



Creating Value Enriching Communities



S U S T A I N A B I L I T Y R E P O R T 2 0 2 2



Creating Value Enriching Communities

Matrix Concepts Holdings Berhad (“Matrix”) is multi-faceted with its core activities pivoted on Property Development, Construction, Education, Hospitality and Healthcare. Creating desirable products of value, quality and well-designed homes, Matrix has built a reputation of “a cut above all others” with its diverse property developments in Malaysia, Australia and Indonesia. Matrix delivers a complete lifestyle eco-system of work, play, dine, shop, learn and more for its developments.

Matrix’s Sustainability Report 2022 is seen here, represented by a diamond: *multi-faceted, durable, sturdy and committed.*



“Investing into a property and nurturing a family is a lifetime investment” and thus, similar to the properties of a diamond which symbolises sturdy relationship, happiness and commitment.

OUR REPORTING SUITE



SUSTAINABILITY REPORT 2022 (“SR2022”)

SR2022 is published as a stand-alone sustainability report that provides a comprehensive review of Matrix’s environmental, social and governance (“ESG”) performance.

Disclosures are aligned to best practice global reporting frameworks as well as the requirements of the local regulator, Bursa Malaysia Securities Berhad.

Refer to the **About This Report** section for more information.

Key aspects of reporting covered include governance of ESG matters, the management approach to material topics and the results achieved as well as lessons learnt and plans to drive further improvements in ESG performance going forward.



FTSE4Good

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Matrix Concepts Holdings Berhad has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance practices.

Board of Directors' ESG Commitment Statement

“

We,

the Board of Directors and Management of Matrix remain committed to ensuring that Matrix continues to serve as a good corporate citizen – contributing to the development of local communities and the creation of stakeholder values driven by robust financial performance.

In the pursuit of creating both financial and non-financial values, the Board and Management aspire to strengthen the Matrix business model through incorporating ESG considerations within our strategies and business processes.

This includes progressively addressing emerging risks such as climate change and also material ESG impacts within our supply chain, while continuing to feel the pulse of our stakeholders.

”

What's Inside

CHAIRMAN'S MESSAGE 4

ABOUT THIS REPORT

Introduction 7

Distribution & Feedback 7

Scope and Boundary 7

Determination of Data /
Content for Inclusion and
Assurance 7

Referenced Reporting
Frameworks 8

GRI Statement of Use 8

Precautionary Approach 8

Forward Looking Statements 8

Membership of Associations 8

ABOUT MATRIX

Company Vision and Mission 9

Sustainability Journey and
Milestones 10

Highlights and Achievements 11

Multiplier Effect of the
Business Model 13

PILLAR ONE:

EQUITY AND LOCAL ECONOMY

Introduction 16

Direct Economic Values 16

Values Created for
Stakeholders 17

- Rewarding Shareholders 17
- Dividend Payouts 17
- Supporting Local Communities and Society 17

Product Quality and Customer
Satisfaction 18

- Quality and Product Responsibility 18
- Defects Management 19
- Customer Satisfaction 19

Sustainable Local
Procurement 20

- Free and Fair Competition Based on Merit 20
- Green Procurement 21

PILLAR TWO:

GOVERNANCE: UPHOLDING ETHICAL BUSINESS CONDUCT AND CORPORATE INTEGRITY

Introduction 23

Board Level Sustainability
Committee 23

- Key Aspects of the BSC 24
- Board Diversity and Independence 25

Embedding ESG Considerations
into Group Risk Management 26

- Good Governance and Practices Supported by Robust Policies 27
- Policies and Processes for Good Governance 27

Good Governance Through
Adherence to Local Legislation
and Regulatory Compliance 27

Group Code of Conduct 27

- Matrix Employee Handbook 27

Zero Tolerance Approach to
Corruption 28

- Supplier Commitment to Zero Corruption Stance 28
- Role of the Matrix Board in Driving Anti-Corruption 28
- Anti-Corruption Training 29
- Identification of Operations with Possible Higher Risk for Corruption 29
- Whistleblowing Mechanism 29

Political Views and
Contributions 30

Data Confidentiality 30

PILLAR THREE:

ENVIRONMENTAL CONSERVATION

Introduction 31

Board and Management
Oversight on ESG Including
Climate Change 33

Intensity Measurements 34

Zero Carbon 35

- Actual And Potential Climate Change Impacts to the Business Model (Risks and Opportunities) 36
- Financial Costs Associated with Climate Change Risks and Impacts 38
- Climate Change Related Strategies and Scenario Planning 38

Commitment to
Green Buildings 38

Transitioning to Renewable
Energy (Solar) 39

- Pursuing Energy Consumption Reduction 40
- Energy Performance Data 40

Carbon Emissions 41

- Pursuing Scope One and Scope Two Emissions Efficiency (Reduce Carbon Footprint) 41
- Other Emissions 41

Sustainable Consumption 42

- Resource Consumption Data 42
- Specific Actions Taken to Reduce Resource Consumption 42
- Landbank 42
- Paper Consumption 43

Zero Waste 43

- Waste Data 44
- Supply Chain Involvement In Waste Management 45
- Waste Recycling 45
- Safe Disposal of Waste 46
- Resources Efficiency Behaviour 47
- Product Lifecycle Analysis 48

Sustainable Water 49

- Water Consumption and Management 49
- Water Consumption Data 49
- Effluent Discharge 49

Environmental Performance Monitoring 50

- Environmental Management Plan: Key Aspects 50
- Environmental Compliance 51

Biodiversity 52

PILLAR FOUR:

EMPLOYEE WORK SATISFACTION AND WELL BEING

Introduction 53

Board and Management Oversight on Talent 54

Bringing a Sustainability Focus to Talent Management 55

- Developing Organisation Wide Sustainability-Oriented Mindset and Culture 55

Committed to Free and Fair Labour and Human Rights 56

- Safeguarding Workers' Rights & Safety 56
- Social Regulatory Compliance 56

Workforce Composition 57

- Workforce Diversity 57

Ensuring Employee Welfare and Competitive Remuneration 59

- Compliance to Minimum Wage 59
- Leave and Employee Benefits 60
- Parental Leave 60
- Statutory Payments for Employees' Retirement Fund 60

Employee Appraisals 60

Formal Employee Induction and Exit 60

Enabling Employees' Professional Development (Talent Training and Development) 61

Measuring Employee Satisfaction 62

Employee Rights 62

- Minimum Notice Period for Operational Changes 62
- Freedom of Association 62
- Grievance Process 62

PILLAR FIVE:

SAFE AND HEALTHY WORK ENVIRONMENTS

Introduction 63

Managing Occupational Safety and Health ("OSH") 63

Board Oversight on OSH 64

Worker Representation on Joint Health and Safety Committees 64

Hazard Identification, Risk Assessment and Risk Control 65

HIRARC Process 65

Implementation of Permit to Work Systems 66

HSE Programmes and Training 66

Emergency Response Plans 66

OSH Performance 66

PILLAR SIX:

CULTURE AND COMMUNITY

Introduction 67

Supporting Inclusive Community Development 68

- Provision of Community Amenities and Facilities 68
- Hosting / Sponsorship of Community Events 69
- Covid-19 Pandemic Assistance 70

OUR MATERIAL MATTERS 72

Relevance of Materiality Matters to Stakeholders 74

STAKEHOLDER ENGAGEMENT 75

Overall Approach to Stakeholder Engagement 75

FY2022 Stakeholder Engagement Table 75

GRI CONTENT INDEX 76

SASB CONTENT REFERENCE INDEX (PROPERTY DEVELOPMENT) 81



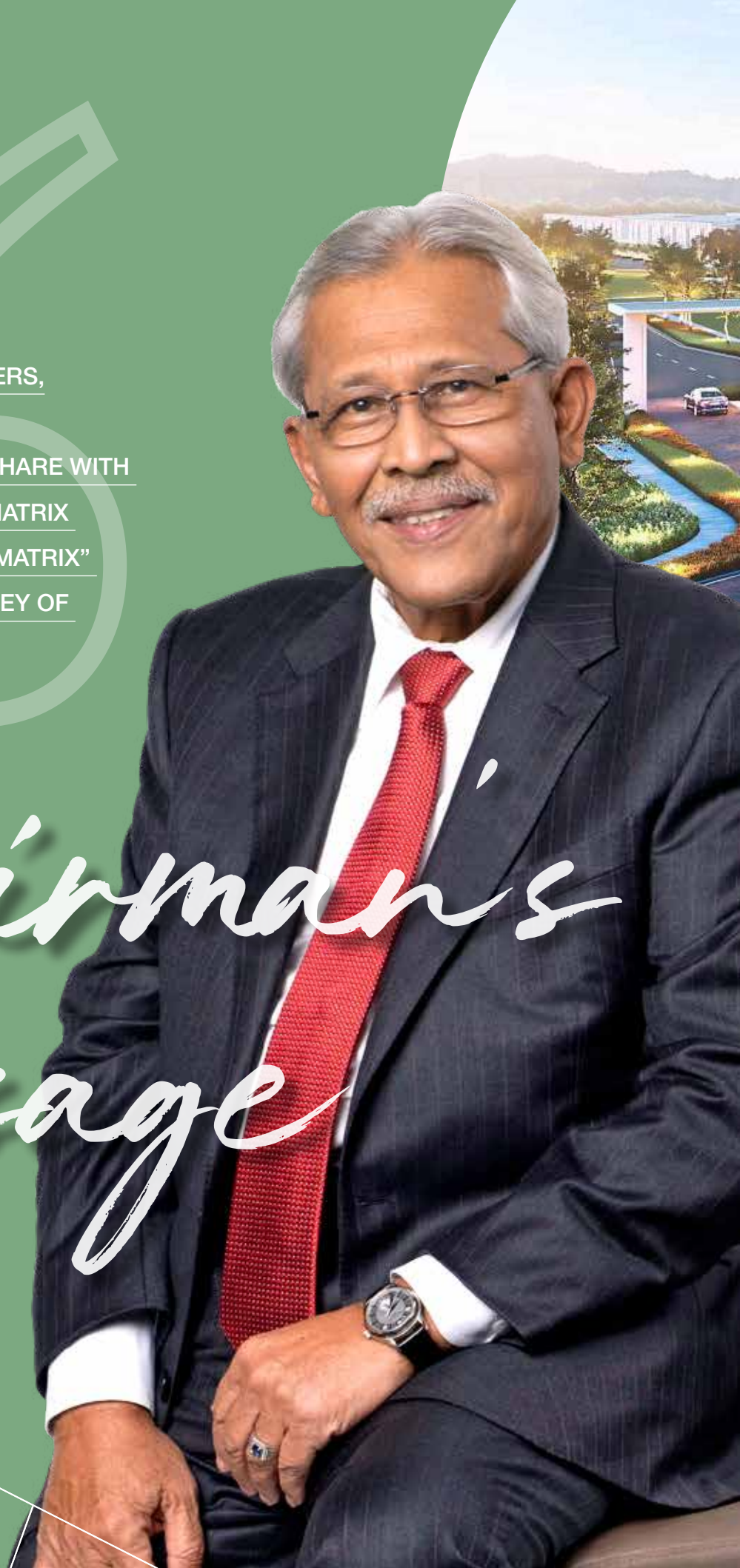
Scan the QR Code
to download this
Sustainability Report.

TO OUR ESTEEMED STAKEHOLDERS,

I AM PLEASED TO ONCE AGAIN SHARE WITH
YOU THE PROGRESS MADE BY MATRIX
CONCEPT HOLDINGS BERHAD ("MATRIX"
OR "THE GROUP") ON ITS JOURNEY OF
SUSTAINABILITY FOR FY2022.

4

Chairman's Message





FY2022 has been a significant year for sustainability, notably for the growing focus on environmental, social and governance (“ESG”) issues by investors, regulators and also across the world. We at Matrix, have always been cognisant on the importance of good ESG performance as a prerequisite and catalyst for value creation.

Sustainability is the means towards driving improvements in financial performance as the former supports greater operational efficiency, improved productivity and cost savings, especially in the medium to long-term. In essence, being sustainable strengthens the resilience of the organisation against external shocks, while also mitigating the impacts of risk factors that would erode value creation.

Among these risk factors are climate change, labour rights issues and others. Matrix’s continued focus on these and other issues will support the Group’s competitive ability to not just be a good corporate citizen, but to continue delivering win-win, mutually beneficial outcomes for our stakeholders.

Specifically, I wish to highlight how we have continued to show concern for the welfare of workers, particularly construction workers. Matrix, through the pandemic period and after, have focussed on ensuring the welfare of workers, by providing them with decent accommodation, access to healthcare and including also providing free vaccinations during the height of the pandemic period.

During the heights of the lockdown, workers were supplied with food, groceries and other necessities. These and other measures tie in with our conscience of ensuring the rights and dignity of workers.

This SR2022 provides a strategic perspective of how Matrix has continued to address its material topics through comprehensive management approaches that have led to various highlights and achievements. These include more efficient energy, water and resource consumption, continued support provided to local communities and various other benefits.



CHAIRMAN'S MESSAGE

Another highlight of SR2022 is for the first time, our disclosure of set performance Key Performance Indicators ("KPIs") and targets for material ESG topics. Our performance year-on-year will be measured against these KPIs and targets going forward.

The entire Group will need to align to these internal targets, but Matrix remains committed to placing sustainability at the heart of its business model and hence, the Board and Management will continue to cascade the ESG Framework across the Group structure.

The full details of our highlights and achievements are provided within SR2022.

Through the heights of the Covid-19 pandemic (and even after) these past two years, Matrix has undertaken a wide range of efforts at its own volition and cost to play a significant role in combatting the pandemic.

Beyond implementing a robust Covid-19 mitigation plan based on government mandated SOPs, Matrix has extended a wide range of assistance and support to the government, hospitals, society and also to employees.

Through Mawar Medical Centre ("Mawar"), Matrix has been playing a key role in facilitating the government's vaccination programme. In FY2022, 33,625 vaccine doses were administered by Mawar. Total Covid-19 related assistance included expenditures in providing complimentary hand sanitisers and face masks as well as free lunch packs for the workforce.

We continue to scale greater heights and to further improve on our environmental and social footprint, while enhancing corporate governance. Our achievements embolden and inspire us to aspire towards greater levels of improvement.

With your support, we remain confident that a brighter future awaits. The Group is well poised to continue realising its vision of Nurturing the Environment and Enriching Lives".

**DATO' HAJI MOHAMAD HASLAH
BIN MOHAMAD AMIN**

CHAIRMAN
SUSTAINABILITY COMMITTEE

30 JUNE 2022

*"Nurturing Environment
Enriching Lives"*



About This Report

INTRODUCTION

MATRIX CONCEPTS HOLDINGS

BERHAD (“MCHB” OR “THE GROUP”)

IS PLEASED TO PRESENT ITS

STAND-ALONE SUSTAINABILITY REPORT

FOR FINANCIAL YEAR ENDED

31 MARCH 2022 (“FY2022”). THIS

REPORT IS ALSO REFERRED TO AS

SUSTAINABILITY REPORT 2022

(“SR2022”).

All references to “Matrix”, “the Company”, “the Organisation”, “the Group”, “us” and “we” shall refer to Matrix Concepts Holdings Berhad.

SCOPE AND BOUNDARY

SR2022 provides detailed ESG disclosures pertaining to the Group and its subsidiaries (all subsidiary companies which Matrix has management control of and where its primary business activities occur). Hence, the Group has used a combination of equitation control and operational control for its consolidation method. The list of companies covered are provided in the Integrated Annual Report 2022 (“IAR2022”) under the Corporate Structure and Corporate Information sections.

The Group shall strengthen ongoing efforts to improve data collection within its supply chain to permit disclosure of impacts and performance going forward. SR2022 information on the Group’s supply chain is primarily focussed on governance matters such as anti-corruption and socio-economic and environmental compliance.

DETERMINATION OF DATA / CONTENT FOR INCLUSION AND ASSURANCE

A further consideration is whether data and disclosures are able to meet the GRI principles of accuracy, balance, clarity, comparability, reliability and timeliness, as well as stakeholder inclusiveness, sustainability context, and completeness.

All data contained within this report has been sourced internally and has been verified by the respective business units or information owners. Financial data has been audited by Crowe Malaysia PLT.

The GRI principle of materiality has been applied in the selection of topics and disclosures for inclusion in SR2022. Matrix’s materiality assessment process and materiality matrix is provided in the Material Matters section of SR2022.

DISTRIBUTION & FEEDBACK

We welcome questions, feedback and suggestions that will spur further improvements in our reporting process. Please send any comments, insights and queries to Matrix’s Sustainability Officer, Carmen Loo at: carmen@mchb.com.my.

REFERENCED REPORTING FRAMEWORKS

SR2022 is developed in accordance to best practice sustainability reporting frameworks. These include the Global Reporting Initiative (“GRI”) Core Option as well as other frameworks as listed below (in full or partial adoption):

- Bursa Malaysia Sustainability Reporting Guide Second Edition
- FTSE4Good Bursa Malaysia Index (“FTSE4Good”)
- SASB Sector Specific Disclosures (“SASB”)
- Taskforce on Climate Change Financial Disclosures (“TCFD”) Recommendations
- United Nations Sustainability Development Goals (“UNSDGs”)

BURSA SUSTAIN
MOVING BUSINESS FORWARD



TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

SUSTAINABLE DEVELOPMENT GOALS



GRI STATEMENT OF USE

The Board of Directors of Matrix, which is the Group’s highest decision-making body, acknowledges responsibility for the following statement of use: The information reported for SR2022 has been prepared in accordance to the GRI Standards Core Option.

This SR2022 is made in accordance with a resolution of the Board of Directors dated 28 June 2022.

PRECAUTIONARY APPROACH

Matrix’s application of the precautionary principle or approach is evident in how the Group manages key aspects of sustainability. This includes occupational safety and health (“OSH”), risk management and mitigation, environmental performance monitoring, socio-economic compliance and more. Kindly refer to the specific sections in SR2022 to read more about how Matrix has applied the precautionary approach to each of the forementioned topics.

FORWARD LOOKING STATEMENTS

This SR2022 contains forward-looking statements discussing targets, future plans, operations and performance of the Group based on reasonable current assumptions. Readers are advised not to place undue reliance on such statements as our business is subject to risks and uncertainties beyond our control. Actual results may differ.

MEMBERSHIP OF ASSOCIATIONS

Matrix is a member of the following professional bodies and industry associations and complies with industry policies, standards and regulations of the following:

- Construction Industry Development Board (“CIDB”)
- Master Builders Association Malaysia (“MBAM”)
- Real Estate & Housing Developers’ Association (“REHDA”)
- Listed on Bursa Malaysia Securities Berhad – Main Market

About Matrix

OUR *Vision*

THE CREATION OF A BENCHMARK
 – NURTURING ENVIRONMENT AND
 ENRICHING LIVES BY BEING A CARING
 AND COMMUNITY DEVELOPER.
 PROVIDING PREMIER AND QUALITY
 EDUCATION & HEALTHCARE SERVICES
 AND DIVERSIFY INTO SUSTAINABLE
 PROPERTY INVESTMENT.



OUR *Mission*



Strive to consistently exceed our customers' expectations through delivering par excellence products and professional services for unparalleled customer experience.



Continuously develop our highly valued human capital based on meritocracy to ensure continuous growth for both the business and stakeholders.



Creation and enhancing shareholders' value and fulfillment of our corporate social responsibilities.

Our Reporting Suite

SUSTAINABILITY REPORT 2022 ("SR2022")

The SR2022 is a comprehensive report of the Group's sustainability performance. It covers results achieved for material economic, environment and social ("EES") topics.

The SR2022 is developed in accordance to the GRI 2018 Standard as well as disclosure requirements under the Bursa Malaysia FTSE4Good Index.

2022



- Implementation of Group Wide ESG Framework.
- Establishment of Performance KPIs and Targets for ESG Topics.
- Further enhancement of disclosures.
- Adoption of SASB Disclosure Standards.

2021

- Strengthened ESG disclosures.
- Further adoption of <IR>.
- Enhanced disclosures.

10

Sustainability Journey and Milestones

2015-2016

- Development of sustainability roadmap, governance structure and framework.
- Commencement of ESG reporting based on GRI framework.

2017

- Strengthening disclosures, developing internal stakeholder awareness and buy-in.
- SDG adoption.
- Formalised Whistleblowing and HSE policies.

2018-2019

- Inducted into FTSE4Good Index.
- Commenced with <IR>.
- Formalised Group wide Sustainability Policy.

2019-2020

- Formalising Adequate Procedures and strengthened risk management.
- Developed Group Anti Bribery and Anti Corruption ("ABAC") Policy.



Highlights and Achievements

Matrix continues to create a wide range of positive impacts for stakeholders. These achievements are measured against specific goals, KPIs and targets within the Group's ESG Framework.

GOAL / ASPIRATION	KPI FOR PERFORMANCE MEASUREMENT	RESULTS	UNSDG ALIGNMENT
UPHOLDING ETHICAL BUSINESS CONDUCT AND CORPORATE INTEGRITY	Number of incidents of non-compliance with the Code, by Directors, employees and the supply chain	Zero number of cases of non-compliance for corruption or regulatory non-compliance	  
GENERATING POSITIVE SOCIO-ECONOMIC MULTIPLIER EFFECTS	Contribution to government (income and service taxes), repayments to financiers, (employee remuneration), jobs created and sustained, procurement spend	Economic value retained RM171.19 million generated	
ENERGY EFFICIENCY	Annual reduction in electricity consumption	3% electricity reduction in FY2022	
GREATER RENEWABLE ENERGY	Increase in % of solar energy use at operating sites	215% increase solar based electricity produced	 
REDUCING WASTE ACROSS ALL BUSINESS DIVISIONS	Annual reduction in waste sent to landfills annually by increasing in wastes recycled	80% increase in waste recycled	
REDUCTION IN PAPER CONSUMPTION	Annual reduction in paper consumption annually	Overall 6.5% reduction in total paper consumed for Matrix's operations	
REDUCE WATER CONSUMPTION / INCREASE WATER EFFICIENCY	Annual reduction in water bills Increase in water efficiency consumption Increase design elements that provide water consumption efficiency eg. rain harvesting	36.36% reduction in total water consumed	

Highlights and Achievements

GOAL / ASPIRATION	KPI FOR PERFORMANCE MEASUREMENT	RESULTS	UNSDG ALIGNMENT
ENABLING EMPLOYEE PROFESSIONAL DEVELOPMENT	100% appraisal rate for employees annually Growth in average training hours / days per employee	100% of employees appraised in FY2022 12.6% increase in training hours	
ENSURING EMPLOYEE WELFARE IN THE WORKFORCE & EMPLOYEES' BENEFITS, ADEQUATE REMUNERATION	Employee welfare and satisfaction	Celebration of festive events with employees eg. gifts of appreciation during Chinese New Year, Hari Raya, Mother's and Father's day etc.	 
SAFE AND HEALTHY WORK ENVIRONMENTS	Annual LTI, accident and fatality rates, manhours worked, Covid-19 positive cases, and positive cases recovered	Zero fatalities, Zero lost workdays, two first aid cases	
CULTIVATING STAFF SATISFACTION AT WORK	Setting KPI for employee satisfaction	12% improvement to reach new high of 83.50% satisfaction rate	
COMMUNITY DEVELOPMENT	Allocation of monies distributed for community development (CSR and societal contributions, etc) Sponsorship of funds for community development	Allocation of RM8.59 million for community development (1.14% increase) Sponsor the initial funds towards the construction of one surau	
PROMOTE INTER-CULTURAL HARMONY (UNITY AND DIVERSITY)	Organisation of unity and diversity events supported /organised annually	Spreading cheers via several festive events with the community was conducted in FY2022	
ENCOURAGE AND PROVIDE INFRASTRUCTURE FOR PUBLIC FACILITIES WHENEVER POSSIBLE AT OUR PROJECTS (E.G. CYCLING, JOGGING PATH, RELIGIOUS SITES)	% of community facilities at each project, size of public recreation parks / open spaces	10% allocation for recreation parks and open spaces for landed development	 
PROVIDE ACCESSIBILITY FOR THE DISABLE (OKU) E.G. RAMP FOR BUILDINGS, WALK-WAYS	Number of related facilities at each project	Matrix facilities come with disabled friendly facilities / amenities	

Multiplier Effect of the Business Model

Matrix's business model provides a multiplier effect in driving socio-economic prosperity. This includes spurring a wide range of economic activity, creating jobs and entrepreneurial opportunities while also developing local supply chains, not forgetting infrastructure developments.

Other benefits include uplifting communities and enhancing quality of life, by transforming the landscape of a particular location through property development.

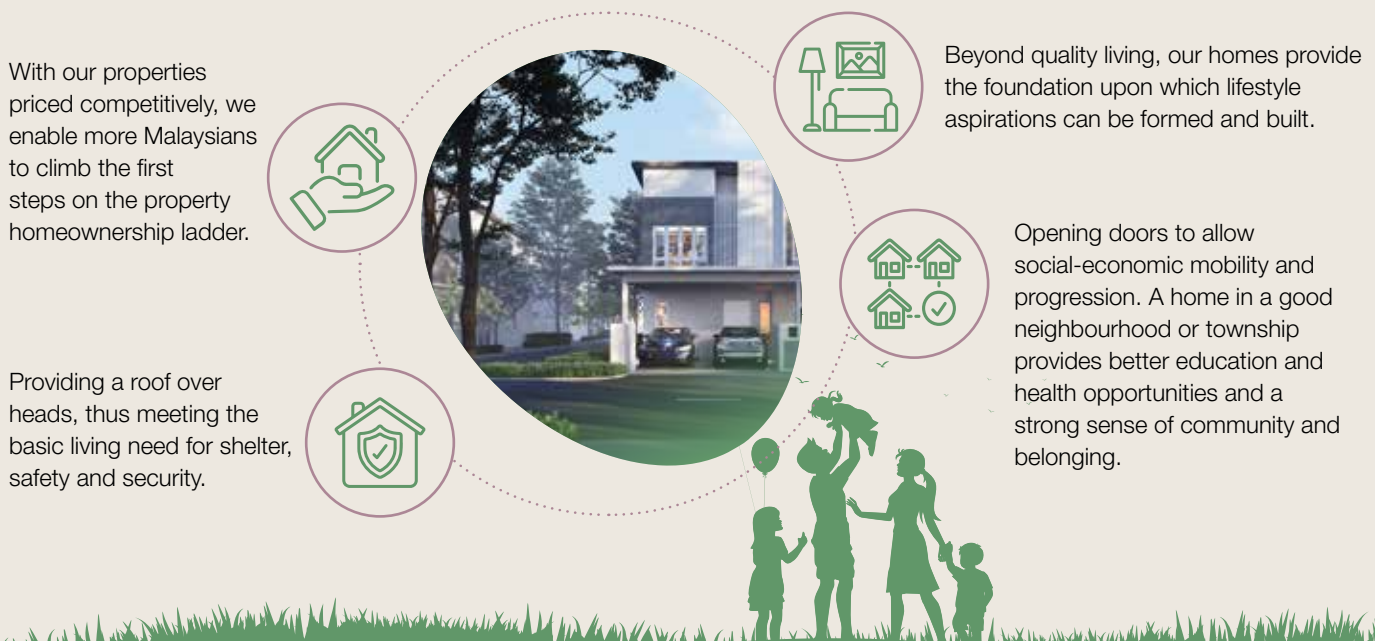


13

VALUE CREATION FOR HOMEOWNERS

By having built over 32,000 properties since our inception, Matrix has delivered a wide range of value to homeowners, beyond capital appreciation, rental yields and other financial or tangible aspects.

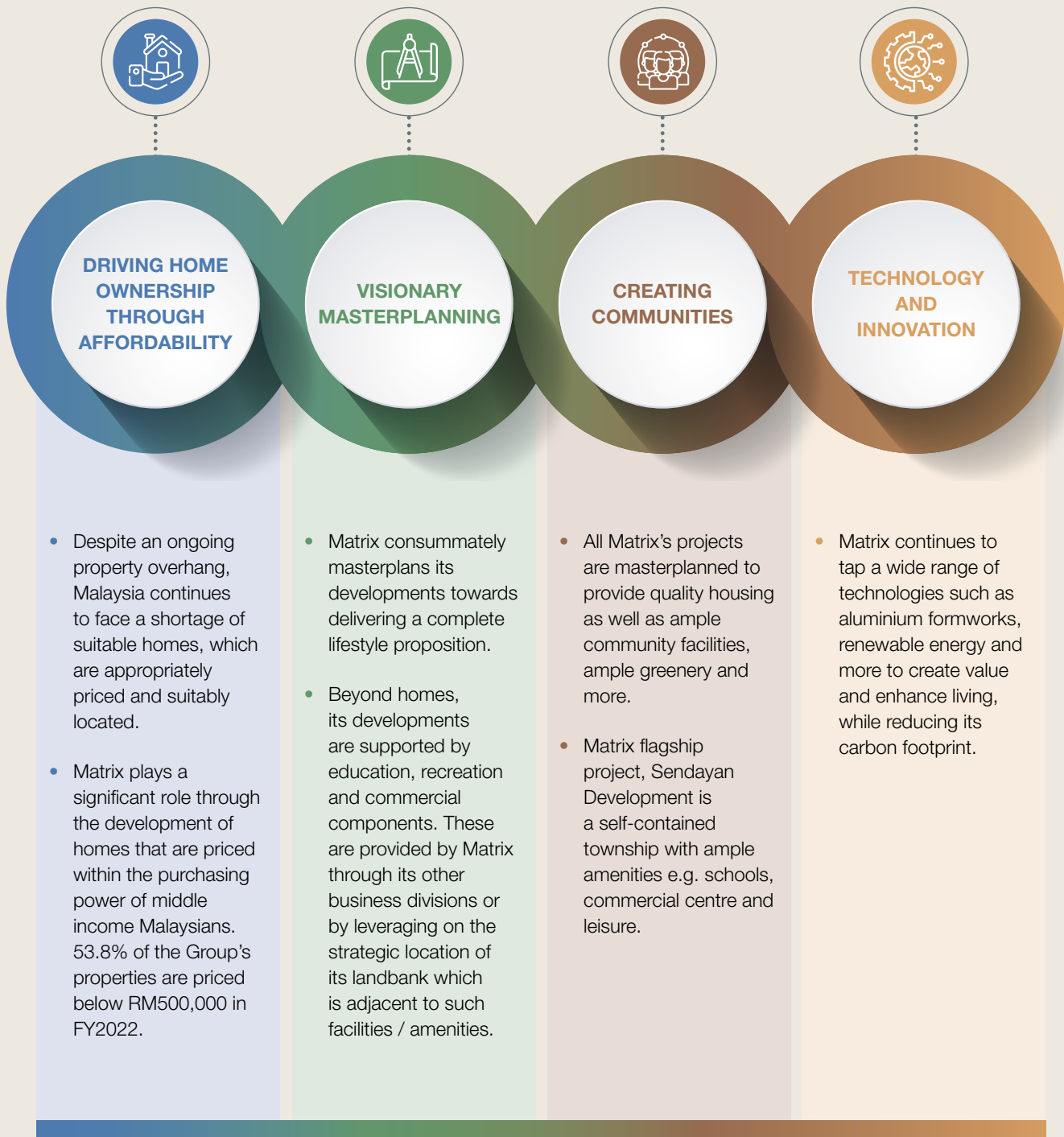
Through property development, we have helped countless families and individuals derive benefit from owning their own home.



Multiplier Effect of the Business Model

14





PILLAR ONE:

Equity and Local Economy



MATERIAL TOPICS:

Direct Economic Performance

Indirect Economic Performance

Digitalisation and Innovation

Local Procurement and Supply Chains

Branding and Reputation

Introduction

ONE OF THE FOUNDING PRINCIPLES OF MATRIX HAS BEEN THE COMMITMENT THAT FINANCIAL SUCCESS IS SHARED WITH SOCIETY; THAT THE GROUP'S GROWTH AND SUCCESS IS SHARED WITH LOCAL COMMUNITIES AS WELL AS OTHER STAKEHOLDERS. IN EFFECT, MATRIX AIMS TO SERVE AS A CATALYST FOR SOCIO-ECONOMIC DEVELOPMENT OF LOCAL COMMUNITIES. THIS IS ACHIEVED THROUGH THE CREATION OF FINANCIAL VALUES FOR STAKEHOLDERS AS WELL AS OTHER SOCIO-ECONOMIC MULTIPLIER EFFECTS.

However, ESG goes hand-in-hand with robust and improving financial performance. Financial performance provides required funding for environmental and social related improvement initiatives and projects. For example, transitioning to renewable energy ("RE") such as solar power would require upfront investments costs that can only be undertaken when the business is profitable. The same applies for the provision of improved benefits and remuneration for employees and certainly, the continued implementation of various CSR activities.

Improved financial performance enables a greater distribution of wealth to stakeholders, including shareholders and investors, employees, charitable organisations, non-governmental organisations and others.

16

Direct Economic Values

Specific details on financial and business performance, including highlights and achievements, primary revenue sources, sales of properties, divisional performance and more is provided in the following sections of the IAR2022: Group Financial Highlights, Management Discussion and Analysis and Our Business Model and Strategy.

INDICATOR	FY2020	FY2021	FY2022
Group revenue (RM'000)	1,283,406	1,127,599	892,396
Group profit before tax (RM'000)	337,610	340,808	268,396
Group profit after tax and minority interests (RM'000)	234,453	253,082	200,866
Shareholders' equity (RM'000)	1,605,130	1,807,735	1,910,379
Total assets (RM'000)	2,576,905	2,610,163	2,619,373
Cash flow and bank balances (including cash and cash equivalents) (RM'000)	316,111	237,507	202,138
Earnings per share (sen)	29.5	31.4	24.6
Market capitalisation (RM'000)	1,284,690	1,643,000	1,977,131
Dividends (sen)	11.5 sen	12.0 sen	12.5 sen
Dividend pay-out ratio to profits	40.6%	39.6%	51.9%

Values Created For Stakeholders

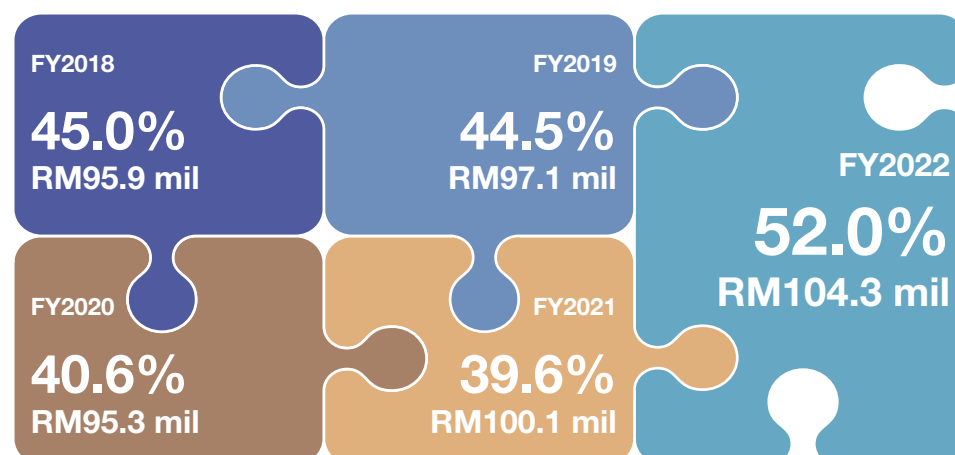
Matrix's long-standing commitment to shared value creation and its commitment is clearly reflected through its constant support to community infrastructure and services and a dividend policy that has seen shareholders receive quarterly dividends since the Group's listing.

INDICATOR RM ('000)	FY2020 RM ('000)	FY2021 RM ('000)	FY2022 RM ('000)
Payments to Employees (Salary and emoluments)	88,069	93,008	92,566
Payments to Suppliers and Partners (Operating expenses)	238,256	242,879	241,148
Government (Income tax)	103,157	87,726	67,530
Repayment to Providers of Capital	167,161	184,285	226,198
Monies Distributed for Community Development	6,424	8,492	8,590
Economic Value Retained	578,778	432,130	171,194

REWARDING SHAREHOLDERS

Since its inception, in the past five years, Matrix has successfully fulfilled its dividend policy of returning at least 40% of profits to shareholders annually. For FY2022 Matrix distributed 52% of profits.

DIVIDEND PAYOUTS



SUPPORTING LOCAL COMMUNITIES AND SOCIETY

Beyond shareholders, Matrix continues to support society. The Group has also made contribution to community and societal cause. This includes contributions made directly by the Group or through the non-profit Matrix Concepts Foundation ("MCF").

For FY2022, the Group has made a total contribution of RM8.59 million. Please see the Culture and Community section for more information.

Product Quality and Customer Satisfaction

Without a doubt, product quality and customer satisfaction are vital for any business, more so for property development, where buyers have plenty of choice and are increasingly more discerning and price sensitive.

Quality is essential in achieving satisfied customers as well as increasing repeat buyers and buyers through referrals. Good quality strengthens brand credibility and brand trust among customers. The emphasis on quality also goes towards improving cost and operational efficiencies, in reducing wastage and improving construction time and completion of units.



QUALITY AND PRODUCT RESPONSIBILITY

For Matrix, product quality is measured or assessed based on tangible and intangible attributes. The former includes design and build quality as assessed against CIDB's QLASSIC quality assessment system for finished properties. Matrix has set an internal target of having all property products attain a minimum QLASSIC score of 70.

For FY2022, Matrix has had zero incidents of non-compliance with regard to serious issues of product / service quality and safety that have resulted in a regulatory warning, fine or penalty. This includes fines or censures for misleading advertising, promotions or marketing information.

The zero track record for non-compliance applies to all Matrix business divisions – property development, construction, healthcare, education as well as the hospitality segment.

Design and build quality are reinforced through a comprehensive management approach based on a robust ISO 9001:2015 Quality Management System ("QMS"). The QMS is developed to ensure desired quality is attained and maintained at all stages of the design and build process.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM CERTIFICATIONS

ISO 45001 : 2018

Occupational Health and
Safety Management Systems

For FY2022, following are the QLASSIC scores of all completed properties within the financial year. Matrix has achieved an average QLASSIC score of 73.7 for its FY2022 projects. This score will be monitored on a yearly basis to ensure that build quality of units is maintained at a desired, high standard.

QLASSIC SCORE

PROJECT	FY2022 (%)
Tiara Biz	70
Ara 2A Stage 2	82
Tiara Precinct 3	68
Tiara Precinct 5	71
Hijau Aman Precinct 1	73
Hijau Aman Precinct 2	75
Resort Homes SL	79
Ara 2B	79
Tiara Precinct 8	74
Impiana Bayu 3A (Phase 1)	68
Impiana Bayu 3B2 (Phase 1)	72
Resort Residence 1A	73

Defects Management

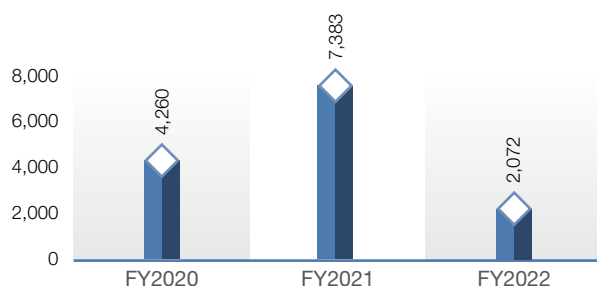
Matrix provides all customers with a defect liability period, where any defects in finished products will be rectified by the Group at no cost to customers. Typically, defect periods are for a duration of 24 months for residential properties and 12 months for commercial properties.

Matrix continues to see improvements in its defect resolution rate as well as overall number of defects in its projects. This has been achieved through a constant focus on making various improvements at all stages of the design and build process.

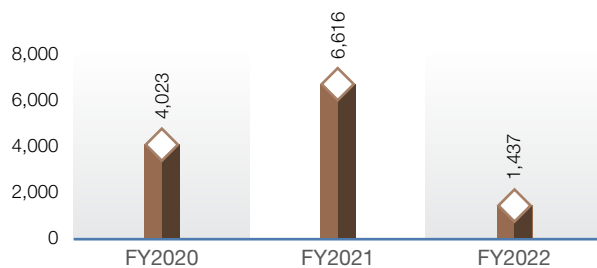
Customer feedback as well as lessons learnt from previous projects continue to serve as opportunities to improve design and build processes, which in turn have enabled reduced defects and increased product quality.

PROPERTY DIVISION CUSTOMER COMPLAINTS RECEIVED AND RESOLVED

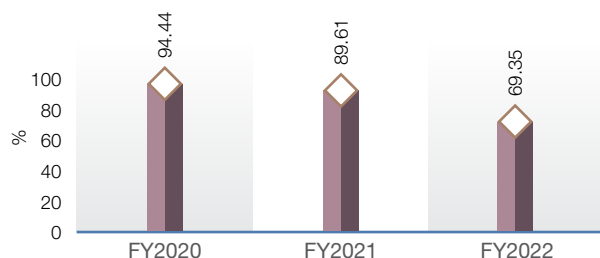
Customers Complaints Received



Customers Complaints Resolved



Customers Resolution Rate (%)



Customer Satisfaction

Matrix assesses customer satisfaction through customer satisfaction surveys and other feedback mechanisms. Feedback is typically ascertained when properties are handed over to customers during the vacant possession stage.

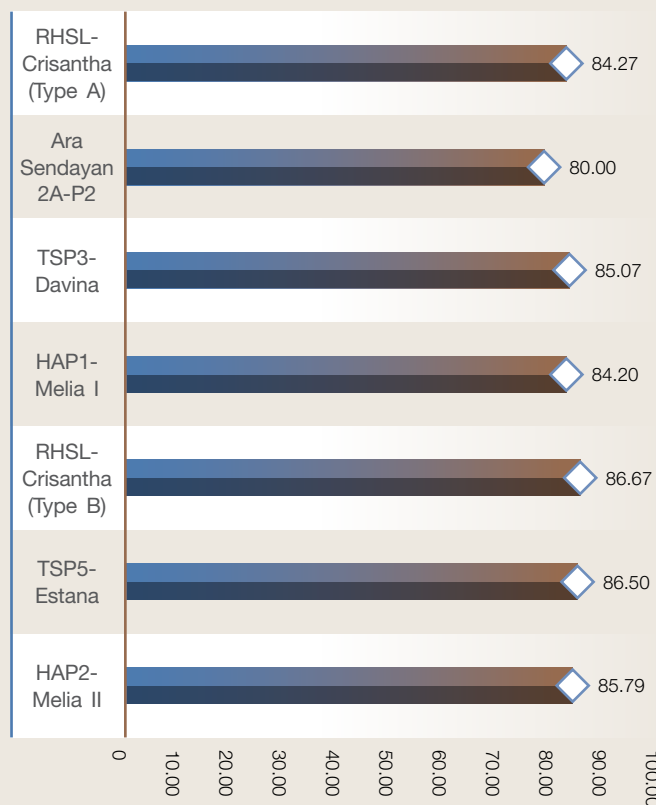
Aside from the vacant possession stage, customer satisfaction is also measured, as much as possible at all interactions with customers. This could be when complaints / enquiries are submitted via email, telephone, WhatsApp, email or via websites.

Matrix's Property Development Division intends to initiate an annual customer satisfaction survey towards better accessing overall customer sentiments of the Group's branding and perception towards its products.

Besides the property development division, Matrix's education, hotel and recreational (clubhouse) business divisions also implement their specific mechanisms to assess and improve customer satisfaction.

PROPERTY DIVISION: CUSTOMER SATISFACTION RESULTS

Customer Satisfaction Rating (Y2021/2022)



Note: The scores provided are average scores taken from purchasers' assessments on various parts of the unit i.e. windows, walls, floors, etc. during VP stage

Sustainable Local Procurement

Consistent with its business philosophy of creating positive multiplier effects, matrix continues to prefer local suppliers for procurement. Local is defined as in local as to where the Group operates.

By procuring locally, Matrix supports the development of local suppliers – providing local businesses with opportunities, creates jobs for locals and often facilitate technology and knowledge transfer.

Local procurement stimulates business activity within the vicinity, which benefits the surrounding communities. In addition, sourcing for goods, resources and services from local suppliers reduces environmental impact as there is typically, a shorter transportation cycle and less fuel and electricity consumed.

Matrix expects suppliers to comply with stringent standards for quality and other requirements. This ultimately contributes leads to an improvement in local goods and service quality as suppliers must attain Matrix's standards in order to bid for contracts and to remain in the preferred supplier list.

Matrix continues to meet 100% local procurement for its business requirements.



20

FREE AND FAIR COMPETITION BASED ON MERIT

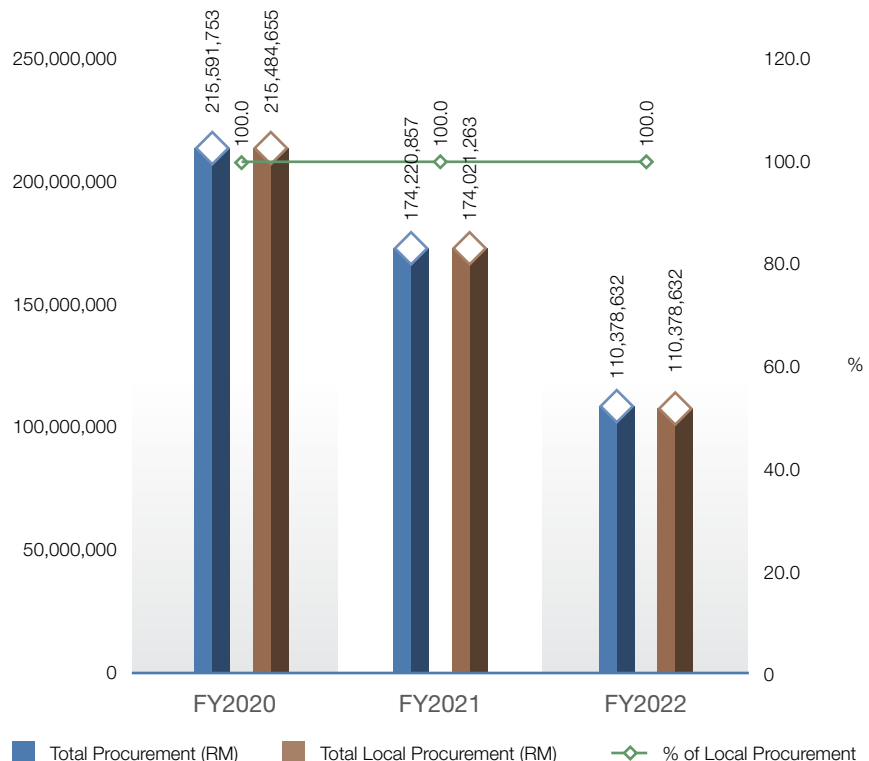
All qualified vendors registered with Matrix are entitled to submit bids for contracts. Tender calls are open to all, where a screening exercise is held to shortlist the tender proposals.

Shortlisting, evaluation and selection is conducted in an open manner, with multiple levels of scrutiny. The most competitive bid based on set criteria will be awarded the contract.

Generally, all contract awards of substantial value can only be made after a rigorous tender process.

Exceptions are only permissible in special cases where the job requires specialist or critical trades or works. Such scenarios must be presented to Management for approval to enter into direct negotiations.

Procurement (Group)



GREEN PROCUREMENT

Notably, the focus in recent times is not just on local procurement, but also sustainable, local procurement.

67% of
suppliers,
have acknowledged
Matrix's Supply
Chain Policy

A total of 120 out of 179 suppliers, a rate of 67% have acknowledged Matrix's Supply Chain Policy and have agreed to abide by the stipulated requirements. Matrix will continue to follow-up with the remaining suppliers towards bringing them also onboard towards affirming their commitment to the Supply Chain Policy.

The "Green" procurement initiative also includes assessing the social and environmental aspects of suppliers' operations. It is said that 80% of social and environmental impacts occur in the supply chain of companies. Hence, Matrix's focus as a sustainable company is to increasingly assess its supply chain.

Matrix's management approach is driven by its Sustainable Supply Chain Policy which is available for viewing at the Company's website <https://www.mchb.com.my>.

Establishing ESG guidelines for suppliers also contributes to an overall improvement in the quality of the Group's supplier base while developing a robust value chain that is compliant with industry standards and regulatory requirements.

The Group also conducts risk assessments on suppliers, for both environmental and social compliance as part of its pre-qualification criteria. This includes desktop as well as physical inspection audits.

Following are the general principles in which suppliers must abide by in order to be eligible to bid for contracts:



PRODUCTS AND SERVICES

Achieving quality and excellence while protecting intellectual property and Matrix's assets.



COMPLIANCE

Good corporate citizenship and compliance with all applicable Malaysian laws, regulations and generally accepted practices.



HUMAN RIGHTS AND LABOUR RIGHTS

Respecting the protection of human rights and supporting basic labour rights outlined in Malaysian Labour Law such as:

- Equality of opportunity and treatment
- Meeting Malaysian law in terms of minimum pay, working hours, overtime hours and overtime differentials
- Prohibiting child and forced labour in any form



OCCUPATIONAL SAFETY AND HEALTH

Providing a safe, healthy and well-managed working environment and preventing incidents and injuries.



ENVIRONMENTAL MANAGEMENT

Complying with local environmental legislation including:

- Managing waste properly
- Optimising resources with the use of energy, raw materials and water



BUSINESS ETHICS

Zero tolerance for corruption, bribery and money laundering.

The abovementioned ESG conditions are stipulated in all contracts to suppliers. This includes agreement and affirmation to comply with all laws including laws on environmental and social performance, to ensure good governance and to remain corrupt free as defined by law.

Suppliers must comply with the abovementioned criteria in order to remain on the vendor list and to be able to bid for contracts. Suppliers who score below this level, will be given a performance review and granted a probationary period to rectify all issues. Failing which, they will be subsequently removed from the approved vendor list.

Relevant staff from procurement departments have been identified (and trained) on vendor management and engagement. Aspects of training included how to assess suppliers against set criteria, to conduct desktop audits and physical inspections and to identify potential or actual non-compliance with Matrix's conditions for free and fair and "green" procurement.

Assessments are performed through desktop audits by assessing if suppliers have quality / industry certifications; and if they have internally developed policies that promote good ESG performance.

Matrix is looking into possibly supplementing desktop audits with physical inspection of suppliers' premises as an additional measure to ensure ESG compliance.



PILLAR TWO:

Governance: Upholding Ethical Business Conduct and Corporate Integrity



MATERIAL TOPICS:

Corporate Governance and Integrity

Anti-Corruption

Regulatory Compliance

Introduction

MATRIX'S VALUE CREATION ASPIRATIONS ARE SUPPORTED BY AN EFFECTIVE SUSTAINABILITY GOVERNANCE STRUCTURE AND FRAMEWORK THAT DEFINES ROLES AND RESPONSIBILITIES AND PROVIDES THE NECESSARY CONTROLS AND OVERSIGHT TO DRIVE THE GROUP'S SUSTAINABILITY AGENDA.

Matrix's Vision and Mission provide the overarching business philosophy and reflects the Group's intention to serve as a force for good. The ESG framework provides strategic focus

areas from a broad perspective, as well as key goals and strategies and indicators to measure progressive performance.

The sustainability governance structure supports these aspirations and plans by putting in place leadership, resources, reporting processes and more towards ensuring that the sustainability agenda is effectively implemented and realised over time.

Its governance structure aside, Matrix's approach to sustainability is also given further impetus through its Group-wide Sustainability Policy. The Sustainability Policy is available for viewing at the Company's website <https://www.mchb.com.my>.

23

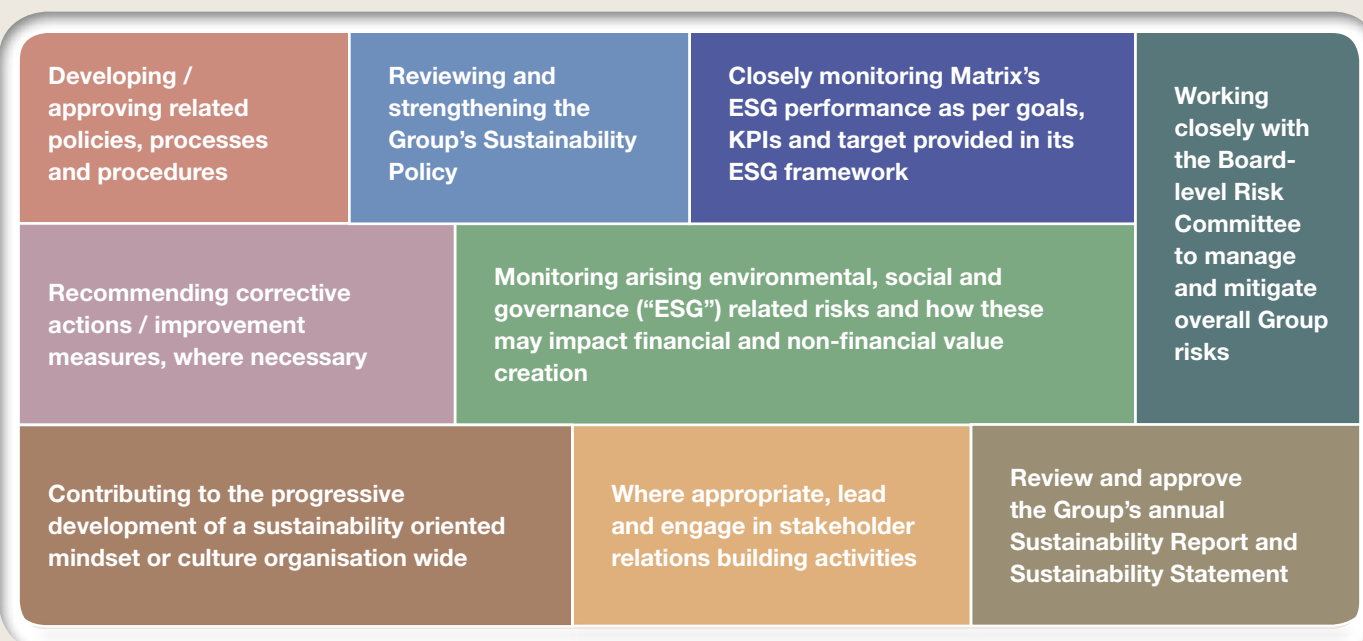
Board Level Sustainability Committee



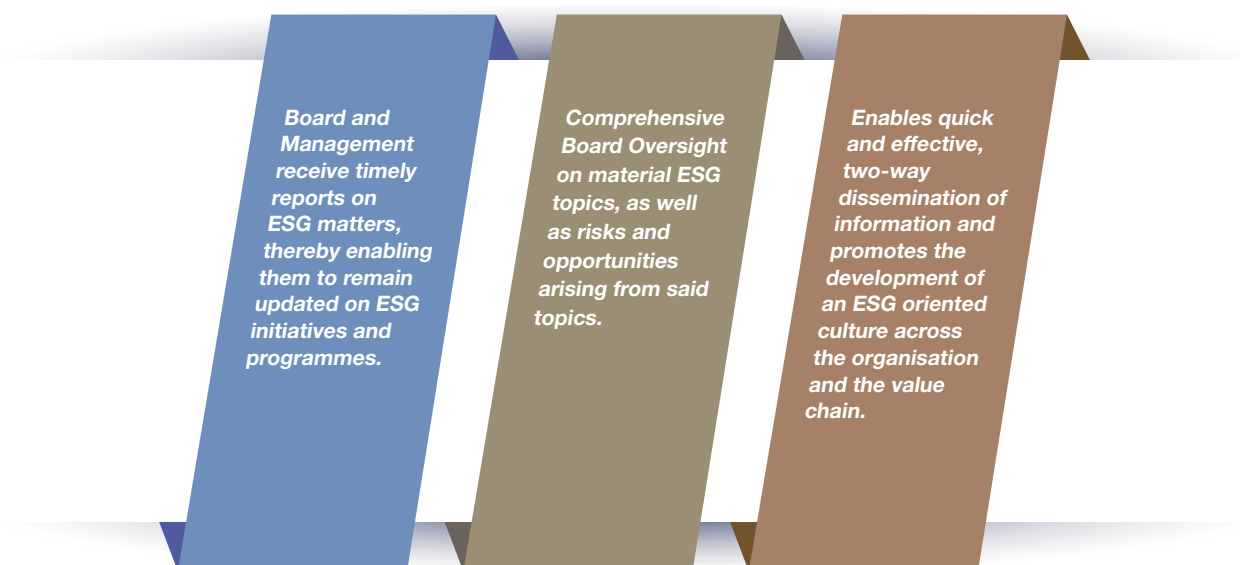
PILLAR TWO: GOVERNANCE: UPHOLDING ETHICAL BUSINESS CONDUCT AND CORPORATE INTEGRITY

Sustainability in Matrix is driven through a tone from the top approach, by the Board of Directors, specifically through the Board Level Sustainability Committee (“BSC”). This effectively means that the ESG agenda has the oversight of the Group’s highest decision making body.

ESG matters such as occupational safety and health (“OSH”), talent management, water consumption, emissions and others come under the purview of the BSC. The Board level Sustainability Committee is responsible for championing ESG through the following roles and responsibilities:



KEY ASPECTS OF THE BSC



SUSTAINABILITY TASK FORCE (“STF”)

The STF is a cross-functional team with members selected from across the Group’s business division as well as key corporate functions such as Group Human Resources (“GHR”), Corporate Finance, Group Corporate Communications and others.

The Task Force is responsible for the execution of strategies and programmes consistent with the Matrix ESG Framework.

SUSTAINABILITY OFFICER (“SO”)

Functioning as the champion for Sustainability, the SO drives stakeholder engagement, notably internal awareness on sustainability. Her role includes educating staff and creating a greater buy-in for sustainability across all organisational levels.

BOARD DIVERSITY AND INDEPENDENCE

As in previous years, Matrix’s Board of Directors comprise a majority of independent non-executive directors. The definition of an Independent Director is provided in the Board Charter and complies with the definition of the market regulator.

Matrix has achieved a 33% composition of sitting female directors for FY2022. This follows the Malaysian government’s aspirations as well as the Malaysia Code of Corporate Governance 2021 (“MCCG 2021”) for companies to achieve at least 30% women directors on the Board of public listed companies. Details of the Group’s present directors are provided in the Profile of the Board of Directors section.

Details on Board diversity, independence, prevention of conflict of interests, separation of powers between the Board and the Senior Executive, sufficient checks and balances are provided in the Group’s Corporate Governance (“CG”) Report which is available at:

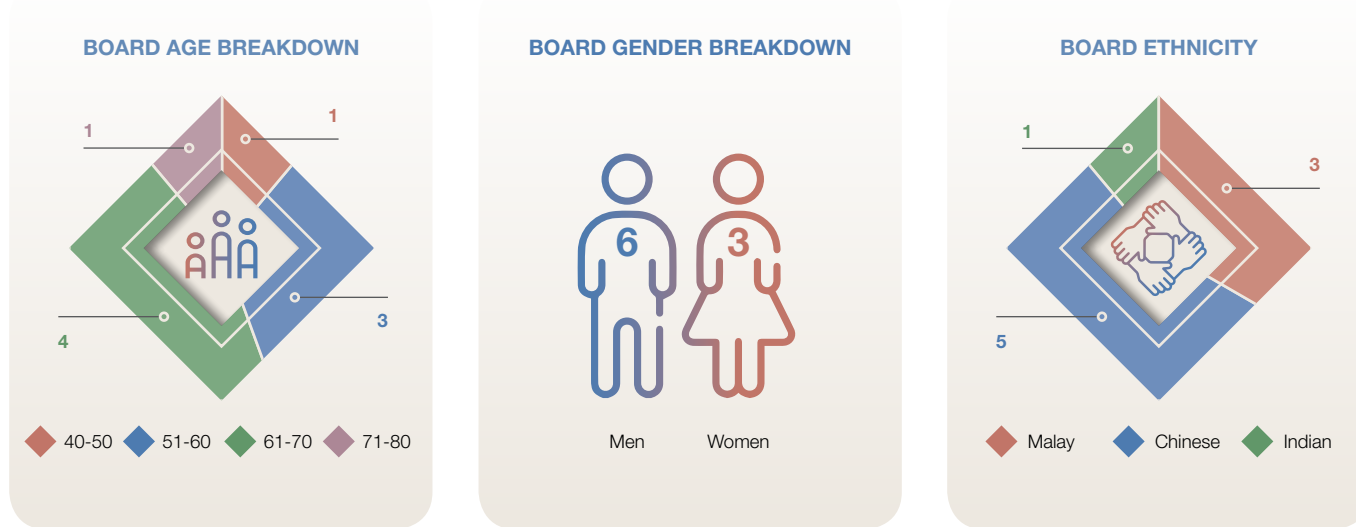
SKILL / CAPABILITIES	DESCRIPTION
 Leadership	Overall stewardship of the Group, strategy formulation, strong and established business networks, and related corporate or public listed company experience.
 Entrepreneurial Acumen	Business development and assessment of existing and emerging opportunities.
 Technical or Professional Qualifications	Engineering, architectural, real estate and property development, construction, and other related skills.
 Sustainability and Stakeholder Management	Governmental relations, community and investor relations, corporate governance and sustainability, and environment and industrial relations.
 Governance, Legal and Corporate Services	Finance and Accounting, corporate secretarial, audit, legal, financial literacy, human resources and business administration.

PILLAR TWO: GOVERNANCE: UPHOLDING ETHICAL BUSINESS CONDUCT AND CORPORATE INTEGRITY

In particular, the CG Report discloses how Matrix has applied the specific sustainability related practices of the MCCG 2021 (Practices 4.1-4.5).

A condensed Corporate Governance Overview Statement ("CGOS") providing information on Matrix's Corporate Governance practices is provided in the Corporate Governance Overview Statement of the IAR2022.

Matrix remains committed to ensuring its Board comprises diverse individuals from varied professional backgrounds, experience and competencies. This mix of skills, talents and capabilities, enables the cultivation of richer perspectives and insights, which support better decision making.



Embedding ESG Considerations Into Group Risk Management

Given the increasing risks of ESG matters impacting business operations / performance and thus disrupting value creation, Matrix is progressively including risks arising from ESG topics into its overall risk management framework.

Tangible linkages between ESG concerns and issues and the potential impact on financial performance from these issues are being established. The Board and Management are cognisant of how material ESG matters can impact value creation. While these may not have been quantified using financial models, the leadership is well aware of the risks.

In response, strategic measures to manage and mitigate potential and actual risks have been taken. One of which is the development of the Matrix ESG Framework supported by tangible, goals, KPIs and targets to assess progress achieved. The linkage between ESG risks and business impacts will be further strengthened in FY2023 and subsequent years.

ESG considerations are increasingly being given greater focus and discussed vigorously during Board meetings. The same considerations are also being given due focus in guiding decision making by the Board and Management, especially in relation to business plans and company goals and objectives.

The Board is also assessing the feasibility of linking the KPIs and targets set in the Matrix ESG Framework to Board and Senior Management remuneration. It is possible that an incentive or bonus system could be introduced where the realisation of ESG KPIs and targets will entitle the Board and Senior Management to additional remuneration.

However, it is the Board's view that any such incentive must be equitable, with the rewards being shared not just at the top level, but also across the Group with all employee levels. Hence, the requirement to undertake a detailed study on how best to develop effective and equitable mechanisms that enable a fair and inclusive approach for ESG based incentives or bonuses is still ongoing.

GOOD GOVERNANCE AND PRACTICES SUPPORTED BY ROBUST POLICIES

Matrix has also established various policies to reinforce corporate governance within the organisation and to promote accountability, transparency, integrity, anti-corruption, equality and diversity and professionalism in the workplace.

Besides employees, all relevant external stakeholders i.e., suppliers, and contractors, must abide by these policies. Through such compliance, corporate governance is strengthened throughout the Group's value chain.

More information on our policies can be found at our official Company's website at: <https://www.mchb.com.my>.



27

GOOD GOVERNANCE THROUGH ADHERENCE TO LOCAL LEGISLATION AND REGULATORY COMPLIANCE

Matrix continues to ensure a strong level of compliance to regulatory requirements. Good governance of operations is achieved by ensuring adherence to local legislation by all subsidiary companies and across all facets of operations. For FY2022, Matrix has achieved zero incidents of non-compliance with legislation.

Matrix complies to the following laws:

LICENSE	ISSUING BODY
APDL	Ministry of Housing and Local Government ("KPKT")
CIDB	Construction Industry Development Board ("CIDB")
Manufacturing License for IBS	Malaysian Investment Development Authority ("MIDA")
PDPA	Department of Personal Data Protection

GROUP CODE OF CONDUCT

The Board, Management and employees (internal stakeholders) are bound by the Matrix Code of Conduct and Ethics ("Code"). The Code sets out expected norms, values and behaviours for all internal stakeholders towards achieving a high level of corporate integrity and desired levels of ethics.

The Code provides clarity on conflicts of interest, rules of engagement between employees and superiors on corrupt or unethical practices and more. The Code is available to all internal stakeholders and is published in English. Group Human Resources Department ("GHR") is currently tasked with translating the Code and the Matrix Employee Handbook into Bahasa Malaysia.

MATRIX EMPLOYEE HANDBOOK

All employees are provided with an employee handbook during their induction into the Group. The handbook provides all rules and regulations and also contains the Code of Conduct and Business Ethics. The handbook is available for download on the Company's Intranet portal.

There have been zero incidents of non-compliance with the Code, by Directors, employees and the supply chain.

Zero Tolerance Approach to Corruption

Matrix subscribes to a zero tolerance on corruption and unethical business practices. The no compromise stance is clearly manifested in Matrix's Anti-Bribery and Anti-Corruption ("ABAC") Policy. The ABAC Policy can be viewed here: <https://www.mchb.com.my/wp-content/uploads/Anti-Bribery-and-Anti-Corruption-Policy-processflow.pdf>.

The ABAC was developed in accordance with the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

Matrix's ABAC Policy supports its Code of Ethics for Directors and Employees. In FY2022, neither Matrix nor its staff were censured for corrupt practices nor were there incidents of non-compliance with the ABAC Policy.

The Board of Directors maintains oversight of the ABAC Policy and will be reviewed regularly in tandem with regulatory changes or changes within the operating landscape.

The Policy stipulates what is deemed as corrupt behaviour and strictly prohibits the giving and receiving of bribes, favours or other forms of gratification with the intention of securing business contracts or other forms of incentives or rewards with or from Matrix, its Board, management and employees.

Any staff or supplier found guilty to have engaged in behaviour contravening the ABAC Policy, will face disciplinary action not limited to termination of employment / contract, legal remedies and reporting to the relevant legal authorities for punitive action. These authorities include the Royal Malaysian Police, MACC and others.

Annually, the Board, Management and employees receive some level of anti-corruption engagement or communication. The same is also done for the supply chain, with suppliers selected on a random basis to be briefed on Matrix's ABAC.

All employees are aware of the Policy and all have provided written confirmation of their commitment to abide by the ABAC. Likewise, the ABAC has also been cascaded to suppliers with their acknowledgement and commitment to adhere to the Policy and laws being a prerequisite to tender for contracts.

Anyone found to be guilty of the above is subject to company action as well as further action from the legal authorities such as the Malaysian Anti-Corruption Commission ("MACC").

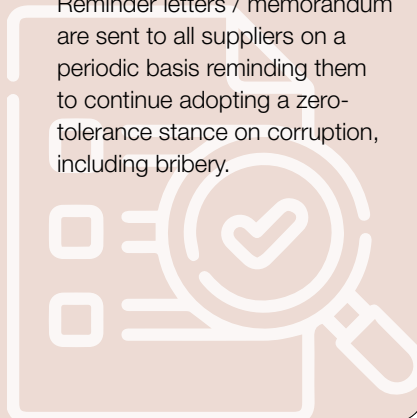
SUPPLIER COMMITMENT TO ZERO CORRUPTION STANCE

Similar to internal stakeholders, business associates are responsible for preventing and reporting instances of bribery, suspicious activity or wrongdoing which may lead to bribery using our whistleblowing channels. Vendors and suppliers are also required to adhere to the Group's ABAC.

Suppliers must acknowledge their understanding of the ABAC Policy. All suppliers must provide written confirmation that they are free from corrupt practices and will remain as such throughout their business dealings with Matrix.

Where relevant, audits or background checks may be conducted on suppliers, prior to the awarding of contracts. Any supplier who is found to have engaged in corrupt practices will be reprimanded accordingly. Action taken can range from immediate contract termination to reporting the offender to the authorities for legal action.

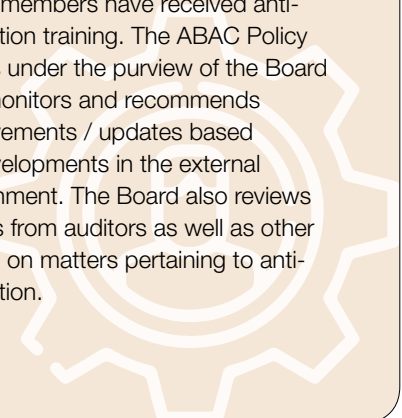
Reminder letters / memorandum are sent to all suppliers on a periodic basis reminding them to continue adopting a zero-tolerance stance on corruption, including bribery.



ROLE OF THE MATRIX BOARD IN DRIVING ANTI-CORRUPTION

The Board and Management of Matrix set the tone from the top for a zero tolerance stance to corruption and matters related to ethics and corporate integrity. The Board attends training and briefings by the MACC as well as other regulatory bodies.

As prior mentioned, all the Independent Board members have received anti-corruption training. The ABAC Policy comes under the purview of the Board who monitors and recommends improvements / updates based on developments in the external environment. The Board also reviews reports from auditors as well as other parties on matters pertaining to anti-corruption.



ANTI-CORRUPTION TRAINING

All Matrix staff as well the Board and Management have received some level of anti-corruption training. This includes briefings received during the induction phase for any new Board member or employee, as well as periodic sessions held across the financial year.

Such sessions may be facilitated by internal departments or by external consultants. Information provided covers Section 17A of the MACC Act, the Code of Conduct & Business Ethics, the whistleblowing mechanism and other pertinent information.

The Group aims to increase the level of training and to eventually cascade anti-corruption training to all employees and subsequently to all suppliers going forward.

In FY2022, 100% of all independent directors attended related trainings.

IDENTIFICATION OF OPERATIONS WITH POSSIBLE HIGHER RISK FOR CORRUPTION

In FY2022, Matrix has initiated an internal assessment on the adequacy of policies and procedures pertaining to anti-corruption. The assessment was conducted internally by the Internal Audit unit.

Findings showed there were no high risk departments or high risks scenarios for corruption from the audited departments. Improvements were made to ensure all new employees are well-informed during induction on the contents and are duly acknowledged by them.

The Group has had zero incidents of corruption reported for FY2022.

WHISTLEBLOWING MECHANISM

In accordance with the Whistleblower Protection Act 2010, Companies Act 2016 and Capital and Market Services Act 2007, Matrix has implemented its Whistleblowing mechanism which is governed by a designated Whistleblowing Policy.

The Whistleblowing Policy can be viewed at Matrix's website: <https://www.mchb.com.my>.

The existence of the Policy is to encourage employees and other stakeholders to report on matters pertaining to corruption, corporate integrity and unethical behaviour including discrimination.

The whistleblower shall be provided immunity from any form of punitive action, intimidation or reprisal, irrespective if the allegation is substantiated or proven to be unfounded provided that the report was made in good faith. The individual is also granted confidentiality.

All whistleblowing reports will be sent to the Audit Committee Chairman, who will perform a preliminary assessment on the seriousness of the matter. If the complaint involves the Audit Committee Chairman, the whistleblower is required to report to the Chairman of the Board.

The progress of the investigation is reported to the Audit Committee. Any disciplinary action taken once the investigation has been concluded shall follow Matrix's disciplinary policy.

In FY2022, there were zero cases reported through the Whistleblowing mechanism.

Political Views and Contributions

Matrix does not favour, promote or support any political party. The Group has not made any donations to any political parties in FY2022.

As provided for in the laws of the country and Matrix's commitment to freedom of association, Matrix's staff, have the right to join / support political organisations of their choice or any civil society or NGO, so long that these entities are recognised by law to be legal entities. The Group supports the rights of citizens to vote in accordance to their conscience.

However, Matrix may participate in charitable or nation-building events organised by the government of the day or its ministries and agencies. The Matrix Group may also support corporate social responsibility ("CSR") events or programmes that could see the involvement of political parties or politicians.

Data Confidentiality

In the course of its business operations, Matrix receives a wide range data and information, including customer centric data. Such information is treated in accordance to the Personal Data Protection Act 2010 ("PDPA").

Matrix has established strict data controls and procedures to ensure all data remains safeguarded and is not exploited. Data is collected only for the intended purpose and with the consent of the data owner. Data is only made available to third parties with the permission of the data owner.

Data that is not required by the Group is purged from its collection. Matrix has put in place a rigorous ICT system to enable data to be safe from breaches or misuse.

For FY2022, Matrix has had zero incidents of data breach and retains its record for protecting the privacy of stakeholders, especially customers.



PILLAR THREE:

Environmental Conservation



MATERIAL TOPICS:

Climate Change and Emissions

Energy Consumption

Raw Materials Consumption

Water Consumption

Waste Management & Recycling

Biodiversity

Environmental Compliance






Introduction

MATRIX'S CONTINUES TO EMBRACE SUSTAINABLE DEVELOPMENT AS A CORE VALUE OF ITS BUSINESS PHILOSOPHY. THE GROUP AIMS TO PROGRESSIVELY EMBED WITHIN ITS BUSINESS MODEL, THE KEY CONCEPTS OF RESOURCE STEWARDSHIP, ENVIRONMENTAL PRESERVATION AND REDUCTION IN ENVIRONMENTAL FOOTPRINT (IMPACTS SUCH AS CARBON EMISSIONS, WASTE PRODUCTION AND OTHERS).

These shall be progressively realised through new strategies and action plans as well as changes to business process that promote reduced consumption of resources i.e. energy, water, building materials, etc., reduced waste production and increases in waste recycling (to reduce quantities sent to landfills).

The Group's commitment is reflected through its ESG framework which identifies its focus areas with supporting goals, KPIs and targets. The targets are set to ensure the Group's sustainability efforts continue to progress well on track.

Targets set and to be implemented:-

 ZERO CARBON	 ZERO WASTE	 SUSTAINABLE MATERIALS	 SUSTAINABLE WATER	 NATURE PRESERVATION
Annual reduction in electricity consumption	Annual reduction in waste sent to landfills annually	Annual reduction in paper consumption annually	Annual reduction in water bills	Number of trees planted annually
Seeking new environment-friendly fit-outs or equivalent	Annual increase in waste recycled annually	Annual increase in total number of green vendors and monitoring procurement spend with green vendors	Annual increase in use of rainwater and other sources eg. water retention pond	Higher allocation for green parks in projects
Increase in % of solar energy use	Number of community campaigns held annually	Increase of green building components within projects	Annual increase in water efficiency	Water retention pond at sites prevent floods

PILLAR THREE: ENVIRONMENTAL CONSERVATION

The framework sets the performance benchmarks or KPIs for Matrix to aspire to and measure its progress annually.

Beyond its own operations, Matrix is also looking at how it can reduce resource consumption and environmental impacts throughout the lifecycle of its projects as well as its supply chain.

Thinking of environmental and social impacts beyond design and construction, but throughout the project lifecycle and also subsequent usage by the community and homeowners.

Rethinking development approaches through commitment to green buildings and placing end customer use at the forefront of the development approach. Included are considerations for adjustments to climate change and various environmental factors.

Reducing environmental and social impacts through design and technology.

Tapping new technologies to design and build more sustainable projects.

Reducing environmental and social impacts from construction activities.

Managing impacts caused by day-to-day operations i.e. the construction and development of properties and as well as management and operations of healthcare, education and hospitality property assets.

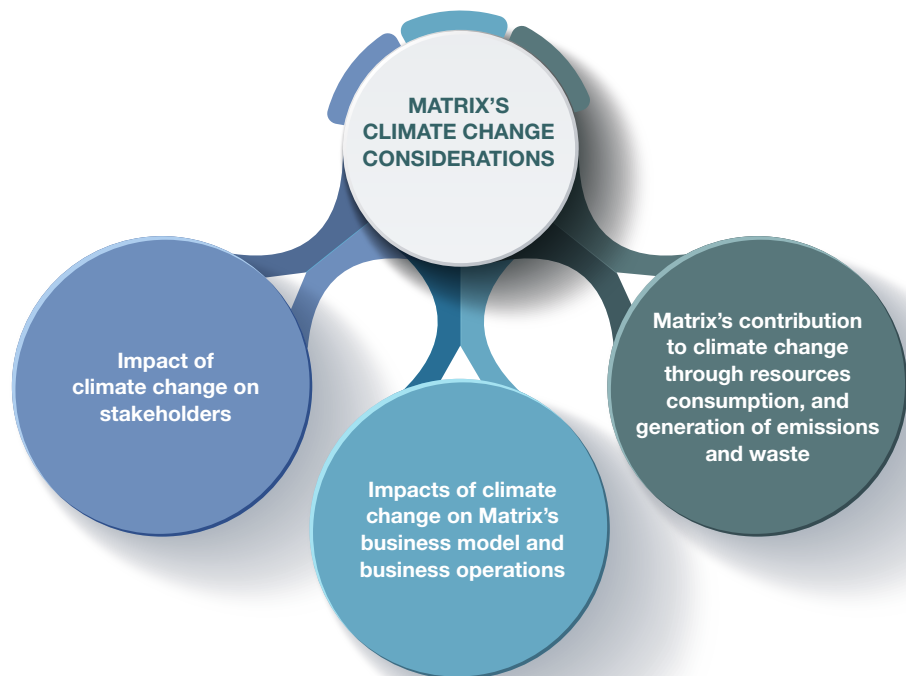
32

The reasoning for this approach is that while managing environmental impacts during the construction process is important in reducing energy and water consumption, waste and carbon footprint. It is the consumption of resources and production of waste and emissions throughout the project's lifecycle that produces the biggest aggregate impacts to the environment over time.

Hence, adopting a perspective of beyond direct operations and impacts is essential, going forward.

The increased risk of climate change related impacts on the world has also led to Matrix strengthening its commitment to play its role in managing its environmental impact, in particular, its emissions and consumption of energy.

Matrix considers climate change from the following perspectives:



Kindly refer to the climate change section for specific information on how Matrix has identified its related risks, and the measures taken to address climate change related impacts.

Board and Management Oversight on ESG Including Climate Change

The Board and Management continue to maintain oversight on Matrix's key material topics. Management continues to play close attention to the business process of property development to seek opportunities for cost efficiency as well as reduced environmental impacts in the design, construction and management of property projects – both townships and stand-alone projects.

Matrix's primary material topics arise from its construction and property development divisions. Please refer to the Our Materiality section for specific information.

Matrix also continues to actively engage external parties such as industry associations, professional bodies, the government and others to concertedly working towards a more sustainable property development industry.

The Company continues to monitor climate change as being material to the business operations and the significance of this global development is being upheld by the Board and Management.

Performance related to climate change such as energy consumption, emissions and other aspects of the Climate Change Roadmap and related matters of the ESG Framework continue to be brought to the Board's attention on a regular basis. This includes direct and indirect energy consumption comprising of Scope One, Scope Two and Three Emissions.

At present, the Group is yet to establish linkages between Board or Senior Management Executive's remuneration with climate change performance indicators.

Climate Change in FY2022 has been made a key focus area for the Board level Sustainability Committee. to look into going forward.



PILLAR THREE: ENVIRONMENTAL CONSERVATION

Intensity Measurements

Increasingly, Matrix has begun using intensity measurements to measure its environmental performance. Intensity for a wide range of environmental indicators i.e. energy consumption, water and emissions are measured against business and financial performance / indicators. The latter includes revenue as well as occupied sqft and also employee headcount.

The unit of measurement for intensity are provided in the relevant sections of this report i.e. within the disclosures for energy and water consumption and carbon emissions.

INTENSITY (BASED ON REVENUE)

FINANCIAL YEAR	FY2020	FY2021	FY2022
Revenue (RM'000)	1,283,406	1,127,599	892,396
Direct Energy Consumption (Diesel in Litres)	521,369	304,144	222,656
Direct Energy Intensity (Litres / revenue RM' Billion)	0.41	0.27	0.25
Direct Energy Consumption (Diesel in GJ)	19,812.02	11,557.47	8,460.93
Direct Energy Intensity (GJ / revenue RM' Billion)	0.02	0.01	0.01
Indirect Energy Consumption (Electricity) (kWh)	7,593,670	7,427,166	7,196,678
Indirect Energy Intensity (kWh / revenue RM' Billion)	5.92	6.59	8.06
Indirect Energy Consumption (GJ)	27,337.21	26,737.80	25,908.04
Indirect Energy Intensity (GJ / revenue RM' Billion)	0.02	0.02	0.03
Total Energy Consumption (GJ)	47,149.23	38,295.27	34,368.97
Total Energy Consumption Intensity (GJ/ Revenue RM' Billion)	0.04	0.03	0.04
Scope One Emissions	1,407.70	821.19	601.17
Scope One Emissions Intensity (Co ₂ Tonnes / Revenue RM' Billion)	0.001	0.001	0.001
Scope Two Emissions	4,442.30	4,344.89	4,210.06
Scope Two Emissions Intensity (Co ₂ Tonnes / Revenue RM' Billion)	0.003	0.004	0.005
Scope One + Scope Two Emissions	5,850.00	5,166.08	4,811.23
Total Emissions Intensity (Co ₂ Tonnes / Revenue RM' Billion)	0.005	0.005	0.005
Water Consumption (M ³)	398,295	518,334	329,869
Water Consumption Intensity (M ³ / Revenue RM' Billion)	0.31	0.46	0.37

INTENSITY (BASED ON SQFT)

FINANCIAL YEAR	FY2020	FY2021	FY2022
Sqft	33,756	33,756	33,756
Direct Energy Consumption (Diesel in Litres)	521,369	304,144	222,656
Direct Energy Intensity (Litres / Sqft)	15.45	9.01	6.60
Direct Energy Consumption (Diesel in GJ)	19,812.02	11,557.47	8,460.93
Direct Energy Intensity (GJ / Sqft)	0.59	0.34	0.25
Indirect Energy Consumption (Electricity) (kWh)	7,593,670	7,427,166	7,196,678
Indirect Energy Intensity (kWh / Sqft)	224.96	220.03	213.20
Indirect Energy Consumption (GJ)	27,337.21	26,737.80	25,908.04
Indirect Energy Intensity (GJ / Sqft)	0.81	0.79	0.77
Total Energy Consumption (GJ)	47,189.94	38,855.64	34,360.11
Total Energy Consumption Intensity (GJ/ Sqft)	1.40	1.15	1.02
Scope One Emissions	1,407.70	821.19	601.17
Scope One Emissions Intensity (Co ₂ Tonnes / Sqft)	0.04	0.02	0.02
Scope Two Emissions	4,442.30	4,344.89	4,210.06
Scope Two Emissions Intensity (Co ₂ Tonnes / Sqft)	0.13	0.13	0.12
Scope One + Scope Two Emissions	5,850.00	5,166.08	4,811.23
Total Emissions Intensity (Co ₂ Tonnes / Sqft)	0.17	0.15	0.14
Water Consumption (M ³)	398,295	518,334	329,869
Water Consumption Intensity (M ³ / Sqft)	11.80	15.36	9.77

INTENSITY (BASED ON WORKFORCE COUNT)

FINANCIAL YEAR	FY2020	FY2021	FY2022
Workforce	981	972	923
Direct Energy Consumption (Diesel in Litres)	521,369	304,144	222,656
Direct Energy Intensity (Litres / Workforce)	531.47	312.91	241.23
Direct Energy Consumption (Diesel in GJ)	19,803.32	11,529.31	8,452.07
Direct Energy Intensity (GJ / workforce)	20.19	11.86	9.16
Indirect Energy Consumption (Electricity) (kWh)	7,593,670	7,427,166	7,196,678
Indirect Energy Intensity (kWh / Workforce)	7,740.74	7,641.12	7,797.05
Indirect Energy Consumption (GJ)	27,337.21	26,737.80	25,908.04
Indirect Energy Intensity (GJ / Workforce)	27.87	27.51	28.07
Total Energy Consumption (GJ)	47,189.94	38,855.64	34,360.11
Total Energy Consumption Intensity (GJ / Workforce)	48.10	39.97	37.23
Scope One Emissions	1,407.70	821.19	601.17
Scope One Emissions Intensity (Co ₂ Tonnes / Workforce)	1.43	0.84	0.65
Scope Two Emissions	4,442.30	4,344.89	4,210.06
Scope Two Emissions Intensity (Co ₂ Tonnes / Workforce)	4.53	4.47	4.56
Scope One + Scope Two Emissions	5,850.00	5,166.08	4,811.23
Total Emissions Intensity (Co ₂ Tonnes / Workforce)	5.96	5.31	5.21
Water Consumption (M ³)	398,295	518,334	329,869
Water Consumption Intensity (M ³ / Workforce)	406.01	533.44	357.39

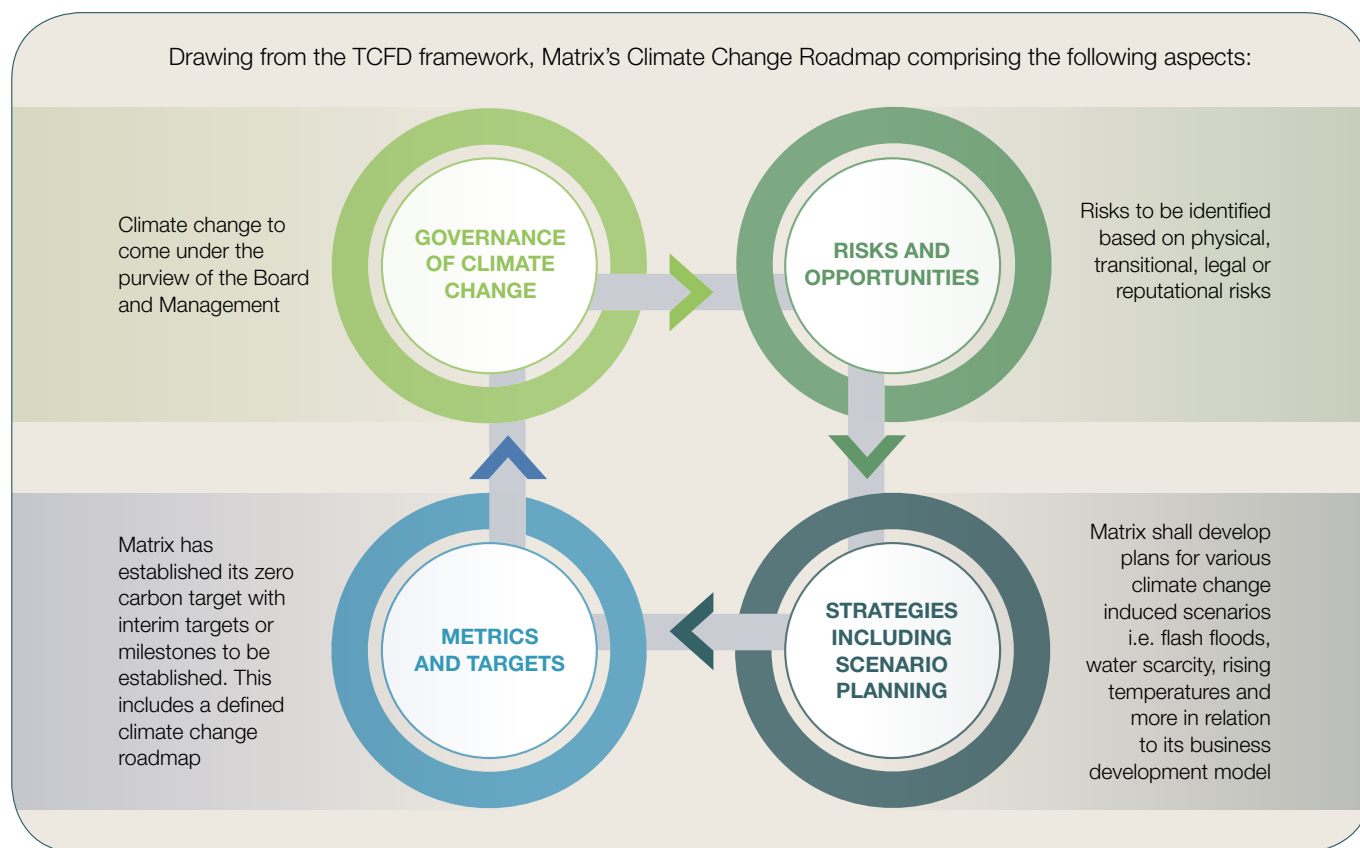
INTENSITY (BASED ON WORKING DAYS)

FINANCIAL YEAR	FY2020	FY2021	FY2022
Working Days	247	247	247
Direct Energy Consumption (Diesel in Litres)	521,369	304,144	222,656
Direct Energy Intensity (Litres / Working Days)	0.90	0.95	0.91
Direct Energy Consumption (Diesel in GJ)	19,812.02	11,557.47	8,460.93
Direct Energy Intensity (GJ / Working Days)	80.21	46.79	34.25
Indirect Energy Consumption (Electricity) (kWh)	7,593,670	7,427,166	7,196,678
Indirect Energy Intensity (kWh / Working Days)	30,743.60	30,069.50	29,136.35
Indirect Energy Consumption (GJ)	27,337.21	26,737.80	25,908.04
Indirect Energy Intensity (GJ / Working Days)	110.68	108.25	104.89
Total Energy Consumption (GJ)	47,189.94	38,855.64	34,360.11
Total Energy Consumption Intensity (GJ/ Working Days)	191.05	157.31	139.11
Scope One Emissions	1,407.70	821.19	601.17
Scope One Emissions Intensity (Co ₂ Tonnes / Working Days)	5.70	3.32	2.43
Scope Two Emissions	4,442.30	4,344.89	4,210.06
Scope Two Emissions Intensity (Co ₂ Tonnes / Working Days)	17.99	17.59	17.04
Scope One + Scope Two Emissions	5,858.03	5,261.72	4,811.23
Total Emissions Intensity (Co ₂ Tonnes / Working Days)	23.72	21.30	19.48
Water Consumption (M ³)	398,295	518,334	329,869
Water Consumption Intensity (M ³ / Working Days)	1,612.53	2,099.19	1,335.50

Zero Carbon

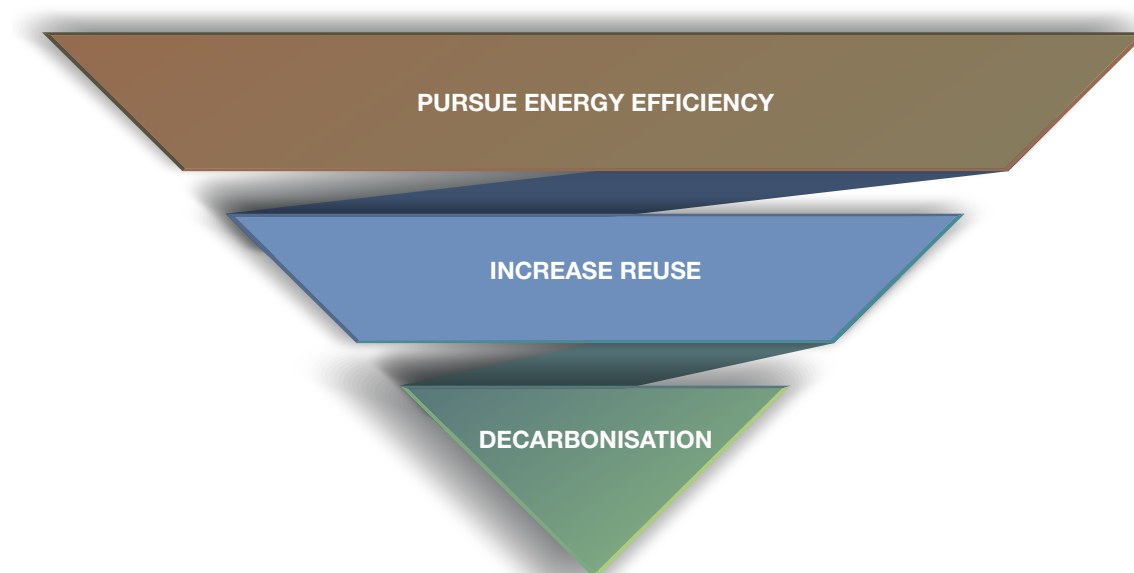
Matrix's target is to achieve Zero Carbon by year 2050.

Matrix is presently developing its Climate Change Roadmap drawing from the TCFD framework. The roadmap, which provides for short, medium and long-term goals and milestones, shall chart the way forward for Matrix towards the realisation of zero carbon by year 2050.

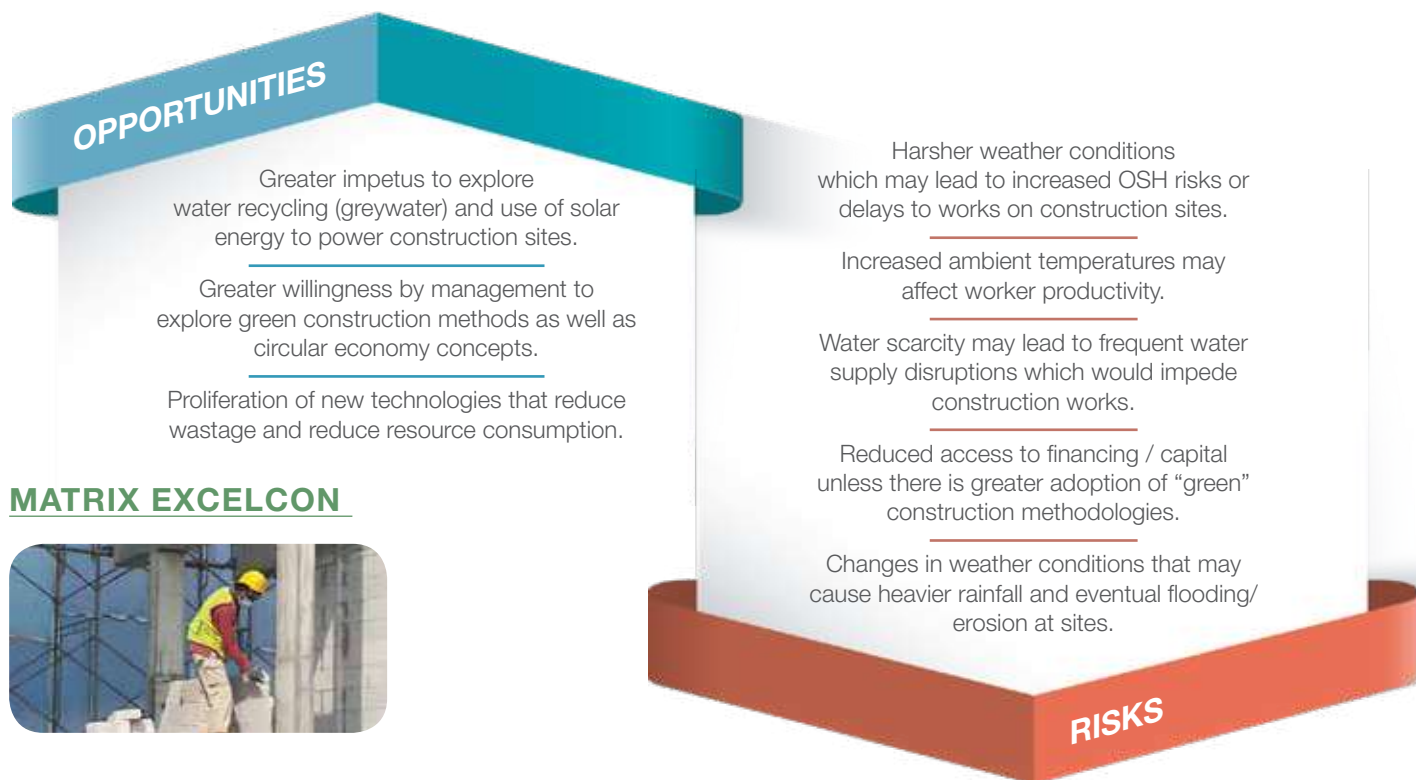


35

The roadmap will be supported through the development of a zero carbon policy centred on the following:



Actual and Potential Climate Change Impacts to the Business Model (RISKS AND OPPORTUNITIES)



MATRIX EXCELCON



PROPERTY DEVELOPMENT



OPPORTUNITIES

Opportunity to adopt renewable energy to power operations.

Opportunities to adopt greywater and increased water recycling to reduce potable consumption from municipal sources.

With the climate changes, emergence of more diseases and illness may need better healthcare management and facilities.

HOSPITALITY AND HEALTHCARE OPERATIONS



Rising temperatures will require increased electricity consumption for cooling purposes and comfort of patients/patrons/operating theatre.

Water disruption issues due to direct or indirect climate change impacts could affect operations, leading to revenue loss.

Harsher and changing weather condition may result in more diseases and illness that may affect / disrupt operations.

RISKS

37

OPPORTUNITIES

Opportunity to adopt renewable energy to power operations.

Opportunities to adopt greywater and increased water recycling to reduce potable consumption from municipal sources.

Development of new school curriculum to meet the new challenges arising from climate changes.

EDUCATION



Rising temperatures will require increased electricity consumption for cooling purposes and comfort of students, teachers and operating facilities.

Water disruption issues due to direct or indirect climate change impacts could affect operations, leading to revenue loss.

RISKS

FINANCIAL COSTS ASSOCIATED WITH CLIMATE CHANGE RISKS AND IMPACTS

Matrix is cognisant that climate change impacts along with adaptation measures can lead to financial impacts. Impacts in terms of increased budget allocations to mitigate or prevent impacts related to climate change, including addressing the physical, transitional and legal risks associated to climate change. The Group shall progressively include such considerations into its future financial planning.



CLIMATE CHANGE RELATED STRATEGIES AND SCENARIO PLANNING

All business divisions in Matrix have been tasked with developing strategies to realise the Group's goals as provided for in the ESG framework. This includes the Zero Carbon as early as year 2050 goal, which is supported by several energy and emission reduction targets. All business divisions are required to align and show progress in performance in relation to the set targets.

In addition, all divisions have been requested to develop specific strategies and action plans in relation to climate change. This includes developing SOPs and action plans relating to their businesses and include such risks in the Risk Registers.



Matrix is also progressively incorporating eco-friendly features within its developments. The possible change in design is driven by Matrix's goal or target to ensure all project designs from FY2024 onwards contain eco-friendly design elements that enable energy efficiency as well as water consumption efficiency.

Matrix is also looking to engage key proponents of Renewable Energy ("RE"), such as the Energy Commission and the Sustainable Energy Development Authority ("SEDA") towards generating greater government support in enabling the real estate sector to accelerate its adoption of RE within their projects.



Transitioning to Renewable Energy (Solar)



d'Tempat Country Club



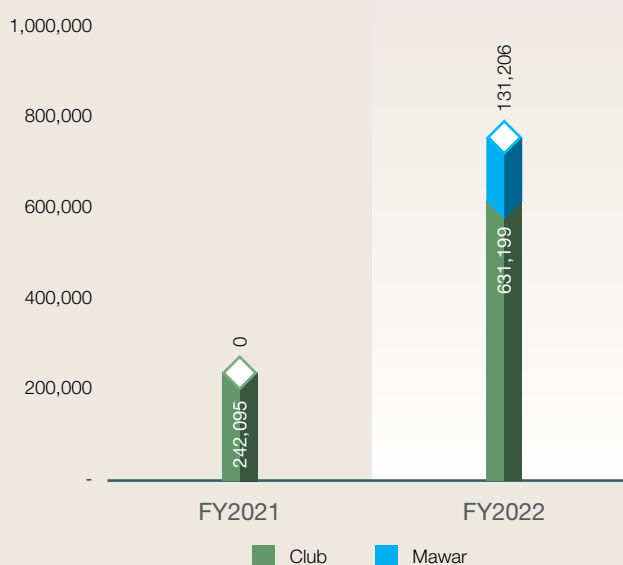
Mawar Medical Centre

The transition to RE, in particular solar dovetails with Matrix's approach to drive decarbonisation of business operations and to reduce reliance on grid sourced electricity.

In Peninsular Malaysia (where Matrix's operations are located), grid sourced electricity is primarily produced by power plants. Hence, use of electricity sourced from the grid ultimately leads to increased carbon and other emissions.

Matrix's adoption of solar began in FY2020 with its maiden installation of a solar PV at the Group's 50,000 sqft d'Tempat clubhouse. Subsequently, in FY2022, two (2) more solar panels were installed at Mawar as well as Matrix Global Schools ("MGS"). The latest installations have increased Matrix's total production of RE by 215% year-on-year.

Solar Energy Generated (kWh)



Note:
No figures provided
for solar energy
produced by MGS as
the installation was only
completed at the tail
end of FY2022.

Solar panel
installation at MGS



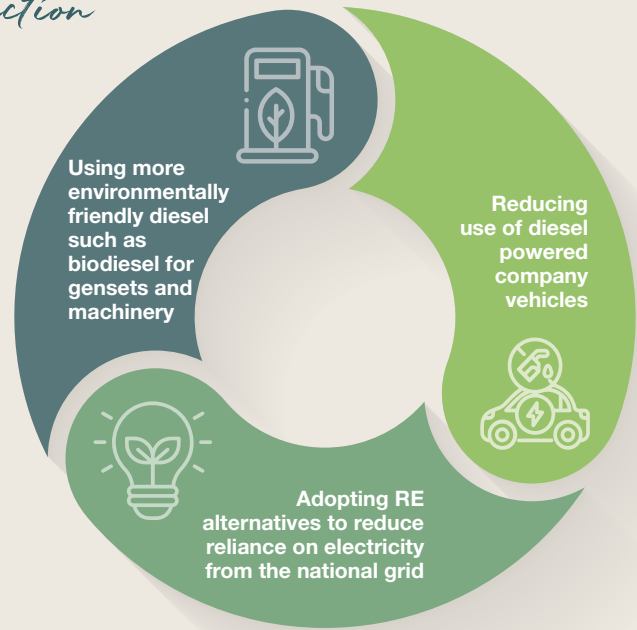
Pursuing Energy Consumption Reduction

Matrix remains committed to managing its energy consumption, particularly the use of diesel within its construction process. Diesel is used to power a wide range of machinery and equipment and contributes to carbon and other emissions. Petrol is used for company vehicles and also produces emissions.

The Group is also mindful of electricity consumption from the national grid, given as explained earlier that in

Peninsular Malaysia, such electricity is still mostly produced through the combustion of fossil fuels.

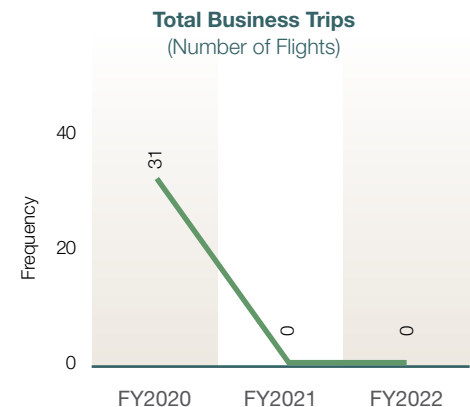
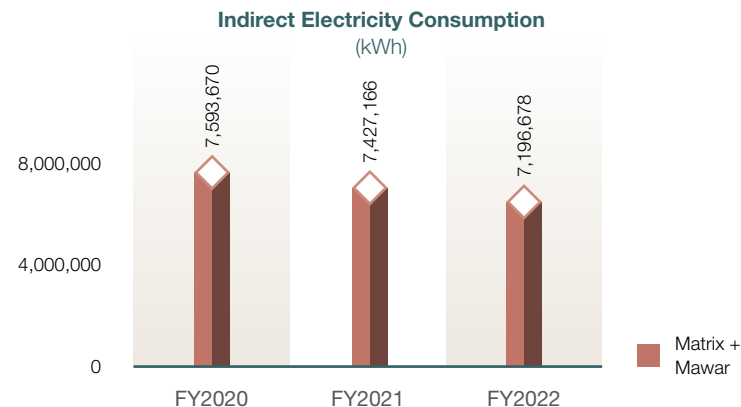
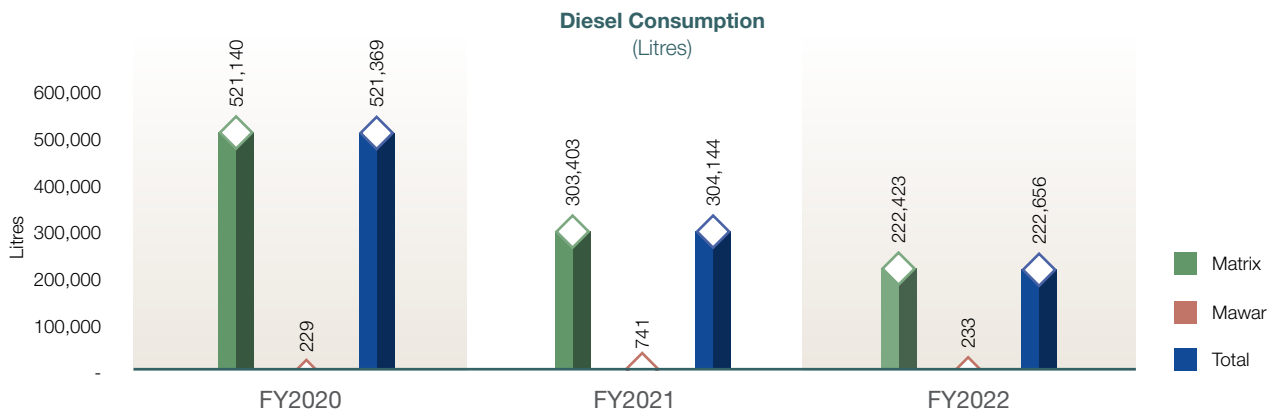
Matrix's management approach to electricity consumption is guided by the Group's Environmental Management System ("EMS"). Based on its EMS, the following measures have been / shall be implemented Group wide to better manage energy consumption and carbon emissions:



All divisions in the Company are directed to adopt relevant energy efficiency measures for the use of diesel, petrol and electricity.

ENERGY PERFORMANCE DATA

40



Carbon Emissions

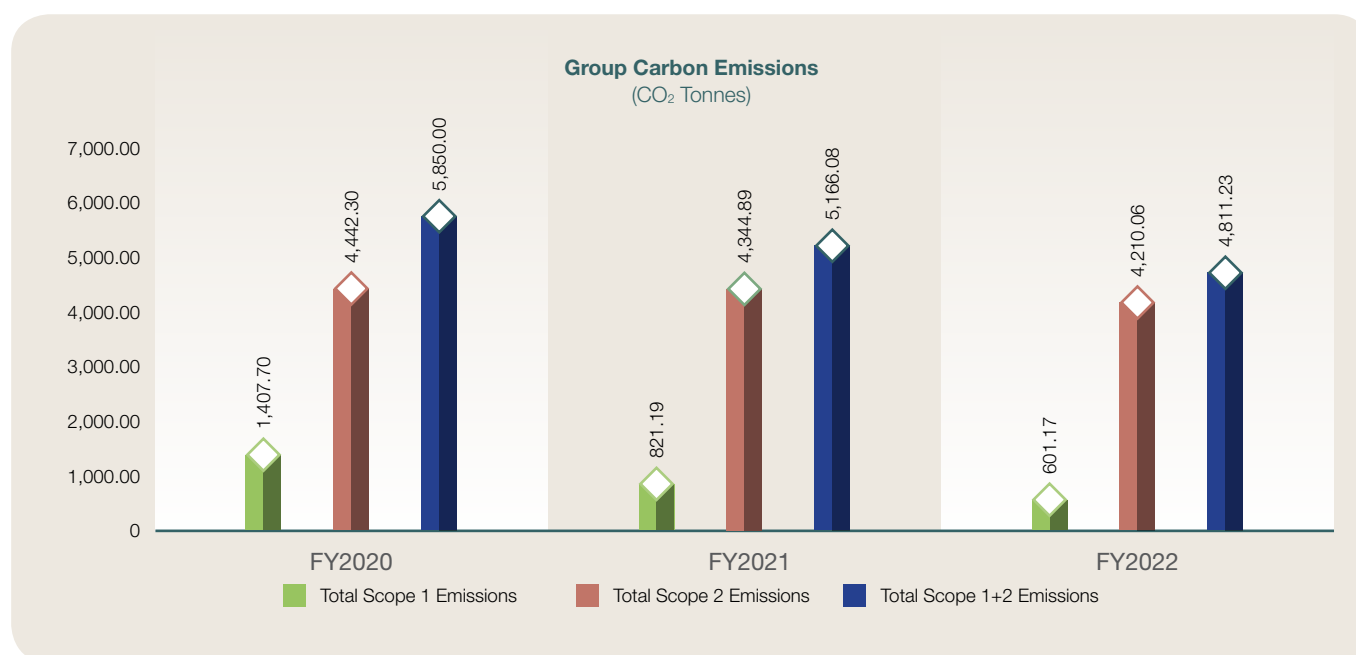
PURSuing SCOPE ONE AND SCOPE TWO EMISSIONS EFFICIENCY (REDUCE CARBON FOOTPRINT)

Matrix Scope One and Scope Two carbon emissions calculations are based on the GHG Protocol Corporate Accounting and Reporting Standard ("GHG Protocol") methodology as provided by the Malaysia Green Technology Corporation ("MGTC").

Management is cognisant that the property development and construction industries are generally energy intensive and thus produce higher quantities of emissions compared to other industries.

Matrix's carbon emissions generally stem from the consumption of energy derived from fossil fuel sources such as diesel and fuel (Scope One) and electricity (Scope Two). Present emission levels are within the limits set by the Department of Environment, Malaysia.

Scope Three is presently limited to business travel by flight. Given that flights for business travel were zero in FY2022, there is no Scope Three data provided. The Group intends to expand its coverage of Scope Three emissions to include employee commuting and use of employee's own transport for work related travel in future reports.



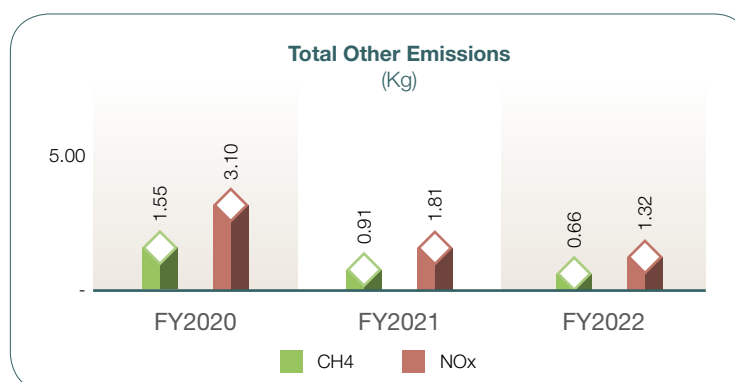
OTHER EMISSIONS

In FY2022, beyond carbon emissions, Matrix has commenced reporting for the first time on other air emissions emitted from its operations. The ISO 14001:2015 Environmental Management Systems ("EMS") serves as the guiding framework for the management of air emissions.

Matrix ensures all air emissions comply with the standards set out by the Department of Environment, Malaysia. Environmental monitoring assessments are carried on a scheduled basis as stipulated by the authorities. Results are submitted to the DOE. Where required, joint inspections with regulatory bodies are also held to ensure results obtained are actual.

OTHER EMISSIONS DATA

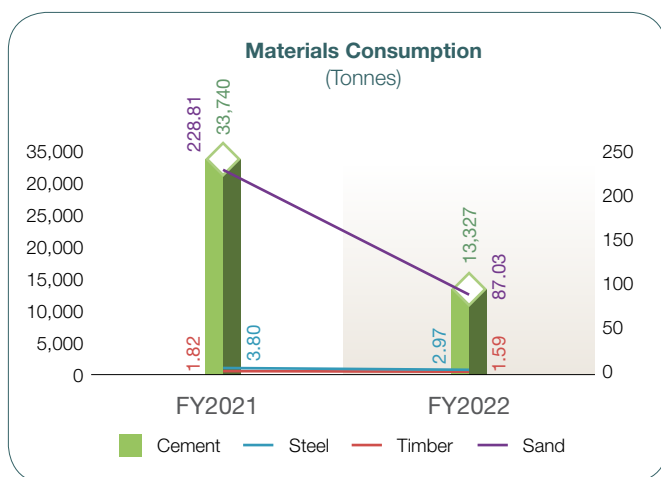
Matrix for FY2022 has also commenced monitoring other emissions including the following:



Sustainable Consumption

Applying the 3R approach, Matrix continues to seek efficiencies in the consumption of resources. Resource efficiency supports cost effectiveness and also reduces environmental footprint. Following are the top materials used by Matrix in its business processes. The biggest resource consumers are the construction and property development divisions:

RESOURCE CONSUMPTION DATA



42

The drop in resources was due to the pandemic, whereby lockdowns affected supply chains which resulted in acute reduction of raw material supply. Measures such as the barring of inter-state travel had disrupted the supply of raw materials to sites.

LANDBANK

As a property developer, Matrix invariably requires land to execute its business model. Given the Group's strong township centric approach to property development, it requires comparatively large tracts of land to sustain its development model.

The Group has developed a robust land acquisition strategy to ensure it is able replenish its landbank. Land that purchased outright or through joint venture ("JV") agreements with landowners is acquired in accordance to all laws, including environmental and social regulations.

This includes conducting environmental and social impact assessments, traffic assessments and also the suitability of development proposals in relation to the surrounding communities, land terrain and conditions and other factors. The Group also submits all necessary proposals and documents to the local council who provides the necessary approvals for the Development Order.

SPECIFIC ACTIONS TAKEN TO REDUCE RESOURCE CONSUMPTION

CONSTRUCTION & PROPERTY DEVELOPMENT

1. Use of aluminium formwork system that reduces consumption of construction materials.
2. Changes in building design and building methods that required reduced resources and wastage.
3. Enhancement of concrete quality to reduce cracks, leakages & defects.
4. Reuse of concrete waste to form road barriers and to pave roads.
5. Reuse of timber, broken tiles and other materials whenever possible.

d'TEMPAT CLUBHOUSE AND d'SORA BOUTIQUE HOTEL

- Recycling of kitchen wastes for composting.
- Collection of domestic waste for recycling.

In addition, certain certified "Green" products are also used as materials for building homes. The content of "Green" certified materials is to be increased over time.

All undeveloped land parcels are maintained in accordance to regulation. This includes trimming grass and hedges and ensuring that the land is in good conditions and does not pose dangers to the local community.

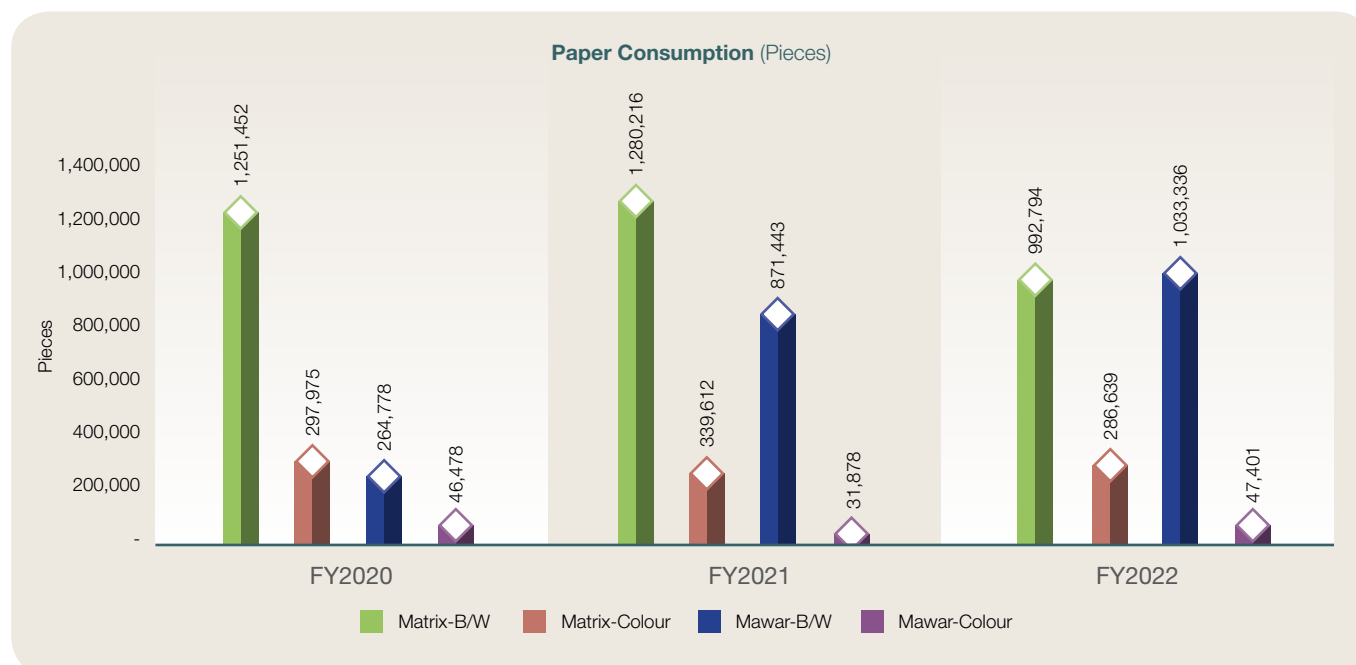
STATE

REMAINING LAND ACREAGE PENDING DEVELOPMENT

Negeri Sembilan	915.12
Johor	432.60
Selangor	16.49
Total	1,364.21

PAPER CONSUMPTION

Matrix aims to progressively reduce the quantities of paper consumed as it increased its adoption of digital / electronic systems. The target is annual reduction in paper consumption.



The adoption of digital systems has enabled reductions in paper usage year-on-year for Matrix's operations. However, paper consumption at Mawar has increased in tandem with a pick-up in business operations.

Moving forward, the introduction of the new Hospital Information System ("HIS") system at Mawar will facilitate further reduction on paper usage. The HIS system supports real-time, digital medical information retrieval and other features that will significantly reduce the reliance on paper in the future.

43

Zero Waste

Matrix's focus on waste is relevant that all business divisions of the Group produce a wide range of scheduled and unscheduled waste. These include the following in varying quantities:

HAZARDOUS WASTES

- Paints, solvents and emulsions
- Automotive wastes (used motor oil, etc.)
- Earth and other debris from excavation activity
- Concrete waste (i.e. unused / leftover slabs, etc.)
- Scrap metal (steel and other alloys)
- Chemical wastes (pesticides, mercury-containing wastes, aerosols, etc.)

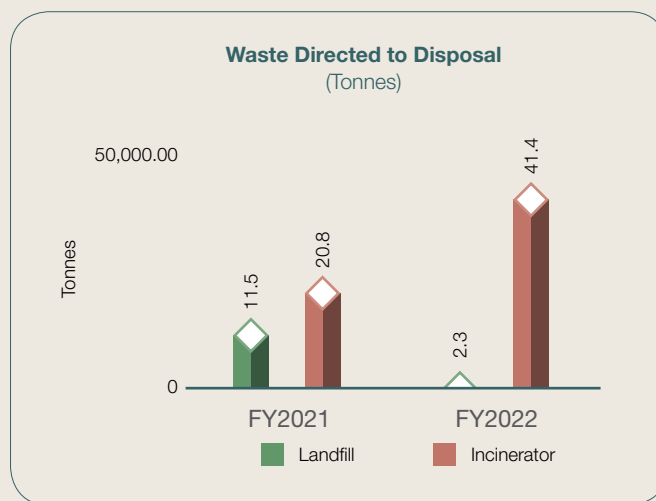
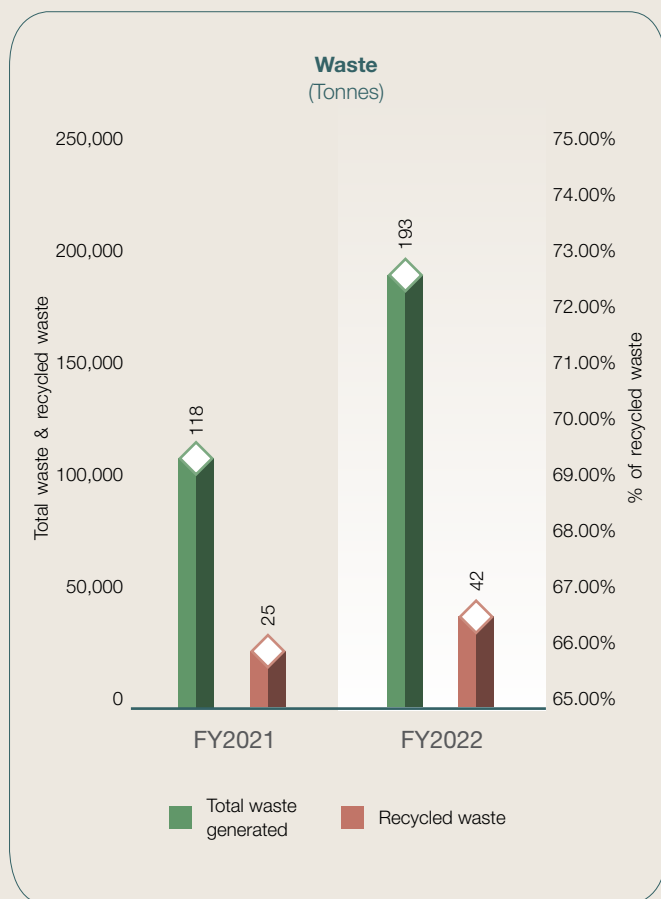
NON-HAZARDOUS WASTES

- Paper
- Food waste
- Plastics (plastic bags, food containers, wrappings, etc.)
- Aluminium cans, etc.

Waste is managed according to the Group's stringent processes and procedures which comply with the DOE's regulatory standards as well as industry best practices.

The focus is to reduce the amount of waste generated across all business divisions. As much as possible, waste is recycled or repurposed for use on sites to reduce the total amount of waste requiring disposal (sent to landfills or incinerators).

WASTE DATA



Total waste directed to incineration are from Mawar due to its increased in business operations. The waste are considered as hazardous medical waste and treated in accordance with MOH's requirements.

Other waste are mainly construction, office and kitchen waste from other business operations. There was a reduction due to the slowing down of operations during the period under review.

WASTE

POINT-SOURCE SEGREGATION

PAPER

PLASTIC

HAZARDOUS

TOXIC

SCHEDULED

METAL SCRAP

OTHER WASTES

Lookout for the followings possibilities...

REUSE

RECYCLE

RECOVER

OTHER MEANS

DISPOSAL



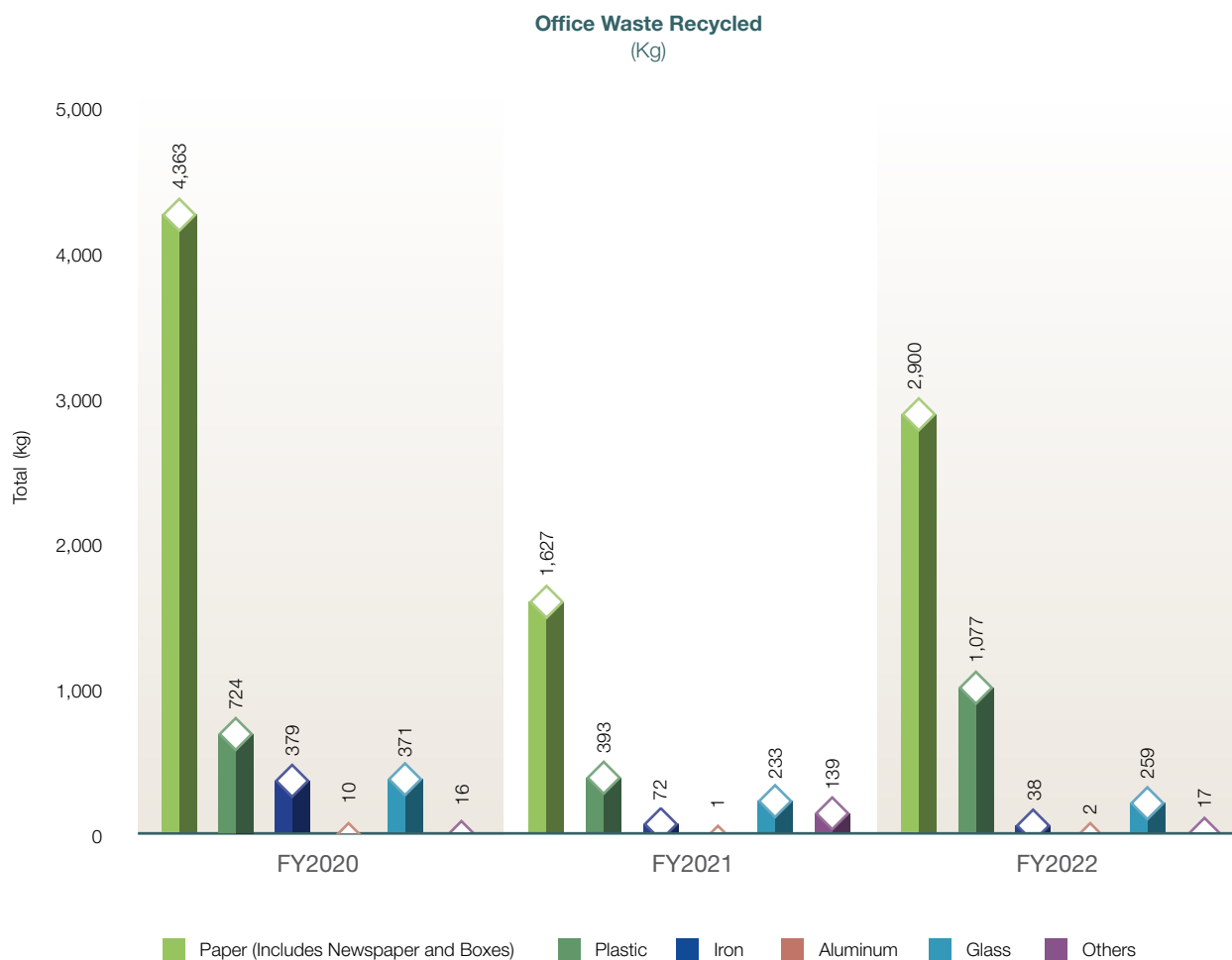
SUPPLY CHAIN INVOLVEMENT IN WASTE MANAGEMENT

As per Matrix's Sustainable Supply Chain Policy, the Group also encourages its suppliers to adopt sustainable practices in relation to waste management. These include:

- Compliance with local environmental legislation and official regulations pertaining to waste management;
- Sort and forward waste according to local legislation and be utilised or recycled to minimise environmental impacts and risks;
- Toxic waste to be forwarded for appropriate processing. Substances that are hazardous to the environment or health must be identified and used, stored and disposed of in a safe and controlled way;
- Safe data sheets and instructions for eventual accidents to be kept up to date; and
- No child labour among others.

WASTE RECYCLING

A recycling centre is established at Matrix's head office and d'Tempat Country Club for the recycling of reusable office/domestic waste such as glass, paper, aluminium and plastic.



SAFE DISPOSAL OF WASTE

Where disposal is necessary, the focus is on safe collection, transportation and disposal of waste at legal dumpsites approved by the Perbadanan Pengurusan Sisa Pepejal dan Pembersihan Awam Negeri Sembilan ("PPSPANS").

DOE licensed third-party waste disposal specialist companies are hired to collect, transport and dispose waste. All hazardous wastes are treated before being disposed.



CHEMICAL & MEDICAL WASTE

Chemical waste from the science laboratory at MGS is discharged directly into its drainage which is equipped with a centralised neutraliser device.

Clinical waste are generally being disposed in accordance with Ministry of Health strict regulations.



USED OIL

d'Tempat Country Club and d'Sora Boutique Business Hotel continued its collaboration with a third-party organisation to collect used oil. This waste is transformed into soap using a saponification process, which is a neutralisation reaction with sodium hydroxide.



FOOD WASTE FROM CLUB

Composite bins operating on two different methods, water-based vegetation and chemical-based, are placed at d'Tempat Country Club to manage food waste. d'Tempat Country Club has been composting its kitchen and garden waste for use in landscaping, which reduces chemical fertiliser costs for the last few years.

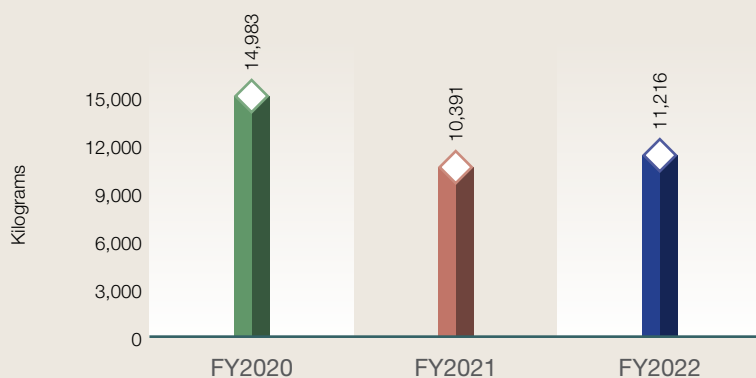
RESOURCES EFFICIENCY BEHAVIOUR

Improved communication and engagement provide clear, costed directional instructions to all key divisional decision-makers. New waste or resource efficiency measures and monitoring compliance with Group standards are covered.



47

Kitchen Waste from d'Sora and d'Tempat
(Kg)






The increase in kitchen waste is attributed to the full scale resumption of operations at both venues post removal of the pandemic related lockdown. The waste are channelled to composing for other usage, e.g. fertiliser.

PILLAR THREE: ENVIRONMENTAL CONSERVATION

PRODUCT LIFECYCLE ANALYSIS

Matrix Excelcon, which is the Group's construction arm employs a lifecycle analysis approach with regard to environmental impacts and waste management. Matrix Excelcon and where relevant, other Group divisions comply with the Environmental Quality Act 1974 (Act 127) relating to the prevention, abatement, control of pollution and enhancement of the Environmental Regulations and Order.

MATRIX EXCELCON LIFE CYCLE PERSPECTIVE TABLE

STAGES	SCOPE OF CONTRACT (A / NA)	INPUTS	WORKS / PROCESS	OUTPUTS	ENVIRONMENTAL ASPECTS
 <p>CONSTRUCTION: STRUCTURAL WORK USING ALUMINIUM FORMWORKS INSTEAD OF CONVENTIONAL TIMBER METHOD</p>	A	Aluminium panels	Before concreting	Minimum construction waste	Generation & disposal of waste Generation of noise and vibration - Aluminium panels can be recycled
	A	Steel reinforcement	Before concreting	Construction waste Noise / vibration	Consumption of resources Generation of noise and vibration
	A	Reduce usage of bricks, sand, cement and less trade works	Reduce building trade works such as bricklaying & plastering and replace with RC wall	Minimum construction waste	Reduce construction waste Reduce construction period Reduce generation of noise and vibration
 <p>CONSTRUCTION: STRUCTURAL WORK USING CONVENTIONAL TIMBER METHOD</p>	A	Mould oil for apply on plywood formworks	Before formworks installation, at 1 st , 3 rd and 5 th cycle of usage	Reduce construction waste	Reduce consumption of timber resources
 <p>CONSTRUCTION: ARCHITECTURAL WORKS</p>	A	Recycle of timber pallets / paper package	Tiling works Paper package of sanitary fittings	Reduce construction waste	Reduce consumption of resources

A - Applicable

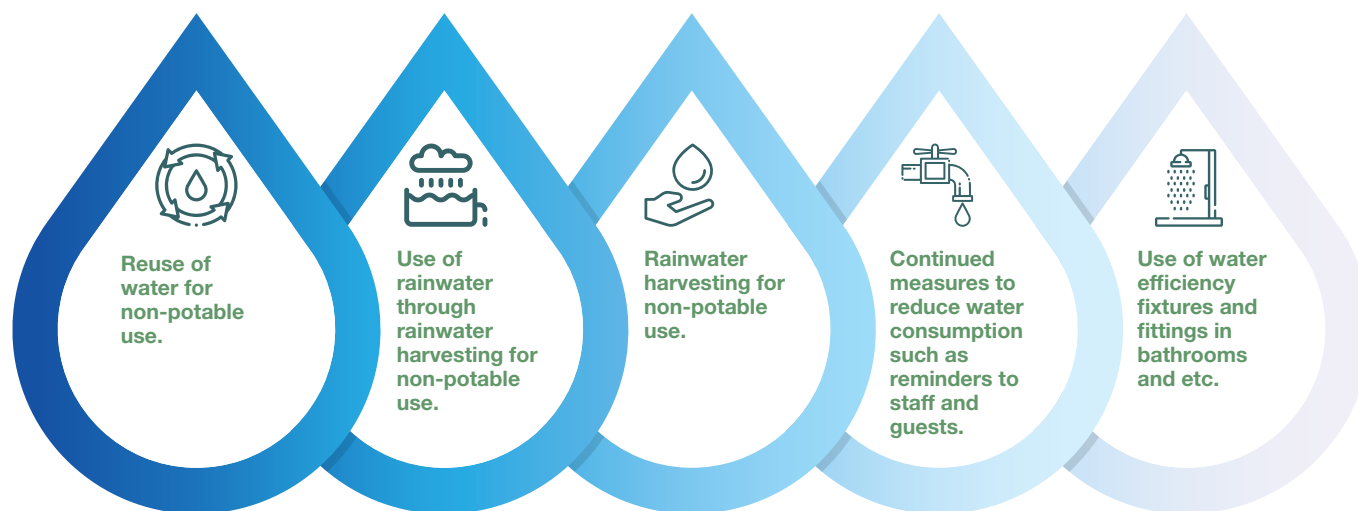
NA - Not Applicable

Sustainable Water

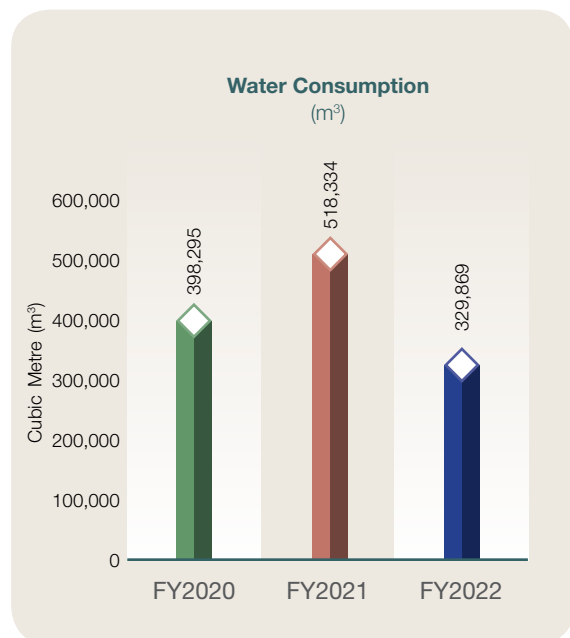
WATER CONSUMPTION AND MANAGEMENT

Matrix's main water source of potable water is from municipal sources. Water is consumed at offices, MGS and for clubhouse and hotel operations for personal use, cleaning and also at construction sites. It does not operate in or adjacent to water stressed areas.

Matrix's water management plan for all business divisions is centred on the following key aspects of responsible water consumption:



WATER CONSUMPTION DATA



The 36.36% reduction in water consumption is due to reductions in usage in Mawar's operations as well as significant reductions in usage from Matrix Group's overall operations.

EFFLUENT DISCHARGE

Matrix is also focussed on maintaining its stringent track record for compliance with Department of Environment ("DOE") regulations pertaining to effluent discharge. It ensures that all effluents comply with the parameters set by the DOE.

The Group diligently monitors the condition of effluent, surface runoffs, silt and other discharges into water bodies. Thus far, all operating sites have achieved compliance with DOE's regulations.

Parameters measured are set by the DOE which include Chemical and Biochemical oxygen demand, total suspended solids and others.



Environmental Performance Monitoring

Matrix continues to stringently monitor its environmental performance to ensure regulatory compliance at all operational sites for air, water and noise pollution as well as land / soil degradation, which may arise from its construction and property development activities.

Matrix conducts all necessary environmental assessments and social impact assessments prior to commencing with works in compliance with DOE requirements.

ENVIRONMENTAL MANAGEMENT PLAN: KEY ASPECTS



WATER POLLUTION

- Surface wastewater control; control of the perimeter drainage shall be provided at the project site before any earthworks are carried out. In addition, any surface runoff emission from the project site of groundwork is not allowed to be discharged directly into any watercourse unless it has undergone sedimentation or flushed into the sediment / retention pond first.
- Any domestic sewage from the site offices or workers' accommodation quarters shall comply with Standard {A / B}, Second Schedule, Environmental Quality (Sewage). Regulations 2009 before being released to any watercourse.
- Protect water habitat and minimise biodiversity loss.
- Prevention of subsequent pollution into water catchment areas.

- Actions taken in controlling noise risks and exposure should include consideration of the choice of appropriate work equipment that emits the least possible noise especially during blasting activity. Equipment used at our work site come with various models which are designed to control excessive noise exposure.
- Site working hours always adhere and comply to local council requirements to minimise disturbance to surrounding residents.
- Minimise health hazards (for example occasional headache, stress and anxiety etc) due to long term exposure to noise pollution.



NOISE POLLUTION



GROUND & SOIL POLLUTION

- Machineries are frequently checked for oil leaks to prevent soil and water pollution.
- Machineries with high leaking occurrence will be timely repaired and promptly replaced accordingly for optimum efficiency.
- Drip plates are placed below machineries to minimise spills to the ground.
- A proper bund wall with concrete cement is provided for diesel skid tank.

- Building a temporary earth drain to prevent water and silt seeping into the building basement.
- Cleaning the drainage system periodically.
- Silt trap being used during construction period.
- Covering the slope with plastic sheets during construction period.
- Adopt green concept on permanent retention wall.
- Avoid contamination to surrounding water courses.
- Prevent slope erosion to avoid mishaps and rectification works.



EROSION SEDIMENTATION CONTROL

ENVIRONMENTAL COMPLIANCE

In FY2022, Matrix received zero fines and / or penalties for any incidents pertaining to environmental non-compliance. The Group reports that for FY2022, except for isolated incidents, operational sites have remained within the permissible levels for air, water, noise and land / soil degradation.

ENVIRONMENTAL MONITORING PERFORMANCE: FY2022 RESULTS

MONTH	TYPE OF MONITORING	PROJECTS						
		HIJAYU	LAMAN SENDAYAN	ARA SENDAYAN	TIARA SENDAYAN	EKA HEIGHTS	STV3	BAYU SUTERA
Apr-21	Water	*	*	*	*	*	*	*
	Noise	-	-	-	-	-	-	-
	Air	-	-	-	-	-	-	-
	Vibration	-	-	-	-	-	-	-
May-21	Water	*	*	*	*	*	*	*
	Noise	-	-	-	-	-	-	-
	Air	-	-	-	-	-	-	-
	Vibration	-	-	-	-	-	-	-
Jun-21	Water	MCO	MCO	MCO	MCO	MCO	MCO	MCO
	Noise							
	Air							
	Vibration							
Jul-21	Water	*	*	*	*	*	*	*
	Noise	*	*	*	*	*	*	*
	Air	*	*	*	*	*	*	*
	Vibration	n/a	*	*	n/a	*	*	*
Aug-21	Water	*	*	*	*	*	*	*
	Noise	-	-	-	-	-	-	-
	Air	-	-	-	-	-	-	-
	Vibration	-	-	-	-	-	-	-
Sep-21	Water	*	*	*	*	*	*	*
	Noise	-	-	-	-	-	-	-
	Air	-	-	-	-	-	-	-
	Vibration	-	-	-	-	-	-	-
Oct-21	Water	*	*	*	*	*	*	*
	Noise	*	*	*	*	*	*	*
	Air	*	*	*	*	*	*	*
	Vibration	n/a	*	*	n/a	*	*	*
Nov-21	Water	*	*	*	*	*	*	*
	Noise	-	-	-	-	-	-	-
	Air	-	-	-	-	-	-	-
	Vibration	-	-	-	-	-	-	-
Dec-21	Water	*	*	*	*	*	*	*
	Noise	-	-	-	-	-	-	-
	Air	-	-	-	-	-	-	-
	Vibration	-	-	-	-	-	-	-
Jan-22	Water	*	*	*	*	*	*	*
	Noise	*	*	*	*	*	*	*
	Air	*	*	*	*	*	*	*
	Vibration	n/a	*	*	n/a	*	*	*
Feb-22	Water	*	*	*	*	*	*	*
	Noise	-	-	-	-	-	-	-
	Air	-	-	-	-	-	-	-
	Vibration	-	-	-	-	-	-	-
Mar-22	Water	*	*	*	*	*	*	*
	Noise	-	-	-	-	-	-	-
	Air	-	-	-	-	-	-	-
	Vibration	-	-	-	-	-	-	-

* = Comply

MCO = Movement Control Order

Biodiversity

Matrix's landbank and its existing townships or standalone developments are being considered for biodiversity enhancement whenever possible.

Matrix shall continue to monitor all sites for potential biodiversity value. This includes unique habitats as well as flora and fauna, especially any of the latter that is on the IUCN Red List.

Continued efforts are being made to encourage biodiversity within its development. Among these include potential biodiversity based projects to green open spaces by increasing trees planting intensity and landscapes, to develop water retention ponds into mini-parks and others.

Nature education and conservation efforts with the general public such as school field trips and such were curtailed due to the Covid-19 pandemic over the past two years.

This was one of the highlights of Matrix's stakeholder engagement efforts in promoting awareness on the importance of biodiversity and the preservation of the environment.

These activities will be revived going forward into FY2023. Matrix's Project Planning & Development Division will lead this initiative, by reviewing biodiversity enhancement opportunities and tree planting for all property sites and projects.



Tree planting in progress



PILLAR FOUR:

Employee Work Satisfaction and Well Being



MATERIAL TOPICS:

Talent Management

Talent Development and
Management

Gender Equality

Diversity and Inclusivity

Human and Labour Rights

Introduction

THE BOARD AND MANAGEMENT HAVE IDENTIFIED TALENT AS BEING A PREREQUISITE FOR CONTINUED SUSTAINABLE VALUE CREATION. THE FOCUS ON TALENT ENCOMPASSES ALL ASPECTS OF HUMAN CAPITAL. THIS INCLUDES TALENT RECRUITMENT, RETENTION, REMUNERATION, DEVELOPMENT AND CAREER PATH DEVELOPMENT.

The aim is to develop and retain a high-performing, competent workforce that is able to drive continued improvements in financial and non-financial value creation.

Matrix is guided by basic human rights principles and the Malaysian Employment Act 1955 and all other relevant employment laws of industrial practices of Malaysia. The Group subscribes to the International Labour Organisation ("ILO") and the Universal Declaration of Human Rights and also the UN Global Compact 10 Principles as follows:

Human rights, labour, environment and anti-corruption

UN Guiding Principles on Business and Human Rights

International Labour Law

Prohibiting child and forced labour

Ensuring non-discrimination and equal opportunity

Supporting a harassment-free and violence free workplace

Prohibiting retaliation or any form of physical and mental disciplinary practice

Respecting worker's right to freedom of association

Ensuring compliance with laws governing working hours and wages



Board and Management Oversight On Talent

Given its importance, talent management and development come under the purview of the Board and Management, specifically the Nominating & Remuneration Committee ("NRC"). The NRC provides broad strategic direction and monitors results achieved from the implementation of strategies. The respective CEOs of operating companies are tasked at driving the talent agenda in their respective companies.

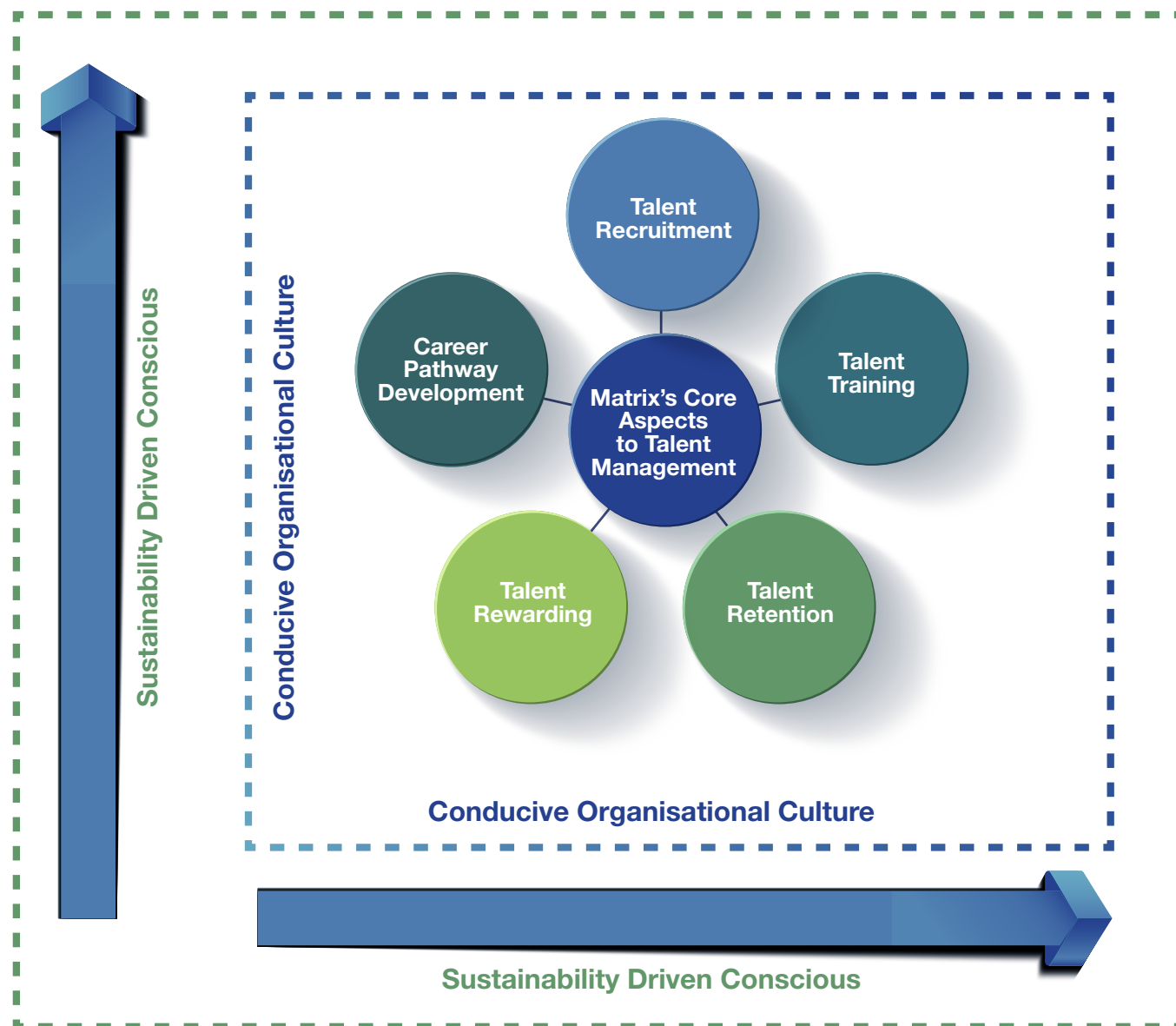
The Board and Management are supported by the Group Human Resource ("GHR") department, which is tasked with ensuring the cultivation of a motivated, capable, professional workforce and a supporting organisational culture. GHR is also responsible for developing tangible action plans and KPIs as well as the development of related policies and procedures.

GHR reports to the NRC on a periodic basis, from which matters of talent management and development is then conveyed to the full Board.

GHR subsequently has a developed and maintains an over-arching talent strategy that addresses the following aspects of human capital: talent recruitment, training, retention, rewarding and career pathway development.

Almost 100% of the Group's Management comprise Malaysians. For detailed information on the profile of the Board, please refer to the Board of Directors' Profiles sections of the IAR 2022.

54



Bringing a Sustainability Focus to Talent Management

In recent times, Matrix beyond skills sets and expertise, is also looking to incorporate sustainability centric values across its talent management approach.

This primarily revolves around the continuous cultivation of awareness and understanding of sustainability among staff, the development of a diverse, multi-cultural workforce with improved workforce parity in terms of gender and the inculturation of desired values across the workforce.

In cultivating a multi-cultural workforce, Matrix has included in its talent development policy, a clear commitment to upholding a non-discriminatory workplace. Employees at all levels of the Group, will not be prejudiced against based on their race, religious beliefs, gender, social standing, marital status and other socio-demographic factors. The single criterion to be applied to all employees at all times is meritorious performance.

DEVELOPING ORGANISATION WIDE SUSTAINABILITY-ORIENTED MINDSET AND CULTURE

In enabling sustainability to take root and permeate across the organisation, Matrix has continued to focus on intangible aspects of its operations, notably organisational culture.

The progressive cultivation of an organisational culture centred on an understanding and support of ESG will catalyse the realisation of Matrix's ESG framework while supporting the retention and development of talent. Key aspirations such as diversity and inclusivity, employee volunteerism, supporting societal causes will receive further impetus and deliver greater positive outcomes as an organisational culture centred on ESG awareness and acceptance leads to desired actions and results.

FY2022 has seen Matrix continue to disseminate sustainability related messaging and to rollout various ESG campaigns, targeted at employees.

Among tangible targets set include % of staff or ratio of staff with sustainability qualifications as opposed to overall Group staff and the number of sustainability related awards secured by the Group annually.

The Group's performance and progress in cultivating a sustainability oriented culture will continue to be assessed.



Committed to Free and Fair Labour and Human Rights

Matrix's human rights policy is summarised in its Code of Conduct for employees and directors and suppliers are expected to adhere to these high standards. Matrix has instituted the following policies and procedures:

COMPLIANCE
WITH MINIMUM
WAGE

COMPLIANCE WITH
MINIMUM WAGE
ORDER 2018

RIGHT TO
FREEDOM OF
ASSOCIATION /
COLLECTIVE
BARGAINING

CODE OF CONDUCT
FOR EMPLOYEES
AND DIRECTORS

PREVENTION OF
CHILD LABOUR OR
FORCED LABOUR

SAFEGUARDING WORKERS' RIGHTS & SAFETY

Site Workers Welfare

While it does not have direct control on the welfare of third-party workers, Matrix attempts to safeguard the rights of workers who operate at its sites or on its contracts. Matrix attempts to ensure all sub-contractors accord the basic human and labour rights as provided for in the UN Guiding Principles on Business and Human Rights and the UN Global Compact.

This includes working in safe and secure conditions without being overworked, the right to healthcare and to receive fair wages, the right to decent accommodation, where relevant and also the right to retain their identification documents such as passports, not forgetting access to medical care. This also includes the right to return to their countries upon expiry of their contracts if they so wish to return.

56

In addition, Matrix also ensures that workers have access to clean sanitation, access to food, resting area and also decent living facilities e.g. clean beds and a common kitchen to cook meals. Kitchen are centralised instead of individual compartment to avoid fire hazards.

During the lockdown period due to the Covid-19 pandemic, workers were provided free deliveries of food, groceries and other basic necessities as a measure to curb the spread of the virus. Workers were also given free vaccinations.

Matrix ensures that all workers have a legal status to work. Any sub-contractor or supplier found to have infringed on these requirements will be terminated and reported to the authorities for further action. The same applies to Matrix's staff.

The whistleblowing mechanism functions as a channel for third party workers or any other stakeholder to bring grievances to the attention of the Board and Management. Thus far, no reports have been received on such incidents.

Herd Immunity Programme

During the pandemic period, Matrix implemented "Herd Immunity Programme", all the employees are given free vaccination to ensure their safety and health.

The vaccination programme was undertaken at d'Tempat Country Club.

SOCIAL REGULATORY COMPLIANCE

In FY2022, Matrix continues to uphold its track record for zero reported incidents of infringements of the rights of any persons, adult or child, nor any incidence of forced or compulsory labour. Neither has there been any violation of human rights involving the rights of indigenous people at any time in Matrix's history.



Central kitchen/cooking facilities for site workers



Adequate accommodation for all site workers



Dining and resting area



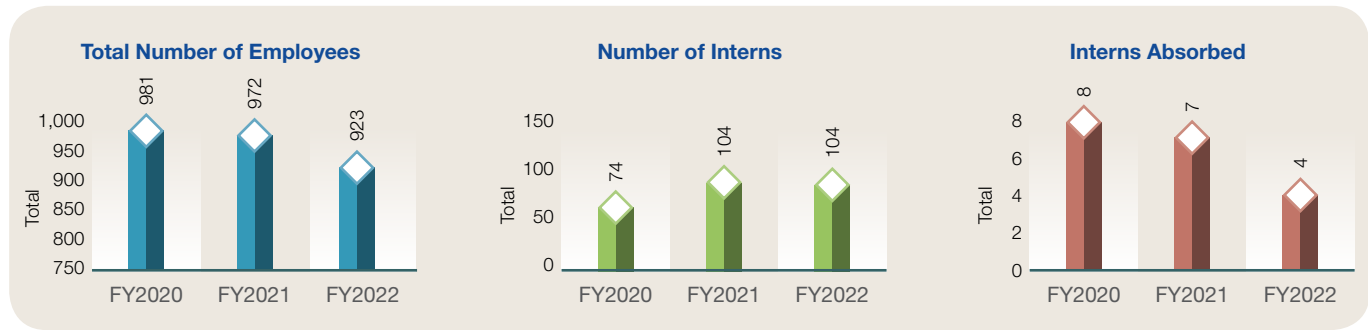
An employee undergoing vaccination



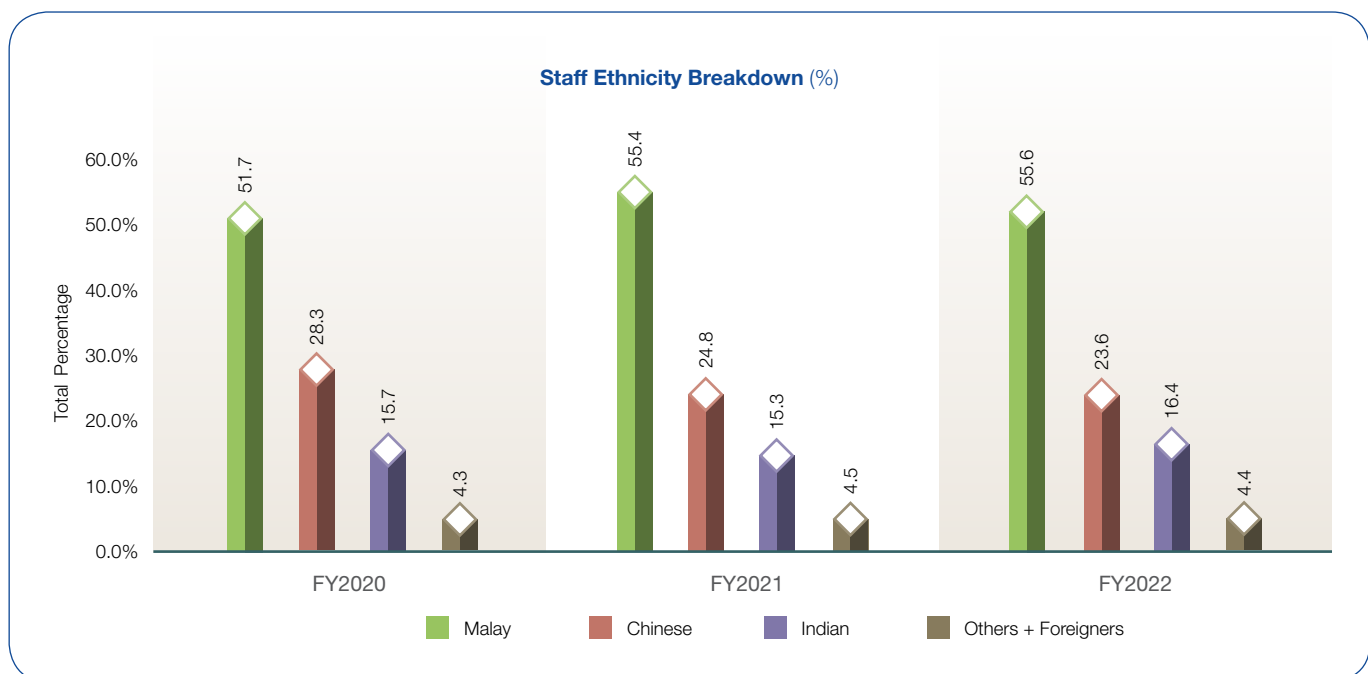
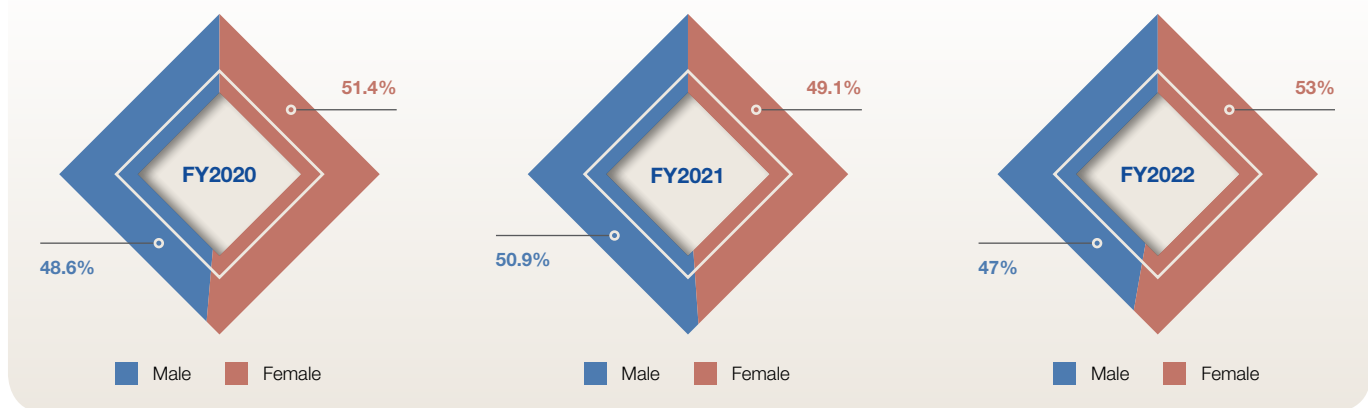
Herd Immunity Programme for employees conducted at d'Tempat Country Club

Workforce Composition

Matrix continues to support job creation for Malaysians and in particular, the surrounding communities in which the Group operates in. Consistent with its approach to talent management, Matrix's workforce represents a microcosm of multi-ethnic, multi-cultural Malaysia, with employees from diverse racial backgrounds.

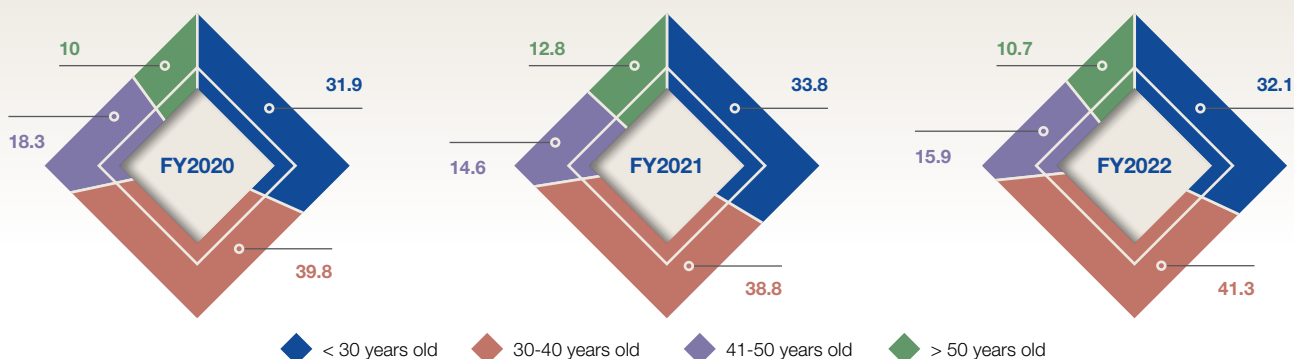


WORKFORCE DIVERSITY

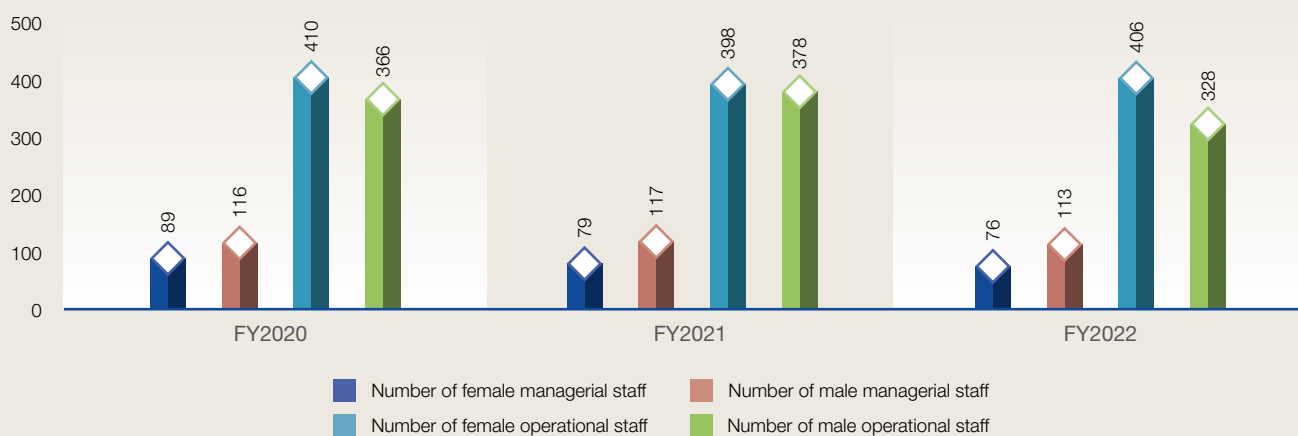


PILLAR FOUR: EMPLOYEE WORK SATISFACTION AND WELL BEING

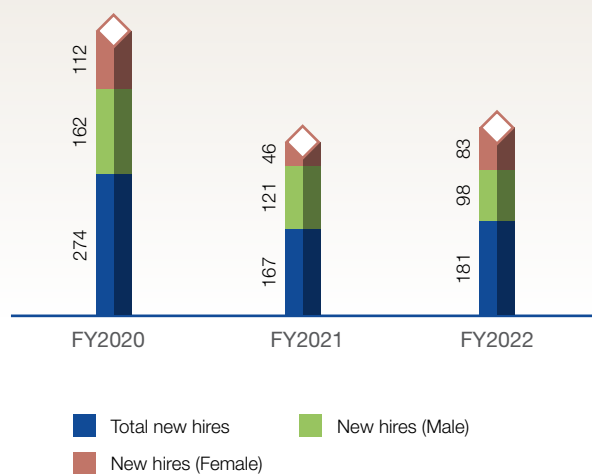
Age Diversity (%)



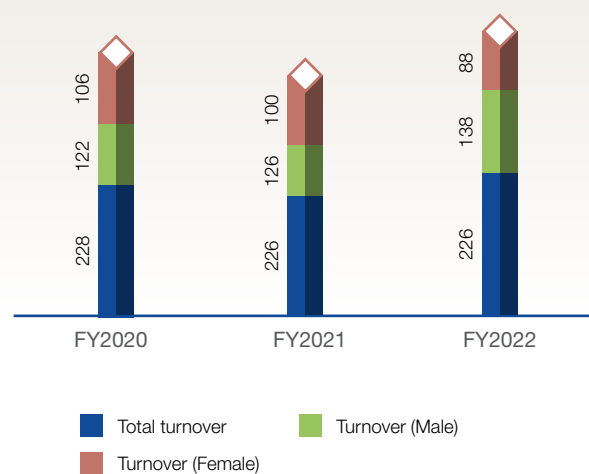
Gender Breakdown Based on Employment Position



New Hires



Turnover (Attrition)



Ensuring Employee Welfare and Competitive Remuneration

Matrix believes in remunerating all talent competitively; that is providing attractive compensation packages in line with marketplace practices and industry benchmarks. All Employees are paid salaries and benefits that commensurate with their professional qualifications, job experience and skills, level of responsibility and importance of their respective positions as well as tenure with the Group.

Employee remuneration packages are regularly assessed by GHR to ensure market competitiveness. Matrix applies an equal work for equal pay principle. Gender, ethnicity, religious beliefs and other socio-demographic factors are not considered in the determination of remuneration.

Only meritorious performance (as ascertained during the employee appraisal process can be used) to determine salary increments, performance bonuses and other forms of compensation and benefits.

COMPLIANCE TO MINIMUM WAGE

Matrix complies with the Malaysian government's minimum wage policy with all employees earning monthly wages equal to or exceeding the set minimum wage. Full time employees are entitled to the following benefits:

- Group Personal Accident insurance
- Group Hospitalisation & Surgical insurance
- Group Term Life insurance
- Group outpatient medical treatment for staff and children and spouse of staff
- Dental benefits
- Statutory sick pay leave without hospitalisation ranging from 14 days to 24 days depending on the employee's job grade and period of service
- A period of up to 60 days is granted if hospitalisation is necessary
- Company supported / subsidised health / medical insurance plan
- Annual medical check-up for all employees aged 40 years and above
- Overtime payments (where applicable)
- Employee's Bereavement / Wreath
- Professional membership reimbursement
- First legal marriage and new born token reimbursement
- Annual transport / vehicle reimbursement
- Property purchase discount for employees
- Discount of school fees for employees' children
- Car ownership scheme

FOR ELIGIBLE EMPLOYEES ONLY



Petrol & Toll claims



Mobile phone allowance



Vehicle maintenance



LEAVE AND EMPLOYEE BENEFITS

Employees are entitled to various types of paid and unpaid leave, which include:

- Annual Leave
- Sick Leave
- Prolonged Sickness Leave
- Hospitalisation Leave
- Compassionate Leave
- Study and Examination Leave
- Marriage leave
- Parental (maternity and paternity) Leave
- Bereavement leave

PARENTAL LEAVE

Female employees are entitled to paid maternity leave of 60 consecutive days for each confinement period. Male employees are entitled to 3 consecutive days per annum.

	FY2020	FY2021	FY2022
Employees Who Took Paternity Leave	7	28	21
Employees Who Took Maternity Leave	22	34	26

100% of employees who took paternity or maternity leaves return to work and remain with the organisation for 12 months or more for the last 3 years from FY2020 to FY2022.

STATUTORY PAYMENTS FOR EMPLOYEES' RETIREMENT FUND

As mandated by law, Matrix contributes to the Employees Provident Fund ("EPF") with the Group paying the employee's monthly salary to the fund. This is the employers' portion of contributions, while employees are given the flexibility to choose between 9%-11% of their monthly salary for statutory contributions.

	FY2020	FY2021	FY2022
Total payments made to employee (salaries & bonuses)	82,441,000	87,188,000	92,566,000
Total statutory payments (EPF)	10,952,000	11,139,000	12,109,000
Total payments (SOCISO)	486,000	485,000	607,000

EMPLOYEE APPRAISALS

100% of employees receive formal appraisals.

Appraisals are vital for addressing individual training requirements but also in determining annual compensation packages, including staff bonuses. The Group's approach for appraisal is based on performance driven approach.

The appraisal approach is meant to be a two-way constructive process, where employees can voice their own perspectives or views as to their own performance. Ultimately, the employee retains the right to accept or reject the appraisal. Employees who disagree with their appraisal review scores can voice their grievance to HR via a formal employees' grievance mechanism system.

FORMAL EMPLOYEE INDUCTION AND EXIT

As prior mentioned, all employees attend a formal induction session when they join Matrix. Employees who resign are accorded exit interviews.

The process is centred on obtaining honest employee feedback towards fuelling continuous improvement of work-related processes, decisions and other matters. All feedback is considered and where relevant, used to drive improvements within the Group.

Enabling Employees' Professional Development (Talent Training and Development)

Matrix continues to actively support the professional development of its workforce. Despite the pandemic, GHR has continued to ensure staff receive a wide range of training opportunities. Training is provided to address competency gaps or other skills requirements as identified during annual employee appraisals. 100% of employees receive appraisals on annual basis.

Training is also provided to talents identified for succession to key leadership or technical positions across the Group's operations. A KPI for employees' professional development is for annual increases in training hours and training spend per employee.

Training is fully paid by Matrix. Where possible, physical engagements have been transitioned to online modes of delivery due to the Covid-19 pandemic in FY2022.



61

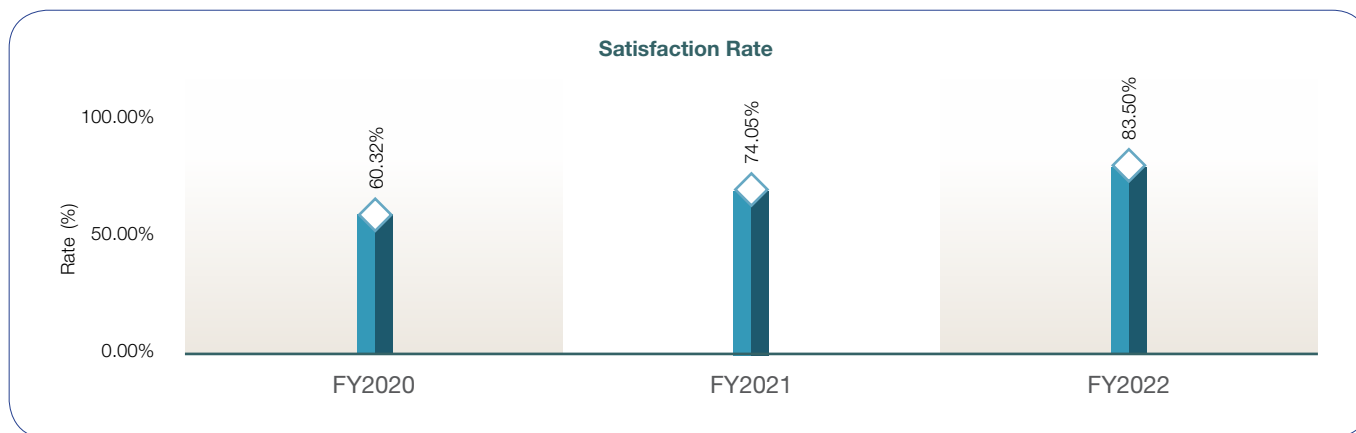
TRAINING DETAILS

	FY2020	FY2021	FY2022
Total training hours (Group)	4,259	3,275	3,688
Average training hour per participant	6	5	8
Average training spend per participant (RM)	302	200	355
Average training hours per participant (male)	7	11	15
Average training hours per participant (female)	7	6	14
Average training hours per participant (management staff)	7	4	9
Average training hours per participant (executive)	10	8	14
Average training hours per participant (non-executive)	2	5	33
Total employees attended training	708	633	436

Measuring Employee Satisfaction

Employees are viewed as joint stakeholders in value creation. Hence, in support of talent retention, an annual staff satisfaction survey is conducted by GHR. The KPI target set is a 95% rating by employees. Employee satisfaction continues to be on an uptrend, but remains below the targeted benchmark.

EMPLOYEE SATISFACTION SURVEY RESULTS



Employee Rights

MINIMUM NOTICE PERIOD FOR OPERATIONAL CHANGES

Matrix provides at least a one-month notice period for any operational changes that may potentially affect employees.

FREEDOM OF ASSOCIATION

All Matrix employees have the right of freedom of association and may choose to join any legal entity or organisation such as political parties and legal, social and professional bodies or associations.

The right to collective bargaining is not applicable given that most of Matrix's staff do not operate in a unionised environment. However, staff have full right to voice out their concerns or views as a collective to Management should they prefer to do so.

Employees are always kept informed of their rights via official communication channels. We also foster open, two-way dialogue with employees who are encouraged to seek the assistance of the Human Resource Division ("HR") on any matter that may arise.

GRIEVANCE PROCESS

While there is no official grievance mechanism, employees management unequivocally supports employees' rights to bring up issues via their line function. For example, disagreements with findings from the appraisal, disciplinary measures taken by superiors or perhaps disagreements with decisions made on employee benefits. Even in reporting incidences of sexual harassment and discrimination.

Employees are neither censured nor discouraged from sharing their grievances. They may also do so collectively. All complaints will be thoroughly investigated. Unless required by law, the identities of complainants will be kept confidential.

GHR will investigate all reports and where relevant, will maintain the confidentiality of the complainant. In FY2022, there were zero cases of grievance.

PILLAR FIVE:

Safe and Healthy Work Environments

MATERIAL TOPICS:

Occupational Safety and Health

Covid-19 Pandemic

Introduction

THE SAFETY AND HEALTH OF ALL STAKEHOLDERS IS A SIGNIFICANT MATERIAL TOPIC FOR MATRIX. THE GROUP IS SERIOUSLY CONCERNED WITH MAINTAINING A ZERO FATALITY AND ZERO LOSS TIME INCIDENT ("LTI") TRACK RECORD FOR OCCUPATIONAL SAFETY AND HEALTH ("OSH").

In the past two years, the Group has actively looked to play a role in keeping stakeholders safe, especially employees from Covid-19. It has played an active role in supporting government initiatives including vaccination campaigns, in supporting frontliners and also in promoting vaccinations through Mawar & PPV. Please see the Matrix Covid-19 Initiatives Subsection for more information.

Matrix believes that excellent OSH performance is fundamental to the wellbeing of the workforce and society. It promotes confidence in the Group and strengthens its reputation as a responsible business. It reinforces employee morale and equally important, reduces disruptive incidents that would affect progress of construction works on sites that would impact business and operational performance.

The latter is especially evident as construction and property development comprise the most significant business activities of the Group. The Group's exposure to workplace accidents or risks is largely restricted to construction sites for the Property Division. These include hot work, working at height, heavy lifting, confined space, electrical job and during the use of heavy machinery such as forklifts, cranes and more.

Toolbox meeting at site

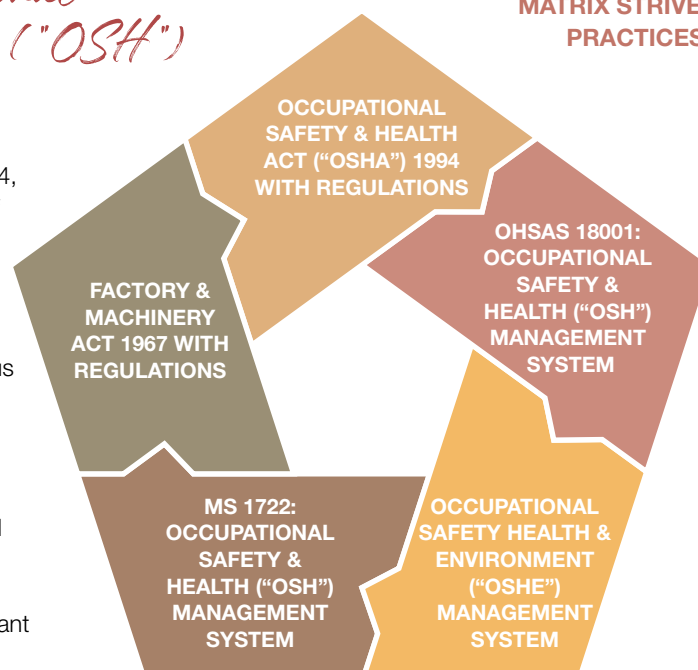
63

Managing Occupational Safety and Health ("OSH")

Matrix complies with the Malaysian Occupational Safety and Health Act 1994, Environmental Quality Act 1974, regulation orders and other Codes of Practice.

Matrix has also adopted the ISO 45001:2018 best practice standard, which is an upgrade from the previous OHSAS 18001 standard.

Matrix is presently developing its dedicated OSH Policy to provide a robust framework to govern the OSH management approach. The policy is applicable to all of our business activities and premises and is compliant with Malaysia's Occupational Safety and Health Act 1994.



MATRIX STRIVES TO ALIGN ITS SAFETY PRACTICES WITH THE FOLLOWING REGULATIONS

The Policy provides for internal processes and controls, establishes roles and responsibilities, SOPs in the event of incidents and also provides for best practices such as incident prevention and investigation, stop work orders, OSH training for staff, the establishment of OSH Committees with joint worker representation and more.

Board Oversight On OSH

The Board of Directors of the Group, as well as its subsidiary companies maintain oversight on all health and safety matters pertaining to their companies. This is achieved by regular reports being provided to the respective Board of Directors for their review. The reports provide health and safety related quantitative data such as the number of loss time incidents ("LTI"), fatalities, injuries, near misses, non-compliance issues and other track health and safety KPIs.

The reports also provide qualitative information such as specific incident reports which contain pertinent details of major health and safety incidents such as the root causes of incidents and remedial / preventive action taken to reduce or eliminate future occurrences.

The Boards and Management may also conduct site visits and initiate investigations of their own into major OSH incidents. In FY2022, the following OSH topics were deliberated at either Board or Management level or both at either the Group level or at respective subsidiary companies:

- Health, Safety and Environment ("HSE") management system performance
- Legal compliance and HSE contractual requirements
- OHS training and awareness
- Covid-19 prevention and control measures
- Covid-19 vaccination programme for staff and general workers
- Covid-19 emergency response
- Covid-19 awareness programme
- Environmental and sustainability requirement
- Emergency Response and Preparedness

Worker Representation on Joint Health and Safety Committees

Each operational site has its own HSE Committee with balanced employer and employee representation. Foreign workers also have representation in the committee. The formation of such committees enables employees who undertake frontline operations (and therefore more likely to be exposed to OSH risks) to play an active and direct role in determining their work conditions.

Guided by the systems, processes and procedures set, the teams can then implement QHSE measures as required to safeguard their working environment. Matrix also holds Monthly HSE Operations Meeting to address prevailing HSE issues swiftly.

Prior to Management making decisions, feedback from workers is always solicited. The collective approach is always used towards ensuring workers have had a role in determining their work conditions.

PROJECT SITE	CHAIRMAN	SECRETARY	EMPLOYER REPRESENTATIVE	EMPLOYEE REPRESENTATIVE
Ara Sendayan Precinct 2B	1	1	2	2
Bayu Sutura Precinct 2B	1	1	2	2
Resort Residence 1	1	1	3	3
Resort Villa	1	1	2	2
Nusari Bayu 2	1	1	3	3
Laman Sendayan Precinct 1	1	1	2	2
Laman Sendayan Precinct 2	1	1	2	2
Laman Sendayan Precinct 3	1	1	2	2
Laman Sendayan Precinct 4	1	1	2	2
Tiara Sendayan Precinct 6	1	1	2	2
Tiara Sendayan Precinct 8	1	1	3	3
Tiara Sendayan Precinct 7	1	1	3	3

The roles and responsibilities of members of the HSE Committee are as follows:

HSE Committee Chairman	HSE Committee Secretary	HSE Committee Employer / Employee Representative
<p>Develop and conduct meeting agenda.</p> <p>Establish necessary deadlines and sub-committee assignments.</p> <p>Provide appropriate and timely follow-up actions.</p> <p>Serve as a communication liaison between management and the committee.</p>	<p>Maintain, record and disseminate minutes of each meeting.</p> <p>Actively promote environmental health and safety by communication with employees.</p>	<p>Maintain an environmentally friendly, safe and healthy workplace.</p> <p>Assist in the development of health, safety and environmental rules and safe systems of work.</p> <p>Review the effectiveness of environmental, safety and health programmes.</p> <p>Undertake investigations on accidents, near-misses, dangerous occurrence and occupational disease which occurs in the workplace.</p> <p>Review the environmental, safety and health policies at the place of work and make recommendations to the top management for any revision of such policies.</p>

Hazard Identification, Risk Assessment and Risk Control

Matrix has implemented a Hazard Identification, Risk Assessment and Risk Control (“HIRARC”) to identify work processes at operational sites that may be categorised as having higher OSH risks.

The approach is based on the safety & health assessment system in construction (“SHASSIC”) methodology. Assessments are conducted using the ISO 45001:2018 Occupational Health and Safety Management Systems. HIRARC exercises are conducted when any of the following takes place:

- **NEW OPERATIONAL SITES**
- **CHANGES IN WORK PROCESSES**
- **AS PART OF INVESTIGATION INTO INCIDENTS**
- **PERIODIC INTERVALS AS STIPULATED BY REGULATIONS**

HIRARC PROCESS



65

Following are the higher OSH risks faced by Matrix’s respective business divisions identified during HIRARC exercises:



Implementation of Permit to Work Systems

Matrix has implemented an internal Permit-To-Work ("PTW") system for all jobs at operational sites which are deemed to have higher risks of OSH incidents. A job method with risk assessment is required as a prerequisite for PTWs. The job method statement provides specific information on the scope and nature of work to be carried out, the approved methods to be employed to undertaking the works, the professional qualifications required by personnel undertaking the tasks. All PTWs must be approved by the safety officer or project manager on the operational site.

HSE Programmes and Training

Matrix believes in investing in OSH training as part of its precautionary approach to preventing incidents. Improving staff awareness and skills leads to more competent and mindful employees, which in turn translates into reduced OSH risks and incidents.

Training also includes emergency response training such as fire drills, first aid, cardiopulmonary resuscitation ("CPR") techniques and more. Also covered were training Covid-19 SOPs and how to take precautions to prevent the spread of infections among staff.

Emergency Response Plans

Despite the concerted efforts to prevent OSH incidents, incidents may still occur. Hence, Matrix has developed a comprehensive emergency response plan ("ERP"). The ERP comprises both a set of internal protocols and action plans to be taken as well as when necessary the involvement of external emergency services such as the fire brigade, the ambulance services and others.

ERPs such as fire drills, accidents, and others are regularly rehearsed through mock exercises. Such exercises fuel continuous improvement that enhances the efficacy and effectiveness of the response.

OSH Performance

66 HSE Performance (Matrix Excelcon)

	FY2020	FY2021	FY2022
Safe Man Hours without fatalities	11,564,796	5,446,800	3,412,800
Number of Fatalities	–	1	–
Lost Workday Cases	–	–	–
Restricted Workday Cases	–	–	–
Fire Cases	–	1	–
First Aid Case	–	3	2
Environmental Pollution	–	–	–
Property Damage	–	–	–
Near Miss	–	1	–
Dangerous Occurrence Case	–	–	–

The reduction in manhours were due to the following factors for the period under review, only a few operational sites in operation during the MCO / lockdown period, workers were sent for vaccinations, which meant less time spent working on site and the overall industry shortage of workers, which also contributed to less workers working on Matrix's sites.

HSE Performance (Matrix IBS)

	FY2021	FY2022
Safe Man Hours without fatalities	273,688	284,566
Number of Fatalities	–	–
Lost Workday Cases	1	–
Restricted Workday Cases	–	–
Fire Cases	–	–
First Aid Case	1	–
Near Miss	2	–
Dangerous Occurrence Case	4	–

PILLAR SIX:

Culture and Community



MATERIAL TOPICS:

Community Development

Introduction

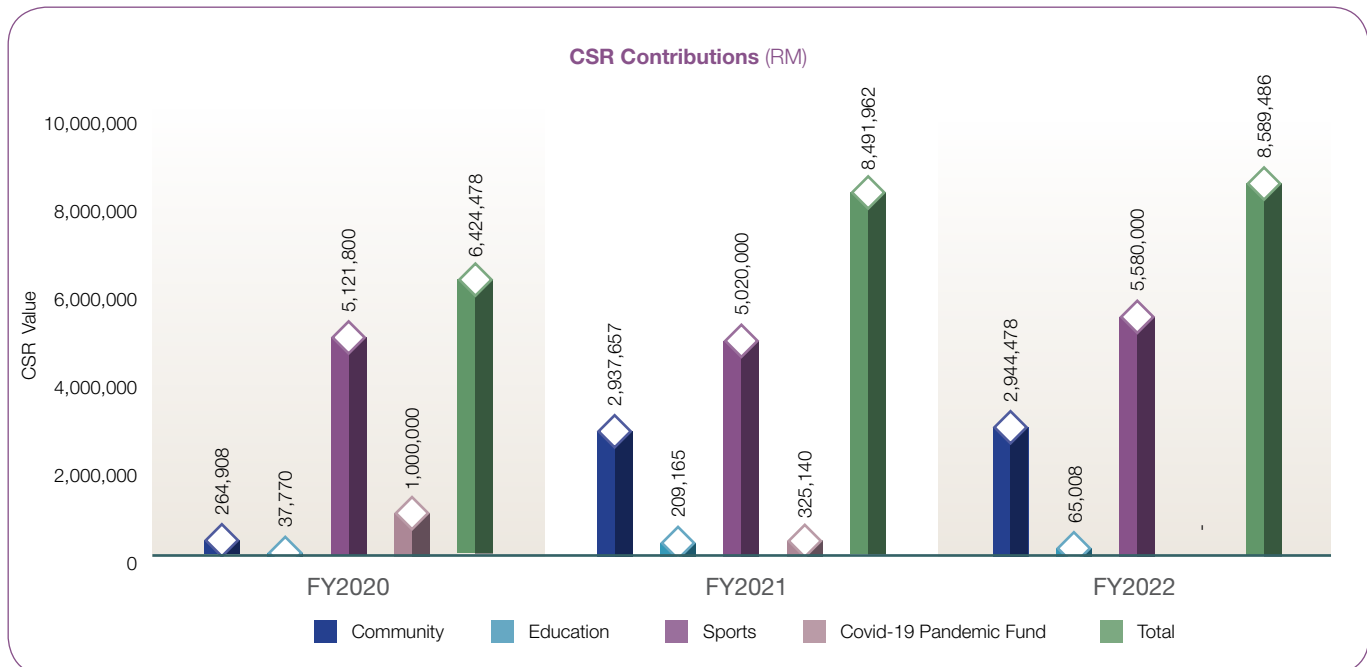
STAYING TRUE TO ITS VISION AND MISSION, MATRIX CONTINUES TO SERVE AS A FORCE FOR GOOD BY SHARING WITH SOCIETY, THE POSITIVE VALUES CREATED THROUGH ITS BUSINESS MODEL. MATRIX VIEWS CSR NOT JUST AS GIVING BACK TO THE COMMUNITY, BUT AS BEING A CENTRAL ASPECT OF ITS BUSINESS MODEL AND VALUE CREATION APPROACH.

Financial values created through business and operational performance, is partially channelled towards local communities through the development of local infrastructure, financial contributions, creation of jobs and more.

Matrix aims to reduce social inequalities by assisting underprivileged urban / rural communities. This is done through providing financial assistance (and other forms of support) directly to needy groups or individuals, or to collaborate with a wide range of NGOs, government bodies, local charitable entities and others.

Beyond charities and needy causes, Matrix also support development of sports, amenities and infrastructure, provision of healthcare and more. Following is the full scope of contributions made by Matrix for Corporate Social Responsibilities ("CSR") broadly classified into the following focus areas: Community, Education, Sports, Covid-19 pandemic related aid and others.

67

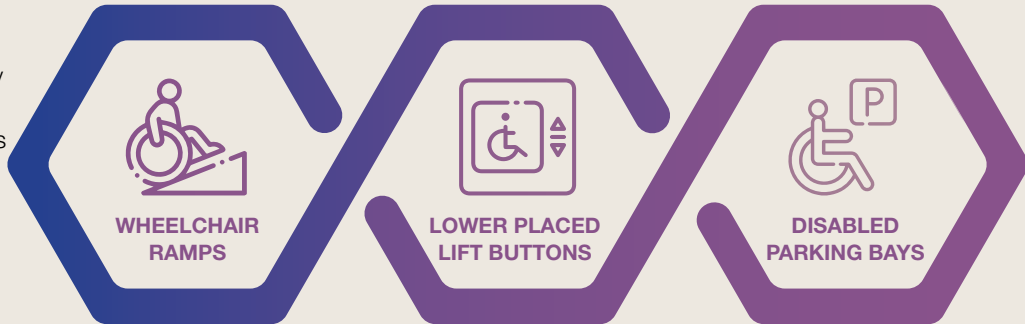


With the reopening of the economy in FY2022 and the pandemic transitioning to an endemic phase, there was no requirement for direct Covid-19 contributions or aid. However, aid was still extended though categorised under contributions to the local community.

CSR contribution has increased by 1.14% from RM8.49 million to RM8.59 million.

Supporting Inclusive Community Development

Matrix continues to promote an inclusive approach to community development, ensuring that all its developments can be easily accessed by those with physical disabilities.



PROVISION OF COMMUNITY AMENITIES AND FACILITIES

As stipulated by law, Matrix allocates land at its developments for the development of community infrastructure such as mosques, suraus, schools, multi-purpose halls and more with the actual construction to be undertaken by the local authority / municipal development.

Often, Matrix takes it upon itself to build such amenities / facilities at its own expense for the town council. The Group since 2012 has spent a significant sum on such infrastructure for the benefit of the community.

On a separate note, all Matrix projects come with recreational facilities, such as cycling and jogging paths, playgrounds, central or linear parks, gate and guarded security and more.

Some of the salient CSR activities for FY2022 are as shown below:-

DIALYSIS COST SUBSIDIES FOR NEEDY PATIENTS

Matrix through Mawar provides subsidises for the treatment of needy patients who require regular dialysis treatments. The subsidies enable these patients to afford life-saving treatment and to live productive and meaningful lives.



FUNDS FOR SURAU CONSTRUCTION

Matrix contributed RM200,000 as an initial fund towards the construction of the surau in Sendayan Development. The objective of the donation was to assist the Muslim community in Tiara Sendayan to have a comfortable and conducive place of worship. This is in line with Matrix's ethos of prioritising community development and meeting the various needs of a diverse local community.



MATRIX "BACK TO SCHOOL" SUPPORT FOR SCHOOLCHILDREN

Matrix provided underprivileged students with various items to ensure they are ready for school when the new term commences. Needy students from several schools were provided with school bags, stationery and other items.

Matrix also sponsored a "Meal A Day" for these students so that they can receive nourishment needed to study well at school.

HOSTING / SPONSORSHIP OF COMMUNITY EVENTS

Matrix's commitment to diversity and inclusivity also extends to the community, where the Group organises and supports a wide range of community building events. These include festive celebrations and more.

The aim of such events is to bring society together through food and fellowship towards strengthening communal bonds and breaking down barriers in the spirit of Keluarga Malaysia (Malaysian family).

In FY2022, despite Covid-19, Matrix successfully organised many communal events while contributing via both financial and non-financial means.

A HELPING HAND TO FLOOD VICTIMS

Several donations of cash and kind were made by Matrix to help flood victims.

Matrix dispensed aid such as mattresses, blankets, food, diapers, etc. to flood victims.



Deepavali celebration with the less fortunate dialysis patients



Ramadhan - Kurma distribution to Bomba



Ramadhan - Contribution to Pertubuhan Asnaf Murni

SPREADING FESTIVE CHEER

Matrix in FY2022 organised a Christmas Village event in Seremban. The event was held to spread the Christmas spirit and provide an occasion for the community to come together once again and celebrate in the spirit of Keluarga Malaysia.

In the same vein, events were also held for the celebration of Chinese New Year in early 2022 and also a Hari Raya and Deepavali assistance programme for the needy.

Festive goodies were distributed to spread cheers to the less fortunate.



OFFERING SITES TO RAMP UP GOVERNMENT VACCINATION DRIVE

Matrix offered its d'Tempat Country Club as a venue under the Government's Public-Private Partnership Covid-19 Immunisation Program ("PIKAS"). From 5 July 2021, till the closure of the programme, 1,500 doses of vaccines were given out per day.



Dato' Seri Azmi Ali, Senior Minister of International Trade & Industry visited PIKAS venue at d'Tempat Country Club accompanied by Group Managing Director, Mr Ho Kong Soon



Vaccination in progress



SPONSORSHIP OF PCR TESTS COSTS

All in-patient PCR test costs were absorbed by Mawar during the 2 years of Covid-19 pandemic as part of CSR initiatives.

FOOD-AID ACTIVITIES AT VARIOUS LOCATIONS

Matrix held food-aid programme for needy folks affected by the pandemic. A wide range of foodstuffs were distributed to various segments of the community, especially those affected by the pandemic (loss of livelihoods and more).



Food-aid to Surau Al-Muhajirin, Kluang, Johor



Foodbank at Matrix's head office



Food-aid to Orang Asli Kg Palebar



Food-aid at Sendayan Indah, Negeri Sembilan



Foodbank at Bandar Seri Impian, Kluang, Johor

DONATION DRIVE

In line with Matrix's principle tagline "Nurturing Environment Enriching Lives" Annual donation to various needy organisations were implemented in FY2022.



Contribution to Persatuan Belia Berkemahiran Rasah



Contribution to OKU Trust Fund,
Jabatan Kebajikan Masyarakat Negeri Sembilan



Matrix Concepts Foundation
– Donation to The Divine Life Society



Matrix Concepts Foundation – Donation to
Pertubuhan Hospice Negeri Sembilan



Donation to Pertubuhan Kebajikan Anak-anak Yatim Islam Kluang



Matrix Concepts Foundation
– Donation to Pusat Jagaan Rumah Sejahtera, Jimah

Our Material Matters

For FY2022 Matrix conducted a comprehensive reassessment of its material topics.

The Materiality Assessment Exercise ("MAE") conducted by Matrix, involved both internal and external stakeholders towards gaining a more comprehensive and inclusive assessment on material topics.

The MAE process involved a detailed analysis of potential topics drawn from a universe of best practice, globally recognised and local sustainability frameworks. These included: GRI, Bursa 2nd Edition, FTSE4Good, TCFD and SASB.

The list of potential material topics was refined after which an online survey / questionnaire was distributed to invited stakeholders to assess their views.

After a two-week data collection period, 220 responses received were analysed and the results were presented to the Board for deliberation and approval.

Our materiality review process is as follows:

AN INITIAL LIST OF MATERIAL ISSUES

Based on previous material issues and new issues identified through the current year analysis

STAKEHOLDER ASSESSMENT

Identifying key stakeholders

MATERIALITY ASSESSMENT

As described in the above narrative provided above

MATERIALITY MATRIX

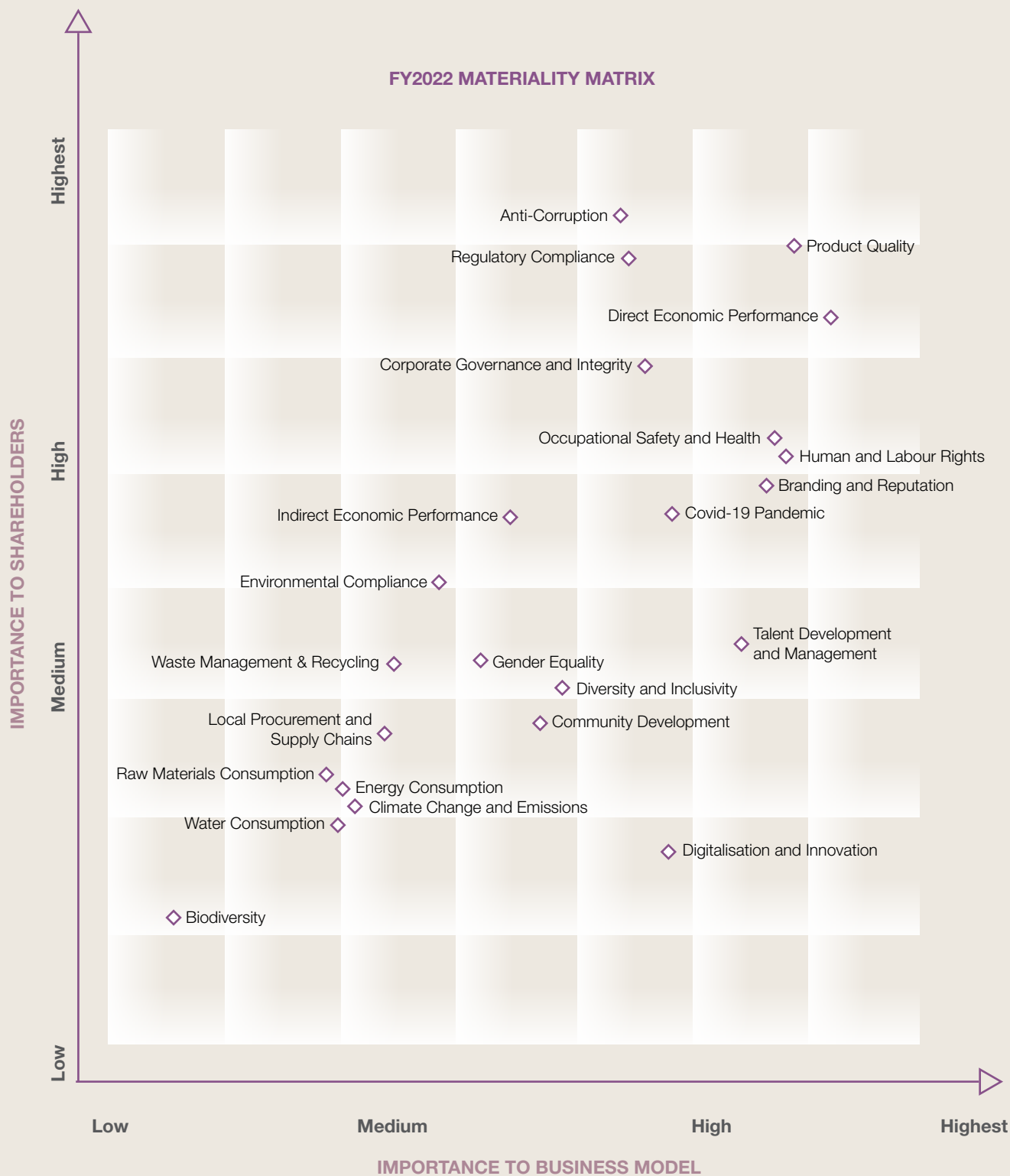
Ranking of material issues based on assessment results and comments received. The matrix maps material issues, weighted to reflect their ranking

MAPPING TO OUR STRATEGY

A final shortlist of material issues mapped to our strategy and resources

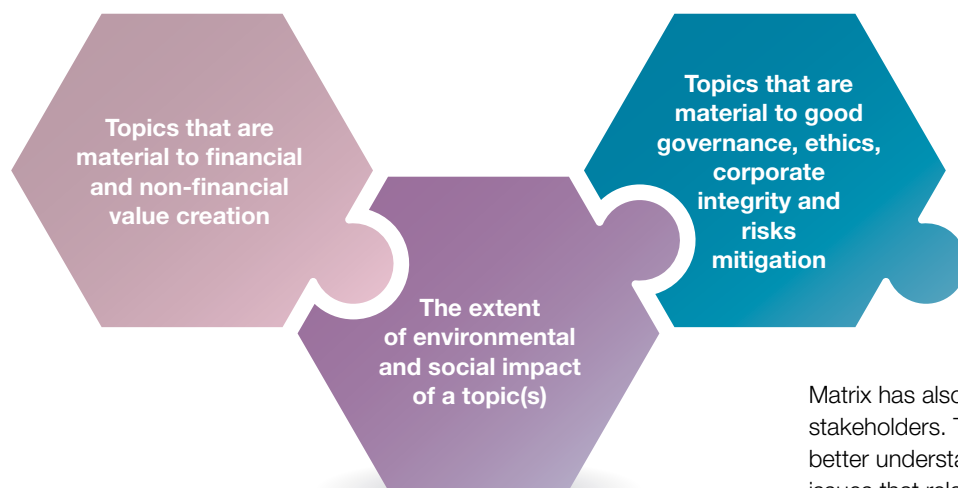
OUR MATERIALITY REVIEW PROCESS

The approved materiality matrix for FY2022 is provided as follows:



PILLAR SIX: CULTURE AND COMMUNITY

Material topics are topics that are significant or highly significant based on the following criteria:



Matrix has also aligned its material topics with its stakeholders. This practice goes towards developing better understanding of how material matters and issues that relate to, and impact our stakeholders.

RELEVANCE OF MATERIALITY MATTERS TO STAKEHOLDERS

	CUSTOMERS	EXEC AND NON-EXEC EMPLOYEES	SHAREHOLDERS / INVESTORS	GOVT / REG. BODY	LOCAL COMMUNITY	OTHERS	SUPPLIERS	SENIOR MGMT.	NGO	MID MGMT.	MEDIA	BOARD
Direct Economic Performance		✓	✓	✓			✓		✓	✓		✓
Indirect Economic Performance				✓	✓				✓		✓	
Product Quality	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓
Digitalisation and Innovation						✓						✓
Branding and Reputation	✓	✓			✓		✓		✓	✓		✓
Regulatory Compliance	✓		✓		✓	✓			✓		✓	
Corporate Governance and Integrity			✓		✓	✓		✓	✓		✓	
Anti-Corruption	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	
Climate Change and Emissions			✓									
Energy Consumption				✓								
Environmental Compliance				✓								
Covid-19 Pandemic	✓	✓	✓				✓		✓	✓		
Occupational Safety and Health	✓	✓	✓		✓		✓	✓				✓
Diversity and Inclusivity								✓				
Talent Development and Management						✓		✓		✓	✓	✓
Human And Labour Rights	✓	✓		✓		✓	✓	✓		✓	✓	✓

Stakeholder Engagement

Overall Approach to Stakeholder Engagement

In FY2022, Matrix has continued to engage its stakeholders across a wide range of mediums. This is a precautionary approach in ensuring that Matrix's sustainability journey and agenda does not have a disconnect from its stakeholders, and remain relevant in driving mutual value creation.

Our definition of stakeholders is individuals, groups or entities that have the potential to influence or impact Matrix's operations. Individuals or groups who are, or may be potentially impacted by the Group's presence or business operations are also regarded as stakeholders. Following is a snapshot of the Group's stakeholder engagement activities for FY2022:

FY2022 STAKEHOLDER ENGAGEMENT TABLE



SUPPLY CHAIN PARTNERS

KEY INTERESTS

Shared purpose, innovation, consistency and a steady and secure supply of work with positive payment options and wider terms and conditions.

MATRIX'S APPROACH

We engage with our supply chain on shared challenges, production capacity, skill shortages, knowledge, good sustainable practices and mutually beneficial terms.



DEVELOPMENT PARTNERS AND LANDOWNERS

KEY INTERESTS

Ability to work within their planning system and generate competitive land value while improving the quality of development, partnership culture and reliability.

MATRIX'S APPROACH

We have an excellent record for reliability and expertise, building successful developments by planning and delivering quality and value.



CUSTOMERS AND COMMUNITIES

KEY INTERESTS

Great homes to live in, physical and social infrastructure (schools, club and hospital), the character of the proposed development and ongoing support through quality and service.

MATRIX'S APPROACH

We engage proactively with local residents and community representatives to address any concerns and work with our supply chain to minimise delays and quality risks.



INVESTORS

KEY INTERESTS

A clear and consistent business strategy, strong governance, ethics and transparency, and long-term business value.

MATRIX'S APPROACH

Our primary responsibility is to our investors through regular engagement and presenting a clear plan for managed growth. A robust governance system helps us operate responsibly.



EMPLOYEES

KEY INTERESTS

Career development opportunities, availability of training and mentoring, and working conditions.

MATRIX'S APPROACH

We continue to invest in progressive employment policies that provide equal opportunities and have career development programmes for all levels.



GOVERNMENT AND INDUSTRY

KEY INTERESTS

Increasing the delivery rate of new homes, improving the quality and sustainability of developments, and regulating resource efficiency standards.

MATRIX'S APPROACH

We are recognised for delivering high-quality developments and continue engaging with the government on emerging sustainable policies and regulations.

GRI Content Index

GRI CONTENT INDEX

PAGE NUMBER

SECTION REFERENCE

GRI 102: GENERAL DISCLOSURES

102-1	Name of the organisation	–	Front Cover
102-2	Activities, brands, products, and services	9	About Matrix
102-3	Location of headquarters	9	Overview - Corporate Information - IAR2022
102-4	Location of operations	–	Back cover
102-5	Ownership and legal form	10-11	Overview - Corporate Structure - IAR2022
102-6	Markets served	14-15	Group Corporate Profile - IAR2022
102-7	Scale of the organisation	10-11, 14-15	Overview - Corporate Structure, Group Corporate Profile - IAR2022
102-8	Information on employees and other workers	53-62	Employee Work Satisfaction and Well Being
102-9	Supply chain		Green Procurement, Zero Tolerance/Approach To Corruption, Supply Chain Involvement In Waste Management
102-10	Significant changes to the organization and its supply chain	21, 28, 45	
102-11	Precautionary Principle or approach	8, 66, 75	Precautionary Approach, HSE Programmes and Training, Overall Approach to Stakeholder Engagement
102-12	External initiatives	75	FY2022 Stakeholder Engagement Table
102-13	Membership of associations	8	Membership of Associations

STRATEGY

102-14	Statement from senior decision-maker	4	Chairman's Message
102-15	Key impacts, risks, and opportunities	72-73	Our Material Matters

ETHICS AND INTEGRITY

102-16	Values, principles, standards, and norms of behavior	9, 27,	About Matrix, Group Code of Conduct
102-17	Mechanisms for advice and concerns about ethics	23	Board Level Sustainability Committee

GOVERNANCE

102-18	Governance structure		
102-19	Delegating authority	23-25, 26-27	Board Level Sustainability Committee, Embedding ESG Considerations into Group Risk Management
102-20	Executive-level responsibility for economic, environmental, and social topics		
102-21	Consulting stakeholders on economic, environmental, and social topics	75	Stakeholder Engagement
102-22	Composition of the highest governance body and its committees	23	Board Level Sustainability Committee
102-23	Chair of the highest governance body		
102-24	Nominating and selecting the highest governance body	99, 103	Corporate Governance Overview Statement - IAR2022
102-25	Conflicts of interest	101	
102-26	Role of highest governance body in setting purpose, values, and strategy		
102-27	Collective knowledge of highest governance body	23	Board Level Sustainability Committee
102-28	Evaluating the highest governance body's performance	104	Corporate Governance Overview Statement - IAR2022
102-29	Identifying and managing economic, environmental, and social impacts	72-73	Our Material Matters
102-30	Effectiveness of risk management processes	26-27	Embedding ESG Considerations into Group Risk Management
102-31	Review of economic, environmental, and social topics	72-73	Our Material Matters
102-32	Highest governance body's role in sustainability reporting	23	Board Level Sustainability Committee
102-33	Communicating critical concerns	72-73	Our Material Matters
102-34	Nature and total number of critical concerns		
102-35	Remuneration policies		
102-36	Process for determining remuneration	104-105	Corporate Governance Overview Statement - IAR2022
102-37	Stakeholders involvement in remuneration		
102-38	Annual total compensation ratio		
102-39	Percentage increase in annual total compensation ratio	143	Notes to the Financial Statements For the Financial Year Ended 31 March 2022 - IAR2022

STAKEHOLDER ENGAGEMENT

102-40	List of stakeholder groups	75	Stakeholder Engagement
102-41	Collective bargaining agreements	62	Freedom of Association
102-42	Identifying and selecting stakeholders	75	Stakeholder Engagement
102-43	Approach to stakeholder engagement		
102-44	Key topics and concerns raised	74	Relevance of Materiality Matters to Stakeholders

REPORTING PRACTICE

102-45	Entities included in the consolidated financial statements	10-11	Overview - Corporate Structure - IAR2022
102-46	Defining report content and topic Boundaries	7	Scope and Boundary
102-47	List of material topics	72-73	Our Material Matters

GRI CONTENT INDEX		PAGE NUMBER	SECTION REFERENCE
102-48	Restatements of information	75	Stakeholder Engagement
102-49	Changes in reporting	81	Changes include updated materiality matrix and additional topics and disclosures, inclusion of SASB Content Index.
102-50	Reporting period	7	Introduction
102-51	Date of most recent report		
102-52	Reporting cycle		
102-53	Contact point for questions regarding the report	8	GRI Statement of Use
102-54	Claims of reporting in accordance with the GRI Standards	76-80	GRI Content Index
102-55	GRI content index	–	No external assurance undertaken as yet.
102-56	External assurance		
MATERIAL TOPICS			
GRI 200 ECONOMIC STANDARD SERIES			
ECONOMIC PERFORMANCE			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	16, 17	Direct Economic Values, Values Created for Stakeholders
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 201: ECONOMIC PERFORMANCE			
201-1	Direct economic value generated and distributed	16	Direct Economic Values
201-2	Financial implications and other risks and opportunities due to climate change	36-37, 38	Actual And Potential Climate Change Impacts to the Business Model (Risks and Opportunities), Financial Costs Associated with Climate Change Risks and Impacts, Climate Change Related Strategies and Scenario Planning
201-3	Defined benefit plan obligations and other retirement plans	59-60	Ensuring Employee Welfare and Competitive Remuneration
201-4	Financial assistance received from government	–	None, save for Covid-19 initiatives and reliefs provided to all industry players.
MARKET PRESENCE			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	13-15	Multiplier Effects of the Business Model
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 202: MARKET PRESENCE			
202-2	Proportion of senior management hired from the local community	54	Board and Management Oversight On Talent
INDIRECT ECONOMIC IMPACTS			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	17	Values Created for Stakeholders
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 203: INDIRECT ECONOMIC IMPACTS			
203-1	Infrastructure investments and services supported	13-15, 17	Multiplier Effect of the Business Model, Values Created for Stakeholders
203-2	Significant indirect economic impacts		
PROCUREMENT PRACTICES			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	20, 21	Sustainable Local Procurement, Green Procurement
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 204: PROCUREMENT PRACTICES			
204-1	Proportion of spending on local suppliers	20	Free And Fair Competition Based On Merit
ANTI-CORRUPTION			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	28-29	Zero Tolerance Approach to Corruption
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 205: ANTI-CORRUPTION			
205-1	Operations assessed for risks related to corruption	29	Identification Of Operations With Possible Higher Risk For Corruption

Note: This table is to be read in conjunction with the Integrated Annual Report 2022 ("IAR2022")

GRI CONTENT INDEX

GRI CONTENT INDEX		PAGE NUMBER	SECTION REFERENCE
205-2	Communication and training about anti-corruption policies and procedures	29	Anti-Corruption Training
205-3	Confirmed incidents of corruption and actions taken	29	Identification Of Operations With Possible Higher Risk For Corruption
GRI 300 ENVIRONMENTAL STANDARDS SERIES			
MATERIALS			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	42	Sustainable Consumption
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 301: MATERIALS			
301-1	Materials used by weight or volume	42	Resource Consumption Data
301-2	Recycled input materials used	45	Waste Recycling
ENERGY			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	31-33, 39, 40	Environmental Conservation, Transitioning to Renewable Energy (Solar) Pursuing Energy Consumption Reduction
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 302: ENERGY			
302-1	Energy consumption within the organization	40	Energy Performance Data
302-3	Energy intensity	34	Intensity Measurements
WATER AND EFFLUENTS			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	49	Water Consumption And Management
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 303: WATER AND EFFLUENTS			
303-1	Interactions with water as a shared resource	49	Water Consumption And Management
303-4	Water discharge	49, 51	Effluent Discharge, Environmental Monitoring Performance: FY2022 Results
303-5	Water consumption	49	Water Consumption Data
BIODIVERSITY			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	52	Biodiversity
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
EMISSIONS			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	35	Zero Carbon
103-2	The management approach and its components	35	
103-3	Evaluation of the management approach	35	
GRI 305: EMISSIONS			
305-1	Direct (Scope 1) GHG emissions	41	Pursuing Scope One And Scope Two Emissions Efficiency (Reduce Carbon Footprint)
305-2	Energy indirect (Scope 2) GHG emissions	41	
305-3	Other indirect (Scope 3) GHG emissions	41	
305-4	GHG emissions intensity	34	Intensity Measurements
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	41	Other Emissions
WASTE			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	43-44	Zero Waste
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 306: WASTE			
306-1	Waste generation and significant waste-related impacts	43-44	Zero Waste
306-2	Management of significant waste-related impacts		
306-3	Waste generated	44	Waste Data
306-4	Waste diverted from disposal		
306-5	Waste directed to disposal		

GRI CONTENT INDEX		PAGE NUMBER	SECTION REFERENCE
ENVIRONMENTAL COMPLIANCE			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	50	Environmental Performance Monitoring
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 307: ENVIRONMENTAL COMPLIANCE			
307-1	Non-compliance with environmental laws and regulations	51	Environmental Monitoring Performance: FY2022 Results
SUPPLIER ENVIRONMENTAL ASSESSMENT			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	21	Green Procurement
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 400 SOCIAL STANDARDS SERIES			
EMPLOYMENT			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	53-62	Employee Work Satisfaction And Well Being
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 401: EMPLOYMENT			
401-1	New employee hires and employee turnover	58	Workforce Composition
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	59-60	Ensuring Employee Welfare and Competitive Remuneration
401-3	Parental leave	60	Parental Leave
LABOR/MANAGEMENT RELATIONS			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	56	Committed to Free and Fair Labour and Human Rights
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 402: LABOR/MANAGEMENT RELATIONS			
402-1	Minimum notice periods regarding operational changes	62	Minimum Notice Period For Operational Changes
GRI 403: OCCUPATIONAL HEALTH AND SAFETY			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	63-64	Managing OSH
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 403: OCCUPATIONAL HEALTH AND SAFETY			
403-1	Occupational health and safety management system	63	Managing OSH
403-2	Hazard identification, risk assessment, and incident investigation	65	Hazard Identification, Risk Assessment and Risk Control
403-4	Worker participation, consultation, and communication on occupational health services	64	Worker Representation on Joint Health and Safety Committees
403-5	Worker training on occupational health and safety	65	HSE Programmes and Training
403-8	Workers covered by an occupational health and safety management system	63	Managing OSH
403-9	Work-related injuries	66	OSH Performance
TRAINING AND EDUCATION			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	61	Enabling Employees' Professional Development (Talent Training and Development)
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 404: TRAINING AND EDUCATION			
404-1	Average hours of training per year per employee	61	Training Details
404-3	Percentage of employees receiving regular performance and career development reviews	61	Enabling Employees' Professional Development (Talent Training and Development)
DIVERSITY AND EQUAL OPPORTUNITY			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	61	Enabling Employees' Professional Development (Talent Training and Development)
103-2	The management approach and its components		
103-3	Evaluation of the management approach		

GRI CONTENT INDEX

GRI CONTENT INDEX		PAGE NUMBER	SECTION REFERENCE
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY			
405-1	Diversity of governance bodies and employees	23	Board Level Sustainability Committee
NON-DISCRIMINATION			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	55, 56, 57	Bringing a Sustainability Focus to Talent Management, Committed to Free and Fair Labour and Human Rights, Workforce Composition
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	56	Committed to Free and Fair Labour and Human Rights
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
CHILD LABOR			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	53, 56	Employee Work Satisfaction and Well Being, Committed to Free and Fair Labour and Human Rights
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
FORCED OR COMPULSORY LABOR			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	53, 56	Employee Work Satisfaction and Well Being, Committed to Free and Fair Labour and Human Rights
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
FORCED OR COMPULSORY LABOR			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	21, 53, 56	Green Procurement, Employee Work Satisfaction and Well Being, Committed to Free and Fair Labour and Human Rights
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
LOCAL COMMUNITIES			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	67-68	Culture and Community
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 413: LOCAL COMMUNITIES			
413-1	Operations with local community engagement, impact assessments, and development programs	68	Supporting Inclusive Community Development
SUPPLIER SOCIAL ASSESSMENT			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	21	Green Procurement
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
PUBLIC POLICY			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	30	Political Views and Contributions
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 415: PUBLIC POLICY			
415-1	Political contributions		
CUSTOMER HEALTH AND SAFETY			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	18-19	Product Quality and Customer Satisfaction
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
CUSTOMER PRIVACY			
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its Boundary	30	Data Confidentiality
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
GRI 418: CUSTOMER PRIVACY			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		

SASB Content Reference Index (Property Development)

CODE		DESCRIPTION	PERFORMANCE	
ENERGY MANAGEMENT				
IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage (GJ)		FY2021	FY2022
			38,295.27	34,368.97
	(2) percentage grid electricity (%)		FY2021	FY2022
			69.82	75.38
	(3) percentage renewable, by property subsector		FY2021	FY2022
			2.19	7.40
F-RE-130a.3	Like for Like percentage change in energy consumption		FY2021	FY2022
			-18.78	-10.25
IF-RE-130a.4	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	No portion of portfolio is green certified at the moment		
	(2) is certified to ENERGY STAR, by property subsector			
WATER MANAGEMENT				
IF-RE-140a.2	(1) Total water withdrawn by portfolio area with data coverage and		FY2021 (Litres)	FY2022 (Litres)
			Water Consumption: 64,899.21 M³	Water Consumption: 51,064.17 M³
	(2) percentage in regions with High or Extremely High Baseline Water Stress, by property subsector.		FY2021	FY2022
			None	None
IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector		FY2021	FY2022
			15.14% year-on-year	(21.32%) year-on-year
IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks.	Please refer to the following section(s): Sustainable Water – Page 49		
CLIMATE CHANGE ADAPTATION				
IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector		FY2021	FY2022
			No properties located in such locations	
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Please refer to the following section(s): Zero Carbon: Page 35-38		
SASB ACTIVITY METRICS				
IF-RE-000.A	Active property subsector projects		FY2021	FY2022
			21 sites	29 sites

WWW.MCHB.COM.MY

MATRIX CONCEPTS HOLDINGS BERHAD

Registration No. 199601042262 (414615-U)

Wisma Matrix

No. 57, Jalan Tun Dr. Ismail

70200 Seremban

Negeri Sembilan Darul Khusus

Malaysia.

T +606 764 2688

F +606 764 6288

Nurturing Environments, Enriching Lives.