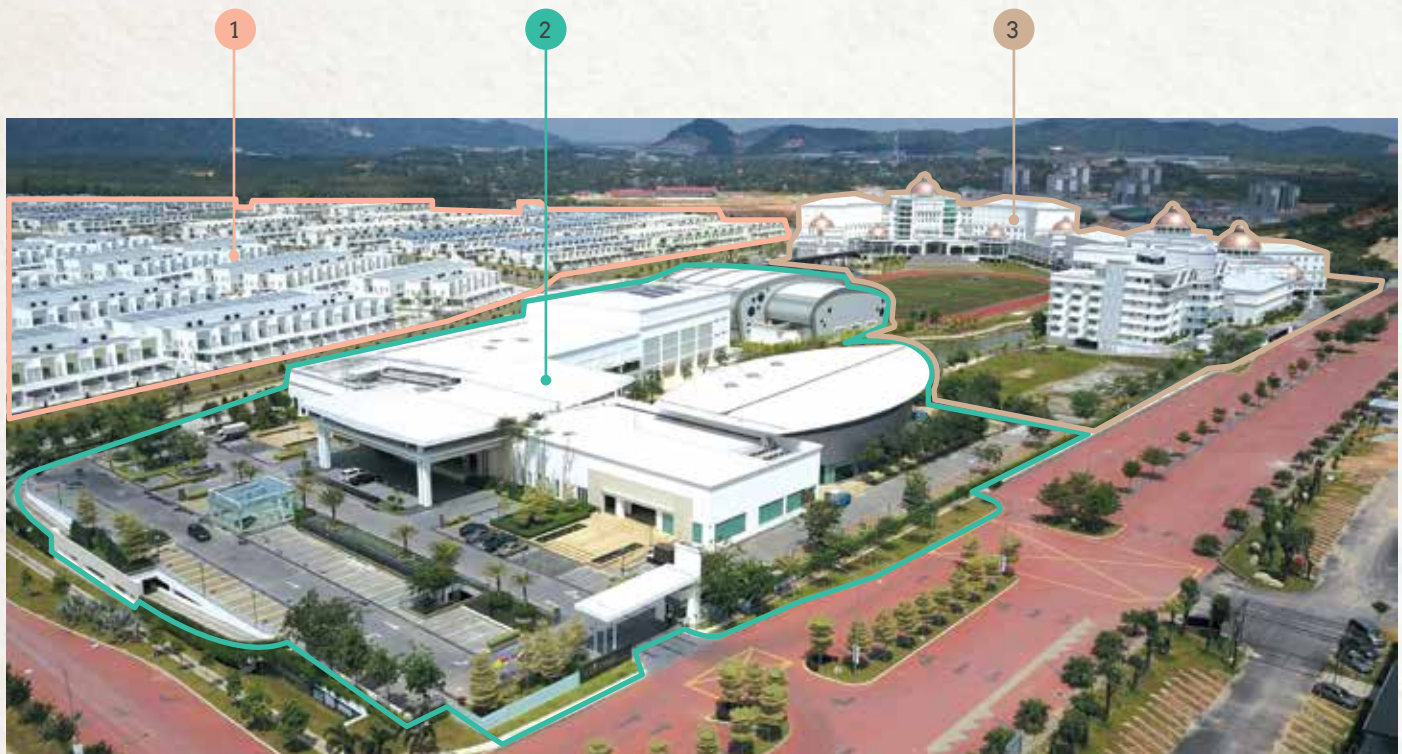
### ECONOMIC VALUE CREATION THROUGH OUR INTEGRATED TOWNSHIP

The Federal and State Government authorities have dedicated future plans to transform Greater Klang Valley, particularly Negeri Sembilan, into an integrated hub for industries, education and tourism.

Located within the Greater Klang Valley conurbation, Bandar Sri Sendayan is an up-and-coming township in Negeri Sembilan that is set to have a vibrant and exciting future. Similar to the growth of maturing townships that surround Kuala Lumpur, this 5,233-acre freehold development is poised to enjoy comparable success and live up to its reputation of being the Damansara of Seremban.

Matrix's developed Bandar Sri Sendayan with one concept — "A Perfect Home with Comfortable Living in Mind". This self-sustainable development contains residential property, commercial, education, hi-tech industrial, hospitality and leisure developments. It exemplifies our vision of "Nurturing Environments, Enriching Lives".





1



**Residential area**

2



**d'Tempat Country Club**

3



**Matrix Global Schools**

Families find this premier integrated development an oasis of fulfilment while commercial businesses are interested in Bandar Sri Sendayan's real estate opportunities.

The township's impressive network of connections supports the commercial convenience featured in components such as Sendayan Merchant Square. The 100-acre lifestyle commercial development comprises d'Tempat Country Club, Matrix Global Schools, shop offices, retail outlets and an upcoming 4H Centre (hypermarket, hardware, household and home improvement).

d'Tempat Country Club's 380,000 sq ft floor area houses amenities such as an Olympic-size swimming pool as well as badminton, tennis, squash and table tennis courts. The club's facilities also include a 10-lane bowling alley, gymnasium, aqua gym, children's water play station, games room, restaurants and cafes, retail outlets and MICE (meetings, incentives, conferencing, exhibitions) facilities.

Matrix Global Schools is under the institutional banner of this hub. This private national and international school campus caters to the demand for quality education in the area.



## Economic

'X-Park' opened in early-November 2016. Located in Bandar Sri Sendayan, it features a multitude of family-friendly and exhilarating activities such as go-karting, archery as well as a flying fox, petting zoo and BMX trail. The golf driving range will be one of the largest in Malaysia with 80 bays. The X-Park is scheduled to be fully operational in end 2017, the 34-acre land extreme park offers locals a taste of thrill under the scorching Malaysian sun.



Sendayan Techvalley has been steadily attracting Foreign Direct Investment (FDI) in sectors including automotive, aircraft and engine systems, metal, construction, rubber and medical devices. Foreign investors entering the industrial park include Daihatsu Engine Manufacturing, Hino Motors Manufacturing and Akashi Kikai Industry from Japan, France's Messier-Bugatti-Dowty, Schmidt + Clemens Asia from Germany and the Weir Group from the United Kingdom.



Our Sendayan TechValley high-tech industrial park is rapidly becoming a world-class manufacturing hub. French group Messier-Bugatti-Dowty's factory commenced operations earlier in the year and Daihatsu Motor Co. Ltd has begun work on its new factories. Supported by the excellent location and connectivity and transportation network, the eco-friendly industrial park is a hub for several supporting industries. With its excellent location, it is anticipated that the industrial park will generate job opportunities for a highly productive workforce.



In 2016, we launched more development projects comprising both affordable and premium residences in Negeri Sembilan and Johor. These developments reinforce our footprint as a premier property developer in the Greater Klang Valley.

We are currently exploring new opportunities internationally. In May 2015, we incorporated an Australian subsidiary, Matrix Concepts (Australia) Pty Ltd. This company will allow us to penetrate the premium properties market in the mature suburb of Carnegie, Melbourne as we launched our maiden project known as M.Carnegie.



### **Matrix's proposed venture into medical and healthcare with Changhua Christian Hospital (CCH), Republic of China (Taiwan)**

Matrix endeavours to expand its business into medical and healthcare as part of its future plan. 10 acres of land at Sendayan Icon Park, Bandar Sri Sendayan have been earmarked for the Matrix Specialist Hospital. The construction of this centre is in collaboration with CCH. A Memorandum of Understanding (MoU) was signed between Matrix and CCH on 1 March 2017. A Construction Working Group was established following the signing to conduct feasibility studies on this project.



Artist impression

### **Matrix benefits from the Malaysia Vision Valley (MVV)**

The MVV is an effort by the Negeri Sembilan government to complement the rapid development in the Klang Valley, particularly in Kuala Lumpur and Putrajaya. Its objective is to develop Seremban and Port Dickson as growth hubs while facilitating a living environment around the area. It is expected to attract global investors.

Bandar Sri Sendayan will benefit from the MVV integrated development under the 11<sup>th</sup> Malaysia Plan which was tabled this year. Located in west Negeri Sembilan, where Bandar Sri Sendayan is situated, the MVV encompasses Nilai, Seremban and Port Dickson.

Matrix is planning a new town centre at Bandar Sri Sendayan, known as the Sendayan Icon Park. The 116-acre town centre will consist of a hospital, hotel, shopping mall, convention centre, commercial units, offices and condominium.

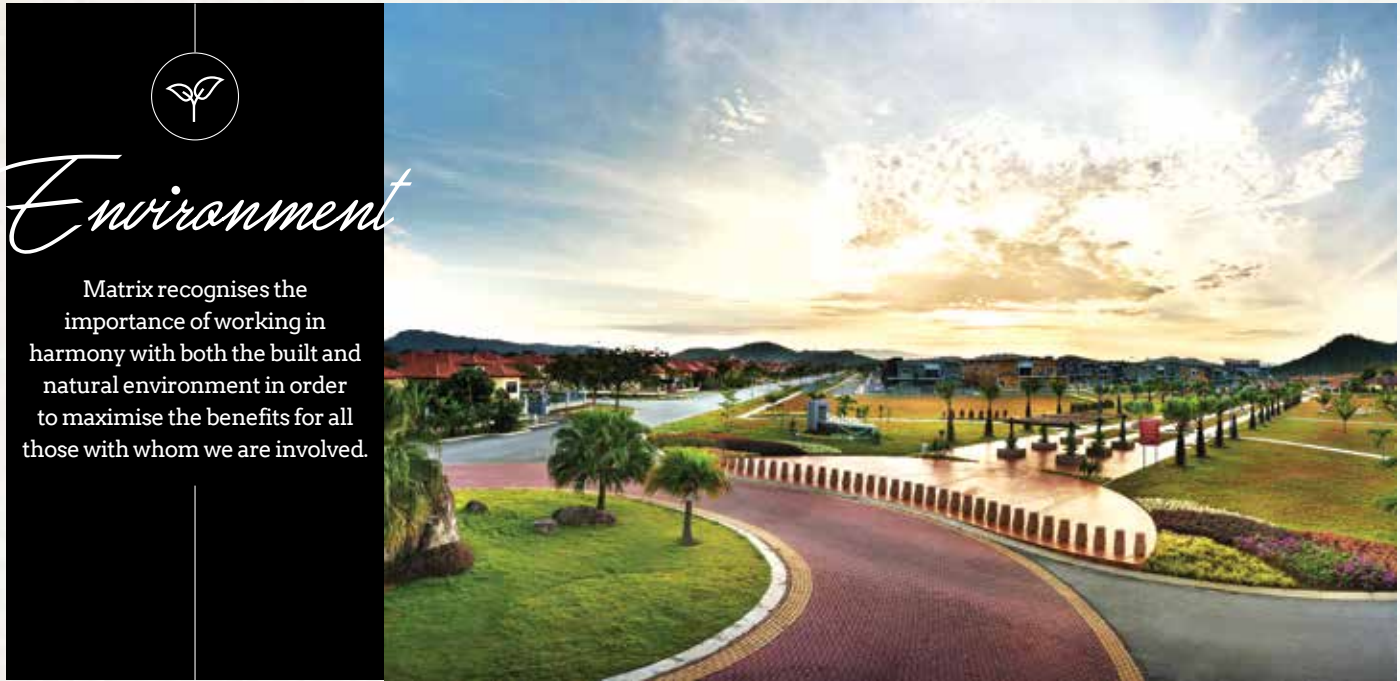


### **ADVANCING EDUCATION STANDARDS THROUGH MATRIX GLOBAL SCHOOLS**

Matrix Global Schools comprises Matrix Private School, Matrix International School and Matrix International Pre-school. Our schools, spread over a 20-acre site, are based on the British residential school concept. Matrix Global Schools is poised to be at the forefront of private education in this region by creating new frontiers in private, national and international schools.

In 2016, Matrix Global Schools made great strides as prominent foreign institutions increasingly recognised our high standards of education. In July 2016, China's Shanghai Zhangjiang Specialised College collaborated with Matrix Global Schools to send more than 300 students to our campus for three (3) years for preparatory programmes. Combined with a 700-strong student population, we are confident of reaching 1,000 in the near future.

# Environment



Our design and build practices support sustainability and are formulated to minimise adverse impacts on the environments in which we operate.

## Environmental Goals to be achieved over time

1

### Zero Carbon

- Develop more energy-efficient buildings
- Adopt renewable energy technologies in our developments

3

### Sustainable Materials

- Procuring and selling sustainable products that have low embodied energy

2

### Zero Waste

- Reducing waste, reusing where possible and ultimately sending zero waste to landfill

4

### Sustainable Transport

- Encourage low carbon modes of transport to reduce emissions

## ENVIRONMENTAL POLICY

Matrix Group will undertake the proposed project in accordance with regulatory and environment requirements. Matrix is aware of the need to maintain a high standard of the environmental quality in performing its task and is committed to ensuring that continuous environmental management and protection is adopted as part of the organization policy to guarantee that the environment is well managed throughout the construction work.



### Matrix's policy is:

- To ensure that all staff are effective, efficient and consistent in the performance of their duties and responsibilities by providing requisite leadership, training, support and motivation.
- Establish and implement a meticulous system of environmental management for effective protection of the environment in all our project initiatives.
- Identify and adhere to all environmental laws, regulations and contractual requirements applicable to the company and its project activities.
- To continually improve and innovate to achieve the highest standards of work quality and services excellence.
- To continually improve environmental, safety and health management practices.
- Undertake necessary actions for waste management and pollution prevention and efficiently manage any adverse environmental impacts at all our project sites without delay.
- Cultivate environmental awareness amongst all employees on matters pertaining to environmental protection and management.

Matrix requires all its employees and contractors to strictly adhere to this policy at all times.

### ADOPTING THE INDUSTRIALISED BUILDING SYSTEM (IBS) CONSTRUCTION TO ACHIEVE SUSTAINABLE DEVELOPMENT

"IBS is defined as a construction process that utilises components or building systems which involve prefabricated components and on-site installation."

#### The Malaysian Construction Industry Development Board (CIDB)

From the structural classification, we categorise projects into groups such as precast concrete framing, panel and box systems, formwork systems, steel framing systems, prefabricated timber framing systems and block work systems.

Implementing IBS throughout construction has the potential to contribute to different aspects of sustainable development and construction.

#### Sustainable Benefits of IBS

- Sustainability in the controlled production environment**  
 IBS offers a controlled manufacturing environment that can reach areas that are often inaccessible by regular on-site construction. IBS makes it much easier to control workmanship performance and quality, ensuring tighter construction that reduces energy losses from thermal leakages.
- IBS and waste minimisation**  
 Through controlled production, IBS minimises waste as it involves several aspects of planning both in terms of materials and production management.
- IBS and building materials**  
 IBS implements proper process control and planning which are crucial in managing prefabricated technologies such as Structural Insulated Panels (SIPS) that have great potential in fabricating energy-efficient buildings.
- IBS and logistics**  
 IBS allows larger quantities of materials and components to be ordered which reduces the number of deliveries.
- IBS and economic sustainability**  
 The Malaysian Government's emphasis on reducing reliance on foreign labour and IBS's ability to deliver this goal are well documented.
- IBS and delivery time**  
 The IBS system increases construction speed and shortens delivery time by about six (6) months, thus handing over vacant possession ahead of time.

## Environment



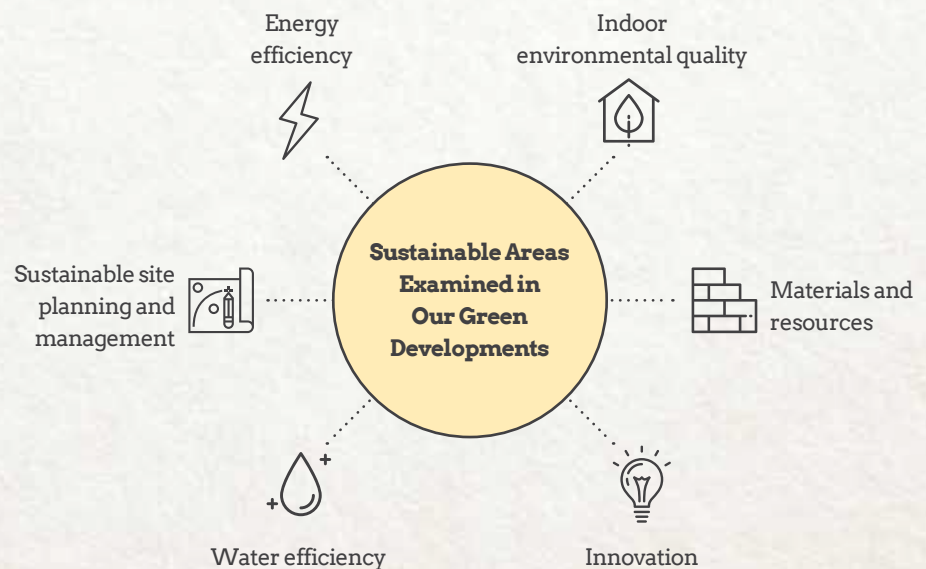
*d'Tempat Country Club - A green building awarded Gold Standard certification (Provisional) by Green Building Index*

### GREEN BUILDINGS

Matrix aspires to promote the development of green building overtime and is committed to the sustainable design of its developments and landscapes using the basic principles of resource effectiveness, life cycle assessment, health, safety and environmental performance.

As a sustainable developer, we have a unique responsibility of contributing to society by creating properties of enduring value.

d'Tempat Country Club achieved a Gold Standard certification (Provisional) by the Green Building Index (GBI). Bandar Sri Sendayan was also awarded "Sustainable Township of the Year" by the World Sense of Place in 2013.





### Green Landscape Developments

Matrix's developments include ample greenery, pavilions, lush landscaped spaces, linear parks, pocket gardens, walking and cycling paths.

Ara Sendayan's housing development concept is based on the Green Gated Community emphasising natural green areas, an environmental-friendly community as well as safe and exclusive living.

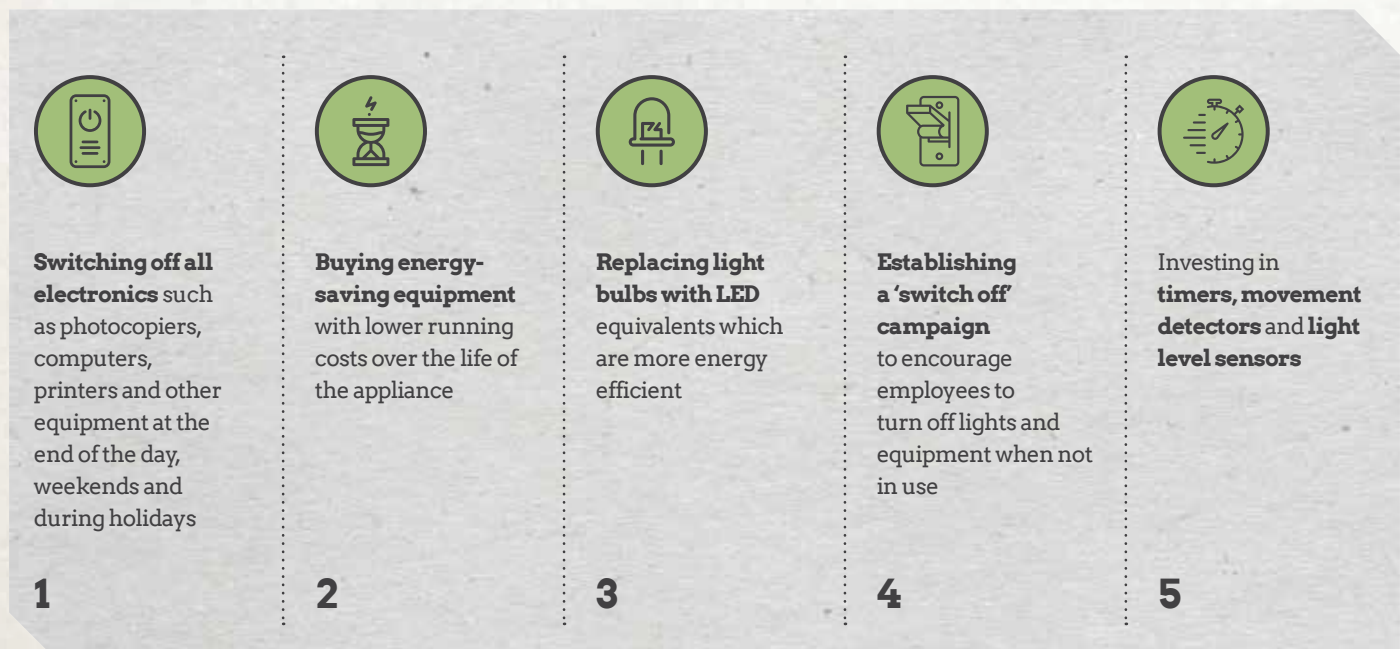
The project focuses on the accessibility of public amenities and green areas to each of the resident's homes. Pedestrian walkways ensure that residents can easily access public amenities and walk to the green area, providing a more environmentally-friendly living environment.

This self-contained township promotes a green environment and quality living by providing large green areas and a full range of services, infrastructure and public amenities to serve the needs of the community.

### ENERGY MANAGEMENT

Using less energy is good for the bottom line and great for the environment. Energy efficient behaviour is promoted throughout the Group. Energy use is monitored and recorded in each of the offices. 1,964,255.51 kWh of electricity was used in FY2017. This figure will form the baseline when strategizing future energy-saving initiatives.

#### Energy-saving Habits at Matrix Group



## Environment

### Featuring Matrix Global Schools Energy Conservation Efforts

At Matrix Global Schools, we practise a three-step approach to energy conservation.

1. The entire campus (except our boarding houses) has a building management system that controls the timing and temperature of air-conditioning.
2. Matrix Global Schools' facilities practise a minimal wastage policy by reducing all excess bulbs and installing special LED lighting to conserve energy.
3. Matrix Global Schools is testing and commissioning a collaboration with a third party company to reduce energy costs by installing their recommended lights and devices.

### Renewable Energy

Solar energy can be captured in two (2) ways: as heat energy (thermal energy) or as light energy. Photovoltaic (PV) technology converts the sun's rays into electrical current using solar panels.

d'Tempat Country Club is fitted with a solar power system. It requires little maintenance and should last 20 years or more. The electricity generated is free.

Solar water heaters also produce the hot water at Elymus Semi-detached Resort Homes and Matrix Global Schools' boarding houses. Both methods of harnessing power from the sun produce no greenhouse gas emissions.

### WASTE MANAGEMENT

The responsible management of waste is an essential part of sustainable building. Most of Matrix's waste is solid waste although small quantities of scheduled waste are also generated.

Managing waste means eliminating waste where possible, minimising waste where feasible and reusing materials which would otherwise become waste. Solid waste management practices have identified the reduction, recycling and reuse of wastes as essential for the sustainable management of resources.

#### Solid Waste

Solid wastes consist of construction debris such as concrete, rocks, metal, wood, glass, sand, dust and rubbish from the workers' quarters. Municipal solid waste is disposed of in legal dumpsites approved by the Perbadanan Pengurusan Sisa Pepejal dan Pembersihan Awam Negeri Sembilan (PPSPANS).

The burning of any waste is strictly prohibited to prevent soot and dust being produced that deteriorate the air quality of the surrounding area.

Matrix establishes a recycling centre at each of its project sites to encourage the recovery of reusable municipal waste such as glass, aluminium and plastic. Recycling waste helps minimise the volume of waste generated which in turn lessens the burden on the local landfill.

#### 4Rs (Reduce, Reuse, Recycle and Recreate Responsibly)

We ensure that approximately 90% of waste materials produced at our various sites are recycled.



▶ Old timber is pulped and reemerges as invaluable wood chippings



▶ Old tiles and bricks are reused as building materials and paving roads underlay



▶ Excess or waste plasterboard is reused



▶ All rubble is reprocessed as hardcore material to provide foundations for concrete or screed flooring areas



When using timber and other natural materials, we ensure all products are traceable and from sustainable sources. We follow all relevant construction industry guidelines with respect to the sourcing, utilisation and disposal of a wide range of building materials.

**Open burning is strictly prohibited**  
on all Matrix construction sites.

We strictly control our own waste management and adhere to sustainability guidelines in the treatment of waste.

**At Matrix Global Schools, general and recycled waste is separated and collected by the contractor of the Embassy of Japan for disposal and recycling.** The two parties have signed a collaboration agreement for the proper disposal of waste. Chemical waste from the science laboratory is discharged directly into its drainage which is equipped with a centralised neutraliser device.

### Scheduled Waste

Matrix disposes of its scheduled waste in compliance with the Department of Environment (DOE) regulations: Environmental Quality (Scheduled Waste) Regulations, 2005. These procedures govern the transportation, handling, labelling and disposal of all scheduled wastes. Ultimately, scheduled waste is disposed of at a DOE-licensed site.

Matrix stores all used oils in proper drums in a roofed shed. These used oils and oil filters are recycled by DOE-approved contractors.

### WATER CONSERVATION THROUGH RAIN HARVESTING

Water shortages are a perpetual phenomenon throughout the world. The pace of urban development and increasing population has led to an extreme exploitation of water resources. Recent monsoon failures have made the situation worse. Our efforts in minimising water use are not limited to offices and sites. We continue to promote water saving initiatives among our people. 229,013.23m<sup>3</sup> of water was used in FY2017. We will use this as a benchmark in formulating water saving initiatives in the future.

More importantly at our developments, we recognise that it is necessary to adopt measures to conserve and increase the renewable water resources in all possible ways. In scientific terms, water harvesting broadly refers to the collection and storage of rainwater and also other activities such as harvesting surface water, extracting groundwater, preventing losses through evaporation and seepage. Generally, water harvesting is the direct collection of rainwater.

Rainwater harvesting systems have been installed at a number of our developments such as the Elymus Semi-detached Resort Homes, the Matrix Global Schools and d'Tempat Country Club. Harvested rainwater is stored for landscaping and flushing toilets. Rainwater falling on the terrace is collected through pipelines or drains and stored in a storage tank for direct use.

### NOISE AND VIBRATIONS MANAGEMENT

Matrix recognises that noise generated by construction equipment and moving vehicles during construction can be bothersome. Piling work in particular is a major generator of noise.

Matrix aims to keep its noise and vibrations to a minimum. Construction activities, especially blasting works, are limited to between 10.00 a.m. and 5.00 p.m. to reduce noise and vibrations affecting the surrounding environment by controlling the blasting impact according to DOE guidelines.

Machinery and heavy vehicles are maintained properly to keep noise within the level specified by the equipment manufacturers. Hoardings are installed along the site boundary and other noise-generating works are performed during the day.

Monitoring reports for noise and vibration levels are submitted to DOE Negeri Sembilan on a quarterly basis.

## Environment

### EROSION MANAGEMENT

Firstly, erosion control is based on protecting the soil surface from rain and runoff; secondly on capturing eroded soil particles on-site. The best way to control sediment is by preventing erosion. Matrix prevents erosion on site by:

- **Keeping disturbed areas small** by scheduling construction activities to minimise the extent and duration of bare soil exposure while taking into account the season and if possible, the weather forecast.
- **Protecting disturbed areas against runoff** by diverting it around the works.
- **Keeping onsite runoff velocities:** removing vegetation increases both the volume and velocity of runoff. Contour drains, retention of natural vegetation, provision of a buffer strip of vegetation, short slopes and low gradients are applied to reduce erosion.
- **Stabilising disturbed areas** as soon as possible once land construction activities are completed. Both structural and vegetative methods are proposed for utilisation such as compaction and hydroseeding.
- **Inspecting and maintaining control measures** regularly, particularly after heavy rainfall, and maintenance is conducted promptly.

#### Structural Protection Measures

##### Sediment basin

Surface runoff and discharges that leave the site are first channelled into sediment basins before flowing to the receiving water bodies.

##### Sediment fences

Sediment fences prevent mud/silt from entering the waterway.

##### Temporary drainage

A temporary network of drainage systems is constructed around the project site to allow surface runoff water to flow out of the site more effectively.

##### Check dams

Check dams are placed at necessary intervals along the temporary drainage network system to reduce or divert water flow.

#### Non-structural Protection Measures

##### Hydroseeding

Hydroseeding is carried out immediately at any cut slopes where works have been completed. The turfed slopes are watered and maintained to ensure continuous growth and to provide suitable protection to the cut slopes.

##### Compaction

Completed platforms are compacted to strengthen the soil particles and provide a sturdier foundation for the structural works. The cut and fill areas are raised slightly to minimise overland flow, which prevents erosion of the slopes.

Water retention ponds are constructed at most of our construction sites to treat and store stormwater runoff. These permanent pools of standing water eventually empty into a receiving water body. The water level at our retention ponds is controlled by a riser and orifice to retain a permanent pool of water and prevent flooding.

A wash trough is also erected at each project site to wash the wheels of all vehicles and site machinery entering and exiting the site.

### ENVIRONMENTAL AWARENESS TRAINING

Matrix understands that environmental training is vital for contractors and subcontractors during the development of each project. Environmental training ensures that the environmental control measures outlined in the Environmental Management Plan are efficiently implemented.

The trained environmental representatives or environmental consultant delivers an awareness-training programme to the Environmental Management Unit (EMU) and workers on site if requested by the contractors. General topics covered in these training sessions include:

- Environmental legislation
- Best management practices
- Safety and the environment

The contractor's management staff and the project developers are also made aware of the environmental requirements at the project site, especially specific requirements and other best management practices.

Training is held as a joint walkabout session together with the site supervisor and Health, Safety and Environment (HSE) Officer. These sessions help site personnel understand key issues from an environmental perspective more clearly which benefit the project.



## Standard Environmental Training Programmes



### Chemical Handling and Waste Management

Introduced the legal requirements and the proper management required to ensure continuous compliance. Generally, chemical safety prevents accidents and injuries from using chemicals in the workplace.



### Emergency Response Training

Training that can limit or reduce the risk and impact to the environment from accidents and emergencies. The training comprises synergistic preparedness planning along with communication and teamwork elements.



### Environmental Management Techniques

Environmental Management Techniques introduced covered control and the use of PPE, safety signals and signage control, access controls for designated areas such as gas storage, and confined spaces and safety in the workplace.



### Fire Safety Training

Fire Safety Training educates participants on the importance of fire safety and introduces some proven simple and easy-to-remember techniques on the appropriate response and measures to be taken in the event of a fire.



### Monitoring and Enforcement Training

Training submodules cover investigation procedures, sampling techniques, compounding procedures, management of monitoring programmes and establishing a baseline environmental data collection programme.



### Construction Material Management & Wastage Control

This training introduces current and future potential scenarios on the construction site related to the sustainability of non-renewable resources and construction waste management in the country. It provides a comprehensive understanding of the regulatory framework, waste properties, waste management concepts and good management practices. Existing construction waste management practices are introduced including regulatory, management, economic and technical aspects.

## Toolbox Meetings

Toolbox meetings are informal safety meetings that focus on safety topics related to a specific job, such as workplace hazards and safe work practices. Generally, these meetings are short and conducted at the job site before a job or work shift commences. Workers are reminded of the hazards faced daily.

The site safety supervisor or safety officer conducts the toolbox meetings which include information on specific construction safety and environmental protection topics that encourage safe work practices.

## ENVIRONMENTAL IMPACT FROM TRANSPORTATION

Matrix understands that transporting raw materials and large structures can impede traffic flow and hinder road users. Transport services are mainly outsourced to reduce costs and greenhouse emissions. Transportation is normally scheduled to avoid peak hours to and from construction sites. Construction vehicles are required to adhere to the recommended speed limit of 40 km/hr on site.

Lorries transporting earth must be compacted and covered with a tarpaulin before departing to the project site to reduce spillages. Spillage boxes are also installed in suppliers' concrete trucks to prevent spillages on the road.

Dust is reduced by wetting work tracks and cleaning with water bowsers. Temporary wash troughs are placed at entrance and exit gateways of project sites to clean the tyres of construction vehicles. Access roads are swept and cleaned regularly to remove fallen debris from construction vehicles to improve overall traffic safety.

Adequate warning and traffic signs, lamp lights and barricades are clearly displayed with directional boards to ensure the safety of all parties especially in the presence of heavy vehicles. Flagmen are stationed at the entrance of nearby schools during school hours to direct lorry drivers.



## Environment

### ENVIRONMENTAL PROGRAMMES

#### "My Earth My Home, Future & Hope" Charity Walk

Malaysia Fo Guang Buddhist Association Malaysia, Seremban Branch in collaboration with Matrix organised a charity walk, with a theme of *"My Earth My Home, Future & Hope"*. The charity event promoted and raised awareness of environmental protection and earth preservation. The event was held at d'Tempat Country Club, Bandar Sri Sendayan on 19 June 2016.

More than 600 participants including community members and employees took part in the charity walk which concluded with approximately 240 trees being planted.



#### BSS Go Green Day

On 28 May 2016, we held our 3R awareness campaign, BSS Go Green Day, for residents of Bandar Sri Sendayan and the surrounding community. The campaign was held in collaboration with SWM Environment Sdn Bhd Negeri Sembilan, Rekalight Sdn Bhd, Biji-Biji Initiative, Tzu-Chi Foundation Malaysia and IPD Seremban.

This campaign formed part of our commitment to conserving natural resources and reducing pollution. The event was held at d'Tempat Country Club, Bandar Sri Sendayan and complemented our support for raising awareness of the need to protect nature.

Activities held included an introduction to energy-saving LED lights, crafts, 'kick-start your own 3R' campaign, a recycling material workshop and an environment talk on the *'Implementation of Waste Separation at Source'* by an SWM representative.



#### Save Our Rainforest Race 2016

Matrix participated in the programme dubbed "PEKA Save Our Rainforest Race 2016" for the first time on 26 March 2016. This race was organised by Pertubuhan Pelindung Khazanah Alam Malaysia (PEKA) at Pusat Eco-Edu tourism Hutan Simpan Sg Menyala, Port Dickson. PEKA is an NGO fighting for issues related to natural heritage including preserving and conserving tropical rainforests in Malaysia.

Matrix was a corporate sponsor of this programme. 12 employees represented Matrix and hiked 15 km through the nature forest while replanting trees and raising awareness of the importance of conserving our rainforest. The experience gave young employees a new perspective on the importance of sustaining a clean and healthy natural environment for our present and future generations.





### ENVIRONMENTAL COMPLIANCE

Matrix aims to comply with all environmental laws, regulations, standards and other requirements such as site permits to operate. Although exact requirements differ from project to project, the following general acts and regulations are adhered to.

|                                                                  |                                                                               |                                                                                    |                                                                                            |
|------------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| ELA Order 2015                                                   | Environmental Quality Act 1974                                                | Environmental Quality (Licensing) Regulations 1977                                 | Environmental Quality (Clean Air) Regulations 2014                                         |
| Environmental Quality (Compound of Offences) Rules 1978          | Environmental Quality (Sewage) Regulations 2009                               | Environmental Quality (Motor Vehicle Noise) Regulations 1987                       | Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 2015 |
| Environmental Quality (Scheduled Waste) Regulations 2005         | Environmental Quality (Control Emission from Diesel Engines) Regulations 1995 | Environmental Quality (Control of Emission from Petrol Engines) Regulations 1995   | Environmental Quality (Compounding of Offences) (Open Burning) Rules 2000                  |
| Factories and Machinery (Noise Exposure) Regulations 1989 (DOSH) | Factories and Machinery (Safety, Health and Welfare) Regulations 1970 (DOSH)  | Guidelines for Prevention and Control of Soil Erosion and Siltation Malaysia (DOE) | Urban Stormwater Management Manual or Manual Saliran Mesra Alam (MASMA) (D.I.D, 2012)      |

# Social: Society



*Social: society*

As a Seremban community member, Matrix not only creates employment and economic benefits but also builds relationships of trust such as social initiatives and other contributions for the benefit of the local community.



Matrix considers its communities to be part of the team and works hard to make a difference through charitable donations and employee volunteerism.

## PHILANTHROPY AND SOCIETY CARE



### Extending Our Reach to the *Orang Asli* Community

Matrix collaborated with the Department of Orang Asli Negeri Sembilan (JAKOA) in developing a structured *Orang Asli* settlement. We provided a modern residence and permanent source of income to the community in Kampung Orang Asli Palebar Baru in Port Dickson. The settlements included a prayer room, kindergarten, futsal, community halls and recreational park.

Matrix also purchased an audio system for the prayer room for *azan* and equipped the kindergarten with learning facilities. Each household was also allocated land planted with oil palm, which will generate income for the villagers. Residents were previously transferred from Kampung Gadong Jaya Labu to Kampung Orang Asli Palebar Baru after 2,000 affordable houses were built on their land.



### Rebuilding SJK (T) Ladang Bukit Bertam Bandar Sri Sendayan

Raising educational achievements has been a key focus area for Matrix especially in the communities close to its operations.

A 90-year-old Tamil school in an oil palm plantation in Rantau was about to close down due to a single-digit enrolment in 2009. The school relocated to Bandar Sri Sendayan and the Chief Minister of Negeri Sembilan entrusted us to build the school. The construction of SJK (T) Ladang Bukit Bertam commenced in early 2016 and was completed within nine (9) months. The school was handed over to the Lembaga Pengelola Sekolah Tamil (School Board of Governors) in early December 2016 and is ready to receive students for the 2017 school calendar year. 102 students, whom mostly are from Bandar Sri Sendayan, have enrolled for the 2017 academic year.



The school caters for up to 400 students. It is equipped with a 100-seat auditorium, multi-purpose hall, football field and a science lab. It also houses a living and social skills lab and canteen.

### MATRIX CONCEPTS FOUNDATION - SHARING FESTIVE JOY WITH THE LESS FORTUNATE

#### Buka Puasa with Single Mothers, Old Folks and Disabled from Kg Labu Batu 10

In the spirit of Ramadhan, Matrix Concepts Foundation (MCF) hosted a *Buka Puasa* with 92 less fortunate persons at d'Tempat Country Club, Bandar Sri Sendayan on 23 June 2016. Approximately 62 residents of Kg. Labu Batu 10 comprising single mothers, senior citizens and the disabled were invited. 30 orphans from Pertubuhan Darul Asnaf Sri Tanjung, Kuala Pilah, Negeri Sembilan also joined the event. All the single mothers, old and disabled persons and orphans received cash donations and *duit raya* at the event.



#### Celebrating Chinese New Year (CNY) with Rumah Orang Tua Chok Lam

On 24 January 2017, MCF shared the joy of CNY with old folks from Rumah Orang Tua Chok Lam, Rantau, Negeri Sembilan. Matrix contributed new cabinets and cupboards to replace the old shabby ones. The home also received in-kind donations of groceries and mandarin oranges. The home's residents were invited for lunch at the d'Tempat Country Club. Each of the 18 residents received *ang pow* in line with the festive spirit.





## Social: Society



### Instilling the Lights in the Heart of Deepavali

In conjunction with the Festival of Lights, Persatuan Kebajikan Orang India Sri Sendayan celebrated a warm-hearted Sunday evening with 40 less fortunate residents of Kuil Maha Mariamman, Bandar Sri Sendayan.

The residents were brought together by the spirit of unity and social harmony during the Festival of Lights. Single mothers, senior citizens, the disabled and those less fortunate living in Bandar Sri Sendayan were invited to a Deepavali celebration which was jointly organised by Persatuan Kebajikan Orang India Sri Sendayan and MCF.

The event was held on 23 October 2016. Guests were entertained with traditional Indian dance and a performance by

the children. Scrumptious food was accompanied by popular Indian delicacies. Each participant received a cash shopping vouchers in addition to cash donation to the home.

The meaningful event reached out to members of the community, celebrating diversity in our township and caring for those less privileged.

### MCF Continues to Fund Hospice Care

On 23 November 2016, MCF contributed RM30,000 to Pertubuhan Hospice Negeri Sembilan during a fundraising dinner at Sungai Ujong Club in Seremban. Pertubuhan Hospice Negeri Sembilan was registered in 1998 and there are currently 20 voluntary hospices situated in Malaysia under the Malaysian Hospice Council.



This is the second year MCF provided a grant in conjunction with their World Hospice and Palliative Care Celebration. The money helps the non-profit organisation with its expenses such as electricity, water, rental and medical expenses incurred for treating those in need. MCF is dedicated to making a significant impact by accelerating the standard and quality in the fields of education, community, humanity and the environment.

### MATRIX GLOBAL SCHOOLS - BEING A GOOD CORPORATE CITIZEN

#### Students Collected Recycled Materials for the Beautiful Gate Seremban Centre for the Disabled



Beautiful Gate began its caring ministry to the disabled community of Seremban in 2001. Its goal is to enhance the quality of life of people with disabilities and assist in their total integration into mainstream Malaysian society. This is achieved through mutual support, advocacy, personal skills development and campaigns to raise public awareness.

Students of Matrix Global Schools have an ongoing initiative in collecting recyclable materials which can be useful for the centre to be reprocessed into usable materials.



### Matrix Global Schools Extends a Hand of Friendship to Refugees



As part of Matrix Global Schools' community service programme, eight (8) students flew to Kota Kinabalu in early 2017 to assist, support and deliver stationery to the Hope Learning Centre which is a school for refugee children with no legal status. The school's infrastructure is in poor condition and we hope that our help will improve the teaching-learning experience for these children.

### Students of Matrix Private School and Matrix International School Bring Smiles to the Elderly



Student representatives from Matrix Private School and Matrix International School visited Pusat Jagaan Warga Usia Emas Tong Sim on 20 March 2017. The visit aimed to develop respect for the elderly and bring joy to the residents.

This charity visit helped improve students' knowledge of the less fortunate and be grateful for their position. Matrix Global Schools aim to give back to the community and show their love and support for the society. During the visit, the schools also presented an adjustable hospital bed for their use.

### Ongoing Preloved Books Collection for Neighbouring Schools



Matrix Global Schools conducted a donation campaign of preloved books from parents, guardians, students and employees since November 2016. This campaign is still ongoing. More than 1,000 primary books which have been collected to date will be donated to neighbouring schools including SJK(T) Ladang Bukit Bertam and Sri Sendayan Tamil School.

### Safety Belt Campaign by Matrix Global Schools Students

In 2016, a total of 7,152 people died in road accidents in Malaysia, which is an alarming increase from 6,706 the previous year. According to the Malaysian Institute of Road Safety Research, 80.6% of road accidents were due to human error. Seat belt use is the most effective way to save lives and reduce injuries in crashes.

Matrix International School students held an awareness campaign through the Seat Belt Poster competition throughout 2016. Too Mei Hui, a student in Year 8 won the competition with her most creative poster design and idea as shown below.



### SPORTS

#### Negeri Sembilan Men's Basketball Team Won the Agong's Cup

Matrix has extended a sponsorship to the Negeri Sembilan Basketball Association (NSBA) since February 2016. This sponsorship covers the winning prize and a supplementary allowance for the state and national team players. This contribution has since become an ongoing corporate social responsibility by Matrix with RM1.5 million being donated in the previous financial year.



## Social: Society



On 1 December 2016, the Negeri Sembilan men's basketball team won the 58<sup>th</sup> MABA/Matrix Agong Cup held at Bintulu, Sarawak. Previously, Negeri Sembilan won the inaugural tournament in 1958. This year's victory was the second after entering the finals for the fourth time. The team emerged as runner-up in 2002.

As the Cup's main sponsor, Matrix awarded each team player with a brand new Toyota VIOS, RM10,000 in cash and a holiday package to Japan. The prize giving ceremony themed "Making History, Achieving a New Peak" was held on 20 December 2016 at d'Tempat Country Club.

If the team successfully defends the title in the 2017 championships, Matrix announced an incentive of RM100,000 and a service apartment in Puchong (a project by Matrix) for each player on their third win. This is one of the highest rewards ever made in the history of Malaysian Basketball. Overall, 12 players, including coaches and team members, have received awards of more than RM1 million to date.

### Matrix Sponsors Persatuan Bolasepak Negeri Sembilan (PBNS)

In 2016, Matrix signed a sponsorship agreement with PBNS for up to RM7 million in sponsorship as part of our initiatives to promote youth sports and build the talents of our local athletes. The sponsorship was paid in eight (8) installments from December 2015 to July 2016.

### Matrix Supports the Seremban Half Marathon

The 29<sup>th</sup> Seremban Half Marathon is the longest organised half marathon in Malaysia. It was held in conjunction with the commemoration of the 10<sup>th</sup> Yang Di

Pertuan Besar Negeri Sembilan Daruk Khusus Almarhum Tuanku Ja'afar ibni Almarhum Tuanku Abdul Rahman. The half marathon was flagged off on 4 September 2016 by Y.A.M. Tunku Ali Redhaudin Muhriz and Y.A.M Tunku Zain Al-'Abidin ibni Tuanku Muhriz and our Group Managing Director, Dato' Lee Tian Hock.

The race took runners to various areas in Seremban town including Rahang, Forest Heights, Paroi Ampangan route, the Lake Gardens area and back to Padang MPS.

Uniquely, the Seremban Half Marathon provides an opportunity for the disabled to compete in wheelchairs. School children aged between 13 and 18 years were the highest represented group in the event. As the main sponsor, Matrix made a significant contribution of RM35,000.

12 employees from Matrix Global Schools, d'Tempat Country Club and Matrix Headquarters took part in the event. This is the first time Matrix participated in the Seremban Half Marathon. Matrix aimed to raise social awareness among the Seremban community on the importance of nurturing a healthy lifestyle while encouraging harmony among citizens through public events.





### Malaysia 59<sup>th</sup> Independence Day Celebration in Seremban

A total of 50 employees from various departments represented Matrix in the Independence Day Sehati Sejiwa parade. A total of 109 contingents comprising 12,901 participants from government departments, uniform groups, school and university students and private companies took part in the parade.



### Recognising the Dedication and Services of Police Officers

Seremban District Police Headquarters held a sports day event with Matrix at d'Tempat Country Club in Bandar Sri Sendayan. The event was held in conjunction with the 209<sup>th</sup> Anniversary of Royal Malaysian Police Day with the theme "Hari Sukan Dua Penjuru IPD Seremban & Matrix 2016".

The event reminded the public of the importance of sports for well-being and acknowledged IPD Seremban's role in achieving a harmonious Bandar Sri Sendayan.

More than 100 police officers from IPD Seremban and their family members joined employees in the sports day. There were several tournaments including bowling and ping pong. A buffet lunch was served for all at the d'Tempat Country Club.



### Honouring Mothers

Matrix collaborated with the Jabatan Kebajikan Masyarakat Negeri Sembilan in organising a unique way of celebrating Mother's Day. 20 single mothers were invited to d'Tempat Country Club to receive cash contributions. The money had been raised through a fundraising campaign by the Residential Association in Bandar Sri Sendayan, Matrix's employees, parents of Matrix Global Schools students and well-wishers from the general public. Additionally, Matrix topped up the cash contributions. The mothers were entertained with dances and performances before being treated to a delectable lunch at the Club.



### ETHICAL BUSINESS CONDUCT

Our commitment to integrity and ethics is the foundation for our business conduct. Our business conduct policy statement articulates our commitment to sound

legal and ethical business practices. Honesty and integrity foster a positive work environment that strengthens the confidence of all our stakeholders.

### Anti-Corruption

Matrix's policy on anti-corruption is dedicated to ensuring that business throughout our company is conducted in a fair, ethical and legal manner. This means avoiding corruption in any form including bribery. Matrix prohibits bribery in all forms, whether direct or indirect, no matter the amount. Employees are expected to act with the highest standards of integrity in all business dealings. These policies reflect the importance of individual accountability, oversight, integrity leadership and transparency.

Suppliers must comply with all applicable anti-corruption policies that Matrix adopts. Suppliers must not give bribes or kickbacks of any kind. Supplier agreements must be renewed every three (3) years via a fair tendering process as part of our supply chain management.



# Social: Labour Practices and Decent Work



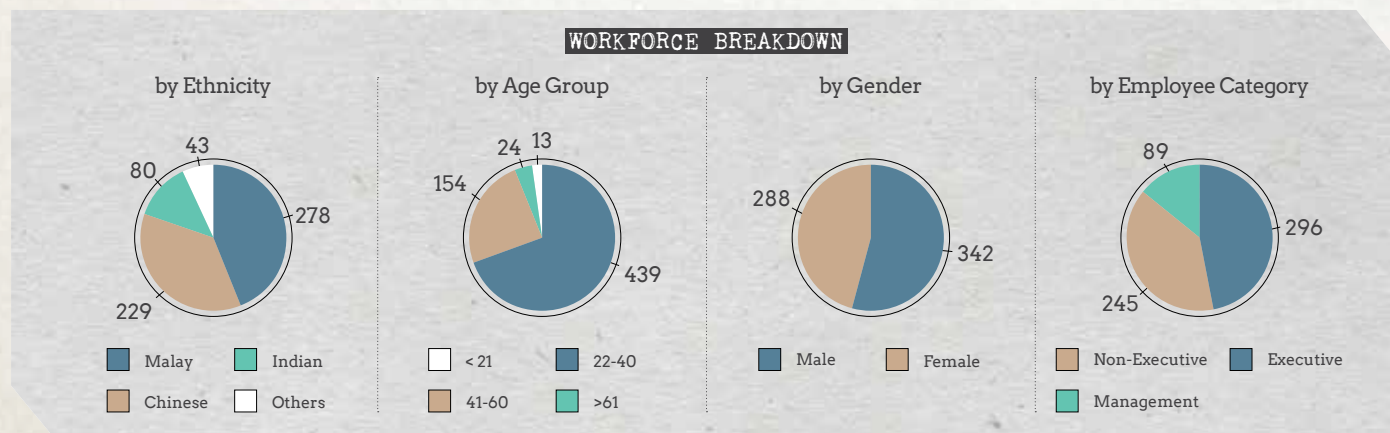
We support this commitment by focusing on developing our leaders, enhancing our performance culture while measuring and improving employee engagement and job satisfaction.

## DIVERSITY AND EQUAL OPPORTUNITIES

Matrix enforces equality throughout the Company's remuneration, hiring, training, development and promotions. A diverse workforce helps Matrix realise its full potential. Recognising and developing the talents of each individual brings new ideas into business operations.

We believe a well-managed, diverse workforce expands our knowledge base, skills and cross-cultural understanding. This helps us to understand, relate and respond to our diverse and changing customers.

We do not discriminate against any employee due to race, colour, religion, sex, origin, age, disability or other personal characteristics. Our diverse workforce is reflected in the charts below:





## COMPETITIVE BENEFITS

Operating in a competitive marketplace, we offer attractive remuneration and benefits packages with structured career opportunities to attract and retain our best talents. Matrix complies with all applicable laws, agreements and industry standards on working hours and compensation. Other customary benefits are usually included in our employees' benefits package in addition to fixed salaries and variable remuneration. According to comparative analysis, Matrix offers some of the most attractive benefits within the industry. Our pay scale is at the 75<sup>th</sup> percentile above the market rate.

### Typical Components of Our Benefits Package

|                                                                                                                                            |                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Leave:                                                                                                                                                                                                                      | Allowances & Reimbursement:                                                                                                                                                                                                                                                                                                                | General Benefits:                                                                                                                                                                                                                                                                                                                                                                                   |
| <ul style="list-style-type: none"> <li>• Annual medical</li> <li>• Prolonged illness</li> <li>• Maternity</li> <li>• Study</li> <li>• Marriage</li> <li>• Paternity</li> <li>• Compassionate</li> <li>• Calamity</li> </ul> | <ul style="list-style-type: none"> <li>• Overtime allowance</li> <li>• Transfer allowance &amp; reimbursement</li> <li>• Outstation allowance</li> <li>• Overseas travel expenses reimbursement</li> <li>• Outstation travel expenses reimbursement</li> <li>• Professional membership reimbursement</li> <li>• Duty allowances</li> </ul> | <ul style="list-style-type: none"> <li>• Medical &amp; personal accident insurance</li> <li>• Medical &amp; dental benefits</li> <li>• Retrenchment benefits</li> <li>• Staff housing loan &amp; study loan</li> <li>• Club membership at d'Tempat Country Club</li> <li>• School fees waiver at Matrix Global Schools</li> <li>• Employee Share Option Scheme</li> <li>• Overseas trips</li> </ul> |

## TRAINING AND DEVELOPMENT

Employing the right people with the right skills is critical to successfully delivering clients' projects. We offer an assortment of training and career development opportunities to all our people. The ongoing training and development of our employees are encouraged to equip them with the necessary skills so they can perform their activities, effectively. We implement training programmes across all levels of the Company to meet this goal.

As part of the broad range of professional training offered, our employees received a total of 1,998 man-hours of training in 2016 on topics including:

- Management-Audit-Monitoring of Construction Projects
- REHDA-Mini Property Forum 2016
- QCLASSIC & SHASSIC
- ISO QMS Transition
- CISEC and ESCP
- Design and Construction Precast Concrete Structures
- Sustainable Construction Excellence for a Better Future

Approximately, RM200,000 is allocated in our training budget each year. On average, each employee attends 12 hours of training per year.

## Social: Labour Practices and Decent Work

### Induction Training

All new hires must attend induction training which provides a basic overview of our businesses and covers their role at work. This training helps new employees adjust to their new job tasks and familiarises them with their new working environment and colleagues. Two (2) induction training sessions are conducted each month. A total of 24 hours of induction training was held in FY2017 for 115 participants.

### CIDB Green Card

Workplace safety is a primary concern at our construction sites. Occupational Safety and Health (OSH) training reduces workplace accidents and improves the safety and health of employees by improving workers' safety knowledge and awareness in the workplace.

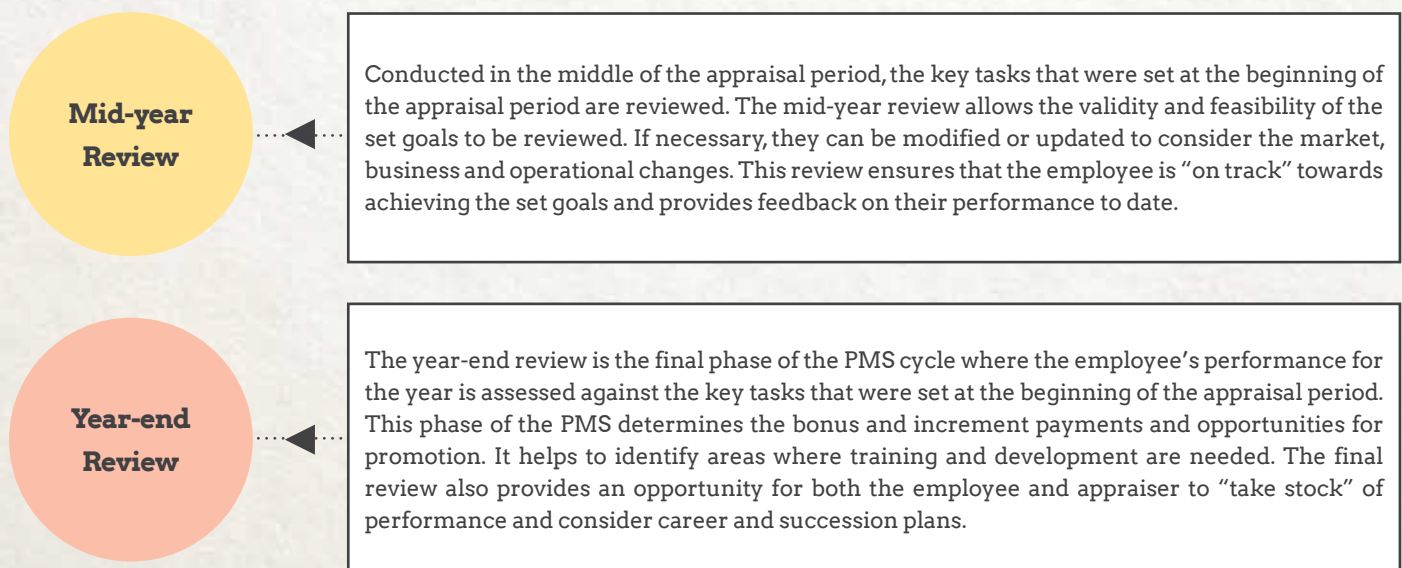
Green Card Training is mandatory safety training for our construction workers. The Green Card was introduced by the Construction Industry Development Board (CIDB) and is compulsory for all construction workers.

### PERFORMANCE MANAGEMENT

For our business to stay competitive and deliver high-quality products and services, we depend on talented employees who are able and willing to take on key roles.

A performance appraisal is one of our most important talent management tools and applies to all employees. Appraisals help identify training needs and set goals for personal development. Formal discussions take place between the employee and his or her immediate manager. This dialogue is useful as it encourages feedback and allows expectations to be discussed. Accomplishments are documented and both parties jointly develop action points and set future goals for the employee.

Matrix's Performance Management System (PMS) includes a mid-year review and year-end review.





## A SAFE WORK ENVIRONMENT

Matrix is committed to providing a safe work environment for all its employees, both in offices and on site. We also recognise our wider responsibility to safeguarding the health, safety and wellbeing of subcontractors, suppliers and the general public who have contact with our projects.

Structured training and education ensure that our people are fully engaged and involved in improving safety in the workplace, at home and during their daily commute. We also ensure that everyone understands the part they play in their own safety and the safety of co-workers, the wider community and environment in which they work.

All new employees should receive induction training upon joining the Company. Topics briefed to new employees include:

- Occupational Safety and Health Act and other health & safety legislation
- Company safety policies, rules and procedures
- Potential hazards
- Project safety plan
- Fire provisions
- Welfare provisions
- Emergency procedures
- Personal Protective Equipment (PPE)
- General responsibilities of employees in keeping the workplace safe
- Housekeeping
- Accident reporting procedure

Matrix operates in a diverse nature of business. The risks facing our people, and the most effective ways of mitigating them, vary depending on the type of activity. Each business area manages health and safety in a manner that is appropriate to their type of work and the risks they face.

During FY2017, we held several initiatives that promoted the health and safety of our employees and their work environment.

### Health & Safety Initiatives Held in FY2017 at construction sites



Fire drills



Larviciding



Campaigns



Gotong-royong to clean the compound surrounding the Company, machinery and equipment inspection



Fogging



Safety induction



Toolbox meetings

## Social: Labour Practices and Decent Work

### Vector Control

Matrix requires its contractors to prevent all construction sites from breeding mosquitos. Site personnel monitor potential Aedes breeding grounds at construction sites and workers' quarters each day. Detected breeding grounds are eliminated immediately.

Matrix also ensures larviciding and fogging are conducted from time to time and more frequently during outbreaks of dengue. In the event that contractors have insufficient manpower, they must engage the services of reliable and experienced Pest Control Operators.

We also discard any unused machinery parts, form work, steel bars, used tyres and other water bearing receptacles to prevent mosquitos from breeding.

Matrix ensures its contractors establish proper sanitary facilities for their workers to prevent water pollution. Temporary dump areas should be designated within the site and the wastes must be dumped regularly. The contractors must encourage workers to use the facilities provided.

### Preventing Fires and Explosions

Matrix recognises that decomposing organic materials can cause fires. Skid tanks also contain highly-flammable materials such as diesel or petrol. Our fire procedures aim to isolate the fire from spreading and fight the fire immediately.

### Fire Contingency Plan

|                                                                                                                                                                                                 |                                                                                                                                         |                                                                                                                                                                                                                    |                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 </p> <p>Provision of a comprehensive fire escape plan that is clearly communicated to all personnel</p> | <p>2 </p> <p>Fire drills are conducted regularly</p> | <p>3 </p> <p>Provision and location of all firefighting apparatus such as placing and clearly indicating fire extinguishers</p> | <p>4 </p> <p>Integrating a fire response plan with the safety and health programme</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Good environmental practice is also a key priority alongside safe working practices. The conformity rate achieved by our developments against our site environmental standards continues to improve.

Matrix adheres to the following acts, regulations and guidelines for a safer work environment:

- Occupational Safety & Health Act (OSHA) 1994 with Regulations
- Factory & Machinery Act 1967 with Regulations
- OHSAS 18001: Occupational Safety & Health (OSH) Management System
- MS 1722: Occupational Safety & Health (OSH) Management System
- Occupational Safety Health & Environment (OSHE) Management System



### Matrix Safety and Health Governance

The Matrix Health and Safety Governance Committee provides strategic leadership in the development of the health and safety strategy. It also ensures that the health and safety strategy is aligned with Matrix's business objectives.

The Occupational Safety and Health Act 1994 stipulates that workplaces with 40 or more employees must have a safety and health committee. Each operations site has its own safety committee with balanced employer-employee representations.

| Site                     | Chairman | Secretary | Employer Representative | Employee Representative |
|--------------------------|----------|-----------|-------------------------|-------------------------|
| Residensi SIGC           | 1        | 2         | 2                       | 8                       |
| Suriaman 3               | 1        | 2         | 3                       | 5                       |
| Hijayu 3                 | 1        | 2         | 2                       | 2                       |
| Sendayan Merchant Square | 1        | 2         | 3                       | 5                       |
| SD 2A Resort Homes       | 1        | 2         | 2                       | 5                       |
| Resort Homes (SL1)       | 1        | 2         | 2                       | 4                       |
| Suriaman 1               | 1        | 2         | 2                       | 4                       |

### Workforce OSH Statistics

| Indicator                      | FY2017    |
|--------------------------------|-----------|
| Fatality Cases                 | 0         |
| Lost Workday Cases (LWC)       | 1         |
| Restricted Workday Cases (RWC) | 0         |
| First Aid Cases (FAC)          | 0         |
| Near Miss Cases                | 0         |
| Dangerous Occurrence Cases     | 0         |
| Fire Cases                     | 0         |
| Property Damage Cases          | 0         |
| Vehicle Accident Cases         | 72        |
| Number of Days Lost            | 13,287    |
| Total Safe Man-hours Worked    | 3,867,558 |

In March 2017, an unfortunate fatal incident occurred in the swimming pool at d'Tempat Country Club. Following this incident, the club tightened its safety regulations, particularly its drowning and rescue procedures.

Our pool attendants attended aquatic training courses on life guarding, first aid and CPR training. These courses improved their knowledge and skills to:

- Prevent, recognise and respond to aquatic emergencies
- Provide care for breathing and cardiac emergencies, injuries and sudden illnesses.

Moving forward, our pool attendants shall attend the Bronze Medallion course which is the minimum standard for a qualified lifesaver.

## Social: Labour Practices and Decent Work

### EMPLOYEE ENGAGEMENT

Employee engagement is simply the extent to which people feel passionate about their jobs and are committed to the organisation. Our inclusive culture is also an integral part of our engagement. We rely on our dedicated people who continue to strive to provide a high level of service to our clients. The engagement and satisfaction of our people are therefore pivotal for our continuous success.

All employees have the opportunity to provide feedback either face-to-face or through various communication channels such as emails and other formal and informal engagement. We practise an 'open door policy' in which all managers' doors are open to every employee. The open door policy encourages open communication, feedback and discussions on matters of importance for employees.

#### The Alley Trio Open Bowling Tournament 2016

Matrix employees took part in the Trio Open Bowling Tournament which was organised by Mye Events at Ole-Ole Superbowl, Mydin Seremban 2 from 9 to 11 September 2016. 33 employees from various departments joined 196 residents from Negeri Sembilan for this fun-filled event. The Open Bowling Tournament strengthened our relationship with the local community and instilled the spirit of unity and teamwork in our employees.

#### Annual Dinner

Matrix FY2017 Annual Dinner was held on 20 January 2017 at d'Tempat Country Club. More than 1,300 guests including government officers, business associates, supply chain partners, the media and employees attended. Annual dinners have been a long tradition at Matrix. They are an avenue for the Company to recognise and appreciate our stakeholders' contributions and loyalty. By acknowledging their efforts, they feel like they are part of the Matrix team and family.

During the event, Matrix presented Long Service Awards to deserving employees who had served the Group for more than ten (10) years.

#### Buka Puasa Treat for Employees and Media

The holy month of Ramadan is the 9<sup>th</sup> month of the Islamic calendar for all Muslims. Muslims spend the whole month fasting during daylight hours from dawn to sunset. To commemorate the fasting month, Matrix organised a breaking fast celebration with a sumptuous buffet dinner for all of its employees and the media held at d'Tempat Country Club on 23 June 2016.

### NOTICE PERIOD FOR OPERATIONAL CHANGES

Any operational changes occurring that may potentially affect our employees are communicated throughout the Company via email or other means of communication. We acknowledge the importance of two-way dialogue between the management and employees. Employees are given an average of one (1) month notice for any operational changes that affect their working arrangements.



Winners of The Alley Trio Open Bowling Tournament 2016



An employee receiving a Long Service Award from our Chairman and Group Managing Director.



Buka Puasa with employees and media.



# Social: Human Rights



Matrix is committed to a work environment that is free from human rights violations.

We strongly believe that we are responsible for promoting ethical and lawful employment practices. These practices are also required to be followed by our suppliers, subcontractors or business partners.



Discrimination



Child labour



Forced and compulsory labour

## LEADING WITH INTEGRITY AND VALUES

Matrix is committed to respecting human rights across its operations and throughout the supply chain. Although not a signatory of the United Nations Global Compact (UNGC), we align our operations and strategies with the UNGC principles on human rights.

### Practices That Respect the Rights of Colleagues and Supply-chain Partners



Providing a safe and healthy workplace



Adhering to the regulations on work hours and wages



Equal treatment and non-discrimination



Respecting employees' freedom of association



Zero child and forced labour

Upholding Matrix's Code of Conduct and values is the responsibility of everyone acting on the Company's behalf. Our employees are encouraged to raise questions or report actual or potential misconduct to the management. Our Code of Conduct also covers compliance with all applicable laws and respect for internationally recognised human rights conventions across all of our operations.

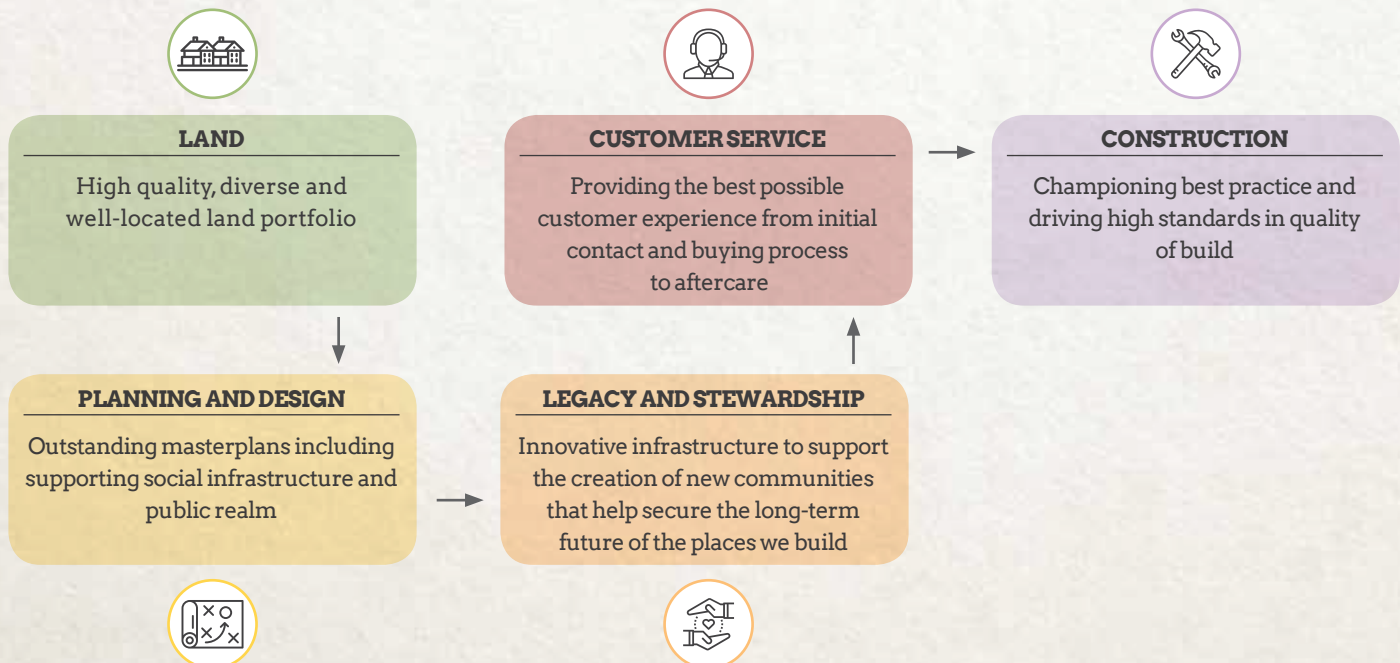
# Social: Product Responsibility



Matrix creates great places to live and we are committed to delivering high-quality construction that is free of defects. We engage with our customers regularly and their satisfaction is a central mission of all employees.

## CREATING VALUE

We aim to create value for all our stakeholders at every step of the process through our unique blend of experience and skills.

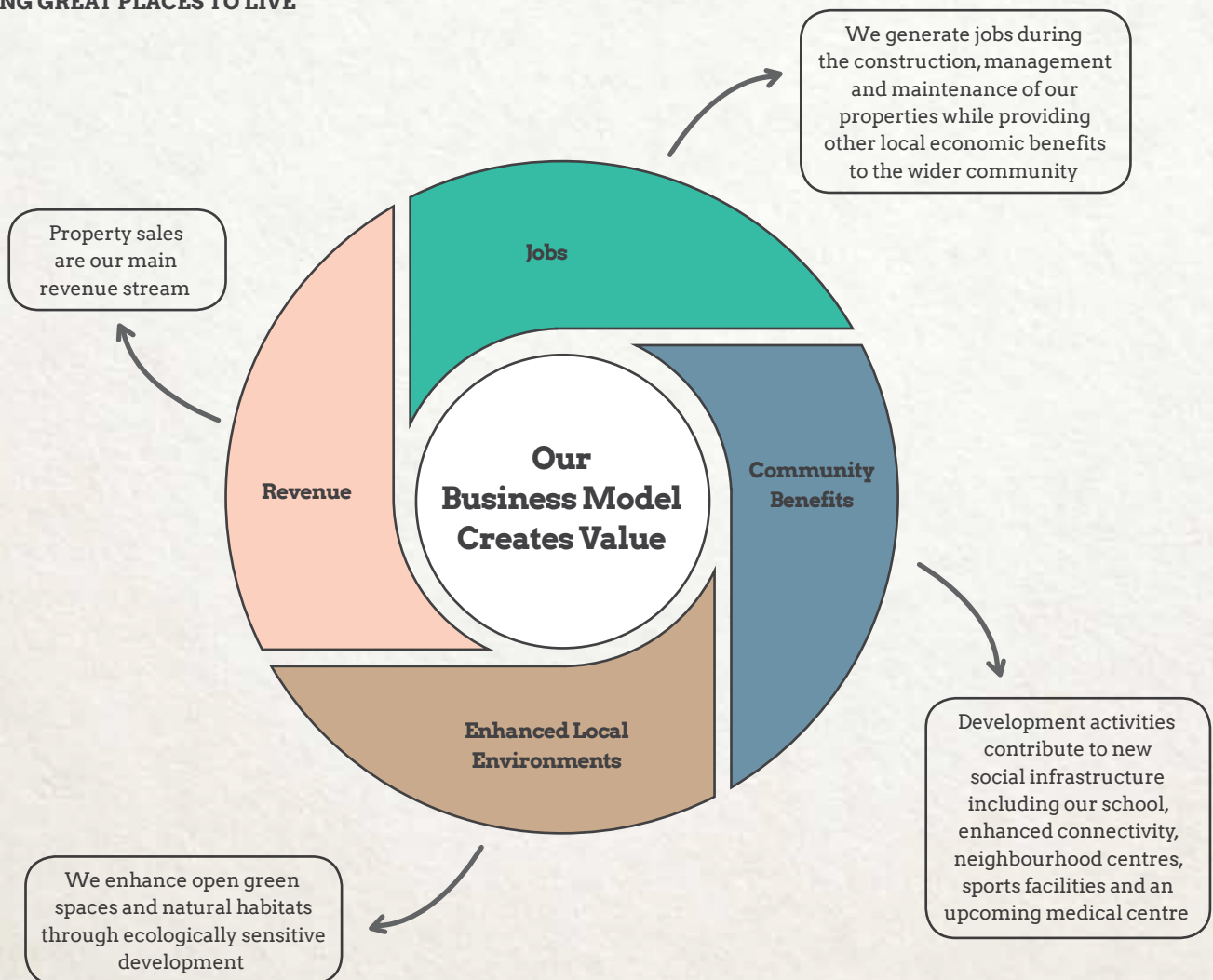




Matrix is not just a developer. We go beyond that in the following aspects:

|                              |                                                                                                                                                                                                                                     |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Choosing Our Projects</b> | From the first moment the Matrix team identifies a potential development opportunity, it goes through a germane process to create a home-feel concept. We consider our clients from the moment we decide on a specific development. |
| <b>Property Development</b>  | We do not build projects — we build homes. We nurture our properties by covering all the most important living aspects. By the time we finish building new homes, they have become close-knit communities.                          |
| <b>Pricing Strategy</b>      | We have a value-based outlook when pricing our homes. We ensure that our clients receive value that exceeds their expectations in return for their investment.                                                                      |
| <b>Local Community</b>       | We engage the local community to ensure it benefits from our developments. This is reflected in our all year round sustainability and community projects.                                                                           |

### CREATING GREAT PLACES TO LIVE



## Social: Product Responsibility

### PRIORITISING QUALITY

Every customer expects their new purchase to be built well with high-quality finishings and be free of defects. These are equal priorities for the business, too. Focus on increasing housing supply must not negatively affect the challenge of improving construction standards, driving quality through our products and providing high levels of customer care.

When it comes to quality, Matrix is always the choice. Matrix is a renowned Malaysian public listed property developer with a reputation for developing high-quality properties. Our commitment to quality is reflected by our continuous wins at the Inaugural Noble Excellent Awards where Bandar Sri Sendayan was named the Best Township Development of the Year. Over the years, we have continued to achieve more awards, the details of which are as described in the "Awards and Recognitions" page in this Annual Report.

#### Contractor's Project Quality Commitment

Matrix ensures its contractors are from established companies that are involved in civil and building construction works. They are committed to fulfilling customer's requirements by ensuring they:

- Consistently meet the client's requirements, specifications and satisfaction in the most efficient and cost effective manner.
- Continuously educate and equip their management and employees with the necessary methodology and tools to systematically improve the quality of work and processes to better serve the client.
- Comply with ISO 9001:2000 and continuously improve its effectiveness.
- Comply fully with the contractual requirements and standards for all projects and services to meet the client's specifications and satisfaction.

### LIVING AND GROWING WITH OUR RESIDENTS AND SURROUNDING COMMUNITY

Matrix Develops and Creates  
Exceptional Places to Live,  
Work and Play in.

**We don't build houses.  
We build homes.**

This is what we continue to envision at Matrix. In addition to building quality homes with convenient infrastructure, Matrix hopes to bring people together from within and around its developments so that communities can live and grow in a friendly, safe and healthy environment.

Creating a sense of unity between our residents is an everlasting priority for us. We engage with the local community and residents to ensure they benefit from our developments. Going beyond building brick walls, we earnestly promote our township's community engagement activities which begin once a development has been announced. Our community activities always extend to the neighbouring developments.



### Matrix Titan Challenge



The Matrix Titan Challenge was organised for the first time by Matrix at Bandar Sri Sendayan on 24 September 2016. 1,600 participants registered for the race: 45% from Negeri Sembilan and 55% from the Klang Valley, Sabah, Sarawak, other states and Singapore.

The Matrix Titan Challenge is the largest inflatable challenge in Malaysia. It raises the bar for health enthusiasts with laps containing seven (7) obstacles in the full race. Participants experienced the exhilaration of activity. There were also activities for children of all ages including an inflatable bungee trampoline, wall climbing, games booths and face painting. Many food trucks also paraded.

The Matrix Titan Challenge aimed to promote a healthy, fun and exciting experience for people while contributing to society. All proceeds from the event were donated to three (3) selected charitable organisations: the Malaysia Lysosomal Diseases Association, Shelter Home for (Abused) Women & Children and Kiwanis Down Syndrome Foundation.

### "Fun, Sun & Games" at Greenpark Sendayan



The first series of community events, "Fun, Sun & Games" was held on 1 October 2016 at Sendayan GreenPark, Bandar Sri Sendayan. More than 600 residents from Bandar Sri Sendayan took part in this exciting fun-filled event. Sand art, bicycle rides and face and body painting were some of the most sought after activities of the day. There was also balloon sculpturing, a children's magic show, interactive games as well as dances and a funny session with a clown. Company-sponsored food trucks and food vendors provided a wide range of snacks including popcorn, candy floss and cupcakes. "Fun, Sun & Games" was well received by our residents and community members.

### Active Go Sendayan!

On 12 November 2016, Matrix hosted another community event dubbed "Active Go Sendayan" at Sendayan GreenPark in Bandar Sri Sendayan.

This programme promoted Sendayan Green Park as the family recreation park through engagement with the community. It also encouraged residents to practise a healthy lifestyle.

Approximately 200 participants took part in this event which included sand art and giant bubbles for the children, a football match for the men and Zumba for the women. Participants also enjoyed the recently upgraded facilities including the football field.





## Social: Product Responsibility

### Sehati Sekeluarga Berbasikal Bersama

On 21 May 2016, Matrix organised the Sehati Sekeluarga, Berbasikal Bersama cycling event at Impiana Heights, Bandar Seri Impian, Kluang, Johor. This event promoted the importance of a healthy lifestyle to the residents surrounding Bandar Seri Impian.

The co-organisers, Kluang Defli Cycling Team, also took part in this event as well as the surrounding schools' Parents Teacher Association (PTA). This cycling event attracted approximately 1,000 people and was a great success.



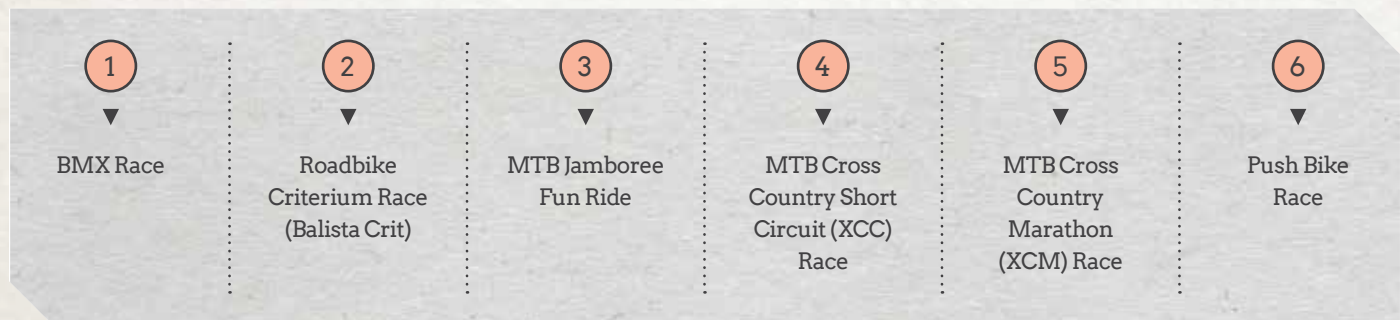
### Cycle Sendayan

Cycle Sendayan was created for extreme road cyclists, mountain bike fanatics and smashing weekend warriors or families who enjoy upbeat recreational activities. It was jointly organised by X Camp Adventure Sdn Bhd and Matrix. The two-day cycling event was held at the newly established X-Park at Bandar Sri Sendayan in Negeri Sembilan on 29 and 30 October 2016.



Two categories were available: the 48-km MTB XCM and 28-km MTB Jamboree Fun Ride categories. Each contestant had to overcome obstacles and challenges that tested their creativity and physical endurance. More than 1,500 participants registered for the race including Malaysians, Japanese, Thais, Singaporeans and Bruneians. The winners received RM2,000 and RM1,000 in cash for both the BMX and XCC categories.

### Six Highlights of the Event





X-Park is Malaysia's first theme park dedicated to motorised and non-motorised extreme sports. The park has an assortment of thrills and attractions that cater to the entertainment needs of all visitors. 18 featured activities include a golf driving range, futsal, off road buggy and paintballing, with more to come. The X-Park is set to become the leading outdoor activity in Negeri Sembilan. It also aims to attract visitors from across Malaysia and abroad. It is scheduled to be fully operational in mid-2017.



### Mid-Autumn Festival

Matrix collaborated with Fow Chow Association in organising a Mid-Autumn Festival celebration for residents, the local community and the general public. The celebration was held at Impiana Heights, Bandar Seri Impian on 15 September 2016. The one-day celebration garnered a huge turnout with over 2,000 attendees.



We took this opportunity to appreciate our diverse community that comes from different cultural backgrounds. Participants were entertained with various performances and activities including a lion dance, Wushu, a handmade Tang Lung competition along with Zumba, modern and traditional Malay dances.

### Legend of the Lion Dance



We welcomed the year of the rooster in a three-week Chinese New Year celebration held at d'Tempat Country Club, Bandar Sri Sendayan. In this year's event, Matrix made history by presenting the largest lion head in Negeri Sembilan. The 8ft and 9ft wide measurement was endorsed by the Dragon & Lion Dance Federation of Malaysia Secretary General, Dato' Ching Kim Fatt.

The lion dance is a form of traditional dance in Chinese culture. It is usually performed during Chinese New Year and religious festivals. It symbolises power, wisdom and good fortune.

The 15<sup>th</sup> day of Chinese New Year, Chap Goh Mei, is technically the final day of the festival. We invited residents, purchasers and the surrounding community to join us in a fascinating celebration featuring 18 drum performances, 18 lion dances and a show on the art of lion making.

Visitors were further entertained with family-friendly activities such as Chinese calligraphy, a God of Prosperity meet and greet session, a clay art demo and workshop, Tanglung decoration, tarot card reading, cookies decoration and chinese origami making.



## Social: Product Responsibility



This celebration united our residents and provided an opportunity for them to form closer relationships with their neighbours while appreciating our rich culture. It brought the Company closer to its residents as Matrix aims to always go beyond being a mere property developer.

### Rush to The Sky

In conjunction with Malaysia's National Day celebration, Matrix jointly organised the "Rush to The Sky Climbathon" with Kluang Environmental and Mountaineering Association. The 6-km climbathon journey was flagged off from Impiana Heights on 31 August 2016. Approximately 750 runners took part.

Matrix contributed RM70,000 for the event and presented household electronic items to the winners. Our participation in this event raised awareness for Impiana Heights and Impiana Bayu 2 while building relationships with Kluang residents.



### Property Talk for Cendol Lovers



On 19 November 2016, Matrix organised a property talk, OHSEM Cendol Songkok Tinggi. Two (2) famous property gurus attended the event that was named after Malaysia's favourite dessert delicacy. Ahyat Ishak shared '7 Easy Steps To Pick The OHSEM Property' and Khairul Ezuwan discussed the benefits of being an "ASB Genius and Property". The talk aimed to educate the public on the smart way of investing in properties.

### Dextora Appreciation Night



As a token of appreciation for home buyers, Matrix held the "Dextora Appreciation Night" at d'Tempat Country Club for buyers of Hijayu 3A and Dextora Phases 1 and 2. Approximately 400 residents attended this delightful occasion on 3 November 2016. Members of Matrix Customer Service, Customer Relations, Building and Property Management, Sales and Marketing and d'Tempat Country Club employees welcomed and mingled with the residents to build rapport.



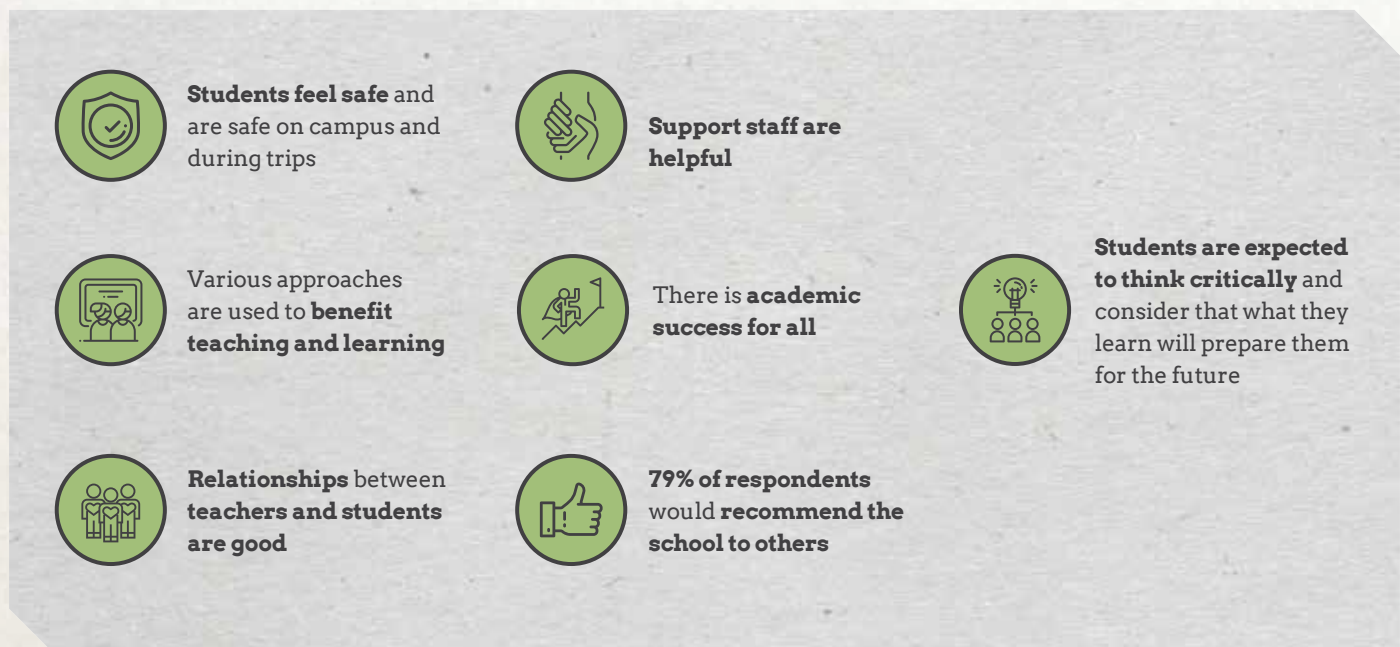
### CUSTOMER SATISFACTION AND EXPERIENCE

Meeting our quality strategic priorities includes ensuring customers are satisfied with our deliverables. Customer satisfaction is a central mission of all employees. Our goal is for customers to be loyal to our brands, products or services and recommend them to others. It is a Key Performance Indicator (KPI) for all employees to provide the best service, assistance and solutions possible to property buyers whilst balancing the Company's best interests. We will not neglect any customer's needs to protect Matrix's brand.

Our Sales and Marketing team conducts regular customer satisfaction surveys. These surveys ask customers and purchasers to rate our performance across four (4) categories namely timeliness and reliability, quality, responsiveness and communication. The results demonstrate that our customers and purchasers are satisfied with their experience with us.

Matrix Global Schools conducted its first online survey for the Schools' Community between 6 and 24 February 2017. The survey was extended to three (3) groups: parents, employees (including teachers and administration staff) and students from Year 4 and Standard 3 and above. The school adopted the Endicott Survey methodology used by the Council of International Schools. A total of 762 responses were received which represents 61% response rate.

#### Matrix Global Schools Community Survey Highlights



Matrix Global Schools has also conducted a risk mapping exercise to prevent losses and stakeholders such as students, teachers, parents and the surrounding community having an unpleasant experience. This risk map also lists mitigation measures for each of the identified risks.

## Social: Product Responsibility

### Matrix Global Schools Risk Map and Mitigation Measures

| Local Hazards/<br>Risks to School       | Location                                                   | Potential Impact                                                                             | Mitigation Measures                                                                                                                                                         |
|-----------------------------------------|------------------------------------------------------------|----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Kualiti Alam<br/>Treatment Plant</b> | Sungai Ujong, 6 km to<br>8 km from the School              | Radioactive waste and<br>hazardous chemicals                                                 | Periodically engage DOE and a private consultant<br>to perform environmental tests on the school<br>grounds                                                                 |
| <b>Flash Flood</b>                      | Car park basement                                          | Flooding at car park due<br>to slow dissipation of rain<br>water into the drainage<br>system | Remove cars from basement car park after a heavy<br>rain of more than one (1) hour and instructing<br>security guards to monitor the condition                              |
| <b>Water Ponding</b>                    | Aesthetic balcony, car<br>park and unlevelled<br>floorings | Dengue fever                                                                                 | Facility personnel to constantly check the school<br>for pooled water and rectify any found. Water<br>ponding at unlevelled flooring is swept as a<br>preventative measure. |
| <b>Lake</b>                             | In front of Residential<br>Court                           | Falling into the lake                                                                        | Placing safety harnesses and life jackets within<br>easy reach and are provided to all lake users, and<br>side barriers prevent encroachment                                |
| <b>Chemistry Lab<br/>toxics</b>         | Chemistry labs                                             | Chemical handling                                                                            | Routinely checking the condition of stored<br>chemicals in the lab                                                                                                          |



# Our Disclosure against the GRI G4 and Bursa Malaysia Sustainability Guide

## General Standard Disclosures

| General Standard Disclosure                       | Description                                                                                                                 | Page reference                                                                                                                             |
|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Strategy and Analysis</b>                      |                                                                                                                             |                                                                                                                                            |
| G4-1                                              | Statement from the most senior decision-maker of the organisation                                                           | 12                                                                                                                                         |
| <b>Organisational Profile</b>                     |                                                                                                                             |                                                                                                                                            |
| G4-3                                              | Organisation's name                                                                                                         | Front Cover                                                                                                                                |
| G4-4                                              | Primary brands, products and services                                                                                       | 16                                                                                                                                         |
| G4-5                                              | Location of the organisation's headquarters                                                                                 | 7                                                                                                                                          |
| G4-6                                              | Counties of major operation                                                                                                 | 16                                                                                                                                         |
| G4-7                                              | Nature of ownership and legal form                                                                                          | 8                                                                                                                                          |
| G4-8                                              | Market served                                                                                                               | 16                                                                                                                                         |
| G4-9                                              | Scale of the organisation                                                                                                   | 8                                                                                                                                          |
| G4-10                                             | Total number of employees                                                                                                   | 56                                                                                                                                         |
| G4-11                                             | Percentage of total employees covered by collective bargaining agreements                                                   | We do not have any in-house employees' union but all employees are free to join any union of their choice                                  |
| G4-12                                             | Organisation's supply chain                                                                                                 | 63                                                                                                                                         |
| G4-13                                             | Significant changes during the reporting period regarding the organisation's size, structure, ownership or its supply chain | 16                                                                                                                                         |
| G4-14                                             | Implementation of the precautionary approach                                                                                | 33                                                                                                                                         |
| G4-15                                             | Endorsement of external economic, environmental and social characters and initiatives                                       | 33                                                                                                                                         |
| G4-16                                             | Membership in national/international associations                                                                           | 49                                                                                                                                         |
| <b>Identified Material Aspects and Boundaries</b> |                                                                                                                             |                                                                                                                                            |
| G4-17                                             | Entities included in the organisation's consolidated Financial Statements                                                   | 162-163                                                                                                                                    |
| G4-18                                             | Process for defining the report content and the aspect boundaries                                                           | 4                                                                                                                                          |
| G4-19                                             | Material aspects identified in the process for defining report content                                                      | 33                                                                                                                                         |
| G4-20                                             | Aspect boundary within the organisation                                                                                     | 33                                                                                                                                         |
| G4-21                                             | Aspect boundary outside the organisation                                                                                    | 33                                                                                                                                         |
| G4-22                                             | Effect of any restatements                                                                                                  | 16                                                                                                                                         |
| G4-23                                             | Significant changes during the reporting period in the scope and aspect boundaries                                          | 33                                                                                                                                         |
| <b>Stakeholder Engagement</b>                     |                                                                                                                             |                                                                                                                                            |
| G4-24                                             | Stakeholder groups engaged by the organisation                                                                              | 32                                                                                                                                         |
| G4-25                                             | Basis for identification of stakeholders                                                                                    | 32                                                                                                                                         |
| G4-26                                             | Approach to stakeholder engagement                                                                                          | 32                                                                                                                                         |
| G4-27                                             | Key topics and concerns raised by stakeholders                                                                              | 32                                                                                                                                         |
| <b>Report Profile</b>                             |                                                                                                                             |                                                                                                                                            |
| G4-28                                             | Reporting period                                                                                                            | 1 April 2016 to 31 March 2017                                                                                                              |
| G4-29                                             | Date of most recent previous report                                                                                         | Financial Year Ended 31 March 2017                                                                                                         |
| G4-30                                             | Reporting cycle                                                                                                             | Annually                                                                                                                                   |
| G4-31                                             | Contact point for questions regarding the report                                                                            | 7                                                                                                                                          |
| G4-32                                             | Chosen 'in accordance' option including reference to the GRI Content Index and the External Assurance Report                | This report has not undergone a GRI certification. We aim to have our future reports verified by an external assurer and certified by GRI. |
| G4-33                                             | Organisation's policy and practice with regard to seeking external assurance                                                | This report has not undergone a GRI certification. We aim to have our future reports verified by an external assurer and certified by GRI. |

Note: There are no additional description or reason for omission in respect of the above disclosures.

## Our Disclosure against the GRI G4 and Bursa Malaysia Sustainability Guide

| General Standard Disclosure | Description                                         | Page reference |
|-----------------------------|-----------------------------------------------------|----------------|
| <b>Governance</b>           |                                                     |                |
| G4-34                       | Organisation's governance structure                 | 8              |
| <b>Ethics and Integrity</b> |                                                     |                |
| G4-56                       | Organisation's codes of conduct and codes of ethics | 94             |

### Categories and Aspects in the Bursa Sustainability Guidelines

#### Specific Standard Disclosures

| Category                                         | Aspects                                          | Page reference (or direct response in case of omission)                           |
|--------------------------------------------------|--------------------------------------------------|-----------------------------------------------------------------------------------|
| <b>Economic</b>                                  | Economic Performance                             | 10                                                                                |
|                                                  | Market Presence                                  | 7                                                                                 |
|                                                  | Indirect Economic Impacts                        | 35                                                                                |
| <b>Environmental</b>                             | Energy                                           | 43                                                                                |
|                                                  | Water                                            | 45                                                                                |
|                                                  | Emissions                                        | 46                                                                                |
|                                                  | Effluents And Waste                              | 44                                                                                |
|                                                  | Overall                                          | 42-43                                                                             |
|                                                  | Compliance                                       | 49                                                                                |
|                                                  | Environmental Impact from Transportation         | 47                                                                                |
| <b>Social - Labour Practices and Decent Work</b> | Employment                                       | 56                                                                                |
|                                                  | Labour/Management Relations                      | 62                                                                                |
|                                                  | Occupational Health and Safety                   | 59                                                                                |
|                                                  | Training and Education                           | 57                                                                                |
|                                                  | Diversity and Equal Opportunity                  | 56                                                                                |
|                                                  | Labour Practices                                 | 62                                                                                |
| <b>Social - Human Rights</b>                     | Non-Discrimination                               | 63                                                                                |
|                                                  | Forced or Compulsory Labour                      | 63                                                                                |
|                                                  | Freedom of Association and Collective Bargaining | 63                                                                                |
| <b>Social - Society</b>                          | Local Communities                                | 50                                                                                |
|                                                  | Anti-Corruption                                  | 55                                                                                |
|                                                  | Public Policy                                    | 31                                                                                |
|                                                  | Anti-Competitive Behaviour                       | 26                                                                                |
| <b>Social - Product Responsibility</b>           | Public Health and Safety                         | 64                                                                                |
|                                                  | Marketing Communications                         | 66                                                                                |
|                                                  | Customer Privacy                                 | Matrix adheres to the Personal Data Protection Act which came into effect in 2014 |
|                                                  | Compliance                                       | 64                                                                                |

Note: There are no additional descriptions or reasons for omission in respect of the above disclosures.