

# SUSTAINABILITY STATEMENT

The Board of Directors of Landmarks Berhad (“the Company”) is committed in integrating economic, environmental, social and governance (“EESG”) considerations in the development of the sustainable objective for the Landmark Group’s (“the group”). Our sustainability frameworks are aligned with our core values and business strategies with a constant push for performance improvements as our business grows and evolves year after year. This report highlights the systems that have been developed.

Sustainability is central to all we do and a key element of our corporate strategy. Our commitment to our numerous stakeholders requires us to continuously try to do better in our sustainability journey, which is an ongoing self-renewing process. Data that summarises the significance, scope, management strategy, and targets for each relevant topic has been collected with honesty. The Global Reporting Index (“GRI”) Standards served as a foundation for the report as we set out to match our beliefs with five of the 17 Sustainable Development Goals of the United Nations (“UN-SDGs”). This places a focus on life-on-land business practices, reduced inequality, decent work and economic growth, and good health and wellbeing.

Our aim is to provide world class products and services that exceed their expectations whilst minimising the harmful impacts on the environment and local communities with care for the wellbeing of our staff which is all overseen by good corporate governance practices and policies. Collaborating also with our hotel operators Marriott International (“Marriott”), we embrace the “Serve 360: Doing Good in Every direction” in our hotel operations. As a Group, our fundamental sustainability framework reflects the triple bottom line (“TBL”) approach where we place People, Planet and Profit or Prosperity at the heart of our goals, truly reflecting our Vision:

***“To be a leading player in the Lifestyle Sector focusing on resorts, hospitality and wellness in the South East Asian region”***

As the journey towards a sustainable future continues for us, our interaction with our stakeholders will continue to remain important to us.

In the year 2021, a major fire incident took place at The Andaman, its hotel resort in Langkawi. The Andaman’s operation for safety reasons and ascertainment for reinstatement of the fire damage had been ceased for the time being until after reconstruction has been completed.

As a company, we have intensified our efforts to revamp our corporate sustainability strategy and have formalised an ESG Steering Committee (“ESG Committee”) with its own ESG Committee Charter. Guided by an Independent Advisor, Senior Advisory Council and Board of Directors, this committee aims to be proactive and develop progressive approaches to advance the impact of the COVID-19 pandemic and integrate our sustainability agenda in the long term to be compliant with the requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and relevant bodies.

## **Milestones to achieve together**

Creating a culture by making a conscious corporate effort to reduce climate change impact which is the first and primary consideration of ESG, being the environment by inculcating responsible waste management and accountability towards greener operations in the following areas:

- Waste separation - organic and recyclable waste, collection of toxic and e-waste, recording of waste and set KPIs to reduce waste
- Blacklisting products such as single use plastics throughout its operations
- Recording quarterly emission across the value chain i.e.: paper, water and energy usage, data on travel mileage, waste and effluents emissions
- Rain water harvesting
- Digitalising systems
- Solar systems

## SUSTAINABILITY STATEMENT (CONT'D)

### Stakeholders

As a responsible corporate citizen, the Group's goal is to operate its businesses in a responsible manner whilst advancing the interests of its stakeholders which have primarily been identified as investors, guests, employees, suppliers, and the local communities where the Group operates in. The mechanisms that the Group uses to deliver its sustainability strategy include policies, management systems, audits, and codes of conduct, amongst others.

### References and Guidelines

Our fundamental sustainability framework reflects the TBL approach placing People, Planet and Profit/ Prosperity which includes:-

The practice of 3Rs (Reduce, Reuse and Recycle) that is truly reflective of our vision and mission.



### Triple Bottomline Approach

Principal guideline GRI (Global Reporting Initiative) issued by Bursa Malaysia for Malaysian Companies as a key guideline to measure performance.

UN-SDGs to identify and align our sustainability agenda toward a globally meaningful role. The Group is aligned with five of the UN-SDGs goals: Good Health and Wellbeing, Gender Equality, Decent Work and Economic Growth, Climate Action and Life on Land. We are working towards aligning with more.

3R- Reduce, Reuse, Recycle is our internal campaign and guiding principal toward reducing our carbon emissions to net zero. In addition to that, The Group also collaborates with its hotel operators – Marriott by actively supporting and funding its International's "Serve 360: Doing Good in Every direction".

SUSTAINABILITY STATEMENT  
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**MATERIALITY MATRIX**

GRI 102-11, 102-29, 102-47, 103-1

Materiality is defined by the Bursa Malaysia Sustainability Reporting Guide as the principle of assessing a range of sustainability matters and identifying those that are most important to the organisation and its stakeholders.

The approach of the materiality study prioritised areas that have significant:

- Impact on the economy, society, and environment; and/or
- Influence on the decision-making of stakeholders.

The Group has developed a robust framework on these lines that integrates both non-financial and financial risk and connected closely with business operations that targets from its Economic objectives with the three main pillars of sustainability: Environmental, Social and Governance whose respective factors are identified as the focus areas in the chart below.

Economic	Environment	Social	Governance
Empowering communities	Mitigating climate related risk	Advancement of Human Rights	Best Practices of law and regulation
Employment	Water, Energy, Paper Consumption	Occupational Safety & Health	Corporate Governance
Procurement	Biodiversity & Conservation	Diversity & Equal opportunities	Compliance
Community Investment	Managing Waste & Effluents	Employee Wellbeing	Policies Managing Risks
	Clean Energy	Preferred Employer	

**The Group's alignment and focus on UN-SDGs**

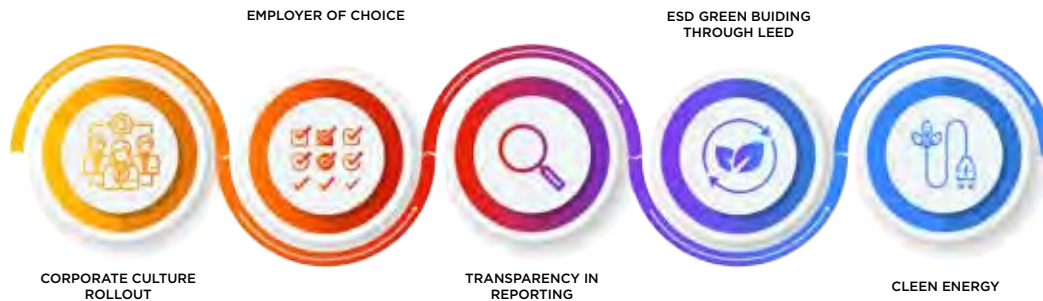
GRI 102-31

Landmarks Group contributes economically to global sustainable development through the strategies and contribution in each of the five areas of focus areas presented in the chart below.



## SUSTAINABILITY STATEMENT (CONT'D)

### Vision toward carbon net zero



The Group has outlined a three-year road map: “ESG 2025 GOALS” with a firm intention to gradually increase its alignment to more UN-SDGs, focusing on becoming a Carbon net zero by 2030, with year-on-year improvement on carbon footprint and to include TCFD (Climate-related Financial Disclosure) by enhancing our transparency on these important issues. All of which is possible with a culture that is aligned to our Vision and Core Values as a Group.

Sustainable Development Goals		The Group's Contribution
SDG 3 Good Health and Well-being	Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> <li>- Prioritising health and safety for our stakeholders in our business operations by adopting international standards of best practices and guidelines</li> <li>- Promote healthy lifestyles focused on care for the employee well-being and raising awareness on individual health and fitness.</li> </ul>
SDG 5 Gender Equality	Achieve gender equality and empower all women and girls.	<ul style="list-style-type: none"> <li>- Gender Equality</li> <li>- Providing safe, nurturing environment for work and upholding equality, fairness, and respect in the workplace through strong corporate governance and policies</li> </ul>
SDG 8 Decent Work and Economic Growth	Promote sustained, diverse, and inclusive employment opportunities in a safe, progressive environment	<ul style="list-style-type: none"> <li>- Increasing the capacity of local communities to pursue sustainable livelihood opportunities by empowering them with employment opportunities and entrepreneurship opportunities thus they can contribute to the development of the national economy</li> <li>- Supporting underprivileged groups through philanthropic activities</li> </ul>

SUSTAINABILITY STATEMENT  
(CONT'D)

Sustainable Development Goals		The Group's Contribution
SDG 13 Climate Action	Taking proactive actions to combat our carbon footprint and consumption impacts on climate change	<ul style="list-style-type: none"> <li>- Progressive steps taken to carbon footprint</li> <li>- Digitisation of systems to improve cross border efficiency, communications and reduce paper dependence</li> <li>- Reduced business travel by switching to online platforms</li> <li>- Procurement policies to increase local vendors / content supply to reduce imports</li> <li>- Manage food, oil, garden, and toxic waste to landfill and methane production through</li> </ul>
SDG 15 Life on Land	Restoration and conservation of ecosystems and halt the loss of biodiversity, protect, and prevent the extinction of threatened species	<ul style="list-style-type: none"> <li>- Mangrove replanting and reforestation efforts.</li> <li>- Placing great emphasis on education and conservation through Mangrove replanting initiatives, biodiversity conservation of our rainforests and investing into rebuilding Turtle sanctuary and coral reproduction.</li> <li>- Promoting organic farming and low carbon food, composting of food waste and</li> </ul>

**Reporting Scope and Coverage**

This report covers sustainability performance of all strategic business's units listed. The Landmarks Group consolidated financial statements in Malaysia, Singapore, and Indonesia. We also include sustainability initiatives where we have partnered with directly or supported such as local government, communities, and vendors within the report.

**Reliability**

This sustainability statement has not been verified by an external party. However, it has been reviewed by the ESG committee the internal audit team, management and Board members for its accuracy and credibility. This Sustainability Report was made in accordance with a resolution of the Board of Directors dated 25 April 2023.

**References**

All references to 'Landmarks', 'The Group', "The Company", 'we' and 'our' refer to Landmarks Berhad.

## SUSTAINABILITY STATEMENT (CONT'D)

### Forward looking Statements

This report contains forward-looking statements such as targets, prospects, plans and reasonable expectations made in terms of expected performance. Such forward-looking information has been made based on presently available data and information as well as current operating environment conditions. These are subject to change based on a wide range of developments that are beyond the Group's control. 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.

### Reporting Period

This statement discloses all relevant information for the financial year 1 January 2022 to 31 December 2022 corresponding to the period covered by our Annual Report for the parallel year.

## SUSTAINABILITY APPROACH

The Group views ESG as a top-down strategy that requires the vision and direction to be driven by the ESG committee through the various specific roles at each level within the Company and the Group. Our sustainability governance structure includes an Independent Advisor and an ESG committee that will develop a proactive and progressive approach to promote and advance our sustainability agenda in the long term.

**The Board of Directors** (Board) is the governing body that sets and oversees the organisation's sustainability framework, comprising sustainability vision, mission and strategic approach based on the Economic, Environment, Social and Governance (EESG) risks and opportunities are evaluated and that internal control policies and procedures are in place to safeguard compliance and to protect the Group's assets. The Board delegates the responsibility to the Sustainability Steering Committee to supervise and manage the overall sustainability implementation across the organisation.

**The Leadership Council** consists of the Chief Executive Officer ("CEO"), reporting to the Board, who is responsible for implementing the strategies in the respective business units to support the CEO in overseeing the progress of the Group's sustainability efforts.

**The Advisor** is an independent director who is knowledgeable in all governing aspects and forming the ESG Steering Committee by selecting its core members. The role is to ensure the consistency of metrics, methodologies are aligned to globally- accepted standards and to manage risks associated with a missing data, non-compliance to guidelines that can result in "greenwashing". The advisor also conducts ESG assessments such as stress tests twice a year and provide guidance climate-related risks identification and integration into overall corporate risk management processes

**The Steering Committee's** role is to support The Group's commitment to EESG by proactively engaging with Heads of various departments to obtain environmental-related data and information for recording as well as to identify any policies, standards, guidelines, and procedures related to sustainability which may (and may not) be currently implemented yet. The committee is also responsible in forming the framework and disclosures, and monitoring the overall progress of the Group's sustainability performance moving forward, providing recommendations for improvement.

SUSTAINABILITY STATEMENT  
(CONT'D)

**SUSTAINABILITY STRUCTURE**

BOARD OF DIRECTORS		
SENIOR LEADERSHIP	Mark Wee Liang Yee	Group CEO
ADVISOR	John Ko Wai Seng	Independent Director
COMMITTEE:	Tan Kia Joon	<b>Project Management</b> Overlooking ESD (Environmentally sustainable design) buildings and development
	Ong Jiin Shan	<b>Project Development Division</b> Redevelopment of The Andaman Langkawi
	Pardianawati	<i>Director of HR &amp; Admin, Treasure Bay Bintan</i>

**WORKING COMMITTEES**

Consist of sustainability champions on the ground, consisting of passionate individuals who volunteer or are appointed by HODs as or appointed by HODs as marshals, OSHA committees, Sports & Recreation Clubs etc.

On the operations level, the working committees are to obtain the sustainability agenda and KPI's from the Steering Committee and plan, execute, monitor, and report the performance of the action plans to the Steering Committee by compiling and submitting information, data, photos, etc. from all relevant departments promptly to the Secretariat for the preparation of the annual Sustainability Report.

The Communications and Public Relations Department has been tasked as the secretariat to manage and consolidate the various functions of the ESG committee.

We are indeed grateful for the outstanding support received from our teams and subsidiaries who are key to the future success of our corporate sustainability goals and strategy. We are hopeful that efforts to advance our sustainability agenda will enable us to nurture sustainable practices in our corporate culture, and further strengthen our position and reputation in the industry as an ESG sustainability practitioner.

**RESPONSIBLE SUPPLY CHAIN MANAGEMENT**

GRI 102-9, 102-10

The disruption of the global supply chain has forced consumers towards more responsible and prosocial consumption that has much to do with nationalism and socio-economic impacts. For us, procurement policies have always been to nurture relationships with key suppliers and to create a corporate ecosystem infused with ESG considerations that are able to provide competitive edge in cost, delivery, quality, technology, and human resources in order to maximise synergy, speed and efficiency with suppliers that enables sustainable growth.

The Group practices "Equal Employment Opportunity Policy" and subjects to ESG considerations protects potential vendors and recipient organisations from discrimination during the procurement process. Assessing suppliers helps manage environmental, human rights and other sustainability risks in the supply chain. Social and environmental risk assessments on potential and existing suppliers, especially those that are considered 'high risk,' are conducted as part of the due diligence.

## SUSTAINABILITY STATEMENT (CONT'D)

### **Economic Value Creation**

*GRI 201-1*

While the procurement functions and processes in the Landmark's Group are managed under several different teams across its operations, a Central Procurement Department has been set up in efforts to increase efficiency and reduce risks associated with purchasing and supply management. The function of this Department is to:

- Constantly review with ESG considerations the processes and seeking better ways to support local vendors.
- Ensure that international standards and regulations be followed in the areas of human rights management, work environment and ethics by vendors.
- To build an open, transparent, and accountable management system that sustainably engages all stakeholders along the supply chain.
- Lower supply chain carbon footprint by striving to work with suppliers who are eco-friendly.
- Constantly seek and qualify local vendors for any goods or services.

For other capital goods and services for resort development and recreational activities, some items are still being sourced from Singapore, China and other parts of Indonesia for cost efficiencies and the availability of a wider range of supply. Regional or Group Contracted rates with preferred suppliers and Marriott partners that offer preferred rates, servicing agreement and guarantees.

### **ENVIRONMENTAL**



Current environmental challenges include climate change, increasing energy demand, scarcity of raw materials and waste disposal practices. These issues challenge global businesses to rethink their processes and shift towards sustainable development.

The Group has always been conscious of its corporate responsibility to manage the impact of its business activities on the environment and is committed to continuously improve its impact by reducing its carbon footprint and greenhouse emission and maintain an eco-friendly operation by actively reducing emissions and using water and other natural resources efficiently. The Group incorporates innovative technologies and methodologies.



## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL (CONT'D)

All our resort stays true to the promise of being an eco-friendly from design incorporating recycled, upcycled and natural elements into the architecture and designing. Using mobile architecture in Treasure Bay Bintan ("Treasure Bay" or "TBB"), tented eco-resort that provides the highest levels of comfort and extraordinary experience by utilising the unique concept of accommodation with canopy tents.

This concept requires the lightest possible carbon footprint with no piling work and minimal construction work in building or in demolition. The tented resorts can pack up and move from one location to another leaving no permanent footprint on the site. The concept of these no-frills eco- resorts have become much sought after choice of accommodation by the new emerging emitter markets looking for adventure tourism.

This offers a change to the traditional sea, sun and sand holiday makers who prefer exciting, local experiences such as site seeing, wellness, cultural and gastronomic experiences rather than bespoke activities and experiences. Natra Bintan, a Tribute Portfolio Hotel is Marriott International's first evert tented resort while ANMON that officially opened its doors in 2020, is the first dessert themed resort that is much focused on events, art and food and beverage experiences.

Our efforts in championing green development has been acknowledged internationally with awards such as ASEAN Green Award (March 2010) presented at the 2010 ASEAN Travel Forum, ASEAN Green Hotel award at the 2011 ASEAN Tourism Forum, International Hotel Awards 2011 in association with Bloomberg Television – Best Sustainable Hotel (Malaysia), ASEAN Green Award (January 2012) presented at the 2012 ASEAN Travel Forum, International Hotel Awards 2012 in association with HSBC – Best Sustainable Hotel (Malaysia) and Best Spa Hotel, Hotel Club Awards 2012 – Top Green Hotel (Malaysia), International Hotel Awards 2013 – Best Sustainable Hotel (Malaysia) and most recently the ASEAN Green Hotel Awards 2014 and Best Environmental Sustainability Hotel 2014 by Starwood Hotels & Resorts Worldwide ("Starwood") Asia Pacific Division.

#### **Biodiversity protection**

*GRI 304-1, 304-3, 304-4*

As Biodiversity is linked to well-being, and being part of the ESG factors, we recognise that a polluted environment can produce adverse impacts on the health and quality of life. The effects of climate change and other environmental issues may also impact our business. We continue to work on minimising the impact of our business activities on the environment and human health by striving to integrate conservation effort SDG 14 Life Below Water & SDG15 Life on Land.

With ESG considerations in mind, environmental protection is an intrinsic part in the Group's projects. Upholding sustainability in every aspect of its development, the Group demonstrates its commitment toward sustainability in the heart of every decision made via local sourcing where possible for its construction and further exploring opportunities to do business with local companies, protecting nature particularly via compliance with laws and legislation to ensure that every aspect of reducing pollution and effective waste management is maximised.

- Marine Life conservation and fund-raising efforts.
- Mangrove replanting with local communities.
- Promoting public awareness on the importance of the ecosystems.
- Rebuilding of Turtle conservation sanctuary in Lagoi, Bintan.
- Academic collaboration universities on research and educating young conservation projects.
- Educating children by sponsoring trips to the site.
- Collaborating with local fishing communities to promote sustainable fishing initiatives such as anti-poaching and supporting local fisherman by buying directly from them.

The Group is committed to preserving natural habitats, biodiversity and landscapes and respects legally-designated protected areas, to avoid the loss of national treasures. Working along-side the UN Heritage sites and International Union for Conservation of Nature (IUCN) Red List threatened species, local communities.

## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL (CONT'D)

#### Restoration and conservation of the environment

The Group because of ESG considerations views biodiversity conservation and restoration as a priority and has started forming local partnerships with parties that share a similar passion in taking these efforts further to make an impact. All resorts elevated are involved in promoting nature and to help increase educate our guests on the ecosystems by encouraging to explore, experience and interact directly with nature.

#### The Andaman – redevelopment and ESG

The Andaman will undergo redevelopment following the damage caused by the recent fire disaster which resulted in razing of a major part of its buildings to be a total loss. Targeted to be completed by end of 2024, the group has allocated RM7 million which is 4% of its total GDV (Gross Development Cost) for ESG related initiatives.

The rebuilding of The Andaman will be constrained by the need to preserve the rainforest with minimal destruction to environment as it is located in an Unesco World Heritage Site endorsed in 2007 as the Langkawi UNESCO Global Geopark (Malaysia). The Andaman is home to a diverse variety of marine life and precious fringing reef said to be 6 thousand to 8 thousand years old. While the 5-million-year-old Rainforest is home to rich biodiversity such as the dusky langur, long-tailed macaque, black giant squirrel, great hornbill, and Sunda colugo. Conservation forms the core of the United Nations 2030 Agenda for Sustainable Development and the DNA of The Andaman.

During the re-development, our team will work hand in glove with NGOs, local conservationist, and indigenous communities to tap on the inherent knowledge about nature to bolster our biodiversity conservation efforts not only to preserve its natural beauty, ecological harmony and archaeological, geological and cultural significance but also to strengthen culture, heritage, and local community. The following tactical strategies taking into view ESG considerations will drive our aim to cut top-level emissions:

1. **Development** - An integrated approach to sustainable master planning will be applied across all of our developments. Starting from the concept planning and design stage to significantly reduce environmental impacts and resource consumption. conserve and protect natural habitats, ocean and wildlife biodiversity through conservation and restoration efforts as a priority while using the most suitable natural methods causing less damage to environment are being discussed with experts.
2. **LEED Design** - Our architects will promote the biophilic design concept, which seeks to connect building occupants closely to nature by incorporating natural lighting and ventilation, natural landscape features and other elements to create a productive and healthier built environment that consumes fewer resources.
3. **Clean Energy** - We have set clear targets to reduce our dependency on non-renewables and uphold our commitment to transitioning to a low carbon future by enabling renewable energy (RE) as well as employing the following tactical targets.
  - Reduce urban planning and development emissions by 35 percent through by using pre-fab, pre-finished construction methodology to speed up the rebuilding works, and usage of solar panel and considering PV (photovoltaic) installations where appropriate as power sources.
  - Reduce operation energy consumption by 50 percent through pre-heated solar water heater, Design Natural Ventilated Common Areas, De-centralized Air-con System with Inverters.
  - Reduce transport emissions by 10 percent by encouraging hybrid and electric vehicles.
  - Reduce non-RE consumption by 40 percent.
4. **Water Management** - Reduce the dependence of treated water usage by 50 percent by recycling waste water selectively.
  - Rainwater harvesting systems to be integrated into the Landscape Water Body.
  - Building catchment ponds for irrigation, toilet flushing, and general cleaning.
  - Sewerage waste - Utilising ICT technology to purify the water, we are considering the GJ-R integrated management solution system and to build a facility that can clean at a minimum of 10, 000, 000 liters per day.

## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL (CONT'D)

#### The Andaman – redevelopment and ESG (Cont'd)

5. **Waste Management** – to reduce waste sent to landfills by 50 percent by recycling, upcycling, and restoring
- Solid waste solution – we aim to introduce “The Asher”, a patented technology that enables continuous self-combustion without the need for external energy such as diesel fuel to dispose waste. This ecofriendly solution is EPA compliant and has low running cost. It can turn 1 Ton of waste into just 40kg of ashes reducing energy required for transportation and waste to landfills.
  - Demolition/construction waste to be sorted for recycling purpose, and to be used for forming platform and terrain.
  - Food waste is to be converted to reusable material with the “ORCA.” This system can breakdown food waste into water and reduce greenhouse gases, methane generation by diverting an average of 416,100 pounds of waste from landfill per year.
  - Turning food waste into fertilizer for farming and for the landscapes – we will build plants where we can convert coffee beans and process dried leaves to turn it into manure.

#### Mangrove replanting

Mangrove replanting refers to the planting of new mangrove trees where existing mangrove forests are degraded or lost. Mangrove replanting has the goal to restore ecological, economic, and social benefits of mangrove ecosystems. This includes habitat for wildlife, coastal erosion protection, and support for local fishing community.

Manual planting, seedlings and propagules are all options for mangrove replanting. Natural regeneration is also possible. Mangrove replanting success depends on many factors. These include the availability and type of planting site, as well as the resources available for monitoring and maintenance.

Treasure Bay started a mangrove rehabilitation project of 23 hectares in 2012 as part of its core activities in TBB. It is still being carried out as TBB's ESG Initiative. It is supported by local community groups Sungei Kecil and Desa Seborg Lagoi, located North-West from Bintan, 21 kms away from TBB.



## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL (CONT'D)

#### Mangrove replanting (Cont'd)

Every year, the International Day for the Conservation of the Mangrove Ecosystem is celebrated on 26 July. It was established by the General Conference of UNESCO. This day aims to increase awareness about the importance of mangrove forests.

The staff and management at TBB collaborate with celebrities, NGO's, corporations, and communities each year to replant seedlings, and organise a clean-up in a 60-hectare mangrove forest. These initiatives are intended to raise awareness about climate change and help to reduce its effects by restoring and protecting the ecosystem.

#### Mangrove Nursery

A nursery was built to help restore the mangrove ecosystem. So far, 72,000 mangrove seedlings have been planted.

#### Recognising and engaging the community

As part of its ESG commitments, the Group recognises that mutual growth is crucial to its success. It is therefore committed to improving the socio-economic condition of Bintanans by supporting their culture, community and adding value through sustainable sourcing.

- Locals can create jobs and provide opportunities to improve their quality of life.
- Promoting local enterprise and working with local suppliers to improve the socio-economic status of the community.

#### Rebuilding of Kampung Baru Turtle Sanctuary

According to IUCN Red List of Endangered Species, sea turtles are a threatened marine species. They have been endangered due to both commercial activities and a lack of education in coastal communities.



## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL (CONT'D)

#### Rebuilding of Kampung Baru Turtle Sanctuary (Cont'd)

We continue to educate the local communities, and enforce environmental laws to protect marine lives and The Territory of Telok Sebong signed an MOU in 2019 that committed a total IDR160million to the rebuilding of the turtle sanctuary. TBB continues to donate 100 liters monthly of petrol valued at Rp. 14.460.000 Or SGD 1,377. The petrol is used to fuel the generators that provide power and energy for the site.

Our Group's mission, which includes its commitments to ESG considerations, is to invest in the wellbeing of the communities where we operate by helping local fishermen who we consider to be the beneficiaries of this initiative. TBB has pledged to contribute Social Security Coverage (BPJS), for fishermen who are injured or medically ill.

It is our goal that the turtle sanctuary becomes a self-sustaining tourism center in the next three year. We are currently building business kiosks and toilets in the village to encourage enterprise and improve the socioeconomic status. We must ensure that the community has sufficient equipment and facilities.

#### Organic Park

Treasure Bay's ESG commitment calls for it to align its mission with sustainability that incorporate clean air, water, and food. Workshops are occasionally held with chefs and industry experts to inform visitors about low-carbon food sources and the health benefits of eating "farm to plate" meals that are fresher and more nutritious.

The Organic Park continues its certified status with The National Association for Sustainable Agriculture Australia ("NASAA") and International Federation of Organic Agriculture Movements ("IFOAM") for 2023 to international standards and audit. IFOAM, the global umbrella organisation for organic agriculture movements, is responsible for accreditation organic produce. Landmarks commitment to organic farming and sustainable food production portrays the Company's ethos to positively attract and engage suitable ecologically positive partners, stake holders and employees.

The organic park employs sustainable practices such as a catchment pool that not only collects water but is also used to raise fish and for irrigation. To make different types of organic fertilizer from different materials, organic composting can also be used. Shredding plant waste can also be used to recycle it for mulch purposes.

The potential exists to engage and seed the local community in start-ups for organic agricultural plots, or animal farming, outside TBB on Bintan Island. This is a great opportunity for local entrepreneurship and a career that complements TBB's development plan. These start-ups could be a source of organic food for Bintan Island and TBB.

The organic park has already seen the planting of more than 90 varieties of vegetables, fruits, and herbs. The ongoing initiatives and future direction are as follows:

**Kampung Jamu – Herbal Garden** The Jamu Garden symbolises the importance of well-being using a natural and traditional way with herbal remedies. Local communities and overseas visitors alike can experience the culture and creation of herbal supplements and remedies with organically farmed herbs. This embraces the vernacular culture, history, knowledge, and community values of Indonesia.

**Sharing the Produce** - In 2022 we have shared over 1,600kg of produce to our staff and hotel partners. These include herbs, flowers, leafy greens as well as fruits.

**Farm to Table** - To create the awareness of healthy and clean living. Harvesting and food making events were held to allow individuals to experience making their own dish from fresh harvest on the Organic Park, and the results were simply rewarding and delicious. Participants were also given a chance to tour the farm, as well as an opportunity to harvest and bring home their very own tea. In conjunction to National Nutrition Day, staff and guest(s) were made aware of healthy and clean living during a workshop.

The organic produce is also shared with the resorts and excess given to staff members and underprivileged communities.

## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL (CONT'D)

#### Managing Effluents and Waste

GRI 306-1, GRI 306-2

The communities and local authorities where we operate are concerned about waste management. While The Group is actively and conscientiously implementing measures to reduce waste disposal, its overarching goal is to efficiently use its value chain to minimize the amount of waste generated at each location as part of its ESG commitment.

The 3R Program - Reduce Reuse, Recycle, Recycle - is a framework we have implemented in all our operations and administrative offices in order to promote responsible waste minimisation. The Group reported a 19% reduction in paper consumption through digitalization of processes in 2019. The pandemic caused even greater reductions in paper usage in 2020 and 2021. For 2022, we returned to our offices and were back on-site.

The Group has taken this ESG commitment and is working to develop long-term initiatives to support climate action. This includes reducing landfill waste and methane production. The Group's Vision to carbon net zero by 2030 has provided a three-year roadmap: "ESG 2025 Goals" to implement the following

- Waste separation – Organic and recyclable waste collection, toxic and electronic waste collection, recording waste and setting KPIs to reduce it.
- Measurement of food waste footprint throughout the Company's operations.
- It blacklists single-use plastics during its operations.
- Recognizing quarterly emissions across the value chain (i.e. paper, water, and energy usage, travel mileage, and waste).
- Rainwater harvesting.
- Digitalising systems.

#### Waste Management Committee

Treasure Bay's Waste Management Committee was established in 2021 to investigate organic composting of garden and kitchen wastes, with the intention to make compost for organic farming and landscaping.

The natural plant compost is made from dry leaves and chopped grass. It can be used to enhance our landscapes. Compost helps to create a healthy soil structure and improve soil fertility. To fertilize the garden, 800 kilograms of plant compost fertilizer were used.

Water from the Sewage Treatment Plant is used to reduce the treated water, while rain water can be harvested in the man-made catchment pond and channeled to Chill Cove.

It can be used to water plants or maintain landscapes. It can be used to flush the toilets, water the garden, and wash common areas such as company cars and buses.

**Eliminating Single-Use Material** - The environment is at grave risk from plastic and print material pollution. Our primary goal was to reduce our dependence on single-use materials and replace them with biodegradable, recycled material that can be reused or digitally repurposed throughout our operations. Contactless experiences have become a standard in safety and hygiene post pandemic. They are now part of our new norm to comply with health guidelines. The Group has taken the ESG pledge to reduce paper and print material usage. All menus, brochures, and other information can now be accessed via personal mobile devices, by scanning QR codes. This will reduce contamination. When operations resume after the pandemic, the Group will implement this in a more formal manner. This includes digitizing all systems and using mobile devices to scan QR codes.

## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL (CONT'D)

#### Waste Management Committee (Cont'd)

**Negative listing materials** - This part of the ESG program includes creating a Negative Listing of materials that will be phased out over time across all our operations. This includes single-use plastics like straws, drinking bottles, in-room amenities, brochures and menus as well as corporate gifts and other office supplies. This applies to all corporate operations and group-related events and meetings, where responsible use is practiced. In 2020, Langkawi's resort opened a water bottling facility in house. This allows guests to have reusable glass bottles for their water consumption. This initiative has allowed the resort to reduce at most 6 single-use plastic bottles per guestroom per day.

The resort was established in July 2019. It has managed to reduce plastic waste by at least 50,000 plastic bottles annually until 2020. This is equivalent to avoiding approximately 500 kilograms of plastic waste.

We will continue to monitor the negative list of kitchen waste materials, including plastic bags, straws and gloves, caps and cotton buds, gloves, straws and caps, and cling film.

**Repurposing and Upcycling** materials from fallen trees to make place cards, table cloths, and side serving stations at resorts, to make souvenirs and decorations for guests, our teams also use materials made from cans, bottles and food waste.

**Third Party vendors and Disposal of hazardous waste** – To ensure proper and safe disposal of chemical and toxic wastes, the Group encourages its employees to use specialised suppliers and third-party providers whenever possible. Toner cartridges and old computers, batteries, oil, and machine parts are disposed of responsibly, with some vendors agreeing to dispose of them after expiry. A third-party vendor also recycles cooking oil into bio-diesel. As part of its ESG commitment, the Group plans to standardise and account monthly for hazardous waste.

**Eco-friendly cleaning products** are emphasised as part of the ESG commitment for laundry, housekeeping and stewarding throughout all its resort operations. In addition to that, the Group encourages the use of organic products, working with vendors that provide packaging using renewable energy and sourced ethically and where possible-locally.

#### Environmental Compliance

GRI 307-1

The Group is pleased to report that there have been no instances of non-compliance or action taken by authorities with regards to its environmental actions and performance during this reporting period and has been 100% compliance with local, regional and national environmental laws and regulations.

#### Water conservation initiatives

Rain water harvesting for watering plants and washing of public area floors to reduce the dependence of treated water. The Group intends to invest in waste water treatment plants in all its operations by 2025. This will clean sewage and waste water by removing solids and pollutants, breaks down organic matter and restores the oxygen content before returning it to the environment or use for watering plants.

#### Energy conservation initiatives

The Group has always been committed as its ESG commitment towards energy savings programmes such as using energy efficient lighting systems with LED (Light-emitting diodes) bulbs as well as optimisation of natural lights through innovative building designs in the offices, carparks, guest rooms and common areas of our operating units. Automated air-conditioning schedules in meeting rooms are used instead of centralised air-conditioning and temperatures at guest rooms are also set to a maximum of 22oC for optimum energy usage.

## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL (CONT'D)

#### Energy conservation initiatives (Cont'd)

Within the operations of our resorts, environmentally friendly form of transportation such as bicycles, battery-powered green buggies, electric bikes, buggies and Segways are provided as a recreational activity and to manage logistics to reduce emission. Lighting in public areas have also been designed with more being planned using solar power and wind turbines as energy sources.

The Group intends to incorporate renewable energy through innovation and smart designs to reduce carbon footprint of our operations by 2025. Solar energy initiatives are yet to be implemented. The Group is studying patterns to what suits the business models:

- Assess energy needs: Determine the energy needs of our business and calculate the amount of solar power needed to meet these requirements.
- Determine suitability: Evaluate the suitability of our location and building for a solar power system, including factors such as the orientation and slope of the roof, shading, and available space.
- Get quotes: Contact several reputable solar installers to get quotes for the design and installation of a solar power system.
- Choose a system: Compare the quotes and choose the best solar power system that meets our energy needs and budget.
- Obtain permits: Obtain the necessary permits and approvals from local authorities.
- Install the system: Have the chosen solar installer install the system.
- Monitor performance: Regularly monitor the performance of our solar power system and perform any necessary maintenance to ensure it continues to operate efficiently.

### SOCIAL

The Board recognises that the Group's greatest asset is its human capital. We are a responsible employer and have committed to ESG principles in order to operate a safe, efficient, and profitable business. Honesty, integrity, and respect for others will guide our interactions with guests and business partners as well as with other employees.





## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

The Group is committed to the safety, health, and welfare of all its employees, customers, suppliers, contractors, and contractors in accordance with our Corporate Statement. We will deliver high standards of safety and health in all aspects of our operations, including corporate offices, hotels, and parks, as well as sites in progress. All of these have adopted various safety measures, from fire and emergency procedures, to hazard analysis, with the goal of zero accidents for all business units.

#### Employee Benefits, Welfare and Benefits

*GRI 201-3, 202-1, 401-2, 405-2*

In accordance with the Malaysia Employment Act 1955, the Group strives as part of ESG commitment to offer competitive benefits package on par with the industry market rate and designed to foster a healthy work-life balance and help employees plan and prepare for the future.

Type of Benefits	Details
Medical benefits	<ul style="list-style-type: none"> <li>- Clinical</li> <li>- Dental</li> <li>- Executive medical check-up</li> <li>- Health Screening</li> <li>- Vaccine</li> </ul>
Insurance	<ul style="list-style-type: none"> <li>- Group Personal Accident Insurance</li> <li>- Death in service due to natural causes</li> <li>- Financial relieve</li> </ul>
Travel-related benefits	<ul style="list-style-type: none"> <li>- Mileage claims</li> <li>- Meal claims</li> <li>- Accommodations</li> <li>- Air Travel</li> <li>- Airport/ ferry and other transportation</li> </ul>
Life insurance	<ul style="list-style-type: none"> <li>- Group Term Life Insurance</li> </ul>
Health care	<ul style="list-style-type: none"> <li>- Company coverage for hospitalisation or co-payment for surgical</li> </ul>
Disability and critical illness	<ul style="list-style-type: none"> <li>- Group Personal Accident Insurance</li> </ul>
Sabbatical, study, or unpaid leave	<ul style="list-style-type: none"> <li>- Available for full time employees depending on the request and to be evaluated by Management</li> </ul>
Flexi work hours	<ul style="list-style-type: none"> <li>- Post Covid, The Group has adopted a flexi work hour in its admin offices in Kuala Lumpur 7am – 3pm, 8am to 4pm, 9am to 5pm to avoid the rush hour crowding in public spaces in the city and public transport.</li> </ul>
Housing	<ul style="list-style-type: none"> <li>- Provided to employees in Employment in the Island</li> </ul>
Meal	<ul style="list-style-type: none"> <li>- Depending on the location and business unit, operations staff are entitled to a duty meal at the staff canteen</li> </ul>
Retirement provision	<ul style="list-style-type: none"> <li>- The Group offer higher EPF contribution at 16% for all fulltime employees in Malaysia, with additional 3% for executive who have worked above 3 years.</li> <li>- Retirement benefits in Indonesia according to legislations</li> </ul>
Stock ownership	<ul style="list-style-type: none"> <li>- All full-time employees are eligible to ESOS (Employee Share Option Scheme) with allocation that rewards long service, grade and performance.</li> </ul>

## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

#### Employees are the Most Important Resource

GRI 102-8, 405-1

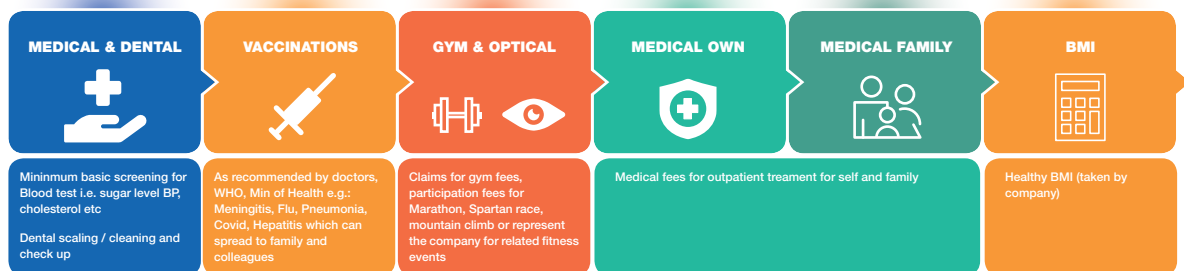
Employees are instrumental in business success. A healthy corporate culture prepares the ground for employee well-being, low rates of sick leave and minimal employee turnover. While competitive compensation and benefits are important, as company with much focus on lifestyle and wellness,

The Group recognises that strong balance of physical health, and mental and social wellbeing is vital to the long-term development of nation building and economic growth. As such, as part of the ESG considerations it is important to provide a supportive environment that empower and rewards responsible behaviours.

#### Journey to Wellness

*A six-point journey to reward yourself for a responsible year*

"Journey to Wellness" program for employees was launched in June 2019 which truly embodies the Group's vision and mission for healthy lifestyle as part of the Group's ESG initiative. The Health Programme is gamified with cash back incentives if completed. The program encourages medical checks, vaccinations, gym, active lifestyle, and family health to stay fit, healthy, and productive.



#### Giving our people a voice

The Group as an ESG initiative encourages open dialogue by constantly engaging with employees to seek their views and understand their needs. Regular employee surveys are done, keeping anonymity so that everyone can freely express their opinions without fear. This transparency approach helps identify strengths and weaknesses of the employer, as well as areas for improvement. Analyzing the results of the survey is done and action plans are created to develop long-term strategic benefits and policies.

#### Training

All employees at the Group's operating units receive regular trainings coordinated in-house as part of compliance to local laws to respond effectively to emergencies and pandemic diseases. This are for the well-being of our guests and visitors which includes Cardio Pulmonary Resuscitation (CPR), first-aid training and practical training on the usage of fire extinguishers food safety, hygiene and sanitation and fire safety.

Compliance and Safety Managers are responsible to lead and implement procedures and efforts in identifying workplace hazards, reducing accidents and exposure to harmful situations and substances for the protection our guests and visitors. The Safety and Health Committee has also been formed to lead training of personnel in accident prevention, accident response, emergency preparedness and use of protective tools and equipment.

## SUSTAINABILITY STATEMENT (CONT'D)

### CORPORATE GOVERNANCE

GRI 102-18

The Group practices sound corporate governance. It has structures that are designed to ensure that business is done in a sustainable, responsible way and complies with all ESG requirements. Corporate governance is a key to investor confidence and business performance. The Company's vision of solid corporate governance is outlined in the Board Charter, T.R.U.S.T. Policy that underpins our Anti-Bribery Management System and Whistleblowing Policy as well as the Code of Conduct and Ethics.

The group further bolstered this by applying the Malaysian Code on Corporate Governance ("MCCG") to three broad principles: Board Leadership and Effectiveness; Effective Audit & Risk Management; Integrity in Corporate Reporting, and Meaningful Relationships with Stakeholders.

Protecting our market reputation and values requires a culture of compliance. Strong corporate culture is essential to ensure that all core values, including ESG considerations, are accepted by all employees. This extends to business associates as well as staff who could expose us to negative reputational damage and other adverse consequences.

The Group is still looking for ways to minimize the impact of its operations on government and authorities.

It limits its political engagement to industry and association memberships where possible. Stakeholders and senior management are selected based on their qualifications and involvement. They engage in dialogue and support, with a primary focus on industry advancement initiatives and the development of the tourism industry.

This can be achieved by focusing on transparency and openness between shareholders and the Company on issues such board composition, updating shareholders to comply with the MCCG, conflict-of-interest procedures, and shareholder rights.

The Group is committed to ensuring that it meets all statutory and regulatory requirements. All applicable laws are expected of employees. This will allow The Group to deliver long-term benefits to its shareholders, employees, and suppliers as well as customers and the wider society.

GRI 415-1

No political contributions are made by the Group or the Company to candidates for public office or political parties and corporate funds are never used for independent political expenditures.

### Risk Management and Internal Control Framework

GRI 102-30

The Board is responsible for the Group's risk management framework and system of internal control and for monitoring and reviewing their adequacy and integrity as its ESG committee. The Board affirms its overall responsibility for establishing an effective risk management and internal control framework that has been enhanced over the years.

The Group's internal control and risk management framework are designed to manage and eliminate risks and to provide reasonable but not absolute assurance against any material misstatement or loss.

### Communications with Stakeholders and the Investing Community

The Group places great importance on timely, accurate, and equal dissemination of information to shareholders and the investing community which are part of its ESG commitments. Regular briefings, emails and townhalls are held to present its quarterly results following their release on Bursa Malaysia Securities' website. The briefing includes a Q&A session, which updates sell-side research analysts on significant events and helps them understand the Company in greater depth.

The Group's corporate website, [www.landmarks.com.my](http://www.landmarks.com.my), provides the public with key information on business activities.

## SUSTAINABILITY STATEMENT (CONT'D)

### CORPORATE GOVERNANCE (CONT'D)

#### Code of Ethics

The Group's Code of Conduct and Ethics applies to all employees and Directors of the Group and its subsidiaries. This Code is disseminated to employees through its cloud-based portal – Sharepoint, along with other related policies, procedures, and guidelines of the Group.

These documents outline the principles that guide standards of behaviour and business conduct for employees and directors inter se and for dealing with third parties, which are to be incorporated into everyday management and dealings. In addition, the directors observe the Company Directors' Code of Ethics established by the Companies Commission of Malaysia.

#### Whistleblowing Policy

GRI 102-17

The Group strives to meet highest possible standards of ethical, moral, and legal business conduct and practices, openness and accountability in all business operations. Our Whistleblowing Policy aims to provide a discreet process for reporting and managing any suspected detrimental action and improper conduct. By providing a mechanism for stakeholders to report their concerns freely and without fear of reprisal or intimidation if they act in good faith through our suggestion boxes located in the admin offices, discreet disclosures and through periodic surveys online.

No action will be taken against any whistleblowers making a complaint or report in good faith. However, only genuine concerns of a serious or sensitive nature should be reported rather than trivial, frivolous, or general grievances. Any confidential information will not be disclosed without the written consent of the whistleblower.

#### T.R.U.S.T. Policy and Anti-Bribery Management System / Corruption

GRI 205-1, 205-2

The Group's commitment to integrity and transparency is clearly stated in the Employee Handbook and Code of Ethics. These documents outline the integrity by which business is conducted. Anyone found to have been involved in such acts are subject to disciplinary action that may lead to termination.

A keen understanding of corruption risk exposure is the cornerstone of an effective anti-corruption compliance programme. Therefore, it is vital that The Group clarifies its position on both to employees, contractors, suppliers, and all others connected to the business.

Landmarks had set up its T.R.U.S.T. Policy and Anti-Bribery Management System as part of its governance to deter bribery and protect itself against bribery and corruption. A series of internal control measures have been put in place including training and briefing to all employees on policies.

The highest ethical standards are followed when doing business and all forms of corruption are forbidden including:

- Bribery
  - Fraud
  - Money laundering
  - Embezzlement
  - Obstruction of justice
  - Trading in influence
- Bribery and corruption present a significant risk to all business units.

There have been no major disciplinary cases reported for corrupt practices that resulted in the dismissal of employees. The Group has not been subjected to any fines and penalties arising from corruption cases from the authorities during the recent years and reporting period.

## SUSTAINABILITY STATEMENT (CONT'D)

### CONCLUSION

We have made significant progress in sustainability over the years through our conservation efforts and our waste reduction management. However, there are still high expectations over the need to integrate ESG considerations to balance it with the economic consideration expected of the Group from its stakeholders. The ESG Committee was formed to provide a structured approach to integrated sustainability. This will allow us to fulfill our corporate social responsibility by taking relevant ESG factors into consideration.

The Group's goal is to promote continuous innovation and to invest in green ideas to reduce waste, energy conservation, and carbon emission while increasing the Company's top line. Our sustainability programs will need to be refocused to address other ESG aspects to benefit all stakeholders, especially our employees who are the foundation of our financial performance as a hospitality provider.

The Group strives to be a preferred employer by 2025. We look forward to the future implementation of HR technology solutions. The digitisation of processes and systems will enable us to identify and rectify gaps, improve performance, and attract top talent. It will optimize performance management, capability development, and retention.

We recognize that ESG rollout encompasses a broad range of activities and matters, which is important to the Group as a responsible corporate entity to support in all its operations in interest of its stakeholders. We will endeavor to work hard to improve our sustainability performance within the requirements as expected of us as a corporate body without detracting from our commitment to our stakeholders.

Statement was approved by the Board of Directors on 25 April 2023.