

TABLE OF **CONTENTS**

02	Managing Director's Review				
06	Foreword by Sir Jonathon Porrit				
07	About this Report				
08	About YTL Corporation Berhad				
17	Our Approach to Sustainability				
20	Embracing Our Marketplace				
32	Protection of the Environment				
80	Empowering Our People				
98	Empowering Our Communities				
130	Find Out More				
132	Be Part of the Solution				



YTL CORPORATION BERHAD 92647-H





















THE ENVIRONMENT & SOCIETY

The environment is not our only focus in sustainability. Climate change will result in shortages of food and water, higher risk of flooding, and will affect billions of people across the planet. Rising levels of unemployment and inequality are as worrying for social cohesion as rising sea levels are for those living under or near the poverty line. Linked to this scenario, similar concerns are emerging regarding a growing moral vacuum created by an increasingly materialistic society. Compassion, social trust and moral reciprocity are values that need restoration, especially in emerging economies.

Energy and water poverty remain at persistently high levels, and extreme weather patterns and marginalised people do not make for an environment in which businesses can prosper. In fact, Lord Stern made some disturbing comments about the pace of climate change at the World Economic Forum that I attended earlier this year, stating "I underestimated the risks. The planet and the atmosphere seem to be absorbing less carbon than we expected and emissions are rising pretty strongly. Some of the effects are coming through more quickly than we thought." This was just four months prior to the announcement that the concentration of carbon dioxide in the atmosphere had reached 400 ppm (parts per million) for the first time in three million years.

Needless to say, advocacy, the promotion of best practices and defensible supply chains continue to be an important part of our sustainability policy. So it is not just about YTL, but it is about ensuring that we have robust supply chain partners with strong integrity and equally sustainable practices. We cannot possibly effect our goal of "being a force for

good" without ensuring that our stakeholders have similar values and practices to ourselves. In a world of finite natural resources, prudent and frugal use must be a cornerstone of our environmental policy. There can be no Faustian bargain in this regard.

Working with our non-profit partners, we have the opportunity to hand over control of research and execution to the experts in their respective fields. In biodiversity and conservation, we continue to support Non-Governmental Organisations (NGOs) such as Reef Check Malaysia and Rare Conservation, and for community, arts and culture, we similarly support and delegate to the arts and charitable organisations such as those involved with breast cancer, Human Immunodeficiency Virus (HIV), and so on. What used to be philanthropy for businesses is now business as usual for YTL.

"Education is the most powerful weapon we can use to change the world."

~ Nelson Mandela

EDUCATION

Nelson Mandela once mentioned that "Education is the most powerful weapon we can use to change the world."

By 2050, the world's population is expected to reach nine billion, so sustainable growth will be critical to alleviating the immense pressures that will be exerted on the planet. Awareness and education are essential to rethinking our approach to human impacts on the environment and this is why education has taken such a fundamentally important position in our sustainability strategy. Here, the YTL Group has embarked on a multi-layered strategy to promote education. From providing connectivity in the form of hardware and software under our **Yes** 4G network, bandwidth for education bodies through 1BestariNet, sponsoring through the Teach For Malaysia programme, education platforms such as FrogAsia and engagement methods, we have managed to integrate our approach to better meet the challenges of the 21st Century.

Advances in technology continue to change the way we develop and advance education platforms and communication tools. In managing our strategy going forwards, the accelerating speed of communication necessitates even faster response times. The waves of social and economic issues that threaten to inundate policy and decision-making requires solving multiple problems simultaneously.

EQUITABLE & SUSTAINABLE GROWTH

Whilst YTL remains a global player, there is an increased focus on sustainable solutions for Asian growth and development. This means that in Asia, solutions need to be by design rather than by default. Asia escaped the worst of the European debt crisis but it is clear that positive regulatory frameworks conducive to spur infrastructure investment in the region are essential to bring Asia successfully into the developed world. This investment will be required in water, communications, transportation, roads and so on. This entails progressive thinking and sustainable solutions, sometimes only achieved through coercing and encouraging the development of the very frameworks that will encourage the investment flows required to enable this sustainable growth. By working directly with organisations such as the World Economic Forum, the Business Council for Sustainability and Responsibility Malaysia and various Government agencies and ministries around the region, YTL is able to provide an additional perspective on policy formation and sustainable growth strategies.

Transportation is a key part of the investment required to move developing economies forward and raise the standard of living in an equitable and sustainable manner. This is one of the reasons I have been leading the initiative to build a high speed rail network initially between the capital cities of Kuala Lumpur and Singapore. Building the infrastructure is not just a commercial opportunity, but it will lead to an environment conducive to further infrastructure investment and sustainable development generally. This happened in Korea, Taiwan, China and in Europe along the network routes – development was enhanced with a strong multiplier effect and numerous benefits for local communities. At the same time, there was a positive impact on the environment.







HUMAN CAPITAL

Nurturing talent and skills internally is core to building and maintaining the foundations on which future initiatives are built across the entire spectrum of sustainability activities of the Group. The culture of the Group is founded on a long-term outlook, providing quality service and products at competitive prices, and the understanding and mastering of the three languages of God, Man and Machine; the language of God which guides integrity and morality, the language of Man which ensures articulation, and the language of Machine which is the understanding and harnessing of technology.

By continually striving to provide the cultural guidance and space for employees to build their own sustainability programmes, we have seen a sharp increase in the number of initiatives throughout the Group. For instance, the PURE activities in Gaya Island Resort connects with environmental and cultural elements, and a Turtle Rescue Programme has been set up at the Gaya Island Resort Marine Centre (GIRMC). Similarly, YTL PowerSeraya has adopted a charity called GROW (Goodwill Rehabilitation Occupational Workshop), Wessex Water has initiated a program to help customers with financial difficulties to make bill payments under a scheme called "tap", YTL Cement's Perak & YTL Power's PT Jawa Power plants attained ISO 50001 accreditation, and YTL Construction Singapore is certified as a Green and Gracious Builder, to name just a few of the recent initiatives.

LOOKING TO THE FUTURE

Whilst we still have numerous challenges ahead, I believe we are moving the DNA of the Group to one where the strategies and policies of each business unit will be governed first and foremost by the principles of sustainability. Externally, we trust that by promoting positive and ethical behaviour, this will encourage the development of a more civil and moral society, the active protection of resources, and result in transparency. This is not just a journey for us, but a way of life. I hope this report will encourage others both embarking on or moving along the same path, and at the same time demonstrate how we continue to evolve.

May God bless each and every one of us in all of our positive endeavours.

TAN SRI DATO' (DR) FRANCIS YEOH SOCK PING PSM, FICE, CBE, SIMP, DPMS, DPMP, JMN, JP

Managing Director
YTL Corporation Berhad

FOREWORD BY SIR JONATHON PORRITT



Sustainability can be grasped <u>intellectually</u> – as a necessary response to the wealth of data available to us today about the state of the Earth. It can be grasped <u>pragmatically</u> – as "the prerequisite for long-term growth and value creation" – as YTL describes it. And it can be grasped <u>spiritually</u> – as part and parcel of what we need to do, as individuals and as corporations, to be the best we can be from an ethical and moral perspective.

YTL grasps sustainability from all three dimensions, providing a compelling rationale as to why companies that <u>really</u> understand sustainability are both more resilient (in a global economy increasingly subject to supply shocks and instability) and better placed to seize hold of new opportunities by engineering solutions – "by design rather than by default". And the huge number of Awards and Accolades won by YTL companies over the last few years provide eloquent testimony of the success of this strategic, long-term commitment.

For any company concerned about sustainability, that means a wealth of different policies and practices, both looking <u>in</u> (addressing the company's own footprint and performance), and looking <u>out</u> – working with a wide and diverse range of partners and stakeholders.

And that raises a significant challenge for employees across the entire company. YTL's approach to nurturing its "human capital" is an important part of its overall sustainability strategy, all the way from standard training and development, through to special programmes promoting local talent, supporting local women, and investing in graduate programmes – as with ElectraNet in Australia.

That "looking in" to the company's own resources is matched by a whole host of external commitments – through The Malaysia Fellowship Programme, the "Lightbulbs" scheme to inspire entrepreneurship, the many different scholarships which YTL provides and so on. All this makes an important contribution to growing the talent on which Malaysia's impressive economic performance is being built.

The essence of this is a whole-hearted commitment to innovation – and one can see that reflected in so many different aspects of YTL's performance. I had the privilege of serving as a non-executive director of Wessex Water for a number of years, and was hugely supportive of the emphasis on innovation – including the decision to set up GENeco (see page 43 and 56), a company which is now at the heart of the emerging bio-economy in the UK.

In the same vein, the acquisition of SV-Carbon back in 2008 demonstrates the value of being on top of the climate change agenda, enabling the Group to develop what is now the largest CDM consultancy organisation in Malaysia.

And the biggest "innovation promise" of all is surely the emergence of "Yes", Malaysia's fastest-growing provider of 4G mobile internet services. The focus at the moment is on providing high-speed connectivity to Malaysian universities, but I look forward to seeing how the company can use this incredible resource to enable individual Malaysians to live more sustainable lives, and to enable Malaysia's companies to create wealth on a much more sustainable basis.

As one of the first Malaysian companies to understand the importance of sustainability, a huge amount has already been achieved. Which means the opportunity to become a world-class leader can now be seized with the kind of vision for which YTL is already so highly respected.



Sir Jonathon PorrittFounder Director, Forum for the Future

ABOUT THIS REPORT

Welcome to our eighth annual Sustainability Report, which provides an overview of YTL Corporation Berhad and its subsidiaries' sustainability achievements, developments and practices. We are pleased to note the evolution of our sustainability reports and are prepared for the challenges ahead of us. We remain committed to continuous improvement in reporting throughout our sustainability journey.

In line with our corporate reporting cycle, this report covers global operations and all subsidiaries and associated companies, operating units, and those that we have operational control over, from 1 July 2012 to 30 June 2013.

We continue to be directed by sustainability reporting frameworks and guidelines, the Bursa Malaysia Corporate Social Responsibility (CSR) Framework and the ACCA Malaysia Sustainability Reporting Guidelines for Malaysian Companies.

Together with our YTL Corporation Berhad Annual Report 2013 highlighting the financial aspects of our business activities, the two reports provide a clear and comprehensive representation of our annual performance in managing the economic, corporate governance, marketplace, environmental and social aspects of our operations.

FEEDBACK

This Report is available to all stakeholders in limited hard copies upon request and a PDF version can be downloaded from our corporate website at www.ytl.com.my. Your feedback is highly valued to help us improve on our future reporting. We appreciate and welcome your thoughts about our sustainability developments, reporting and communications. Please feel free to contact us at:

YTL SUSTAINABILITY DIVISION

YTL Corporation Berhad RT1(B), Letter Box 128, Level 8 Rooftop Lot 10 Shopping Centre 50, Jalan Sultan Ismail 50250, Kuala Lumpur Malaysia

Tel: +6018 605 7777 Fax: +6018 605 7773

E-mail: sustainability@ytl.com.my Website: www.ytl.com.my/sustainability

SUSTAINABILITY DIVISION, YTL CORPORATION BERHAD



Ruth YeohHead of Sustainability and
Director of Investments



Ralph DixonDirector of Environmental
Investments



Nico Aw Sustainability Manager



Zaiton Hashim Sustainability Administrator



Sumeshini Subramaniam Sustainability Assistant

ABOUT YTL CORPORATION BERHAD

YTL AT A GLANCE









Operating in Countries



RM 31.3 billion

Combined Group Market Capitalisation Serving more than

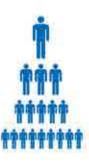
12 million customers



RM 53.6 billion



More than 9,000 Employees Globally



The first

Asian non-Japanese company to be listed on the Tokyo Stock Exchange

since 1996

2010 MB100 survey

of Malaysia's Largest Listed Companies

Ranked #5 - YTL Corporation Bhd
Ranked #8 - YTL Power International Bhd

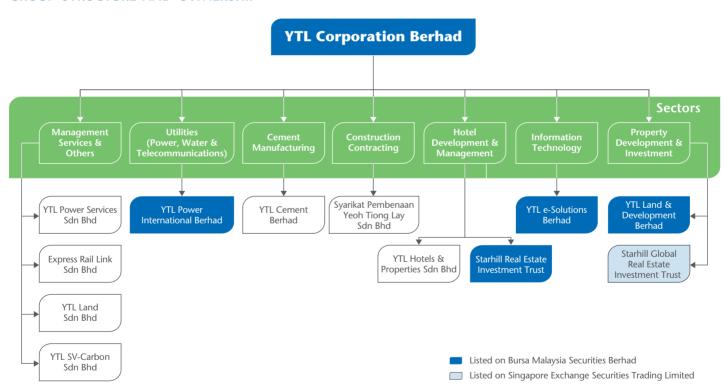
YTL Corporation Berhad (YTL Corp) (Company No. 92647-H) is one of the largest Malaysian conglomerates listed on Bursa Malaysia (Stock Code: 4677, Bloomberg: YTLMK; Reuters: YTLS.KL).

Widely known to the world as YTL, the first company engaged in the construction business was founded in 1955 by Tan Sri Datuk Seri Panglima (Dr) Yeoh Tiong Lay, after whom the group is named. His eldest son, Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, became the Managing Director of YTL Corp in 1988. Under his stewardship, the YTL Group grew from a single listed entity to a group of five listed entities in Malaysia. Since then the Group's core businesses have expanded to include utilities, cement manufacturing, construction contracting, property development and investment, hotel

development and management, information technology (including a revolutionary 4G network), as well as operation and maintenance (O&M) services for third parties.

A strong focus on sustainability has always been a cornerstone of the business ethics and success of the Group. YTL Corp's strategy of providing "world class products and services at very competitive prices" along with its history of innovation has led directly to it recording a compounded annual growth rate in pre-tax profits of 55% over the last 15 years, and an enviable track record of creating shareholder value. It has been paying dividends every year since it was listed on Bursa Malaysia. YTL Corp's strategy has also resulted in it and its subsidiaries accumulating numerous international awards in the process.

GROUP STRUCTURE AND OWNERSHIP



The chart above provides the highlights of our operational segments and some of our key business units. For an in-depth explanation or to gain a better understanding about our products and services delivered under each of the segments, please refer to the Statement on *Operations Review* in the *YTL Corporation Berhad Annual Report 2013* or you may visit the respective business unit's website (The website URLs are listed in the *Find Out More* section of this Report).

OUR GLOBAL PRESENCE

United Kingdom

Utilities – Water & Sewerage Services Hotel Development & Management

France

Hotel Development & Management

Lebanon

Operation & Maintenance (for 480 MW Deir Amar & 480 MW Zahrani combined-cycle power stations)

YTL MAJOR MARKERS









1955 - 1990 **Humble Beginnings**

- First Turnkey Contractor in Malaysia

 Construction roots Building for the Nation

 o Defence & Security Post-Colonial Era / Cold War

 o New designs to make low cost housing more attractive and spacious

 o Nucleus Hospitals

 o Schools & Universities

1990 - 2000 Contributing to Malaysia's Growth

- Power, first IPP in Malaysia, borne of the power crisis in the early 1990s

- High Speed Rail, from KLIA to KL city center Cement, first ready-mix concrete company in Malaysia Hotels and Resorts, award winning luxury hotels, resorts and

China

Cement Manufacturing Hotel Development & Management Property Investment

Japan

Hotel Development & Management Property Investment

Thailand

Hotel Development & Management

Malaysia

Utilities – Power Generation
& Communications
Cement Manufacturing
Property Development & Investment
Hotel Development & Management
Construction Contracting
Information Technology
Operation & Maintenance
(for combined-cycle gas-fired power
stations)
Operation & Maintenance

Operation & Maintenance

- High Speed Rail
Carbon Consulting

Singapore

Utilities – Power Generation, Merchant Multi-Utilities Cement Manufacturing Property Development & Investment Construction Contracting

YTL Corporation Berhad's Headquarters is located at Kuala Lumpur, Malaysia

Indonesia

Utilities – Power
Generation
Operation & Maintenance
(for 1,220 MW coal-fired
power station)
Hotel Development &
Management

Australia

Utilities – Power Transmission Property Investment Hotel Development & Management









2000 – **2010**Building a Global Presence & Diversification

- ElectraNet, transmission and distribution in South Australia
- Wessex Water, water and sewerage company in UK
- PT Jawa Power, Paiton II Indonesian IPP
- Pahang Cement Sdn Bhd 50:50 joint venture under YTL Cement Bhd; remaining 50% not already owned by YTL Cement Bhd acquired in 2004
- Zhejiang Hangzhou Dama Cement Company Co. Ltd, integrated cement company in China
- YTL PowerSeraya Pte Ltd, multi-utility operations in Singapore
- Starhill Global REIT, encompassing prime assets in Malaysia, Singapore, Japan, China and Australia
- YTL Construction, expanded & principally involved in property development in Singapore
- YTL SV-Carbon, in-house carbon consulting company in Malaysia

2010 - 2013

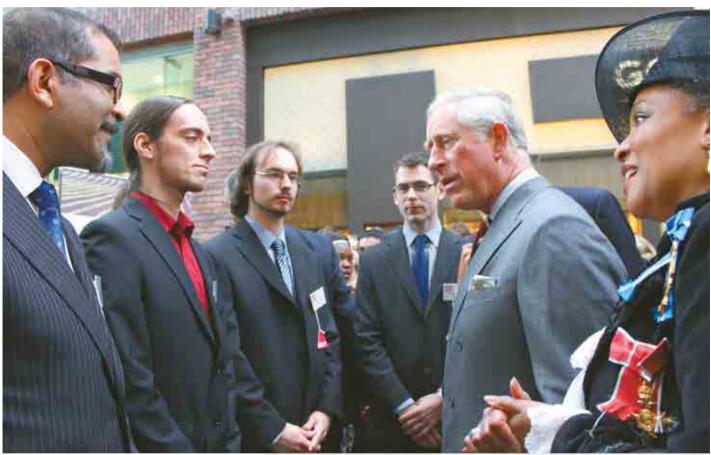
Technology Advancement & Continued Global Expansion

- Perak-Hanjoong Simen Sdn Bhd 64.84% stake acquired by YTL Cement Bhd in 2004; remaining 35.16% acquired in 2010
- YTL Communications', launched Yes, the world's first fully converged 4G Mobile Internet service with voice in Malaysia
- YTL Power Services, became the O&M company for the 480 MW Deir Amar and 480 MW Zahrani combined-cycle power stations in Lebanon
- Amar and 480 MW Zahrani combined-cycle power stations in Lebanon

 Starhill REIT completes hotel acquisition of Sydney Harbour Marriott,
 Brisbane Marriott and Melbourne Marriot in Australia
- FrogAsia, the first company in the world to connect an entire nation through a single cloud-based learning platform
- YTL Communications' Yes launches world's first Samsung 4G Chromebook in Malaysia

AWARDS AND ACCOLADES

During this reporting period, we would like to highlight some of the awards from numerous organisations and associations which we were honoured to receive including the following:





Manomaityte, Editor-in-Chief of AirRail NEWS

12 Sustainability Report 2013

YTL Corporation Berhad

member of the Judging Panel at the Global AirRail Awards 2013; Noormah Mohd Noor, CEO of Express Rail Link Sdn Bhd; Thomas Baake, CEO of ERL Maintenance Support Sdn Bhd; and Milda

ENVIRONMENT

- Express Rail Link Sdn Bhd Winner of Environmental Commitment Award at the Global AirRail Awards 2013
- Wessex Water Limited Winner of the Queen's Award for Enterprise 2013 in the Sustainable Development category for their general approach to management of sustainability and stakeholder engagement
- Wessex Water Limited Winner of Renewable Initiative of the Year category at the Water Industry Achievement Awards 2013
- Wessex Water Limited/GENeco Winner of Carbon Reduction category at the Water Industry Achievement Awards 2013
- PT Jawa Power Received award from East Java Governor in July 2013 for The Best Implementation of Reporting on the Environmental Management and Monitoring Plan for the East Java Province
- YTL Corporation Bhd Winner of the Singapore Environmental Achievement Awards 2012 (Regional) by Singapore Environment Council
- YTL Corporation Bhd Winner of the Green Leadership category at the Asia Responsible Entrepreneurship Awards 2012 Southeast Asia for its Coral Reef Conservation and Rehabilitation at Pangkor Island
- PT Jawa Power Green Rating Award 2012 at PROPER (National Rating Programme in Corporate Environmental & Community Development Programme) by the Indonesian Ministry of Living Environment¹
- Wessex Water Limited Gold Green Apple Environmental Award for Innovation at the Green Apple Awards 2012 for Somerton Reed Bed Project
- Wessex Water Limited Silver Zero Waste Award at the Zero Waste Awards 2012
- Wessex Water Limited Winner of Research and Evaluation category at the UK Water Efficiency Awards 2012
- Wessex Water Limited Winner of Green Technology at the Green Business Awards 2012 for Somerton Reed Bed Project
- Wessex Water Limited Innovation Award at the South West Institute of Water Awards 2012 for subsidiary GENeco's CompAer process (Grit and Screenings Recycling)
- Wessex Water Limited/GENeco Limited Winner of Tackling Climate Change category at The Sustainable City Awards 2012
- YTL Cement's ZheJiang HangZhou DaMa Cement Co. Ltd Winner of Green Project Excellence Award 2011 for Excellent Emissions Reduction by HangZhou City for Waste Heat Recovery Power Generation Project
- YTL-SV Carbon Sdn Bhd Best Carbon Markets Brokerages, Asia at the World Finance Carbon Market Awards 2011
- YTL PowerSeraya Pte Ltd Merit Award at the Singapore Environmental Achievement Awards 2011
- Wessex Water Limited Green Apple Award 2011 (Gold) for its Catchment Management Project
- Wessex Water Limited National Green Champion (Utilities) at Green Apple Award 2011
- Wessex Water Limited Green Business Award 2011 for its Catchment Management Work (Waste and Resources category)
- Wessex Water Limited Refurb, Rethink, Retrofit (R3) Awards 2011 for Best Lower Carbon Infrastructure Project and Utilities Facilities
- Wessex Water Limited Silver Winner of Best Green Water Stewardship Award at International Green Awards 2011 for Catchment Management Project







Mr. Dan Green and Ms. Ruth Barden from Wessex Water at the Queen's Award for Enterprise (Sustainable Development)









Wing K Lee, Chief Executive Officer of YTL Communications receiving "The Most Promising Telecom Service Provider of the Year" award at the Frost & Sullivan Malaysia Excellence Awards 2013

WORKPLACE

- Wessex Engineering Construction Services (the in-house construction firm of Wessex Water Limited) – ROSPA² Gold Award at the Occupational Health and Safety Awards 2013
- Wessex Water Limited Winner of the British Safety Council International Safety Awards
 2013 for its operations
- YTL PowerSeraya Pte Ltd Silver Award at the Singapore Health Awards 2012 by Health Promotion Board, Singapore
- PT Jawa Power Zero Accident Award 2011 2012
- YTL PowerSeraya Pte Ltd Silver Award for Workplace Safety and Health Awards 2011 by Workplace Safety and Health Council, Singapore
- PT Jawa Power Golden Flag Award 2011 for Best Safety Management System (SMK3)³

MARKETPLACE

- YTL Communications Sdn Bhd Winner of Most Promising Telecom Service Provider of the Year at Frost & Sullivan Malaysia's Excellence Awards 2013
- FrogTrade Ltd won the title of ICT Provider of the Year at BETT Awards 2013 for the innovation and quality of its virtual learning platform 10,000 government schools in Malaysia are currently being equipped with under the 1BestariNet project by the Ministry of Education and FrogAsia of the YTL Group
- YTL PowerSeraya Pte Ltd Winner of May Day Model Partnership Award 2013
- YTL Land & Development Bhd (YTL Communications Centre II at Sentul West) Gold Award for Commercial Low-rise category at the Malaysian Institute of Architects (PAM) Awards 2013
- YTL Land & Development Bhd (Sandy Island) Gold Award for Best Residential (Low-rise) category at the FIABCI⁴ Prix d'Excellence Awards 2013
- YTL Land & Development Bhd (Sandy Island, Sentosa Cove) Gold Award for Residential Development (Low-rise) category at the FIABCI⁵ Prix d'Excellence Awards 2013
- YTL Corporation Bhd ranked No. 4 in Top 50 Malaysian Brands by Brand Finance, UK, in 2012
- YTL Corporation Bhd Bronze Award for Product Excellence category at the Global CSR Awards 2012 for its innovative Yes 4G network
- YTL Communications Sdn Bhd Most Innovative Service Provider of the Year at Frost & Sullivan's Asia Pacific ICT Awards 2012
- Express Rail Link Sdn Bhd North Star Air Rail Link of the Year at the Global AirRail Awards 2012
- YTL PowerSeraya Pte Ltd Gold Award for Best Contact Centre Manager 2012 by Contract Centre Association of Singapore
- YTL PowerSeraya Pte Ltd Bronze Award for Best Contact Centre 2012 by Contract Centre Association of Singapore
- Seraya Energy Pte Ltd Winner of Business Superbrands Award 2012
- Wessex Water Limited Corporate Green Awards for the Green Media, Marketing and Communication category at Wiltshire Wildlife Trust Awards 2012
- YTL Land & Development Bhd (d6 at Sentul East) Commendation Award for Commercial Building category at the Malaysian Institute of Architects (PAM) Awards 2012
- YTL Land & Development Bhd (Sandy Island) Winner of Best Residential (Low-rise) category at the FIABCI⁶ Singapore Property Awards 2012

COMMUNITY

- YTL PowerSeraya Pte Ltd SHARE⁷ Bronze Award at Community Chest Awards 2012 by Community Chest of Singapore
- Wessex Water Limited People Initiative of the Year at the Water Industry Achievement Awards 2012 for work with the Prince's Trust
- Wessex Water Limited Best Partner Award 2011 for successful partnership working together with Wiltshire Citizens Advice Bureau and others across the region
- YTL Corporation Bhd Corporate Platinum Award at the Community Chest Awards 2011 by Community Chest of Singapore
- YTL Corporation Bhd, YTL Starhill Global REIT and Orchard Road Business Association (ORBA) Special Award for the Best Party at the World Wide Fund for Nature (WWF) Earth Hour Singapore 2011 Participation Awards
- YTL Starhill Global REIT Management Limited Cluster Award at National Safety and Security Watch Group (SSWG) Award 2011⁸
- YTL PowerSeraya Most Socially Responsible Power Company of the Year at Asia Power and Electricity Awards 2010
- YTL Starhill Global REIT Management Limited Award for the Best Engagement Activities at the World Wide Fund for Nature (WWF) Earth Hour Singapore 2009 Participation Awards



YTL PowerSeraya won the Silver Award at the Singapore Health Awards 2012 hosted by the Health Promotion Board, Singapore

LEADERSHIP AND REPORTING

- YTL Corporation Bhd Winner of 3rd Annual Southeast Asia Institutional Investor Corporate Awards 2013 in two categories of Adherence to Corporate Governance & Best Strategic Corporate Social Responsibility
- Mr. Colin Skellett, Chairman of Wessex Water Limited Bath Businessman of the Year at the Bath Business Awards 2012
- Mr. Colin Skellett, Chairman of Wessex Water Limited Outstanding Individual Contribution to the Water Industry at the Water Industry Achievement Awards 2012
- Mr. Mohammed Saddiq, Director of Wessex Water Enterprises, SwissCombi Technology and General Manager of GENeco Limited
 Director of the Year for Leadership in Corporate Responsibility at the Institute of Directors (SW) Awards 2012
- Mr. Sean Hill, Recycling Manager of GENeco Limited Green Professional of the year at the Green Business Awards 2012 for his central role in helping Wessex Water work towards zero waste and carbon neutral goals
- Pn. Noormah Mohd Noor, Chief Executive Officer of Express Rail Link Sdn Bhd Personality of the Year at the inaugural Global AirRail Awards 2011⁹
- Ms. Ruth Yeoh, Director of Investments, YTL Corporation Bhd and Executive Director of YTL Singapore Pte Ltd Silver Award for CSR Leadership at the Global CSR Awards 2011
- YTL Corporation Bhd Bronze Award for CSR Leadership Excellence at the Global CSR Awards 2010 and Silver Award for the CSR Leadership Excellence category at the Global CSR Awards 2009
- YTL Corporation Bhd Shortlisted for ACCA Malaysia Sustainability Reporting Awards (MaSRA) 2010 and 2009
- YTL Corporation Bhd Commendation for Social Reporting at the ACCA Malaysia Environmental and Social Reporting Awards (MESRA) 2007
- YTL Corporation Bhd Best Social Reporting in an Annual Report at the ACCA Malaysia Environmental and Social Reporting Awards (MESRA) 2006

CERTIFICATIONS ATTAINED BY YTL GROUP OF COMPANIES

ISO 9001:2008 Quality Management System

- 1. YTL Power Services Sdn Bhd (Operation & Maintenance (O&M) company for YTL Paka & Pasir Gudang Power Stations in Malaysia)
- 2. PT Jawa Power
- 3. YTL PowerSeraya Pte Ltd
- 4. Wessex Water Limited
- 5. Perak-Hanjoong Simen Sdn Bhd
- 6. Pahang Cement Sdn Bhd
- 7. Slag Cement Sdn Bhd
- 8. Slag Cement (Southern) Sdn Bhd
- 9. PHS Trading Sdn Bhd
- 10. Buildcon Concrete Sdn Bhd
- 11. Syarikat Pembenaan Yeoh Tiong Lay
- 12. YTL Land Sdn Bhd
- 13. Express Rail Link Sdn Bhd (ERL)
- 14. ERL Maintenance Support Sdn Bhd (E-MAS)

ISO 14001:2004 Environmental Management System

- 1. YTL Power Services Sdn Bhd (O&M company for YTL Paka & Pasir Gudang Power Stations in Malaysia)
- 2. PT Jawa Power
- 3. YTL PowerSeraya Pte Ltd
- 4. Wessex Water Limited
- 5. ERL Maintenance Support Sdn Bhd (E-MAS)
 - First railway company in Malaysia received its ISO 14001 certification in July 2012
- 6. Perak-Hanjoong Simen Sdn Bhd
- 7. Pahang Cement Sdn Bhd
- 8. Slag Cement Sdn Bhd
- 9. Slag Cement (Southern) Sdn Bhd
- 10. YTL Construction (S) Pte Ltd
 - Received its ISO 14001 certification in July 2013
- 11. Buildcon Concrete Sdn Bhd
 - Targeted to be certified by December 2013

ISO 27001:2005 Information Security Management System

1. YTL Power Services Sdn Bhd (O&M company for YTL Paka & Pasir Gudang Power Stations in Malaysia)

– Certified ISO27001 in March 2013

OHSAS 18001:2007 Occupational Health & Safety Management System

- 1. YTL Power Services Sdn Bhd (O&M company for YTL Paka & Pasir Gudang Power Stations in Malaysia)
- 2. PT Jawa Power
- 3. YTL PowerSeraya Pte Ltd
- 4. Wessex Water Limited
- 5. Perak-Hanjoong Simen Sdn Bhd
- 6. Pahang Cement Sdn Bhd
- 7. Slag Cement Sdn Bhd
- 8. Slag Cement (Southern) Sdn Bhd
- 9. YTL Construction (S) Pte Ltd
 - Received its OHSAS 18001 certification in July 2013
- 10 Buildcon Concrete Sdn Bhd
 - Targeted to be certified by December 2013

ISO 50001:2011 Energy Management System

- 1. Perak-Hanjoong Simen Sdn Bhd (PHS)

 First cement plant in Malaysia, received its
 ISO 50001 certification in March 2013
- 2. PT YTL Jawa Timur
 - Received its ISO 50001 certification in 31 July 2013
- 3. Pahang Cement Sdn Bhd
 - Targeted to be certified by September 2013

MS ISO/IEC 17025 Laboratory Accreditation

1. YTL Power Services Sdn Bhd (O&M company for YTL Paka & Pasir Gudang Power Stations in Malaysia)

Green and Gracious Award Certification

- 1. YTL Construction (S) Pte Ltd
 - Received its Green and Gracious Award certification in July 2013

Eco Office Label Certification

- 1. YTL PowerSeraya Pte Ltd
- 2. YTL Starhill Global REIT Management Limited
- 3. YTL Starhill Global Property Management Pte Ltd
- 1 Received this award for the 7th time in a row and remains the only coal-fired power station which has been awarded the Green Rating several times over
- 2 ROSPA is the acronym for Royal Society for the Prevention of Accidents
- 3 Based on three consecutive years of performance & received awards in 2005, 2008 and 2011
- 4 FIABCI is the acronym for International Real Estate Federation
- 5 FIABCI is the acronym for International Real Estate Federation
- 6 FIABCI is the acronym for International Real Estate Federation
- 7 SHARE is the acronym for Social Help and Assistance Raised by Employees
- 8 Awarded by the Ministry of Home Affairs on a combined checklist from Singapore Police Force and Singapore Civil Defence Force based on initiatives and enhancements made by the buildings within the assessment period. The checklist covers three key themes in SSWG participation including exercise and coordination, assistance to operations and arrests and target hardening measures
- 9 This award is in recognition of an outstanding individual's contribution towards promoting and growing the air-rail business in the world

OUR APPROACH TO SUSTAINABILITY



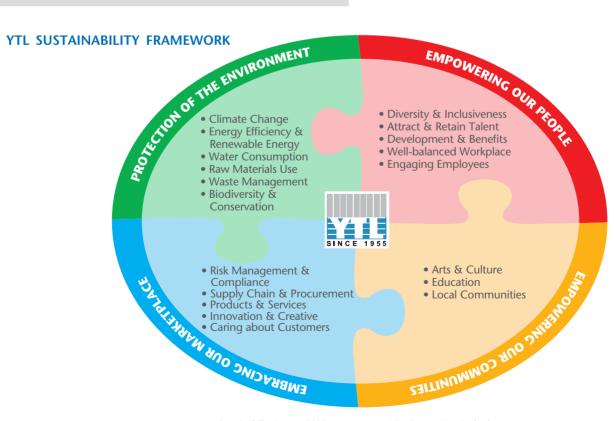
"For me, CSR (Corporate Social Responsibility) comes from the heart. If the business that you do is clean, does not pollute the environment, does all the right things and at the end of the day leaves everyone in the whole chain including your staff and customers, happy and that they sleep peacefully, then this is the meaning of CSR."

by TAN SRI DATO' (DR) FRANCIS YEOH SOCK PING,
 Managing Director, YTL Corporation Berhad

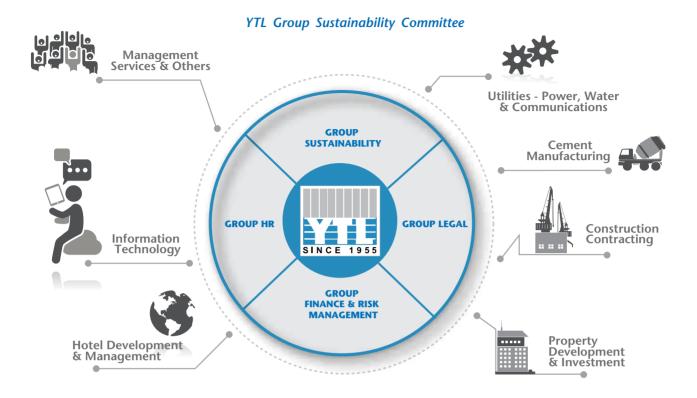
YTL's sustainability initiatives have been at the core of our business for over a decade, before popular green business practices and terms like "sustainability" and "corporate social responsibility" became mainstream corporate jargon. Starting out in 1955 as a construction company building low cost housing and hospitals, YTL Corporation Bhd (YTL Corp) has since become a global infrastructure conglomerate that continues advocating genuine sustainable practices.

Operating sustainably is an integral and vital component of our business strategy. For a conglomerate with a history going back 58 years, it is a prerequisite for long-term growth and value creation. YTL is fully committed to being a responsible corporate citizen and we strive to bring positive change as a force for good by improving lives everywhere we operate, aiming for a healthy, safe and sustainable environment and considering the needs of the present generation whilst, at the same time, anticipating the needs of future generations.

At YTL, we constantly review our approach to ensure that key sustainability agenda items are addressed and embedded across the Group's business model. We believe in acting ethically and responsibly are fundamental to our continued success on how we carry out every aspect of our business by minimising the impact on the environment, community and marketplace in which we operate. We continually raise awareness of sustainability issues amongst our staff; to build value for all of our stakeholders; and to manage our businesses and serving our customers as sustainably as possible.



Our Approach to Sustainability



GOVERNANCE

At YTL, we are committed to upholding the highest ethical practices and corporate governance standards in all our dealings. High quality corporate governance and the creation of value for all stakeholders are mutually dependent and it is critical to business integrity and the creation of sustainable business. Understanding both financial and non-financial risks is essential in ensuring a balanced approach and outcome for all stakeholders including active stakeholder engagement, dialogue and well-communicated codes of conduct, laws, policies, procedures and practices for the Board of Directors, employees, suppliers and contractors.

The Group strives to comply with the various codes across territories and regions in which the Group operates and has business interests in. Responsible and transparent management of the businesses shows accountability and ensures the long-term success of the businesses. We believe there can be no compromise of these qualities when it comes to the way we govern our businesses, manage risk and analyse opportunities. The YTL Group continually has its corporate governance arrangements under review and our compliance with these are detailed in the Statement on Corporate Governance and Statement on Risk Management and Internal Control in the YTL Corporation Berhad Annual Report 2013.

YTL GROUP SUSTAINABILITY COMMITTEE

Recognising the importance of embedding sustainability in the way we work, the Group set up YTL's Group Sustainability Committee (YTL GSC) in 2011. Led by YTL Corp's Managing Director Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, it comprises representatives from the Group's Sustainability Division and Senior Management from all the Group's Business Units.

The objective of the YTL GSC is for Directors, Employees and Agents of the Group to conduct themselves in a manner that always meets and regularly exceeds expectations of sustainable practices through the mastering of three languages – the languages of God, Man and Machine. The Committee is also responsible for overseeing and ensuring sustainability implementation and setting high-level direction and strategic focus.

In 2012, the Committee convened to resolve actions on strengthening the Sustainability Framework and cascading it through the Group, revising the Sustainability Mission, and discussing the Group sustainability initiatives and programmes.

STAKEHOLDER ENGAGEMENT

We define our stakeholders as those who have direct, indirect or potential impact on the Group including those groups who are affected directly or indirectly as a result of our operations. We recognise that proactive engagement with our stakeholders is an essential prerequisite for long-term sustainability of our businesses. We strive to engage with our stakeholders through various formal and informal channels as we believe it is important to understand their needs as well as their concerns on any matters related to our products, services and operations. Such understanding allows us to better manage their expectations thus establishing stronger and lasting relationships.

Across the Group, we engage with our stakeholders on an ongoing basis through a variety of internal and external communication platforms, to identify and prioritise material issues. A list of the communication platforms used are summarised in the following table.

"Sustainability is not a lone crusade – it is holistic, with our collective voice and conscience being a lot more powerful than we think. One can cut carbon and simultaneously grow profits."

by Ruth Yeoh Pei Cheen,
 Head of Sustainability Division and Director
 of Investments, YTL Corporation Berhad

Communications and Stakeholder Engagement

STAKEHOLDERS								
Customers, Business Partners & Suppliers	Employees	Shareholders & Investors	The Public, Local Communities and Non- Governmental Organisations (NGOs)	Government & Regulators	Media	Industry Groups/Peers		
		COMMUN	ICATION PLATE	ORMS				
Customer Satisfaction Surveys Websites	Weekly Meetings Leadership Conferences Group	Results Announcement Meetings Annual General Meetings (AGM)	Community Engagement Programmes Philanthropic Activities	Regular Reports Information Sharing	Media Release Media Briefings and Visits Official	Business and Industry Forum Meetings Industry Workshops		
Dealer/Retail Partner Meetings Plant Visits	Sustainability Committee Meeting Intranet Employee Training	Extraordinary General Meetings (EGM) Analysts Briefings	Blogger Events		Launches and Corporate Events Media Interviews	·		





EMBRACING OUR MARKETPLACE



Trainee serving hotel guests at Vistana Hotel, Kuala Lumpur

At YTL, we aim to be an Organisation of Trust to undertake sustainable and responsible business practices by;

- being adaptive, proactive and responsible within the economic boundaries in which we operate through exemplary corporate governance, transparent business conduct, regulatory adherence, environmental stewardships, customer relations, marketing and development of products and services.
- striving for continuous improvement in anticipating trends and analysing performance to support and drive sustainable and profitable growth for the business. Our business development and operations and management personnel work with technology providers to constantly enhance efficiency, investing
- in proven and relevant leading edge solutions to mutually benefit the Group and its customers. We have also invested in Renewable Energy and Environment funds to track emerging technologies as well as monitor trends in the energy and environment space.
- delivering reliable, safe and high quality products and services as well as creating value through innovation for our customers.
- respecting our customers and communities by continuously fostering close relationships to understand their needs and to ensure a high level of satisfaction for our products and services.

22

As our Group Managing Director states, there are now very vocal world-class companies and leaders willing to work together to reform supply chains. Many of them frown on the prevalence of the "mindless consumption" that has become a habit in today's society.

At YTL, we have adopted a strategic approach to doing business and being able to focus on the many issues that affect marketplace and product responsibility. We know that businesses cannot thrive in the long-term in market places or societies that fail. This works along the entire supply chain from upstream suppliers of resources, raw materials and products, all the way to the consumer or wholesale buyers. It also means collaboration with other players in the same region and same industries is necessary to ensure the reformation of supply chains is lasting.

YTL business practices have been driven by the highest standards of integrity, honesty, fair dealing and regulatory compliance. We believe that our commitment to ethical and responsible business practices will lead to business excellence and long-term success. In keeping with our core values and commitment, we have implemented various initiatives that have enabled us to monitor and manage business risks, to become more competitive, to accelerate sustainable growth in a manner that creates value for our shareholders and also allows us to seize new opportunities in the different industries.

RISK MANAGEMENT AND COMPLIANCE

Our aim is to achieve the highest possible standards of corporate governance and ethical performance. As part of good corporate governance, we have a risk assessment system that is regularly evaluated and improved. Our risk management system addresses a holistic view of operational issues such as compliance, fraud, crisis management and anti-competitive behaviour in a coordinated approach.

Compliance with national, international and regional regulations are essential in supply chains across the group. The identification of risks, opportunities and impacts are integral in the selection of suppliers and in the creation of supply chains employing the same values and processes as we would in assessing risks, opportunities and impacts in any other part of our operations such as Finance, Legal, Human Resources and Sustainability.

More on *Risk Management* can be found in the Statement on *Risk Management and Internal Control* in the *YTL Corporation Berhad Annual Report 2013*.

SUPPLY CHAIN MANAGEMENT AND PROCUREMENT PRACTICES

At YTL, procurement of materials and equipment are made with responsible and reputable vendors to ensure product sustainability. We are committed to a strong and diverse supplier network, and wherever possible, we purchase materials from locally based suppliers to support local industries and reduce transportation-related emissions. Our vendor selection process helps us to improve our products and services quality, integrate sustainability into our core business, reduce costs, create a more efficient supply chain and enhance our brand image.

As part of the Group Sustainability mission, Gaya Island Resort (GIR) is committed to working with our suppliers to improve practices in sustainable sourcing locally. There is currently a severe depletion of seafood resources globally and in Malaysia, and there is evidence of this crisis in the coastal regions of Sabah, Malaysia, which are a popular destination for commercial fisheries. In 2012, GIR began working with the World Wide Fund for Nature (WWF) office in Sabah to assess their seafood supply and put together a program to work with a group of small-scale local fisherman committed to the activity of line fishing.

As a result of this work, GIR now serves "The Catch of the Day" on its menu at their Fisherman's Cove Restaurant, highlighting their efforts in supporting the sustainable fishing industry and creating awareness for hotel guests. This initiative helps to achieve positive change in the marine environment, contributes to the conservation of healthy oceans and improves the livelihood of local fishing communities.







Line fishing, a sustainable method of catching fish embraced by Gaya Island Resort

DELIVERING HIGH QUALITY PRODUCTS AND WORLD CLASS SERVICES

YTL is committed to enhance and enrich people's lives by providing them with the highest level of satisfaction. We value our customers and continuously strive to improve the quality of our products and services. Ensuring the highest standards, we have a high standard of quality control in place throughout our processes – from the procurement of raw materials to the sales of products and delivery of services. We constantly monitor and review processes, putting in place systems to better manage risk, increase productivity, sharpen our competitive edge, and most importantly, make strategic choices that have a positive impact on society and the environment.

The Express Rail Link (ERL) works hard to provide the best possible service to its customers. To make it as convenient as possible for customers, ERL introduced a new auto fare collection (AFC) system which has brought enormous benefits to the Company and customers, such as being economical, easy to maintain and scalable, reducing cash handling costs, avoiding ticket printing and distribution and providing more efficient reconciliation at the back-end of the Company. The new AFC system allows flexible applications access and provides real time business data to help the business differentiate itself in order to create a competitive advantage for the future. It also provides a better interface with customers, where they can now enjoy a smooth travelling experience with a simple click on KLIA Ekspres' Mobile Application to purchase their ticket.



KTB passengers enjoy seamless connectivity while on the road with wifi provided by **Yes** 4G network



YTL Communications launched the first 4G Internet Car in conjunction with Proton in Malaysia



Yes 4G launched the world's first Samsung 4G Chromebook in Malaysia

"Yes has been very impressive in terms of network coverage expansion. The company has increased its base stations from 1,200 to 4,000 within a span of two years. It has also focused on strengthening its dealership network and creating brand awareness. Despite being a newcomer in the market, the company has shown robust subscriber growth and excellent revenue growth." — NIPUN JAISWAL, Information and Communications Technology Industry Analyst from Frost & Sullivan Malaysia

Similarly when it came to the Group's diversification into the 4G mobile network market, YTL Communications' Yes, Malaysia's fastest 4G mobile internet service provider, clinched the esteemed 2013 Frost & Sullivan Malaysia Award for being the "Most Promising Telecom Service Provider of the Year". The award recognises Yes' concerted efforts to enter a mature market with strong innovations to entry and post healthy growth in the local telecommunications industry within a record two-year time period. Yes will continue to leverage their strong 4G network infrastructure in Malaysia to offer high-speed mobile internet, consumer-centric products and competitively-priced plans. These included providing devices to allow affordable internet access for the masses, packages for higher volume users, Proton passenger cars equipped with 4G and Konsortium Transnasional Bhd (KTB) buses with onboard 4G internet. There is also the Eclipse cellphone equipped with both 4G and GSM connectivity allowing roaming overseas and easy network switching, and even its Wimax-enabled Chromebook helps to contribute in transforming Malaysia's education system. These technological initiatives all contribute to our mission of making high speed communications and technology affordable and available to the masses.



YTL Communications launched the Android-powered Eclipse smartphone built to run on both the high-speed Yes 4G and GSM networks

MOVING TOWARD ACHIEVING GREEN MARK

Our property development arm, YTL Land & Development (YTL Land) is known for developing truly branded and uncompromised quality homes with innovative and sustainable living concepts, built to the highest standards for the wellbeing of all homeowners within the communities.

One of YTL Land's upcoming high-rise condominium projects is in Orchard Boulevard, Singapore. This project is expected to attain Singapore's Building & Construction Authority (BCA) Green Mark Gold Plus award for its residential tower. The Green Mark¹⁰ award recognises YTL Land's green initiatives inherent in its design, architecture and construction. Equivalent to Leadership in Energy and Environmental Design (LEED) in USA, these benchmarking schemes measure best practices in sustainable design and the performance of projects.

In line with YTL's commitment to environmental protection and sustainability, the objective is to design and build a sustainable built environment and raise environmental awareness for the residents and end users, which in turn save energy, reduce cost and lower the environmental impact. Another objective of achieving this rating is to be granted extra Gross Floor Area (GFA) by BCA and Urban Redevelopment Authority (URA) through their incentive scheme to encourage developers to be sustainable in design and construction by granting extra GFA for their developments.

PRODUCTS AND SERVICES INNOVATION

Innovation remains one of the Group's strategic focuses. Significant investment in research and development is a crucial factor in meeting our objectives of delivering consistent, high quality products and world class services whilst minimising our harmful impact on the environment and local communities; a key essence in ensuring sustainable growth and creating value in our business. In developing our products and services, we have also been responsive to the rapidly changing landscape around us, as well as the continued need to meet and exceed the expectations of our customers worldwide.

Building Information Modelling (BIM)¹¹ is a technology we have promoted in YTL Construction to ensure accuracy and efficiency in planning and design, construction processes, as well as to gain a competitive advantage through innovation. The total investment for this initiative including software, hardware, training and technology support, cost nearly SGD52,000 with a 50% grant by the Singapore Building Construction Authority (BCA). Along with this advancement, we can now work on innovative design, and quality and value-added construction work, particularly in ways to measure and reduce the use and wastage of resources to help us build faster, more safely and with higher quality. In addition, YTL Construction also has delivered products through continuous efforts based on Construction Quality Assessment System (CONQUAS) and Quality Conformance Awareness Training (QCAT).



YTL Land & Development's upcoming high-rise condominium project in Orchard Boulevard, Singapore

¹⁰ The BCA Green Mark Scheme was launched in January 2005 as an initiative to drive Singapore's construction and real estate industry towards more environmentally-friendly buildings.

¹¹ BIM is a shared knowledge resource to support decision-making about a facility from earliest.

YTL CEMENT - LEADERS IN QUALITY AND HIGH PERFORMANCE CEMENT, CONCRETE AND AGGREGATES

The Group's Cement Manufacturing Division continues to perform well and remains one of the largest, most efficient and most profitable manufacturers of cement, ready-mixed concrete and aggregate products in Malaysia. YTL Cement as one of the pioneering eco-cement producers and suppliers in the country since 1997, continues to seek further improvement and development of environmentally-friendly cements. In addition to the Singapore Green Label certification by the Singapore Environment Council for its range of eight blended cements including Blastfurnace cement, Portland Composite Cement and Ground Granulated Blastfurnace Slag, it has also obtained additional certifications from SIRIM QAS International in Malaysia for its environmentally-friendly products.

Environmentally-friendly Cements

Notably, these environmentally-friendly products continue to enjoy strong demand and uptake from the market. To further enhance the market acceptance and preference for these blended cements, numerous technical seminars have been organised for consultants, the Public Works Department, contractors and customers, etc.

In the year 2013, a total of 900 stakeholders have taken part in YTL Technical seminars. Based on feedback, these seminars have been very well received and beneficial to all the stakeholders.

In addition to that, YTL Cement also participated in workshops and exhibitions to further promote and create awareness amongst the general public regarding the benefits of blended cement products.

As a result of all these efforts, Slagcem and Mascem, ecofriendly products, have been specified and used in several mega projects such as the Penang Second Bridge, Mass Rapid Transit (MRT), Light Rapid Transit (LRT), Malaysian Public Works Department's (JKR) Head Office and other major projects.

Standards Development and Innovation

To keep abreast with international developments for eco-friendly cements, YTL Cement participated actively in the development of the Malaysian Standard for cement. In particular Slagcem and Blastfurnace cement is the first product in Malaysia to achieve the new BS EN 197-1:2011 certification as both low heat and sulfate resisting cements.

YTL Cement, Westport Technical Centre continues with its relentless efforts to develop the next generation of eco-friendly cements to meet market demand. These products when launched in the near future will further reduce the ${\rm CO_2}$ emission of these cements and reduce environmental impacts significantly.





YTL Cement participating in various workshops and exhibitions to promote green cement

CUSTOMER PRIVACY

We recognise and respect the legal rights of others on matters involving the ownership, use and disclosure of intellectual property. At YTL, our corporate, customer and employee information is strictly private and confidential and is treated as such at all times.

Beyond statutory requirements, we have embarked on implementing the ISO 27000:2005 Information Security Management System to show our ongoing efforts on network modernisation, information management and security. The most recent success is YTL Power Services Sdn Bhd (YTLPS) who received their certification on March 2013

YTLPS Achieved ISO 27001:2005 Information Security Management System

As part of its commitment to excellence, YTL Power Services Sdn Bhd (YTLPS) is now certified to ISO 27001:2005, a relatively new standard for Information Security Management System. YTLPS is among the first companies in Malaysia to achieve a fully Integrated Management System for Quality Management ISO 9001:2008, Environmental Management ISO 14001:2004, Occupational Health & Safety Management OHSAS 18001:2007 and now, the ISO 27001:2005.

The Prime Minister's department identified the energy sector, as one of ten sectors, under the Critical National Information Infrastructure and mandated the Energy Commission to establish compliance to international Information Security Management System (ISMS) standards among the local power plants. The scope of implementation that is compulsory only covers the Distributed Control System (DCS) at the power plants.

The YTL Paka and Pasir Gudang power stations generate a total of 7,450GWh per annum, 10-15% of the nation's electricity demand. YTLPS went ahead to obtain the certification for the entire organisation, which covers Information and Communications Technology (ICT), all documentation and the overall information security policy which extends to our visitors, vendors and contractors who come on site. As the result of the implementation, YTLPS was certified by Intertek Moody in March 2013.







Attaining ISO 27000 (Information Security Management System) certification at YTL Power Services

ETHICAL MARKETING AND COMMUNICATION PRACTICES

All communications by YTL comply at all times with cultural, legal and ethical standards of the communities in which we work. At YTL, we strive to protect our customers from misleading marketing messages and we ensure that the provision of accurate and fair information adheres to full compliance with applicable laws and regulations. We always keep our customers informed on any products and services we deliver.

For easy reference, all product and service information is published on the Company's website, marketing collateral, brochures, booklets as well as advertisements in all forms of media including television, radio, telephone, newspapers, magazines, billboards, newsletters and the internet.

MANAGING CUSTOMER ENGAGEMENT AND SATISFACTION

Serving over 12 million customers worldwide, our customers drive our sense of purpose and are at the core of everything we do. Establishing long-lasting customer relationships, fostering a customer-centric business approach and strengthening our global brand are key factors for sustainable and profitable growth.

In order to outperform our peers, it is vital to ensure that we understand our customers' behaviour patterns so that we can improve their experience, hence increasing customer loyalty, customer retention and profitability. To this end, we regularly engage our customers to seek their feedback on our products and services via face-to-face interaction at industry and ground-level events, websites, social media channels, plant visits, stakeholder engagement meetings and so on.

At YTL Hotels, customer satisfaction is measured monthly through our appointed survey research company and also our in-house electronic Guest Satisfaction Surveys. Feedback and comments from the online community such as "TripAdvisor" are also monitored by General Managers at the respective hotels. Where comments or replies are necessary, our General Manager will see to these promptly, guided by YTL Hotel's external communication guidelines. The information collected through the different channels help the Hotel Management identifies any gaps and areas for continuous improvement across all guests touch points. This allows our hotels to benchmark their services within the organisation, as well as across the hospitality industry.

"We recently had the opportunity to stay in the delightfully new luxurious YTL hotel, Gaya Island Resort, just off Kota Kinabalu and within the Tunku Abdul Rahman Marine Park. Sabah has always been one of our favourite destinations in Malaysia and we were excited to try this gem of a hotel, a member of the Small Luxury Hotels of the World.

What we loved best about this resort is how it takes a step back into nature. You can explore miles of dense forested trails that reveal ancient ecosystems at every turn as you hike on nature trails guided by their naturalist, or take a calming breath during a yoga class beneath the canopy of trees. You can also snorkel or scuba dive or spend the day fishing on the outer boundaries of the marine park and have your day's catch prepared by the chefs that evening. We even encountered the island's resident bearded pig snuffling on the beach looking for food. It was all very charming indeed.

We would definitely recommend Gaya Island Resort as the ideal island getaway in Sabah and we definitely look forward to a return trip."

HRH TENGKU ZATASHAH SULTAN SHARAFUDDIN IDRIS
 SHAH and AUBRY MENNESSON,
 The Peak's jetsetting duo



Gaya Island Resort's Pool and Beach Front



Sunrise at Gaya Island Resort

When it comes to customer services, Wessex Water (Wessex) remains true to the core principles of the value of their customers, such as personal telephone answering, resolving problems quickly and on the first time, and compensating where the Company may have got it wrong. They know their customers' expectations are growing and changing constantly. Last year Wessex was again a leading company on Ofwat's¹² Service Incentive Mechanism (SIM), supported by the results of its own satisfaction and value for money surveys. This year, Wessex retained its government Customer Service Excellence award for their approach to customer service and continues to have the best overall package of customer guarantees in the industry. This means providing high quality sustainable water and environmental services while keeping bills affordable for their three million plus customers.

- The Consumer Council for Water announced that they received the fewest number of complaints per 1,000 customers of any water and sewerage company. Complaints have fallen again this year.
- Wessex installed 15,466 household meters and replaced or repaired 3,822 customers' leaky pipes free of charge.
- They continued to become more efficient meaning lower bills for customers in the long run.



Wessex Water provides its customers with top quality service by operating a fleet of approximately 114 vehicles

tap*

Wessex Water (Wessex) aims for bills to be affordable for their customers and representing value for money. Water is affordable for the great majority of customers but for some, on the lowest incomes, it is not. Wessex launched "tap", a tailored assistance programme, which brings together a wide range of schemes to help their vulnerable customers afford their ongoing water charges and help them repay their debts, getting them back on track.

Each customer is assessed individually and the assistance is tailored to meet their needs with more than 12,000 households benefiting from help through the tap scheme in 2013. Wessex delivers much of this assistance through their very strong partnerships with Citizens Advice, the Money Advice Trust and other local debt advice agencies.

In addition Wessex have expanded the social tariff scheme "Assist" – in partnership with Citizens Advice Bureaux. They have also introduced WaterSure Plus which has reduced the bills of 3,000 metered customers by $\pounds 70$ per year compared to the government's WaterSure scheme.

This year Wessex has increased the funding to agencies in the region to acknowledge an increase in the demand for their independent services.

Jan Westrope, Chief Executive of Citizens Advice Bureau for Bath and North East Somerset, said, "We were delighted to receive your support of our money advice provision especially during such uncertain times for charity organisations and people they service."

Wessex also recognises that simply helping customers once they are in debt is not enough, so this year Wessex launched their "Money Matters" awards to improve financial literacy and money management skills among young people across their region. Wessex have been asked to take part in a number of Citizens Advice events this year designed to showcase their partnership work as an example of creditor best practice.

For more information visit: www.wessexwater.co.uk/tap

12 Ofwat is the economic regulator of the water and sewerage industry in England and Wales





Weymouth Olympic Sailing Event

Olympic Year Network Management in Weymouth

The 2012 Olympic sailing events in Weymouth provided the perfect opportunity to trial new network management techniques to ensure excellent customer service throughout the games.

One of their strategic aims was to deliver water without restrictions or unplanned interruptions. Currently the first warning of a network failure is often a telephone call from their customers reporting a loss of supply or low water pressure. Their long-term aim is to be more proactive in the management of the water network so that they can respond to supply issues before they affect customers.

As part of the trial they installed more than 200 new data logging devices that can monitor and transmit flow and pressure recordings every 15 minutes for up to five years. The instruments send data back to Wessex Water's operations centre in Bath via mobile phone technology. This investment provided real-time data for flow and pressure across the Weymouth water supply area. Each of the monitoring points is linked to an alarm within their regional monitoring and control system. These alarms are configured to notify the control room operators of a network failure when one or more of the monitors breach a specific threshold. If an alarm is received the control room operators use the information available to them to guide the site staff towards the problem, reducing the time needed to search for the failure.

Positive results as a result of the trial in Weymouth include:

- During the Olympics they were able to use the new loggers to inform the fire brigade of supply network pressures during a small fire at Weymouth Pavilion
- An alarm flagged a large leak on a customer's pipework before it affected customer supplies in the wider network
- Operational staff were able to intervene in multiple cases of illegal use of fire hydrants, thus averting potential discoloured water problems
- An alarm alerted the control room to a burst main one hour before the first "no water" contacts from customers.

On the back of the successful trial, they are now planning to roll out real-time monitoring across the network over the next five years.





PROTECTION OF THE ENVIRONMENT



The conservation of lush tropical rainforests is a priority in development

At YTL, we aim to practice sustainability in manufacturing, the provision of services, operation and maintenance (O&M) and construction through various policies and principles. Just some of these are achieved as we continue to reduce;

- greenhouse gas (GHG) emissions by increasing energy efficiency and reducing energy consumption.
- water consumption.
- waste generation and avoid incinerating and landfilling waste.
- materials consumption and use recycled material for products and packaging and where practical recycle all waste materials.
- our impact on the natural environment by furthering biodiversity and conservation efforts in Malaysia, Asia and beyond.

The environment is constantly changing and evolving. What was part of the environment previously may no longer be present today. Animals and plants are slowly disappearing and some have become extinct. We are moving fast and living large. Blinded by the goal of development at any cost, it appears that few care about the environment. The world is wounded and it needs a helping hand to heal it. We all realise the natural environment which has always been providing for us may soon cease to deliver in the same way.

YTL is a leader in environmental sustainability. We strive to share best practices and lead others to excel in doing more for the environment we are blessed with. It has always been in our corporate fabric and culture to provide services and products that meet customers' expectations whilst minimising potential impacts on the environment.

Climate Change

"YTL Corporation Berhad joins the call for action on mitigating climate change through the support of investment and innovation in clean technology and adaptation."

> Ruth Yeoh Pei Cheen, Head of Sustainability & Director of Investments, YTL Corporation Berhad



YTL has always shown concern for changes happening around us. Climate Change has firmly grabbed the attention of YTL and especially Ms. Ruth Yeoh, Executive Director at YTL Singapore Pte Ltd, Head of Sustainability and Director of Investments at YTL Corporation Bhd and Director of YTL-SV Carbon Sdn Bhd, YTL's in-house Clean Development Mechanism (CDM) consultancy. Hence, YTL has embarked on promoting climate change advocacy since 2007. Climate change, which may be exacerbated by anthropogenic greenhouse gas (GHG) emissions, continues to be one of the top global challenges that require a concerted international and collaborative effort. If we do not act, climate change risks will seriously undermine future global prosperity and inflict significant social, economic and environmental costs on the global economy.

At YTL, we are committed to actively finding ways to reduce our carbon footprint while expanding our energy supply through increasing energy efficiency, reducing energy consumption and investing in renewable energy to meet the energy needs of our businesses and communities. We have in place within our various business units, measures to monitor emissions to mitigate the impact on the environments in which we operate. We will continue to explore and plan for investment in renewable energy as part of our commitment to reduce the carbon intensity of our power generation, manufacturing and treatment processes worldwide.

As we search for preventive measures and solutions for climate change, we found a number of organisations already engaged in this process. After proper and thorough analysis, we decided to cooperate and collaborate with some of these organisations to show our concern and commitment towards the issue of climate change. In 2009, YTL joined the Corporate Climate Communiqués, a series of international business statements calling for global policies and actions to tackle climate change.

Year	Communiqué (s)	YTL's Commitment As A Signatory
2012	The Carbon Price Communique	Our commitment in the battle against climate change and intensifying the focus on the carbon dioxide (CO ₂) emissions. We believe that a clear and transparent price for carbon emissions is the first step required for a more sustainable future.
2011	The 2°C Chellenger Communique	We recognised its value as an initiative that brings together the Copenhagen and Cancun Communiqués to take a step further where world leaders need to redouble their efforts to agree on a robust global deal and also take urgent and appropriate measures on a national scale to tackle climate change.
2010	The Candun Communique	We realise a strong and effective international climate framework is essential to allow the global private sector to respond to the threats of climate change and make the most of the opportunities therein. This Communiqué was created to reinforce the message to governments that a large part of the international business community wants a strong and effective international climate framework.
2009	The Copenhagen Communique	We saw its value as it calls for an ambitious, robust and equitable global deal on climate change that responds credibly to the scale and urgency of the crisis the world is facing today.



CARBON REDUCTION COMMITMENT AND CARBON MANAGEMENT

The release of man-made greenhouse gases, such as carbon dioxide (CO_2) and methane (CH_4), which is emitted into the atmosphere is now recognised as one of the undisputed causes for accelerated climate change. One of the core reasons for drastic climate change could be due to irresponsible human activities or those that some see as "business as usual". In fact, most people are shocked when they see the amount of CO_2 their activities actually create as individuals as well as collectively.

As such, an environmentally responsible organisation like YTL PowerSeraya Pte Ltd (YTL PowerSeraya) in Singapore has come up with an effective carbon management programme. Carbon footprinting is a very powerful tool to understand the impact of an individual's behaviour on climate change. As YTL PowerSeraya wants to help mitigate the causes of climate change, the calculation and constant monitoring of their carbon footprint is essential.

Over the past few years, YTL PowerSeraya's efforts in managing its carbon footprint have shown positive results:

- CO₂ emissions for the company dipped below six million tonnes, the lowest level since 2005.
- CO₂ Intensity (a measure of CO₂ emissions per unit of energy output) registered 0.471 tonnes/MWh, consistent with internal forecasts of CO₂ intensity hitting below 0.50 tonnes/MWh.
- Plant efficiency gains and greater use of less carbon intensive natural gas against heavy fuel oil (HFO) for power generation were the main reasons for the drop in CO₂ emissions and CO₂ intensity. About 750Mw was repowered from HFO to gas. Overall plant efficiency increased to 48.74% from the previous year 47.6%, attributed mainly to greater use of the more efficient co-generation power plant units and improved boiler efficiency (as a result of a major boiler overhaul).
- The proportion of power generated from natural gas increased to 74.9% for the year.

YTL PowerSeraya's Carbon Management Programme



Members of the Wessex Water energy team inspecting the Shaftsbury sewage treatment works in Dorset

Another example of carbon management can be shown by YTL's subsidiary in the UK, Wessex Water (Wessex). Wessex is on a continuous journey to be increasingly sustainable in all regards and the long-term aim is to be carbon neutral by 2020. Hence, Wessex needs to decarbonise its operations and investments as much as it can. It has a detailed carbon management strategy first developed in 2001 focusing on emissions avoidance, energy efficiency, renewable energy generation, technology of recycling sludge for use in the agricultural sector and for power generation. This is to ensure carbon management is built into decision making and operational activity and they are taking concerted action in each of these areas. Wessex has been tracking emissions against the UK's Climate Change Act as it requires emissions cuts of 80% between 1990 and 2050.

The Carbon Reduction Commitment Energy Efficiency Scheme (CRC EES), a UK-wide emissions trading scheme, is a government initiative aimed at improving energy efficiency and cutting emissions in large public and private sector organisations. In July 2012, Wessex completed its first CRC EES payment of nearly £1.5 million under the system. This has also helped the Company save 13GWh during 2011-2012, with an associated saving in CRC costs of around £70,000.

Wessex made significant energy savings during 2011 – 2012, and although electricity use increased in 2012 – 2013 by 16.5 GWh (7%), this was a result of the exceptionally wet weather from mid April to the end of the year. Heavy rainfall increases the amount of energy required for pumping waste water.

Underlying energy use continues to go down and the Wessex energy management group carried out a range of projects to increase efficiency and identify unnecessary power use, including several at sewage treatment works to reduce energy use while maintaining treatment standards. They are also thinking about how to adapt to the numerous effects of climate change such as extreme weather conditions and abnormal rainfall patterns.



Upgrading of air delivering system to save energy

CARBON CONSULTING THROUGH SUBSIDIARY, YTL-SV CARBON

In May 2008, YTL Group announced its acquisition of Malaysia-based Clean Development Mechanism (CDM) project developer, SV Carbon, now known as YTL-SV Carbon Sdn Bhd (YTL-SVC). Since then, the company has grown into the largest CDM consultancy organisation in Malaysia and one of the largest in ASEAN by number of registered projects.

YTL-SVC had assisted in the registration of 27 *United Nations Framework Convention on Climate Change* (UNFCCC) CDM projects and several more in the pipeline at various stages of validation, registration and verification under CDM and Voluntary Carbon Standards (VCS) mechanisms. Certified Emission Reductions (CERs) have been issued from three of its projects.

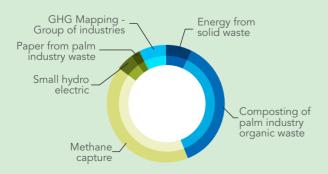
YTL-SVC was also awarded the Award for "Best Carbon Markets Brokerage firm, Asia" at the World Finance Carbon Market Awards 2011 and is an affiliate member of the Roundtable for Sustainable Palm Oil (RSPO).

The following charts show the project status and project types YTL-SV Carbon is involved with:

Project Status



Project Type



CDM was created as part of the Kyoto Protocol, and allows companies to turn emission reductions into cash flow through the creation and sales of a commodity – Certified Emission Reductions or CERs. The CERs are generated by an approval process involving the Host Country Government (the government of the country where the emission reduction project is installed), Annex I¹³ Country Government (the government of the country which buys the carbon credit assets) and the United Nations (UN) approving body. CERs can be sold as commodities either on forward contracts or in the spot market.

Buyers of CERs are governments and private sector entities in Annex I countries who have signed the Kyoto Protocol. Australia and New Zealand have also started buying CERs recently to comply with local emission targets. New markets could emerge in the future increasing the demand for CERs. Another important market - the Voluntary Carbon market - has been growing recently. The commodity traded is known as Voluntary Carbon Unit (VCU). The main buyers for VCUs are commercial entities that do not have compliance targets. These companies buy VCUs as part of their CSR activities and for corporate branding. As of 15 July 2013, there were 1,046 projects registered with Voluntary Carbon Standards Board and more than 130 million units (tons) of VCUs have been issued for 813 projects. The VCS market shows considerable growth and could be a major driver for the contribution for development Greenhouse Gas (GHG) emission reduction projects.

Forecasters have estimated the global market size could grow to USD1 trillion by 2020. Currently, the Malaysian Government gives companies involved in GHG emission reductions and renewable energy projects, a tax exemption for ten years, investment tax allowances, and import duty and sales tax exemptions on equipment.

¹³ Annex 1 Countries – These are the 36 industrialised countries and economies in transition listed in Annex 1 of the UN Framework Convention on Climate Change (UNFCCC). It is the Annex 1 countries that can invest in CDM projects, and non-Annex 1 countries that can host CDM projects.

YTL-SVC provides tailor-made, end-to-end solutions for companies wishing to embark on carbon emission reduction projects, handling all aspects of the process including identification of the potential projects, development of documentation, and the approval and sale of carbon credits regionally and globally. It also works on a "No Cure, No Pay" basis too, which means it takes the main risks involved in CDM/VCS project development. YTL-SVC works with its clients to maximise the value of their projects throughout the entire process.

YTL-SVC has strong exposure to CDM and VCS projects in the palm oil sector in areas such as methane avoidance, methane recovery, and biomass renewable energy projects. They also work with plantation companies to develop products such as pulp and paper and clean energy from waste biomass derived from empty fruit bunches. The palm oil sector-driven projects make up at least 80% of the company's registered and

pipeline projects. In addition to the palm oil sector, YTL-SVC has been handling projects in waste heat recovery, energy efficiency, fuel switching, hydro power, landfill gas, geothermal power, waste to energy and other renewable energy sources.

The geographical spread of YTL-SVCs projects is in mainly non-Annex 1 Asian countries such as Malaysia, Indonesia, China, Vietnam and Sri Lanka. The clients of YTL-SVC cover a diverse spectrum of organisations from government-linked companies, private companies, public listed companies, and state-owned enterprises. Furthermore, the company works with Non-Governmental Organisations (NGOs), government bodies, and all stakeholders to facilitate the ethical deployment and implementation of the projects.

Visit www.ytl-svcarbon.com for more information on the scope of carbon consulting services they provide.



YTL-SV Carbon is an affiliate member of the Roundtable on Sustainable Palm Oil (RSPO), which promotes socially and environmentally sustainable growth, processing and use of palm oil

Energy Efficiency and Renewable Energy

Energy plays an essential role in sustainability and improving the quality of life for us and for future generations. As one of the key regional players in the power generation sector, supplying energy efficiently whilst minimising the impact our emissions have on the environment is critical to our customers and enables our communities to maintain and improve their livelihoods.

Overall, YTL has a two-fold strategy in pursuing green practices Group-wide. Firstly, we have a monitoring system put into place to measure and track energy usage. Secondly, we are pursuing and steadily increasing renewable energy usage, wherever possible.

Various energy saving practices have been embraced by our business units. There were a variety of creative and innovative approaches which were really simple actions but delivered tangible results in energy conservation. The actions taken are as follows:

Actions Taken In Energy Conservation
• An Energy Saving Programme (ESP) was created, which serves as a guideline for the train drivers to
follow whilst operating the train. It consists of data on the action to be taken such as location to
traction, braking and the percentage of applying the right amount of traction or braking force to
achieve a desired result. Since implementing ESP, the average saving of energy is maintained at
25 kWh per trip in comparison to that before implementation.
Painting the train exterior with full gloss paint resulted in fewer washing intervals, and less
electricity, water, chemicals and scheduled waste. As the surface is easily cleaned, the detergent
could be further diluted.
Replacement of the defective conventional type air conditioner with inverter type conditioner for units
running for long hours at the Commuter Rail Services (CRS) ticketing room. Before installation of the
inverter air conditioner, the record of power consumption ran at an average of 32.5 kWh per day.
After installation, average consumption recorded was 11.3 kWh per day. This resulted in savings of
21.2 kWh per day, and the consumption was thereby reduced by 65%.
Conventional lighting was replaced with LED (Light-emitting Diode) type lighting at the KL Sentral
Arrival Platform area. The existing 50 units of 50W Halogen bulbs and 150W Metal Halide were
replaced with 50 units of 5W LED MR16 bulbs and 50W LED floodlights which saved a total of
47 kWh per day.
• In line with our support for the use of green vehicles, parking lots are reserved for shoppers
driving electric vehicles. These lots are conveniently located and clearly sign-posted, with
electrical power points for drivers to charge their vehicles while they shop at Wisma Atria and
Lot 10. They are also given priority access to the car park in the event that the car park is full.
At Lot 10 and Starhill Gallery, the new façade has incorporated green building technology such
as energy saving LED lighting to reduce energy consumption and maintenance costs.
Awareness Signage has been displayed to create awareness and encourage shoppers to use the
stairs at Lot 10. This helps to save energy and promote a healthy lifestyle.
• For climate conservation, the indoor temperature at Renhe Spring Zongbei Department Store is
maintained at 25°C and air conditioning is switched off after 9:30 pm during summer to reduce
energy consumption.
Many lights at public areas have been retrofitted with motion sensors so that they are automatically
switched on only when needed.
Replacing incandescent and halogen bulbs with lower wattage bulbs has reduced energy consumption.
• Even in resorts on remote tropical islands such as Pangkor Laut Resort and Gaya Island Resort (GIR),
we are still able to conserve energy. The installation of heat exchange equipment and heat recovery
hot water tanks help conserve energy and reduce electricity used by the air conditioners. The heat
produced by the air conditioning unit compressors is captured to heat water for the use of resort
guests. This system was put into place during the initial resort planning and design at GIR.



Dedicated electric vehicle parking lots at Lot 10 Shopping Centre, Malaysia and Wisma Atria, Singapore



Awareness signage is displayed on the wall next to the staircase in Lot 10 to encourage shoppers to use the



Installation of light running on solar energy at Pangkor Laut Resort



Energy saving at ERL

ENERGY MAKEOVER INITIATIVE

YTL PowerSeraya launched the Energy Makeover Initiative in late April 2013 with the aim of raising energy conservation awareness to customers of Seraya Energy (the retail arm of YTL PowerSeraya) through energy efficiency makeovers. Under the initiative, five customers were selected to enjoy brand new fittings such as energy efficient lights for offices and industrial areas, heat-reducing solar window film, as well as energy conserving printers/copiers.

In collaboration with strategic product and solution partners, energy efficient improvements were installed at selected customers' premises in the month of June. In total, the Energy Makeover Initiative was able to deliver an estimated annual energy savings of 40,000 kWh and a reduction of 20 tonnes of CO_2 emissions per year. This Energy Makeover serves to educate customers that there are cost savings to be reaped from energy efficiency improvements in their workplace.



Staff from YTL PowerSeraya's subsidiary, Seraya Energy, explaining how to conserve energy at work to a customer



YTL PowerSeraya installing new energy efficient lighting for both office and industrial areas



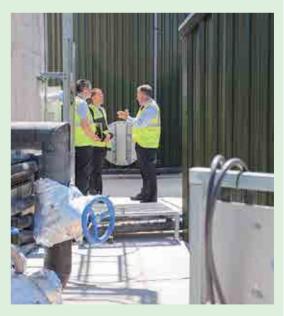
The "Biobug", developed by Wessex Water's subsidiary GENeco, which can run on both petrol and biogas from digested human and other organic waste streams

THE JOURNEY TO RENEWABLE ENERGY

The root of YTL's renewable energy was first nurtured under YTL Power International's (YTLPI) subsidiary, Wessex Water (Wessex) in the UK. Wessex already had a strong footprint in renewable energy power generation by the turn of the century, with installed capacity of almost 11 MW of biogas power through the digestion of human waste in its Avonmouth, Bristol sewage treatment plant (STP) as early as the 1970's.

In 2011, GENeco started using methane to power the service vehicles of Wessex and called the prototype the "Biobug", a converted flex fuel VolksWagen (VW) Beetle, which can run on both petrol and also on biogas from digested human and other organic waste streams. Subsequently, at the end of 2012, GENeco opened a food waste anaerobic digestion (AD) plant in Bristol that will generate 10 GWh of power annually.

More and more business units within the Group have now ventured into pursuing and steadily increasing renewable energy usage. We are pleased to report that many of our business units have conducted successful energy efficiency and renewable energy programmes at their sites.



Operations staff at the biogas digester located in the Avonmouth, Bristol Sewage Treatment Plant



YTL Cement's plant in China won the HangZhou City's Green Project Excellence Award for Excellent Emissions Reduction for its waste heat recovery power generation project

WASTE HEAT REPLACES GRID ENERGY IN CHINA

There is value in waste. In this case, YTL noticed that heat is being wasted where it is potentially an asset in electricity production. Hence YTL Cement and it's operation and maintenance (O&M) operator, YTL Power Services came up with the first Waste Heat Recovery Power Generation (WHRPG) project in China. Following its success, this WHRPG project won the HangZhou City's Green Project Excellence Award for Excellent Emissions Reduction in 2011.

The WHRPG project has been a success and the plant generates 95.5 GWh of electricity for YTL's ZheJiang HangZhou DaMa cement plant, by utilising, what would otherwise be wasted heat that is discharged in the cement manufacturing process. For this amount of power, HangZhou city's power plants saved 32,000 tonnes of coal. Overall reductions of COx, NOx and SOx greenhouse gases were estimated at 83,000 tonnes, 235,000 tonnes and 270,000 tonnes respectively.

HangZhou city's recognition for the outstanding emission reduction was awarded to YTL and 18 other companies for innovative projects contributing towards the 11th China Plan. National sustainability targets to be achieved under this plan include 20% reduction of energy consumption per Gross Domestic Product (GDP) unit and lowering total discharge of major pollutants by 10%.

GREEN ENERGY DEVELOPMENT PROJECTS IN EAST JAVA, INDONESIA

PT YTL Jawa Timur (YTLJT) is intensifying its community development programmes in East Java, Indonesia to ensure it continues to excel as the operation and maintenance (O&M) operator for PT Jawa Power's 1,220 MW Paiton II coal-fired power station.

Recognising the need to improve the livelihoods of the local communities in which they operate, YTLJT together with PT Jawa Power established an initiative to promote Green Energy Development in the area around its power plant. The objective of this programme is to provide sustainable energy for the local communities to reduce their dependence on fossil fuels and other traditional sources such as wood and agricultural waste, thereby contributing to greenhouse gas (GHG) reductions. Two projects were carried out - a micro hydro project and a domestic biogas project.

In 2012, the first 2 kW micro hydro project was successfully commissioned and is now in operation in the village of Dusun Kedung Sumur Pakuniran, Probolinggo, a remote area where villagers are unable to receive grid electricity supplied by the State Electricity Company, Perusahaan Listrik Negara (Pesero or PLN). This village was nominated and selected for this micro hydro pilot project due to its proximity to abundance of water flow. The programme will benefit 384 families in the village.



A micro hydro installation at Kedung Sumur Village, Java

A team of technical experts at YTLJT stepped in and developed an ingenius micro hydro unit to replace an old unit which had not been in operation for a long time. This new unit became highly efficient, reliable and safe. The cost of each micro hydro unit varied from USD3,500 to USD4,000. In return, the local communities participated in the form of providing land and building materials such as stone and sand which represented approximately 10-15% of the total cost.

Today, seven micro hydro units have been constructed and are in operation, with a total of 43 village residents benefitting from this programme whom are now able to enjoy electricity supplied directly into their homes.

YTLJT and PT Jawa Power initiated a unique domestic biogas project in Dusun Pesisir where 20 local students from SMA Tunas Luhur (a school sponsored and built by the Company) were involved in the extra-curricular renewable energy programme. A total of ten biogas kitchen units were constructed in March 2012 and by 2013, there were a total of 34 units of domestic biogas kitchen units up and running.

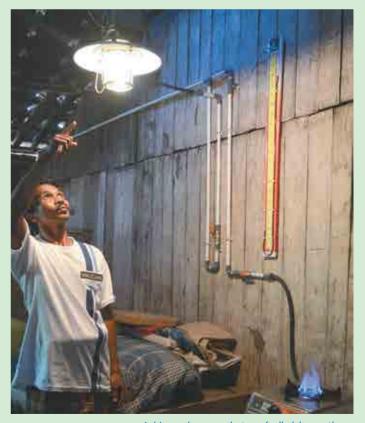
Catering for a small family, this fixed-dome type biogas digester made from used oil drums has the capacity to store 1,200 litres of liquid waste. The units required the manure from six cows to effectively generate sufficient biogas. This has provided the villagers with an alternative source of fuel twice daily for cooking and can provide enough gas for the kitchen for about 1.5 hours on a daily basis. It also provides lower cost and cleaner energy for surrounding villages and reduces pollutants such as methane emitted into the atmosphere from cow manure.

Similar to the micro hydro project, the construction of biogas also involves the local community. The beneficiaries will lend a hand for the civil works such as foundations, whilst YTLJT will sponsor each biogas unit (approximately USD800/unit), building materials and other fees.

Overall, both projects have proven to be a success as they have allowed the local community to gain better access to electricity supply and fuel, and an improved quality of life. As a result of Green Energy Development, YTLJT is targeting to complete an additional ten micro hydro units and 52 biogas units by the end of 2013 in Dusun Kedung Sumur and Dusun Pesisir, respectively.



The construction of biogas tanks in Java



A biogas lamp and stove fuelled by methane from digested animal waste

ENERGY MANAGEMENT SYSTEM IMPLEMENTATION

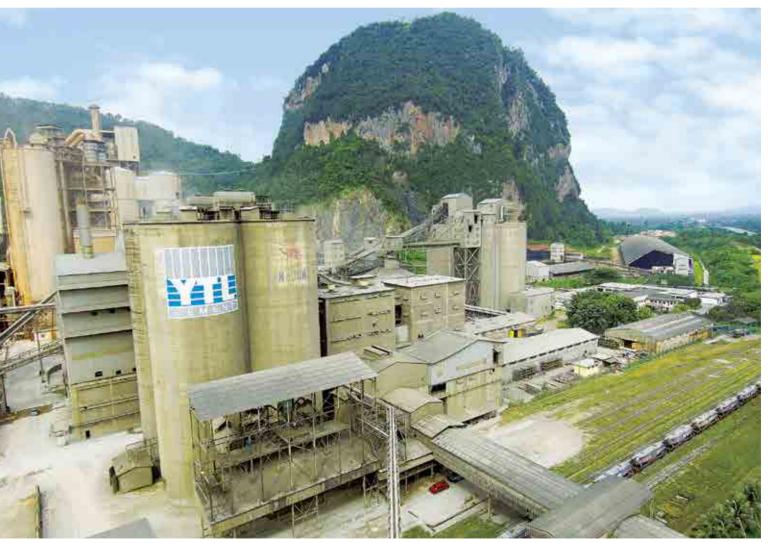
YTL Cement's Perak-Hanjoong Simen Sdn Bhd (PHS) and YTL Power Services' PT YTL Jawa Timur (YTLJT) have a very simple concept in the definition of energy conservation which is the goal of using less energy to provide the same amount of product or heat and energy. Both organisations uphold the most simple principles and actions; reduction of energy consumption and improvement of energy efficient.

YTL Cement attained ISO 50001:2011 accreditation for their Perak plant. This is an Energy Management System (EnMS) initiative which provides a framework for the Cement division to use and manage energy efficiently, and to continually improve energy management within all the cement plants. In order to further reduce the impact of their operations on the environment, PHS is the first cement plant in Malaysia to embark on an EnMS

programme and successfully certified in March 2013 – complying with the internationally recognised standards.

As part of efforts to reduce energy consumption, they have initiated an airslide bucket project for the transportation of cement from the cement mills to storage silos at PHS cement plant. The old system which used a Fuller-Kinyon (FK) pump has been converted to a more energy efficient system which is based on airslide bucket. This project has been successfully completed at a cost of RM4.16 million, resulting in approximately 2.0 kWh/tonne of power savings equivalent to a reduction of some 1.5 tonnes in CO₂ for each tonne of cement transported.

Likewise, the other cement plants are also in various stages of preparation for this certification. In particular, Pahang Cement Sdn Bhd is targeting to be certified in September 2013.



YTL Cement's Perak-Hanjoong Simen plant, the first of YTL Cement's plants to use alternative fuels



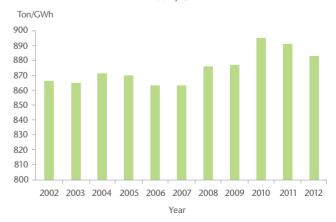
PT Jawa Power's Paiton II power plant at night

In line with our overall corporate aims to cut emissions, YTLJT recognises that respect for the environment is an integral part of the PT Jawa Power's (Paiton II Power Station) business strategy. YTLJT consistently strives to maintain a high figure of generation efficiency which results in less carbon emissions per MWh electricity generated. Starting in 2012, the site implemented a holistic Energy Management System (EnMS) to further control energy consumption and enhance the efficiency of its energy conservation programme. Under the Company's energy policy, which is in line with Indonesia Ministry of Energy & Mineral Resources Regulation No.14 Year 2012, the program aimed at utilising energy resources effectively and efficiently.

As a result of the implementation of EnMS, YTLJT received its ISO 50001:2011 certification in July 2013, which means PT Jawa Power's Paiton II is now the first power plant in Indonesia certified in ISO 50001. High generation efficiency can still be achieved and maintained due to the good operation and maintenance practices, periodic performance tests, efficiency monitoring and via work improvement teams over the past years of operation.

In 2012, the average plant efficiency figures in 2012 were maintained at 38.71% which is considered high for the type of Sub Critical Pulverised Coal-Fire (PC) Boiler Power Plant. Maintaining high plant efficiency means keeping the ${\rm CO}_2$ emissions from power generation low. The below graph shows ${\rm CO}_2$ emissions from the Paiton II Power Station¹⁴.

Annual CO₂ Emissions at PT Jawa Power measured in ton/GWh



¹⁴ For benchmarking references, Electrical Power Research Institute (EPRI), in 2010 issued the average Specific CO₂ Emission (ton/GWh) based on survey result (for Sub-Critical PC Boiler Power Plant) at 931 ton/GWh compared to Paiton II data in 2012 which was 883 ton/GWh.

Water Efficiency



The lab for water quality monitoring at Wessex Water's facility



Wessex Water carrying out water testing & inspection to ensure high quality, sustainable water and services delivered to customers whilst ensuring protection of the environment

Clean, accessible water for all is essential for the world we live in. Water is needed for growing food, personal hygiene, power generation, controlling fires and most importantly, to drink and cook with. As it is non-substitutable, it is an integral part of our daily lives and we are heavily dependent on it.

According to the United Nations, water use has grown at more than twice the rate of population increase in the last century. By 2050, it is estimated that 1.8 billion people will live in areas plagued by water scarcity, with two-thirds of the world's population living in water-stressed regions as a result of use, growth and climate change. At least one in four people are likely to live in a country affected by chronic or recurring shortages of fresh water.

In running our global operations, we recognise this growing water scarcity problem. Therefore, promoting water efficiency is an important part of our overall strategy, and efforts to ensure that human demand and water supplies are in balance and the risk of disasters, such as droughts and floods are reduced. We believe that sustainable and effective water resource management ensures accessibility of this precious resource to all.

When it comes to conserving water, small adjustments can have a big impact. We encourage all of our business units to ensure sustainable use of water in their operations by minimising water use, exploring alternative ways to generate clean water, developing efficient ways to recycle water from our operations and protecting surrounding water sources where feasible.

49

CONTINUED WATER EFFICIENCY AND CONSERVATION PROGRAMMES

It has known that any power plant consumes a considerable amount of water on a daily basis. Over the years, our power plants have strived to improve their water efficiency.



The wastewater treatment plant (WWTP) at Paiton II Power Plant processing effluent for reuse

Water Conservation in PT Jawa Power, Indonesia

A prime water conservation programme was initiated by subsidiary PT YTL Jawa Timur (YTLJT). The programme which began in 2009 entails the recycling of all used water generated from PT Jawa Power's Paiton II Power Plant operations. The water usage at the power station is mostly used in the plant for coal dust suppression systems, plant cleaning, ash lagoon maintenance and equipment cooling, among others.

To date, the water conservation programme has shown promising results with an average of up to 35% reduction of water usage, an improvement compared to the previous year. The plant water conservation programme aimed to reduce the service water, potable water, and demineralised water production. The reduction has directly reduced the chemical usage and electrical power consumption for water production (pre-treatment, desalination, and demineralisation) thus minimising the plant's overall impact on the environment. In addition, the plant water conservation programme has also directly decreased wastewater discharge by 30%.

YTL PowerSeraya, Singapore

Another business unit that has made water conservation an ongoing programme is YTL PowerSeraya in Singapore. Over the years, YTL PowerSeraya has sought to be water efficient in its operations as well as to be self-sufficient in water consumption through greater use of water from its in-house desalination plant.

Previously a significant proportion of the water consumed for the power plant's operations was from freshwater sources via the country's piped water system. Today, approximately 90% of the water consumed for the plant operations originated from the in-house desalination plant with the remaining 10% from locally-recycled water known as NEWater.

In terms of water efficiency, water intensity (a measure of net water consumed per unit of energy output) dipped by 16.6% compared to the previous year attributed mainly to an increase in overall plant efficiency. The proportion of water used for the power plant operations from freshwater sources dipped from 17% the previous financial year to only 2% in the current financial year. This reflects a greater use of renewable water sources such as desalinated water, recycled water and reclaimed water for every unit of energy produced at the power plant.

The energy includes the electricity generated as well as the energy component required to generate high pressure steam that is sold to customers. The net water consumed is the water used to generate electricity and high pressure steam at the plant minus the steam that is effectively delivered via a dedicated pipeline to customers.

REVERSE OSMOSIS (RO) WATER TREATMENT AT YTL HOTELS

YTL upholds the principle of working cohesively as a Group and YTL's business units often help each other out. For instance this occurred when Wessex Water assisted Gaya Island Resort (GIR) in their water conservation initiative. The best solution was seen in RO of seawater which is of course in abundance at Gaya Island. Desalination of the seawater by the RO process has produced drinking water safe for human consumption, with a positive outcome for the environment.

Wessex was in charge of implementing this system for the whole of GIR. The reverse osmosis technique is used to produce pure, clean water safe for consumption as Gaya Island lacks a viable natural source of freshwater. This system was put into place prior to the opening of the resort to avoid the use of water barges, an unsustainable and environmentally unfriendly method of supplying water to guests. The reverse osmosis plant also treats wastewater from guest villas, producing grey water that is distributed throughout the resort grounds for watering purposes.

At a cost of RM2.5 million, the desalination system has been fully functioning since May 2012, supplying the whole resort with clean water safe for drinking.



An employee inspecting YTL PowerSeraya's Desalination Plant equipment



The Pasir Gudang Power Plant in the southern State of Johor, Malaysia with a capacity of 404 MW

PASIR GUDANG POWER PLANT IN 17TH YEAR OF WATER CONSERVATION

The simple and often heard saying "Save Water" is something as easy as turning off the tap when brushing your teeth or even purchasing water efficient appliances. But water conservation actually has a much deeper and broader meaning where fresh thinking and new ways of doing business are critical to ongoing success. The YTL Group's Pasir Gudang Power Plant has surpassed expectations.

The Pasir Gudang Power Plant produced 324,225 m³ of demineralised water over a period of 17 years with the same batch of resins. During this period, resin top-up was carried out whenever the quantity dropped below acceptable levels. However, this only occurred three times, and the top-up quantity was minimal.

In fact, only Train 15 2 requires new resins this year. Train 1 is still producing good quality demineralised water. The quality is based on the measured conductivity value of the water samples (which indicates the level of contamination). The production in Pasir Gudang has always been maintained at the highest quality of 0.07 to 0.10 $\mu S/cm$, which is very close to the purest form of natural water found in the world recorded at 0.05 $\mu S/cm$.

Any Original Equipment Manufacturer (OEM) would estimate that even by carrying out chemical regeneration of the resins regularly, the operating life for the water treatment plants located in Paka and Pasir Gudang is only between four to five years. After that, the resins have to be replaced in order for the plant to keep producing good quality demineralised water for the boilers and steam turbines.

Most probably Pasir Gudang has the longest serving batch of resins which makes this one of the most efficient and environmentally-friendly ion exchange plants in the world. And this is due to the strong work and execution of the Chemistry & Environment Department in Pasir Gudang on this outstanding achievement.



A Pasir Gudang Chemist carrying out a routine inspection at the power plant's demineralisation unit

¹⁵ The demineralisation process passes water through a succession of filters, known as a train. There are two trains installed at both YTL power plants (Paka and Pasir Gudang). Under normal circumstance, one train is in operation to produce the demineralised water, while another is always on standby.

EDUCATING THE COMMUNITY AND CUSTOMERS ON WATER EFFICIENCY

Wessex Water (Wessex), our water and wastewater treatment subsidiary in the UK, has been actively involved in reaching out to its customers across the South West of England to promote water efficiency among the local communities and schoolchildren. Informing customers of all ages about what Wessex does and encouraging customers to use water sparingly forms an important part of their work.

In the past year, its education officers have received an unprecedented number of requests from schools, colleges and community groups across the region. They delivered lessons about water and sewage treatment as well as activities on environmental topics and water saving, and behind the scenes insights into how Wessex supplies drinking water and treats sewage.

Wessex offers educational information to customers, encouraging use of the online water and energy calculator and providing informative online videos through its website, social media and print publications.

Wessex engaged with them further by attending events, offering a free water home check service, promoting water efficient products through its online shop and distributing free WaterSave packs, which include a "save-a-flush" bag, a shower timer, a shower regulator and a self-audit form.

Two free applications (apps) have been introduced and are available for downloading on mobile devices. The "Bag It and Bin It" app communicates what should and should not be put down the toilet and a "Leakage" app enables customers to pinpoint a leak and upload a picture so Wessex can deal quickly with each incident.

Wessex also supports local businesses by providing free water audit services to encourage water efficiency and identify areas where they can reduce their usage to ensure the sustainability of their operations.







Wessex Water offers free water home check services and water saving devices to customers

Waste Management

YTL owns and operates a highly diverse stable of businesses around the globe, each producing some level of usable or unusable waste. It is not difficult to change people's perception of waste once a sustainable way of recycling or reusing is found. Hence, depending on the nature of the businesses, we practice sustainable waste management according to the nature of business we own or operate. We do not compromise on how we handle the waste as the future use or disposal of the waste is entirely dependent on our processes and actions.



The ash landfill area prior to the reuse of fly ash generated from Paiton II's coal-fired power plant



The fly ash disposal area transformed into a green space following the recycling of the ash as a cement aggregate

On a Group level, we remain committed at minimising waste generation and avoid incinerating and landfilling waste. We believe that the principle of the 3Rs - Reduce, Reuse and Recycle - is a key component of waste management and where possible we have undertaken various efforts across all business units to reduce the amount of waste disposed. For example, The Yes 4G network has moved entirely to E-billing. This action has gained full support from Yes 4G customers as it easier for them and shows that Yes cares for the environment. Even though the first steps were to reduce paper usage, eventually Yes will eliminate paper usage as the need for delivery is decreased. This will result in a reduced carbon footprint and lower consumption of natural resources.

YTL Cement has an Environmental Policy outlining proper waste management procedures, and inventories how much industrial waste is generated and reused. There is typically no waste generated through cement production as by-products. However, there is some industrial waste due to maintenance work such as used or spent refractories, lubricants, and burst paper bags, most of which are recycled. Waste refractories, burst bags, and spent oil are almost 100% recycled as kiln fuel, while used refractories are crushed and reused as part replacement for the raw materials used in cement manufacturing. Used oil is reused as chain lubrication at coal and remix reclaimers, and is also sold to recyclers. Used grease and contaminated gloves go back into the firing stream to become partial replacement of fuel.

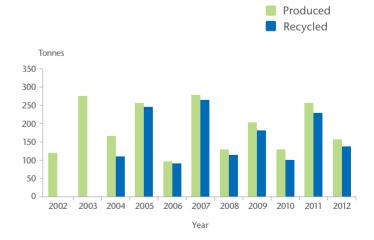
It is widely known that hazardous waste is dangerous or potentially harmful to our health and to the environment. Our first impression regarding hazardous waste is that we cannot do anything with it and that it is intrinsically bad for the environment. However, this perception has changed over the time as hazardous waste can be reduced, reused and recycled just like any other waste stream, requiring a more controlled environment with certain conditions. Special recycling and disposal operations must be undertaken at authorised and purpose-built facilities to ensure environmentally sound management and protection of human health.

PT Jawa Power's Paiton II Power Station, for instance, has a daily fuel consumption of approximately 13,000 tonnes of coal which in turn generates about 400 tonnes of ash per day, the bulk of which is fly ash. The fly ash has the potential to pollute the air and groundwater as it contains traces of salt and metals.

In 2003, the station began selling fly ash to nearby construction and cement processing plants to be used in blended cement production. Fly ash is an inexpensive replacement for cement used in concrete and actually improves the strength of the final product. Beginning with only 26% utilisation of total fly ash generated in 2003, the utilisation rate increased to 99.10% by 2013. Paiton II expects that in future, 100% of the fly ash generated by the power station will be reused in blended cements. This also saves the ash from being landfilled.

Efforts have also been made to recycle other hazardous waste (called "specific waste"), such as wastewater treatment plant sludge, used oil, and used batteries, resulting in 88.06% of specific waste being recycled in 2012. The amount of hazardous waste that is recycled is increasing year by year. Other specific waste that cannot be recycled, such as chemical laboratory waste, contaminated waste, fluorescent lighting and machine-made mineral fibres (MMMF) are handled by a licensed waste disposal contractor. These items are then disposed to an external licensed landfill specifically handling hazardous waste. The entire process is managed in a proper manner to ensure that storage time, transportation and the waste disposal processes are in compliance with prevailing environmental regulations.

Specific Waste Produced and Recycled at PT Jawa Power, Indonesia measured & reported in tonnes



WESSEX WATER RECYCLES FOOD WASTE

One man's waste is another man's treasure. Wessex Water certainly understands that statement, as they are striving towards the goal of zero waste to landfill by 2020.

The Bristol Sewage Teatment Plant (STP) at Avonmouth, operated by Wessex through its wholly owned subsidiary company GENeco, is a new food waste recycling and renewable energy facility. It transforms 40,000 tonnes per year of food waste from households and supermarkets into useful byproducts, such as nutrient-rich fertiliser and renewable energy which is enough to power about 3,000 homes. Once the sludge from the waste streams has been digested, it is in a fit state to be reused as a fertiliser on farmland. The fertiliser is produced through anaerobic digestion, a process in which microbial bugs break down biodegradable material to produce methane gas. Each year GENeco recycles around 240,000 tonnes of food waste which traditionally goes to landfill. They also then are able to provide sustainable fertilisers to farmers across the region.

GENeco is looking at ways to make the site even greener in future. The company has been looking at other uses for methane from the digesters such as direct injection into the local gas grid. It has also completed an agreement with Triodos Bank for four wind turbines to be located at the site that should generate a further 20 million kWh each year.

The company quoted David Heath, minister at the Department for Environment, Food and Rural Affairs, as saying the start-up of such plants would open up thousands of new job positions and offer a solution to a major environmental problem in the disposal of waste food at the same time. Wessex Water already produces 30 GWh of renewable energy from sewage sludge through anaerobic digestion at the Bristol sewage treatment works, which treats waste from around one million people in Bristol, South Gloucestershire and North Somerset.



Farmers using digested food waste sludge as fertiliser from Wessex Waster's subsidiary GENeco



The first food waste anaerobic digestion (AD) plant at Bristol, Avonmouth operated by Wessex Water's subsidiary GENeco



The plant will produce enough renewable energy to power around 3,000 homes and will treat 40,000 tonnes of food waste per year - preventing it from going to landfill

Raw Material Use

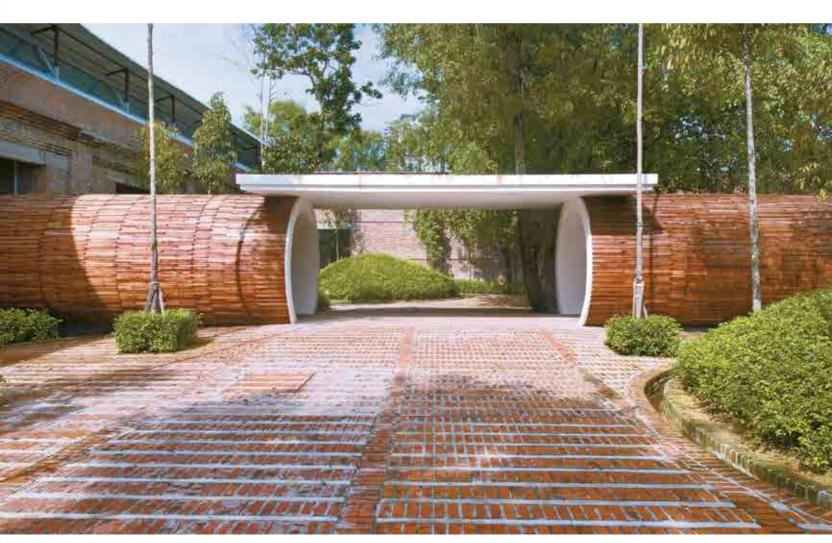
Natural resources, including materials, are the basis of our life on Earth. However, the rapidly growing human population is depleting our planet's finite resources.

At YTL, we firmly believe that we are surrounded with scarce raw materials and this teaches us the importance of sustaining natural resources for both present and future generations. We want to minimise the impact on the environment from our operations and hence we have continued to;

• initiate methods and processes to reduce material consumption.

- source and use alternative materials to reduce the consumption of non-renewable natural resources.
- promote the use of recycled material for our products.
- encourage sustainable construction by increasing the use of renewable materials.
- where possible, recycle all waste material.

In striving to do all of the above, we, at the same time make sure that the quality of our products and services is not compromised.



YTL Communications Centre and Networks Operation Centre (NOC) at Sentul Park

YTL CEMENT'S ECO-FRIENDLY PRODUCT: THE FIRST CEMENT IN MALAYSIA TO BE BS EN 197-1:2011 CERTIFIED

Over 3.3 billion tonnes of cement were consumed globally in 2010. This is 22% more than in 2007. China's cement consumption alone reached over 1.8 billion tonnes, or 38% more than in 2007.

Commercial cement emits carbon dioxide (CO_2) that impacts the environment. Hence the best solution would be to develop a process or mix to reduce the impact on the environment. Some blended cements do not emit CO_2 and instead absorb more CO_2 over the life of the product than they emit. The new cement is made using magnesium silicates rather than calcium carbonate typical of regular commercial cement.

YTL Cement is one of the leading eco-friendly and innovative cement producers in Malaysia. Currently up to eight of their products are proudly certified as eco-friendly cements under the Singapore Environment Council's Green Label and Malaysia's SIRIM QAS International Eco-Label, including Blast Furnace Cement, Portland Composite Cement and Granulated Blast Furnace Slag.

To keep abreast with international developments for ecofriendly cements, they participated actively in the development of the Malaysian Standard for Cement, in particular for their Slagcem. Blastfurnace cement is the first product in Malaysia to achieve the new BS EN 197-1:2011 certification as a low heat and sulfate resisting cement.

As a result of all these efforts, the Slagcem and Mascem, ecofriendly products have been specified and used in several mega projects such as the Penang Second Bridge, Mass Rapid Transit



Green Label Singapore

(MRT), Light Rapid Transit (LRT) extension, Malaysian Public Works Department's (JKR) Head Office and other major projects.

YTL Cement continues to work with major consultants and contractors and participates in workshops and exhibitions to develop and promote the benefits of eco-friendly cements. It expects that with enhanced awareness, there will be greater acceptance and preference from the market for various brands of eco-friendly cements produced by YTL Cement and the cement industry as a whole.



YTL Cement's Green Label Eco-Friendly DRAGON blended cement bagged and ready to ship

PAPERLESS ORGANISATION

As global ICT trends emerged during the turn of the millennium, YTL Power Services (YTLPS) also wanted to seize the opportunity and reap the benefits of ICT adoption. It quickly became apparent that purchasing the latest hardware was not the answer to better organisational performance. A technological solution had to be found to tackle issues that were unique to YTLPS. For example, YTLPS was in need of more efficient procedures and management systems, so the technology chosen had to provide that solution.

In 2002, YTLPS found its muse in IBM Lotus Notes. Using Lotus Notes, the in-house IT programmers had successfully introduced a new mode of interaction within YTLPS – electronic workflow management. End-users were excited to test it out. The Quality Manual and all company procedures were reproduced electronically. The paper trails in the approval cycles were abolished. No printouts, no signatures, no hardcopy deliveries were necessary anymore.

For ten years now, procedures were created, approved and managed electronically. Procedures are tagged with status information (document preparation, approved, rejected, superseded, etc). System-generated e-mails notify users and provide direct links to procedures, which require their next response or action. The system logs all user actions and prompts the user to provide comments or reasons for certain actions.

Currently compliant to the PAS 99 Integrated Management System (IMS), YTLPS has electronically unified all its management systems, namely, ISO 9001:2008 certified Quality Management System, ISO 14001:2004 certified Environmental Management System and OHSAS 18001:2007 certified Occupational Safety & Health Management System. This means the Hazards Identification, Risk Assessment and Risk Control (HIRARC), Evaluation of Compliance and Environmental Aspects and Impact Assessment are also done electronically.

The procedures database was the first of many electronic workflow management systems to be produced by the in-house IT team. A wealth of information is now managed in Lotus Notes. Today, YTLPS staff just need to log-in to Lotus Notes to stay connected.

SUSTAINABLE BUILDING DESIGN, MATERIALS AND CONSTRUCTION

We believe in sustainable living which is simply a lifestyle where we attempt to use renewable products and to take as little from the earth as possible. The concept of reducing our carbon footprint is the more modern way of looking at sustainable living as the world comes to realise that in many cases, humans have not used resources sparingly or wisely.

Sustainability lies at the heart of our designs and construction. YTL Land & Development (YTL Land) remains committed to the promise of developing truly branded homes with innovative and sustainable living concepts built to the strictest of standards for the wellbeing of all homeowners. The use of restoration, green materials and methodologies are prevalent throughout YTL Land's developments.

YTL Construction (YTLC) embarked on the Green and Gracious Builder Award (GGBA) as a company-wide initiative for all project sites. GGBA was introduced by the Singapore Building and Construction Authority (BCA Singapore) to raise environmental awareness in the construction industry. It does so by setting standards for green practices and encouraging all sub-contractors and workers to be sustainable in their daily work. Achieving GGBA will be appropriate recognition for YTLC as a green and environmentally responsible contractor. YTLC not only received GGBA certification in July 2013, but also ISO 14001 and OHSAS 18001 certification at the same time.





59





Different views of YTL Land's revolutionary d7 office and retail development in Sentul, Kuala Lumpur



d6 Sentul development at Sentul East

Building a Green Home for Sustainable Living

In line with YTL's commitment to environmental protection and sustainability, the objective is to design and build a sustainable built environment and raise environmental awareness for the owners and end users, which in turn save energy, reduce costs and lower environmental impacts.

YTL Land has introduced sustainable living in Malaysia in its residential developments where distinctive homes are enhanced by refreshing concepts in the use of open spaces and lush landscaping. Similarly, the first phase of its commercial developments, d6 and d7 at Sentul East herald in a new phase in the urban rejuvenation of Sentul with a new genre of work spaces designed with the next generation in mind.

The design and architecture of d7 offers interesting diversions away from traditional concepts. The building's bold façade is softened by a generous landscape buffer along the street front, at the same time acting as a wide sidewalk which intermingles with trees and lawns to encourage its use by pedestrians. This low-rise commercial building has its retail and office suites centred around an open air, lushly landscaped

courtyard to create an unusual communal, social and residential character. The open air concept allows fresh air, natural light and rain water to keep its greens healthy and vibrant, and also allows natural ventilation for the courtyard area. Outdoor seating, landscaping, transparent sky lifts and sky bridges were incorporated into the building design for the work community to enjoy this unique urban experience.

d6, located just across from d7, was conceived to offer a unique work environment where glass and steel next to trees and greens redefine a modern working lifestyle. Its façade is characterised by a double-layered skin of glass and wire mesh. Visually, the wire mesh is an aberration of form and optics; functionally the mesh shelters the building from heat and glare. On the east side, the wire mesh is also an invitation for plants, creepers and landscaping to co-exist with the architecture. Unlike the central urban forum of d7, d6 enjoys a rear water garden. This landscaped strip functions as a quiet contemplative 'cooling-off' area with commercial spaces alongside it. Water is an essential element in this composition of light, air and minimalist landscaping.



Vegetation and water design elements at d6 Sentul development

In addition, YTL Land's upcoming project in Singapore is expected to attain the Green Mark Gold Plus award for its residential towers along Orchard Boulevard. The BCA Green Mark¹⁶ award recognises YTL Land's green initiatives inherent in its design, architecture and construction. The initiatives include:-

- 1. lighting design of the project aims to achieve 40% energy savings from the Singapore baseline by using LED and T5 lamps in common areas.
- 2. installation of efficient water fittings for all bathrooms and kitchens, resulting in savings of 20% in water consumption and reduction of costs for residents.
- 3. use of blended cement and recycled aggregate in concrete by YTL Cement certified by the Singapore Environment Council's Green Labelling Scheme.
- 4. use of low Volatile Organic Compound (VOC) paints for indoor painting so as to emit low odour and VOCs.
- 5. use of cool paint for external façades' wall painting to reduce heat gain into the building. The design of the façade has high resident thermal transfer value (RETV) to minimise heat gain in the apartments. All the apartments and air-conditioned common areas are also cooled by energy efficient air conditioning systems.
- 6. conservation of 18 existing trees from the previous development to protect the original environment and enhancement of the landscaping by planting lush tropical vegetation in the garden.
- 7. use of engineered timber in all private balconies and common pool decks to reduce the use of natural timber.
- 8. provision of an electric vehicle charging station lot in the car park to support residents with electric vehicles.
- 9. provision of Eco plugs in apartments to help residents monitor daily consumption of energy usage by appliances and equipment.
- 10. setting up of a Green Corner to educate residents on sustainable initiatives in the condominium.
- 11. use of recycled plastic drainage cells for landscape drainage for better use of resources and to reduce construction waste.
- 12. use of siphonic rainwater discharge system to discharge rainwater more efficiently.

¹⁶ The BCA Green Mark Scheme was launched in January 2005 as an initiative to drive Singapore's construction and real estate industry towards more environmentally-friendly buildings.

Creating Awareness and Promoting Advocacy

EARTH HOUR 2013

Earth Hour has become a key advocacy event for YTL since 2009. The YTL Group embarked on the sustainability journey in a bid to improve the lot of future generations. All business units of the YTL Group believe they have a moral obligation and responsibility to conduct business sustainably, and so, united as one group of companies, we believe we are able to make and bring change to the planet and its people collectively. Hence, across the group, we have organised events to encourage more people to join Earth Hour activities. Purposes include providing feedback to the public that being part of Earth Hour and being responsible are not difficult at all. It is also to share and remind us of the urgent issue regarding climate change.

"I Will If You Will" was Earth Hour's theme for this year which successfully reinforced the global collaborative message of hope and action against climate change. It was not just a theme but a call to action and a vow which was taken seriously by YTL and other participating bodies. YTL Communications (YTL Comms) CEO, Wing K Lee, for example, took a pledge to climb 19 flights of stairs to his office, which he honoured. Not only did the CEO make a vow, but his Deputy CEO, Jacob Yeoh also pledged a contribution of collaterals such as message cards and stickers about turning the air conditioning up one degree. Jacob Yeoh and COO of YTL Comms, Ali Tabassi, also cycled to work to honour their "I Will If You Will" Earth Hour Challenge.

Over in Singapore, at our Wisma Atria Mall (owned by YTL Starhill Global REIT), we also help shoppers enrol to become WWF members. The theme "I Will If You Will" has given the opportunity for each and everyone to do their part. A pledge book was placed at in our premises in Singapore at Wisma Atria Level 1 Concierge for shoppers to write their pledge on what they would do for Earth Hour. This motivated shoppers to participate and do their part for Earth Hour. Life was also made easier for the public to participate and to pledge for Earth Hour using the Wisma Atria iPhone app. An EDM blast was sent out to all shoppers to remind and encourage them to pledge - a countdown on the Earth Hour page on Wisma Atria. The public showed their enthusiasm by joining the countdown and making pledges. In addition to that and to make the spirit of Earth Hour even brighter, the first 100 shoppers who spent SGD200 or more on 23rd March 2013 were given an Earth Hour goodie bag.











(Top) YTL Corp's Ralph Dixon accepting the challenge on behalf of YTL from the Kuala Lumpur City Hall Mayor, Datuk Seri Ahmad Phesal Hj. Talib, to participate in the 50 Buildings "Switch off" for Earth Hour 2013 (Below) Earth Hour Events at YTL's properties

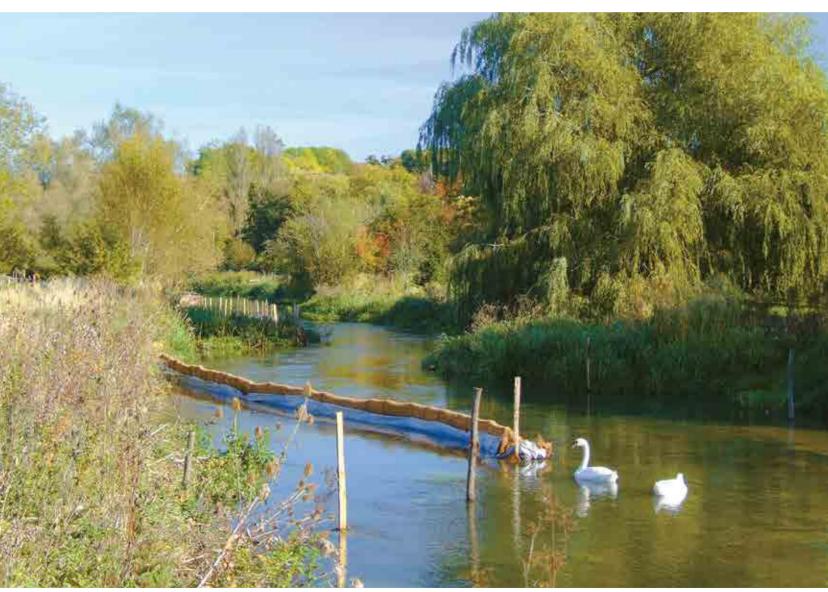
On 30th March 2013, Wisma Atria participated in the Earth Hour movement, where non-essential and façade lighting was switched off for an hour between 8.30 pm to 9.30 pm. Balloons were given out along Orchard Road to promote awareness, and food and beverages tenants joined the effort by offering candle-lit dining at their outlets.

62

Biodiversity

Biodiversity describes the richness and variety of species, habitats and landscapes.

Economic development and human activities have engulfed and depleted biodiversity. The world has begun relatively recently to lose species and habitats at an ever-increasing and alarming rate. There should be a balance in development and environmental sustainability. Within YTL, the business units have been nurtured with the culture to recognise the importance of nature, and the importance of biological diversity. Appropriate conservation and sustainable development strategies attempt to recognise this as being integral to any approach to preserving biodiversity.



River restoration work at Hampshire Avon

We now preserve, protect and conserve biodiversity. YTL, as a leader in infrastructure developments is committed to comply with statutory and regulatory requirements in all its operations and developments. Our ability to understand and manage biodiversity has been a key to our success, as nature guides us too.

In Indonesia, PT YTL Jawa Timur (YTLJT) understands their role and responsibility in managing marine and land biodiversity. As part of their continuous pollution prevention programme, the power station periodically evaluates and monitors its sites through a comprehensive environmental programme. All discharge water from the PT Jawa Power's Paiton II Power Station is consistently being monitored by on-line systems that are cross-checked monthly by an accredited independent laboratory. All parameters are managed within regulation limits and any deviation from the standards is addressed immediately for remedial action. During the reporting period, 100% regulation compliance with respect to its water management and quality has been achieved.

In addition, seawater quality and seawater biota survey are also performed every three months as part of the Environmental Monitoring Plan under Indonesia's Environmental Impact Assessment (AMDAL), where the employees also volunteer as divers to regularly survey the health and state of the reefs in support of these sustainability programmes.

The parameter for seawater quality is temperature, suspended solids (SS), total dissolved solids (TDS), seawater pH, biochemical oxygen demand (BOD), chemical oxygen demand (COD), and heavy metals. Biodiversity surveys are conducted for marine biota and coral reefs, which covers indicators of Phytoplankton, Zooplankton, Macrozoobenthos, coral reefs and water fauna (fish) diversity.

This is not a one or two year effort; it has already been 13 years since the plant commenced operations, and the aquatic life continues to thrive in the ocean's ecosystem around the power station.



A volunteer staff diver inspecting the state of the reef and coral near the plant

Mangrove and reforestation programme at Randutatah Village and Sumber Anyar, Java



5,000 mangrove seeds planted in 2010



Approximately 15,000 mangroves planted at the end of 2011



Australian Pines planted in 2012



As of 2013, there were 8,000 Australian Pines and 20,000 mangroves successfully planted

In 2011, YTLJT initiated a mangrove and reforestation programme. Since then it has been an ongoing effort. It started with over 15,000 trees planted covering an area of around 10,000 m². But now, in 2013, there are 8,000 Australian Pines and 20,000 mangroves planted thus far. Planting mangroves scientifically improves water quality as mangroves are capable of absorbing organic pollutants, while helping in the stabilisation and prevention of soil erosion. They are also a natural barrier against tidal waves and tsunamis.

YTLJT collaborated with Badan Lingkungan Hidup of Probolinggo Regency, a local environmental authority in this rehabilitation programme, focusing on two locations, Randutatah Village and Sumber Anyar. The community needed a leader to initiate the action of planting mangroves, and YTL had taken the responsibility as a leader and initiator by contributing trees and soil fertilisers whilst the local authority identified and provided forestry areas that needed to be planted.

This collaborative programme has led to community involvement and empowerment in which YTLJT, local farmers and local environmental authorities work together. This also firmly validates our belief that building partnerships with government agencies, non-governmental organisations (NGOs) and working with conservation bodies as well as engaging with local or global stakeholders allows us to develop more responsive and comprehensive biodiversity and habitat rehabilitation plans. These actions contribute to our credibility in the local communities that in turn enable us to operate effectively in a sector which depend on the sustainable use of resources.

YTL HOTELS AND NATURE

Nature has always been an aspiration in the passive design of our hotels and resorts. When it comes to preserving the natural environment, sustainable aspects serve as a guide for our designs. To maintain the natural and unique beauty of the environment that surrounds our properties, we take into account the species within the habitats and minimise impacts on the natural environment.

The draw of Pangkor Laut has always been its natural beauty. Preservation of the site has always been at the top of our planners' minds. Visitors to the resort are encouraged to participate in guided jungle treks with our resident naturalist to experience the local natural environment as well as to explore the richness of the flora and fauna. In fact, only around a third of the island is developed, with the two thirds remaining as virgin rainforest millions of years old. Pangkor Laut Resort's (PLR) jungle treks provide a fascinating insight into the spectacular virgin rainforest that is estimated to be over two million years old. There are a number of unexpected species that can be found on the island of Pangkor Laut, such as Plaintain squirrels, macaque monkeys, tropical monitor lizards and pied hornbills.

Tanjong Jara Resort (TJR) is a turtle-nesting haven for the four species of marine turtles found in Malaysia. Working with the Ma' Daerah Turtle Sanctuary, the resort is informed when a turtle approaches the beach and begins the egg-laying process. In line with building awareness, the resort conducts regular excursions for guests to the sanctuary, ensuring guests are well briefed on marine turtle conservation. Upon arrival, guests may observe the turtle laying her eggs without disturbing the process. Once the eggs are laid and the turtle makes her way back to sea, the eggs are collected and taken to the hatchery to be buried away from predators. Depending on the time of year, visitors may also observe hatchlings coming up out of the



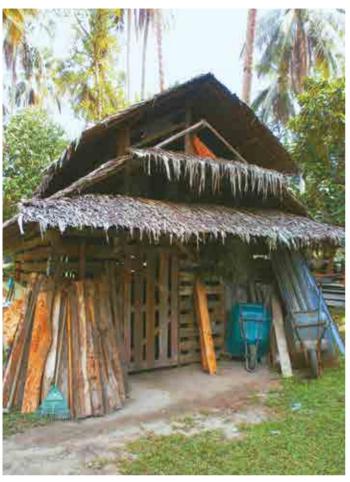
Black and white hornbills are among the many inhabitants of Pangkor Laut



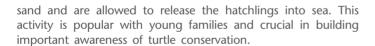
Fruit bats are an important species in the pollination of local plants



Turtle hatchlings ready to be released



Eco-Adventure Marang River Cruise - The Gula Melaka Hut in Kampung Jenang, Terengganu



At Gaya Island Resort (GIR), the "PURE" activities programme was designed to cleanse the mind and soul of guests. At GIR, guests can "Reconnect to a PURE world, the resort's activities programme that vivifies the senses, immersing guests in the vibrancy, scents, textures, sounds and tastes of the natural environment and cultural heritage of the region". One experience is a trail that reveals ancient ecosystems at every turn as guests hike on nature trails guided by the resident naturalist. In this astonishing animal kingdom, encounters with the island's natural inhabitants may include sightings of proboscis and macaque monkeys, hornbills, mouse deer, pangolins and bearded pigs. Located along avian migratory routes, the area is also a birder's paradise with 622 resident and migratory species of birds recorded for Borneo, with 32 endemic species.



Abundant and healthy coral at Pulau Gaya

Cameron Highlands Resort's focus is on the highlands and its richness of biological diversity. At all resorts, serious efforts have been made to ensure that the development of the resorts contribute to conservation efforts and integrates environmental aspects into the design, which include the types of building materials used, locations of the buildings, forest conservation, sustainability and waste disposal.

This commitment to the natural environment has also been carried through to the newer additions to the Group, including Niseko Village in Hokkaido, Japan, the MUSE Saint Tropez – Ramatuelle, in Southern France, the Swatch Art Peace Hotel in Shanghai, China, The Surin Phuket, Bray House in England and many more.



Aerial view of Gaya and Sapi Island



Scott Mayback, our in-house resident marine biologist treating an injured turtle at the Gaya Island Resort Marine Center

Gaya Island Resort Marine Center (GIRMC)

Gaya Island Resort (GIR) is located in the Tunku Abdul Rahman Marine Park in Sabah, Malaysia. YTL Hotels has set up GIRMC as part of YTL Hotels' efforts to build awareness about the marine life of the Tunku Abdul Rahman Park and on how YTL Hotels can help sustain and promote healthy marine life. The GIRMC – a Turtle Rescue Centre and Marine Sanctuary – cares for and protects the reefs, marine biodiversity and aspects that affect them.

The turtle rescue effort by YTL Hotels is new to Malaysia and GIRMC is the first Turtle Rescue Center in Malaysia. The Centre represented a significant investment and cost approximately RM500,000.

At the Marine Sanctuary, GIRMC employs Scott Mayback, Resident Marine Biologist of GIR who works in collaboration with Dr Nick Pilcher, Director of Marine Research Foundation (MRF), a Sabah-based NGO. Besides leading the guided snorkelling activity for resort guests, Scott Mayback also oversaw the set up of the GIRMC.

In the wild, the number of injured or ill turtles has increased significantly over the years. Turtles eat jellyfish as a main source of protein, leading to them ingesting plastic bags by mistake. Sadly, the waters around the globe are strewn with trash that can be mistaken for food by animals. As the turtles' food source is depleting, turtles may resort to eating garbage which can lead to serious illness or death.

As the safety of the turtles inhabiting the area is a pressing issue, GIRMC gets involved through the rescue of injured or ill sea turtles. The major highlight of GIRMC is the turtle holding tank where injured turtles that are discovered within the seas around Gaya Island are placed. These turtles are studied, and the cause of injury or illness is determined. They are then treated, nursed back to good health and monitored. After the turtle's recovery and stabilisation, the turtles will be released back into the wild.

In cases where turtles do not survive, YTL Hotels takes the opportunity to research the cause of death of each turtle by conducting autopsies and dissections which are used to educate guests and local communities. Such research plays an important role in education to avoid the recurrence of such problems. GIRMC also plays host to marine aquariums and touch tanks aimed at educating guests of the resort on the various life forms that inhabit the seas around Gaya Island. We also have established a Turtle Rescue Hotline that anyone can call in case an injured turtle is discovered.

Dr. Archie Carr, a scientist and author who almost singlehandedly began to turn the tide on the extinction of sea turtles summed it up when he wrote, "For most of the wild things on earth the future must depend on the conscience of mankind". Our planet has come to an unprecedented point in its history where the actions of one species, man, could determine the fate of life on earth. It is not too late to ensure a future for sea turtles.

67

AUCTION LOT 10.

LUXURY 5* PACKAGE FOR TWO FROM YTL RESORTS, MALAYSIA



Treasured places, treasured moments... This package will make you feel like royalty as you first marvel at the sites of Malaysia's capital, Kuala Lumpur, before moving on to relax on the private and exclusive island resort of Pangkor Laut.

Pavarotti once described Pangkor Laut as 'paradise'...

Begin your journey aboard the prestigious Malaysia Airlines, enjoying classic Malaysian hospitality and service, before exploring the incredible metropolis of Kuala Lumpur as you stay at the renowned Majestic Hotel. Encompassing the original colonial period Hotel Majestic, it is now a national heritage site and part of 'The Leading Hotels of the World's luxury collection'.

You will then travel to Lumut where you will be transferred by private yacht to the magnificent estates located on the privately owned Island of Pangkor Laut, 1.6km off the west coast of Malaysia. The estates reflect a South East Asian past that combines beauty, luxury and comfort amid a two million year-old rainforest. Each individual estate is a unique experience with two dedicated staff members to cater to your every need...a retreat that is pure privacy and exclusivity.









The lot includes: Two hights at The Majestic Hotel for two people including breakfast. 5 nights at Pangkor Lauf Estates for two, including food and non-alcoholic beverages consumed at the Estates during the stay, and private yacht transfers (Lumut Pangkor Lauf Resort - Lumut).

One of the auction lots donated by YTL Hotels for the Exclusive Gala Dinner event to raise money for the Born Free Foundation, the Environmental Investigation Agency and Wild Aid as part of the Tiger Tracks events for Savewildtiger.org

Tiger Tracks Event at St Pancras Station, United Kingdom

The *Savewildtigers.org* themed event is organised by Tiger Tracks, based in the UK and was the world's largest tiger conservation event held at St Pancras International, London, UK. It ran over a period of three weeks from 1st March 2013 until 21st March 2013. The event brought together 60 retailers, bars and restaurants, and more than 100 volunteers. Over one million people visited the event exhibition every week, including celebrities and leaders from all corners of the world.

The 21-day event was kick started with the Official Press Launch with Brian May of the pop group Queen and actress and singer Kerry Ellis on 1st March 2013. There were numerous activities including dancing, celebrity book readings, photography workshops and children's fancy dress competitions which gave the station a real tangible buzz. A national schools competition to make a tiger out of recycled materials was also showcased to encourage sustainability, promote recycling, and introduce the idea that "Tigers Are Not Rubbish". Also, the programme "Tiny Tigers" attracted many young minds to a two-day event held on the 16th and 17th March 2013. This programme created awareness for future generations regarding the importance of wild tigers and the role of future generations to protect wild tigers.

The three-week event had a stunning finale with *An Exclusive Gala Dinner*, where celebrities, influential Asian ambassadors, high commissioners, a Secretary of State from the UK government, conservation leaders and campaigners attended a Gala dinner and show to raise funds for this critically endangered species. Held at the prestigious Five Star St Pancras Renaissance Hotel, the event was the first major fundraiser for Save Wild Tigers, a partnership comprising the Born Free Foundation, the Environmental Investigation Agency (EIA) and Wild Aid. The event was created and promoted by The Clinton Partnership, which donated all its services.

YTL was extremely happy and proud to be a part of this wonderful event. And for this event, YTL showed their support for the second consecutive year by contributing an auction item. For 2013, this was the "Luxury Five Star Package for Two from YTL Resorts, Malaysia". It is the place Pavarotti described as a paradise on earth - Pangkor Laut Resort. The impressive auction helped generate significant funds for the evening, with YTL's luxury Malaysian package being one of the highest bid items of the evening raising an impressive £8,000.



(L-R) Actress Joanna Lurnley, and Lauren Baker, the artist who created the crystal tiger head, with Dato' Professor Jimmy Choo

The highlight of the event was the auction of the "Crystal Tiger" by artist Lauran Baker. The piece is a life-size tiger head sculpture encrusted with 35,000 Swarovski crystals. This magnificent piece of art was revealed by Dato' Professor Jimmy Choo in the foyer of the St Pancras Renaissance Hotel to raise awareness for the Tiger Tracks event.

Dato' Professor Jimmy Choo said: "As Tourism ambassador to Malaysia, in a country where the tiger is our national symbol, I am pleased to show my support for this magnificent animal by unveiling this dazzling piece of art". Hopefully this tiger head sculpture will encourage others to show their support for an animal which needs to be preserved so that future generations can enjoy its beauty."

Talking about the tiger head's creation artist Lauren Baker said: "I hope that people will see the crystal tiger and be reminded of the living treasures that are being forgotten and potentially lost forever."

In total, £200,000 was raised over the three weeks. All profits from the Save Wild Tigers initiative are going to the Born Free Foundation and the Environmental Investigation Agency (EIA) tiger conservation projects.

69

WESSEX WATER'S WILDLIFE AND CONSERVATION

In response to the Government's Natural Environment White Paper and Biodiversity 2020, and the new "England Biodiversity Strategy", Wessex has updated their Biodiversity Action Plan.

Wessex was the first private company to publish an action plan in 1998, following the Rio Earth Summit and maintain it as a live document, routinely updated following changes to legislation.

During 2012, Wessex continued to manage nearly 300 hectares of land designated as Sites of Special Scientific Interest (SSSI), and exceeded government targets for favourable or unfavourable but recovering status. They continued to enhance other land for wildlife as part of the ongoing birds, bats and bees projects focusing on habitat management on high priority wildlife sites.

Challenges that Wessex encountered was the extreme weather during 2012, which was a challenge to the organisations they support through the Partners Programme. However the funded seven projects were successful in delivering practical action to contribute to the overall aim of conserving and enhancing biodiversity across the region.

These include:

- Dorset Wild Rivers project, delivering 3.35km of river restoration, together with 4.8 hectares of targeted wet woodland and related wetland habitat
- Buglife's Wessex Springs and Seepages project, surveying the invertebrate potential of small and often ignored habitats on the West Dorset coastal cliffs
- A farm water management project in the River Parrett catchment.

The past year has shown the value of their partnership approach to conservation with several new or emerging projects enhanced as a result of this collaboration:

- Hosting the Frome and Piddle catchment initiative has highlighted the need for work in which the Dorset Wild Rivers project has been able to start delivering results
- Wessex grid project has been able to work with the South Wiltshire Farmland Bird project to see how they can deliver wildlife enhancements along the pipeline route to offset the temporary impacts on species and habitats during construction.



Wessex Water's Biodiversity Partners Programme



Jules Bishop, Prickles Hedgehog Rescue Centre



The restoration work has successfully enhanced biodiversity in Dorset

Protection of the Environment



The Frome and Piddle catchment areas in Dorset

Frome and Piddle Pilot catchment initiative – a case study

In the biodiversity action plan, Wessex is leading a project on the rivers Frome and Piddle in Dorset, in conjunction with the Environment Agency, Defra, Natural England, environment charities and local interest groups such as fishing clubs. This will build on work already previously carried out or funded by Wessex. The project is looking into the causes of pollution and floods in the catchments and will work to deliver solutions and share knowledge gained with others.

Much of the River Frome is a SSSI but is in poor condition for a designated site and both it and the River Piddle fail to meet the Water Framework Directive targets for aquatic plants, invertebrates and fish. High nutrient levels are just one of many factors contributing to this.

As high nutrient levels in our sources are also a problem for Wessex, they have agreed to host a catchment pilot for the Environment Agency in conjunction with the Environment Agency, Defra, Natural England, environmental charities and local interest groups such as fishing clubs. This is trialing a partnership approach to developing and delivering a River Basin Management Plan as required under the Water Framework Directive.

The partnership will deliver water quality, river structures and biodiversity improvements to the rivers and catchments of those rivers and to Poole Harbour downstream.

An aim of the projects is to ensure that the actions required to deliver any particular improvement, such as reduced nitrate into the groundwater for drinking water standards, maximise benefits for the other objectives such as biodiversity.

This project will also help Wessex to consider its future development needs on a catchment-wide, holistic basis and sustain the strong relationships with regulators and NGO partners.



"River Weaving" at the Frome and Piddle Pilot Catchment area

Conservation in Partnership

YTL has long supported conservation efforts through various leading non-governmental groups in meeting our aim of furthering biodiversity conservation efforts in Malaysia, Asia and beyond. We believe these partnerships help us address issues that we may not have the expertise, skills or resources to manage on our own. Therefore, in addition to investing in renewable energy and clean technology both directly and through our externally managed funds, we are also continuing our support for our long-term conservation and environmental partners such as Rare Conservation (Rare), Reef Check Malaysia (RCM), Malaysia Nature Society (MNS) and many more.



evian® glass bottles and bottle tags displayed on dining tables in YTL's F&B outlets to raise funds for Reef Check Malaysia

REEF CHECK MALAYSIA – FUND RAISING FOR OCEAN CONSERVATION EFFORTS

Reef Check Malaysia (RCM) is a non-governmental organisation (NGO) working to promote the preservation of coral reefs throughout the coastal water of Malaysia. RCM aims to educate the public and governments about the value of coral reefs, conducts monitoring and reporting on reef health and has several coral reef rehabilitation projects around Malaysia.

YTL Hotels & Properties and the YTL F&B division, Autodome, embarked on an initiative to raise funds on a recurring basis for a YTL Group NGO partner, Reef Check Malaysia (RCM) in conjunction with evian® and their local distributor in Malaysia, GBA Corporation Sdn Bhd (GBA).

This project was kicked off in August 2012 and aims to reduce the consumption of plastic bottles, and educates customers on the importance of environmental conservation by encouraging them to switch to glass bottles. Glass is easier to recycle and has a lower carbon footprint. The project was also aimed at raising awareness about the importance of coral reefs in the marine ecosystems, and particularly that of the Pacific coral triangle, which Malaysia forms a part of.

In line with this, YTL approached evian® and their local distributor, GBA to co-brand an initiative where 5% of proceeds derived from the sale of the evian® water bottles sold would be donated to RCM for their reef surveys, coral rehabilitation and other critical work they are carrying out around Malaysia to protect coral reefs and the species that use those reefs as spawning grounds.

The tag design was created by a student of Dasein Academy of Arts, Jeff Lau, as part of his pro-bono work for sustainability outreach, and the tag printing was sponsored by evian® and GBA. It forms an important part of YTL's efforts to create recurring and long-term fund raising for its NGO and environmental partners.







Outreach programme "Rainforest to Reef" for schoolchildren

REEF CHECK MALAYSIA – REEF CONSERVATION AND REHABILITATION ON MALAYSIA'S WEST COAST

Reef Check Malaysia (RCM) is the world's largest international coral reef monitoring programme involving volunteer recreational divers and marine scientists. YTL has joined hands with RCM for coral reef surveys, conservation, the creation of safe snorkelling zones and reef rehabilitation around Pangkor Laut since 2008. This cooperation has continued, with YTL supporting RCM. In addition, YTL continues to support RCM through funding and project implementation. This partnership is fruitful as it gives YTL the chance to protect and preserve nature and the biodiversity of the seas directly or indirectly. At Pangkor Laut Resort, an employee-volunteering programme was established with the support of RCM annually. In this programme, RCM experts conduct awareness talks for resort employees as well as beach clean-up activities around the island.

Although the initial focus was on Pangkor Laut Resort, the programme has subsequently been widened to include possible conservation actions at the nearby Pulau Sembilan, a group of nine islands that are one of the last significant coral reef areas and important spawning areas on Malaysia's West coast, but which currently have no protection status.

Schools Environment Education Programme

There is a need for young minds to know and understand how to interact with the environment. It is urgent as many species of flora and fauna are disappearing. The future of the environment is in the hands of future generations. The best way that we can equip them is through education. Hence YTL and RCM have joined together in an outreach programme for schools, entitled "Rainforest to Reef". The goal of the programme is to raise awareness on the value and importance of marine ecosystems and to encourage conservation in a wider sense. Since 2008 over 120 children from three schools in Pulau Pangkor have participated in the programme. The activities RCM conducted were a guided snorkeling tour to nearby Pulau Giam to show students the basics of marine ecosystems. In addition to that, there were presentations and other activities to teach students the basics of marine ecosystem for students in Standard five.

Protection of the Environment

Reef Rehabilitation

Coral reefs are the most diverse marine ecosystems on earth. However, there are surprisingly few who actually know that the marine ecosystem is under severe threat. The reasons that people give is that the waters appear relatively clear and they are still populated by some fish. However, many don't understand how the marine ecosystems could be under threat. Coral reefs are home to a third of all ocean-dwelling fish, and a nursery ground for a quarter of all marine species. Without reefs, the abundance of all these species would rapidly decline, reducing biodiversity on the reefs and affecting all those who rely on them. Coral reefs are being damaged by a variety of both local and global threats.

RCM's initial visits to Pulau Pangkor highlighted the poor state of marine resources around the island. Although many tourists to Pangkor participate in snorkelling trips, there was little for them to see. The main snorkelling site, Pulau Giam, is in very poor condition with little surviving coral and few fish. Snorkelling trip operators voiced their concerns over irresponsible operators setting up businesses conducting snorkelling excursions, and weighing a heavy impact on the reefs.

RCM provided training for interested operators on how to manage "eco-friendly" snorkelling trips, to try to encourage more responsible tours. A two-day course was delivered to snorkelling guides. Following the training, RCM discussed options for site improvement with local guides.

Rehabilitation with coral fragments collected from nearby sites was agreed as the best approach. As a result, a two-part programme was designed to establish a "coral nursery" and subsequently to transplant collected corals to a designated rehabilitation site.

In November 2010, RCM, together with Pangkor Laut Resort, established a coral nursery at Pulau Pangkor, in front of the Pangkor Laut Resort jetty. Live coral fragments or "nubbins" were collected from nearby healthy reefs and attached to a nursery matrix. This step was essential to allow maintenance of the nubbins to ensure they remained free of silt and algae which could otherwise smother and kill the corals. Employees from the resort were involved in the maintenance programme, with scuba divers cleaning the nursery every three days and reporting on growth and mortality rates.

In April 2011, further discussions with local snorkelling guides identified possible transplant sites, and it was agreed that a "safe zone" should be established to protect the transplant site and prevent boat entry and anchor damage. In October 2011, the nurseries were transported to the transplant site at Pulau Mentagor, just off the west coast of Pulau Pangkor. Many snorkel boat operators were involved in preparing the site. With support from YTL, the completed transplant site was established as the "Pangkor Safe Snorkelling Zone" (SSZ) and launched together at a campaign targeted at snorkelling





100% survival rate at the coral rehabilitation site with marine organisms taking up residence on the successfully transplanted coral nubbins

guides, tourists and the local community to raise awareness of the value of coral reefs, how they are being damaged and what can be done to conserve them. YTL funded the cost of the cement blocks, ropes and buoys placed at the site demarking the perimeters of the site to ensure that boats do not stray into the SSZ, but rather drop snorkelling groups off just outside the zone. After three months at the rehabilitation site, the survival rate of nubbins recorded was 100%. Corals showed signs of growth and had successfully maintained a healthy ecosystem, with large numbers of fish and invertebrates taking up residence.

RCM conducted a follow-up visit to Pangkor Island in January 2012 by continuing its communications programme with the locals. They found that the snorkelling guides association demonstrated a strong commitment to conserving and rehabilitating reefs at Pangkor Island by collectively agreeing to leave the site alone until 2013. The snorkelling guides have also agreed that only certified eco-friendly snorkelling guides will be allowed to bring tourists to the site.

Community

RCM also supports YTL in conducting stakeholder engagement programmes within the local community involving various groups. These include the Pangkor Fishermen's Association, Fishing Boat Owners Association and the Snorkel Boat Operators and Snorkelling Guides. The objectives of these exercises are to raise awareness of the poor condition of the marine environment around the islands and to identify possible improvement projects. Further consultations are planned in particular to discuss the establishment of marine protected areas at sites around Pangkor and Pulau Sembilan.

Future Programmes

In addition to ongoing programmes at Pangkor, YTL funding also supports some of RCM's other projects, which include:

- Annual survey programme, where annually 140 coral reef sites in both Peninsular Malaysia and East Malaysia are surveyed to assess the health of coral reefs and identify changes to the reefs;
- EcoAction surveys conducted by volunteers, who are trained to conduct Reef Check surveys. YTL is supporting part of the costs of the training;
- Education RCM conducts annual awareness and education programmes in schools and colleges around Malaysia. Part of the costs of these programmes is funded by YTL.

MALAYSIAN NATURE SOCIETY – CARING FOR MALAYSIA'S RAINFORESTS

The Malaysia Nature Society (MNS) has been contributing to the conservation of Malaysia's natural heritage since 1940. Being the oldest environmental non-governmental organisation (NGO) in Malaysia, MNS is present in every state through its branches which run activities for its members and the MNS Secretariat in Kuala Lumpur which looks at national natural conservation issues.

Forests represent about one third of Malaysia's natural coverage and their role in maintaining biodiversity and ecosystems is extremely important. Malaysia is one of 12 mega biodiversity countries. In recognising this treasure trove, YTL has contributed funds to support the conservation initiatives of the Belum Temengor Forest Complex (BTFC), one of the remaining large contiguous forest landscapes in Peninsular Malaysia.

This forest complex is large enough to support large mammal populations (i.e. the Malayan tiger, Malayan Tapir, Asian Elephant, Gaur) and birds (i.e. Hornbills, Green-Pigeons, Pheasants). BTFC is also contiguous with the Bang Lang National Park/Hala-Bala Wildlife Sanctuary (Thailand) in the north creating a large forested landscape where approximately 10,000 indigenous people depend on the forest complex to sustain their livelihoods.

Some of the key highlights and achievements of this initiative are the production of the Belum Temengor Integrated Master Plan, the launch of the Save Temengor Campaign, mobilisation of local communities, photo exhibitions of Nomads, communication platforms as well as numerous forest walks and media trips.

75

Visit www.mns.my for more information.

Protection of the Environment

RARE CONSERVATION

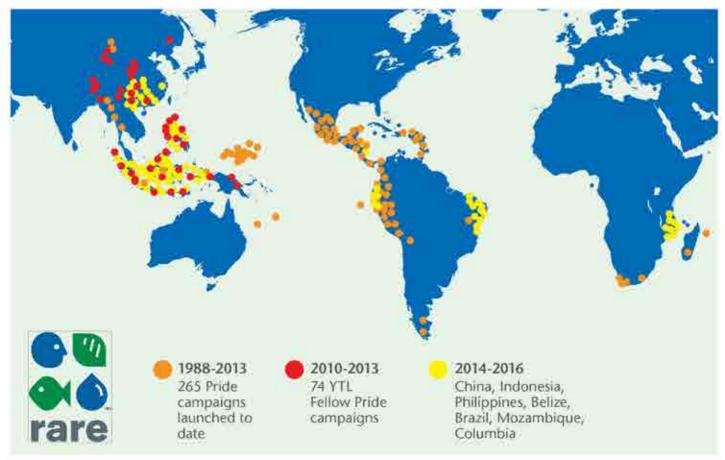
When inspiring conservation there are few NGOs who do it better than Rare Conservation (Rare). It was proven when the world acknowledged their efforts and Rare was listed as one of the 100 best NGOs in 2013 by the Global Journal. YTL Corporation Bhd has supported Rare for a number of years before the world acknowledged their pedigree. This is because of Rare's vision to conserve imperilled species and ecosystems around the world. The depth of vision was understood and well embraced by YTL. Rare inspires people to care about and protect nature. YTL as a caretaker to the environment and a leader to the community wants this message sent to people in all walks of life, and the best way to get the message out is through the "YTL Fellowship for a RarePlanet – Asia".

Rare estimates that YTL Fellows in Asia, and the Pride campaigns they lead, will directly impact approximately two million of the world's poorest people who are most vulnerable to climate change and to the depletion of fisheries, forests, and other natural resources upon which they depend. There is also ecological significance of the areas in which YTL's grant is making an impact.



YTL Fellowship for a RARE Planet

Rare has inspired many to change their attitude and efforts regarding nature conservation. Working at the nexus of economic development and biodiversity conservation, Rare specialises in training emerging local leaders, called Conservation Fellows, using the Pride campaign methodology. YTL has taken the Pride on 21st June 2010 to launch an unprecedented community-based conservation programme, the "YTL Fellowship for a Rare Planet". The Fellowship fund in support of Rare amounts to a commitment of USD2 million – one of YTL's largest conservation gifts to date.



Rare's planned programmatic growth from 2014 through 2016

Statement from President and CEO of Rare, Brett Jenks

At Rare, we believe conservation comes down to people – their behaviours toward nature and their ability to protect it while improving their quality of life. In Asia, YTL is a key partner for us because we share a common vision:

- empowering communities to become agents of change for sustainability;
- · identifying what solutions are already working; and,
- when you find something that works, repeating it.

With YTL's support, Rare is advancing this vision by building the next generation of conservation leaders in Asia. Since 2010, Rare's YTL Fellowship program has trained and mentored 74 world-class, local conservation leaders across Malaysia, Indonesia, the Philippines, China and Papua New Guinea.

The idea that young leaders can advance sustainability is not new to YTL. Ruth Yeoh serves on Rare's Board of Trustees and has been an environmental leader since her teenage years.

When local leaders and communities are empowered to change, great things happen. Consider the case of Renate "Tian" Cempron, one of our Rare-YTL Fellows.

Tian lives in the Philippines, in the fishing village of Hambongan. Hambongan is part of the Coral Triangle-that incredibly rich "nursery of the seas" shared by the Philippines, Indonesia, and five other smaller nations. Its reefs are among the richest, most diverse in the world.

Like many coastal communities, the people of Hambongan rely on the sea. Yet, ten years ago, fisheries there virtually collapsed. Growing populations meant fish were being taken out of the ocean faster than they could replenish themselves. Hope for Hambongan came in the form of a promising new approach that is gaining acceptance by biologists and fishers.

This approach:

- gives local fishers exclusive access privileges to, and control over, fishing grounds under a system called territorial user rights in fisheries (TURFs);
- creates fishery replenishment zones within the fishing grounds where fishing is off limits (reserves) to protect habitat and provide a safe haven for fish populations to recover; and
- uses proven marketing techniques to inspire local pride in stewarding natural marine resources and to cultivate lasting community support for TURF-reserves.



Brett Jenks, President & CEO of Rare

Through TURF-reserves, fishers are incentivised to be better stewards of a limited and precious resource. With better stewardship comes an exceptional suite of benefits: increased fish stocks; incentives for improved management; increased economic value of the fishery; the ability to feed more people; protection for biodiverse reefs, sea grasses and mangroves; climate change resilience; and improved local leadership capacity to ensure sustainability.

This is a big idea for a small community like Hambongan. The challenge is boosting local adoption – changing the way locals fish.

At Rare, we know that behaviour change is no simple feat; it requires a good recipe and a very creative local "chef."

Tian – the unlikeliest of conservation heroes – is just that kind of leader. The 10^{th} child of a fisherman, Tian grew up as the local fishery wound down.

He wanted to change things, but when he was interviewed to become a Rare-YTL Fellow working to recover local fish stocks, he was so shy he spoke through a translator and shook nervously. But the local mayor who knew him assured us Tian could succeed.

Tian followed Rare's basic recipe for behavior change by launching what we call a "Pride campaign." Pride campaigns make people proud of their natural assets and inspire them to care for and protect nature. In this case, Tian used Pride to win the hearts and minds of local fishers so they would protect their fishery by adopting a no-take zone (the "reserve" piece of the TURF-reserve).

I attended Tian's campaign launch in Hambongan. More than 2,500 screaming school children, teachers, and local leaders attended. It was clear from the crowd's reaction that Tian had become a local celebrity since the first time I met him.

Protection of the Environment



YTL Fellow Wida S. with Pride mascots and school children in Indonesia

Local mayors stood up and publicly pledged to protect their notake zones. Parades led by fishermen circled the reefs and made sure everyone knew the boundaries of the no-take zones.

Any international company would be proud of the way Tian used the marketing skills he learned in his YTL Fellow training to shift behaviors. T-shirts, posters, bumper stickers, community events, parades, billboards - he was using the tools of the trade to convince people they wanted to "buy in" to what he was selling. The evidence of his campaign permeated the town.

The campaign wasn't just ubiquitous. It was ingenious. He even had Meloy, a human-sized Leopard Grouper mascot, teach the crowd to text the local hotline if they saw anyone trying to fish in the no-take zones.

And that's how the behavior change began.

But it didn't end there. Our conservative goal was to boost fish stocks inside the no-take zones by just 10% in the first year. An independent analysis by the University of the Philippines found that fish biomass in the no-take zones increased by 434% in just one year.

Of course, Tian wasn't alone. Rare launched 12 of these YTL Fellow campaigns across the Philippines in 2010. On average, fish biomass across 12 different sites rose almost 40%-four times our initial goal.

Encouraged by these early successes, Rare, with YTL's support, increased our focus on the Philippines in 2012, launching another 14 campaigns and clustering them with the original 12 to amplify fish stock recovery and coral reef protection. Already, the League of Municipalities is discussing how to bring this approach to each of the Philippines' 800 coastal communities.



Beach clean-up known as the Pride Campaign undertaken by YTL Fellow Quai Razak from Sabah, Malaysia

In Hambongan and at dozens of other sites in the Philippines, I have seen evidence that we can recover fisheries, protect coral reefs and mangroves, create climate resilience, and improve livelihoods of the 1.3 million small-scale fishermen and their families that depend on fishing. I see proof that China's 63 million hectares of critical wetlands can rebound, providing critical habitats for migratory birds, as well as natural water filtration and flood management for nearby communities. Orangutans and the forests in Borneo are now better protected and the dangerous and destructive practice of dynamite fishing in Sabah's marine reserves has nearly disappeared.

Over the coming years, Rare will train hundreds of local leaders like Tian. In each case, their goal will be to unleash self-interest to protect our environment and make transformative changes like those in fisheries across Asia, thanks in great part to the support of YTL.

BRETT S. JENKS

By the Numbers: YTL's Impact 2010-2013

	Before YTL Investment March 2010	After YTL Investment July 2013
Rare Total Staff	59	122
Rare Staff in Asia	12	33
Rare Operating Budget	USD13.2 million	USD22 million
Total YTL Fellows in Asia	26	100
Percentage of all Asian Fellows (in Rare's history) supported by YTL	0%	74%
People Impacted	650,000	2.55 million
Number of Rare Donors in Asia	2	24
Babies named "Rare"	0	3
Number of Master's Degrees Awarded to YTL Fellows	0	39
Contribution from YTL	0	USD1.5 million of USD2 million

	July 2013
Average increase of fish abundance across first 12 Philippines campaigns	47%
Coverage of the new No-Take Zones – Bird's Head Seascape, Indonesia	24,727 hectares
Number of community members influenced to protect wetlands in China	200,000
Percentage of farmers stopped destructive slash-and-burn farming in Indonesian Borneo	75%
Number of new No Take Fishing Zones created in Indonesia and Malaysia	15
Number of Chinese communities signed wetlands co-management agreement (including Hainan Island) and now reporting increases of threatened species	7 of 7







YTL PowerSeraya staff working together

At YTL, we aim to position ourselves as the Employer of Choice by;

- embracing diversity and inclusiveness, and fostering a fair workplace environment.
- attracting and retaining global talent by growing the various capacities of our workforce by bridging gaps in competencies through learning and development.
- creating a well-balanced workplace Health, Safety and Wellbeing.
- engaging our people on the sustainability agenda and to champion best practices within the workplace through active employee engagement.



Our employees are our greatest asset and a cornerstone in our pursuit of business success. As a conglomerate that employs over 9,000 people globally, we believe that our tremendous economic growth has been mainly attributed to having the right talent, with the right skills in the right roles, thriving in the right culture and successfully driving the Group into its next phase of growth and development. Our employees are at the heart of what we do.

Our approach to human capital is simple. It is our primary interest to ensure that all our employees are healthy, motivated and committed as well as treated with dignity and respect. We believe in growing the capabilities of our workforce by creating an ethical, supportive and progressive environment which offers professional and intellectual challenges, encourages innovation and creativity, and seeks to reward success and work-life balance – this is fundamental to our culture and imperative for a sustainable business.

NURTURING TALENT THROUGH FAIR EMPLOYMENT PRACTICES

Embracing Diversity and Inclusiveness

YTL Corporation Berhad (YTL Corp) is an extremely diverse organisation in terms of its ethnic and cultural make-up. Our employees come from all over the world with different cultural backgrounds and have diverse skill sets – attributes that are necessary to run a diversified global operation, and more importantly, to explore future growth opportunities around the world. To benefit from diversity, an organisation needs to have an inclusive environment where everyone feels respected. We provide this by instilling the spirit of mutual respect, understanding and unity at the workplace. We value people's differences and embrace diverse cultures. This means we respond to challenges more effectively as individuals, as communities, and as a functioning business.

Equality in the Workplace

We are an equal opportunities employer both at the recruitment stage and through opportunities for promotion and development.

At Group level, we adopt merit-based recruitment practices. All new hires are considered based on individual competencies as well as organisational and position fit.

In our global operations, we also work towards embedding a culture of performance management. This approach provides opportunities for employees and managers to undergo an open discussion on the employee's performance, areas for improvement, development needs, career planning and a chance to raise any issues or concerns. This reflects our commitment to treat everyone fairly and in an egalitarian manner giving everyone the chance to realise their dreams and achieve their full potential.

Promoting Local Talent

Operating in 10 countries, it is our aim within the Group to recruit locally so that our businesses at each site can navigate through the local context competently and reflect the diversity of the local population - and perhaps most importantly, creating job opportunities for the local community. Our main focus is the job fit and competency of the potential employee for the targeted role and where feasible, we will recruit local talent to fill in the respective roles.

SUPPORTING WOMEN IN THEIR CAREERS AT E-MAS



Successful Women at the Top at E-MAS

From left to right:

Nauwalah Amat Mustakim - Manager, Finance Department, Gan Lee Hong - Manager, Procurement Department, Nor Hashimah Basri - Senior Manager, Human Resources Department, Suriani Farisa Md Isa - Manager, Human Resources Department, Mahalatchmy Paidathally - Manager, Material Management & Administration Department

Express Rail Link Sdn Bhd (ERL), an associated company in the YTL Group, was awarded the concession to operate and maintain the KLIA Ekspres and Transit railway services. The train's operation and maintenance are efficiently managed by ERL's wholly owned subsidiary, ERL Maintenance Support Sdn Bhd (E-MAS).

Thomas Baake, CEO of E-MAS said: "As part of our commitment to our people, we respect our employees and provide equal career growth opportunities regardless of their gender. E-MAS industry often has seen to be male-dominated; However, we

foresee women will be our future workforce. Our aim is to create a positive environment for women, attract more women in the marketplace and strengthen the representation of women in our leadership ranks and talent pipeline."

Through the efforts of E-MAS Human Resources Department in-talent attraction and retention strategy, we are seeing some results, with improvements in the number of women in senior positions and the overall diversity of future talent. Today, there are five women leaders in middle and senior management positions across the organisation.

EMPLOYEE BENEFITS AND REWARDS

Working in a constantly changing industry makes for a challenging career so looking after the wellbeing of employees is important to us. At YTL, we offer a comprehensive and flexible package to promote a better quality of life for our employees and their families which include a competitive salary and bonuses, learning and development, granted leave entitlements, medical benefits and group insurance plans. We also provide employees with a 13th month wage supplement on a discretionary basis as well as Employees' Share Options Schemes (ESOS).

The Employees Provident Fund (EPF) Act 1991 (Act 452) grants all Malaysian employees retirement benefits. The EPF is a comprehensive social security savings plan introduced by the Malaysian Government to enforce savings by salaried workers to help EPF members save towards a secure retirement. YTL contributes according to the statutory percentage based on an employee's salary as stipulated by the EPF.



Wessex Water's employees (from left to right): Catherine Pedder, Jon Weeks, Helen Robson, Tan Chien Wen and David Kitchener

TRAINING AND DEVELOPMENT

At YTL, we are committed to provide a comprehensive training programme of continued development and encourage our people to actively seek advancement in their professional disciplines. We place the highest importance in ensuring that our people are continuously equipped with the necessary leadership skills and knowledge, as well as ensure their wellbeing to keep them and us at the forefront of our businesses. It is also within the YTL culture to share and replicate best practices amongst employees and business units. We believe that providing employees with opportunities for growth is critical for attracting, developing and retaining a talented workforce.

Our employees have the opportunity to take advantage of a variety of learning tools that suits their aspirations and fits in with their business needs. Various programmes were held which focused on upgrading the competencies of our people and to increase their productivity whilst creating a talent pool for effective succession planning. Investments are made in structured on-the-job exposure, mentoring/coaching, job rotation, funding for continuing education and professional development. This also includes formal classroom training, workshops and seminars covering areas ranging from management, technical skills, communication, leadership and soft-skills.

Case study in Employee Development

We provide our employees with structured career development opportunities and have successfully created an environment for talented people to move within Wessex Water (Wessex).

Ashlea Lane, Head of Waste Treatment, started with Wessex in 2001 as an electrical engineering apprentice. When he completed his apprenticeship Wessex sponsored Ashlea to complete his degree in electrical and electronic engineering through part-time study while continuing to develop his career through a range of different roles.

After graduating with honours Ashlea continued to progress his career performing roles in water treatment and waste treatment in operations and in the construction business as an automation technician.

Ashlea applied for and attended a two-year Wessex graduate manager programme where he spent time in each area of the business including engineering and construction, operations, special projects and corporate divisions. As part of this programme, he was allocated a director as a mentor for regular development focused discussions.

After completing the graduate manager programme, Ashlea was appointed to a senior craftsman position in waste treatment. Two years later, a promotion to treatment manager in waste water followed.

Ashlea takes responsibility for his own personal development via mentoring and coaching and, with Wessex's support, he is currently in his final year of a three-year MBA post-graduate study programme through the University of the West of England.

Ashlea is also studying to become a chartered engineer through the Institute of Engineering and Technology. Wessex actively encourages and promotes employees achieving chartered member and chartered fellow status within their recognised professional bodies. In 2013, Ashlea was appointed to the senior management position of Head of Waste Treatment for the entire region. This appointment was testament to his performance, future potential and commitment to his own development.

Reflecting on the development opportunities he has benefited from, Ashlea commented: "Wessex Water understands one of its most important assets is its employees and it is good at recognising its people, identifying potential and nurturing their development and is willing to make an investment in their careers.



"Wessex Water is a brilliant company to work for; it is more than a utility – it is a business of people and provides a platform for highly motivated, skilled employees to forge a career for themselves."

"Ten years of career training and personal development have allowed me to put into practice what I have learned and enabled me to provide the best service to our customers."

ASHLEA LANE Head of Waste Treatment, Wessex Water

GROOMING FUTURE LEADERS

Graduates are groomed for roles across the YTL Group according to their aspirations and qualifications. The Group also has an ongoing Internship Programme to identify and develop future leaders, where interns from tertiary institutions gain real-life work exposure, develop new skills and broaden their knowledge in the diversified business units guided by senior officers.

Harnessing and nurturing talent for the future by providing a well-balanced education, the YTL International College of Hotel Management (YTL-ICHM) also plays a pivotal role in guiding the hospitality industry's demands for skilled and qualified professionals as well as providing strong foundational skills training within this industry. YTL-ICHM works closely with its many luxury hotels and resorts to help expose the students to the world of hospitality. Students are taught within a fully operating hotel in a campus which essentially functions as a "live classroom". There, they have the opportunity to learn from industry experts. YTL Hotels then provide industry placements for graduate students which form an integral part of the syllabus. To date, 54% of graduates have secured full-time employment with YTL Hotels.

YTL-ICHM has also provided a platform where young and upcoming talented students are molded through three stages of internship in their two and half years of education. Here the interns from YTL-ICHM are provided with the opportunity to work in YTL Hotels where they learn first-hand experiences and are guided, step-by-step. YTL has always ensured that young talented individuals are equipped with skills, knowledge and leadership training. YTL Hotels ensures that interns are educated with meaningful and relevant development skills to place them as potentially first class human capital for future growth.



"I was an intern with YTL Hotels and now I am working with them at The Ritz-Carlton, Kuala Lumpur. That is really amazing! Since I joined YTL as a butler, as a person I am more composed and confident. It has been an adventure working here because I am learning everyday. I really hope that I will grow with the company to reach new heights in future."

RICHARD NG CHENG KIT Butler, The Ritz-Carlton Kuala Lumpur



"My experience so far at ElectraNet is that they really value their staff. There is a tangible culture that supports employees being developed to their fullest potential – and I'm looking forward to my future power engineering training, on ground "hands-on" experience, and networking opportunities that ElectraNet's Graduate Program offers. Everyone is very friendly at ElectraNet. It's a really fabulous place to work."

WEN-CHENG HUANG
Graduate Engineer
BE (Hons) Electrical & Mechatronic
2010 graduated from University of South Australia

Future career prospects are open and transparent at YTL. Interns who excel in internships are welcome to become a part of the YTL Group, long-term. Incentives provided to these students are part of the high-energy start-up culture that helps shape them and provide opportunities for them to grow, participate and contribute to the Group.

ElectraNet Pty Ltd (ElectraNet), an associated company of the YTL Group, is a regulated transmission network service provider in Australia's National Electricity Market and is currently the largest connector of wind generation in Australia. ElectraNet owns South Australia's high voltage electricity transmission network, which transports electricity from electricity generators to receiving end-users across the state. ElectraNet launched its "ElectraNet Gradute Programme" – a two to three years programme, which offers a host of fantastic career opportunities; and it continues to evolve and grow.

ElectraNet Graduate Programme is a celebrated success story – according to the previous graduates who have gone on to secure challenging and fulfilling permanent roles within the business – and also the current graduates who are still reaping the rewards. Every year, ElectraNet receives nearly 200 applications from undergraduate electrical and civil engineers for this programme, where the graduates are given the chance to gain exposure in the engineering challenges with ElectraNet.

FROGASIA INTERNSHIP DEVELOPMENT PROGRAMME



At FrogAsia, interns are given the opportunity to participate in real-life work experience as well as on-thejob training sessions and workshops

FrogAsia Sdn Bhd (FrogAsia), a subsidiary of YTL Corp, was the first company in the world to deliver a single learning platform across an entire nation. In March 2012, FrogAsia launched its "FrogAsia Internship Development Programme" - a two to three months programme that is open for applications all year round. Since its launch, the programme has seen over 20 interns being granted the opportunity to work in a fast-paced start-up environment in Malaysia. The programme is open to all students aged 16 and above.

The FrogAsia Internship Programme was developed with the vision of empowering students with the relevant skills and experience to be able to take on the workforce with confidence. Through this programme, FrogAsia hopes to equip individuals with not only the job skills, but the character and attitude to make a positive difference as valuable employees in the industries that the company serves.

Interns are given the opportunity to participate in meetings and staff training sessions, as well as to initiate and drive projects in Marketing as well as Media and Communications. Interns are also given the chance to pitch creative ideas for blog posts, social media posts, campaigns and competitions, and to see their work progress from an idea to actual production. They gain exposure to frontline sales and customer service experiences by participating as event staff on marketing roadshows that are held throughout Malaysia. They are also guided through weekly mentoring sessions with their supervisors, who provide continuous feedback geared at preparing them for the working world.



Interns and staff at FrogAsia jointly celebrating staff birthdays

At FrogAsia, our motto is to "educate, inspire, learn and discover". We strongly believe that it is vital to invest in young people by equipping them for the workforce, as they are the next generation of leaders in the making. We believe that by continually growing our people and making space to learn from one another, we can mutually benefit by sharing knowledge and experience.

Through FrogAsia internship programme, fresh graduates have the opportunity to experience a taste of the working world in a work culture that supports and encourages their personal development, while supervisors get a better understanding of what it takes to engage the next generation of employees. We have seen a diverse range of interns join the programme, including international students, many of which have gone on to successfully enrol in university, find employment within industry and also join FrogAsia as full-time employees.

Testimonies from some of the interns who have enrolled in the programme:



"Working in an environment of highly focused, committed and hardworking people really motivates you and pushes you to be better. What I found the most insightful was going on-ground for school visits and helping out with training. It really created an understanding of why we did the work we were doing and why it was so important to do it with excellence."

MABEL TAN MEI SHUI

2012 Media and Communications intern, graduated from Teesside University with a BA (Hons) in Media Studies, now working part-time at a radio station.

"This internship has both challenged me to step out of my comfort zone and taught me so much. I've learned to be more patient and focused, to think out of the box, and to be brave enough to voice out my opinions. At FrogAsia, managers and supervisors are genuine and provide many opportunities to grow and learn, while colleagues are friendly, inspiring and supporting.



I would highly recommend anyone to this programme – you will gain not only hard skills but also life experiences that you might not gain elsewhere."

YAP JING KER

2013 Marketing Intern, currently pursuing a Bachelor of Law, LLB (Hons) degree at Taylor's University Lakeside Campus.

MANAGING WORKPLACE HEALTH AND SAFETY

The health and safety of our employees is of paramount importance to us. We believe that being a good employer starts with providing a safe and healthy working environment. As well as ensuring our employees are prepared to respond to emergency incidents on a day-to-day basis, they have to deal with many challenging and potentially dangerous situations. To support them, YTL Corp remains committed to achieving the highest possible health and safety standards throughout our businesses.

The nature of operations at the Group's power stations, cement plants and other operations poses various safety and health risks to persons working within the compounds. It has been the Group's practice to cultivate an Occupational Safety and Health (OSH) culture among all our employees, associates and contractors across all business groups and taking adequate practical steps to prevent and control against potential risks to the occupational health and safety of all personnel at all sites and facilities.

YTL Power, YTL Cement and Wessex Water, subsidiaries of the Group, are examples of how the Group is putting OSH practices into action. Employees, supported by a dedicated team of health and safety professionals, are given comprehensive training on handling health and safety issues in challenging environments. Employees are also exposed to a series of technical and regulatory training programmes so that they are prepared to respond to emergency incidents and potential dangerous situations on a day-to-day basis. They regularly review their health and safety policy arrangements and safety documentation to ensure they follow best practices.

At YTL PowerSeraya in Singapore, a Workplace Health Sub-Committee focuses on arranging fitness and health-related activities ranging from bowling to dragon-boating to health-related talks during staff lunch breaks. A small gym is also available in the premises of the corporate office as well as in the power station for the convenience of their staff.

In raising awareness on safety and health issues and to encourage people to play an active role in creating and sustaining a healthy and safe workplace, the safety and security department of E-MAS organises an "Annual Safety, Health and Environment Day". E-MAS believes that it is everyone's responsibility to take ownership of their own and others' safety within the site whilst minimising the impact to the environment.

ENHANCED HSE CAMPAIGN AT YTL POWER PLANTS

Workplace health, safety and environment (HSE) has constantly been a priority of YTL Power Services (YTLPS) besides high availability and reliability of the power stations.

YTLPS management always believes that all its employees should contribute to pursuing high standards in HSE at the workplace. Therefore, the HSE has been staffed with employees from all levels and divisions of the organisation.

This Committee conducts safety audits and hazard hunts, which are walk-downs of the entire power plant with the purpose of identifying HSE deficiencies and recommending corrective actions to be taken, whereby the severity of the deficiency dictates the timeline for the remedial measure. Furthermore, the Committee is also responsible for following-up with rectification of these hazardous or unsafe situations.

In order to further increase health, safety and environmental conditions at YTL Power Stations, YTLPS' management initiated the development of a company-wide 'HSE Deficiency App' within the organisation's Information and Communications Technology (ICT) system.

The application (app) was established and optimised in-house by the Information Technology (IT) department at the Head Office in close collaboration with the engineering and HSE department as well as with members from the top management.

This simplified process encourages participation at all levels of employees and ensures that deficiencies are easily channelled to the respective departments for rectification whilst maintaining a full record of the whole process and data; for example, photographs for identification of the HSE deficiency and as evidence of safe conditions after completion of corrective action.

In contrast to previous handling of HSE matters by the HSE Committee through safety audits and hazard hunts, nowadays all employees can contribute to YTLPS' high HSE standards anytime. In addition, the nature of the complaints may also differ from the formal findings of the HSE Committee as these stem from a personal point of view rather than a committee's point of view which triggers reviewing and analysis of HSE matters from different angles.



Staff conducting Mock Chemical Spill Emergency Response



YTL employees undergoing Mock Emergency and Evacuation Drill

Health and Safety at Wessex Water





Health and safety training is provided for all new employees at Wessex Water

Protecting the health, safety and welfare of our staff, contractors and anyone who is affected by our daily activities is a responsibility that Wessex Water (Wessex) takes very seriously. Health and safety is not an "optional extra" and this underpins a strong safety culture that is promoted across all parts of the business.

Wessex's safety management processes centre on identifying hazards and ensuring that control measures are implemented to prevent injury or harm from any residual risk. All employees, whatever their position, have an active role in health and safety. Wessex provides training, information and supervision to ensure employees work safely at all times, looking after their own and their colleagues' safety. They have a team of experienced health and safety professionals who offer support to individual managers and staff as required.

Wessex has well established routes for consulting and communicating on health and safety matters across the company. Central to this is the Health, Safety and Welfare Committee with senior management, health and safety professional staff and trade union representation. This is supported by a number of business areas and work activity based committees. Wessex uses a wide variety of media to communicate with staff including dedicated pages on intranet, use of source, TV station, staff handbook, toolbox talks, DVDs and safety forums.

Wessex's safety performance has continued to be good this year with a similar number of incidents reported to the Health and Safety Executive as in recent years. However, the severity of the incidents reported has been reduced. The principal causes of incidents remain linked to slips, trips and falls or to manual handling. Work to further improve performance and awareness in these areas forms part of their health and safety plan for 2013 - 2014. During 2012 - 2013, we received the British Safety Council International Safety Award (Merit) and the Royal Society for the Prevention of Accidents (RoSPA) Gold Safety Award. These awards recognise commitment to the prevention of accidents, ill health and safety.

"Safety management is dynamic and we continuously strive to improve our arrangements to protect the safety and wellbeing of our employees and others who could be affected by our daily activities."

IAN BLAIR Head of Health, Safety and Security, Wessex Water

ENGAGING OUR EMPLOYEES

We understand employee involvement is absolutely essential for the sustainability of our businesses. We recognise the need to ensure we develop a highly engaged, motivated and committed workforce. As with any large conglomerate with a diverse workforce spread over three continents, we face challenges in keeping everyone connected, orienting new employees and building a deep understanding of the Group's business objectives and direction.

Recognising this, the Group's Human Resources team gather key senior managers and leaders every year across all business groups in a two-day YTL Leadership Conference. This annual forum serves as a platform for leaders to present progress on their respective projects or business units as well as exchange thought-leadership matters. Organised with different themes every year, this conference is chaired by our Executive Chairman, Tan Sri Datuk Seri Panglima (Dr) Yeoh Tiong Lay with discussions moderated by our Managing Director, Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, together with YTL's Board of Directors. The forum has proven to encourage the exchange of ideas, enhance interaction and collaboration among employees as well as support effective communication efforts across the Group. The senior managers would then cascade relevant updates and information to their respective business units via various communication channels - face-to-face, through town hall sessions, employee newsletters and regularly updated employee portals.

On 16 December 2012, the Group organised a YTL Family Day Concert at The Majestic Hotel Kuala Lumpur by presenting "The Original Rat Pack, UK" to perform with back-up by a 20-piece live band from the UK. All YTL employees and their families were invited to the concert in appreciation of all their hard work and dedication. As a family-friendly employer, we embrace our employees and their family members in a wide variety of wholesome group activities geared to encourage more family participation.

In addition to the high-level engagement, the Human Resources team at the respective business units have dedicated themselves to ensuring that their organisation effectively creates the kinds of employee engagement initiatives and experiences that emphasises our values and culture as a Group which foster unity amongst our people.



Dato' Mark Yeoh introducing the Original Rat Pack at the YTL Family Day Concert at the Majestic Hotel, Kuala Lumpur



Members of The Original Rat Pack, UK performing at the Majestic Hotel, Kuala Lumpur

For example, Perak-Hanjoong Simen (PHS), a subsidiary of YTL Cement, have been organising annual team building and motivation sessions at all its plants including the Head Office in order to further strengthen team spirit. During these assemblies, employees are briefed regarding the progress, achievement and future direction of the Company. In addition to that, employees who attain 100% perfect attendance in the previous year are duly recognised and rewarded with tokens of appreciation. To further enhance the interaction amongst employees, PHS has taken the extra effort to organise sports activities for its employees.

EMPLOYEE SATISFACTION SURVEY

As part of YTL's values, we inculcate two-way communication with employees and regularly seek feedback from our people. There are a number of Employee Satisfaction Surveys (ESS) being administered and rolled out by the respective business units in an effort to measure how well we are progressing as an employer and to gauge employee satisfaction within the Group as well as to identify gaps for improvement. We use the survey results to highlight other issues of concern to respective leaders so that corrective measures can be undertaken in realising our aim to be an Employer of Choice. We will continue to leverage on ESS as a platform to better understand our employees' views.

82% employees rated Wessex Water a good place to work

employees happy working with ERL & E-MAS

481%

81%

YTL Hotels' employees satisfied with the Company

HEALTHY EMPLOYEES AND A BETTER WORKPLACE

YTL Corp recognises that a positive work environment is essential to attract, motivate and retain talent. We have a strong belief that work should be a place of exploration, creativity and professional growth – a place where people are inspired and motivated to achieve extraordinary results. We want our people to take pride in their work as they refresh their position and perspective in the world, inspire moments of optimism and happiness, create value and ultimately, make a difference. To this end, we offer a total wellbeing programme and comprehensive wellness support for employees to promote personal development, health and work-life balance as well as maintain a motivated workforce.

YTL PowerSeraya has continued to sharpen the focus on efforts to strengthen their employees pride in being part of the family through various initiatives which can unite and motivate as well as help them to achieve a healthy lifestyle and better work-life balance. These include:

 Flexi-Start Scheme - 21% of eligible staff signed up to the flexi-start scheme this year, which allows them the flexibility to start work later or earlier to cater to their family and/or personal commitments. The organisation believes it is important for everyone to be able to assume personal responsibility for their time.

- Part-time Work In 2012, the company granted one staff
 a part-time work arrangement to allow her to meet her
 family commitments. The organisation is open to granting
 flexi-work arrangements on a case-by-case basis even
 though there is no flexible work policy in the company.
- Extra-curricular Activities Various recreational activities are regularly organised in the year by the company's Vibrancy Club. They include three sub-committees: Workplace Health, Family Life and Special Events. Activities organised include sports competitions such as the Jurong Island Dragon Boat Race, the Jurong Island Futsal Challenge, as well as Yoga and Pilates workshops. Excursions or outings such as fishing and going on a durian tour are also organised for staff and their family members to create opportunities for them to interact and bond with one another.
- Staff Benefits Close to SGD400,000 worth of benefits were distributed to all staff in the year. The benefits, ranging from sporting goods vouchers to holiday accommodation schemes, were drawn from the Vibrancy Trust Fund a Rollover Fund set up to organise recreational activities for all staffs prior to the company's privatisation in 2009.
- Health Screening 180 staff participated in the annual health screening exercise which was partially subsidised by the company.

CREATING A CORPORATE CULTURE THAT PROMOTES WORK-LIFE BALANCE

- Case Study 1: YTL Starhill Global REIT

YTL Starhill Global REIT Management Ltd and YTL Starhill Global Property Management Pte Ltd (YTL Starhill Global) acknowledge the importance of work-life balance for the health and wellbeing of their employees and sustainable organisational performance. YTL Starhill Global continues work to provide employees with opportunities to achieve work-life balance. A number of fun activities have been provided to employees, including the "Lunch and Learn Workshop", "Eat with Your Family Day", Eco Movie Screenings and many more.

Lunch and Learn Workshops

The "Lunch and Learn" series was launched in May 2012, as part of their Staff Engagement initiative and augmenting the Staff Learning & Development platforms. The monthly sessions (one to two hours duration depending on the topics) were held during lunch breaks. Topics during the period included: Relationship Building with the Japanese; Presenting from the Heart: Get rid of the butterflies in your stomach before speaking in front of a crowd; Effective Writing for Results, and Email Etiquette.

The initiative was highly anticipated and the staff now look forward to the monthly workshop, and the benefits it can bring them to improve the way they work. This is in alignment with corporate values - Fulfilment of our people, raising staff competencies and work effectiveness. The initiative has also bonded employees as "lunch & learn kakis (friends)".





Lunch and Learn Workshops helping YTL Starhill Global REIT Staff to bond & learn together

Eat with Your Family Day

YTL Starhill Global declared "Eat with Your Family Day" on 31st May 2013 (being the last Friday of May). The "Eat with Your Family Day" campaign organised by The Ministry of Social and Family Development and the Centre for Fathering, encourages employers to support this initiative by giving their employees early time off on this day. This nation-wide campaign serves as a reminder regarding the importance of having meals as a family and to spend quality time with them and to strengthen family ties.

Office staff are encouraged to leave at 5pm to return home in time for dinner with their families. Alternative arrangements were made for staff on operational duties to utilise the one-hour off at a separate time. The intention of this initiative was to promote work-life balance and has created a positive impact on staff morale.

Eco Movie Screening

A DVD on the plight of our environment was screened to staff over lunch on the United Nations' designated World Environment Day – 5th June 2013. The movie screening was open to all staff. The objective of the screening was to build environmental awareness among staff and launch good green habits for the office. The initiative went well as staff found out more about the effects of wastage and the importance of nature conservation.



Eco movie screening used to provide staff awareness at YTL Starhill Global REIT

- Case Study 2: YTL Power Services

YTL Power Services (YTLPS) has around 200 employees who are working in Malaysia. Due to the nature of their work, there are times when the staff are away for extended periods of time on overseas secondments to clients such as Siemens and Siemens partners, Areva, Daelim, Samsung, and so on. The company appreciates this and organises on an annual basis, a Family Day, to get the staff and their families together for a weekend of fun-filled quality time.

Over the years, the families have become friends, and when the staff are working faraway, the families have an informal support group nearby. From time to time, as the families grow, open days or info days are organised to permit family members the opportunity to visit one of the power stations at Paka or Pasir Gudang. The field trip provides an insight into working life in a power station and how interesting albeit challenging it is. Other activities during the weekend may include Talentime contests for the children, sports and telematches, teambuilding activities and stage performances by the staff.

Through Family Day, YTLPS has managed to create an intimate sense of belonging among the families of the staff. This goes beyond showing appreciation for their hardwork as it involves the staff at a more holistic level by bringing their families into the YTL family.



Family members of YTL Power Services' employees visit Pasir Gudang Power Plant during Family Day

YTL ENCOURAGES THE CULTURE OF INNOVATION

Innovation is vital to both competitive advantage and long-term success for business growth and evolution. And with innovation identified as the single most important predictor of the future for most companies, investment decisions now tend to be tied closely to how focused a company is on transformational innovation, with a special focus on our own people and human capital. To make this happen, we are now looking at cultural change to build innovation into the way people at all levels think and work every day. Culture is the key to sustainable innovation.

Wessex prides itself on encouraging an environment of ideas throughout the company. Every day employees suggest new ideas to improve their work, to make it more efficient, cheaper, or more sustainable and, of course, to maintain their compliance with safer drinking water, effluent and environmental standards. These can be very simple tweaks or elaborate ideas which yield significant progress, but all help Wessex to become a more sustainable company.

EUREKA!

Wessex encourages its employees to be innovative in their processes and ways of working by enabling them to share their innovative ideas through its "Eureka!" suggestion scheme. This scheme, which has been running for seven years, encourages innovative ideas from its employees to suggest ways for improvements, from energy saving initiatives to trialing new technology. Financial rewards are given to those whose ideas have been successfully implemented. This year, two joint winners, Boyd Goode and Jason Cooke, were awarded a combined total of £10,000 for their great suggestions which have been successfully implemented across the business, saving time and money and improving efficiency.

Jason Cooke came up with an idea to reduce the energy consumption by adjusting blower set points at sewage treatment works (STW). With a pressure set point of 0.47 bar, the average power drawn by the blower was 94.3 kW. On 9th February 2013, Jason reduced the pressure set point from 0.46 bar to 0.45 bar. With the pressure set point adjusted to 0.45 bar, the average power drawn by the blower was 74.5 kW, with a reduction of 19.8kW. As there are 2 blowers running, the total reduction in power was 39.6 kW. Assuming that the blowers run 24 hours per day, the annual saving from this set point change was: 39.6 kW x 8,760 hrs = 346,896 kWh. At a unit cost of 8.5p/kWh, this will result in recurring savings of approximately £29,500 per year.

As part of its long-term sustainability vision, Wessex aims to have zero waste to landfill by 2020. Throughout 2011 to 2012, Wessex continued to focus on reducing the amount of waste produced and increasing the levels of waste diverted from landfills. With this aim in mind, Boyd Goode proposed to send all the oversized screenings to a waste-to-energy conversion plant at Avonmouth, which has saved more than £1 million in landfill tipping fees between 2012 and 2013.



"All the grit, rags and plastics that come into the treatment works used to go off to landfill. We have now developed a unique method of composting this material, separating out the plastics, and getting it safely back to the environment as a nutrient source for land reclamation at quarries and mine workings and the like."

BOYD GOODE Waste Controller of GENeco Winner of Eureka! Scheme



David Trick (left) from Bath Rugby Club and Dave Elliot (right) from Wessex Water presented award to Boyd Goode (center), Winner of Eureka! Scheme at Wessex Water Awards 2013

THE INNOVATION AND TECHNOLOGY FORUM

Wessex also has an innovation and technology forum which brings together experts from across the business to try out ideas that may lead to new ways of working in the future. This forum continues to grow and is successful at trialling ideas, equipment and technologies which may provide treatment solutions of the future. The forum also aims to promote innovative work and to fund prospective projects.

COLLABORATIVE WORKING

In addition to internal efforts to foster a culture of ideas, Wessex works closely with others so that they can be involved in the early stages of innovations and breakthroughs in relevant scientific knowledge. Alongside the rest of the water industry, Wessex is a member of UK Water Industry Research which collaborates to support research affecting the industry as a whole. They are also increasingly working with academia in areas more specific to Wessex and the challenges that they face. To date, there are some 14 current projects where Wessex are funding and collaborating with the local universities.

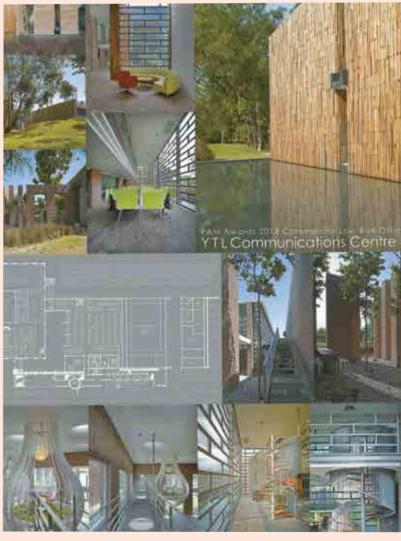
An Award Winning and Impressionable Workplace - YTL Communications' Network Operations Centre (NOC)

YTL Communications' (YTLComms) Network Operations Centre (NOC) was designed to be sustainable with minimal impact on its natural surroundings and to provide a conducive, ecofriendly work environment for employees. This project was led by Chief Executive Officer Wing K Lee, Chief Operating Officer Ali Tabassi and Architect Baldip Singh. The NOC comprises YTL Communications Centre I & II, located at YTL's development in Sentul Park, Kuala Lumpur.

A well-thought out work space promotes employee wellness which in turn can maximise work efficiency and productivity. As a sustainable building, NOC plays a role in reducing climate change by lessening its carbon footprint by using sustainable building materials. This is evident in the design of NOC's building which incorporates a number of sustainable passive design elements such as the following examples:

- 1) NOC is designed with the existing old railway shed elements and structures to minimise harm to natural surroundings.
- 2) The work space is designed with large windows to fully utilise natural lighting.
- 3) Artificial lighting is fitted with energy saving bulbs.
- 4) Maintaining an environmentally-friendly room temperature for comfortable working conditions.
- 5) Improved energy efficiency with energy saving office equipment and fittings.
- NOC utilises a hydro powered cooling system to reduce energy consumption which results in lower carbon footprint.

Earlier in 2013, NOC was named the Gold Award Winner in the Commercial – Low Rise Office category in the PAM Awards 2013. The award recognised YTL Comms' ecoconscious effort to deliver an impressionable workplace to support a creative work culture.



The environmentally conscious and visually appealing YTL Communications' Network Operations Centre (NOC)





EMPOWERING OUR COMMUNITIES



Children having fun at the Sentul East Design Centre Art Workshop

At YTL, we aim to promote sustainable communities and engage with local authorities and communities by;

- supporting the development of the country's indigenous arts and culture by helping to showcase the uniqueness of its heritage and providing an alternative medium for artistic expression and communication.
- playing an active role in the development of the future generation of leaders by supporting educational initiatives.
- supporting the local communities in areas within which we operate through work with charities and community groups.

The arts and culture defines the roots of each community. The growth or extinction of culture can be strongly influenced by the industry operating in that community. YTL prioritises culture and heritage, and it has been one of the key factors of success that has brought YTL to where it is today. The diverse nature of YTL's businesses in many parts of the world has given the opportunity for YTL to learn, embrace and touch the lives of millions of people across the globe. Corporate social responsibility is one of our key values and something we take very seriously. We believe that empowering communities means helping them develop in ways that are not merely enriching but also sustainable.

In the current era, we understand that today's increasingly competitive and challenging business environment means that we will need to work harder to ensure our people and stakeholders are not only rewarded but protected from the risks these challenges may bring. This shared vision fuels our commitment to operating in a responsible and sustainable manner, and to give back to the societies and people who form an integral part of the environment in which we operate.

Promotion of Arts and Culture

The YTL Group is a passionate supporter of the arts and is dedicated to encouraging the development of our own arts and cultural scene, particularly in Malaysia. This is mainly to showcase the uniqueness of our heritage and to provide an alternative medium for artistic expression and communication. In doing so, we support a variety of artistic talent and bodies, cultural heritage and educational programmes in our communities.







Serenade by George Balanchine

Maninyas by Stanton Welch

The Winds of Zephyrus by Edwaard Liang

101

BALLET ILLUMINATIONS AT KLPAC

In all its beauty, ballet is an art form based on standardised movements, stylised steps and time-honoured techniques that have been passed down by dancers for more than 300 years. It consists of graceful gestures that flow in the air with precise accurate movements. Music and dance combine to create an unspoken language where dancers use their bodies to tell a story with beauty. Mastering this performing art takes years as it is a penance for many young dancers.

YTL has always been a patron for many young talented people, regardless of their background. Hence nurturing the good passion that a few young people feel towards art is essential. There are many out there who have sacrificed their love of art due to lack of moral or financial support. Boosting a few young passionate artists continues the chain of art that is fast disappearing in this modern industrial life.

The community was more than excited to know that the Singapore Dance Theater (SDT) was celebrating their 24th anniversary in Malaysia. It was their third time performing in Malaysia at the Kuala Lumpur Performing Arts Centre (KLPac) from 6th to 8th September 2012. Ballet Illuminations took place because of the support made possible by YTL Corporation Berhad and the National Arts Council, Singapore.

Ballet Illuminations featured classical, neo-classical and contemporary works by an internationally acclaimed choreographer. The works performed included "MANINYAS", an original "SAN FRANCISCO BALLET" piece by Stanton Welch, "THE NUTCRACKER, PAS DE DEUX" by Janek Schergen which is a variation of the original Nutcracker, "THE WINDS OF ZEPHYRUS", a work which was created especially for Singapore Dance Theatre by award winning choreographer Edwaard Liang and one of the New York City Ballet's signature pieces, "SERENADE", by George Balanchine.

Sharing this beautiful artistic performance with the community, YTL was the financial backbone of the event. The ticketing fee charges were maintained at a reasonable level so that everyone could enjoy this remarkable dance performance. In addition, YTL subsidised the ticketing price for its YTL Platinum Plus members, with up to 25% off standard price tickets to encourage its members to further support the young artistes.

KLPac is the result of a strategic partnership between The Actors Studio, YTL Corporation Berhad and Yayasan Budi Penyayang, under the patronage of the late Y.A.B. Datin Paduka Seri Endon Mahmood, wife of the Former Prime Minister of Malaysia, Tun Abdullah bin Haji Ahmad Badawi.

Sustainability Report 2013 • YTL Corporation Berhad

ADELAIDE SYMPHONY ORCHESTRA (ASO)

In Australia, our associated company, ElectraNet supports artistic excellence in the community and was proud to sponsor the Adelaide Symphony Orchestra (ASO). As a Major Partner during 2013, ElectraNet was specifically supporting the "ElectraNet Touring Ensembles", including:

- Edward and Edwina Emu on Tour
- ElectraNet Toe Tapping Toddlers
- Miss Lily String Quartet
- Brass Zoo

Through these Touring Ensembles, children were able to experience the ASO musicians up close in a classroom setting and learn about the instruments used in a symphony orchestra.

STATE THEATRE COMPANY

The State Theatre Company of South Australia is the state's flagship professional theatre company performing an annual season of classic and contemporary Australian and international theatre works at its main performance home – the Dunstan Playhouse. The Company is a major community and cultural resource for all South Australians and is vital to artistic life in South Australia. ElectraNet worked with the State Theatre Company of South Australia to promote arts within schools in both metropolitan and regional areas.

The Education Touring shows delivered programmes to students aged 14-21 years and above from schools throughout metropolitan Adelaide, outer metro suburbs and regional centres – together with their communities, teachers and families.

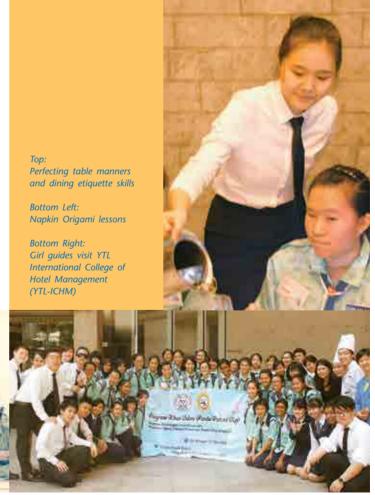
This Education Touring show provided tangible value to the community and alignment with sustainability goals.

A JOURNEY INTO THE ART OF HOSPITALITY

When the Girl Guide Malaysia Association was given the opportunity to visit YTL International College of Hotel Management (YTL-ICHM), young girls between the ages of 15 to 17 descended on the College to learn more. There were 36 of them including Queen Guides.

Students of YTL-ICHM and members of the faculty were keen to provide guidance by educating and equipping the young secondary schoolchildren in the art of hospitality. The girl guides were enthusiastic and made full use of the YTL-ICHM campus and Starhill Culinary Studio.

Various activities were conducted for the girl guides to acquire new knowledge, learn new skills, and improve their level of confidence. For instance, they were exposed to personal grooming workshops, table manners, and dining etiquette and towel origami, to name just a few of the activities. A good bond was established between the members of the Girl Guides Association and students of the YTL-ICHM.



102

SENTUL EAST DESIGN CENTRE (SEED)

YTL Land & Development Bhd's (YTL Land) urban renewal initiative for Sentul, an old historic railway town, has given rise to a growing hub of architecturally stunning residential and commercial buildings which are transforming its physical, social and economic landscape. The architectural formation and design of d6 and d7 (the first pair of commercial buildings at Sentul East), have become a natural draw for architects, designers and professionals in the creative industry. The emergence of this group of like-minded people has inspired retail brands that share their passion for great designs and impeccable craft. Such is the inspiration behind Sentul East Design Centre (SEED), a truly unique design community that is one-of-a-kind in Kuala Lumpur where local designers and entrepreneurs can come together and be inspired and share design ideas for creative concepts. It has in residence at SEED an interesting mix of world-leading design brands that bring inspiration to architects and designers: Armani/Casa, Ligne Roset, Moroso, Herman Miller, Rossana Cucine, Smeg, Erco and Gira.

SEED houses design brands in an inspiring artful setting where people can come and be inspired and share design ideas. The Art of Urban Living (AOUL) showcase kicked off at SEED with a series of events aimed at reaching out to design artists and the public to lay the foundation for design evolution. The AOUL showcase at SEED engages designers with concepts of collaboration, dialogue and exchange to promote the arts and foster innovation in design and creativity. Leveraging on the AOUL showcase, the objective is to establish SEED as the place to gather, where ideas are born and where ideas will be moved into reality, and bring about vibrancy for businesses and ensure continued growth and sustainability.

The objective is to establish SEED as a future domain for artistic and creative pursuits and to create a lively cultural scene at Sentul, which is in line with YTL Land's vision for the urban renewal of Sentul. It has drawn in a new audience to Sentul through an exciting line-up of activities for the community to be inspired and connected.

We support the local artistic talent by giving them a platform called "art galleries". The pop-up art galleries and exhibitions provide a much-needed platform for local and young artists to showcase and promote their works. Retail spaces are offered free to artists to set up pop-up galleries to showcase artistic works to the SEED community and the public. It has inspired design artists, interior decorators, architects, professionals, students of design school and the public. It has brought retail spaces and the outdoors at SEED to life through various forms of artistic involvement, participation and collaboration between artists and gallery owners with businesses in the areas of design and architecture. The group participation was an enjoyable activity, as both children and adults alike painted together as one team to create inspirational pieces of art.

The art exhibitions were interesting visual treats for the office occupants and visitors, especially for those who are not from the art fraternity. Group participation in art jam sessions were enjoyable activities, as both children and adults alike painted together to create inspirational pieces of art.

SEED answered the needs of the design community for a space to gather in a modern and vibrant landscape for work and play, geared towards a healthy lifestyle balance. It holds great potential as an inspirational design hub for the city - it is a place where ideas can form, take root and grow.









Left Top: Art on a Bicycle

Left Bottom: Children enjoying the Art Jam

Middle: Pan Pans, decorative rabbits form Ligne Roset enjoying an artistic make-over by female artists

> Right Top: Clay Workshop conducted by Ms Odile Murphy

> > Right Bottom: Art on Recycled Material

HISTORICAL WALK GUIDED BY RESIDENT HISTORIAN

In attempting to preserve and protect the city's historical meaning, hotel guests of The Majestic Malacca are taken on historical walks. They are guided through Malacca's colonial past, witnessing its centuries-old legacy and it value as a living heritage site. Guests are taken along the town's narrow paths, pausing at historical landmarks and visiting local artisans and craftsman plying their trade. There are numerous opportunities for guests to breathe, discover, indulge and relive the rich history of this UNESCO Heritage Site. The Historical Walk educates guests on the history and heritage of the various sites, also helping to sustain the livelihood of artisans along the route.



Historical Walk guided by the Resident Historian – Traditional Baba Nyonya shophouse fronts in Malacca

Famous Malaysian and heritage cuisine was brought in under one roof at Lot 10 Hutong

A GOURMET HERITAGE VILLAGE AT LOT 10

In December 2009, Malaysia's first "Gourmet Heritage Village" called "Hutong" opened its doors to the public.

YTL worked very hard to ensure that famous Malaysian food that had been around for generations were brought in under one roof at YTL-owned Lot 10 Shopping Centre. Now a renowned destination for heritage food, the place recreates eateries of the golden days and has managed to resuscitate the enjoyment of heritage food for future generations. Lot 10 Hutong is thus doing a great service to the nation by not only driving tourism but also protecting Malaysia's Food Heritage. It is preserving a cultural and culinary legacy for the appreciation of our future generations which may have otherwise been forgotten, if neglected.

Lot 10 Hutong's success is notable with its number of diners and visitors standing close to 1.2 million (January 2011 through to July 2012). The Lot 10 Hutong concept has also been replicated all over Kuala Lumpur, and is being sought after abroad, especially in China. YTL Hutong was also set up in Guangzhou, which occupies the first five storeys of the 41-storey Tsai Lan tower; offering the finest selection of Taiwanese and Malaysian cuisine and premium food brands from Hong Kong and the region. Further expansion plans include Chengdu in China and Singapore, before expanding to the rest of China, with a vision that each shopping mall that YTL acquires will have a "Hutong" branded food court to complement it.

STARHILL CULINARY STUDIO

YTL Corporation Berhad launched Kuala Lumpur's most inspiring culinary experience on the 22nd May 2013 – The Starhill Culinary Studio. The 12,000 square foot (sq ft) professional and sleek environment is just another step in the ongoing process of creating and enhancing Bintang Walk and turning the street into a destination synonymous with other international shopping and dining destination.

Since its inception, Starhill Culinary Studio has enhanced the lifestyles of many with fresh experiences taught by the city's very finest chefs and sommeliers. Situated in Malaysia's iconic shopping centre, Starhill Gallery, on the Muse floor, the sophisticated cooking studio brings to Bukit Bintang the opportunity to explore and develop one's culinary talents with family, friends or colleagues with a variety of interactive classes or bespoke sessions.

During festive holidays and other events, the relaxed and inspiring environment is the ideal venue. There are live demonstrations, bespoke themed private dinners, and interactive classes. The cooking studio is one that is suitable for all ages and occasions and is the perfect team bonding activity for corporate outings.

With "Creative Culinary Classes That Inspire", YTL's latest addition to Bukit Bintang and Malaysia is a place where imagination is the only limit to what can be created at Starhill Culinary Studio.



Interactive classes



Chef Wai conducting a class



The cooking studio at Starhill Culinary Studio at Starhill Gallery on the Muse floor

Supporting Educational Initiatives

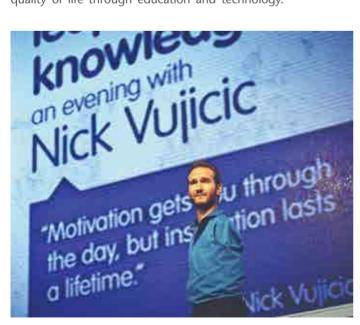


58 years of nurturing future leaders

THE YTL GROUP'S EDUCATION INITIATIVES

Through its various programmes and initiatives, the YTL Group has long been committed to growing and nurturing the potential of Malaysia's future generations. Through various educational programmes and initiatives, carried out through the YTL Foundation and other affiliates, the YTL Group supports education and learning, offering scholarships to deserving individuals.

The YTL Group also aims to empower the next generation by providing world-class internet-based education solutions as it believes that education can be transformed through the use of technology. The YTL Group is dedicated to improving the quality of life through education and technology.



Nick Vujicic touches hearts of students during his talk

YTL Foundation

The YTL Foundation was established in 1997 with the principle aim of providing educational aid to deserving individuals who would otherwise be denied such opportunities. Throughout the years, the YTL Foundation has awarded scholarships and book prizes that have enabled many students to achieve their dreams and realise their potential. Recently, the YTL Foundation has sponsored workshops, talks and conferences that seek to enrich and inspire all those involved in education; be it students, teachers, administrators, parents or policy makers. Through its various efforts, the YTL Foundation aims to empower individuals to achieve their full potential.

Leaps of Knowledge

Leaps of Knowledge is a series of talks, seminars, workshops and conferences supported by the YTL Foundation that seek to inspire and inform Malaysians on how education can be transformed through the use of technology and the Internet. The series will see the world's leading educators, technologists, thinkers and personalities share their thoughts and ideas to foster public discourse on education in Malaysia, and to encourage students and teachers to make the most of technology and embrace continuous learning.

The first in the Leaps of Knowledge series featured Nick Vujicic, a man who was born without arms and legs. He suffered serious depression as a child, leading him to attempt to take his own life when he was ten. Despite facing numerous challenges, he overcame his disability and began to embrace his lack of limbs. He is now a world-acclaimed motivational speaker and has inspired millions of people around the world who have heard him speak or watched his videos online. Nick's life story tells us that every child is special and has the potential to achieve great things. It inspires every individual to get ahead and achieve his or her dreams, no matter how adverse the circumstances.



The winners with Puan Sri Datin Seri Panglima Tan Kai Yong @ Tan Kay Neong & Tan Sri Datuk Seri Panglima (Dr) Yeoh Tiong Lay

The Puan Sri Kai Yong Yeoh Book Prize

Launched in 2011, this Book Prize is named in celebration of the illustrious life of Puan Sri Datin Seri Panglima Tan Kai Yong @ Tan Kay Neong, wife of YTL Corporation's Founder Tan Sri Datuk Seri Panglima (Dr) Yeoh Tiong Lay an accomplished academician. This award is named in her honour as a reflection of her lifelong contribution and passion in educating youths and her unflinching dedication in nurturing children into well-rounded individuals.

The Puan Sri Kai Yong Yeoh Book Prize is open to the children of the YTL Group's employees worldwide who demonstrate outstanding abilities both academically as well as excellence in other areas, with the purpose of motivating them to achieve their full potential and inspire others around them.

On 18 April 2013, a luncheon was held at The Ritz-Carlton Kuala Lumpur to celebrate the achievements of five young outstanding individuals. A total of five scholarships worth USD12,000 were given out.

The event not only recognised the excellent academic accomplishments of the five individuals but also affirmed their passion and commitment to community and society; a standard prerequisite for being considered for the prizes.

By honouring these five young individuals, YTL intends to impart and communicate their hope that they will continue to embody the noble values that the YTL Group holds dear. The organisation believes that these Book Prize recipients will exemplify their calling to be a force for good in whatever they do, and have the perseverance to be true to their beliefs and convictions.

Winners

19-23 years old

- 1. Lauren Chin Wenwei Gold Prize USD10,000.00
- 2. Tan Jit Siang Silver Prize USD5,000.00
- 3. Chin Chee Keong Bronze Prize USD3,000.00

15-18 years old

- 1. Divya Dusanthran Bronze Prize USD3,000.00
- 2. Felicia Loh Ee Lin Merit Prize USD1,000.00

Access to Better Education Programme

The Chromebook and Internet connectivity sponsorship programme was developed for eligible teachers, students, schools and institutions to encourage the use of technology by providing access to devices and the Internet.

As part of this programme the YTL Foundation is providing 200 megabytes (MB) worth of data to all teachers, parents and students under the 1BestariNet project to make full use of the Yes 4G mobile internet services to support continuous education outside schools.

In addition, YTL Foundation donated five Yes 4G Chromebooks to the Malaysian Informatics and Programming Society to carry out training for the participants in the 25th International Olympiad in Informatics 2013 (IOI) which was hosted in Brisbane, Australia. IOI is the world's most prestigious algorithmic computer programming competition for exceptionally talented high-school students.

Two young Malaysians who participated in this competition did the country proud by winning two-silver medals in the competition. The IOI recognises the achievement of the most talented young programmers from around the world with more than 80 countries being represented. As a result of this year's competition, Malaysia is now placed in the top 30 countries in the world, ahead of Canada and the United Kingdom.



YTL Foundation sponsored Chromebooks and Internet connectivity for the Informatics
Olympiads training with the support of Jobstreet and YTL Communications
From left - Mark Chang, Founder and CEO of Jobstreet, Ong Shien Jin, How Si Yu
of Sunway College, Tham Ying Hong of Taylor's College and Wing Lee,
CEO of YTL Communications



Tan Sri Datuk Seri Panglima (Dr) Yeoh Tiong Lay presents a Chromebook to the principal of SRJKC Choong Wen, Mr Wong See Fatt



Students demonstrating their classroom lessons through the Frog VLE for YTL Group Legal Counsel, Datin Kathleen Chew and Executive Director of YTL Communications, Puan Yasmin Mahmood

The First Chrome Lab Launched

The first Chrome Lab was established in April 2013 in SRJKC Choong Wen. This was a collaborative initiative between YTL Foundation and Eduspec Holding Berhad (Eduspec). This initiative hopes to encourage students, teachers and school authorities to incorporate technology into every-day learning. The Chrome Lab, jointly built by the school's Parents Teachers Association and the School Board of Directors and fitted out by Eduspec, is fully equipped with **Yes** 4G Chromebook units donated by the YTL Foundation. The Chrome Lab is also powered by YTL Communications' **Yes** 4G mobile internet.

On 25 April 2013, the Foundation, together with K-12 IT Literacy Materials provider, Eduspec, SRJKC Choong Wen's Parent Teacher's Association (PTA) and the School Board of Directors, launched Malaysia's first Chrome Lab at the school. The Chrome Lab will give students and teachers access to vast global resources thus facilitating learning and collaboration beyond the classroom. The pilot project falls in line with the YTL Foundation's commitment to transform education and empower students to learn beyond boundaries.

Under the pilot project, SRKJC Choong Wen students were the first in Malaysia to experience the Yes 4G Chromebook, which is optimised to work seamlessly with FrogAsia's cloud-based Frog Virtual Learning Environment (Frog VLE), which is being implemented in all government schools.

"At YTL we are committed to transforming education in Malaysia by enabling our students to have access to the best the world has to offer. With so much information and so many resources available today through the Internet, there are huge opportunities for learning. We need to ensure that our students are not left out and that they are able to tap into these resources to make learning better and more engaging. Today SRKJC Choong Wen joins the group of schools worldwide that have found the Chromebook indispensable. SRKJC Choong Wen students will be the first in Malaysia to experience virtual learning at 4G Internet speed."

– By Tan Sri Datuk Seri Panglima (Dr) Yeoh Tiong Lay, YTL Foundation Chairman

YTL POWER INTERNATIONAL BERHAD SCHOLARSHIP FUND

YTL Power International Berhad works towards improving communities and raising the standards of education in the country. The YTL Power International Berhad Scholarship Fund was created to promote higher education to qualified students. The scholarship is offered to students who are pursuing full-time foundation and degree courses at Universiti Tenaga Nasional (UNITEN), a local university in Malaysia offering courses in engineering, information technology, and accounting. In 2012, a total of three scholarships were granted to students amounting to RM73,800.

YTL POWER GENERATION SDN BHD IN PARTNERSHIP WITH TEACH FOR MALAYSIA

YTL Power Generation Sdn Bhd is in a five-year partnership with Teach for Malaysia (TFM). YTL Power Generation Sdn Bhd has committed a sum of RM5 million over five years to TFM. This donation will contribute towards the sourcing of dynamic individuals to be trained and placed to teach in schools in selected states nationwide. TFM's objective is to reduce educational inequity and raise the standard of education in the country.

To further show support for TFM's cause, Yasmin Mahmood (Executive Director of YTL Communications), took part in "Teach for Malaysia Week" for the second time this year. She was one among many prominent public figures and celebrities who taught in different classrooms in high-need schools over the course of a week in April this year.

TAKING SCHOOLS AND UNIVERSITIES INTO THE FUTURE

YTL Communications (YTL Comms) continues to play a part in bridging the gap between education and technology. Launched in 2010, the Education Partnership Programme (EPP) continues to provide world-class technology to selected universities and colleges in the country. Under the programme, students enjoy high-speed wireless broadband access from anywhere within their campuses. Each student is given 300 megabytes (MB) free data and voice service per user, per month for a period of three months.

As the official technology partner of the 1BestariNet project, YTL Comms is equipping schools with the Yes 4G high-speed wireless internet access and connecting them to the Frog VLE. This is in line with the YTL Group's belief that high-speed internet access should be available to everyone, especially the nation's future human resources. The YTL Group also believes that enabling students to harness the potential of the Internet as a source of knowledge will equip these students with the tools necessary to be future leaders.



The Frog VLE was rolled out in Malaysian schools under the 1BestariNet project, with Yes 4G

YTL POWERSERAYA SCHOLARSHIP FUND

The YTL PowerSeraya Scholarship Fund was set-up in 2008 by YTL PowerSeraya Pte Ltd (YTL PowerSeraya) and each year, outstanding undergraduates from Nanyang Technological University are selected to receive bond-free scholarships worth SGD8,000 per annum each.

In 2012, the company awarded scholarships to four undergraduates. Students are selected primarily on their academic and CCA (co-curricular activities) performance. Those that have handled environmental projects or contributed significantly to the community are strongly considered for the scholarship programme.

Under the programme, YTL PowerSeraya scholars will be given the opportunity to undergo an internship stint with the company so they may gain the necessary hands-on experience and skills. They may also re-apply for the scholarship programme throughout the course of their study if they meet the renewal criteria of excellent academic performance. The company has so far given out scholarships worth SGD176,000 to ten outstanding students in tertiary education.

This scholarship programme which ends in 2014 will be succeeded by a new scholarship programme which the company started supporting this year. Called the Singapore-Industry Scholarship (SgIS), this scholarship is supported by the power companies in Singapore and aims to attract and retain young talent in the power sector. In 2013, YTL PowerSeraya accepted three scholars under the SgIS.

YTL POWERSERAYA RESPONSIBLE ENERGY ADVOCATES PROGRAMME (REAP)

Officially launched in April 2011, the Responsible Energy Advocates Programme (REAP) is a 3P (People-Public-Private) programme developed by YTL PowerSeraya. In partnership with the National Environment Agency and South West Community Development Council of Singapore, this sustainability programme aims to develop students in tertiary education in Singapore to be energy advocates. Officially launched in April 2011, REAP is centred on energy conservation and integrates the components of education, community service and project work to benefit students as well as the community.

Since its launch, REAP has educated students on energy conservation through a specially tailored four-day workshop every year. The students then go on to help households to save energy over a three to four month energy monitoring period and end the programme carrying out energy conservation projects that are assessed by an independent judging panel from the private, public and people sectors. The achievements from the REAP programme have been commendable with 31% of the participating households achieving 10% or more energy savings consistently in 2011 and 2012. The top household in 2012 achieved an outstanding 57.6% in energy savings.

In 2012, REAP expanded its outreach beyond students in tertiary education to include secondary school students through a pilot called REAP "Junior". This year, over 500 secondary school students from nine secondary schools in the South West and South East districts have signed up to the REAP Junior programme. The students attended workshops where they were taught how to read a utility bill as well as energy saving measures that could be adopted in their homes. They were also given a self-assessment checklist to help them in their energy saving journey over a three-month energy monitoring period.

109



Toh Mei Siew, daughter of Toh Eng Leong (YTL PowerSeraya's Staff), receiving the Nithiah Nandan Book Prize from John Ng of YTL PowerSeraya

NITHIAH NANDAN BOOK PRIZE

Set up in 2007, this book prize was created in honour of the late Mr. Nithiah Nandan, former executive of the Singapore Union of the Power and Gas Employees (UPAGE) for his support of lifelong education and dedication to serving others. The book prize recognises the exemplary performance of children who have excelled in their areas of interest outside the academic field, or who have made meaningful contributions to the community or the environment. In 2012, book prizes worth SGD1,000 each were awarded to two of YTL PowerSeraya employees' children. Since the inception of this award, 15 of YTL PowerSeraya's employees' children have received this book prize.

CONTRIBUTIONS TO UNION OF POWER AND GAS EMPLOYEES (UPAGE)

In 2012, YTL PowerSeraya donated a combined sum of SGD77,000 to the Singapore's Union for Power and Gas Employees (UPAGE) Endowment Fund and the UPAGE Bursary Awards. The UPAGE Annual Bursary Awards are awarded to the children of UPAGE members, based on their academic performance and the financial needs of their families. The UPAGE Endowment Fund was set up with the support of unionised companies under its care (including YTL PowerSeraya) to provide an additional source of funds that will help union members in the form of subsidies and benefits such as welfare grants and training and development courses. In addition, the company also donated SGD 6,000 to the NTUC U Care fund, a fund set up by the union to provide relief to lower-income union members and their families to help ease their living expenses.

YTL CEMENT SCHOLARSHIP FUND

The YTL Cement Scholarship Fund was set up in 2007 by YTL Cement Berhad (YTL Cement), with the objective of promoting higher education by offering scholarships to qualified students who are pursuing full-time degree courses at University of Malaya, Universiti Sains Malaysia and Universiti Teknologi Malaysia.

Each year up to ten outstanding undergraduates are selected to receive scholarships worth RM10,000 per annum over the duration of their four-year course. In 2012, a total of three undergraduates were selected. Each scholar was given a scholarship covering their tuition fee of RM1,400 and a subsistence allowance of RM8,400 per annum.

These scholars are also given internship opportunities at YTL Cement's various cement plants, including its integrated cement plants in Perak and Pahang.

YTL CEMENT SUPPORTS LOCAL SCHOOLS

Perak-Hanjoong Simen Sdn Bhd (PHS), a subsidiary of YTL Cement initiated a scheme to provide monetary support for the local schools within the area of Padang Rengas where PHS operates, focusing on co-curricular activities and excellence awards. The main intention of this initiative is to motivate the students to enhance their performance in academic subjects and co-curricular activities. The sponsorship varied according to the needs of the schools, and the total sum invested was RM5,000. It is hoped that this investment will lead to better academic results and better co-curricular activities in schools.



YTL Cement providing support for local school SK Paya Salak, Padang Rengas

INSTILLING GREEN AWARENESS AMONG STUDENTS

As part of an ongoing initiative to promote water conservation, Wessex Water (Wessex) has an established educational outreach programme reaching out to schools and the community. Since 1998, its full-time education advisers have helped thousands of students learn about the value of water, sewage treatment and the environment. Lessons are tailored to individual school needs. Programmes are delivered in fun and engaging ways which often extends beyond the pupil's involvement.

One such example is the "Waterwatch Challenge" where their families are encouraged to be involved too, aimed at Key Stage Two pupils. Following a lesson on water conservation at school, the idea is that the schoolchildren will head for home and spread the water conservation message to all members of the family, whilst carrying out a worthwhile homework project in the form of a water audit. Whilst Wessex appreciates that this idea is far from new they are hoping that the resources provided will make this an easy and enjoyable task for both teachers and pupils.

Each child is provided with a water wallet which includes a booklet on water conservation, tile stickers, a challenge chart to record water usage, a "flushometer" to track how many times the toilet gets flushed and bookmarks.

Wessex also has nine Education Centres across their operating regions which serve as an important channel in engaging all its consumers to understand its services and water conservation initiatives. Over the last year its education advisers met with more than 15,000 schoolchildren at schools or at its Education Centres.



Wessex Water's education adviser showing local schoolchildren some basic water analysis techniques



Wessex Water's Waterwatch Challenge promotes water conservation among schoolchildren in the area

YTL INTERNATIONAL COLLEGE OF HOTEL MANAGEMENT SCHOLARSHIP

The YTL International College of Hotel Management (YTL-ICHM) nurtures talent in the hospitality industry by providing a well-balanced education in the area of hospitality. Students are taught within a fully operating hotel, a campus which essentially functions as a "live classroom". They have the opportunity to learn directly from industry experts. YTL Hotels and Properties then provide industry placements for students which form an integral part of the syllabus.

Well-qualified students are often awarded scholarships to pursue the Diploma of International Hotel Management at YTL-ICHM. Academic performance and interview evaluations form the basis of selection, and upon graduation scholars are required to contribute to YTL Hotels by serving as a bonded employee in any of the YTL Hotels' properties for a period of time. The Scholarship Award is central to YTL Hotels and Properties human capital development programme as it aspires to be one of the top employers in the hospitality industry.

111

Sustainability Report 2013 • YTL Corporation Berhad



The mobile library at local SMA Tunas Luhur near YTLIT's plant

PT YTL JAWA TIMUR SUPPORTS LOCAL EDUCATIONAL INITIATIVES

PT YTL Jawa Timur (YTLJT) continues to support ongoing education quality improvement programmes at two schools in the surrounding district of its power plant, which are SMA Tunas Luhur and SMP Bhakti Pertiwi, full-day, junior and senior high schools respectively. Its effort paid off when SMA Tunas Luhur (built by YTLJT) was awarded the Adiwiyata School Award 2012. The award is in recognition of schools that have succeeded in building a "green" culture and that have fostered an environment of care amongst its students and teachers. Through YTLJT's support, it has helped the school put in place various environment-related activities within the school and surrounding communities.

The high school has been a shining example in the community since its inauguration in November 2008. A culture of love for the environment is one of the core values taught at the school. Hence, students are given opportunities to experience environment friendly living through the biogas kitchen design and installation project for nearby villages, a project by the Paiton II Power Station. These types of projects promote awareness towards social responsibility and sustainable practices, instilling noble values in the hearts and minds of these young students, which they hopefully will carry with them into their professional careers.

In addition to that, YTLJT launched a mobile library facility on 11th October 2011 which provides schools in remote areas within Paiton access to quality reading materials. This initiative was lauded by the Probolinggo Education Services as an "important step forward in improving the education quality for local students".





Education Package Submission by President Director PT Jawa Power (top), and (bottom) proud schoolchildren with their YTL bags

Education Assistance and Scholarships for Local Students

YTLJT carried out a survey in the early days of its operations revealing that community improvement in educational facilities was essential. This is why community development efforts have been focused on education. As an early step, we supported the renovation of school buildings within the Paiton sub-regency, conducted trainings for the teachers and provided scholarships for students. Education assistance is intended for 1,200 students. This programme was made possible through cooperation between the company and local education communities.

The scholarship programme aims to benefit talented students from less fortunate families to complete their education. The final recipients of the scholarship award were students from 20 villages in Paiton Sub-district, Probolinggo regency, and three villages of Banyuglugur Sub-district and the Situbondo regency. Over the last three years, the Company has distributed 2,600 education packages to local students around Paiton.

■ 112 Sustainability Report 2013 • YTL Corporation Berhad

Mathematics and Science Olympiad

The Mathematics and Science Olympiad has been conducted by PT Jawa Power and YTLJT for eight consecutive years to enhance the quality of local education. The 2013 Mathematics and Science Olympiad saw participation by a total of 1,482 representative students, between Grade 3 to Grade 5, from 440 elementary schools in Probolinggo regency. This is a joint programme between the Company and Probolinggo Education Services.

This programme aims to encourage students to put more emphasis on the study of mathematics and science. It is also to select the best students to represent Probolinggo regency at the provincial level.

The event was held at Kraksaan, the capital city of Probolinggo regency in February 2013. Provincial selection was held in Surabaya in March 2013, and national selection was held in Bogor, West Java, in April 2013.

At the national level competition, PT Jawa Power and YTLJT sponsored students who won three bronze medals and two of them (students from Bhakti Pertiwi) were selected to attend the International Mathematical Olympiad in Singapore in July 2013.



PT Jawa Power hosting the YTL Jawa Timur Mathematics and Science Olympiad 2013

OTHER INITIATIVES FOR EDUCATION

The University of Nottingham in Malaysia

In line with the YTL Group's support of educational initiatives, a partnership was formed with The University of Nottingham to set up a campus in Malaysia. The university is amongst the ten best universities in the UK, alongside institutions such as Oxford, Cambridge, Imperial College London, and the London School of Economics.

The University of Nottingham has opened pioneering campuses in Asia, with the establishment of a multi-million pound campus in Malaysia, followed by the official opening of the first foreign university campus in the People's Republic of China. The University's campuses in the UK, Malaysia and China are award winners. With open parkland sites, outstanding landscaping, and signature architecture, they offer an unrivalled setting for learning.

The University of Nottingham Malaysia Campus is a partnership with other local partners. The dedicated campus (which opened early in 2005) sits on a 101-acre site close to Semenyih, 30 kilometres south of Kuala Lumpur, and is the first purposebuilt campus of a British university outside of the UK Facilities include laboratories, a library, a sports complex, a students association building, a bookshop, cafés, and convenience stores.

The Universiti Malaysia Sabah

YTL Corporation Berhad's Executive Chairman, Tan Sri Datuk Seri Panglima (Dr) Yeoh Tiong Lay, is currently Pro Chancellor of Universiti Malaysia Sabah (UMS) and attends convocations at the university annually, awarding certificates to its thousands of graduates. UMS was the first local university to be built in the town of Beaufort, Sabah.

The YTL Group supported the UMS Foundation through a donation of RM2.5 million in 2004 and continues to take an interest in its development.

113

Supporting Community Initiatives

Fostering strong relationships within the community is of vital importance to YTL. We recognise our duty to be a good neighbour and thus are an active partner of cities and communities, working closely with schools and charitable organisations to educate, support and engage with projects in close proximity to the areas in which we have operations. We embrace a variety of community initiatives such as community

safety, strengthening communities, and conserving and protecting the environment. From tackling poverty to helping children lead healthy and energetic lifestyles, we endeavour to build a better future for everybody. YTL aims to support the communities through initiatives that have widespread benefit and contribute to improvements in community life and environmental sustainability.



Children from communities around Sentul Park enjoying some activities in the Park



Cath Nicholls from Wessex Water visiting the Cherry Garden Primary School to brief children about their school garden and water catchment



Wessex for West Africa – an ongoing WaterAid Campaign

WESSEX WATER

Watermark Awards

To celebrate the 20th anniversary of its Watermark award scheme, Wessex has launched a special award for water conservation projects in their region.

The Sustainable Watermark will run until March 2014 and there is £10,000 to give away to groups across the region – with single projects able to secure up to £2,000 each.

To qualify applicants need to prove that they are working on water saving projects in community halls, schools or other community buildings by doing at least one of the following:

- Installing water saving devices
- Harvesting rainwater
- Recycling grey water wastewater generated from activities such as washing and bathing
- Promoting water saving behaviour through drama or art work
- Creating a dry garden, which is not reliant on water in order to thrive
- Using any technical innovation that can demonstrate water saving or recycling benefits.

The Watermark awards help organisations with their environmental projects. Organised by the Conservation Foundation, the scheme has awarded thousands of pounds to nearly 50 environmental groups in the last year. Their projects received anything from £150 to £1,500 and included funding for nature trails for a disabled access group, the restoration of a charity bus and a pond to protect great crested newt colonies.

It helps all kinds of organisations to apply for financial help when carrying out projects throughout our region. And every three months a special project receives the Wessex Watermark gold award worth £2,500. All the applications are considered by a panel of experts chaired by botanist, television presenter and Conservation Foundation co-founder David Bellamy.

WaterAid

Wessex has been supporting local groups and individuals by providing funds for environment and conservation projects around the Wessex region – Somerset, Wiltshire, Dorset and parts of Hampshire and Gloucestershire.

Now, Wessex helps globally by supporting WaterAid. WaterAid helps to overcome poverty by enabling the world's poorest people to gain access to safe water, sanitation and hygiene. Since then, their staff, customers and contractors have raised millions for WaterAid helping people who live in extreme poverty. "Wessex for West Africa" in an ongoing campaign which began in 2008 where contractors, consultants and suppliers helped to raise money over a one year period by fundraising within their organisations.

Wessex Water Community PlusFund

Wessex is keen to recognise the commitment that its people give to their local community and support them in their fundraising activities. Employees taking part in events in aid of any local charities can boost the "Community PlusFund". Whether an employee is doing a sponsored run, parachute jump or cycle ride, the Community PlusFund will match every Pound Sterling raised up to a maximum of £250. Only applications from Wessex Employees raising money for local charities are considered. During the year, the total match funding was £8,400 to a total of 33 members of staff.

YTL POWERSERAYA

International Coastal Cleanup with Singapore Polytechnic Environmental Club

International Coastal Cleanup Day was on the 15th September 2012. It is a global event initiated by Ocean Conservancy (OC) in 1986. Its aim is to engage citizens to remove trash and debris from beaches and waterways all around world, identify the sources of debris, and change the behavioural patterns that contribute to pollution.

A team of 20 volunteers got together on that day to clean up a 200-metre stretch of beach along the East Coast Park in Singapore. The team consisted of YTL PowerSeraya and Singapore Polytechnic Environmental Club students. This is the fifth consecutive year that the YTL PowerSeraya has partnered Singapore Polytechnic Environmental Club in this coastal clean-up initiative since 2008.

During the cleanup activities, data cards are completed by the volunteers. Each volunteer had to note down the type of trash item into a data card before throwing it into the trash bag. In total, about 23 kg of trash was picked up by the volunteers that morning. The data card information was then collated by the YTL PowerSeraya's Sustainability Manager and submitted to the Raffles Museum of Biodiversity (RMB), the local agency representing Singapore, who would subsequently submit it to the United Nations.

The final result was published and used to educate the public, business, industry and government authorities about marine debris issue in Singapore. Through education and awareness of such issues, it will bring long-term solutions and changes in behaviour.



Students of Singapore Polytechnic and YTL PowerSeraya staff pose for a group shot after cleaning up the beach



YTL PowerSeraya staff with GROW members at the bowling alley

Charity Bowl for Lunch

YTL PowerSeraya adopted the charity GROW (Goodwill Rehabilitation & Occupational Workshop of the Spastic Children's Association of Singapore) since 2011. GROW is one of the charitable programmes under The Community Chest that is most in need of monetary and non-monetary assistance. It was established by the Cerebral Palsy Alliance Singapore in 1984 to provide vocation training for people aged 16 years and above with Cerebral Palsy and other associated disability conditions. The Charity "Bowl-for-Lunch" was the first ever organised major fund raising event.

Close to 100 staff, customers, as well as industry and business partners participated in YTL PowerSeraya's "Charity Bowl-for-Lunch" evening event held at SuperBowl SAFRA at Mount Faber on 9th May 2013. The event was also attended by Ms Jessie Holmberg, Executive Director of Cerebral Palsy Alliance Singapore.

About ten GROW beneficiaries were also present to take part in the activities. 15 corporate teams comprising vendors, customers and even industry players compete with nine staff teams in a friendly competition of bowling at Superbowl SAFRA Mount Faber followed by a dinner ceremony where the Executive Director of GROW personally presented gifts of appreciation which individually painted and framed plates by GROW to our corporate donors.

The fund-raising bowling event forms part of YTL PowerSeraya's ongoing initiatives to help GROW. YTL PowerSeraya successfully raised funds totaling SGD70,000 through competitive games of bowling. The amount will help provide lunch for 87 GROW beneficiaries for at least a year which is equivalent to more than 20,000 meals.



YTL PowerSeraya Staff pose with their finished painted pots after GROW's pot painting workshop

Pot Painting Workshop and Bazaar by Adopted Charity GROW

The company's adopted charity GROW (Goodwill Rehabilitation & Occupational Workshop of the Spastic Children's Association of Singapore) conducted a pot painting workshop on 31st August 2012 for staff at YTL PowerSeraya's corporate office.

Staff paid a fee to attend the workshop which was conducted by three artistically inclined GROW individuals with cerebral palsy conditions. In conjunction with this initiative, the company also gave away plants as part of the Eco Office initiative to promote good indoor air quality. Staff members were asked to make a voluntary contribution to GROW for every plant they took away. A total of SGD537 was raised from the workshop as well as voluntary contributions from staff.

In another initiative held on October 2012, the company also organised a bazaar in aid of adopted charity GROW. The bazaar which operated during lunch breaks, saw staff for the corporate office supporting GROW by buying their hand-made art and craft items as well as second-hand stuff from GROW's Thrift shop. In all, SGD345 was raised during the two hour long bazaar.



YTL PowerSeraya Staff purchasing items at the GROW bazaar from GROW members

Give Trash a Second Life

Launched on 8 January 2013, the "Give Your Trash a Second Life" is an initiative that leverages on the spring-cleaning activities during the pre-Lunar New Year period to get YTL PowerSeraya staff to give their old items a second life by donating them to our adopted charity GROW's Thrift Shop.

The re-use of old items promote sustainable living, lightens the burden of Singapore's landfills and provides additional income to GROW. In all, staff donated a mini-van loaded full of old items ranging from stuffed toys, clothing and books. As Brian Tracy once said "Love only grows by sharing. You can only have more for yourself by giving it away to others."

YTL STARHILL GLOBAL REAL ESTATE INVESTMENT TRUST

Outing to River Safari

Chen Su Lan Methodist Children's Home partnered up with our staff for a fun-filled afternoon at Singapore's latest attraction, River Safari. On 10th June 2013, Human Resources and Corporate Communications departments teamed up to organise an outing to River Safari for 25 children from Chen Su Lan Methodist Children's Home, aged 6 to 12 years old. These children come from disadvantaged family backgrounds, such as low-income families, single parent families and abusive family environments. The initiative was warmly received by the staff of YTL Starhill Global REIT (YTL Starhill Global) who participated as volunteers for the event. We managed to meet the ideal volunteer to child ratio requirement, garnering 12 staff volunteers.

The children were treated to lunch at Wisma Atria's Food Republic, popcorn tasting at Garrett and thereafter whisked off to River Safari. The children also received a personalised tour of the Giant Panda enclosure and participated in a quiz on the animals. The day was rounded up with dinner at KFC.

Like Muhammad Ali said "Children make you want to start life over". That is so true as the joy and happiness they show for the little stuff we do for them. They live life to the fullest despite having less. The appreciation and love that the children show is priceless."



A childrens outing to the River Safari in Singapore



YTL Starhill Global REIT employees and their families at the "Bare Your Sole" walkathon

The Habitat-Barclays Bare Your Sole 2013

Habitat-Barclays Bare Your Sole 2013 was held on 1st June 2013. This is the second year YTL Starhill Global's Wisma Atria property has supported the event. It is a reflection of YTL Starhill Global's commitment towards the needy and underprivileged.

The 2.5km and 5km barefoot walk at Gardens by the Bay East is an initiative that promotes awareness and inspires the public to support those who live in dire conditions. The event aimed to raise much needed funds for projects to improve living conditions for these communities by building homes and fighting poverty.

The Asia Pacific region is home to 60% of the world's slum dwellers. More than 500 million people live in slums and informal housing, lacking access to safe drinking water and sanitation. Many of the children living in such poor areas typically work on the streets, deprived of proper footwear. A portion of these street children do not wear footwear at all and are exposed to dangers of being cut by glass or infected with diseases when pricked by used syringes.

Bare Your Sole aims to raise funds for Habitat for Humanity Singapore's work as well as raise awareness of the plight of children living in poverty by giving Singaporeans a chance to experience the lives of children living in poverty by engaging them in the marathon barefoot walk.

Photo Exhibition of Best Memories of Wisma Atria Contest

From 28th September to 14th October 2012, Wisma Atria held a photo exhibition in conjunction with the launch of the mall's new façade and 25th anniversary. Entitled "Out of the Blue", the photo exhibition took shoppers down memory lane from its opening in 1986 to the present, paying tribute to 25 years of success and history.

Wisma Atria is a symbol of fashion as this mall has been bringing in the best of international high streets brands with a good sprinkling of unique fashion labels, complemented by pleasant and affordable casual dining options.

Located in the heart of Orchard Road, Singapore's premier shopping street, Wisma Atria is the downtown mall of choice for locals and tourists alike. Wisma Atria has remained one of the most popular malls on Orchard Road for the past two decades, anchored on its brand promise as a mall for confident, stylish, contemporary and financially independent women.

The exhibition included:

- Photos of Wisma Atria pre-2000 submitted by shoppers
- Photos of Wisma Atria's new façade taken by a community of SONY photographers
- Photos of Wisma Atria's Re-launch Party

The exhibition was a huge draw with the community with members of the public contributing personal photographs of themselves in the Wisma Atria of yesteryear. The exhibition and the competition have brought the community closer as they were sharing photos that are close to the heart.



Wisma Atria Photo Exhibition

National Library Board (NLB) Post-it Dresses Display

Wisma Atria was the venue sponsor of the National Library Board (NLB) Post-it Dresses Display, in collaboration with 3M, and fashion design students from Raffles Design Institute and MDIS. The event was held on 20th October to 25th October 2013. The design students created garments using 3M post-its, in line with the tagline 'Make Good English Stick'. The dresses spoke about fashion, creativity and a sense of fun while they served as a reminder to Singaporeans to speak better English.

ComChest Festive Care & Share

ComChest Festive Care & Share was a campaign fronted by Sharity Elephant, the ComChest Care & Share Mascot which encouraged the community to care for and share with the people around them. The organiser of the event is Community Chest, where Wisma Atria was the venue sponsor for the event. It was a two day event which held on 26th and 27th January 2013. The Community Chest is a fund-raising arm of the National Council of Social Service with a purpose to ensure that every person within the society has an opportunity to live a life of dignity to his or her fullest potential.

During this road show, 福袋 (Bags of Luck) were given as a token of appreciation to all donors who had come forth to make a donation of a certain amount. During the road show, there were stage games, performances by various charity organisations, displays of public education panels, and a donation drive.

Wisma Atria is proud to be part of this charity drive, where proceeds will go towards 82 charities to help over 300,000 disadvantaged people.



The Community Chest Festive Care & Share booth at Wisma Atria



The fashion design students created garments using 3M post-it notes at Wisma Atria

PT YTL JAWA TIMUR



Mangrove sapling Planting at Randutatah Paiton by school students

Green Campaign

PT YTL Jawa Timur (YTLJT) conducts its Green Campaign which coincides with World Environment Day every year. The campaign aims to promote environmental awareness amongst employees and their families and focuses on reducing paper usage, improving waste management and promoting both electricity and water conservation.

The campaign was also extended to schools in the Probolinggo Regency to raise awareness amongst the teachers and students. During the year, YTLJT, supported by the Probolinggo local authority, conducted a "Green School Competition" to educate participants on ways to improve their waste management systems, with rewards given in the form of facility improvements for schools which demonstrated improvements. It promoted more schools in Probolinggo regency, to receive the Adiwiyata Award. The award is given by Indonesia's Ministry for the Living Environment.

For 2013, the campaign started with an Earth Hour event which was held at the Community Center of the housing complex on 23 March. More than 200 participants, in particular children, students from Bakti Pertiwi and Tunas Luhur schools participated in the event. Dozens of candles and multi-coloured lanterns decorated and illuminated the pillars of the community center and the children put on a wonderful performance, singing and dancing in front of an enraptured audience. The event ended with a show of togetherness, where a group of staff rode bicycles fitted with dynamos to light up the LED lamps.

Tree Plantings on 5 June 2013 was to celebrate World Environment Day, conducted together by PT Jawa Power, Farmers Group and the Local Government. The event invited school students around Probolinggo to plant some 5,000 mangrove saplings together with staff, farmers and local government officers.

The paper usage reduction campaign has also been successful and resulted in reductions of paper consumption by 30%. The Green Campaign is an ongoing effort of YTLJT. The campaign bridges the community and environment, and the results have proved the merits of the campaign.



PT YTL Jawa Timur employee's children performing for Earth Hour at the company's operator housing complex soccer field



Supporting local artisans - Wood carving, joinery and cabinet making at Selobanteng Village, Banyuglugur subdistrict

Development of Furniture Center

YTLJT is intensifying its community development programme. The initiative is to develop the furniture crafters in Selobanteng village to form a furniture centre in Situbondo regency due to the potential of the village and surroundings.

First it has abundant teak forest as a source of raw materials. The villagers also periodically plant teak to ensure the sustainability of teak forest production. Secondly, the village has talented furniture crafters. By developing the furniture through a co-operative, it is expected that Selobanteng furniture will be sold in a wider market and eventually become popular to be a major furniture centre in Situbondo region.

There have been 55 units of furniture home-industries in Selobanteng village, and PT Jawa Power facilitated the establishment of a co-operative to help develop the furniture business in the village. To improve the quality of the products, PT Jawa Power conducted training on furniture design and finishing. For expanding the market, the co-operatives have initiated the use of a multipurpose building in Banyuglugur village as a product show room. The furniture centre program is centralised in Selobanteng village for production activities, whereas marketing development will be centralised in the neighbouring village of Banyuglugur. Despite the benefits of job opportunity, and diversified sources of income, the community has developed togetherness and has become more cohesive. As William Baldwin said "A community is a group of people who have come together, and they work and they live to try and improve the standard of living and quality of life - and I don't mean money."

ELECTRANET, SOUTH AUSTRALIA

Angel Flights

ElectraNet has sponsored Aldinga Aero Club - Angel Flights since 2007. Angel Flights is a not-for-profit voluntary service that provides a vital air link between city and country hospitals – transporting seriously ill community members and their families, when required, to and from hospital for treatment. Arriving flights are met by the equivalent on-land group, the "Earth Angels" who transport the patient and their family to hospital. Landing fees are waived by the airports as a good gesture.

Aldinga's Aero Club currently has five qualified pilots who own their own planes and generously donate their time and aircraft to this wonderful cause. These flights can save hours in transport and travel time – a valuable service to the seriously ill unable to cope with a full return trip by road. ElectraNet's support covers fuel costs to enable this voluntary service to continue.

Asthma Foundation SA

Asthma Foundation SA's vision is to free the South Australian community of asthma and related conditions. Their purpose is to provide information, education, training and advocacy in the community - and to promote research.

Over two million Australians or 10% of the population suffer with asthma and many can quickly find themselves struggling for breath. Unfortunately many people don't recognise asthma symptoms or realise how serious asthma can be.

ElectraNet has partnered with Asthma Foundation SA to develop the Regional Communities "Breathe Better" Program. This program aims to support people with asthma, and their carers, living in regional communities in South Australia, to better manage their respiratory health conditions.

ElectraNet's sponsorship over a three-year period will support regional communities by providing approximately 100 information, education and training sessions in regional hospitals, health centres, schools, child care centres, sporting clubs, seniors groups and to community organisations.

This support will make a substantial difference to the respiratory health of thousands of people living in regional and rural areas of South Australia.

Country Fire Service Foundation

The South Australian Country Fire Service (SACFS) Foundation was incorporated on 22 November 2001 and established for the sole benefit of SACFS Volunteers. The Foundation's primary objectives are:

- Advance the relief of suffering, disability, distress and misfortune amongst Volunteer Fire Fighters of the SACFS arising from their participation in activities related to the prevention, control and suppression of fires, the protection of life and property or any other activity related to the function and operations of the SACFS.
- Enhance fire fighting capacity and expertise among Volunteer Fire Fighters of the SACFS.
- **Increase public awareness** of contributions to communities given by Volunteer Fire Fighters of the SACFS.

ElectraNet's construction and maintenance activities are managed in consultation with the Country Fire Service, to ensure effective fire prevention and management. ElectraNet's assistance to the SACFS Foundation over the three-year period 2011-2013 will support the provision of life-saving equipment and the Foundation's Fellowship programme.

In previous years ElectraNet has supported SACFS Brigades in Mount Barker, Port Lincoln, Clare and Mount Bryan to help with the purchase of equipment, training and recruitment costs.

"ElectraNet is very proud to be a major sponsor of the Country Fire Service Foundation and we trust that our support to the Foundation and its volunteers will assist in some way, to improve the safety and skills of our state's highly-valued and brave, volunteer fire-fighters. And, through that support, also help in a small way to protect South Australia's widespread regional communities and our native vegetation, against the ravages of devastating bushfire."

- IAN STIRLING CEO, ElectraNet



Breaking fast with the local communities at YTL Cement's Perak Plant



Engaging with local communities living in the vicinity of YTL Cement's plant

YTL CEMENT

Responding to Community Needs

Being involved in the local community is not something new for YTL Cement. They have always been a backbone of the community in the Perak-Hanjong Simen (PHS) area. In support of the community living in the vicinity of the plant, they have continued with the support of giving donations to the local community for the development and enhancement of infrastructure and public buildings such as mosques and "surau" or prayer rooms. These are important infrastructural developments in the community where people perform their prayers and also places where informal education takes place.

In the holy month of Ramadhan, staff also participated in the "Buka Puasa" (breaking of fast) with the local community. These activities strengthen their relationship with the community. As many of these community members are also employees or potential employees of the plant, by strengthening the relationships, supporting and listening to them, it helps to build stronger engagement with the community.

EXPRESS RAIL LINK (ERL) AND ERL MAINTENANCE SUPPORT (E-MAS)

Sponsorship & Awareness

Train rides and exposure to train operations is normally carried out subject to a request from any school or college. However, Express Rail Link (ERL) and ERL Maintenance Support (E-MAS) have taken the initiative to conduct this activity on a regular basis for schoolchildren and college students, with participation restricted to 45 people at any one time. This program includes a train ride and visit to the depot where the maintenance of the trains is carried out. The objective of this initiative is to give early exposure on the advantages of using the train as a mode of transport. It is also used to create awareness on the safety aspects of using the train and the convenience factors for the students. Not only that, but it is also used to educate them about the environmental benefits of using the train where relatively low carbon dioxide (CO₂) emissions are produced. This initiative is important in developing future generations that will contribute to helping mitigate emissions when they travel.

Breaking Fast With Local Communities

In the fasting month of Ramadhan, ERL takes the opportunity to help people who are less fortunate. ERL staff, as responsible corporate citizens, will get together and visit and help out less fortunate people. This programme is conducted yearly by ERL where they invite approximately 50 people from orphanages, charity institutions and schools to attend a special gathering to break fast.

In addition to that, the sports club for both ERL & E-MAS organises a charity programme during one of their annual activities to bring different communities together. This has created a strong bond between ERL and E-MAS with the local communities.



Pn Noormah Mohd Noor, CEO of ERL giving food to the local community

YTL LAND & DEVELOPMENT

We recognise our duty to be a good neighbour and are an active partner of cities and communities working closely with schools and charitable organisations to educate, support, and engage with projects within the areas in which we have operations. From tackling poverty to helping children lead healthy and energetic lifestyles, we endeavour to build a better future for everyone.

Love Sentul Park

It is the responsibility of the park management team to manage and maintain Sentul Park, a YTL's development, and to conserve and enhance this rare and unique green lung in the city. Activities are developed to encourage visitors to Sentul Park and their guests to use the park and offer opportunities for enjoyment, education, entertainment and healthy outdoor recreation. The purpose of activities such as these are to bring together visitors and their guests for a day of fun in the park. It is also an opportunity for visitors to meet up and get to know each other, and for children to socialise and participate in fun activities regardless of race, age or creed.



Love Sentul Park uses activities and materials that support and further the intention of fortering environment and social balance as its platform

Green Event at Lake Edge, Puchong

On 14th July 2012, Majlis Perbandaran Subang Jaya (MPSJ) kicked off its First Green Event for Puchong, Zone 9 at Lake Edge, Puchong. Lake Edge is a gated community by YTL Land & Development Berhad (YTL Land) that draws its inspiration from two disused tin mining lakes that border the development site.

MPSJ worked together with the committee of the Lake Edge Residents Association (LERA) for this event, which had a single aim of improving the living environment in and around the Lake Edge area, while working towards enhancing its community and contributing positively towards the society.

This event was held from 7.30 am to 12 noon and was attended by YB Gobind Singh, YB Teresa Kok, MPSJ President Dato' Asmawi Kasbi and Mr Arul, MPSJ Councillor in charge of Puchong, Zone 9. The programme for the day included:

- Recycling with Bumi Hijau
- Composting demo by MPSJ
- Mud ball making by Virgin Green
- Throwing of mud balls into the lake
- Tree adoption and planting with MPSJ

MPSJ sponsored the setting up costs for the event, refreshments, 50 trees and RM2,000 in cash. YTL Land sponsored 50 compost bins for the event. The total cost for sponsorship of the 50 compost bins was RM2,500.

The event saw a gathering of residents of all ages and races coming together with the public and private sectors for a good cause. The event exemplified the Lake Edge community's effort to promote a sustainable neighbourhood as well as to influence a good living environment in Lake Edge, especially among the younger generation of its residents.



YTL Land & Development sponsored 50 compost bins to Lake Edge residents
YB Teresa Kok (left) & Grace Toh, Senior Manager - Property Management
of SR Property Management Sdn Bhd (right)





Tree Adopting and planting with MPSJ around the Lake Edge development

Promoting Cycling in Malaysia

On 16^{th} June 2013, the first-ever Sentul Race Series kicked off the aim of promoting amateur and junior bicycle racing in Malaysia. The race series is open to amateur cyclists between the ages of 16 to 50.

Organised by FHL Sports Sdn Bhd, a tenant at Sentul East Design Centre (SEED), the race series comprises a total of four races, supported by the National Sports Council of Malaysia, Kuala Lumpur City Hall, The Royal Malaysia Police and Malaysian National Cycling Federation. YTL Land was the title sponsor for the first race, the Time Trial.

Inspired by cycling enthusiast Mark Cheong, founder of FHL Sports, the Sentul Race Series was conceptualised to bring amateur racing to a different level. The event acts as a talent scouting platform for future cycling Olympians while inspiring and empowering cyclists to ride, be it for recreation or as a lifestyle choice to promote health and general well-being. Sentul provides the perfect backdrop for the race series as it is becoming known amongst urbanites as the up-and-coming hip and healthy living area in the heart of Kuala Lumpur.



The Sentul Race Series activities at Sentul Park d6 & d7 developments

YTL COMMUNICATIONS

Acts of Kindness for the Less Fortunate

In this digital era, YTL Communications (YTL Comms) sought to encourage today's modern society to perpetuate the human touch and values so that basic virtues are not lost with the presence of high-tech devices. Hence, YTL Comms encouraged and invited the public to share ideas and stories on random acts of kindness to bring positive change and make a difference to the community.

The Huddle XS: Small & Powerful Movement is based on the "Pay-It-Forward" concept where random acts of kindness to strangers are carried out without expecting anything in return. Members of the public were invited to submit their ideas to www.yes.my during the campaign period. The Movement was held from 4th July to 31st August 2012.

Organised by the **Yes** team, the movement was open to the general public to benefit the less fortunate. 14 winners were selected to join the **Yes** team to carry out acts of kindness in the community. A total of 14 units of Huddle XS (RRP: RM480) were given away to the best entries. In addition, a video was created to further showcase the Movement.

Out of the 14 shortlisted entries received, one idea that stood out was a food donation drive for the poor. YTL Comms worked with Pertiwi Soup Kitchen on 28th November 2012 and Kenchara Soup Kitchen on 5th December 2012 for the purpose of food and drink distribution. As a result YTL Comms prepared and packed warm food and drinks for distribution to the needy and homeless.

As a caring responsible corporation YTL Comms supports the community and gives back whenever possible. More than 600 underprivileged people benefited from the movement, thanks to YTL Comms.



YTL Communications working with the Pertiwi Soup Kitchen and Kechara Soup Kitchen



YTL Communications staff preparing warm food and drinks to be distributed to the needy and homeless





Jacob Yeah, Deputy CEO of YTL Communications distributing food and drinks to the needy and homeless

Spreading Christmas Joy

On 10th December 2012, there was a special visit from a delegation from YTL Comms & YTL Info Screen for a fun Christmas celebration with the underprivileged children of Rumah Kanak-Kanak Ini Disayangi, or K.I.D.S for short. The orphanage, located in Subang, started in 1991, is where orphaned, abandoned, abused or neglected children are given shelter, love and care. It was an early Christmas celebration for these 16 underprivileged children.

YTL Comms brought festive cheer and shared the joyous occasion with the less fortunate kids so that they too could be part of the festivities. It was an opportunity for YTL Comms to give back during the festive season. YTL Comms contributed Christmas gifts to the underprivileged kids and treated them to a hearty buffet lunch, courtesy of Societe Café at KLPac. Music followed the bountiful lunch, with local act Jason Yeoh's turn to tune his guitar and lead the children in singing Christmas carols. As rain drizzled down, the house fell quiet and the only noise emanating from the orphanage was the music from the guitar, and the voices of those singing in the living room, by the piano, and under the Christmas tree.





YTL Communications and YTL Info Screen staff enjoying a Christmas celebration with the children of Rumah Kanak-kanak Ini Disayanai (K.I.D.S), a home for orphans and abandoned children

Yes Drives Positive Change Through Sports and Healthier Living

YTL Comms continues to promote positive change in the community, and one of the ways it does so is by playing an active role in encouraging Malaysians to lead healthier lifestyles. Change can be as simple as taking part in sporting events where they contribute to a participant's sense of achievement, fulfillment, self-confidence and of course, healthier mind, body and soul.

Through the Yes 4G brand, YTL Comms has been actively supporting numerous community races across Malaysia such as being the platinum sponsor for charity Walkathons including Ipoh Starwalk 2013 where over 17,800 participants including YTL Comms employees joined the race, and the Penang Starwalk 2013. The brand also co-sponsored a fundraising marathon the XtraMile Run and the inaugural cycling race, the Sentul Race Series 2013.



Yes PJ Marathon runners ready for the race



Participants of the Ipoh Star Walk getting into the swing of things

YTL HOTELS

Supporting Local Businesses

The Group's internationally-renowned, award-winning hotels and resorts have always encouraged sustainable practices. These include supporting the local community by using locally-produced and sourced food, and by employing local people.

- At Spa Village Resort Tembok Bali, local ingredients and seasonal produce are used in the resort's cuisine served at the Wantilan Restaurant, whilst indigenous herbs are used in its spa treatments. Locals from neighbouring villages are also employed for their skill and knowledge in traditional spa techniques. These efforts help in sustaining local communities, whilst minimising transportation emissions.
- At the Spa Village Pangkor Laut Resort, local fruits are sourced, while ingredients such as lemongrass and cinnamon – used in the various spa treatments provided – are grown in the resort's own herb garden.
- At The Majestic Malacca, local producers supply the hotel with handmade Nyonya "kuih" – a type of local sweet delicacy. The hotel also holds a cooking class to sustain the uniqueness of the Nyonya/Peranakan Heritage Cuisine.
- At both Pangkor Laut Resort and Tanjong Jara Resort, guests are taken on cultural tours of the local community and introduced to the locals' way of life, thus supporting the local community and local tradesmen.

Handmade baskets produced by the indigenous Penan community

Handmade baskets are supplied by Pink Jambu, a Malaysian brand. The baskets are handmade by individuals from the Penan, an indigenous semi-nomadic tribe of Borneo. These women are either temporarily living in Limbang while seeking medical treatment prior to child-delivery, or have settled down in order to provide their children a permanent home close to a school. They use plastic waste items to make colourful, durable and practical baskets.

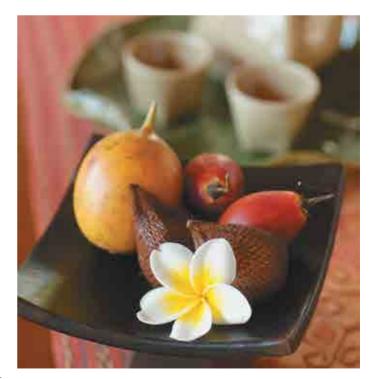
By offering these baskets at Chimes, its gift shop, Gaya Island Resort (GIR) shows support for the Penan community, contributing to their income and also keeping local handicraft skills alive. These products with a cause are also tastefully designed, and the baskets are provided to them on consignment basis with the basket-maker's name, signature and story attached.

YTL Hotels supports local small communities by selling their products and contributes a little to their income, as well as to keep the handicraft skills alive.





A selection of native fruits, spa treatment ingredients and local cuisine at YTL Hotels



PURE Activities

The PURE activities in Gaya Island Resort comprise PURE authentic experiences through four activity paths, which are "Discovery", "Vigour", "Creativity" and "Balance". Each of these paths has the essence of community living in and around Gaya Island. Immersed in the local culture and heritage, each path is designed to offer an authentic Borneo experience, and the chance to revel in the rich heritage and culture of indigenous tribes.

Primarily focused on exploring the rich tapestry of the Sabahan environment, "Discovery" reveals the marine and terrestrial secrets of Borneo. One of the most popular activites, guided snorkeling on the house reef is included here as well as GIR's signature guided nature walks.

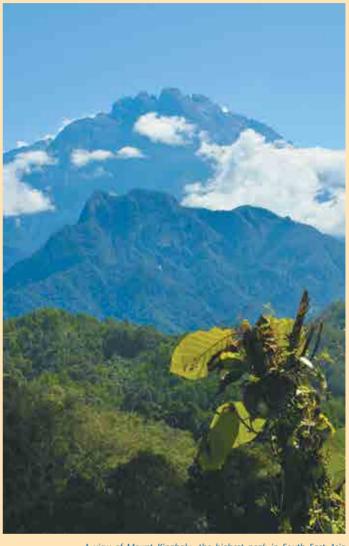
With "Vigour", physical activities such as water sports, Sunrise Power Walks and golf are showcased. Tribal games are a culturally relevant experience that includes Blowpipe Marksmanship, inspired by the traditional blowpipes used by headhunters from the Murut indigenous tribe, and the Sepak Manggis, a social activity played by Bajau and Iranun men.

"Creativity", explores the depths of Sabahan or Borneo cuisine where guests can experience the use of local ingredients and fresh produce displayed at the resort's mini tamu marketplace. Also included is the Borneo craftworks by Rungus, Kadazandusun and over 32 different ethnic entities in Sabah as well as various educational activities for children.

Finally, "Balance" encompasses activities for the mind and spirit. Experiences at Spa Village Gaya Island, the world's first mangrove spa are rooted within the traditional healing arts of Sabahan culture. The spa's signature experience, the Tadau Kaamatan uses red rice as a major ingredient in its scrubs, facial masks and massage pouches. The use of locally sourced red rice in the treatments also raises awareness about the economy of the Kadazan-Dusun indigenous tribes of Sabah.



Guests exploring Borneo's lush and fertile countryside



A view of Mount Kinabalu, the highest peak in South East Asia



Gaya Island Resort's guests on an outing to a local farmers market

OUR GROUP SUSTAINABILITY

www.ytl.com.my/sustainability

BE PART OF OUR COMMUNITY

www.ytl.com.my www.ytlcommunity.com

OUR ANNUAL REPORTS AND SUSTAINABILITY REPORTS

www.ytl.com.my

OUR UTILITIES BUSINESS

www.ytlpowerinternational.com www.powerseraya.com.sg www.jawapower.co.id www.electranet.com.au www.wessexwater.co.uk www.ytlcomms.my

OUR CEMENT MANUFACTURING BUSINESS

www.ytlcement.com

OUR CONSTRUCTION CONTRACTING BUSINESS

www.ytl.com.my/construction.asp

OUR PROPERTY DEVELOPMENT AND INVESTMENT BUSINESS

www.ytlland.com www.starhillglobalreit.com

OUR HOTEL DEVELOPMENT AND MANAGEMENT BUSINESS

www.ytlhotels.com www.starhillreit.com

OUR INFORMATION TECHNOLOGY BUSINESS

www.ytlesolutions.com

OUR CARBON CONSULTING BUSINESS

www.ytl-svcarbon.com

OUR MANAGEMENT SERVICES AND OTHER BUSINESSES

www.ytlps.com www.kliaekspres.com www.emskliaekspres.com

PROMOTION OF ARTS AND CULTURE

www.starhillgallery.com www.starhillculinarystudio.com www.lot10.com.my www.lot10hutong.com www.wismaonline.com www.klpac.org

EDUCATION AND THE NEXT GENERATION

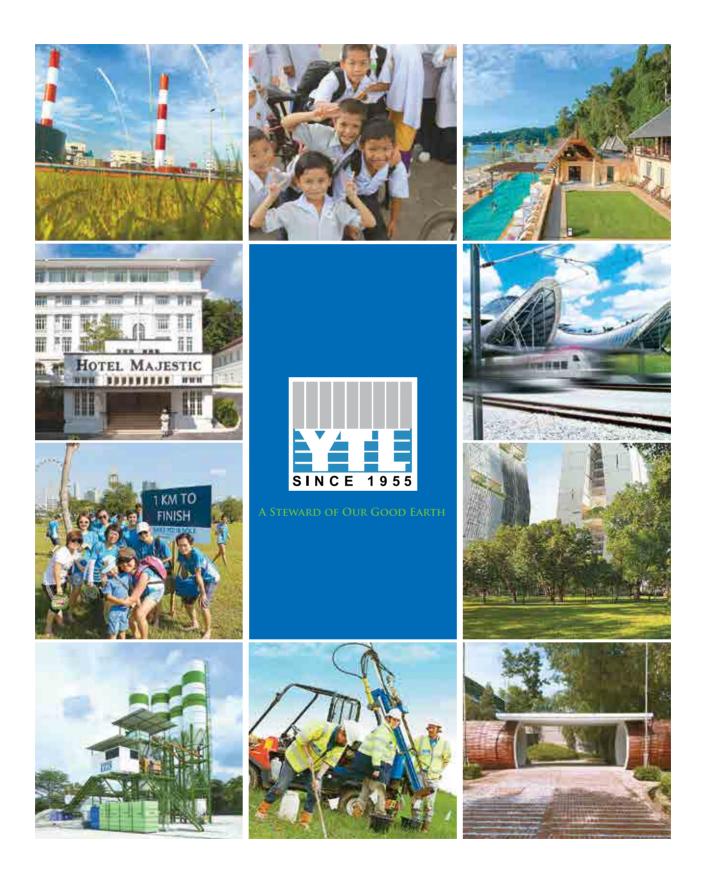
www.ytlfoundation.org
www.ytlpowerinternational.com/about_us/scholarship.asp
www.wessexwater.co.uk/education/threecol.aspx?id=384
www.ytlpowerseraya.com/index.php?option=com_
content&task=view&id=78&Itemid=87
www.ytlcomms.my/EN/education.aspx
www.ytlcomms.com/schorlarship.asp
www.ytl-ichm.edu.my
www.frogasia.com

OUR ADVOCACY

www.ytl.com.my/sustainabilty/earthhour www.ytl.com.my/sustainabilty/climatechange

OUR ENVIRONMENTALIST FRIENDS

www.rare.org www.reefcheck.org.my www.mns.my www.nature.org





LEATHER 50 years



NYLON FABRIC 30-40 years



PLYWOOD 1-3 years



APPLE CORE 2 months



PLASTIC BAG 10-20 years



PAPER TOWEL 2-4 weeks



NEWSPAPER 6 weeks



WOOL SOCKS 1-5 years



MONOFILAMENT FISHING LINE 600 years



FOAMED PLASTIC CUP 50 years



TIN CAN 50 years



DISPOSABLE DIAPER 450 years



WAXED MILK CARTON 3 months



GLASS BOTTLE 1 million years



FOAMED PLASTIC BUOY 80 years





PLASTIC FILM CONTAINER 20-30 years









how much there is & how long it really lasts

Globally 3 billion residents generate 1.2 kg of trash per day per person



Equaling over 1.3 billion tonnes of trash a year per person





59% of that trash ends up in landfills



Recycling is an excellent way to save energy and help conserve the environment. Do your bit. Be part of the solution.

Reduce, Reuse, Recycle 🖏

Find out more at www.ytl.com.my/sustainability/climatechange

www.ytl.com.my www.ytl.com.my/sustainability www.ytlcommunity.com

YTL CORPORATION BERHAD 92647-H

11th Floor Yeoh Tiong Lay Plaza 55 Jalan Bukit Bintang 55100 Kuala Lumpur

Malaysia
Tel • 603 2117 0088
603 2142 6633
Fax • 603 2141 2703