

# SUSTAINABILITY STATEMENT

## ABOUT THIS STATEMENT

Lagenda Properties Berhad (“Lagenda” or “We” or “The Group”) is pleased to present this fourth annual Sustainability Statement which showcases how the Group has evolved as an environmentally and socially conscious property developer in Malaysia. Operating within the affordable housing sector, we focus on the Bottom 40 per cent (“B40”) and Middle 40 per cent (“M40”) market segment in the state of Perak. Lagenda will continue to serve the housing needs of the B40 and M40 segment, and continue to focus on this segment, bringing our brand of affordable housing across Malaysia.

As we progress on our sustainability journey, we strive towards embedding Environmental, Social and Governance (“ESG”) practices across our entire business operations. During the second half of the financial year ending 31 December 2021 (“FY2021”), we embarked on a comprehensive gap analysis exercise to identify areas of improvement in our ESG performance using the indicators from the FTSE4Good Bursa Malaysia Index. The insights that we gathered from the exercise have been transformed into a concrete Sustainability Roadmap that directs our actions in the next three (3) years as we deploy various initiatives across the ESG pillars.

## Reporting Boundary and Scope

This Statement summarises the significant milestones and achievements in our ESG activities and initiatives in the offices and at the project sites during the reporting period from 1 January 2021 to 31 December 2021.

## PERAK



Completed Projects	Ongoing Projects	Upcoming Projects
1. Setia Residence	1. BBSAP Phases 2D, 3A, 3B and 3C	1. LTI Phases 3A and 3B
2. Taman Desa Harmoni	2. Lagenda Teluk Intan (LTI) Phases 1 and 2	2. BBSAP Phases 4A to 4D
3. Pangsapuri Seri Iskandar	3. Taman Perwira Jaya	3. Taman Mulia Phase 3
4. Pengkalan Prisma	4. Residensi Bidoria	4. Lagenda Tropika
5. Bandar Baru Setia Awan Perdana (BBSAP) Phases 1A, 1C, 1D, 2B and 2C	5. Taman Bemban Permai	5. Darulaman Lagenda, Kedah
	6. Taman Bemban Indah	
	7. Taman Mulia Phase 5	

## Reporting Framework

Lagenda’s FY2021 Sustainability Statement was prepared in accordance with Bursa Malaysia’s Main Market Listing Requirements, Malaysian Code on Corporate Governance 2021 and the guidelines outlined in the Sustainability Reporting Guide, 2<sup>nd</sup> Edition. Reference has been made to the framework under the Global Reporting Initiative (“GRI”) Standards 2021.

## Accessibility

The Statement can be accessed via our corporate website, [www.lagendaproperties.com](http://www.lagendaproperties.com) under the Sustainability section which also contains updates on our ongoing ESG activities and relevant policies.

## Feedback and Inquiries

As we seek to continuously improve on our sustainability reporting to deliver a meaningful disclosure of our ESG performance, we appreciate questions, comments and suggestions from our stakeholders. Please direct your inquiries to

### Ms. Liew See See

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# SUSTAINABILITY STATEMENT

## FY2021 Sustainability Highlights

### ENVIRONMENTAL STEWARDSHIP



**More than 18,000**

plants planted to promote biodiversity conservation and carbon absorption at BBSAP

**2,493 units**

rainwater harvesting systems constructed to promote water efficiency

**295,310m<sup>2</sup>**

of prefabricated materials (cast in situ wall) used in BBSAP Phase 3A saving significant construction waste

### SOCIAL RESPONSIBILITY



**Zero**

incidents of workplace discrimination or injuries

**RM 1.27 million**

donated to COVID-19 initiatives and

**RM 1.48 million**

to support and promote community development

### ROBUST GOVERNANCE



**Female Board Membership**

requirements formally included in the Board Charter

**New Policies**

on environmental sustainability, human rights and quality introduced

**Zero**

incidents of non-compliance with health and safety regulations

### ESG REPORTING



**Key Performance Indicators**

established

**3-Year Sustainability Roadmap**

developed based on a comprehensive gap analysis exercise

**3 New Material ESG Matters**

identified: Indirect Economic Impacts, Climate Change and Biodiversity

**SDG 4** Quality Education, **SDG 5** Gender Equality, **SDG 6** Clean Water and Sanitation & **SDG 7** affordable and clean energy adopted as new Sustainable Development Goals

# SUSTAINABILITY STATEMENT

## OUR APPROACH TO SUSTAINABILITY

We are cognisant of the potential ESG issues that are associated with the property development industry. Legenda holds a strong sense of accountability to manage and mitigate the impacts of our operations on the environment and the local community. We continuously assess and refine our approach to sustainability which is aligned with the global and national sustainable development goals.

## LAGENDA'S SUSTAINABILITY STRATEGY

### VISION

Making home ownership affordable for all Malaysians.



### MISSION

- To provide a quality lifestyle via self-sustainable townships encompassing a comprehensive and practical array of community-based facilities and public amenities
- To be one of the largest and most reputable affordable home developer in Malaysia
- To be a builder of homes that are economical and affordable to the masses
- To be a long-term sustainable developer in Malaysia
- To adopt and implement cutting-edge construction techniques to ensure cost efficiency in order to deliver quality and innovative properties



### ESG FOCUS AREAS



#### Environmental

- Supply Chain Management (Environmental)
- Biodiversity
- Climate Change
- Pollution and Resources



#### Social

- Supply Chain Management (Social)
- Human Rights and Community
- Health and Safety
- Labour Standards



#### Governance

- Tax Transparency
- Anti-Corruption
- Corporate Governance
- Risk Management



### ALIGNING WITH THE GLOBAL AND NATIONAL SUSTAINABILITY AGENDA



# SUSTAINABILITY STATEMENT

## Aligning with the Global and National Sustainability Agenda

In support of the global sustainable development agenda set by the United Nations (“UN”) and the government of Malaysia, we have aligned our ESG initiatives with 10 of the 17 Sustainable Development Goals (“SDGs”) as well as the relevant deliverables on Affordable Housing under the 12th Malaysia Plan (“12MP”). We have aligned our ambitions with these national and international targets as they represent a reflection of the Group’s own goals for a sustainable future. The following focus areas selected are those most relevant to our operations and represent the areas where we can have the greatest positive impact.



- Distributed food aid to urban poor



- Provided employees with health insurance and medical benefits
- Provided public park infrastructure for recreation of residents
- Provided health and safety training to our staffs through OHS policies and procedures



- Employees are encouraged to engage in continuous learning through training programmes



- Non-discriminatory in employment and equal opportunity for all
- Recorded 62% female representation in the workforce



- Installed 2,493 units of rainwater harvesting systems to promote water efficiency



- Invested in and installed energy-efficient lighting system
- To install 1,000 residential solar photovoltaics (“PV”) systems across our three (3) township projects



- Practiced equal opportunity employment
- Provided employees with safe and secure workplace
- Created job opportunities



- Completed 2 townships with 11,777 housing units
- Planted 18,000 plants
- Employed IBS to manage construction materials



- Employed 100% local procurement
- Reduced amount of landfill waste through prefabrication of materials



- Adopted 5 policies to bolster environmental and social stewardship
- Recorded zero incidence of corruption

# SUSTAINABILITY STATEMENT

The 12<sup>th</sup> Malaysia Plan sets a strategic direction to achieve the objective of a “Prosperous, Inclusive, Sustainable Malaysia”, to rejuvenate economic growth, and ensure the nation’s prosperity is distributed more fairly and equitably, as well as maintain the environmental sustainability. The 12MP’s approach is based on three (3) core themes:

- Resetting the economy
- Strengthening security, wellbeing and inclusivity; and
- Advancing sustainability

Our alignment to these themes is outlined below.



- Adopted the Environmental, Climate Change and Biodiversity policies
  - Emphasised energy efficiency in our townships
  - Minimised the landfilled waste by utilizing prefabricated construction components
- 100% local staff employed and 100% of contracts are awarded to local suppliers and contractors
- Alleviating urban poverty by providing access to affordable housing
  - Supporting community development through a range of Corporate Social Responsibility (“CSR”) and community engagement activities

# SUSTAINABILITY STATEMENT

## Building a Strategic Roadmap and Action Plan

To increase accountability of our ESG commitments, we developed a three (3) years Sustainability Roadmap, aligned with the ESG themes used by FTSE4Good Bursa Malaysia. Our Sustainability Roadmap (2022-2024) consists of specific actions related to thirteen (13) FTSE4Good themes that are designed to accelerate our ESG performance supporting the integration of sustainability into the Company and further strengthening the Group's revenue stream in the future. We have implemented and developed the various actions plans under the roadmap and our achievements as at 31 January 2022 are indicated below. Lagenda has engaged a 3<sup>rd</sup> party to provided expertise in managing this component of the action plan.



**Environmental**  
Strategic Priority:  
Advancing environmental stewardship

THEME	ACTION PLAN
<b>Supply Chain Management (Environmental)</b>	<ul style="list-style-type: none"> <li>• Environmental policy adopted</li> <li>• Green clauses in relevant agreements</li> <li>• Obtain a recognised building management system certification</li> <li>• 3 years of energy usage</li> <li>• 3 years of water usage</li> </ul>
<b>Biodiversity</b>	<ul style="list-style-type: none"> <li>• Disclose if developments are located in critical sites</li> <li>• Biodiversity Policy adopted</li> </ul>
<b>Climate Change</b>	<ul style="list-style-type: none"> <li>• Climate Change Policy adopted</li> <li>• Install solar panels in townships</li> <li>• Disclose Scope 2 GHG intensity and emissions</li> <li>• Disclose 3 years of Scope 2 emissions</li> <li>• Quantify costs associated with climate change</li> <li>• Recognise the risk of climate change</li> </ul>
<b>Pollution and Resources</b>	<ul style="list-style-type: none"> <li>• Address resource use</li> <li>• Disclose 3 years of amount of effluent discharge</li> <li>• Disclose 3 years of amount of raw material used</li> <li>• Quantify costs associated with pollution/ waste/resource use</li> <li>• Costs of environmental fines/penalties</li> </ul>



**Social**  
Strategic Priority:  
Enhancing social responsibility

THEME	ACTION PLAN
<b>Supply Chain Management (Social)</b>	<ul style="list-style-type: none"> <li>• Disclose if there are any initiatives to beautify/ rejuvenate poor/ abandoned urban areas on a project-by-project basis</li> <li>• Disclose consideration of access via public transport for developments on a project-by project basis</li> <li>• Disclose consideration of disability access on a project-by-project basis</li> </ul>
<b>Human Rights and Community</b>	<ul style="list-style-type: none"> <li>• Human Rights Policy adopted</li> <li>• Establish employee volunteering avenue and targets</li> <li>• Disclose amount of donations made to NGOs</li> </ul>
<b>Health and Safety</b>	<ul style="list-style-type: none"> <li>• Disclose investigation procedure and actions taken after an incident</li> <li>• Number of work-related employee and contractor fatalities for 3 years</li> <li>• OSH Policy adopted</li> <li>• Time-specific targets to reduce health and safety impacts</li> <li>• Number of staff receiving health and safety training</li> <li>• Lost time incident rate for 3 years</li> <li>• Named position at Board with oversight over health and safety</li> </ul>

- action has been accomplished in FY2021
- ongoing action that was started in FY2021 and will be completed and disclosed in Financial Year Ended 2022 ("FY2022"), or actions that are targeted for commencement in FY2022

# SUSTAINABILITY STATEMENT



## Social

**Strategic Priority:**  
Enhancing social responsibility

THEME	ACTION PLAN
<b>Labour Standards</b>	<ul style="list-style-type: none"> <li>• Employment Policy adopted</li> <li>• Commitment to Minimum Wage Act</li> <li>• Disclose nature of non-compliance and corrective actions taken</li> <li>• Disclose voluntary staff turnover rate</li> <li>• Disclose employees that are contractors/temporary staff</li> <li>• Disclose average training days</li> <li>• Disclose list of training programs</li> <li>• Disclose % of staff with disabilities</li> </ul>



## Governance

**Strategic Priority:**  
Strengthening corporate governance mechanism

THEME	ACTION PLAN
<b>Tax Transparency</b>	<ul style="list-style-type: none"> <li>• Established Tax Transparency and External Auditor Policies</li> <li>• Amended &amp; Audit &amp; Risk Committee Terms of Reference (ToRs)</li> </ul>
<b>Corporate Governance</b>	<ul style="list-style-type: none"> <li>• Target for women's representation on the Board</li> <li>• Adopted the ToRs for the SSC</li> <li>• Disclose no. of SSC meetings in Annual Report</li> <li>• Public access to voting results</li> </ul>
<b>Risk Management</b>	<ul style="list-style-type: none"> <li>• ERM Framework clarification</li> <li>• Reference to FTSE4Good</li> <li>• Board oversight of climate change risks</li> <li>• Disclose that ERM includes ESG risks</li> <li>• External Audit Policy adopted</li> </ul>

- action has been accomplished in FY2021
- ongoing action that was started in FY2021 and will be completed and disclosed in Financial Year Ended 2022 ("FY2022"), or actions that are targeted for commencement in FY2022

# SUSTAINABILITY STATEMENT

## Key Performance Indicators (“KPIs”)

To further signify our commitment to continuously improve our ESG performance, we have established a series of KPIs against selected material matters to track and monitor our performance annually and continuously improve upon going forward. Our achievements for FY2021 are illustrated below.

KPIs	OUR STRATEGIC RESPONSE
<b>ENERGY EFFICIENCY</b>	
<ul style="list-style-type: none"> <li>To record lower energy intensity by employing 100% LED lighting at operating buildings</li> </ul>	<p><b>100%</b> LED lighting was installed at Lagenda’s operating buildings and subsequently adopted energy-efficient lighting at our infrastructure facilities across all developments of which 187 units of LED lightings are installed at our BBSAP project.</p>
<b>BIODIVERSITY</b>	
<ul style="list-style-type: none"> <li>To plant and increase 5% of tree species that have conservation importance</li> <li>Plant more than 20,000 plants across all developments by the year 2025</li> </ul>	<p>Planted <b>18,000</b> plants at BBSAP project, of which 300 plants are Hopea Odorata and Agathis Borneensis plant species identified as vulnerable and endangered plants respectively.</p>
<b>WATER MANAGEMENT</b>	
<ul style="list-style-type: none"> <li>To install 3000 units of rainwater harvesting systems in our townships by the year 2025, resulting in an estimated 5% volume of water reduction</li> </ul>	<p><b>2,493</b> units of rainwater harvesting systems have been installed to promote water efficiency, with <b>1,017</b> units of rainwater harvesting systems installed at BBSAP Phase 2C project for FY2021.</p>
<b>RESOURCE AND WASTE MANAGEMENT</b>	
<ul style="list-style-type: none"> <li>Minimum of 20% construction waste diverted from landfill</li> <li>To promote recycling centre/points across all developments</li> <li>To engage with organisations/authorities to promote a community garden programme</li> </ul>	<p><b>295,310 m<sup>2</sup></b> of prefabricated materials (cast in situ wall) were used at our BBSAP Phase 3A project to reduce excessive construction material. This method will be applied continuously on our future developments which will greatly reduce the volume of waste sent to landfill.</p> <p>Recycling bin has been placed in Lagenda’s sales gallery to encourage recycling. We will be expanding the recycling programme across our developments</p>
<b>CLIMATE CHANGE</b>	
<ul style="list-style-type: none"> <li>1000 units of residential solar PV systems installed in 5 years</li> <li>Land productivity: Land conversion from the non-primary forest and unproductive land</li> </ul>	<p>The Company collaborated with Solarvest Holdings Bhd as its solar photovoltaic (“PV”) systems partner to install <b>1,000 residential solar PV systems</b> across three (3) township projects in Perak.</p> <p>The acquisition of monoculture farming land to a self-sustainable township, namely BBSAP and LTI has created more business opportunities, and increased social and economic productivity.</p>
<b>SUPPLY CHAIN MANAGEMENT</b>	
<ul style="list-style-type: none"> <li>100% procurement spending on local suppliers</li> </ul>	<p><b>100%</b> of building materials are supplied by local supplier resulting in cost efficiency with greater control and flexibility throughout the supply chain management. This also contributes to the support of the local economy and job creation.</p>
<b>OCCUPATIONAL HEALTH AND SAFETY</b>	
<ul style="list-style-type: none"> <li>20 annual average number of hours of safety training for site employees</li> <li>Workplace safety</li> </ul>	<p><b>20 hours</b> of safety training offered to our site employees (or contractor) including: rigging and slinging for construction, CIDB course, occupational safety and health plan 2021-2025, safety edge virtual conference 2021 and more.</p> <p><b>Zero workplace</b> incidents in FY2021.</p>



# SUSTAINABILITY STATEMENT

## KPIs OUR STRATEGIC RESPONSE

### QUALITY AND CUSTOMER SATISFACTION

Customer satisfaction **100%** of customer complaints were responded to within 15 days with the incorporation of a communication monitoring system to improve the efficiency of communication between buyers and Lagenda.

### HUMAN CAPITAL DEVELOPMENT

A total of 4,000 training hours are deployed every year **637** total training hours in FY2021 with multiple collaborations with external stakeholders

**59%** of new hires are female in FY2021

### COMMUNITY ENGAGEMENT

Minimum 10 community engagement activities to be organised yearly Lagenda initiated a **Vaccination Outreach Programme**, in collaboration between Lagenda and Pejabat Kesihatan Daerah Larut to achieve herd immunity against COVID-19. The programme involves the deployment of 'Pusat Pemberian Vaksin' Mobile Busses to assist the local communities to vaccinate. The engagement targets B40 families from PPRs in Perak.

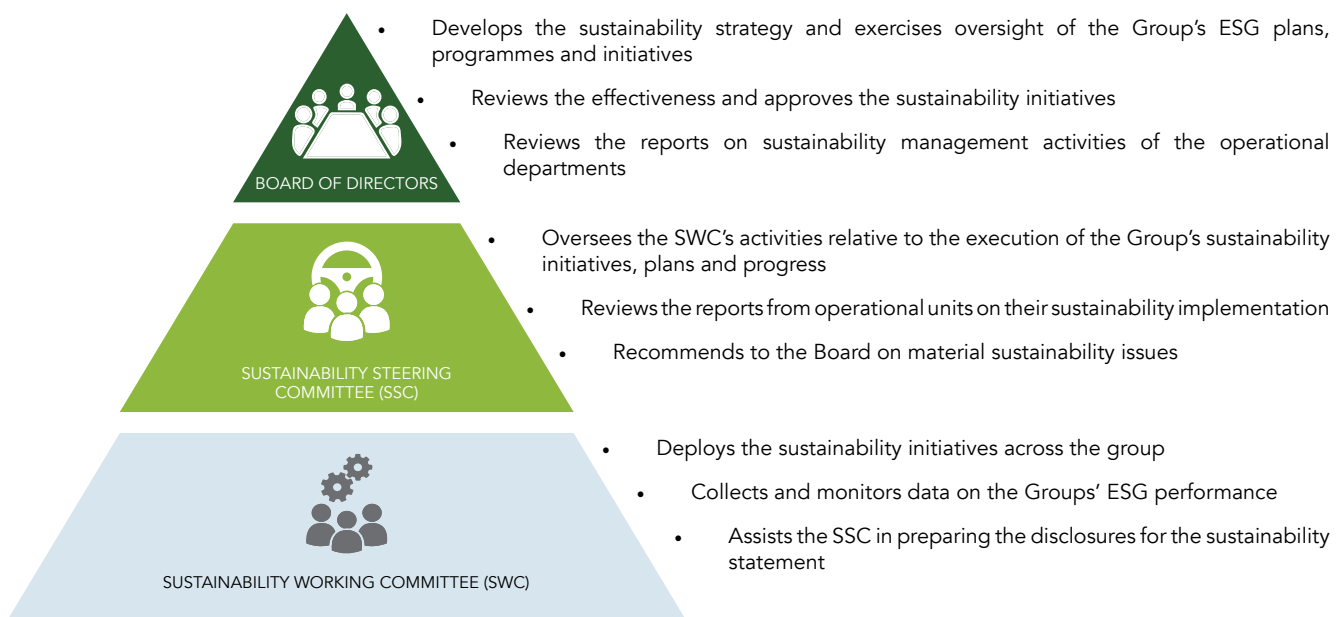
During the pandemic, Lagenda provided critical care medical equipment valued at **RM1 million** to COVID-19 centric hospitals in Perak and Kedah.

### CORPORATE GOVERNANCE

80% compliance with regulatory requirements year-on-year **Fully comply** with all the regulations imposed by the relevant authority in terms of governance, safety and health and human resource for FY2021.

## Upholding Sustainability Governance

Lagenda's sustainability agenda and performance is managed via our three-tier governance structure. At the apex of this structure is the Board of Directors ("the Board") which provides strategic direction and oversight of the Group's sustainability measures. In FY2021, the roles and responsibilities of the Sustainability Steering Committee ("SSC") were formalised with clearly defined Terms of Reference



# SUSTAINABILITY STATEMENT

To further strengthen our Group governance, we have a robust policy framework in place in FY2021 with the addition of six (6) new policies which can be accessed on the sustainability section of our corporate website, [www.legendaproperties.com/sustainability](http://www.legendaproperties.com/sustainability).




## Engaging Our Network to Stakeholders





In keeping with Lagenda’s culture of accountability, we exercise transparency throughout our decision-making process and keep our stakeholder groups abreast of our business endeavours.

The Group pursues various forms of partnerships as a principal strategy for achieving our business goals. In FY2021, we engaged with a clean energy specialist to assess the potential for building residential solar PV systems across our three (3) townships in Perak. We also entered into a joint venture with Bina Darulaman Berhad to explore a new affordable township in the state of Kedah. Additionally, we partnered with Sim Leisure to design and construct leisure spaces featuring exciting and fun family-friendly attractions within our existing and future affordable townships. With these developments, we have identified a new stakeholder group for this reporting period: **“Business Partners”**.




Recognising the shifting needs of our stakeholder groups, we conduct an annual stakeholder assessment to identify their areas of concern and to ensure that we are able to respond appropriately. The result of the exercise is presented below.

	WHY THEY ARE IMPORTANT	CONCERNS THEY RAISE	HOW WE ENGAGE THEM
<b>Shareholders/Investor</b> 	<p>As the owners of Lagenda, shareholders provide the necessary financial capital to sustain our growth. They are entitled to receive a Return on Investment (“ROI”) and be informed of the Group’s progress.</p>	<ul style="list-style-type: none"> <li>• Profitable returns</li> <li>• Reinforced transparency</li> <li>• Business strategy and ethics</li> <li>• Governance practice</li> <li>• Current and future project development</li> <li>• Share price performance</li> <li>• Company’s prospects</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly financial announcements</li> <li>• Annual General Meeting and Annual Report</li> <li>• Media announcement and project launches when required</li> <li>• Company website updates throughout the year</li> <li>• Monthly marketing and promotions</li> </ul>

# SUSTAINABILITY STATEMENT

	WHY THEY ARE IMPORTANT	CONCERNS THEY RAISE	HOW WE ENGAGE THEM
<b>Regulatory Bodies</b> 	<p>Regulatory agencies outline and enforce the national laws and regulations that govern how specific business activities should be conducted. They also establish the requirements for securing a license to operate the business.</p>	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> <li>• Standards and certification</li> <li>• Government policies</li> <li>• Gather audit findings and reports</li> <li>• Economic issues</li> </ul>	<ul style="list-style-type: none"> <li>• Inspections by local authority when required</li> <li>• Periodic meetings for policy discussion</li> <li>• Periodic reporting for regulatory requirements and compliance</li> </ul>
<b>Employees</b> 	<p>Our talented and diverse workforce is critical for delivering quality products and service to our customers. We encourage a culture of professionalism and accountability to effectively deliver our business strategy.</p>	<ul style="list-style-type: none"> <li>• Career development</li> <li>• Competency training</li> <li>• Safety at the workplace</li> <li>• Compensation and employee benefits</li> <li>• Results-driven rewards</li> <li>• Continuous engagement</li> <li>• Work-life balance</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly online training programmes</li> <li>• Annual corporate activities and team building exercises</li> <li>• Monthly emails</li> <li>• Memos via intranet communication</li> <li>• Induction programme for new hires</li> </ul>
<b>Customers</b> 	<p>We value our customers as well as the experience they have on our properties and the services we provide. We are committed to delivering the best quality of products and services to meet their expectations.</p>	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> <li>• Standards and certification</li> <li>• Government policies</li> <li>• Gather audit findings and reports</li> <li>• Economic issues</li> </ul>	<ul style="list-style-type: none"> <li>• Inspections by local authority when required</li> <li>• Periodic meetings for policy discussion</li> <li>• Periodic reporting for regulatory requirements and compliance</li> </ul>
<b>Suppliers</b> 	<p>Suppliers provide us with essential products and services to run our business smoothly. We collaborate with them to deliver the best value to our customers.</p>	<ul style="list-style-type: none"> <li>• Transparent procurement practices</li> <li>• Transparent and fair pricing</li> <li>• Timely pay-outs</li> <li>• Payment terms</li> <li>• Contract terms and conditions</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly suppliers registration update</li> <li>• Periodic contact through telephone and email</li> <li>• Quarterly meeting and briefings</li> <li>• Project updates when required</li> </ul>

# SUSTAINABILITY STATEMENT

	WHY THEY ARE IMPORTANT	CONCERNS THEY RAISE	HOW WE ENGAGE THEM
<p><b>Local Communities</b></p> 	<p>We operate in a diverse and rapidly developing country. We recognise the need for strong community participation and engagement as part of our social license to operate.</p>	<ul style="list-style-type: none"> <li>• Social issues</li> <li>• Environmental impacts</li> <li>• Safety and health</li> <li>• Employment opportunities</li> <li>• Social and charity events</li> <li>• Sponsorships</li> </ul>	<ul style="list-style-type: none"> <li>• Annual community engagement activities and CSR programmes</li> <li>• Quarterly financial announcements</li> <li>• Media announcements and project launches when required</li> <li>• Annual report</li> <li>• Company website updates throughout the year</li> <li>• Annual festive season celebrations</li> </ul>
<p><b>Fund Providers</b></p> 	<p>We engage with fund providers to raise capital for business expansion and to invest in new construction practices that differentiate us from our competitors.</p>	<ul style="list-style-type: none"> <li>• Periodic reporting;</li> <li>• Loan covenant compliance reporting;</li> <li>• Timely repayment</li> <li>• Constant communication</li> </ul>	<ul style="list-style-type: none"> <li>• Annual General Meeting and Annual Report</li> <li>• Corporate announcements</li> <li>• Media announcements and project launches when required</li> <li>• Monthly marketing and promotional events</li> <li>• Company website updates throughout the year</li> </ul>
<p><b>Media</b></p> 	<p>Media provides an avenue to communicate with key stakeholders and local communities. Media coverage allows us to promote our products and inform our stakeholders about any major development or decisions made within the Group.</p>	<ul style="list-style-type: none"> <li>• Impact of operations on surrounding environment and communities</li> <li>• Corporate governance</li> <li>• Strong relationships</li> <li>• Accurate information</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate announcements</li> <li>• Periodic media announcements</li> <li>• Annual Report</li> <li>• Company website updates throughout the year</li> <li>• Project launches when required</li> </ul>

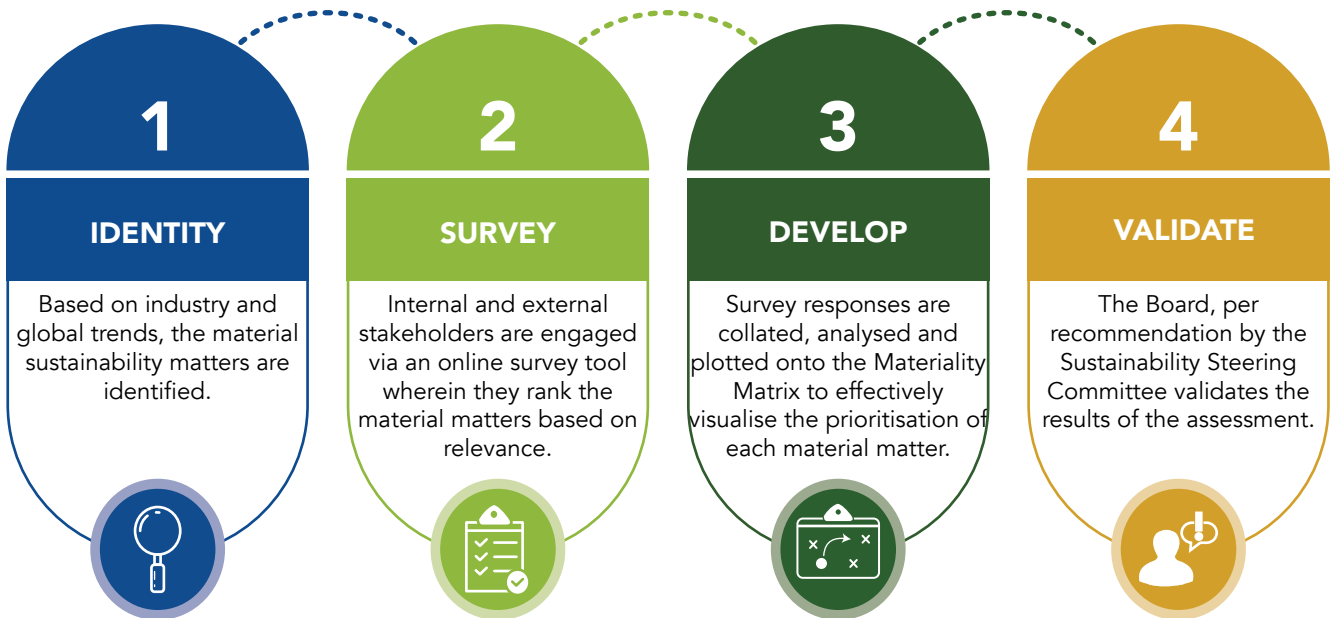
# SUSTAINABILITY STATEMENT

	Why They Are Important	Concerns They Raise	How We Engage Them
<b>Business Partners</b> 	<p>We establish strategic partnerships that can increase our lease of knowledge and resource available to make better products and reach a wider range of audience.</p>	<ul style="list-style-type: none"> <li>• Group's performance</li> <li>• Growth/Business opportunities</li> <li>• Governance practice</li> <li>• Current and future project development</li> <li>• Share price performance</li> <li>• Company's prospects</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate announcement</li> <li>• Media announcements and Annual Report</li> <li>• Company website updates throughout the years</li> <li>• Monthly marketing and promotional events</li> <li>• Project launches, meetings and briefings as and when required</li> </ul>

## OUR APPROACH TO MATERIALITY

To determine and prioritise the material ESG agendas that are important to Lagada and to our stakeholders, the materiality assessment process is conducted annually through an online survey. Following a four-step process as described below, the assessment enables us to generate actionable insights into our stakeholders' current priorities. It ensures that the material sustainability matters remain relevant to their evolving expectations which we endeavour to address accordingly.

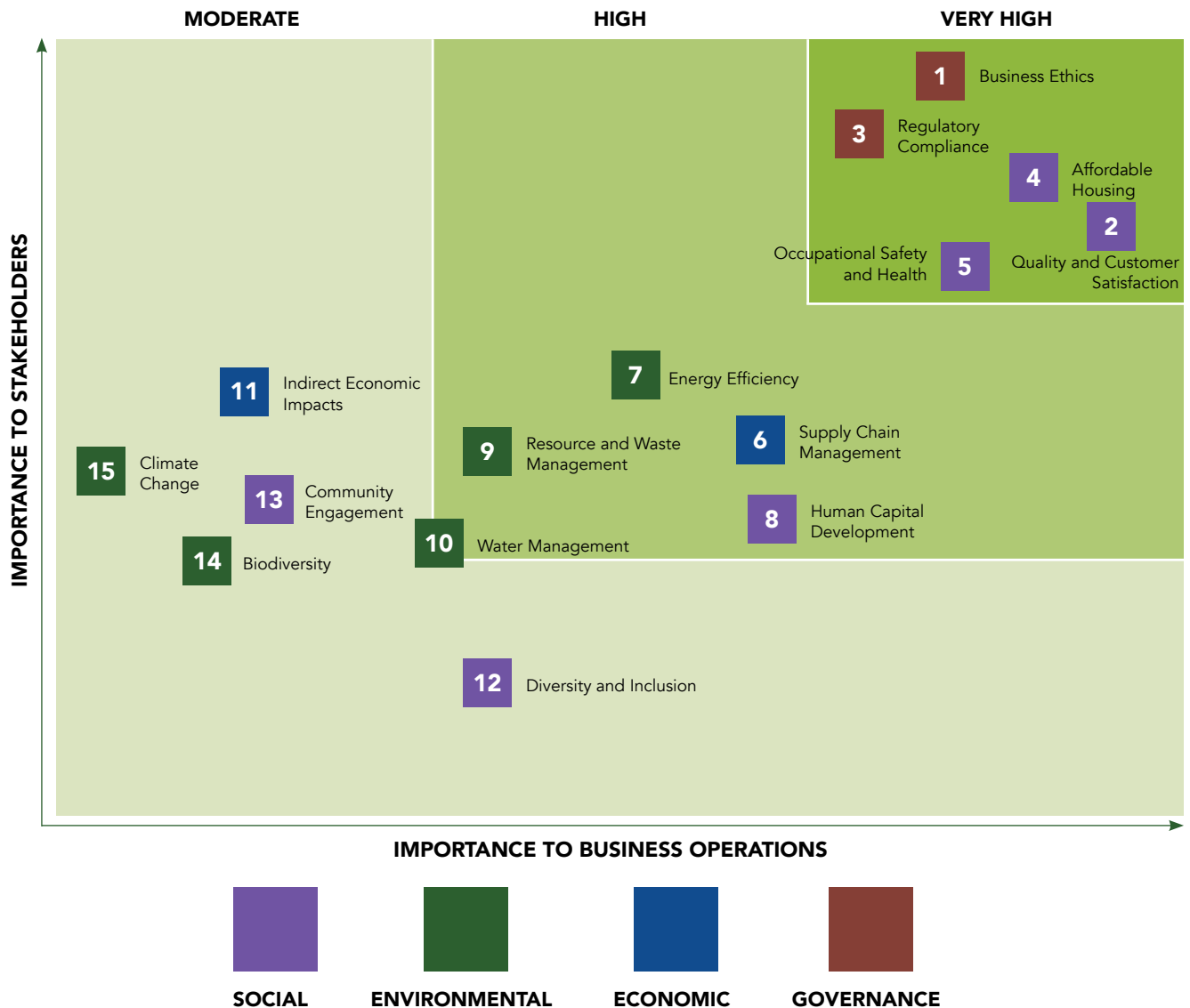
### Assessing our Material Sustainability Matters



As a result of the FY2021 assessment, we identified 15 material matters with three (3) new material topics – Indirect Economic Impacts, Climate Change and Biodiversity. The resultant matrix, as illustrated below, reflects the relative priorities of each material topic, both to the Group and to our stakeholders.

# SUSTAINABILITY STATEMENT

## FY2021 Materiality Matrix



Ranking Business Ethics and Regulatory Compliance together with Affordable Housing and Customer Satisfaction as matters of “very high” importance is aligned with Lagenda’s market positioning as a policy-driven organisation that strives to be a force for good within the property development industry, and prioritise customers. With the primary mission of building affordable homes for all Malaysians, the Group is essentially contributing to the realisation of the global sustainability agenda of providing access to adequate, safe and affordable housing. Additionally, Occupational Health and Safety was also ranked as “very high”, indicating Lagenda’s utmost prioritisation of our staff’s wellbeing. The five top-ranked material matters are discussed in more detail below:

- Business Ethics** is a topic of very high importance, reflecting Lagenda’s commitment to uphold organisational integrity while conducting business through a robust leadership and ethically sound management practices. The materiality of this topic is bolstered by the Group’s Code of Conduct and Ethics, the Anti-Bribery and Anti-Corruption (“ABAC”) Policy and Guidelines, the Whistleblowing Policy and, in addition, the Human Rights Policy that was recently approved by the Board.
- Regulatory Compliance** is a concrete expression of Lagenda’s continuous adherence to all laws and regulations, particularly those that are relevant to our industry, such as the Town and Country Planning Act and the Housing Development Act. This aligns with the Group’s commitment to provide all stakeholders with a sense of security and trust. Ensuring strict compliance with statutory and regulatory requirements also serves to avoid the risk of fines and penalties, thereby eliminating the risk of reputational loss associated with incidents of non-compliance.

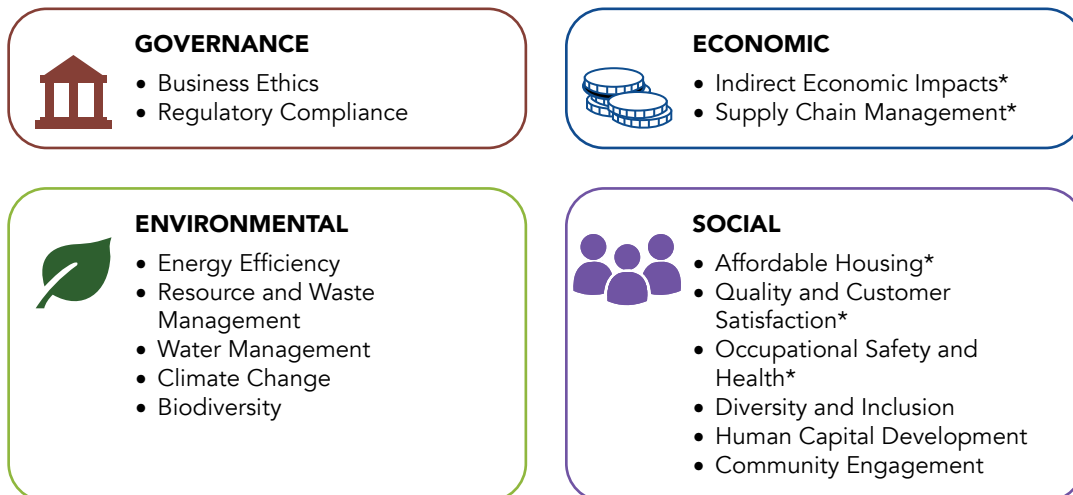
# SUSTAINABILITY STATEMENT

- **Affordable Housing** is one of our highest priority material matters under the Social component of ESG. This is in tandem with the Group's aim to launch at least one self-sustainable township a year to cater to the housing needs of the middle to low-income market segment. We carefully balance quality workmanship, which includes energy efficient features, and cost efficiency to maintain the affordability level of our housing projects, currently priced below RM250,000 for single-storey terrace houses in our townships.
- **Quality and Customer Satisfaction** is reflected by our efforts to provide the best quality products and services that meet or exceed customers' expectations. This ambition is supported by Lagenda's policy on continuous improvement, evidenced by our pursuit of ISO 9001 certification in Quality Management System ("QMS"). In addition, we strive to maintain customer satisfaction by proactively addressing any customer complaints, and ensuring that issues are resolved within a reasonable turnaround time.
- **Occupational Health and Safety** has always been a topic of concern in the property development sector due to the potential for worksite hazards during building construction. More recently, the COVID-19 pandemic has increased scrutiny on workplace health and hygiene, with safety in the office environment equally important as safety at the construction site. Our efforts to manage this material issue are supported by a robust Occupational Safety and Health ("OSH") policy which is implemented across the project sites by the OSH Committee.

In addition to the three (3) new material matters introduced for FY2021 (Indirect Economic Impacts, Climate Change and Biodiversity), two (2) material matters recorded an increased priority on the matrix as compared to FY2020. Firstly, Occupational Safety and Health has moved from "high" to "very high" priority, reflecting the Group's understanding of our stakeholder's concerns surrounding the ongoing pandemic. Additionally, Supply Chain Management has shifted from "moderate" to "high" importance for this financial year. This change demonstrates the Group's commitment to the 100% local sourcing approach, which has become increasingly relevant in light of the global supply chain disruptions caused by the COVID-19 pandemic.



## Summary Of Material Sustainability Matters





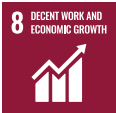






\* indicates top five material matters



# SUSTAINABILITY STATEMENT












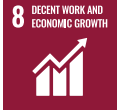

## Mapping Our Material Sustainability Matters

Our identified material matters are interconnected with our entire sustainability approach. The table below outlines the connectivity between our key ESG focus areas, the GRI indicators, UN SDGs, and the stakeholder groups most impacted by our initiatives.

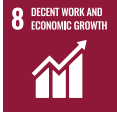

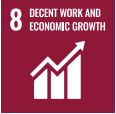

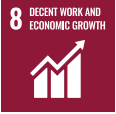



MATERIAL SUSTAINABILITY MATTER	GRI INDICATOR	AFFECTED STAKEHOLDER	UN SDGS
<b>GOVERNANCE PILLAR</b>			
<b>Business Ethics</b> The values and ethical behaviours expected of each employee, and the established procedures and policies we have in place to promote these standards.	<b>3-3</b> : Management Approach <b>2-15</b> : of critical concerns <b>2-23</b> : Policy commitments <b>2-24</b> : Embedding policy commitments <b>2-26</b> : Mechanisms for seeking advice and raising concerns <b>205-1</b> : Operations assessed for risks related to corruption	<ul style="list-style-type: none"> <li>Shareholders</li> <li>Regulatory Bodies</li> <li>Employees Fund Providers</li> </ul>	 
<b>Regulatory Compliance</b> Our continuous efforts to comply with relevant regulatory requirements, and remain up-to-date on any updates or amendments to regulations.	<b>2-27</b> : Compliance with laws and regulations <b>3-3</b> : Management approach <b>307-1</b> : Non-compliance with environmental laws and regulations <b>419-1</b> : Non-compliance with laws and regulations in the social and economic sector	<ul style="list-style-type: none"> <li>Regulatory Bodies</li> <li>Employees</li> <li>Shareholders</li> <li>Fund Providers</li> </ul>	 
<b>ECONOMIC PILLAR</b>			
<b>Indirect Economic Impacts</b> How our market presence and business performance impacts local communities and on the economy.	<b>3-3</b> : Management approach <b>202-2</b> : Significant indirect economic impacts	<ul style="list-style-type: none"> <li>Shareholders</li> <li>Employees</li> <li>Fund Providers</li> <li>Media</li> </ul>	 
<b>Supply Chain Management</b> How we ensure that suppliers and service providers meet the Group's standards and expectations, in terms of product and service quality as well as regulatory compliance.	<b>3-3</b> : Management approach <b>204-1</b> : Proportion of spending on local suppliers	<ul style="list-style-type: none"> <li>Suppliers</li> <li>Customers</li> </ul>	
<b>ENVIRONMENTAL PILLAR</b>			
<b>Energy Efficiency</b> Our initiatives to monitor and measure consumption of energy, such as fuel and electricity, as well as ways to reduce consumption and consumption intensity.	<b>3-3</b> : Management approach <b>302-1</b> : Energy consumption within the organisation <b>302-3</b> : Energy intensity	<ul style="list-style-type: none"> <li>Employees</li> <li>Shareholders</li> </ul>	 



# SUSTAINABILITY STATEMENT

MATERIAL SUSTAINABILITY MATTER	GRI INDICATOR	AFFECTED STAKEHOLDER	UN SDGS
<b>ENVIRONMENTAL PILLAR</b>			
<b>Resource and Waste Management</b> How we manage and minimise waste and effluents from business divisions, and efforts undertaken to reduce the overall amount of waste generated, as well as raw materials consumed.	<b>3-3</b> : Management approach <b>303-2</b> : Management of water discharge-related impacts <b>306-2</b> : Management of significant waste-related impacts	<ul style="list-style-type: none"> <li>Shareholders</li> <li>Regulatory Bodies</li> <li>Communities</li> <li>Employees</li> </ul>	 
<b>Water Management</b> How we manage water consumption across our business operations, including efforts to reduce unnecessary water usage.	<b>3-3</b> : Management approach <b>303-3</b> : Water withdrawal <b>303-5</b> : Water consumption	<ul style="list-style-type: none"> <li>Shareholders</li> <li>Regulatory Bodies</li> <li>Communities</li> <li>Employees</li> </ul>	 
<b>Climate Change</b> How we consider climate related risks in our business decisions and our efforts to reduce our carbon footprint.	<b>3-3</b> : Management approach <b>305-2</b> : Energy indirect (Scope 2) GHG emissions <b>305-5</b> : Reduction of GHG emissions	<ul style="list-style-type: none"> <li>Customers</li> <li>Communities</li> <li>Media</li> </ul>	  
<b>Biodiversity</b> How we strive to protect and preserve the natural systems within and surrounding our areas of occupation, including cultivating diverse green spaces within our projects.	<b>3-3</b> : Management approach <b>304-4</b> : IUCN Red List species and national conservation list species with habitats in areas affected by operations	<ul style="list-style-type: none"> <li>Customers</li> <li>Regulatory Bodies</li> <li>Communities</li> <li>Media</li> </ul>	 
<b>SOCIAL PILLAR</b>			
<b>Affordable Housing</b> Our support and progress at contributing to the nation's supply of quality affordable housing, enabling the B40 and M40 market segments to realise their goals of home ownership.	<b>3-3</b> : Management approach	<ul style="list-style-type: none"> <li>Customers</li> <li>Communities</li> <li>Media</li> </ul>	  
<b>Quality and Customer Satisfaction</b> Method and procedures in place to ensure delivery of quality products and services to our customers every time. Also includes customer engagement and complaints resolution.	<b>3-3</b> : Management approach <b>2-29</b> : Approach to stakeholder engagement	<ul style="list-style-type: none"> <li>Customers</li> <li>Communities</li> </ul>	

# SUSTAINABILITY STATEMENT

MATERIAL SUSTAINABILITY MATTER	GRI INDICATOR	AFFECTED STAKEHOLDER	UN SDGS
<b>SOCIAL PILLAR</b>			
<p><b>Occupational Safety and Health</b> How we maintain a safe and conducive workplace for all staff, including hazard and risk management and mitigation, and COVID-19 transmission prevention.</p>	<p><b>3-3</b> : Management Approach <b>403-1</b>: Occupational health and safety management system <b>403-2</b>: Hazard identification, risk assessment and incident investigation (HIRARC) <b>403-4</b>: Worker participation, consultation and communication on occupational health and safety <b>403-5</b>: Worker training on occupational health and safety <b>403-9</b>: Work-related injuries</p>	<ul style="list-style-type: none"> <li>Regulatory Bodies</li> <li>Employees</li> </ul>	
<p><b>Diversity and Inclusion</b> How we establish an inclusive workplace where our employees can perform to the best of their abilities without bias or discrimination.</p>	<p><b>3-3</b> : Management approach <b>401-1</b>: New employee hires and employee turnover rate <b>405-1</b>: Diversity of governance bodies and employees</p>	<ul style="list-style-type: none"> <li>Employees</li> </ul>	 
<p><b>Human Capital Development</b> How we nurture our staff to grow and develop in their careers. Includes benefits and staff engagement to promote retention of valuable talent.</p>	<p><b>3-3</b> : Management approach <b>401-2</b>: Benefits provided to full-time employees that are not provided to temporary or part-time employees <b>404-1</b>: Average hours of training per year per employee <b>404-2</b>: Programmes for upgrading employee skills and transition assistance programmes</p>	<ul style="list-style-type: none"> <li>Employees</li> </ul>	 
<p><b>Community Engagement</b> How we support and interact with the local communities in and around our areas of operation. Includes Corporate Social Responsibility (“CSR”) engagements and volunteerism.</p>	<p><b>3-3</b> : Management approach <b>413-1</b>: Operations with local community engagement, impact assessments and development programmes</p>	<ul style="list-style-type: none"> <li>Customers</li> <li>Communities</li> <li>Employees</li> </ul>	  

# SUSTAINABILITY STATEMENT

## STRENGTHENING CORPORATE GOVERNANCE MECHANISMS

As a responsible corporate citizen, it is essential for Lagenda needs to conform to the highest ethical standards in business. Pursuant to this principle, we apply the statutory requirements, principles and best governance practices set out by the Malaysian Code on Corporate Governance (“MCCG”) 2021.

**Business Ethics (GRI: 2-15, 2-23, 2-24, 2-26, 205-1)**



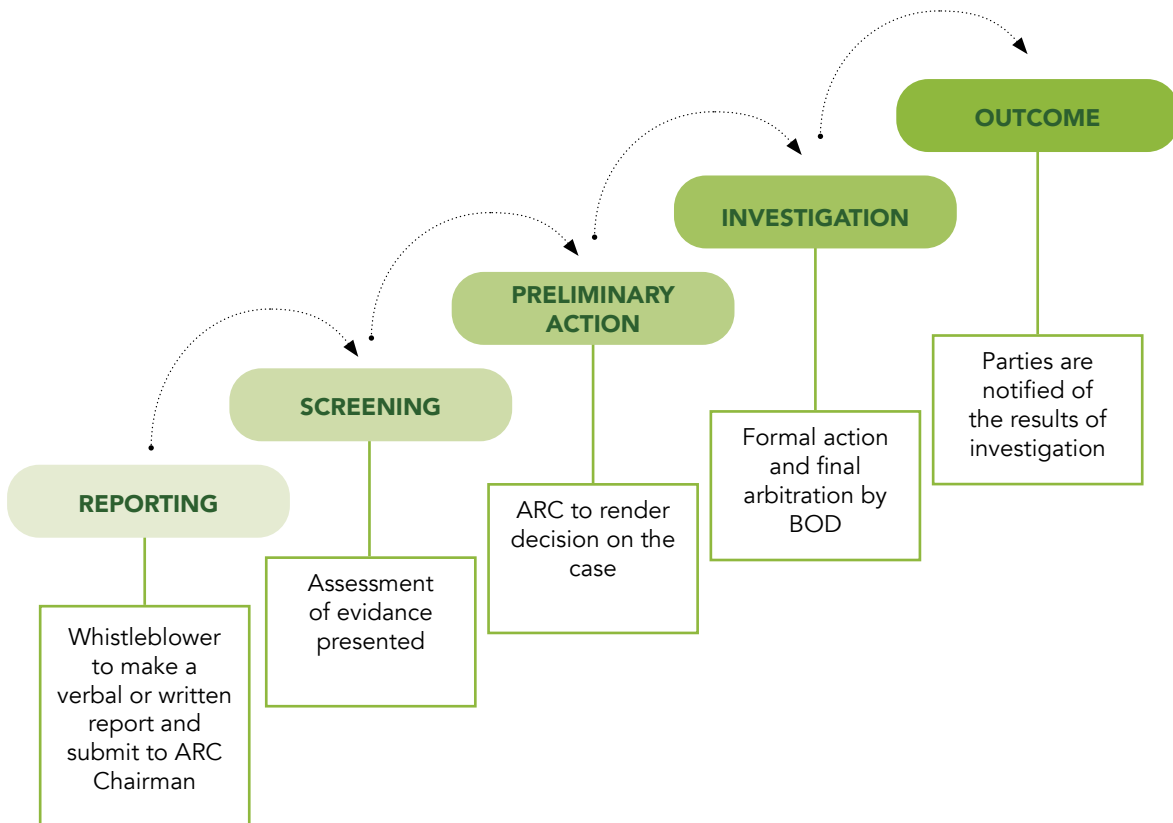
To execute our business affairs in an ethical manner is amongst the highest priority material matters for both the Group and our stakeholders. In FY2021, we revised our terms of reference of the Audit and Risk Committee to include the provisions on tax policy of which our ARC will apply best practices and act in accordance with the relevant legislation in all areas of operations.

The Board also plays a vital role in the implementation of the Anti-Bribery & Anti-Corruption Policies and Guidelines (“ABAC Policy”), ensuring the Group is not exposed to any corruption risks. The Board’s responsibilities include the following:

- Approving the ABAC Policy and Guidelines
- Ensuring the alignment of the ABAC Policy and Guidelines to the Group’s overall business strategy
- Setting commitment towards the prohibition of bribery and corruption in the Group’s business conduct
- Maintaining oversight of ABAC governance to address the Group’s bribery and corruption risks
- Promoting the appropriate ABAC culture across the business operations

In FY2021, Lagenda’s business operations were assessed to be free from any risk of corruption.

We have established mechanisms for individuals to seek advice and raise concerns about our business conduct through our Whistleblowing Policy. This includes a grievance mechanism to report in good faith any unethical or unlawful behaviour observed in accordance with the following procedure:



These policies are communicated to all employees and relevant stakeholder groups via email and through briefings and virtual training sessions. New employees are made aware of all existing policies, particularly the Code of Conduct and Ethics and the Employment Policy, during the orientation programme. We have also published a complete set of policy documents at the Company’s website.

# SUSTAINABILITY STATEMENT

## Regulatory Compliance (GRI: 2-27, 307-1, 419-1)



For both Lagenda and our network of stakeholders, adherence to relevant laws and regulations is an integral part of maintaining our business credibility.

To ensure that compliance is maintained, whenever necessary, we seek external legal advice, i.e. solicitors, qualified auditors, qualified internal auditors and financial institutions. Some of the regulations that we enforce across our business operations are listed below:

- Bursa Malaysia Main Market Listing Requirements
- Malaysia Code on Corporate Governance 2021
- Employment Social Security Act 1969
- Minimum Retirement Age Act 2012
- Town and Country Planning Act 1976
- Environment Quality Act 1974
- Housing Development Act 1966
- National Affordable Housing Policy 2019

In view of the corrective measures taken relative to the Occupational Safety and Health Act in the previous reporting period, the Group has not recorded any incidence of non-compliance in the current reporting period.

## DRIVING PROFITABILITY FOR SUSTAINABLE GROWTH

By implementing a comprehensive business strategy, we strive to maintain sustainable economic growth which will enable us to continue to invest into our ESG activities.

## Indirect Economic Impacts (GRI: 3-3, 202-2)



As a 100% Malaysian-owned property developer, Lagenda aims to positively contribute to the growth of the country's economy by:

- making home ownership more accessible to the M40 and B40 income groups;
- creating jobs and maintaining a local workforce; and
- exclusively hiring local suppliers.

To provide our target home buyers with digital access to our properties during the lockdown, we partnered with a leading e-commerce provider in February 2021 to produce a virtual tour. With this collaboration, buyers could purchase cash vouchers on Lagenda Properties' Shopee page for RM88.88 which were valued at RM1,888 towards the BBSAP development in Sitiawan or RM888 for the Lagenda Teluk Intan ("LTI") development. Prospective home buyers can browse through available properties online, including terrace houses, semi-detached houses and bungalows.



## Supply Chain Management (GRI: 3-3, 204-1)



Recognising that housing affordability has been a long-standing issue among low-income households, Lagenda endeavors to control procurement costs by contracting local suppliers only. Our 100% local supplier approach enables us to exercise greater control and flexibility over the supply chain. This, in turn, benefits the local economy through the creation of job opportunities.

To evaluate contractors' performance, we conduct an annual evaluation using an ISO certified evaluation form. We will advise our suppliers to apply our Human Rights Policy and Employment Policy in their own business operations.

# SUSTAINABILITY STATEMENT

## ADVANCING ENVIRONMENTAL STEWARDSHIP

In a 2020 report by the United Nations Environmental Programme (“UNEP”), the building and construction industries have been identified as responsible for 39% of global carbon emissions, 28% of which is related to operational emissions – from heating, cooling and lighting the buildings. The remaining 11% emitted is associated with materials and processes during the construction phase.

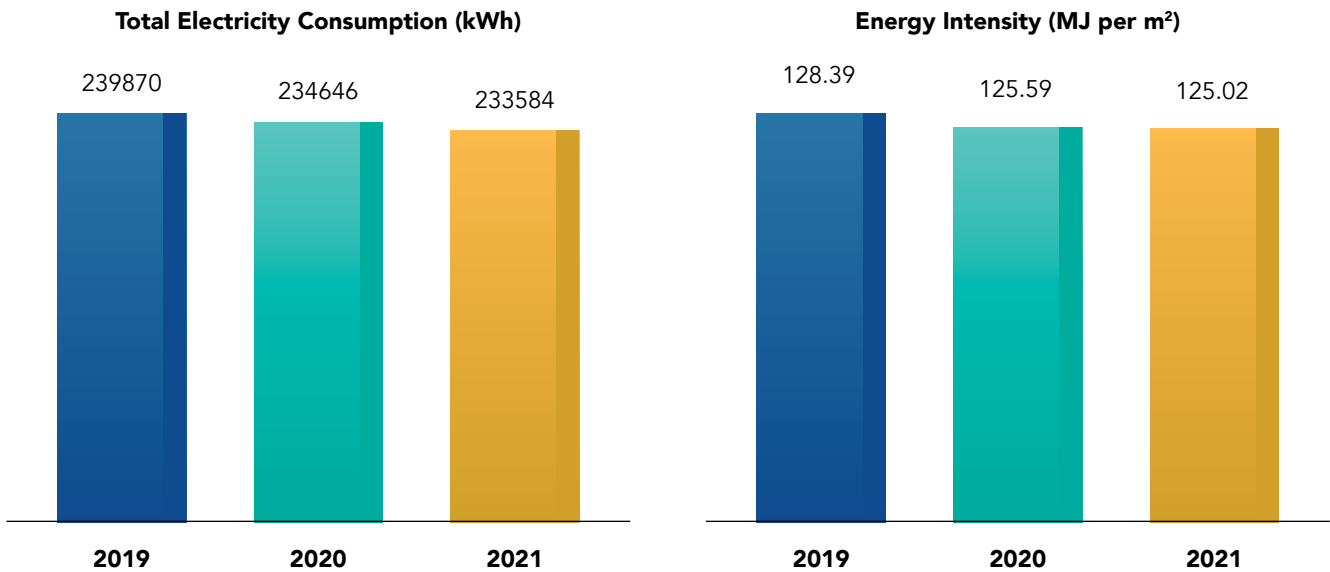
With projects at various construction stages, Lagenda is mindful of the potential environmental footprint of each project. To minimise our impacts, we have taken the necessary measures to improve energy efficiency, manage waste, reduce water intensity and our carbon footprint. With effective management of environmental impacts, responsible consumption of resources and biodiversity conservation efforts, the Group remains focused on achieving the goals of responsible environmental stewardship.

### Energy Efficiency (GRI: 3-3, 302-1, 302-3)



We monitor our electricity consumption to determine the efficiency of our operations and reduce unnecessary energy expenditure.

In FY2021, we recorded a reduction in total electricity consumption at our workplace by 1,062 kWh and a reduction of 0.57 MJ per m<sup>2</sup> in energy intensity as compared to FY2020. The reduction observed was largely due to the disruption of normal working hours at the office as a result of the COVID-19 pandemic.



We implemented a range of initiatives to reduce the electricity consumption of our operations. Our employees are reminded to switch off lights when rooms are not in use, and to limit the use of air conditioning. In FY2021, we completed the transition of all lighting fixtures at our workplace into energy efficient LED bulbs, and installed LED lights at the BBSAP roundabout and main road. Our long-term energy strategy also involves the installation of solar PV systems across our three (3) township projects in Perak. One thousand PV systems will be installed across the residential units which will reduce direct grid electricity consumption. The panels also assist with regulating the house internal temperature in the tropical climate.

# SUSTAINABILITY STATEMENT

## Resource and Waste Management (GRI: 3-3, 303-2, 306-2)



Waste from construction operations can present a significant environmental risk. At Lagenda, we apply the Industrialised Building System (“IBS”) in our development projects. Where possible, building components are prefabricated offsite before being assembled, minimising waste generation. For FY2021, an aggregate 295,310m<sup>2</sup> of prefabricated materials (cast in situ wall) was used in BBSAP Phase 3A, which translates to a 20% waste reduction when compared to the conventional construction method. We also recycle timber materials onsite to minimise the amount of waste sent to landfill.



IBS application for BBSAP Phase 3A reduced construction waste generation

Our projects are subjected to environmental monitoring and evaluation on key parameters such as water quality, air quality and noise level. Upon the completion of evaluation, a report is generated to identify potential risks and recommend action plans for mitigation. For this reporting period, we conducted air quality, water quality and noise level monitoring at BBSAP while LTI was assessed for water quality and rainwater level.

In the future, we plan to engage with our contractors to obtain the necessary data to report on volumes and types of waste generated at the development sites.

## Water Management (GRI: 3-3, 303-3, 305-5)



Water resources are an essential component of our business operations and the communities where our projects are located. As a major water conservation practice, we installed rainwater harvesting systems in our BBSAP projects to capitalise on Malaysia’s abundant rainfall. An increase of 1,476 units of rainwater harvesting systems were installed as compared with 1,017 units of FY2020.

During the reporting period, we improved our data collection efforts by monitoring the amount of water usage in our office buildings. As data collection for Lagenda’s water usage only commenced this year, we will publish the trending annual water withdrawal amount in subsequent sustainability statements.

The total water usage for FY2021 was 3,552 m<sup>3</sup>. This will serve as a baseline for purposes of future monitoring and management.

## Climate Change (GRI: 3-3, 305-2, 305-5)



We recognise the risks of climate change on our business operations and have outlined applicable mitigation efforts in our Climate Change Policy. We strive to minimise our overall carbon emissions by reducing our dependence on conventional energy source and implementing carbon sequestration initiatives.

In collaboration with a reputable clean energy provider, we will install 1,000 PV systems in development sites in Perak. Through this collaboration, we aim to promote renewable electricity in our township while also providing our home owners with long-term savings on utility bills.



1000 PV systems to be installed in development sites in Perak



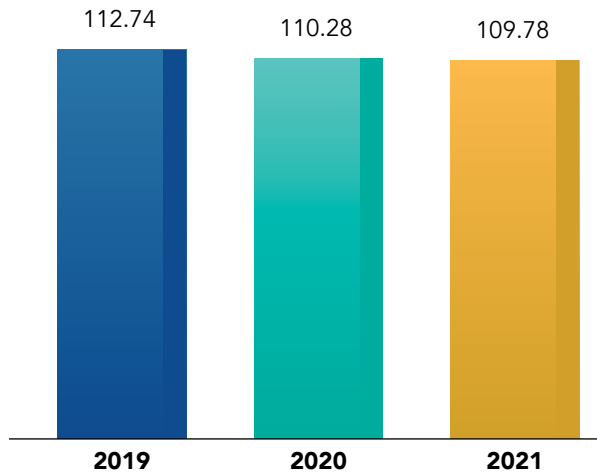
# SUSTAINABILITY STATEMENT

## Climate Change (GRI: 3-3, 305-2, 305-5)



Tree planting is one of the simplest and most effective way to remove carbon dioxide from the atmosphere. Our biodiversity conservation efforts saw more than 18,000 plants planted in the BBSAP township over three (3) years of development. As we continue to progress, we will continue our tree planting initiative to promote conservation and create long-term carbon sinks.

### Scope 2 GHG Emissions (Ton-CO<sub>2</sub>)



Scope 2 emissions factor obtained from UNFCCC Harmonized grid emissions factor 2019.

We currently monitor our Scope 2 greenhouse gas (“GHG”) emissions which arise from our consumption of grid electricity. In this reporting period, we generated 109.78 tonnes of CO<sub>2</sub>, a decrease of 0.5% compared to FY2020. Moving forward, we will continue monitoring our efforts to identify the main GHG contributions from our operations and reduce our carbon emissions.

## Biodiversity (GRI: 3-3, 304-4)



As outlined in Lagenda’s Biodiversity Policy, we acknowledge the potential impact of our township development on the surrounding natural environment. We mitigate these risks by ensuring that our projects are established on land without high biodiversity value. To construct the BBSAP township, we converted an oil palm plantation and, in the process, avoided situating the development on untouched land.

We are also committed to land rehabilitation and conservation at BBSAP by means of tree planting and landscaping. Since the commencement of the BBSAP development in 2019, we have planted a total of 18,508 seedlings and trees of various sizes across the project area. The plant species are selected not only for their aesthetic value but also for the benefits they provide to the local ecosystem. Some of the tree species selected for planting in BBSAP have conservation importance: *Hopea odorata* and *Agathis borneensis* are classified as Vulnerable and Endangered respectively on the International Union for Conservation of Nature (“IUCN”) Red List of Threatened species. As of FY2021, Lagenda has developed a total of 145,687 m<sup>2</sup> landscape green space at BBSAP.



145,687 m<sup>2</sup> of landscape space created at BBSAP to promote rehabilitation and tree conservation

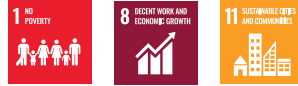
Our green spaces serve our township community with a range of benefits including cleaner air, reduced local temperature and peaceful recreational areas.

# SUSTAINABILITY STATEMENT

## SOCIAL RESPONSIBILITY

People are the backbone of Lagenda’s business operations. Our employees ensure that we achieve our organisational goals while our customers are the driving force behind our economic success. Members of the communities where our present and future townships are located are instrumental in our social license to operate.

### Affordable Housing (GRI: 3-3)



Affordable housing, as broadly defined by the UN-Habitat, is housing which is adequate in quality, location and pricing that can sustain other basic living expenses. It is further described as a housing unit that is affordable for those whose income is lower than the median household income in a particular locality. In conformity with the guidelines established in the National Affordable Housing Policy that was enacted in 2019, the pricing for affordable homes will not exceed RM300,000, with exact selling price variables across different states.

Having identified the B40 and M40 income segment as Lagenda’s target market, we facilitate accessibility to home ownership by reverse engineering our pricing scheme based on construction cost and average household income in the state where our townships are located. Housing units in these townships do not exceed RM250,000 for single-storey terrace houses.

Of the six (6) projects that we reported in the previous financial year, two (2) projects have since been completed and are ready for occupancy.



Public servants who purchase a Lagenda home are exempted from the free stamp duty for the Memorandum of Transfer. Property booking fees are also waived for both army and police personnel. These initiatives align with the government’s targets of providing citizens with better access to affordable housing as set out in the 12MP.

### Quality and Customer Satisfaction (GRI: 3-3, 2-29)



Lagenda aims to strike a balance between maintaining the affordability of housing units and ensuring that products and services are consistently of high quality. We have established a procedure to assess purchaser satisfaction in accordance with the requirements of ISO 9001:2015 Quality Management System. The procedure references:

- ISO 9001:2015 Clause 9.1.2 Customer Satisfaction
- ISO 9001:2015 Clause 9.1.3 Analysis and Evaluation
- LGD/QM09 Performance Evaluation





# SUSTAINABILITY STATEMENT

We endeavour to be proactive in addressing our customers' concerns, ensuring that issues and complaints are resolved within thirty (30) days as specified in our sale and purchase agreement. Complaints regarding property defects detected during the first 24 months of occupancy may be directed to the vendor via the Defects Form. The vendor will forward the information to Lagenda for appropriate action and record-keeping purposes. The vendor is also responsible for tracking the complaints and providing updates to Lagenda every quarter.

To keep our customers aware of new developments pertaining to our township projects, we have expanded our online presence to popular social media platforms where we frequently publish relevant information for buyers and home owners alike.

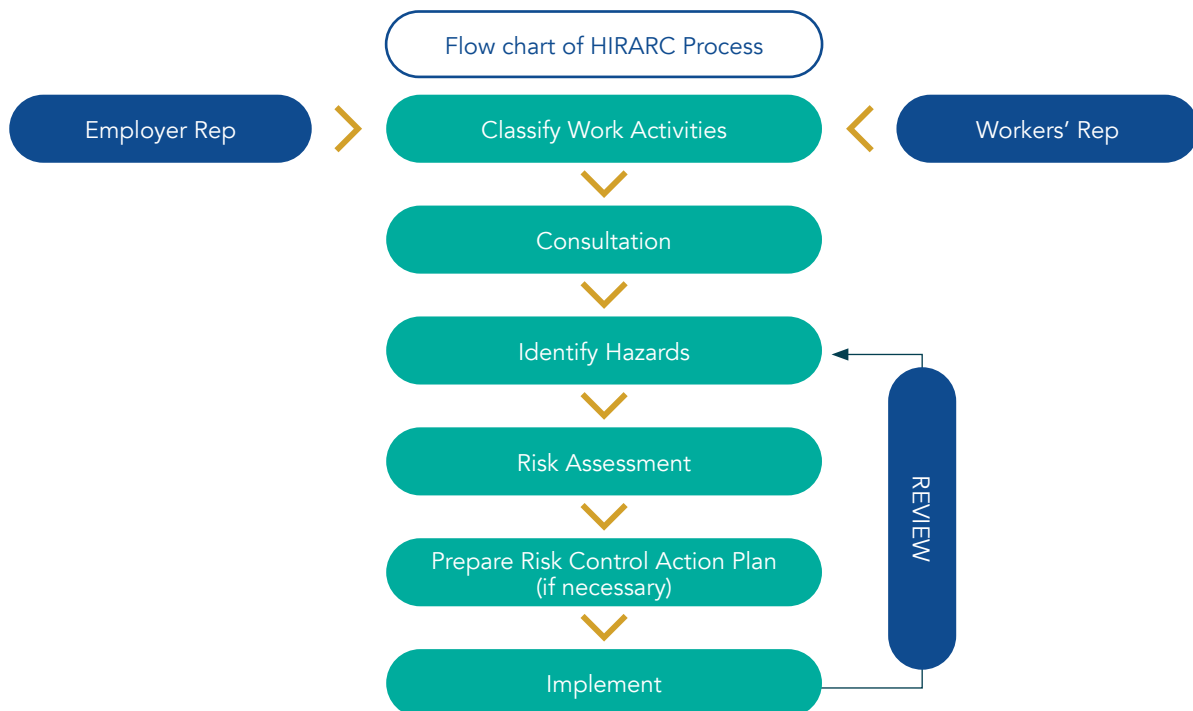
## Occupational Safety and Health (GRI: 3-3, 403-1, 403-2, 403-4, 403-5, 403-9)



The safety of our workers, remains our top priority regardless of the workplace location. To ensure the health and wellbeing of our workforce, we have implemented relevant measures to promote workplace safety and prevention of work-related incidents, including a strict compliance with Hazard Identification, Risk Assessment and Risk Control ("HIRARC") process.

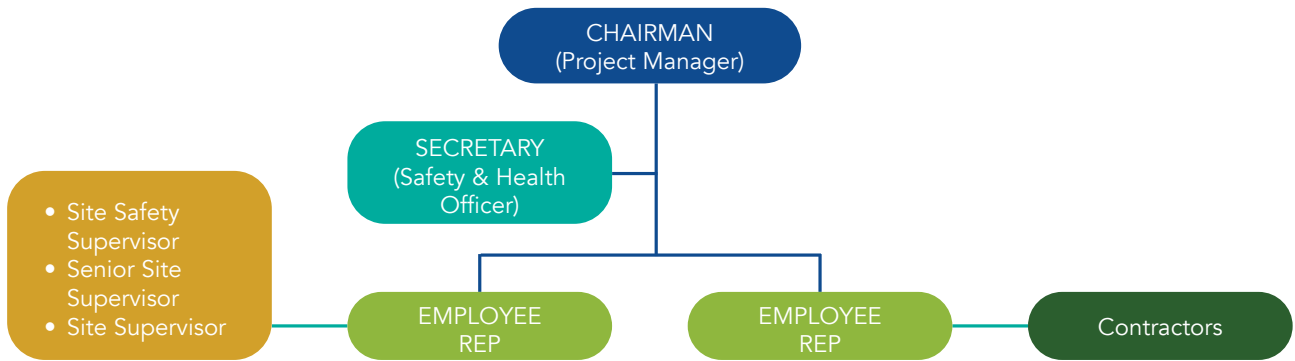
### HIRARC Compliance

HIRARC forms the basis of occupational safety and health at Lagenda. It involves the identification and assessment of various hazards that may cause injury or harm to a person when exposed to these risks.



# SUSTAINABILITY STATEMENT

In compliance with the Occupational Safety and Health Act (“OSHA”) of 1994, we have established an OSH Policy and procedures that were made easily available to all relevant parties. The implementation of the OSH policy and procedures and matters of policy compliance fall within the purview of the OSH Committee whose composition is illustrated below.



The OSH Policy consists of:

- Complying with applicable legal and other requirements;
- Prevention of accidents and serious bodily injuries at the work site;
- Prevention of environmental pollution at the work site;
- Investigation of any safety incident reported at the work site;
- Promoting continuous improvement; and
- Providing all the necessary resources in pursuance of the safety and health objectives.

As a result of our strict OSH policy and procedures, we are proud to report that zero lost time injuries or other related injuries have been recorded over 66,800 hours of work in FY2021.

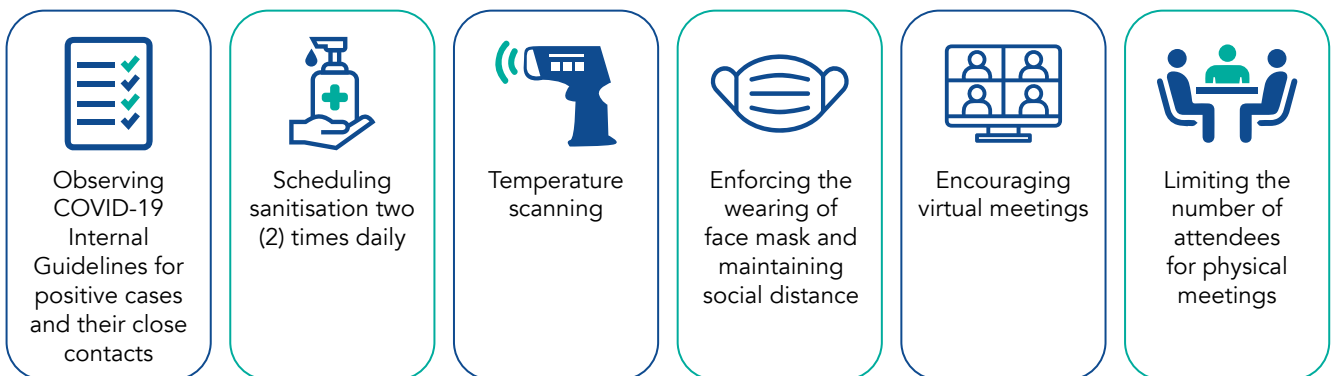
## **COVID-19 Response: Maintaining Safety and Wellbeing throughout the Pandemic**

In minimising the spread of the COVID-19 infections, Lagenda has implemented the necessary measures. Internal COVID-19 awareness advertisements were organised to remind employees to take the required precautions to protect themselves and their families. The Group increased the healthcare coverage for employees who contracted the virus and initiated a vaccination programme between 21 July and 21 August to encourage acceptance of the vaccine’s booster dose.

A vaccination database and COVID-19 cluster report have been maintained and updates are conducted through surveys on:

- Vaccine and Booster Status;
- Cluster Report on positive cases and close contacts.

We continue to observe the following Standard Operating Procedures (“SOPs”) in the workplace during working hours:

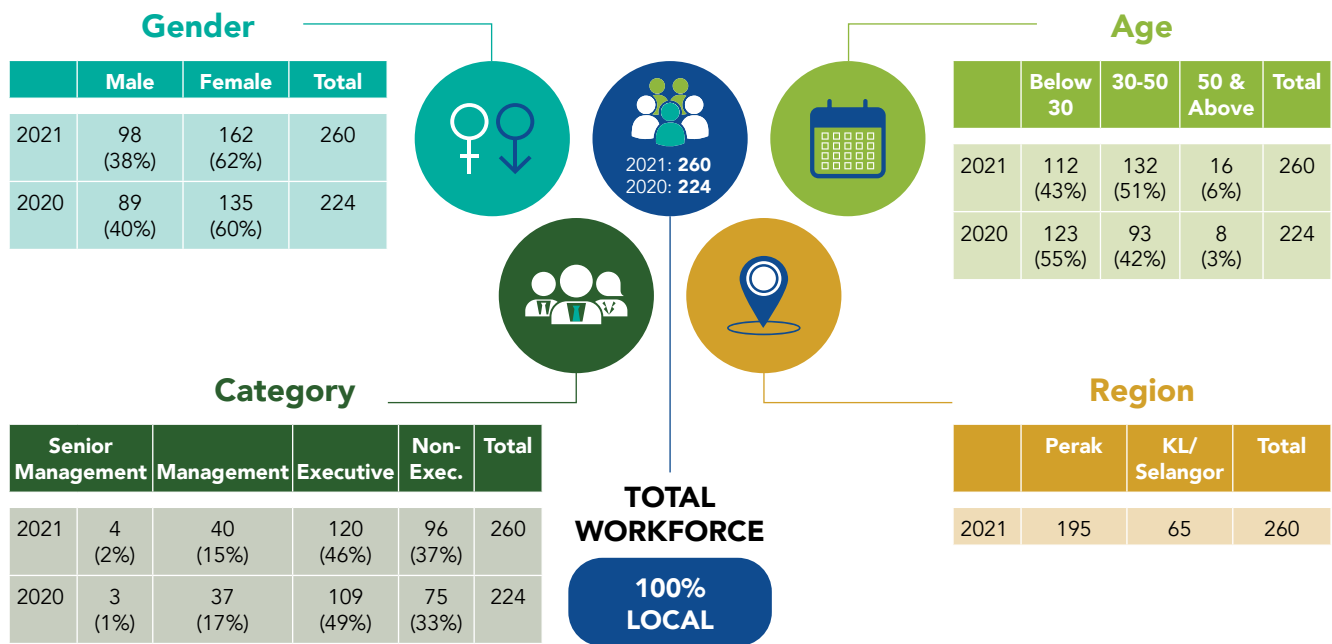


# SUSTAINABILITY STATEMENT

## Diversity and Inclusion (GRI: 3-3, 401-1, 405-1)



As an equal opportunity employer, Lagenda acknowledges the value of workplace diversity in offering a range of knowledge, skills and competencies that bolster productivity. The Group treats all employees equally regardless of gender, age, geographical origin, ethnicity, sex, disability, religion and any other status. Our full-time workforce currently totals 260 employees, a 16% increase from the previous year's headcount. To align with the government's long-term plan to reduce dependence on foreign workers to 15%, we exclusively employ local talent. In FY2021, Lagenda has no staff with disabilities (0%).



Gender diversity extends to Lagenda's Board, with the membership of at least 10% female representation now prioritised in our Board Charter. The Group recognises that board diversity is a vital measure of good corporate governance and strategic decision making. Lagenda's Board strives to bring together a diversity of knowledge, skill areas, and life experiences that reflects the diversity of our customers.

Lagenda's equal opportunity employment practices are outlined in the Employment Policy that is to be read in conjunction with our Human Rights Policy and OSA Policy and Procedures. These policies apply to all current and future employees of the Group.

As a result of stringent enforcement of internal policies, we recorded zero incidence of discrimination during this reporting period.

# SUSTAINABILITY STATEMENT

## Human Capital Development (GRI: 3-3, 401-2, 404-1, 404-2)

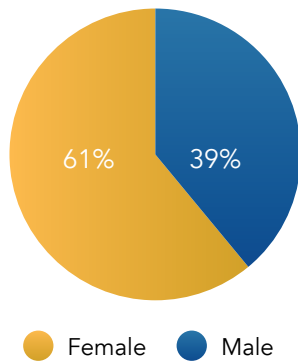


Cultivating a conducive work environment is a critical component of talent attraction, growth and retention. Developing our human capital is a matter of high priority in order to maintain a highly motivated, high-performing and productive workforce. By providing our employees with competitive remuneration and benefits as well as professional and personal development opportunities, we enable them to perform better year on year.

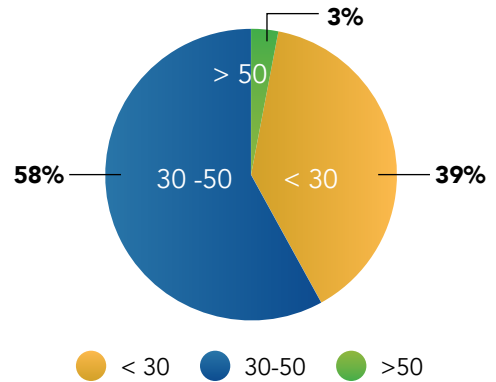
### Employee Attraction and Retention

Retaining the required headcount is essential in maintaining productivity levels. We ensure that vacancies are filled in a timely manner to avoid work disruptions, particularly among teams. During the reporting period, we successfully hired 155 new employees, of which two-thirds were female. The majority of our new employees are between the age of 30 and 50, representing fresh perspectives and different thought process.

#### NEW EMPLOYEES BY GENDER

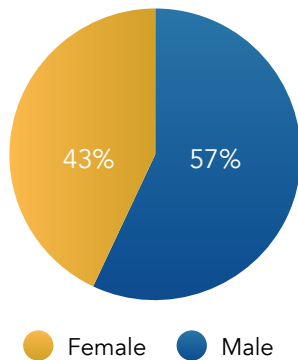


#### NEW EMPLOYEES BY AGE GROUP

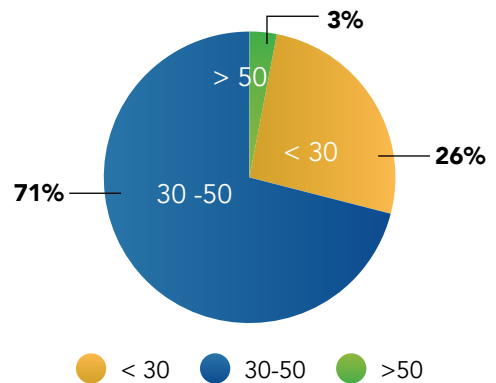


In FY2021, there were 121 resignations, the majority of which were male and from among the middle range age group.

#### RESIGNATION BY GENDER



#### RESIGNATION BY AGE GROUP



# SUSTAINABILITY STATEMENT

## Compensation and Benefits

Providing a competitive and equitable salary and benefits package is critical to attracting and retaining the right people. At Lagenda, we remunerate our employees with a three-tier package consisting of a basic salary that is in accordance with the Minimum Wage Order, as well as annual leave credits, medical, statutory and other benefits.



### Leave Entitlements

- Annual leave
- Medical leave
- Hospitalisation leave
- Prolonged illness leave
- Maternity leave
- Compassionate leave
- Replacement leave



### Medical Benefits

- Outpatient Coverage
- Dental/ Annual Check-up
- Medical Check-up
- Group Personal Accident Insurance
- Group Hospitalization Scheme
- COVID-19 Coverage (RTK, PCR, Hospitalization)



### Statutory & Other Benefits

- EPF
- SOCSO
- EIS
- HRDF

#### Business Travel Claims:

- Mileage reimbursements
- Lodging
- Transportation
- Accommodation
- Clothing (for overseas travels)
- Replacement leave

#### Life Events:

- Ang Pow for Wedding
- Bereavement contribution

## Training and Development

We invest in capacity building to enrich our people's skillset, ensuring that their competencies remain relevant as the industry evolves. In FY2021, a total of 637 training hours were deployed across Lagenda's various departments, benefiting 163 learners. A combination of online and in-person learning modes were utilised and COVID-19 SOPs were strictly enforced during physical training sessions. An increase of 50% in the average training hours per employee, per session.

Employee Group	Gender Category		Total Training Hours
	Female	Male	
Senior Management	NIL	1	<b>637 Training Hours</b>
Management	5	10	
Executive	51	39	
Non-Executive	41	16	
<b>Total number of training beneficiaries</b>	<b>97</b>	<b>66</b>	

# SUSTAINABILITY STATEMENT

## LAGENDA TRAINING PROGRAMMES 2021

<p><b>Safety and Health</b></p> <ul style="list-style-type: none"> <li>• Rigging &amp; slinging for construction work</li> <li>• Ergonomic management at workplace</li> <li>• Seminar KKP Negara 2021</li> <li>• Safetyedge virtual conference 2021</li> <li>• Kursus Pegawai Penilai SHASSIC (CIDB)</li> <li>• Seminar Keselamatan Struktur Sementara</li> <li>• Pelan Induk Keselamatan dan Kesihatan Pekerjaan 2021-2025</li> </ul> <p><b>Governance</b></p> <ul style="list-style-type: none"> <li>• MAICSA Annual Conference - The New Norm: Managing Disruption</li> </ul>	<p><b>Human Resource</b></p> <ul style="list-style-type: none"> <li>• JobStreet's Hiring Solutions Training</li> <li>• Fundamentals of Performance Management</li> <li>• New Hire Onboarding Induction Training</li> <li>• Rewards Review and Design - HR</li> </ul> <p><b>Projects</b></p> <ul style="list-style-type: none"> <li>• Seminar Pematuhan di Bawah Syarat-syarat Environmental Impact Assessment (EIA)</li> </ul> <p><b>Sales</b></p> <ul style="list-style-type: none"> <li>• Sales Product Training</li> </ul>
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### Employee Relations and Engagement

Legenda recognises that one of the major factors that influences employee retention is job satisfaction. Creating a positive and conducive workplace enables a high-performing workforce. The Group takes a proactive approach to employee engagement, ensuring that our employees are kept abreast of relevant information at all times. Staff notifications are distributed via Yammer, while new joiners are also informed about Group policies through the Welcome Board email.

In FY2021, we organised a departmental domestic travel and a Chinese New Year Lucky Draw to reward our employees for their excellent work performance throughout the prolonged COVID-19 pandemic.

### Community Engagement (GRI: 3-3, 413-1)



At Legenda, we deem it our corporate responsibility to promote the wellbeing of the local communities in the areas surrounding our business operations. The impositions of Movement Control Orders (“MCO”) in the early part of the year did not prevent Legenda from organising our engagement initiatives through permissible means. Throughout the financial year, we have contributed a total of RM1.48 million for community engagement activities. More than half of the donations were utilised to ease the burden of victims affected by the COVID-19 pandemic. Beneficiaries included the Royal Malaysian Navy and the Royal Malaysia Police personnel who had to undergo quarantine after being identified as close contacts of COVID-19 patients. Food boxes were delivered to 200 vulnerable families to alleviate their situation.

Our employees demonstrated enthusiasm in taking part in the distribution of food aid and essential goods to vulnerable groups who were impacted by the COVID-19 pandemic and also to urban underprivileged communities that were affected by natural disasters.





# SUSTAINABILITY STATEMENT

In FY2021, the Group launched the Lagenda Privilege Club with the intention of giving back to the community through savings. The incentives available included an additional 3% rebate on house purchase, and RM1,500 in referral rewards.



To address the job insecurity that was caused by the pandemic, we participated in JobStreet's Hiring Solutions Career Fair, with SOCSO online and in collaboration with the Ministry of Human Resources.



Our notion of giving back includes the health and wellbeing of the local communities. The Group invested almost RM1million in critical care medical equipment deployed in COVID-19 focused hospitals in Perak and Kedah. In addition, we collaborated with the state government of Perak to roll out a mobile vaccination clinic in the outlying and underserved communities. We also partnered with the Larut District Health Office to organise the Vaccination Outreach Programme which benefited 4,000 residents from PPR Simpang Perdana.



# SUSTAINABILITY STATEMENT

## FORGING AHEAD WITH ESG

With a mission to make home ownership affordable for Malaysians, Lagenda continues to develop eco-friendly and sustainable property to cater to the needs of middle to low-income households and uplift their standard of living. Having embedded ESG in our operations and across our value chain, we continue to direct our business affairs with robust corporate governance as we advocate for environmental stewardship and social responsibility.

As we forge ahead in our sustainability journey, we will invest in innovative ways to deliver the aspirations of our Sustainability Roadmap and achieve our ESG goals. In close collaboration with our stakeholders, we stand firm on our commitment to contribute to the realisation of the global and national sustainable development agenda.

## GRI CONTENT INDEX

GRI Indicator	Content of Disclosure	Page Number
<b>General Disclosures</b>		
2-1	Organisational details	18
2-2	Entities included in the organisation's sustainability reporting	18
2-3	Reporting period, frequency and contact point	18
2-7	Employees	44
2-9	Governance structure and composition	26
2-14	Role of the highest governance body in sustainability reporting	26
2-19	Remuneration policies	46
2-23	Policy commitments	36
2-24	Embedding policy commitments	36
2-27	Compliance with laws and regulations	37
2-29	Approach to stakeholder engagement	27
<b>Material Topics</b>		
3-1	Process to determine material topics	30
3-2	List of material topics	31
3-3	Management of material topics	throughout
<b>Economic</b>		
203-2	Significant indirect economic impacts	41
204-1	Proportion of spending on local suppliers	37
<b>Environmental</b>		
302-1	Energy consumption within the organisation	38
303-5	Water consumption	39
304	Biodiversity	40
305-2	Indirect (Scope 2) GHG emissions	40
305-5	Reduction of GHG emissions	40
306-2	Management of significant waste-related impacts	39



# SUSTAINABILITY STATEMENT

GRI Indicator	Content of Disclosure	Page Number
<b>Social</b>		
401-1	New employee hires and employee turnover rate	38
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	38
403-1	Occupational health and safety management system	42
403-2	Hazard identification, risk assessment and incident investigation	42
403-4	Worker participation, consultation and communication on occupational health and safety	43
403-5	Worker training on occupational health and safety	43
403-6	Promotion of worker health	43
403-9	Work-related injuries	43
404-1	Average hours of training per year per employee	46
404-2	Programmes for upgrading employee skills and transition assistance programmes	47
405-1	Diversity of governance bodies and employees	44
413-1	Operations within local community engagement, impact assessments and development programmes	47