



FORGING ►► *SUSTAINABILITY*



**Ranhill**



# 6<sup>th</sup> Annual General Meeting

Diamond 2, 10<sup>th</sup> Floor  
Holiday Villa  
Johor Bahru City Centre  
260, Jalan Dato Sulaiman  
Taman Abad  
80250 Johor Bahru  
Johor Darul Takzim

Tuesday, 21 April 2020

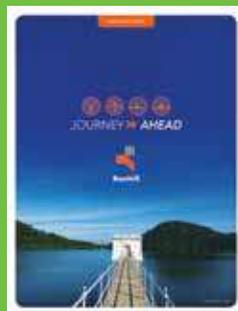
10.00 a.m.

## OUR REPORTS

We produce a full suite of reporting publications to cater to the diverse needs of our broad stakeholder base. The following reports, which support our Annual Report, are tailored to meet our readers' specific information requirements.

### Cover Rationale

Progressing through our circular economy model, Ranhill continues to provide sustainable solutions to meet the world's needs for clean water and clean energy. Through its focus on developing a better world for today and tomorrow's generations, Ranhill remains driven to respond proactively to the world's increasing complexities and challenges while generating financial and non-financial value creation for stakeholders.



### ANNUAL REPORT 2019

#### Objective

- Provides a comprehensive discussion of the Group's performance



### SUSTAINABILITY REPORT 2019

#### Objective

- Presents a balanced and comprehensive analysis of the Group's sustainability practices and performance in relation to issues material to our stakeholders

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For more information visit our website  
[www.ranhill.com.my](http://www.ranhill.com.my)



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## OUR MISSION

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To be a regional leader in water, wastewater and energy with emphasis on circular economy.

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## OUR VISION

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### ENRICHING LIVES THROUGH SUSTAINABLE SOLUTIONS

#### ENRICHING LIVES

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

#### SUSTAINABLE SOLUTIONS

- Ranhill aspires to meet the needs for an enhanced quality of life and a cleaner planet through innovation.
- We subscribe to the triple-bottom-line approach to the Environment (Planet) and Communities (People) whilst achieving our Financial Objective (Profit).
- We inspire our employees to be innovative in providing solutions beyond customers' expectations.

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## OUR VALUES

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### RESPECT

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



### RESOURCEFUL

- Determination in sourcing and adopting innovative solutions.



### RESULT

- Focused on delivering growth and value to our stakeholders.

# Ranhill Fact Sheet

## ENVIRONMENT



99.88%

→ Water Supply Coverage Areas



689

→ Reservoirs & 44 Water Treatment Plants  
→ 22 Wastewater & Reclamation Plants

2,367 MLD



→ Total Water and Wastewater Treatment Capacity

Local

85.6%

International

14.4%

22,917 KM

→ Pipelines, of which 19,437.94 KM are reticulation mains, 3,309.61 KM of distribution mains and 169.47 KM of raw water mains

→ Achieved 341 MLD, or

85%

of targeted 400 MLD from international water and wastewater operations

## CLEAN ENERGY

**WE ARE THE LARGEST INDEPENDENT POWER PRODUCER ("IPP")**

within the state of Sabah in Malaysia

21-year

→ Power Purchase Agreement ("PPA") with Sabah Electricity Sdn Bhd ("SESB") for the sale of up to

380 MW

→ Electrical generation capacity and electricity production



Energy Generating Capacity

380 MW



Operate

2 x 190 MW

→ Combined Cycle Gas Turbine ("CCGT") power plants in Kota Kinabalu Industrial Park

## DEVELOPMENT ROLE



100%

→ New hires attended the onboarding programme



→ Inclusion in the FTSE4Good

ESG index

## Our Presence



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



SEGMENTAL REVENUE (RM'MILLION)

1,605.5

98.5% of group revenue



SEGMENTAL REVENUE (RM'MILLION)

24.3

1.5% of group revenue

Effective December 2016, revenue from China is not consolidated as it is from an associate.

# OPERATES IN 3 COUNTRIES

## OUR BUSINESSES



WATER SUPPLY SERVICES



WATER AND WASTEWATER TREATMENT



NON-REVENUE WATER MANAGEMENT



CLEAN ENERGY



▶ Rugading Power Station, Sabah

## 01 MALAYSIA

Water Supply Services in Johor, Malaysia

- Exclusive license to provide source-to-tap water supply services throughout the State of Johor
- Johor is the third most populous state with a population of approximately 3.8 million as at December 2019

- 44 Water treatment plants
- Total treatment design capacity of 2,026 MLD

Power Business in Sabah, Malaysia

- The largest IPP in Sabah, Malaysia
- Operates two 190 MW CCGT power plants in Kota Kinabalu Industrial Park
- 21-year PPA with Sabah Electricity for the sale of up to 380 MW of electrical generating capacity and electricity production
- Total capacity represents approximately 32.5% of combined installed capacity of all IPPs in Sabah

## 02 CHINA

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

## 03 THAILAND

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

# Group Financial Highlights



**REVENUE**  
(RM'000)

**1,629,831**

FY2018 : 1,559,856  
FY2017 : 1,478,719

**PROFIT FROM OPERATION** (RM'000)

**276,681**

FY2018 : 240,733\*  
FY2017 : 233,808

**NET PROFIT FOR THE YEAR** (RM'000)

**81,161**

FY2018 : 64,508\*  
FY2017 : 72,352

**SHAREHOLDERS' EQUITY** (RM'000)

**582,244**

FY2018 : 549,369  
FY2017 : 582,165

	FY2017 restated RM'000	FY2018 RM'000	FY2019 RM'000
Revenue	1,478,719	1,559,856	1,629,831
Profit from operation	233,808	240,733*	276,681
Net Profit for the year	72,352	64,508*	81,161
Weighted average number of ordinary share ('000)**	1,065,975	1,065,975	1,065,975
Basic earnings per ordinary share (sen)	6.79	6.05	7.61
Total Asset	2,732,650	3,335,573	3,040,324
Shareholders' Equity	582,165	549,369	582,244
Net Asset per share	0.55	0.52	0.55

**Note:**

\* Adjusted to exclude non-recurring items.

\*\* Enlarged share capital due to bonus issue @ May 2019 (without consideration) is treated as if it had occurred at the earliest presented period as to provide a comparable result.

# Message From The President / Chief Executive



Dear Stakeholders,

As a responsible corporate citizen, Ranhill continues to provide sustainable solutions to meet the world's need for clean energy and water. In doing so, we continue to proactively play our part in addressing key global issues which include climate change, global warming, water security, infrastructure development and community empowerment.

Today, across the world, sustainable development goals are being given equal significance as financial objectives. From the Paris Accords, the 17 United Nations Sustainability Development Goals, the increasing concerns of island nations that they may disappear underwater with rising sea levels, to the growing voice of activists such as Greta Thunberg and others, the world has truly awoken to the importance of sustainability.

Certainly, businesses must continue to generate revenue and earnings, profits. However, today's financial returns must not be achieved at the expense of tomorrow's prospects. The truth is sustainability is not some far-fetched goal that affects people and locations far away from us.

The recent haze issue, which has become an annual occurrence, the pollution of water sources in Johor state and rising air pollution from open plastic burning are very much happening within our own environments. It is not strangers who are impacted, but our families and ourselves. We are all affected by the lack of sustainable thinking and strategies among businesses. Our generation today is unfortunately, part of the problem, but encouragingly, also part of the solution.

We, at Ranhill are concerned and motivated by the sustainability challenges that the world faces today. We are committed to playing our part towards creating a better and sustainable future. Our circular economy model remains well attuned in meeting today's needs without sacrificing the prospects of future generations.

The circular economy approach drives Ranhill to continuously integrate sustainability within our business strategies and operations towards creating further positive economic, environmental and social ("EES") impacts for stakeholders.

We are limited by our own capacity, but by sharing our business model with others, we serve, as a catalyst for a much larger positive impact that we hope will cascade across industries, businesses, supply chains, communities and individuals. This we continue to do towards fostering greater adoption of the circular economy model that essentially encourages recycling, replenishment and conservation of resources, rather than typical resource exploitation.

At Amata, Thailand and Forest City, Johor, we have recycled 17MLD of wastewater into water fit for non-potable use. Across Johor, we have plugged and resolved 53,429 leaks, saving an additional 30 MLD of treated water to bring the total to 310 MLD, as part of our NRW reduction programme towards more efficient water distribution. The full details of these and other efforts are provided in this Sustainability Report 2019 ("SR 2019").

## Message From The President / Chief Executive

With each progressive step, we are moving towards truly espousing sustainability in all that we do. I wish to highlight our efforts that have been largely effective and successful in FY2019. We are looking into the installation of solar photovoltaic ("PV") system on our water treatment plants ("WTPs") in Johor. The panels generate electricity to meet the individual WTP's energy requirements. Thus far, four WTPs have been identified for the pilot phase with plans to extend the rollout to several other WTPs in FY2021.

Eventually all of our WTPs could be powered by renewable sources in the future. The same can be replicated for our wastewater treatment plants in Thailand and China.

Essentially, Ranhill is developing self-powered and self-sufficient WTPs, which could become the model for others to emulate, within the country and the region. The ramifications are significant, given that WTP operations consume significant energy resources.

Our WTPs in FY2019, consumed 305.17 MegaWatts hour ("MWh") of electricity and more than one 1.07 million litres of diesel and petrol combined. Solar-powered WTPs will reduce consumption of diesel, petrol and grid-sourced electricity substantially.

Another notable initiative is RanhillSAJ has reduced its CO2 emissions by 9,427mtCO2e, which is in direct response to global warming and the two-degree movement. This carbon reduction was achieved despite water production increasing to meet growing consumption demand. This clearly shows that our water operations are highly efficient and sustainable. Other contributory methods, including encouraging carpooling among staff, advocating public transport use and we will also explore LED light replacement initiatives to further reduce energy consumption and carbon emissions.

There are also possibilities of progressively transitioning our fleet of vehicles to electric vehicles. This will take time but, if we are truly committed to sustainability, then we must be a pioneer in introducing new measures that disrupt the status quo in Corporate Malaysia. We have purchased and received delivery of the first electric vehicle for use of our management, and have installed electric car chargers at our corporate office. We will also expand this to all agency offices in order to encourage and enable the use of electric vehicles by our staff and customers.

We are also exploring the possibility of expanding our sustainable efforts into the waste-to-energy ("WTE") segment, which will help address growing waste disposal

issues while also generating energy. Our entry into Indonesia via collaborations with local partners to tap opportunities in the hydro, geothermal and waste management segments reflects our commitment to clean energy.

In tackling climate change issues, which have disrupted rainfall patterns, we continue to innovate and develop solutions such as groundwater sources, off river storage to ensure sufficient water supply for Johor state. Together with local authorities, we have helped to address water source pollution.

For contribution to the community, we continue to provide over 3,141 poor and hardcore poor households with free water. This is in line with our commitment to upholding basic human rights, specifically the basic right of access to clean water.

In changing our future prospects, businesses, industries can and should lead the way, by placing sustainability at the centre of their business. Doing good is doing well and in that regard, organisations that consciously choose to operate sustainably will ultimately derive long-term, sustainable revenue and profits.

The future remains challenging, yet also inspiring. The complex and large issues faced are intertwined with tremendous opportunities and vast potential. The prospects may appear daunting but behind the difficulties, there lies hope for a better future for all stakeholders.

It is this hope that motivates to drive our determination to embrace the challenges in delivering solutions that offer a better world for all stakeholders. We walk this journey together with our stakeholders as the value created through sustainability is a shared outcome for all generations, today and tomorrow.

The full details of our various Ranhill sustainability strategies, challenges faced, highlights and achievements and future plans are provided in the Ranhill Sustainability Report 2019 ("SR2019").

We hope that in reading SR2019 report, you would have a richer perspective of Ranhill as a business entity and corporate citizen of the world.

**TAN SRI HAMDAN MOHAMAD**  
President / Chief Executive

# About This Report



## SCOPE & MATERIAL BOUNDARY

Ranhill's Sustainability Report 2019 ("SR2019") is scoped to the business operations and activities of the holding Company and all major subsidiaries within the Group. Outsourced activities, activities and operations of joint venture companies are excluded.

The reporting scope encompasses material economic, environmental and social ("EES") topics as aligned to the Global Reporting Initiative ("GRI") 2018 Core Option. This year's report see additional EES disclosure in line with requirements specified by the Bursa Malaysia FTSE4Good Index.

The Group is cognisant that there may be significant EES impacts from its value chain and is committed in cascading its sustainability commitment, practices and culture to its extended business partners, suppliers and contractors. We aim to report on the EES highlights of our value chain partners in future sustainability reports.

## REPORT QUALITY & DATA ASSURANCE

Report quality has been guided by the GRI principles of accuracy, balance, clarity, comparability, reliability and timeliness. All data contained within this Report has been

sourced internally and has been verified accordingly by the respective business units or information owners. We continue to enhance our data collection and analysis processes towards improving data accuracy and quality and to strengthen disclosures going forward.

For a more comprehensive perspective of the Group's business performance and how sustainability continues to be a principal driver for Ranhill's value creation strategies, readers are highly recommended to read this report together with the Ranhill's Annual Report 2019 ("AR2019").

## REPORTING PERIOD

The reporting period for SR2019 is from 1 January 2019 to 31 December 2019. SR2019 provides three-year statistical data for most disclosures towards establishing trend lines and to enable readers to better track and understand the comparative performance achieved.

## AVAILABILITY

SR2019 can be downloaded from the Ranhill Group corporate website at [www.ranhill.com.my](http://www.ranhill.com.my). Limited printed copies are available towards minimising our paper consumption and thus reducing environmental impact.

## FEEDBACK

As part of our continued engagement with stakeholders and to facilitate continuous improvement, we welcome feedback, comments and suggestions to be sent to:

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Group Corporate Communication,  
Ranhill Holdings Berhad,  
Bangunan Ranhill SAJ,  
Jalan Garuda, Larkin,  
80350 Johor Bahru,  
Johor Darul Takzim, Malaysia

Tel : +607 2255 300  
Fax : +607 2255 310  
Email : [sustainability@ranhill.com.my](mailto:sustainability@ranhill.com.my)

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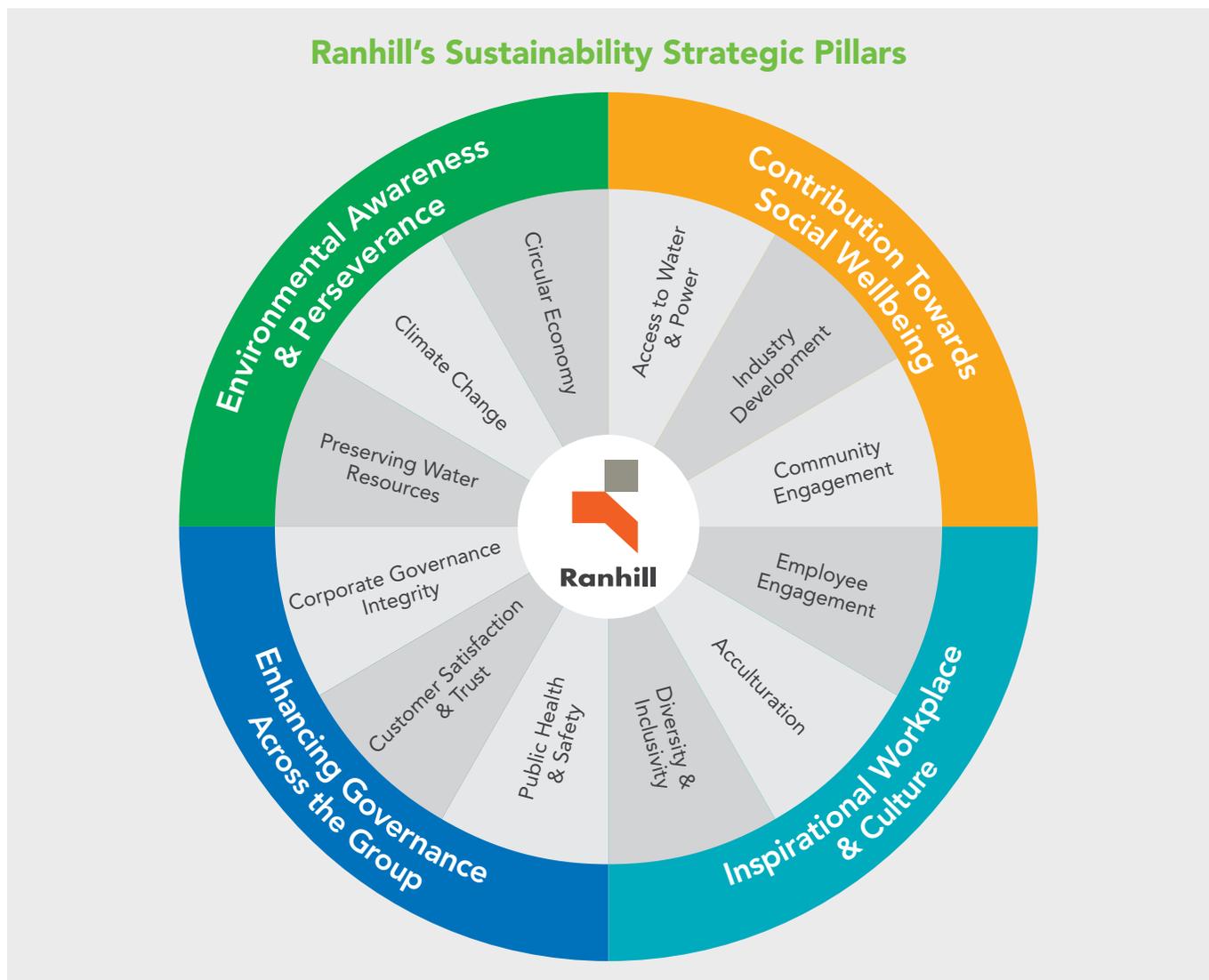
# Overview – Ranhill’s Four Pillars Of Sustainability

As in previous years, Ranhill’s sustainability approach is driven by its four pillars of sustainability. These pillars are Environmental Awareness & Perseverance, Contribution Towards Social Wellbeing, Inspirational Workplace & Culture and Enhancing Governance Across the Group.

These pillars serve as the basis for Ranhill to develop its value creation model, which then governs the Group’s business strategies and operations. The pillars also guide the identification and prioritisation of material EES topics.

As such, sustainability is not an adjunct or an extension of the Group’s business model or its strategies.

The pillars reflect Ranhill’s justification for existence; that is to build a better world and a better tomorrow today, by creating value as defined by the four sustainability pillars, which consequently addresses Ranhill’s material EES topics and supports a triple bottom line business perspective.

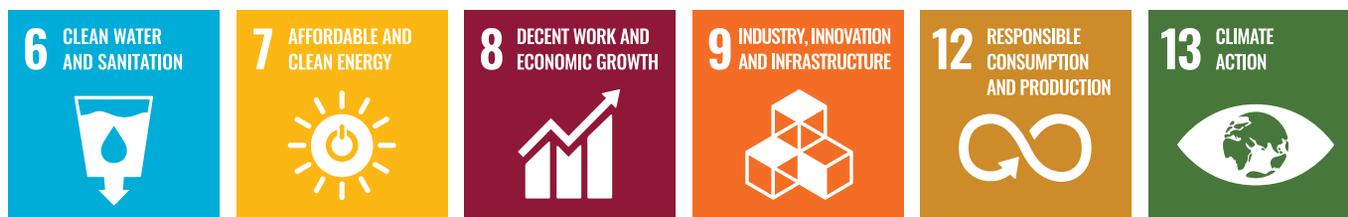


In FY2019, each pillar was aligned to respective Group material topics, providing further strategic linkage between material topics and impact to the Group's value creation model and strategies.

Going forward, the Group will monitor its performance for its sustainability pillars, providing ranking scores for each based on actual performance achieved for the respective material topics categorised under each pillar.

A comprehensive scoring system, modelled after the FTSE4Good Index ranking system is being developed towards ensuring internal assessment and evaluation is aligned to industry best practice.

In FY2019, the Group has aligned its sustainability pillars and material topics to the United Nations Sustainability Development Goals ("UN SDGs") as per its six adopted UN SDGs:

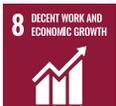
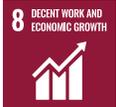


The broad alignment to UN SDGs for FY2019 will be followed in subsequent years with adoption of the specific goals and targets stipulated under the selected SDGs. This would entail establishing linkages between existing business and operational strategies, and action plans with the set goals and targets, or initiating new programmes, strategies and action plans towards achieving alignment with the said goals and targets.

In FY2019, Ranhill has continued to operate based on its circular economic model and its four pillars of sustainability. Following are brief descriptions of the pillars and the EES highlights achieved for the year under review:

RANHILL SUSTAINABILITY PILLARS	DESCRIPTION	ACHIEVEMENTS AND HIGHLIGHTS	FUTURE PLANS	UN SDGs
<b>Environmental Awareness &amp; Perseverance</b>	<p>The Group continues to seek ways to minimise its impact on air, water, land and other natural resources. This includes safeguarding upstream and downstream water resources and conserving, preserving and recycling resources as much as possible.</p> <p>The Group believes that its concept of environmental awareness and perseverance must also be propagated to external stakeholders such as the general public, students, the communities at large and across its value chain.</p> <p>Only through shared vision and commitment can we truly safeguard our natural resources and the surrounding environment.</p>	<ul style="list-style-type: none"> <li>Circular Economy - 2 water reclamation plants in Thailand (17 MLD)</li> <li>Non-Revenue Water ("NRW") - in Johor, Kelantan, Melaka, Kedah, Pahang</li> <li>Water conservation campaign at schools and with local communities</li> <li>Continuous enforcement against polluters with Badan Kawal Selia Air Johor ("BAKAJ") and National Water Services Commission ("SPAN")</li> <li>Joint sampling with Ministry of Health ("MOH") for water quality</li> <li>Water Safety Plan ("WSP")</li> <li>Carbon Footprint reduced to 253,964.5 mtCO<sub>2</sub>eq in FY2019 (FY2018: 263,391 mtCO<sub>2</sub>eq)</li> </ul>	<ul style="list-style-type: none"> <li>Increase water reclamation plant capacity</li> <li>Increase water conservation through NRW reduction and awareness campaign to public</li> <li>Play a growing role in influencing industry policies</li> <li>Cascade Carbon Footprint Programme to the Group and other subsidiaries besides RanhillSAJ</li> <li>Increase efficiency of GHG Scope 1, 2 and 3 Emissions</li> <li>Use Industry 4.0 and Internet of Things technologies to yield new improvement opportunities in asset management</li> </ul>	

## Overview – Ranhill’s Four Pillars Of Sustainability

RANHILL SUSTAINABILITY PILLARS	DESCRIPTION	ACHIEVEMENTS AND HIGHLIGHTS	FUTURE PLANS	UN SDGs
<b>Contribution Towards Social Wellbeing</b>	<p>As Ranhill pursues its business objectives, it has also integrated a social empowerment agenda to close the infrastructure gap between urban and rural communities.</p> <p>As an industry leader, the Group continues to actively share its knowledge to enhance overall industry standards towards developing a more competitive and sustainable value chain in the businesses it operates in, especially NRW management.</p>	<ul style="list-style-type: none"> <li>Water rebate for the first 25m<sup>3</sup> to the underprivileged in Johor</li> <li>Thought Leadership - Twinning programme with Asian Development Bank</li> <li>Participation in Industry events</li> <li>Conducted basic instrumentation training for students of the institute of Oil &amp; Gas</li> <li>Blood donation drive</li> <li>Program Pembersihan Pantai (“3P”) by Ranhill Water Services</li> <li>10kW Solar-Micro-Hydro Hybrid Project at Kg Walou</li> <li>Ranhill Scholarship Programme in collaboration with St. Joseph Institute in Singapore</li> </ul>	<ul style="list-style-type: none"> <li>Provide access to underserved areas (water &amp; power)</li> <li>Find cheaper alternatives for electricity i.e. green technology and clean energy</li> <li>Further establishing Ranhill as an industry and thought leader via involvement in local and international industry events</li> <li>Capacity building - Collaboration with the Ministry of Higher Education and universities to develop talents for both the water and power industry</li> </ul>	   
<b>Inspirational Workplace &amp; Culture</b>	<p>The Group believes in harnessing the rich and diverse aggregate talent pool of the Group, across all geographic sectors to create cross sharing of knowledge, synergy and more to empower greater productivity and competitive advantage.</p> <p>Crucial to this is the retention of talent, the recognition and rewarding of excellent performance and the injection of fresh, high calibre professionals to infuse vibrant and new ideas that will propel Ranhill towards continued realisation of its business goals.</p>	<ul style="list-style-type: none"> <li>Townhall Centre activity pertaining to employees’ social programmes such as birthday celebrations</li> <li>R-Care Program for improved health and fitness and etc.</li> <li><i>Sijil Kemahiran Malaysia</i> for 77 employees</li> <li>Knowledge Sharing Session</li> <li>Customer Service Acculturation Program</li> <li>High Performance Culture (“HPC”) Programme</li> <li>Employee Engagement Survey</li> </ul>	<ul style="list-style-type: none"> <li>Identify and agree on the parameters for Inclusivity &amp; Diversity across the Group</li> <li>Management position in terms of age, gender, race</li> <li>Opportunities for person with disability (“PWD”)</li> <li>Talent diversification</li> <li>Succession planning</li> <li>Identify and equip Ranhill employees with Industry 4.0 knowledge</li> </ul>	 

RANHILL SUSTAINABILITY PILLARS	DESCRIPTION	ACHIEVEMENTS AND HIGHLIGHTS	FUTURE PLANS	UN SDGs
<p><b>Enhancing Governance Across the Group</b></p>	<p>The Group is in the view that sustainability and corporate governance are intrinsically linked and that accountability, business ethics, transparency and integrity are essential to the sustainability journey.</p> <p>Strong business values are vital to mould a growing consciousness on sustainability.</p>	<ul style="list-style-type: none"> <li>• Health and Safety - Ranhill Rules of Life</li> <li>• Code of Conduct and Business Ethics</li> <li>• Business Continuity Management</li> <li>• Third Party Dealings</li> <li>• Risk Management</li> <li>• Whistleblowing Policy and Procedure</li> <li>• Corporate Disclosure</li> <li>• RanhillSAJ's Customer Satisfaction Survey</li> <li>• ISO Certification</li> <li>• Obtained HACCP Certification for Water Treatment Plant</li> <li>• RWS obtained 5-star rating awarded by CIDB under the <i>Program Penilaian Keupayaan Dan Kemampuan Kontaktor (SCORE)</i></li> <li>• Open tender approach in procurement processes</li> <li>• Personal Data Protection Act</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of ISO Certification group wide (ISO 45001 Occupational Health and Safety)</li> <li>• External assurance on our Sustainability practices for sustainability report</li> </ul>	  

# Sustainability Governance & Leadership

Given that sustainability is the Group's raison d'etre and forms the basis for its business objectives, targets and strategies, hence, governance of sustainability begins at the top; with Ranhill's Board of Directors.

The Board maintains sustainability oversight via its Governance and Risk Management Committee ("GRMC").

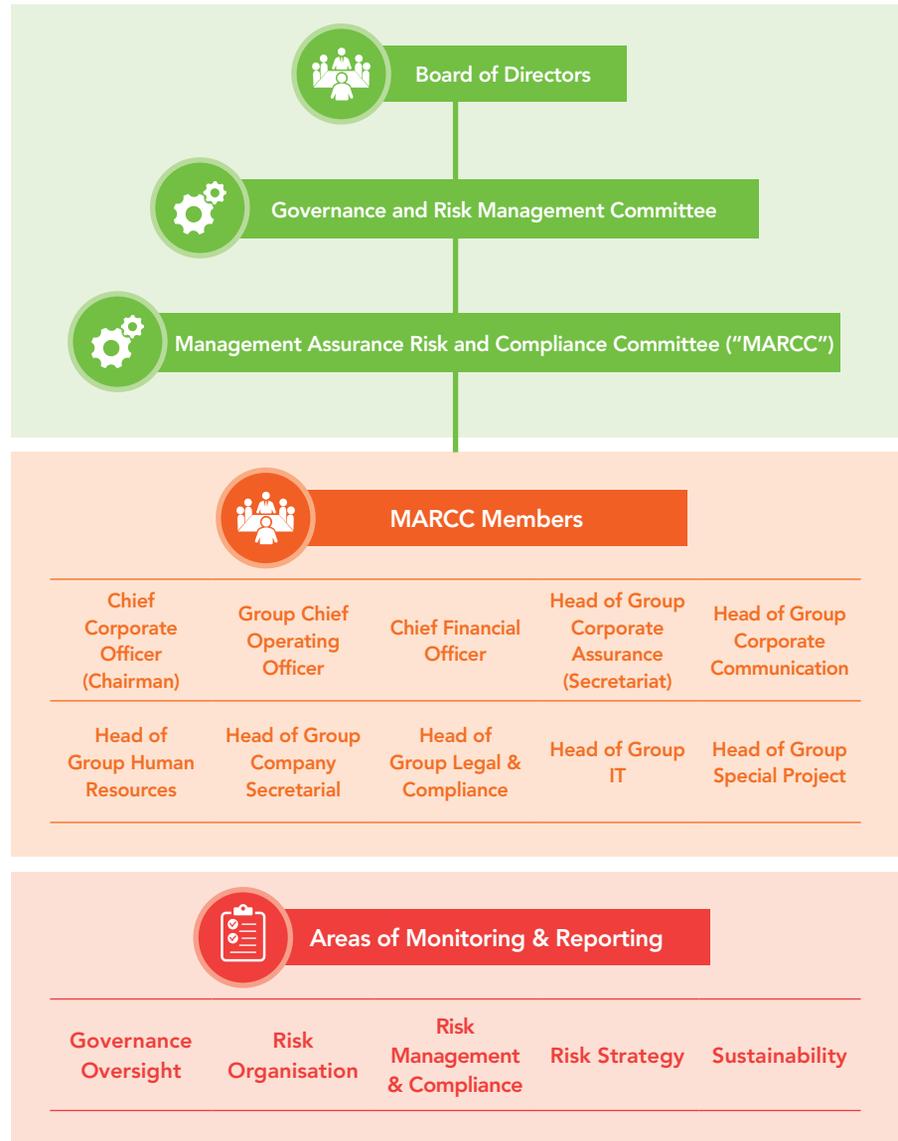
As the GRMC provides leadership, it is in turn supported by the Management Assurance Risk & Compliance Committee ("MARCC"). The MARCC is in turn, supported by Senior Management and Department Heads across the Group's organisational structure.

MARCC members include the Chief Corporate Officer (MARCC Chairman), Group Chief Operating Officer, Chief Financial Officer, Head of Group Corporate Assurance (Secretariat), Head of Group Corporate Communication, Head of Group Human Resources, Head of Group Company Secretarial, Head of Group Legal & Compliance, Head of Group IT and Head of Group Special Project.

Through this governance structure, the Group is able to achieve a robust framework that supports the achievement of accountability, internal controls, risk migration as well as oversight and management of EES related matters. It allows for organisation-wide representation to drive the sustainability agenda and helps ensure that the views of all internal stakeholders are echoed and brought to the fore and considered as part of a united front to guide and drive our sustainability journey.

The governance structure is able to effectively discharge its duties as it is supported by a wide range of

## Sustainability Governance Structure



sustainability and governance related guidelines, policies and procedures:

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

- Corporate Disclosure Policy

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

## ESTABLISHING THE RANHILL SUSTAINABILITY WORKING GROUP

In 2019, giving greater impetus to the sustainability agenda, RANHILL is in the midst of forming its cross-functional Sustainability Working Group ("SWG"), comprising various representatives from RANHILL's subsidiaries and business units.

The SWG is tasked with developing the Group's overall sustainability roadmap and milestones and ensuring its alignment to Innovate 2024 vision. This includes supporting RANHILL subsidiaries in developing their sustainability strategies and action plans, monitoring execution of these strategies and results achieved as well as providing necessary guidance to ensure overall progress.

In addition, the SWG is also responsible for embedding sustainability as an inherent part of the Group's organisational culture and towards driving further alignment between Group business plans and targets with set sustainability objectives and targets. In essence, ensuring that the sustainability agenda increasingly

becomes the driver for the Group's business operations towards better practice of the circular economy model.

## GOVERNANCE THROUGH INDUSTRY COMPLIANCE

From an industry perspective, RANHILL is guided by the Water Services Industry Act ("WSIA") 2006 and subsidiary laws. Water supply services agreements signed between customers and RANHILLSAJ clearly states the responsibilities of the water distribution licensee and customers' obligations. The Company's policies and procedures are consistent with SPAN regulations. RANHILLSAJ has published its Customer Charter and signed the government's Corporate Integrity Pledge ("CIP") since 2018.

RANHILL's clean energy division is guided by the contractual terms stipulated in the Purchasing Power Agreement with the Sabah Electricity Board.

Good Governance practices has also been cascaded across our value chain. All RANHILL subsidiaries require vendors and business partners to sign a binding anti-bribery agreement as well as to

provide a commitment that they will practice good business practices in terms of workers' rights and will not practice any forms of discrimination or exploitation of labour.

## STRONG ANTI-CORRUPTION STANCE

While RANHILL has maintained a strong anti-corruption stance, we continue to increase efforts to maintain a zero tolerance organisational culture towards any form of corrupt practices within the organisation or with external parties, including our value chain.

The Group has had zero incidents of corruption reported across its reporting channels, including its whistle-blowing channel. All staff across the Group received communication on the Group's anti-corruption practices.

Upon appointment, the Board of Directors are briefed on the expected corporate behaviour and the requirement to maintain a strong anti-corruption mindset in all company dealings. All new employees receive an anti-corruption briefing during their company induction.



# Sustainability Governance & Leadership

## COMMITMENTS AND PLEDGES

Consistent with our aim to operate sustainably, Ranhill has provided the following guarantees or commitments:

- RanhillSAJ: All Water Treatment Plants (“WTPs”) operated by RanhillSAJ will be equipped with sludge treatment facilities by 2025.
- Ranhill Water Services (“RWS”): Towards reducing fuel consumption, greenhouse gas emissions (“GHG”) and fuel costs, there will be stricter adherence in reducing idling time and closer fuel efficiency monitoring via online tracking systems for all 128 vehicles in RWS’ fleet.
- Ranhill Water Technologies (“RWT”): Forging closer collaboration with contractors at Amata Industrial Park towards improving environmental and social impact on the local communities in the vicinity of the industrial estate.
- Ranhill Power: Formulation of its Environment Policy Statement that addresses all environmental aspects. The Policy states that all discharge and emissions such as stack dust air emissions, noise generated from operations and waste schedule disposal must comply to the Department of Environment’s rules and regulations and also adhere to the following:
  - o Malaysian Ambient Air Quality Standard
  - o Schedule 3 of the Planning Guidelines for Environment Noise Limits and Control

- o Standard B of the Fifth Schedule and Eight Schedule as stated in the Environment Quality (Industrial Effluents ) Regulations 2008
- o Malaysia Marine Water Quality Standard, Class E for waste water disposal.

In addition to these measures, Ranhill continues to undertake the following:

- Tracking our performance across multiple disclosures, practices and key performance indicators (“KPI”) to monitor potential environmental impact. These include (but are not limited to) NRW, water withdrawn from sources, power consumption, GHG emissions and others.
- Setting defined targets i.e. reduction in production of GHG across all scopes with a 5% reduction target in emissions for every cubic meter of water produced.
- Reviewing carbon footprint reduction measures across all subsidiaries
- Continuously working with governments, authorities, strategic partners, industry peers and across the value chain to promote awareness and action in addressing climate change issues. This includes complying with regulatory standards and requirements across our environment and power operations while adopting

voluntary, step-up guidelines and best practices to reduce actual and potential environmental impacts.

Ranhill has been listed in the FTSE4Good Bursa Malaysia Index. This recognition is a meaningful experience and it will continuously encourage us going forward in achieving our aspiration and vision to enrich lives with sustainable solutions.



FTSE4Good



# Stakeholder Engagement

Ranhill has continued to engage its stakeholders across a wide range of mediums. Stakeholder input is vital to ensure the relevance and impact of our sustainability approach and more importantly, in ensuring we do not lose sight of who we serve.

This process can be complex as it entails actively engaging a wide range of stakeholder groups across varying communication spectrums and mediums. Nevertheless, the benefits far outweigh the difficulties.

Our definition of stakeholders is individuals, groups or entities that have the potential to influence or impact Ranhill's operations. Individuals or Groups who are, or may be potentially impacted by the Group's presence or business operations are also regarded as stakeholders.

Our stakeholder engagement efforts in FY2019 also included engaging stakeholders on human rights issues, in particular pertaining to the rights to clean water and sanitation. We have also looked to support the human rights of local communities

in other aspects such as educational opportunities, access to clean and cost efficient energy and other basic living needs.

Ranhill has also established various mechanisms that allow stakeholders to voice their grievances or concerns directly to the company. This includes our RanhillSAJ phone hotline, which is a dedicated communication channel for customers and the community to provide feedback or seek assistance on related water issues or to file complaints.

STAKEHOLDER	ENGAGEMENT METHOD	FOCUS AREA	RESULT / OUTCOME
 <p><b>EMPLOYEES</b></p>	<b>Town Hall Session: Tanyalah Pengurusan, forum</b>	Employee engagement forum to gauge their feedback towards the top management. This is also one of the communication channels to promote better understanding on company's corporate values, vision and mission.	Employees are encouraged to raise and discuss any concern or issues throughout the year, including their annual performance appraisals.
	<b>R-Care Program: Wellness activities, dietary plan, health screening and coaching</b>	Employee engagement involving creating, maintaining and living a healthy lifestyle.	Increase employee participation and sustain wellness while improving their health.
	<b>Convocation Ceremony</b>	<i>Sijil Kemahiran Malaysia.</i>	To enhance employees' technical and learning competencies, social and human development. In FY2019, 77 employees obtained the certificate.
	<b>Workshop, Project Session, employee birthday celebration</b>	F.L.E.X: Knowledge sharing session.	Employees have a clear understanding of company's goals and expectations.
	<b>Ranhill Annual Dinner</b>	Employee engagement by the Company in showing its appreciation towards staff.	Employees felt appreciated and motivated to achieve company goals.

# Stakeholder Engagement

STAKEHOLDER	ENGAGEMENT METHOD	FOCUS AREA	RESULT / OUTCOME
 <p><b>FRONT LINERS, OPERATORS, RECEPTIONIST AND CUSTOMER SERVICE STAFF</b></p>	<b>Customer Service Acculturation Program</b>	Front liners, operators, receptionist and customer service staff.	The level of customer service is more efficient and meet customers' expectations and satisfaction.
	<b>Exhibition</b>	Water conservation habits.	Consumer behavioural change requires long term effort. Through this programme, the practices on water conservation were successfully shared with the public.
	<b>Website and Social Media / RanhillSAJ Info Center</b>	Information on Planned/ Unplanned water disruption and issues on water supply.	Readiness and fast response towards affected consumers to reduce complaints during water disruptions/water supply issues.
 <p><b>FINANCIAL COMMUNITY</b></p>	<b>Annual General Meeting / Financial performance / Operational performance / Regulatory Compliance / Reputation / Investor Relations / Initiatives</b>	Open communication with shareholders, analysts and investors beyond key events of the corporate calendar. This includes platforms such as domestic and international roadshows, seminars and conferences.	Our shareholder engagement programme provides a direct avenue for shareholders, investors or clients to access information and engage with the company.
 <p><b>GOVERNMENT</b></p>	<b>Briefing &amp; Presentation</b>	Briefing on matters to EXCO Johor State, Parliament & ADUN.	One of the recommended ways to advertise to a target market and create Ranhill brand awareness and also for operational efficiency.
	<b>Exhibition</b>	Display information on operation/services.	
	<b>Majlis Pelancaran Air Percuma &amp; Kempen Jimat Air</b>	To ensure that the target group B40 receives water rebates.	Besides supporting the KPI of Johor State Assembly/BAKAJ/Bahagian Perancangan Ekonomi Negeri ("BPEN")/SPAN, this is also Ranhill's way of giving back to the underprivileged community.
	<b>Visit by various government agencies</b>	Visit by various Government Agencies such as Ministry of Water, Land and Natural Resources ("KATS") and SPAN.	Knowledge sharing and strengthen relationship with relevant agencies.
	<b>Ranhill Hari Raya Open House</b>	Johor Royal, Johor State Personnel (Menteri Besar of Johor, State Executive Councils ("EXCOs"), Parliaments, State Legislative Assembly representatives ("ADUNs")).	Strengthen relationship with State government.

STAKEHOLDER	ENGAGEMENT METHOD	FOCUS AREA	RESULT / OUTCOME
 <b>LOCAL COMMUNITIES</b>	Water Conservation Programme	Exhibitions to increase awareness of the importance of wise water usage.	Create Ranhill brand awareness as well as educating public on water conservation.
	CSR - Rumah Anak-anak Yatim Setanggi	Fulfill needs for Hari Raya Celebration to the orphanage.	To share the happiness of the festive season to the residents.
	CSR - Contribution to Sri Kenangan Old Folks Home	Contribute to the facilities and less fortunate folks.	Create Ranhill brand awareness via giving back to the community, in this case by fulfilling the needs of the facilities for the Old Folks home.
	10kW Solar-Micro-Hydro Hybrid Project at Kg Walou Sabah	Contribute to the 10kW Micro-Hydro-Solar Hybrid System. The project is supplying electricity to approximately 25 houses in the village.	To provide electricity to the village and Ranhill Power sustainable initiative on Green and Renewable Energy.
	CSR - Installation of mobile water treatment facility at Palu, Indonesia	Contribute to the mobile water treatment plant.	To help by providing treated water and lighten the villagers' burden.
	CSR - Ranhill and Amata Water Collaborated in Tree Planting at Amata City Chonburi	Promote sound land use and resource management to improve water resources within a watershed.	Educate the community on ways to reduce water pollution, provide clean drinking water sources and preserve treasured ecosystem facilities.
	CSR - Program Pembersihan Pantai ("3P")	Beach cleaning at Senibong Beach.	Increase awareness on the importance of a clean environment.
	CSR - Humanitarian Aid Mission: Supply of treated water	Provide treated water to Selangor during water crisis.	Positive perception on the Company's image and reputation as a credible and reliable business partner to the stakeholders.
	Townhall Programme - Jom Bincang at districts	To further understand the water issues faced by the local community and provide relevant solutions.	Solve water issues at districts.

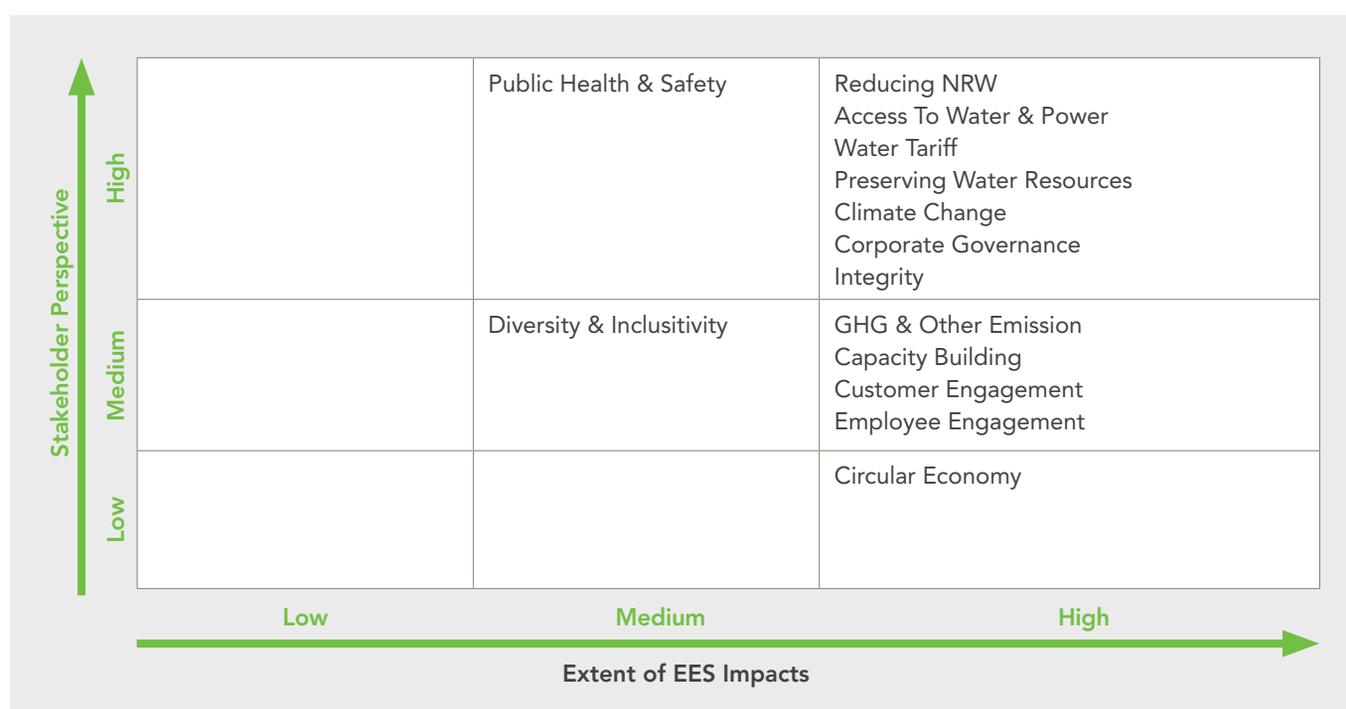
## Stakeholder Engagement

STAKEHOLDER	ENGAGEMENT METHOD	FOCUS AREA	RESULT / OUTCOME
 <b>MEDIA</b>	Media Night 2019	To strengthen relationship with the local Media House.	A platform to create awareness for the media to be well informed on Ranhill's current activities, challenges and how we manage these challenges. We aim for a neutral, fair and inspiring reporting on Ranhill where ultimately it meets the common needs of the Group.
	Futsal friendly match with Johor Media	To strengthen relationship with the media.	
 <b>NON-GOVERNMENT ORGANISATIONS ("NGOS")</b>	<i>Pertubuhan Kebajikan Pemulihan Dalam Komuniti Tanjung Puteri</i>	Engage with NGOs and decision makers.	Support from NGOs is important in influencing public opinion towards the Company.
	Malaysia Water Conference 2019	Participation in the conference by booth opening and knowledge sharing.	Strengthen Ranhill brand awareness and long term goal business relationship.
	Aids Foundation Dinner	Engagement with NGO and high ranking VIPs / decision makers.	Strengthen Ranhill brand awareness and long term goal business relationship.
 <b>REGULATORS</b>	Transparency and disclosures, Bursa Announcements Reports Meetings and Correspondences Regulatory Compliance	We strongly believe that it is critical for the Group to understand and discuss regulatory and compliance matters.	The Group complies with various regulatory requirements set by our regulators and clients.
 <b>SUPPLIERS / VENDOR</b>	Regular supplier / vendor meetings, tender briefings and tender site visits	Engagement with suppliers is important to ensure that proper transparency and governance are being practiced in procuring their services.	A fair, transparent and win-win relationship with our vendors/suppliers.

# Materiality Prioritisation & Materiality Matrix

The Group defines its list of material topics based on its four sustainability pillars, its circular economy business model and the views and opinions of stakeholders. In FY2019, Ranhill's material topics remain unchanged as provided by the following materiality matrix.

In FY2019, we have gone a step further to map our materiality matters against stakeholders and our adopted UN SDGs to ensure true congruency:

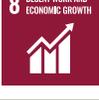


## Relevance Of Materiality Matters To Our Stakeholders

MATERIAL TOPICS / IMPACTED STAKEHOLDERS	Employees	Financial Community	Government & Regulators	Local Communities	Media	NGOs	Regulators	Suppliers / Vendors
Reducing NRW			√	√	√		√	
Access to Water & Power			√	√	√	√	√	
Water Tariff		√	√	√	√	√	√	√
Preserving Water Resources			√	√	√	√	√	
Climate Change		√	√	√	√	√	√	√
Corporate Governance	√							√
Integrity	√							√
GHG & Other Emissions			√	√		√	√	
Capacity Building	√			√				√
Customer Engagement				√	√	√		
Employee Engagement	√							

# Materiality Prioritisation & Materiality Matrix

## Linkage Of Materiality Matters To United Nations Sustainable Development Goals

MATERIAL TOPICS	UN SDGs
NRW	  
Access to Water & Power	 
Water Tariff	  
Preserving Water Resources	
Climate Change	 
Corporate Governance	 
Integrity	 
GHG & Other Emissions	
Capacity Building	
Customer Engagement	
Employee Engagement	 

# Environmental Awareness & Perseverance

## CIRCULAR ECONOMY

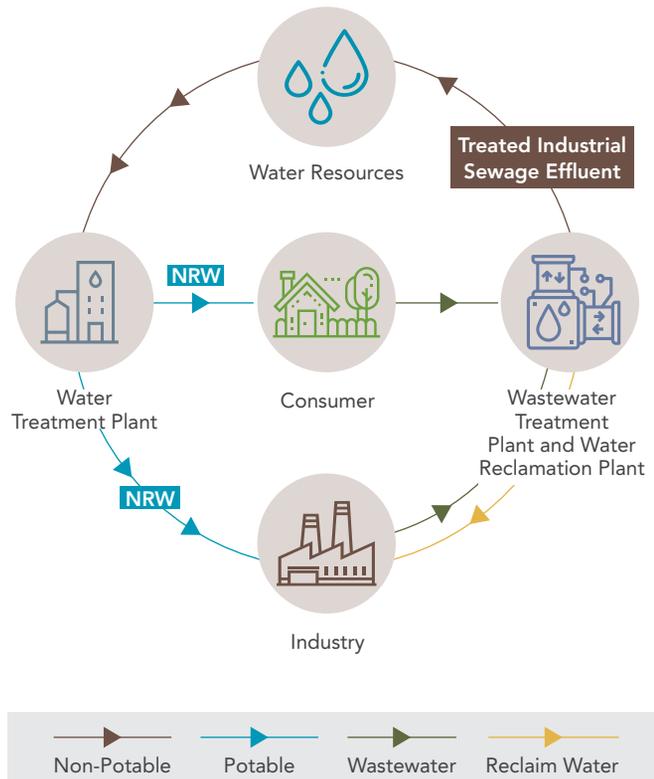
In FY2019, Ranhill continued to further incorporate the circular economy model into its business operations.

Essentially, the principles are centred on Ranhill’s business operations to actively minimise and optimise resource consumption and as much as possible, recycle resources. This, we have ably and consistently exemplified across our business operations in the production of clean water and energy since our inception.

Guided by the International Water Association’s (“IWA”) guideline, “Water Utility Pathways in a Circular Economy” Ranhill espouses the circular economy model via our reclamation and recycling of wastewater for non-potable use, the reduction of NRW and its Combined Cycle Gas Turbines (“CCGT”) energy generation.

### Wastewater Reclamation And Recycling

Via our wastewater recycling operations in Amata Industrial Park in Rayong, Thailand and Forest City in Johor state, Malaysia, we reclaim up to 17 MLD and 11 MLD of wastewater respectively for non-potable use. We intend to further expand our recycling capacity going forward with the construction of more state-of-the-art Wastewater Treatment Plants (“WWTPs”) with the capacity to recycle wastewater into greywater.



# Environmental Awareness & Perseverance

## Addressing Non-Revenue Water Challenges In Malaysia

Ranhill via subsidiary company, RWS, continues to play an industry-leading role in arresting NRW across the country. Total NRW saved thus far stands at 586 MLD from NRW projects in Malaysia and Saudi Arabia. We draw pride from the fact that Johor state, where a large portion of our NRW operations are based, has the lowest NRW levels at just 24.1% in 2019 and just 17.23 m<sup>3</sup>/km/day.

NRW is a key benchmark indicator of the overall efficiency and competence of any water operator in the world. Details of works undertaken in FY2019 are provided in the Management Discussion and Analysis section of Annual Report 2019.

Year Achievement	2016	2017	2018	2019
NRW Level	25.9%	24.7%	24.2%	24.1%

Based on the table, it shows small reduction by 0.01% from FY2018 to FY2019. The reduction is more on sustaining for Natural Rate of Rise ("NRR") and Non Rehabilitation works reduction impacts. Nonetheless, the NRW is expected to decrease dramatically once the rehabilitation program is completed.

High NRW loss is the leading cause of water related problems. With water being lost, it means that more water will need to be treated and produced to meet consumer demand, resulting in increased production and operating costs as well as water consumption. It places additional strain on the existing water assets and infrastructure. NRW loss is also a loss of revenue.

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

The reduction of NRW levels can be achieved but it will require significant capital outlay. Hence, the justification to revise tariff rates to ensure that revenue collection can offset the expected large capital expenditure.

## Clean Energy Generation Via CCGT

With regards to clean energy generation, Ranhill's two CCGT power plants, continue to lead the way in cleaner energy generation. Natural gas produces 50%-60% less carbon dioxide than when burning coal and 30 percent less than when burning oil. According to the American Gas Association, natural gas emits 90,000 fewer pounds of CO<sub>2</sub> per billion British Thermal Units ("BTU") than coal.

In addition, CCGT plants generate up to 50% more electricity from the same fuel source than a conventional simple-cycle plant. This enables RanhillPower to consume less fossil fuels to generate the same quantity of electricity.

Going further, in FY2019, Ranhill has looked to venture into renewable energy ("RE") generation. The Group has actively participated in Malaysia's Large Scale Solar 3 ("LSS 3") initiative called by the Suruhanjaya Tenaga Malaysia ("STM") or Energy Commission of Malaysia. Ranhill has submitted several bids including the binding bid for a 100 MW solar photovoltaic ("PV") farm in LSS 3.

Outside of Malaysia, Ranhill has also pursued RE opportunities in both Brunei and Indonesia. In Brunei, the Group has explored feasibility for a 30 MW solar power plant and in Indonesia, Ranhill has signed a collaboration agreement with PT Jasa Sarana of Indonesia, for the development of a 45 MW geothermal power plant as well as a 6 MW mini hydro project.

## CLIMATE CHANGE

Climate change is now recognised to be a real threat and it continues to worsen with time. Climate change remains material to the Group due to its significant impact on Group operations, notably for Ranhill's environment or clean water division. In recent years, climate change has and continues to impact rainfall patterns, which in turn impacts the level of water in rivers across Johor state. In FY2019, there were several occasions when water rationing was conducted due to an insufficient supply of treated water.

Given that Ranhill's clean water operations are highly dependent on river water, the impact of climate change is of critical importance to the continued sustainability of water operations in Johor. The situation is further compounded by other factors such as upstream river water contamination, growing demand for treated water arising from socio-economic and population growth, increased industrial activities, rapid urbanisation and other factors.

In recent years, changing weather patterns, brought on by climate change has led to drought like conditions in several catchments areas across the state. Rainfall patterns have also significantly altered over the past few years.

### Climate Change Impacts

<p>Increased levels of nutrients in water from foreign elements i.e. fertiliser run-off can cause algae to grow at excessive rates. When this algae dies, bacteria can lower the level of oxygen in the water, creating dead zones where nothing can live.</p>	<p>Rising sea levels could push saltwater into freshwater river (saline intrusion), making the water unusable for drinking or irrigation unless it's treated using an energy-intensive process.</p>	<p>Rising water levels in other areas may necessitate infrastructure changes.</p>	<p>As certain areas experience more droughts, we will have to more frequently transport water to where it is needed. Rising water levels in other areas may necessitate infrastructure changes. Both of these essential measures may result in more emissions and more energy used.</p>	<p>Extreme change in weather patterns.</p>	<p>As water becomes a scarcer resource, we may need to treat this increasingly polluted water to make it usable. This process requires a lot of energy and could lead to more emissions.</p>
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Records from rainfall stations at catchment areas have clearly indicated overall less rainfall, especially in the months of February, August and September 2019. This has led to water rationing at several of our WTPs such as Gembut, Lok Heng, Simpang Renggam and others.

Reduced rainfall has also resulted in increased volume of raw water transfer activities from rivers to designated dams i.e. water transfer for Lenggor River to Congok Dam, Seluyut Dam to Lebam Dam and Upper Layang Dam, Kahang Dam to Sembrong Timur WTP.

## Environmental Awareness & Perseverance

### Rainfall Data Measured At Dam Areas

**TABLE 1: RAINFALL DATA**

Dam	Rainfall data (mm)											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019*
Lebam			1,527	2,500	2,266	2,715	1,698	1,661	2,035	2,221	2,540	1,839
Congok	3,130	2,249	1,148	1,975	2,751	2,636	2,366	1,931	1,884	2,298	1,090	1,807
Juaseh	2,622	1,801	2,049	3,398	2,119	2,476	1,990	1,357	1,204	1,913	2,664	3,106
Pulai II					3,040	2,905	1,833	2,363	1,954	2,617	2,129	2,116
Pontian Kechil					2,825	2,880	2,838	2,481	2,192	2,439	2,494	2,081
Upper Layang	2,992	2,790	2,805	3,129	2,978	3,051	2,505	1,909	2,630	3,516	2,261	2,027
Bekok			1,521	1,008	1,665	1,083	1,721	317	758	1,095	1,041	1,317
Machap					1,453	1,792	1,217	1,672	1,704	1,459	2,072	1,595
Labong			2,116	3,620	1,294	2,594	3,391	1,776	1,870	2,533	2,493	2,484
Sembrong			1,521	1,008	1,369	1,551	2,146	1,415	1,559	881	351	605

The above table shows how annual rainfall patterns have generally declined significantly from 2018 to 2019.

Despite the difficulties posed by climate change, Ranhill as the state's sole treated water supplier is tasked to develop solutions to address the situation. As we continue to educate stakeholders, especially water consumers on the impacts of climate change, we take various short and long-term remedial efforts to ensure the sustainability of water supply in Johor.

One of the key measures is committed consumer education to promote more conscious consumption of water towards ultimately reducing water consumption per capita. This is supported by efforts to address NRW loss in the state.

As we look to promote water conservation and reduced consumption, we are simultaneously sourcing for alternative water sources. These include groundwater, offsite river storage ("ORS") and other options. There is also potential for reclaimed water, i.e. treating and recycling wastewater for commercial use. These would serve as an effective alternative for treated water, especially for commercial and industrial applications.



▶ A Johor Project of Research and Exploration of Ground Water at Ulu Tiram, Johor.

## PRESERVING WATER RESOURCES

### Water Contamination And Pollution

Beyond climate change, we continue to face serious pollution of Johor state's rivers. The number of pollution incidences remain high despite Ranhill's and the authorities' increased efforts to arrest the problem.

Contamination impedes the performance of our plants and on many occasions, have resulted in temporary shutdown of WTP operations, which leads to reduced treated water produced and thereby revenue loss.

YEAR	INTERRUPTION DUE TO AMMONIA CONTAMINATION IN RAW WATER (NO. OF CASES)	TOTAL HOURS OF SHUTDOWN	FINANCIAL LOSSES (RM)
2016	21	1,718.14	33,629,853.73
2017	34	291.47	5,715,502.94
2018	29	962.72	20,136,625.43
2019	13	287.75	6,865,232.23

One of the biggest causes of river water pollution is ammonia pollution. At present, there are differing discharge standards for ammonia based effluent ranging from 10 parts per million ("ppm") for industrial discharge to 150 ppm for palm oil effluent.

Furthermore, many conventional effluent treatment systems do not meet regulatory standards for effluent discharge or are poorly maintained. As a result, discharge into rivers exceeds permissible levels, thus causing river water contamination.

The situation is further exacerbated during the dry season especially when reduced river water levels results in higher concentration of ammonia content and subsequently higher ppm levels.

Discharge from illegal agriculture or livestock farming or uncontrolled agriculture activities also causes pollution as many of these farms operate without proper or any form of effluent treatment prior to discharge. Farm waste, including animal waste, fertilisers or pesticides find their way into the rivers and streams leading to seriously polluted river conditions.

Surface erosion from sand mining activities and the lack of treatment pond used also causes high turbidity in water. Soil erosion into rivers also happens during land clearing activities, be it legal or illegal clearing near rivers with the situation worsened during heavy rain.

Naturally acidic soil conditions in riverine areas also contribute to the problem. Soil washed into rivers causes a significantly higher level of metals such as aluminium, manganese and iron in the water. This is evident at several of our WTPs in FY2019, especially during the dry seasons of the year.

The deterioration in raw water quality leads to increased cost of water treatment, attributed to increased cost of chemicals, energy consumption and plant maintenance. In addition, long-term plant closure due to raw water contamination requires water to be then supplied to customers via mobile tankers, which increases operational costs (petrol, staff, etc.) and results in higher GHG emissions.

## Environmental Awareness & Perseverance

There is also the risk of pipes bursting once water supply resumes due to the build-up of air locks within the piping system. This can potentially lead to higher maintenance outlay, not forgetting increased water loss from NRW due to burst or leaky pipes.

Despite the serious pollution issue, RanhillSAJ drives towards exceeding set standards for treated water as provided below:

### **Treated Water Quality Compliance Key Performance Indicators**

Parameters	Target MOH QAP	Target SPAN KPI	Cumulative Compliance
<b>Residual Chlorine</b>	98.15%	99.00%	99.88%
<b>E.Coli</b>	99.85%	99.85%	100%
<b>Turbidity</b>	98.00%	99.70%	99.97%
<b>Aluminium</b>	90.00%	95.00%	97.99%
<b>E.Coli &amp; Res. Chlorine</b>	99.95%	99.95%	100%

### **Responding To Water Pollution Issues**

In addressing water contamination and pollution, Ranhill maintains a close working relationship with key stakeholders and related government bodies. A good working relationship has been established with BAKAJ, DOE, MOH and SPAN on addressing river water pollution.

For instance, we collaborate with BAKAJ and DOE on raw water issues, MOH on validation of water quality results and SPAN on regulatory matters.

Our engagement with governmental stakeholders and regulators enables Ranhill to initiate the following preventive and remedial measures:

- Provide feedback on development projects, land-clearing activities or other activities that may potentially affect water sources.
- Directly notify the Johor state government on issues faced, expenses incurred for clean-up activities as well as losses resulting from plant shutdowns.
- Directly request BAKAJ and other authorities to take action on suspected encroachments.
- Participate in water and environmental programs organised by BAKAJ, SPAN, KATS and DOE.

We also initiated several educational programmes such as visiting the premises of polluters, to enlighten them on the consequences of their actions on river water. We provide briefings on water treatment plant and current issues of water source pollution, distribute leaflets and obtain information on premise operations.

In addition, Ranhill has adopted a robust and cost effective Pollution Removal System (“PRS”) with Ammonia Treatment to control the Ammonia level at Point-Source-Pollution. In this case, Simpang Renggam WTP 1 and 2 have been deploying the system at the raw water source which are from Sungai Benut and Sungai Berambong.

Other preventive and remedial measures taken are:

- Establishment of early warning systems at Sembrong Timur WTP, Simpang Renggam WTP, Sungai Muar and Sungai Johor.
- Monitoring catchment areas using Unmanned Aerial Vehicles (“UAV”).
- Implement Water Safety Plan (Water Quality Index).

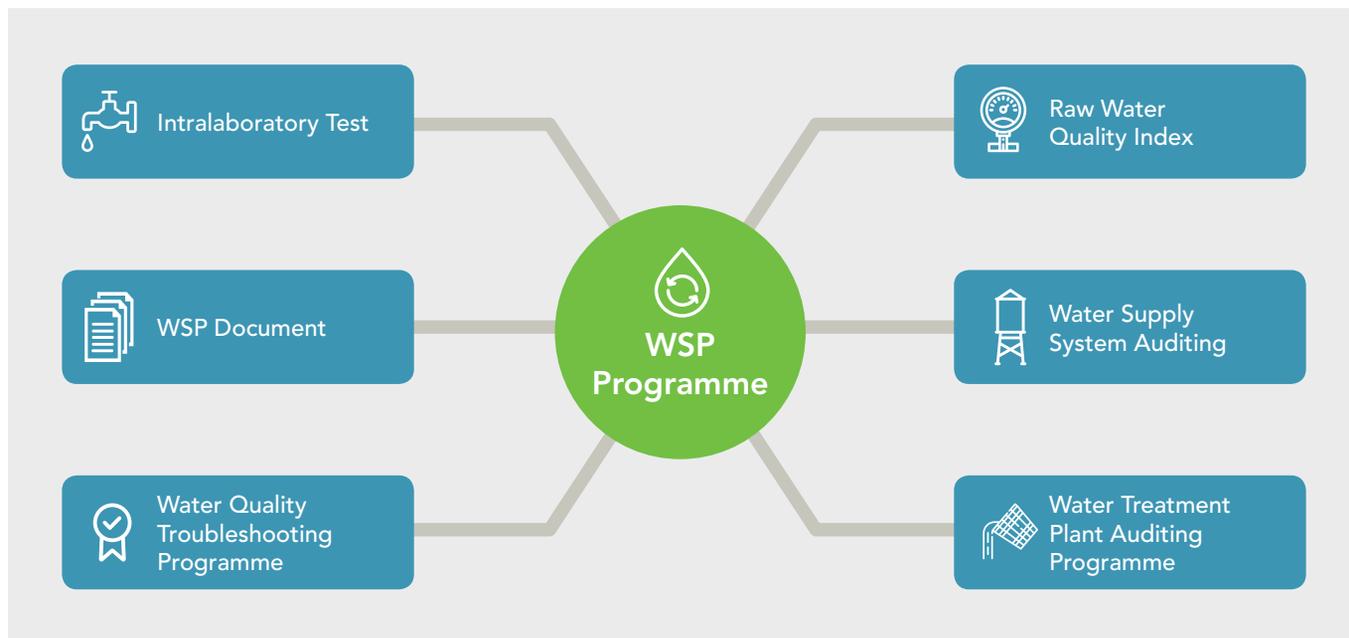
### Ranhill Water Safety Plan

The implementation of the Ranhill WSP which focusses on identifying all hazards that affect the safety and acceptability

of drinking water is yet another continued initiative of Ranhill’s. Risk assessment starts from the catchment areas right through to treatment and distribution and extends to the consumers’ premises.



► Sungai Layang Dam is the catchment area for Sultan Iskandar WTP.



## Environmental Awareness & Perseverance

Under the WSP, we undertake various water security programmes:

- Quarterly raw water quality monitoring based on the set River Water Quality Index
- WTP auditing (3 times / year)
- WTP intralaboratory test (3 times / year)
- Water Supply System auditing (2 times / year)
- Water quality troubleshooting (when necessary)
- Raw water source awareness (2 times / year at selected source)
- Review WTP documents (Once every 3 years)

Similarly, in Thailand, we continue to meet or exceed set standards for water and effluent discharge:

1. Amata Nakorn Concession (Industrial Estate) WTP2-NK Stage 1 & Stage 2	Target	Actual	Actual
		YTD January	YTD December
Color	15	10	15
Turbidity	4	1.21	1.92
pH Range	6.5 – 8.5	7.60	7.30
Total Solids	600	328	208
Influent Compliance	100	100	100
2. Amata Nakorn Concession (Industrial Estate) WWTP1-NK	Target	Actual	Actual
		YTD January	YTD December
Color	300	N/A	N/A
pH at 25°C	5.5 – 9	6.80	6.80
Total Dissolved Solids	3000	1,308	1,424
Suspended Solids	50	6.0	9.0
BOD (5 Days, at 20°C)	20	2.8	5.9
COD	120	45	49
TKN as N	100	1.92	3.09
Oil & Grease & Fat	<5	2.0	2.0
Effluent Compliance	100	100	100
3. Amata Nakorn Concession (Industrial Estate) WRTP1-NK	Target	Actual	Actual
		YTD January	YTD December
Color	15	15	10
Turbidity	4	0.28	0.24
pH Range	6.5 – 8.5	7.00	7.00
Dissolved Solids	600	484	468
Influent Compliance	100	100	100
4. Amata City Concession (Industrial Estate) WTP2-CT	Target	Actual	Actual
		YTD January	YTD December
Color	≤ 15	5	10
Turbidity	4	0.34	0.48
pH Range	6.5 – 8.5	7.10	6.80
Total Solids	≤ 600	136	400
Influent Compliance	100	100	100

5. Amata City Concession (Industrial Estate) WWTP2-CT	Target	Actual	Actual
		YTD January	YTD December
pH at 25°C	5.5 – 9.0	7.50	7.30
Total Dissolved Solids	<3000	576	768
Suspended Solids	<50	2.0	8.0
BOD (5 Days, at 20°C)	<20	3.2	8.6
COD	<120	49	51
Total Kjeldahl Nitrogen as N	<100	7.75	6.59
Oil & Grease & FAT	<5	2.0	2.0
Effluent Compliance	100	100	100
6. Amata City Concession (Industrial Estate) WTP1/2-CT	Target	Actual	Actual
		YTD January	YTD December
pH (25°C)	6.5 – 8.5	7.10	7.50
Turbidity	4	0.70	1.18
Color	≤ 15	15	5
Total Dissolved Solids (TDS)	≤ 600	504	352
Total Hardness (as CaCO <sub>3</sub> )	≤ 300	71	71
Chloride (Cl)	≤ 250	62	50
Influent Compliance	100	100	100
7. Amata City Concession (Industrial Estate) WWTP4-CT	Target	Actual	Actual
		YTD January	YTD December
Color	300	N/A	N/A
pH at 25°C	5.5 – 9.0	6.50	6.60
Total Dissolved Solids	3000	1696	1712
Suspended Solids	50	35.0	12.0
BOD (5 Days, at 20°C)	20	7.7	4.1
COD	120	33	33
Total Kjeldahl Nitrogen as N	100	14.17	12.19
Oil & Grease & Fat	<5	2.0	2.0
Effluent Compliance	100	100	100
8. AIT Concession	Target	Actual	Actual
		YTD January	YTD December
pH	5.0 – 9.0	6.90	7.20
BOD	<20	9.4	7.9
Total Suspended Solids	<30	7.0	8.0
Total Dissolved Solids	<500***	564	300
Oil & Grease	<2.0	2.0	2.0
Total Kjeldahl Nitrogen	<35	1.69	13.59
Effluent Compliance	100	100	100
9. Amata City Concession (Industrial Estate) WRTP2-CT	Target	Actual	Actual
		YTD January	YTD December
Color	15	5	10
Turbidity	4	0.57	0.43
pH range	6.5-8.5	6.60	7.20
Dissolved Solids	600	228	212
Influent Compliance	100	100	100

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

The TDS of water used follow PWA std. < 600 mg/L + Building effluent std. < 500\*\*\* mg/L , total TDS for effluent not more than 1100 mg/L.

## Environmental Awareness & Perseverance

### Water Consumption

Water for both our environment and clean energy operations is sourced 100% from surface water; that is rivers and dams located across Johor state and from municipal sources for our power generation operations. Following is a snapshot of our water sources in FY2019 for our clean water operations:

#### Water Sourced From Surface Water

No.	Source	Name	Source	Name
1	River	Sungai Pengeli	Dam	Labong
2		Sungai Mersing		Congok
3		Sungai Sedili Besar		Lebam
4		Sungai Lenggor		Bekok
5		Sungai Kahang		Pulai II
6		Sungai Bekok		Pontian
7		Sungai Pontian Besar		Upper Layang
8		Sungai Sedili Kecil		Sembrong
9		Sungai Gembut		Gunung Ledang
10		Sungai Muar		Juaseh
11		Sungai Pelepah		
12		Sungai Sayong		
13		Sungai Jementah		
14		Sungai Segamat		
15		Sungai Juaseh		
16		Sungai Johor		
17		Sungai Skudai		
18		Sungai Sembrong		
19		Sungai Benut		

Given the growing demand for water across Johor state with each passing year, our abstraction of water also increases in tandem.

Year	Total (m <sup>3</sup> )	Raw Water Abstractions River (m <sup>3</sup> )	Raw Water Abstractions Dam (m <sup>3</sup> )	Average (m <sup>3</sup> /month)
2017	644,084,373	393,886,741	250,197,632	53,673,698
2018	672,482,177	395,921,313	276,560,864	56,040,181
2019	693,301,475	411,299,327	282,002,148	57,775,123

Year	Raw Water (m <sup>3</sup> )	Treated Water (m <sup>3</sup> )	In Plant Usage (m <sup>3</sup> )	Total Sludge (kg)
2015	624,442,423	591,053,251	33,389,172	82,848,276
2016	635,595,263	607,754,575	27,840,687	86,328,579
2017	644,084,373	613,206,307	30,878,066	86,502,141
2018	672,482,177	641,291,211	31,190,966	87,204,581
2019	693,301,475	663,261,141	30,040,335	90,724,787

In FY2019, water consumption grew by 3.02% in tandem with increased consumer demand. We foresee this increasing trend to persist going forward. Hence, our plans to ensure sustainable supply by taking into account climate change effects and to address water pollution and other challenges.

Within our operations, we continue to find ways to reduce water consumption and to become more efficient with water use. Hence, our continued focus on specific control measures for water conservation and optimisation in operational activities such as pipe flushing/scouring, reservoir cleaning, pipe testing and commissioning. These help to reduce our overall consumption profile while also contributing to reduced NRW loss.

#### Water Consumption For Power Operations

The Group's power operation consumes water for maintenance works with the water sourced from local municipal sources. In FY2019, more water was consumed at Ranhill Power I ("RPI") and Ranhill Power II ("RPII") due to increased maintenance works.

Among the maintenance works undertaken was the gas turbine offline water wash and boiler tube leaking and valves passing works.

#### Water Consumption (m<sup>3</sup>): Ranhill Power I & Ranhill Power II

Year	Ranhill Power I	Ranhill Power II
2016	86,165	48,117
2017	81,427	46,638
2018	89,581	53,187
2019	91,266	68,241

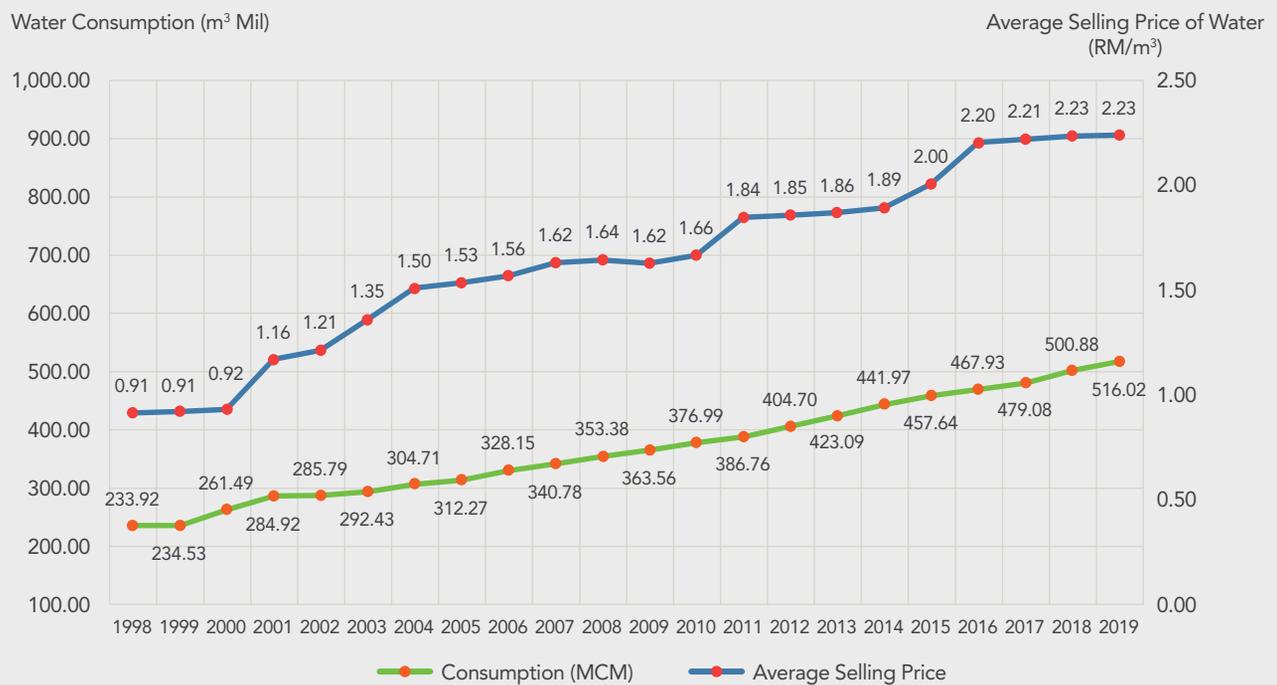
# Environmental Awareness & Perseverance

## WATER TARIFF

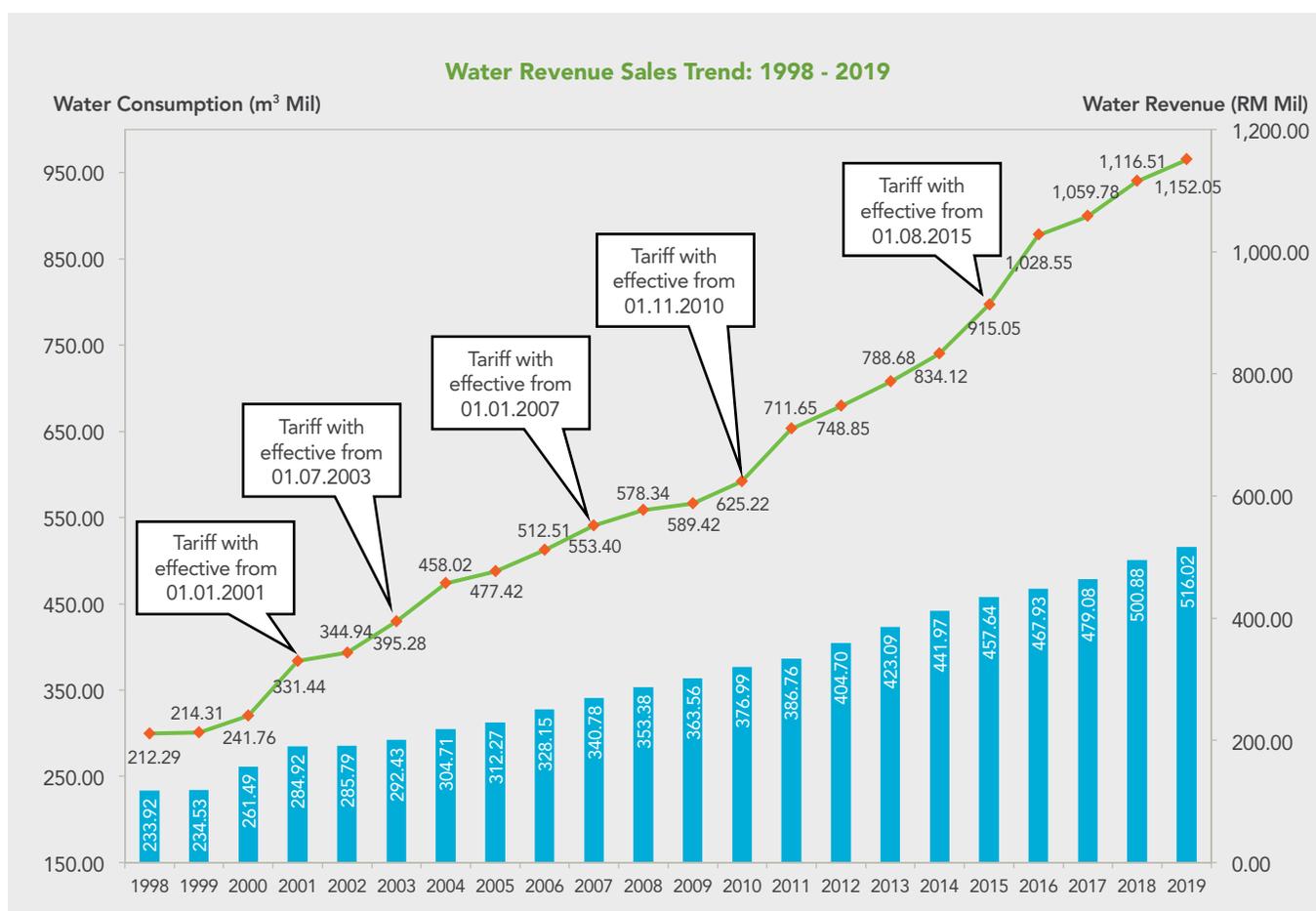
Water tariffs in Malaysia are set and regulated by SPAN and hence is independent of demand and supply market forces.

The Federal government has approved an upwards revision of tariffs, with many state governments have also agreed to implement increased rates. Water is a state matter and hence, state approval is required for revised tariffs to take effect.

**Average Selling Price of Water & Water Consumption**



### Water Revenue Sales Trend: 1998 - 2019



The tariff in Johor state, where our water operations are located remains unchanged. Hence, Ranhill is dependent on increasing water consumption to achieve higher revenues. At the same time, we continue to take all measures to achieve cost and production efficiency towards improving earnings, given the limited revenue growth due to the static tariff.

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

Increased tariffs will promote greater consciousness among consumers to reduce or economise their water consumption. When increased costs are passed through to consumers, there is likely to be a mindset change and greater realisation that water is not cheap and flows simply from a tap. The reality becomes more apparent to people, that water is a most precious and finite resource and should be consumed with greater care and efficiency.

Presently, Malaysia’s water consumption per capita ratio of 201 litres per day which is significantly higher than the WHO’s recommended limit of 180 litres per day and Singapore’s 165 litres per day.

Equally important, a revision in tariffs will allow for various CAPEX heavy initiatives towards ensuring more sustainable water supply. Revised tariffs will allow for faster recoupment of CAPEX and OPEX spent on NRW programmes include pipe-replacement activities.

## Environmental Awareness & Perseverance

### GREENHOUSE GAS ("GHG") EMISSIONS

Our GHG emissions primarily arise from our two CCGT power plants as well as from our water treatment plants. Other gases emitted in small amounts are Carbon Dioxide (CO<sub>2</sub>), Oxygen (O<sub>2</sub>), Carbon Monoxide (CO), Nitrogen (NO<sub>2</sub>) and Sulphur Dioxide (SO<sub>2</sub>). We measure our emissions in accordance with the recognised industry standard – MS 1596:2003.

In FY2019, RanhillSAJ initiated its Carbon Footprint initiative towards reducing CO<sub>2</sub> emission. The Group has also identified a baseline figure for comparison of its carbon footprint reduction efforts. Thus far, efforts undertaken have proven effective with a reduction in emissions.

#### RanhillSAJ: Total CO<sub>2</sub> Emissions (mt CO<sub>2</sub>eq)

Performance Measure	2017	2018	2019
Total CO <sub>2</sub> e emissions	247,202	263,391	253,964.5
Scope 1 CO <sub>2</sub> e emissions	3,315.6	2,957.7	3,735.3
Scope 2 CO <sub>2</sub> e emissions	219,688.4	235,611.5	225,550.6
Scope 3 CO <sub>2</sub> e emissions	24,198.1	24,821.8	24,678.6

#### RanhillSAJ: Total Carbon Intensity (kg CO<sub>2</sub> eq/m<sup>3</sup> of raw water)

Performance Measure	2017	2018	2019
Carbon Intensity	0.3415	0.3419	0.3406

Exhaust gas emissions i.e released form gas turbine combustion remain within the DOE's permissible limits as per emission regulations i.e. MS1596:2003.

#### Ranhill Power: TOTAL NO<sub>2</sub> EMISSIONS and CO EMISSIONS

Performance Measure	Boiler	2016	2017	2018	2019
		Average (mg/m <sup>3</sup> )			
<b>NO<sub>2</sub> Emission</b>					
Ranhill Power I	HRSG 11	115.04	5.53	3.19	63.17
	HRSG 12	137.85	6.58	3.75	51.58
	HRSG 21	235.25	6.39	3.98	61.51
	HRSG 22	331.82	6.29	4.17	49.38
Ranhill Power II	HRSG 1A	52.36	2.29	1.40	7.68
	HRSG 1B	73.60	1.78	1.15	10.50
<b>CO Emission</b>					
Ranhill Power I	HRSG 11	159.57	179.13	105.78	68.07
	HRSG 12	108.72	182.63	114.11	73.04
	HRSG 21	168.09	154.07	113.79	70.09
	HRSG 22	177.12	142.04	116.83	58.95
Ranhill Power II	HRSG 1A	119.59	111.89	96.31	63.90
	HRSG 1B	110.22	99.48	83.28	76.15

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

## Energy Consumption & Management

As per previous disclosures, energy consumption data is scoped to the Group's subsidiaries of RanhillSAJ which oversees the Group's water business; and RPI and RPII, which operates the Group's CCGT power plants.

Our approach to energy consumption is guided by the MS ISO 50001: 2011 Energy Policy, which is the industry recognised, best practice standard.

### RanhillSAJ: Total Energy Consumption (MWh), and Diesel & Petrol (Litre)

Year	Water Treatment Plant	Headquarters	Diesel	Petrol
2016	300.06	1.52	N/A	N/A
2017	295.75	1.49	825,890	218,258
2018	305.17	1.50	877,155	233,475
2019	308.80	1.53	859,569	215,534

Our clean energy operations continues to see RPI increased power consumption in tandem with higher electricity demand. Notably, power consumption is also higher due to the low reserve margin situation in Sabah state, which warrants our plants remain in operation for extended periods of time. This is to ensure that sufficient power is constantly supplied to the grid. As the largest IPP in the state, we have a significant responsibility to ensure that sufficient power is delivered always.

Similarly, for our water operations, power consumption from our WTPs has increased marginally due to the increase in demand for water, which necessitates our plants operate for extended periods to ensure sufficient production volume.

We continue to improve power consumption efficiency. In FY2019, RanhillSAJ implemented various energy-saving methods as prescribed under ISO 50001: 2011 at five of our WTPs and at its headquarters. This includes green technology initiatives, continuous pump performance tests and refurbishment, infrared investigation, enhancement of preventive and corrective maintenance works.

### Tapping Solar Power

RanhillSAJ has received approval by Custodian of National Water Assets ("PAAB") to install solar system on its WTPs towards becoming self-reliant for its energy requirements. The system will help to reduce the amount of electricity withdrawn from the power grid while providing options to resell surplus electricity produced from the grid.

### Heat Rate Generated

Data for heat generated by the Group's business operations is based on heat generated from the operations of our two CCGT power plants. Using CCGT technology capabilities, heat generated is not just released into the atmosphere, but is recycled to produce steam for the combined cycle process, which in turn generates further energy. In this way, the steam gas turbine does not consume additional fuel.

The use of combined cycle technology significantly reduces atmospheric heat emissions by an average of 110 Celsius to 500 Celsius. Both of Ranhill's power plant were designed to run on combined cycle mode but are also able to operate on an open cycle if instructed by The Sabah Electricity Board.

## Environmental Awareness & Perseverance

### Heat Rate From Power Plant Operations (kJ/kWh)

	2017	2018	2019
Ranhill Power I	9,468.02	9,512.83	9,392.04
Ranhill Power II	9,591.24	8,724.73	8,596.30

### Gas Consumption

The usage of gas in our operations is confined to our clean energy division, where liquefied natural gas, the cleanest of all fossil fuels is used as a source fuel in our power plants.

### Gas Consumption At Power Plants (ksm<sup>3</sup>)

	2017	2018	2019
Ranhill Power I	275,296.45	281,805.93	298,085.98
Ranhill Power II	216,454.14	233,247.29	218,184.11

### WASTE MANAGEMENT (SLUDGE)

As at end 31 December 2019, RanhillSAJ continues to see a decline in sludge production. Sludge produced is treated to set regulatory standards and is disposed by an appointed third-party contractor at designated sludge disposal sites (landfills).

There were no spills reported during the transportation process. Similarly, there were no cases of ground contamination at the designated sludge disposal sites.

However, those not equipped with sludge treatment facilities will progressively be fitted with sludge treatment facilities.

SPAN has approved the budget for the installation under the OP3 and OP4 Business Plan and hence we foresee implementation happening in FY2020.

Going forward, we will explore recovery options for sludge, treated effluents and biogas.

### RanhillSAJ: Sludge Production

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

## BIODIVERSITY

The Group has undertaken a study of its operational sites and we reaffirm that none of our sites are presently located in areas or in areas adjacent to protected areas and areas of high biodiversity value outside protected areas.

Our findings show that no IUCN Red List species and national conservation list species presently reside or have a habitat within or adjacent to our areas of operations.

We continue to monitor for potential impacts of our operations on the environment and thus far, all discharge, effluents and emissions from our operations remain within the permissible levels as stipulated by the DOE and other regulatory bodies.

In monitoring the potential environmental impact of our business presence and operations, a comprehensive biodiversity audit is being considered for certain operational areas. We actively engage with regulatory bodies, NGOs and other stakeholders towards taking stock of any impact on biodiversity and we shall endeavor to play an active role in the cultivation of thriving ecosystems for indigenous flora and fauna.

## Environmental Non-Compliance

By adhering to its respective management approaches for EES matters, the Group has complied with regulatory standards and thus has not been fined or censured by the authorities in FY2019.



► Group photo of RWT Thailand and participants for Tree Planting Program at Amata City.

# Contribution Towards Social Wellbeing & Capacity Building

## COMMUNITY ENGAGEMENT

Our community engagement activities are driven by various aims, but one of the most important aspects is the awareness and education on a continued basis, on water conservation, the need to preserve water resources and NRW prevention.

These generally revolve around spreading awareness on the need for more efficient water consumption, avoiding wasteful habits and to report leaky pipes and water theft incidents. We also encourage the public to report incidents of water pollution to us or to the authorities.

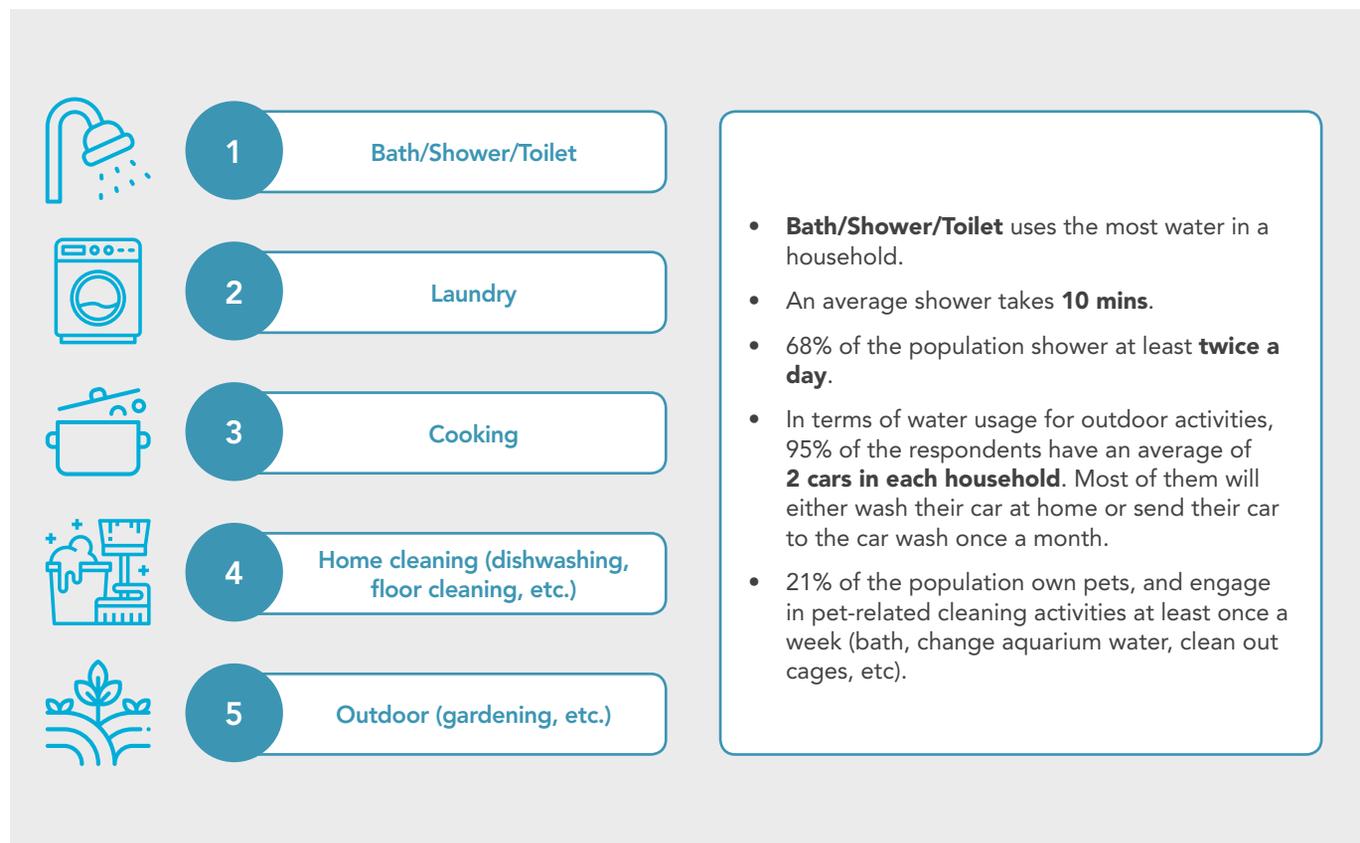
We have continued to hold various on-ground activities, targeting all strata of community, across a wide range

of demographics. We have also reached out to schools repeatedly towards inculcating a more sustainable water consumption mind-set among the younger generation.

A total of 14 exhibitions on Water Conservation 2019 Programme were held throughout the year. In these events, the community was educated on using treated water wisely.

Education is vital given Malaysia's comparatively high water consumption levels of 201 litres per capita per day, which is significantly higher than many other countries. The level of consumption exceeds WHO's recommended 180 litres per day and neighbouring Singapore's 165 litres per day.

## Ranking of Water Usage In A Household



Source: Frost & Sullivan



► RanhillSAJ staff and community during the Water Conservation And Consumption Outreach Programme.



### NRW Management Awareness Programmes To Targeted Groups

Community aside, we have persistently taken the effort to heighten NRW awareness among key stakeholders. These include SPAN, KATS and our own employees.

Beyond providing a better understanding of the NRW situation in Johor and Malaysia, the programmes allow for greater collaboration between all parties – regulators, water operator and the government towards more effectively addressing NRW issues. The focus is to emphasise the physical and commercial loss of NRW and what employees as individuals can do to help address the issue.

### Young Water Professional

Our Young Water Professional (“YWP”) Programme continues to develop talents for the water industry, but generally, also assists in creating more sustainability-conscious generation of Malaysians for a better future.

YWP participants are selected from Ranhill’s staff and are trained to facilitate various water-related community outreach programmes. In 2019, 106 employees were given the opportunity to become YWPs. Among the activities held for them were various development programs and teambuilding sessions, public speaking engagements and industry networking opportunities.

### Learning Centre At Amata Nakorn Industrial Estate, Thailand

In Thailand, our Learning Centre at Amata, Bangkok continues to see an increase in visitors on a yearly basis. The centre, which is managed by subsidiary RWT, caters to industry professionals, students and the general public by sharing with them the latest technologies in water and wastewater treatment. The centre serves to educate and promote awareness among the local community.

In 2019, the Amata centre saw a 201% increase in visitors with visitor hours correspondingly rising to 42 hours (FY2018: 29 hours). The Learning Centre has gone further by going to schools to hold talks.



► On 8 August 2019, a session was held at a neighbouring school in the Amata City, Rayong area.

# Contribution Towards Social Wellbeing & Capacity Building

## INDUSTRY DEVELOPMENT & COLLABORATION

Being a leader in sustainable water and clean energy provision, as well as an NRW leader, Ranhill has continued to share its expertise with the industry.

In FY2019, we have been active participants in various NRW related events organised by various government agencies and NGOs. These include KATS and Malaysia Water Association (“MWA”). We have shared our success stories, insights and experience in how NRW can be effectively tackled towards enlightening and empowering the industry at large towards becoming more effective in managing NRW loss.

Following are several other events that Ranhill participated in during the financial year:

### Events attended:

World Water Day in March

MWA National NRW Forum in March

Dialogue on NRW with Minister of KATS in March

NRW Talk with UTHM and JKR Senggara in April

Global Leakage Summit London in June

Smart Water Network (SWAN) Webinar in August

Presentation to Bahagian Bekalan Air KATS in October

Malaysia International Water Conference in October

SPAN NRW Workshop in November

Malaysia Water Engineer Action Committee (MyWAC) Conference in November

Thought Leadership - Twinning programme with the Asian Development Bank



► Khairul Effendy, CEO of RWS explaining Aquasmart to the Minister of KATS Dato' Dr Xavier Jayakumar.



► Ranhill took part in the Malaysia Water Engineer Action Committee (MyWAC) Conference.

### Developing Local Industry Via Local Procurement

We continue to support local vendors towards cultivating local talent, facilitating transfer of technology, providing economic opportunities and ultimately developing more sustainable value chains. Local suppliers are defined as suppliers / vendors who are incorporated within the country of origin in which Ranhill operates in.

Interested vendors may bid under an open tender system where contracts are awarded based on the best value proposition offered; in terms of cost, quality of goods and services and other set criteria.

All contracted projects are required to have multiple tender bids. In FY2019, we have continued to maintain our local first policy across all major Ranhill subsidiaries:

- RanhillSAJ: 99% local suppliers / vendors
- RWT: 97% from local suppliers / vendors

- Ranhill Power: 96% Local with balance being foreign suppliers
- RWS: 100% local suppliers / vendors preferred

In FY2019, we continue to see an increase in local procurement expenditure.

### Developing Community Infrastructure

Together with Akaun Amanah Industri Bekalan Elektrik (“AAIBE”), Ranhill Power completed construction and commissioning of a 10kW Micro Hydro and Solar Hybrid facility in Kampung Walou, Ranau Sabah. The project brings the benefits of electricity power to 25 households or approximately 150 people living in a remote location.

In addition, a community centre was built for the villagers as a place to produce handicraft, to hold community gatherings, social events and more. We also provided a freezer and television within the community centre for the use of the villagers.



► The launch and handing over event of the 10kW Micro-Hydro-Hybrid Solar facility at Kampung Walou Sabah was attended by Deputy Minister of Energy, Science, Technology, Environment and Climate, YB Isnaraissah Munirah.

# Contribution Towards Social Wellbeing & Capacity Building

## CORPORATE SOCIAL RESPONSIBILITY (“CSR”) PROGRAMME

### Supporting The Basic Human Right To Water (Water Rebate Programme)

In FY2019, Ranhill offered over 3,136 poor and hard-core poor households with free water under our water rebate programme. This is in support of UN SDG 6: Clean Water and Sanitation.

The number of households we support continue to increase and consequently, the rebated amounts. However, in support of the basic human rights to clean water, we remain committed to helping these poor and hard-core poor households.

Households who qualify for the water rebate programme are based on Johor state’s *eKasih* programme list, which provides a comprehensive register of urban and rural poor, and hard-core poor households.

### Water Rebate Programme

Year	No. of Poor and Hard Core Poor Households
2017	3,049
2018	3,058
2019	3,136

### Environmental Conservation Activities

We held beach clean-up activities in both Johor and Sabah. The first, on 20 July 2019 saw Ranhill staff volunteering as a group to clear trash from Tanjung Nong beach in Permas Jaya. This was followed by a similar effort at Mawar Beach on 21 September 2019. Both beach clean-up activities were jointly organised with the local city hall and municipal council.

In Sabah, staff from Ranhill Power volunteered once again to undertake a clean-up of Tanjung Lipat beach in support of efforts by the Kota Kinabalu City Hall.



► RWS & RP staff volunteered to undertake a clean-up of Senibong & Tanjung Lipat beach.

## Charitable Events And Contributions

During the holy month of Ramadhan, we organised a wide range of charity related events in aid of orphans and other underprivileged groups. Our outreach efforts touched many lives and brought happiness and smiles to a large number of people, young and old alike.

- Ramadhan program with Rumah Anak-Anak Yatim Setinggi (May 2019)
- Ramadhan program with Rumah Anak-Anak Yatim Segamat (May 2019)
- Ramadhan Contribution for Asnaf in Kelantan (May 2019)
- Contribution to Sri Kenangan Old Folks Home (December 2019)



- ▶ Ranhill contributed an industrial oven and mixer amounting RM5,700 to the Pertubuhan Kebajikan Pemulihan Dalam Komuniti Tanjung Puteri which to be used for their daily activities.

## Other CSR Activities

- Microhydro project in Babalitan, Sabah
- Program Pembersihan Pantai ("3P")
- Donation to Pusat Jagaan Nuri Kuala Lumpur
- Tree Planting Activity with Amata Corporation Plc. at Amata City Chonburi Phase 8, Thailand
- Sponsorship of 2 Television Sets to Thankasem School, Saraburi Province, Thailand
- Replacement of electrical wiring and lighting installation at Sekolah Tahfiz Bandar Seira



- ▶ Tree planting activity at Amata City Chonburi Phase 8, Thailand.



- ▶ Ranhill contributes mobile water treatment plant to disaster victims at Palu, Indonesia.

## Helping Victims of Natural Disasters

In September 2018, an earthquake hit the area around Palu on the island of Sulawesi in northern Indonesia. Ranhill had sent an assessment team consisting of engineers and chemists to assess the technical requirements and feasibility to install a mobile water treatment facility at Palu soon after the disaster happened.

Following the technical assessment visit, Ranhill agreed to provide a mobile water treatment plant to the affected area. On 8 October 2019, the mobile water treatment plant was officially handed over to the Governor of Central Sulawesi. Before the handover, a training session was also conducted for the local operator who is the custodian of the plant to operate and maintain the mobile treatment plant.

# Inspirational Workplace & Culture

## EMPLOYEE ENGAGEMENT

Ranhill's workforce is its greatest strength and asset. The professional expertise and industry know-how of our people, coupled with their dedication and their high morale, drive the Group to greater heights and continued excellence amidst the present dynamic macro-operating environment.

We continue to invest in the development of our talent pool with talent development and management strategies centred on the 4Rs of strategic recruitment, retention, reward and rejuvenation, which is further specified into the following focus areas:



### Internationally Recognised As A Preferred Employer

Once again, Ranhill has earned the coveted recognition of the industry when it was selected for the HR Asia Award – “Best Companies to Work For In Asia 2019”, organised by HR Asia, a publication of business media international. This is the third year that RanhillSAJ has clinched the award after its previous two successes in 2014 and 2017.



► HR Asia Award – “Best Companies to Work For In Asia 2019”.

### Employee Remuneration & Benefits

Ranhill’s compensation packages for employees remains competitive to industry standards, which is vital towards recruiting and retaining talents. Remuneration is based on merit where employees are duly compensated based on their experience, professional qualifications, job performance and also seniority within the Group.

While the actual amount is determined by Company and individual performance, full-time employees are entitled to an annual bonus, with annual salary adjustments (pay period ending) to take into account rising living costs and inflation.

In addition, all employees are entitled to a salary review every five years. A comprehensive pay grade or salary scale is given in the employee handbook or manual.

Full time employees enjoy the following benefits:

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

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

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

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

Free medical check-up

Insurance benefits

Allowances and reimbursement claims

Overtime payments (where applicable)

Employee’s Birthday Gift

Employee’s Wedding Benefits

Employee’s New Born Benefits

Employee’s Bereavement / Wreath

Employee’s Treat - Fruits Season

Employee Education Assistance Programme

### Leave Benefits

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

Female employees are entitled to paid maternity leave of 60 consecutive days for each confinement period. Male employees are granted paternity leave of 4 days to spend time with their newborn and their families. In addition, employees are entitled to Compassionate Leaves in the event of deaths, childcare (if the child is ward), and disasters.

# Inspirational Workplace & Culture

## Approved Applications For Parental Leave

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

## Return To Work Rates

Post Paternity and Maternity Leave	FY2017		FY2018		FY2019	
	Female	Male	Female	Male	Female	Male
Return to work rates	100%	100%	100%	100%	100%	100%
Retention rates	100%	100%	100%	100%	100%	100%

## Minimum Wage

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

## RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN

### Employee Appraisals

The Group supports the professional development of its staff with 100% of our workforce receiving an annual appraisal. The appraisal is conducted based on a 360 approach using self, peer and superior assessment to arrive at a more equitable perspective of the employee's conduct and performance.

Appraisals are usually conducted at the end or start of the financial year and the results are presented by the employee's superior through a one-to-one discussion. The employee has all rights to share their views on any points of contention arising from the evaluation process or results. Serious grievances can be brought up via the Group established grievance mechanism.

### Recognising Employee Contribution Through Special Awards

We reward staff for their performance and their length of service. Employees are also recognised for maintaining their health and fitness. Following are 2019's awards winners in various award categories:

- Long Service Award
- Best Employee
- Achievement in Technical Competency Certification
- Achievement in the Corporate Wellness Programme

### Ranhill's Commitment To Human Rights And Free & Fair Labour

Ranhill's commitment to human rights is reflected in its commitment to provide clean water at no charge to poor and hard-core poor households, as well as in its continued adherence to the Malaysian Employment Act 1955 which prohibits exploitative labour practices. The Company also adheres to the Children and Young Persons (Employment) Act 1966.

These are in line with the statutes stipulated by the International Labour Organisation ("ILO") and the Universal Declaration of Human Rights.

There have been no reported infringements of the rights of any persons, adult or child, nor any incidents of forced or compulsory labour. Neither has there been any violation of human rights involving the rights of indigenous people at any time in the Company's history.

The Group's Collective Agreement provides for employees' right to bargain collectively. It is aligned to local laws as well as explicitly supports workers' right to bargain collectively for wages and benefits.

### Employee Medical Trust Fund

In addition to medical benefits provided by Ranhill, the Group has also established the RanhillSAJ Medical Trust Fund (“MTF”) which covers all employees within RanhillSAJ. This constitutes 76.6% of the total RanhillSAJ workforce.

The Trust Fund serves to provide financial assistance to staff and their dependents to cover any particular treatments not covered by the Group. Members are only required to contribute RM5 monthly. Funds collected are managed by a committee that is responsible for providing cash disbursements as and when required by members.

Thus far, RM524,611.89 has been disbursed since 2017.

### Work Life Balance

The Group advocates staff to lead a healthy work-life balance by having activities or interests outside of the office environment or unrelated to their work. This could be family, leisure or sporting pursuits, social welfare activities and more. It is at the individual employee’s discretion as to how they wish to achieve work-life balance.

The Group on its own accord continues to seek meaningful ways to support sporting, leisure and social activities for its employees. While there is no intention to derive professional or work related benefits, the result of these company sponsored activities often translates into increased employee morale and productivity, better rapport and teamwork, and a more cohesive organisational culture.



► R-Care outdoor activity, hiking at Gunung Pulau.



► Launch of sport and recreation theme “King Of The League” by RanhillSAJ Sukan dan Kebajikan Ibu Pejabat (SKIP).

### Employee Engagement – Communication

Management continues to have its ear to the ground to garner feedback and solicit opinions from the workforce, especially on matters pertaining to staff welfare, health and safety and other issues. Employee engagement is initiated via a number of ways such as through the company Intranet, electronic memos, publishing of a newsletter, office notice boards and more.

In FY2019, Ranhill conducted its Employee Engagement Survey, which indicated increased employee satisfaction ratings.

We also continue to conduct the Group Town Hall and Forum Satu Ekspresi Letusan Ilmu. These are two-way sessions held for both senior management and staff to directly interact with each other towards conveying information on key company developments, updates, industry matters and other pertinent topics.

### Grievance Procedures

In ensuring that employees have access to voice their dissatisfaction on work or performance related issues, Ranhill has established a comprehensive grievance mechanism and staff members have full access to the mechanism. While employees are encouraged to attempt to resolve issues informally, they also have access to official grievance procedures.

## Inspirational Workplace & Culture

Staff members are able to freely exercise their right to seek redress or bring up issues. Management firmly supports employees' rights to a free and fair opportunity to convey their grous and concerns.

The grievance is considered resolved if the matter is a) not referred to the highest authority or b) both the employee and his / her union representatives fail to attend any of the meetings that have been arranged at any stage of the grievance procedure.

### Employee Engagement – Training & Development

Staff competency development is one of the strategic components of Ranhill's over-arching 4R talent management framework.

In FY2019, the Group reduced its training budget by 19% to RM2,388,660 million with the total training hours notched at 58,398 hours. The average training hours per employee stood at 19 hours per employee. Average training spend per employee has reduced to RM780.

### Employee Engagement – Capacity Building

RanhillSAJ is committed to developing a competent and professional workforce. This is achieved through human capital development, knowledge management, research and development activities as well as various industry related training programmes.

It is a requirement under WSIA that all personnel managing and operating the water supply must be qualified and certified competent by SPAN. Hence, RanhillSAJ has been working closely with Jabatan Pembangunan Kemahiran ("JPK") or the Department of Skills Development since January 2017, to certify all relevant personnel.

JPK comes under the auspices of the Ministry of Human Resources, Malaysia.

As a Human Resources Development Fund ("HRDF") registered employer, RanhillSAJ contributes almost RM1 million per year to the fund with the monies used to organise various training programmes.

### TRAINING AND DEVELOPMENT

Employee Training is determined based on the Competency Framework, which aims to support RanhillSAJ staff to develop core, behavioural and functional competencies

based on their respective jobs and positions within the company.

The above is supplemented by internal water related technical training modules, which are delivered by experienced trainers.

Training modules that have been developed and which continued to be improved on include the following: Water Reticulation System, Raw Water Intake Operation, Clarification and Filtration Operation, Sludge Handling Operation etc.

### RanhillSAJ Water Academy

Also known as the Water Academy, this initiative is part of RanhillSAJ's approach to developing competent water industry professionals. The Academy is located at Sungai Layang, Masai, Johor and provides a dedicated facility for training industry talent.

Academy training programmes are delivered via the dedicated RanhillSAJ Training Centre. The Centre is equipped with two lecture halls, a NRW yard and a covered pipe-laying yard. The facility can accommodate a maximum of 100 participants at one time.

The Academy has several hostels to provide accommodation for participants and comes with various amenities. These include a dining hall, prayer hall, free wi-fi, a campsite, football field and swimming pool.

Since February 2019, the centre is certified for in-house training by the Department of Skills Development or Jabatan Pembangunan Kemahiran under the auspices of the Ministry of Human Resources, Malaysia.



► Knowledge Management Committee Members during the KM Conference which is the platform to share the tacit knowledge with participants.

## Research And Development

Our Research and Development unit nurtures creativity and innovativeness and facilitates technology transfer for the betterment of society and the company as well as to be recognised as one of the active and innovative organization in the water industry.

TRAINING KPI	FY2017	FY2018	FY2019
Total Training Spend	RM2,373,238	RM2,961,679	RM2,388,660
Average Training Spend Per Employee	RM815.00	RM983.00	RM780.00
Total Number of Training Hours	73,039	97,368	58,398
Average Training Hours Per Employee	25	32	19

Training is paid for via funds contributed to the Human Resources Development Fund ("HRDF"). In FY2019, we reduced our utilisation of contributed funds by 20% for a total utilisation of RM877,792.

Training programmes in FY2019 comprised of professional and personal programmes, which included technical programmes, soft skills and others. Specifically, a sizeable number of staff were sent for industry 4.0 related training programmes and courses.

## Employee Recruitment

The Group's workforce continues to grow with 185 new hires, bringing the total staff strength to 3,063. In addition, attrition rates remain low at just 4.4% of total staff strength.

Our recruitment policy dictates that new hires are selected based purely on merit, having undergone a stringent but fair recruitment process, which comprises interviews, assessment tests and other forms of evaluation. The Group does not practice any form of preferential treatment based on gender, ethnicity or other demographic factors.

NUMBER OF STAFF RECRUITED FY2019		NUMBER OF STAFF ATTRITION FY2019	
RANHILL CAPITAL SDN. BHD.	19	RANHILL CAPITAL SDN. BHD.	10
RANHILL SAJ SDN. BHD.	134	RANHILL SAJ SDN. BHD.	78
RANHILL POWERTRON SDN. BHD.	2	RANHILL POWERTRON SDN. BHD.	1
RANHILL WATER SERVICES SDN. BHD.	20	RANHILL WATER SERVICES SDN. BHD.	38
RANHILL WATER TECHNOLOGIES SDN. BHD.	10	RANHILL WATER TECHNOLOGIES SDN. BHD.	8

# Inspirational Workplace & Culture

## Organisational Acculturation

Chairman				
Sponsors				
SECRETARIAT	LEAD	CAMPRO	SHARP	TAAT
Change Management Team	Learning & Development Team	Campaign & Promotion Team	SHARP Project	Tracking & Assessment Team
Roadmap & Timeline	Retraining	Weekly/Monthly Campaign	HPC Practices - Organisation - Functional	Tracking Promoter & Facilitator
Tracking Sponsors	Counseling Member/Promoter	Newsletter & E/Newsletter	SHARP Project	Assessing Members
Reporting	Best-Practice B/Marking	Communication Board & Bunting	SHARP Convention	Rewards & Recognition
INTEGRITY & DISCIPLINE	LEARNING	TEAMWORK	CUSTOMER ORIENTED	PASSION

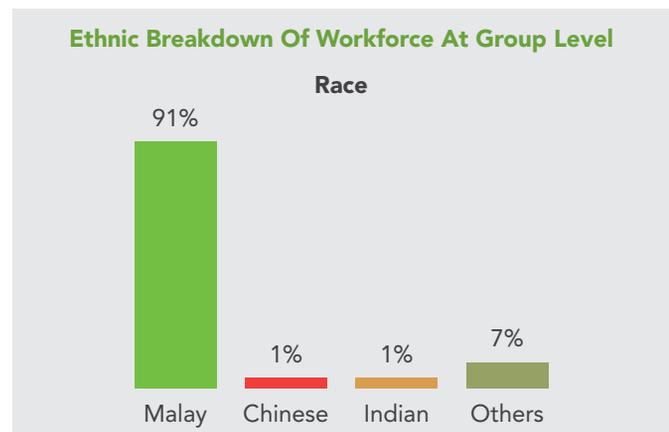
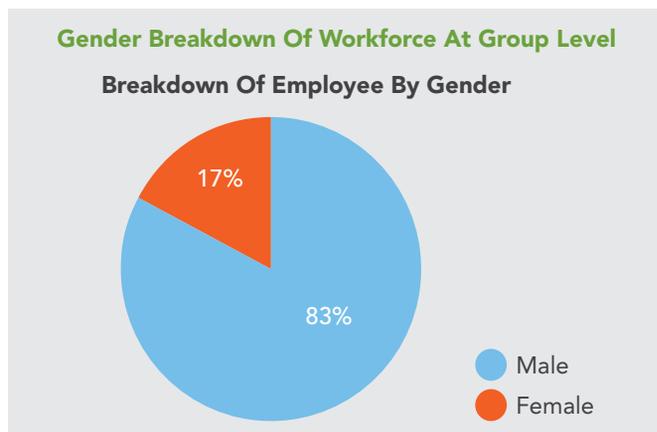
We subscribe to the development of an empowered, high performance culture within Ranhill.

The development of said culture is a progressive journey and as such, we continue to measure our growth based on the milestones established for FY2019. In FY2019, HPC was further cascaded to other Group subsidiaries.

## Diversity & Inclusivity

We foster diversity within our workforce with a focus on gender diversity. Given the nature of our business operations, there is a disparity in favour of men, notably in the operations and technical functions of our operations. However, there is a more balanced ratio between men and women at office and managerial levels.

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



## Succession Planning

The Group continued to develop its leadership bench in FY2019 in ensuring a sustainable talent pipeline to fill key management and operational positions. Under the Ranhill Leadership Development Centre (“LDC”), two potential candidates are identified for each senior management position or for positions deemed essential to Group operations.

Selected candidates have been assessed to determine their readiness and are presently going through the leadership development programme.

Also under the LDC, the Group has selected potential leaders at varying levels of seniority and readiness. Focus remains on C-1 and C-2 levels. The Group’s Learning and Organisational Development section, which is an ambit of the Group Human Resources Department (“GHRD”) is tasked on managing the Group’s succession planning strategy and pipeline.

No.	Title	Total (person)
1.	Leadership Development Center (C-1)	21
2.	Leaders Ready (C-2)	30
3.	Leadership Potential Early Identifier	50

The above will be put through a talent development funnel programme that will hone their capabilities while refining them into future leaders for Ranhill against defined Ranhill Business Drivers and Leadership Competencies. At the Company level, our various subsidiaries have or will be initiating their own leadership development programmes.

## Collective Bargaining & Minimum Notice Periods

Freedom of association and the right to collective bargaining are part of the four core labour standards recognised by the International Labour Organisation (“ILO”) and the Universal Declaration of Human Rights. Ranhill has always enabled staff members to exercise their rights to collective bargaining.

RanhillSAJ abides by the collective agreement signed for the period of 2016-2018 between the Company and the Union of RanhillSAJ (non-executive).

As at 31 December 2019, Ranhill has close to 63.1% of its employees covered by collective bargaining agreements. Employees are constantly updated on their rights and Group Management continues to communicate actively with employees, including employee interest groups and unions.

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

The Group continues to ensure that employees work in fair labour conditions. There is no exploitation of workers in terms of excessive working hours with fair overtime pay provided to eligible staff.

The Group in 2019, has raised income levels of staff so that all staff earn wages that exceed the set minimum wage. We do not employ child labour as this contravenes Malaysian law.

# Enhancing Governance Across The Group

## HEALTH & SAFETY

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

### Board Oversight On Health And Safety

The Board of Directors of our subsidiary companies maintain constant oversight on all health and safety matters pertaining to their organisations. Health and Safety Performance Reports are presented to the Board during their quarterly meetings, which provide the latest statistics on Lost Time Injury ("LTI"), fatalities, injuries, near misses, non-compliance issues and other related KPIs.

Where required, the Board will direct relevant parties to undertake further investigations into any related incidents or to take necessary precautions to avoid reoccurrence. Subsequent findings, actions taken as well as outcomes are to be reported at the Board meeting and the matter will be considered resolved if a satisfactory outcome is achieved.

The same Board oversight process is also undertaken at the Ranhill Group level, by the GRMC.

### Health And Safety Management Approach

The Group adheres to Occupational Health and Safety Assessment Series, (OHSAS 18001) certification with nine (9) locations under RanhillSAJ in compliance with the standard. Ranhill Power and RWS have obtained the ISO 9001 2015 standard for its sites.

More sites will be progressively certified in the future with plans to also obtain the ISO 45001:2018 accreditation by March 2021. RWT was recertified to the latest ISO 9001: 2015 standard by UKAS United Kingdom. It is also presently working towards the ISO 45001:2018 Occupational Health and Safety Management System by 2020-2021.

All Group companies continue to undertake quality and industry related certification programmes. At present, nine of RanhillSAJ's sites are ISO certified, while both RPI and RPII continue to pursue their respective certification programmes.

We continue to maintain an exemplary track record for health and safety as reflected across our KPIs given below:

Occupational Incident Case	2017	2018	2019
Fatality	0	0	0
LTI	12	4	0
Incidence Rate (per 1,000 employees)	Not Available	16.24	11.74
Frequency Rate (per 1,000,000 man-hours)	Not Available	7.88	5.14
Severity Rate (per 1,000,000 man-hours)	Not Available	11.09	0

There have been zero incidents where Ranhill or its subsidiaries were fined or censured for health and safety incidents.

### Continual Assessment Of High Risk Locations & Mitigation Measures

All subsidiary companies practice a Hazard Identification, Risk Assessment & Risk Control ("HIRARC") methodology to ensure that risks are identified, mitigated and reduced if not eliminated.

Appointed third-party contractors must provide a Safe Work Method Statement ("SWMS") prior to their high-risk work activities being approved. In addition, we practice a Permit To Work ("PTW") system, whereby contractors must display their PTW provided by Ranhill before they can commence with work. PTWs are only issued if a contractor has clearly presented his SWMS, which include precautionary measures taken to mitigate and reduce health and safety risk.

### Worker Representation On Joint Health And Safety Committees

All subsidiaries have established their respective HSE Committees. For RWT, its HSE Committee consisting of the HSE advisor, Management Representatives, HSE Representatives, HSE Coordinators and employees.

Ranhill Power adopts a cross-functional approach with representatives selected from all departments to be part of their Committee.

Health and Safety matters are jointly discussed with employees at all subsidiaries via the Committee. At RanhillSAJ for example, quarterly meetings were held throughout the year. Following are the percentages of our employees that have worker representation in formal joint management-worker health and safety committees:

SUBSIDIARY	2018 (%)	2019 (%)
RanhillSAJ	5	6.55
RWS	1.3	17.12
Ranhill Power	31	22.07
RWT	2.4	2.9

### Health And Safety Related Training

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

#### Malaysia

- O&G Gas Safety Passport,
- Site Safety Supervisor
- Occupational HSE training: *Kursus Pertolongan Cemas dan Resusitasi Kardio-Pulmanori*
- Authorised Entrant and Standby Person for Confined Space (new)
- Authorised Entrant and Standby Person for Confined Space (refresher)
- Authorised Gas Tester and Entry Supervisor
- Safe motorcycle riding
- Defensive Driving
- Forklift driving

Budget Spent: RM263,925.30

#### Thailand

- Safety crane operation (refresher course)
- Basic Fire Fighting & Fire drill
- Safety for New Employee And General Employee
- Process Safety Management
- Chemical management in industry
- Chemical Spill

Budget spent: THB71,771.50

### Public Health And Safety

The Group is cognisant that in water and power generation business operations, there are possible health and safety risks have been identified which are facilities or structure failure (dam/reservoir/pipelinruptured), operational failure (Chlorine leak), water quality non-compliance/sabotage (water supply), contractor management failure (especially traffic management), and operational mis-management (release of sludge during scouring/tank cleaning process).

### BUSINESS CONTINUITY PLANNING IN RESPONSE TO COVID-19

In response to the COVID-19 pandemic, Ranhill has included measures in its Business Continuity Plan ("BCP") to ensure that the Group continues to operate with minimal disruptions. Business contingency strategies and measures have been established up and where necessary, will be implemented accordingly.

These protective measures have been established to ensure that WTPs continue operating at all times and to prevent disruptions in treated water supply.

#### BCP PLAN SUMMARY ON COVID-19 INFECTION

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

1. WTPs are currently operated using three shifts of 8 hours, and 1 floating shift.
2. If a staff is suspected to be infected, that particular shift will be quarantined and the operating hours for the remaining shifts will switch to 12-hour shifts with one floating shift.

## Enhancing Governance Across The Group

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

### CUSTOMER ENGAGEMENT (CUSTOMER SATISFACTION & TRUST)

We continue to feel the pulse of our customers, using their satisfaction levels as a barometer of our performance. RanhillSAJ conducts an annual survey to solicit customer feedback based on several key performance indicators. Following are the results achieved from our latest customer engagement survey.

RanhillSAJ conducts an annual survey to solicit customer feedback based on several key performance indicators. Following are the results achieved from our latest customer engagement survey.

### Enhancing Customer Satisfaction And Quality

RanhillSAJ continues to enhance its level of customer satisfaction via its Quality Management System ("QMS") ISO 9001:2015 certification. The aim of the QMS is to enhance customer satisfaction through the effective application of the system, including processes that yield improvements and the assurance of conformity to customer and statutory and regulatory requirements.

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

RanhillSAJ has obtained the Hazard Analysis and Critical Control Points ("HACCP") Certification for water treatment plants for its successful efforts in reducing the risk of safety hazards within the water supply system.

RWS has been awarded the 5-star rating by the Construction Industry Development Board for its efforts under the *Program Penilaian Keupayaan Dan Kemampuan Kontraktor (SCORE)*. The SCORE program evaluates and ranks contractors based on a stringent criteria. The criteria includes company performance, financial capabilities, project management and other indicators.



# Ranhill Performance Data Table

## WORKPLACE

Description	2017	2018	2019
<b>Employees</b>			
<b>Total Number</b>	2916	3012	3063
Permanent	2538	2877	2902
Contract	378	135	161
<b>New Hires</b>	101	146	185
<b>% of new hires attended the on the boarding programme</b>	100%	100%	100%
<b>Staff Attrition</b>	NIL	125	135
<b>Diversity</b>			
Bumiputera	2731	2739	2796
Chinese	30	30	25
Indian	47	44	37
Others	108	199	205
<b>Region/Nationality</b>			
Local	2916	2922	2966
Other Nationality	NIL	90	97
<b>Gender</b>			
Male	2441	2509	2558
Female	475	503	505
<b>Age Group</b>			
<30	614	619	874
30-50	1733	1796	1521
>50	569	597	668
<b>Composition of governance (Board), by gender</b>			
Male	9	6	6
Female	2	2	2
<b>Composition of governance (Top Management), by gender</b>			
Male	11	4	15
Female	4	0	3
<b>Composition of governance (Board), by age group</b>			
<30	0	0	0
30-50	1	1	1
>50	10	7	7
<b>Composition of governance (Top Management), by age group</b>			
<30	NIL	NIL	0
30-50	9	3	6
>50	6	1	12
<b>Proportion of senior management hired from the local community as significant locations of operation</b>	100%	100%	100%

## Ranhill Performance Data Table

<b>Women in management</b>			
Top Management (Vice President and above)	3	3	3
Senior Management (Assistant General Manager, General Manager, Senior General Manager)	1	1	2
Middle Management (Assistant Manager to Senior Manager)	50	44	52
<b>Employee Participation in Training</b>			
Training Hours - Male	57298	78686	43601
Training Hours - Female	15762	18682.3	14797
Total Spent	RM2,373,238	RM2,961,680	RM2,388,660
Average Training Spent per Employee	RM815	RM983	RM780
Average number of Training Hours Per Employee	25	32	19
<b>Performance review towards career enhancement</b>			
Employees who are formally appraised (annually)	100%*	100%*	100%*
One-on-one performance review for year-end evaluation	100%*	100%*	100%*
<b>Occupational Safety and Health (OSH)</b>			
Lost Time Injury (LTI)	12	4	0
Work related injuries	12	4	0
Workers who are involved in occupational activities who have a high incidence or high risk of specific diseases	NIL	NIL	NIL
Work related fatalities	NIL	NIL	NIL
Total employees covered by collective bargaining agreements	66%**	64.16%**	63.1%**
<b>Employee Engagement Survey Results (Satisfaction Category)</b>			
1) Ranhill Powertron	94.33%	79.00%	95.50%
2) Ranhill SAJ Sdn Bhd	85.80%	92.07%	88.96%
3) Ranhill Water Technologies	77.00%	77.00%	100.00%
4) Ranhill Water Services	77.00%	84.00%	78.00%
<b>Non-Discrimination</b>			
Number of incidents of discrimination during the reporting period	NIL	NIL	NIL
<b>Customer Privacy</b>			
Number of substantiated complaints received concerning breaches of customer privacy	NIL	NIL	NIL

Note:

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

\*\* Applicable to RanhillSAJ

# GRI Standards Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Reference/Link	Omission
<b>GRI 101: Foundation 2016</b>				
<b>General Disclosures</b>				
<b>GRI 102: General Disclosures 2016</b>	<b>Organizational profile</b>			
	102-1 Name of the organization	Cover Page	Cover Page	-
	102-2 Activities, brands, products, and services	Page 3	Ranhill Fact Sheet	-
	102-3 Location of headquarters	Page 9	About This Report	-
	102-4 Location of operations	Page 4 & 5	Presence	-
	102-5 Ownership and legal form	Page 9	About This Report	-
	102-6 Markets served	Page 4, 5 & 6	Presence & Group Financial Highlights	-
	102-7 Scale of the organization	Page 4 & 5	Presence	-
	102-8 Information on employees and other workers	Page 57 & 58	Ranhill Performance Data Table	-
	102-9 Supply chain	Page 43	Developing Local Industry Via Local Procurement	-
	102-10 Significant changes to the organization and its supply chain	-	No significant changes reported	-
	102-11 Precautionary Principle or approach	Page 29, 54, 55 & 56	Ranhill Water Safety Plan & Enhancing Governance Across The Group	-
	102-12 External initiatives	Page 9	About This Report	-
	102-13 Membership of associations	Page 42	Contribution Towards Social Wellbeing & Capacity Building	-
	<b>Strategy</b>			
102-14 Statement from senior decision-maker	Page 7 & 8	Message from the President / Chief Executive	-	
102-15 Key impacts, risks, and opportunities	Page 11, 12 & 13	Overview - Ranhill's Four Pillars of Sustainability	-	
<b>Ethics and integrity</b>				
102-16 Values, principles, standards, and norms of behavior	Page 2	Vision, Mission & Values	-	
102-17 Mechanisms for advice and concerns about ethics	Page 15	Governance & Leadership (strong anti-corruption stance)	-	

# GRI Standards Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Reference/Link	Omission
<b>GRI 101: Foundation 2016</b>				
<b>General Disclosures</b>				
<b>GRI 102: General Disclosures 2016</b>	<b>Governance</b>			
	102-18 Governance structure	AR - Page 71 SR - Page 14	Annual Report FY2019 (Governance) SR2019: Sustainability Governance & Leadership	-
	102-19 Delegating authority	AR - Page 73 SR - Page 14	Annual Report FY2019 (Governance) SR2019: Sustainability Governance & Leadership	-
	102-20 Executive-level responsibility for economic, environmental, and social topics	AR - Page 74 SR - Page 14	Annual Report FY2019 (Governance) SR2019: Sustainability Governance & Leadership	-
	102-21 Consulting stakeholders on economic, environmental, and social topics	AR - Page 81 SR - Page 14	Annual Report FY2019 (Governance) SR2019: Sustainability Governance & Leadership	-
	102-22 Composition of the highest governance body and its committees	AR - Page 71 SR - Page 14	Annual Report FY2019 (Governance) SR2019: Sustainability Governance & Leadership	-
	102-23 Chair of the highest governance body	AR - Page 71 SR - Page 14	Annual Report FY2019 (Governance) SR2019: Sustainability Governance & Leadership	-
	102-24 Nominating and selecting the highest governance body	AR - Page 76 SR - Page 14	Annual Report FY2019 (Governance) SR2019: Sustainability Governance & Leadership	-
	102-25 Conflicts of interest	AR - Page 75 SR - Page 14	Annual Report FY2019 (Governance) SR2019: Sustainability Governance & Leadership	-
	102-26 Role of highest governance body in setting purpose, values, and strategy	AR - Page 73 SR - Page 14	Annual Report FY2019 (Governance) SR2019: Sustainability Governance & Leadership	-
	102-27 Collective knowledge of highest governance body	AR - Page 62 - 70	Annual Report FY2019: Board of Directors Profiles	-
102-28 Evaluating the highest governance body's performance	AR - Page 76 <a href="http://www.ranhill.com.my">www.ranhill.com.my</a>	Annual Report FY2019: Corporate Governance Overview Statement Corporate Governance Report	-	

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Reference/Link	Omission	
<b>GRI 101: Foundation 2016</b>					
<b>General Disclosures</b>					
<b>GRI 102: General Disclosures 2016</b>	102-29 Identifying and managing economic, environmental, and social impacts	Page 21	Materiality Prioritisation & Materiality Matrix	-	
	102-30 Effectiveness of risk management processes	Page 21	Materiality Prioritisation & Materiality Matrix	-	
	102-31 Review of economic, environmental, and social topics	Page 21	Materiality Prioritisation & Materiality Matrix	-	
	102-32 Highest governance body's role in sustainability reporting	AR - Page 74 SR - Page 14	Annual Report FY2019 (Governance) SR2019: Sustainability Governance & Leadership	-	
	102-33 Communicating critical concerns	AR - Page 11	Annual Report FY2019: President's Message	-	
	102-34 Nature and total number of critical concerns	AR - Page 11	Annual Report FY2019: President's Message	-	
	102-35 Remuneration policies	AR - Page 79 www.ranhill.com.my	Annual Report FY2019 (Governance) Corporate Governance Report	-	
	102-36 Process for determining remuneration	AR - Page 79 www.ranhill.com.my	Annual Report FY2019 (Governance) Corporate Governance Report	-	
	102-37 Stakeholders involvement in remuneration	AR - Page 80 www.ranhill.com.my	Annual Report FY2019 (Governance) Corporate Governance Report	-	
	102-38 Annual total compensation ratio	AR - Page 80 www.ranhill.com.my	Annual Report FY2019 (Governance) Corporate Governance Report	-	
	102-39 Percentage increase in annual total compensation ratio	AR - Page 80 www.ranhill.com.my	Annual Report FY2019 (Governance) Corporate Governance Report	-	
	<b>Stakeholder engagement</b>				
	102-40 List of stakeholder groups	Page 17 - 20	Stakeholder Engagement	-	
102-41 Collective bargaining agreements	Page 17	Stakeholder Engagement	-		
102-42 Identifying and selecting stakeholders	Page 17 - 20	Stakeholder Engagement	-		
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# GRI Standards Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Reference/Link	Omission
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<b>GRI 102: General Disclosures 2016</b>	<b>Reporting practice</b>			
	102-45 Entities included in the consolidated financial statements	AR - Page 93 SR - Page 6	Group Financial Highlights Annual Report (Financial Statements)	-
	102-46 Defining report content and topic Boundaries	Page 9	About This Report	-
	102-47 List of material topics	Page 21	Materiality Prioritisation & Materiality Matrix	-
	102-48 Restatements of information	AR - Page 74 SR - Page 21	Annual Report FY2019 (Governance) Materiality Prioritisation & Materiality Matrix	-
	102-49 Changes in reporting	-	No significant changes reported	-
	102-50 Reporting period	Page 9	About This Report	-
	102-51 Date of most recent report	-	available at <a href="http://www.ranhill.com.my">www.ranhill.com.my</a>	-
	102-52 Reporting cycle	Page 9	About This Report	-
	102-53 Contact point for questions regarding the report	Page 9	About This Report	-
	102-54 Claims of reporting in accordance with the GRI Standards	Page 9	About This Report	-
	102-55 GRI content index	Page 59	Provided at the end of the report under GRI Content Index section	-
102-56 External assurance	Page 9	About This Report	-	
<b>Material Topics</b>				
<b>GRI 200 Economic Standard Series</b>				
<b>Economic Performance</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	AR - Page 11 & 19	Annual Report FY2019: President's Message & Management Discussion & Analysis	-
	103-2 The management approach and its components	AR - Page 11 & 19	Annual Report FY2019: President's Message & Management Discussion & Analysis	-
	103-3 Evaluation of the management approach	AR - Page 11 & 19	Annual Report FY2019: President's Message & Management Discussion & Analysis	-

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<b>Material Topics</b>				
<b>GRI 200 Economic Standard Series</b>				
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	AR - Page 11 & 19	Annual Report FY2019: President's Message & Management Discussion & Analysis	-
	201-2 Financial implications and other risks and opportunities due to climate change	AR - Page 11 & 19 SR - Page 23	Annual Report FY2019: President's Message & Management Discussion & Analysis & SR2019: Environmental Awareness & Perseverance	-
	201-3 Defined benefit plan obligations and other retirement plans	Page 47	Inspirational Workplace & Culture: Employee Remuneration & Benefits	-
	201-4 Financial assistance received from government	-	No financial assistance received from government.	-
<b>Market Presence</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 9	About This Report	-
	103-2 The management approach and its components	AR - Page 11 & 19	Annual Report FY2019: President's Message & Management Discussion & Analysis	-
	103-3 Evaluation of the management approach	AR - Page 11 & 19	Annual Report FY2019: President's Message & Management Discussion & Analysis	-
<b>GRI 202: Market Presence 2016</b>	202-2 Proportion of senior management hired from the local community	AR - Page 61	Annual Report FY2019: Board of Directors' Profiles and Corporate Governance Report 2019	-
<b>Procurement Practices</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 43	Developing Local Industry Via Local Procurement	-
	103-2 The management approach and its components	Page 43	Developing Local Industry Via Local Procurement	-
	103-3 Evaluation of the management approach	Page 43	Developing Local Industry Via Local Procurement	-
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	Page 43	Developing Local Industry Via Local Procurement	-

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GRI Standard	Disclosure	Page number(s) and/or URL(s)	Reference/Link	Omission
<b>Material Topics</b>				
<b>GRI 200 Economic Standard Series</b>				
<b>Anti-corruption</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 15	Strong Anti-Corruption Stance	-
	103-2 The management approach and its components	Page 15	Strong Anti-Corruption Stance	-
	103-3 Evaluation of the management approach	Page 15	Strong Anti-Corruption Stance	-
<b>GRI 205: Anti- corruption 2016</b>	205-1 Operations assessed for risks related to corruption	Page 15	Strong Anti-Corruption Stance	-
	205-2 Communication and training about anti-corruption policies and procedures	Page 15	Strong Anti-Corruption Stance	-
	205-3 Confirmed incidents of corruption and actions taken	Page 15	Zero confirmed incidents reported	-
<b>GRI 300 Environmental Standards Series</b>				
<b>Materials</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 23	Environmental Awareness & Perseverance	-
	103-2 The management approach and its components	Page 23	Environmental Awareness & Perseverance	-
	103-3 Evaluation of the management approach	Page 23	Environmental Awareness & Perseverance	-
<b>GRI 301: Materials 2016</b>	301-1 Materials used by weight or volume	Page 23	Environmental Awareness & Perseverance	-
	301-2 Recycled input materials used	Page 23	Wastewater Reclamation And Recycling	-
	301-3 Reclaimed products and their packaging materials	Page 23	Wastewater Reclamation And Recycling	-
<b>Energy</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 37	Clean Energy Generation Via CCGT and Energy Consumption & Management	-
	103-2 The management approach and its components	Page 37	Clean Energy Generation Via CCGT and Energy Consumption & Management	-
	103-3 Evaluation of the management approach	Page 37	Clean Energy Generation Via CCGT and Energy Consumption & Management	-

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Reference/Link	Omission
<b>Material Topics</b>				
<b>GRI 300 Environmental Standards Series</b>				
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Page 37	Clean Energy Generation Via CCGT and Energy Consumption & Management	-
	302-4 Reduction of energy consumption	Page 37	Clean Energy Generation Via CCGT and Energy Consumption & Management	-
	302-5 Reductions in energy requirements of products and services	Page 37	Clean Energy Generation Via CCGT and Energy Consumption & Management	-
<b>Water</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 32	Water Consumption	-
	103-2 The management approach and its components	Page 32	Water Consumption	-
	103-3 Evaluation of the management approach	Page 32	Water Consumption	-
<b>GRI 303: Water 2016</b>	303-1 Water withdrawal by source	Page 32	Water Consumption	-
	303-2 Water sources significantly affected by withdrawal of water	Page 32	Water Consumption	-
	303-3 Water recycled and reused	Page 23	Wastewater Reclamation And Recycling	-
<b>Biodiversity</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 39	Biodiversity	-
	103-2 The management approach and its components	Page 39	Biodiversity	-
	103-3 Evaluation of the management approach	Page 39	Biodiversity	-
<b>Emissions</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 36	Greenhouse Gas Emissions	-
	103-2 The management approach and its components	Page 36	Greenhouse Gas Emissions	-
	103-3 Evaluation of the management approach	Page 36	Greenhouse Gas Emissions	-

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<b>Material Topics</b>				
<b>GRI 300 Environmental Standards Series</b>				
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	Page 36	Greenhouse Gas Emissions	-
	305-2 Energy indirect (Scope 2) GHG emissions	Page 36	Greenhouse Gas Emissions	-
	305-3 Other indirect (Scope 3) GHG emissions	Page 36	Greenhouse Gas Emissions	-
	305-4 GHG emissions intensity	Page 36	Greenhouse Gas Emissions	-
	305-5 Reduction of GHG emissions	Page 36	Greenhouse Gas Emissions	-
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Page 36	Greenhouse Gas Emissions	-
<b>Effluents and Waste</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 38	Waste Management	-
	103-2 The management approach and its components	Page 38	Waste Management	-
	103-3 Evaluation of the management approach	Page 38	Waste Management	-
<b>GRI 306: Effluents and Waste 2016</b>	306-1 Water discharge by quality and destination	Page 38	Waste Management	-
	306-2 Waste by type and disposal method	Page 38	Waste Management	-
	306-3 Significant spills	Page 38	Waste Management	-
	306-4 Transport of hazardous waste	Page 38	Waste Management	-
	306-5 Water bodies affected by water discharges and/or runoff	Page 38	Waste Management	-
<b>Environmental Compliance</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 39	Environmental Non-Compliance	-
	103-2 The management approach and its components	Page 39	Environmental Non-Compliance	-
	103-3 Evaluation of the management approach	Page 39	Environmental Non-Compliance	-
<b>GRI 307: Environmental Compliance 2016</b>	307-1 Non-compliance with environmental laws and regulations	Page 39	Environmental Non-Compliance	-

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Reference/Link	Omission
<b>Material Topics</b>				
<b>GRI 400 Social Standards Series</b>				
<b>Employment</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 46	Inspirational Workplace & Culture	-
	103-2 The management approach and its components	Page 46	Inspirational Workplace & Culture	-
	103-3 Evaluation of the management approach	Page 46	Inspirational Workplace & Culture	-
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Page 51	Employee Recruitment	-
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 47	Employee Remuneration & Benefits	-
	401-3 Parental leave	Page 47	Leave Benefits	-
<b>Labor/Management Relations</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 48	Ranhill's Commitment To Human Rights and Free & Fair Labour	-
	103-2 The management approach and its components	Page 48	Ranhill's Commitment To Human Rights and Free & Fair Labour	-
	103-3 Evaluation of the management approach	Page 48	Ranhill's Commitment To Human Rights and Free & Fair Labour	-
<b>GRI 402: Labor/Management Relations 2016</b>	402-1 Minimum notice periods regarding operational changes	Page 53	Collective Bargaining & Minimum Notice Periods	-
<b>Occupational Health and Safety</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 54	Health & Safety	-
	103-2 The management approach and its components	Page 54	Health & Safety	-
	103-3 Evaluation of the management approach	Page 54	Health & Safety	-
<b>GRI 403: Occupational Health and Safety 2016</b>	403-1 Workers representation in formal joint management-worker health and safety committees	Page 55	Worker Representation On Joint Health And Safety Committees	-

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GRI Standard	Disclosure	Page number(s) and/or URL(s)	Reference/Link	Omission
<b>Material Topics</b>				
<b>GRI 400 Social Standards Series</b>				
<b>GRI 403: Occupational Health and Safety 2016</b>	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Page 54	Health & Safety Management Approach	-
	403-4 Health and safety topics covered in formal agreements with trade unions	Page 55	Worker Representation On Joint Health And Safety Committees	-
<b>Training and Education</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 50	Employee Engagement – Training & Development	-
	103-2 The management approach and its components	Page 50	Employee Engagement – Training & Development	-
	103-3 Evaluation of the management approach	Page 50	Employee Engagement – Training & Development	-
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	Page 50	Employee Engagement – Training & Development	-
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 50	Employee Engagement – Training & Development	-
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 48	Employee Appraisals	-
<b>Diversity and Equal Opportunity</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 52	Diversity & Inclusivity	-
	103-2 The management approach and its components	Page 52	Diversity & Inclusivity	-
	103-3 Evaluation of the management approach	Page 52	Diversity & Inclusivity	-
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	AR - Page 62 - 70	Annual Report FY2019: Board of Directors Profiles & CG Report 2019	-

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Reference/Link	Omission
<b>Material Topics</b>				
<b>GRI 400 Social Standards Series</b>				
<b>Non-discrimination</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 52	Diversity & Inclusivity	-
	103-2 The management approach and its components	Page 52	Diversity & Inclusivity	-
	103-3 Evaluation of the management approach	Page 52	Diversity & Inclusivity	-
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	Page 54	Zero confirmed incidents reported	-
<b>Freedom of Association and Collective Bargaining</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 53	Collective Bargaining & Minimum Notice Periods	-
	103-2 The management approach and its components	Page 53	Collective Bargaining & Minimum Notice Periods	-
	103-3 Evaluation of the management approach	Page 53	Collective Bargaining & Minimum Notice Periods	-
<b>Human Rights Assessment</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 48	Supporting The Basic Human Right To Water (Water Rebate Programme) Ranhill's Commitment To Human Rights And Free & Fair Labour	-
	103-2 The management approach and its components	Page 44	Supporting The Basic Human Right To Water (Water Rebate Programme) Ranhill's Commitment To Human Rights And Free & Fair Labour	-
	103-3 Evaluation of the management approach	Page 44	Supporting The Basic Human Right To Water (Water Rebate Programme) Ranhill's Commitment To Human Rights And Free & Fair Labour	-
<b>Local Communities</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 44	Corporate Social Responsibility Program	-
	103-2 The management approach and its components	Page 44	Corporate Social Responsibility Program	-
	103-3 Evaluation of the management approach	Page 44	Corporate Social Responsibility Program	-

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<b>Material Topics</b>				
<b>GRI 400 Social Standards Series</b>				
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Page 44	Corporate Social Responsibility Program	-
	413-2 Operations with significant actual and potential negative impacts on local communities	Page 44	Corporate Social Responsibility Program	-
<b>Customer Health and Safety</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 56	Enhancing Customer Satisfaction And Quality	-
	103-2 The management approach and its components	Page 56	Enhancing Customer Satisfaction And Quality	-
	103-3 Evaluation of the management approach	Page 56	Enhancing Customer Satisfaction And Quality	-
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	Page 56	Enhancing Customer Satisfaction And Quality	-
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Page 54	Zero incidents reported in FY2019	-
<b>Socioeconomic Compliance</b>				
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Page 15	Governance Through Industry Compliance	-
	103-2 The management approach and its components	Page 15	Governance Through Industry Compliance	-
	103-3 Evaluation of the management approach	Page 15	Governance Through Industry Compliance	-
<b>GRI 419: Socioeconomic Compliance 2016</b>	419-1 Non-compliance with laws and regulations in the social and economic area	Page 15	No cases of non compliance reported in FY2019	-



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