

MARKETPLACE

Doing Good Business



OBJECTIVE

The ability to command the confidence of our customers, suppliers, business partners, investors, bankers, governments and regulatory bodies is of paramount importance to the Group's continued success.



INITIATIVE HIGHLIGHTS

- In FY2021, IJM won the Industry Excellence Awards in the Construction category at the Minority Shareholders Watch Group (MSWG)-ASEAN Corporate Governance Awards 2019 and the 2019 ASEAN Corporate Governance Scorecard Award - ASEAN Asset Class.
- IJM Land continued to be recognised as a top property developer in Malaysia and received various awards during the year
- IJM achieved customer satisfaction target scores across all our Divisions
- The Property Division received four High QLASSIC Achievement Awards at the CIDB QLASSIC Awards 2020 for our residential projects Austin Duta and Bandar Rimbayu
- Kuantan Port kicked off its Digital Transformation journey
- Industrialised Building System plant was completed in April 2021
- Anti-Bribery and Corruption System ("ABCS") 2.0 Self-Learning Module was launched across the Group
- Anti-Bribery Management System ("ABMS") townhall session was conducted at Kuantan Port
- IJM Group leveraged on technology to enable employees to work safely, securely and effectively from home



GRI STANDARDS SPECIFIC TOPICS

- GRI 201: Economic Performance
- GRI 205: Anti-corruption
- GRI 418: Customer Privacy

SDGs



Over the years, we have worked hard to build our business based on the highest standards of professionalism and ethical conduct. We are committed to high standards of corporate governance, upholding the trust in the IJM brand and ensuring customer satisfaction through our quality products and services.

The last few months have demonstrated the adaptability and resilience of our business and people. The Group's fundamentals remain solid, anchored by our resilient portfolio of businesses and a strong balance sheet to weather short-term uncertainties.

*Excerpt from The Malay Mail quoting IJM CEO&MD,
22 September 2020*

GOOD GOVERNANCE AND ETHICS (GRI 102-11, GRI 102-16)

Good corporate governance is fundamental in maintaining the trust of our stakeholders and guides our corporate strategy, risk management and business conduct. We are guided by the Malaysia Code on Corporate Governance in ensuring that the principles and best practices of good corporate governance are applied throughout the Group. Our corporate governance framework and practices are elaborated in the Corporate Governance Overview Statement on pages 102 to 111 of the Annual Report. The Board is responsible for ensuring that IJM has the structure, strategy and people to deliver long term value to our shareholders.

In FY2021, IJM received the Industry Excellence Awards in the Construction category at the Minority Shareholders Watch Group (MSWG) ASEAN Corporate Governance Awards 2019 and the 2019 ASEAN Corporate Governance Scorecard Award - ASEAN Asset Class as a recognition of our efforts to elevate our corporate disclosure and practices.

Business ethics and policies

IJM's commitment to fostering a culture of responsibility and ethical behaviour is cascaded to all of our employees. They are required to adhere to IJM's Code of Conduct and Ethics for Employees, which prescribes the principles, rules and guidelines that define ethical behaviour in the Group. In addition, the Code of Business Conduct for Third Parties sets out the principles and standards that the Company expects third parties to conform to in their course of conducting business with the Group. During the financial year, the role of the Risk Management and Integrity Department was enhanced to oversee the implementation of ethics and integrity in the Group.



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In addition to the above-mentioned Codes, below are several other Company policies that govern the rules of conduct in IJM, that are also available on the Company's website:

Corporate Codes and Policies	
 Board Diversity Policy	This policy sets out the approach to achieve diversity on the Board of Directors ("Board") of the Company.
 Anti-Bribery and Corruption Policy	This policy forms part of the Anti-Bribery and Corruption System ("ABCS"). It aims to set out the parameters, including the main principles, policies and guidelines, which the Company adopts concerning anti-bribery and corruption.
 Code of Conduct and Ethics for Employees	This code assists our employees in defining ethical standards and conduct in the course of work.
 Code of Business Conduct for Third Parties	This code sets out the principles and standards that the Company expects third parties to conform to in their course of conducting business with the Company.
 Corporate Disclosure Policy	This policy ensures shareholders and investors receive comprehensive, accurate and quality corporate information on a timely and even basis.
 External Auditors Policy	This policy outlines the guidelines and procedures for the Audit Committee to assess and monitor external auditors.
 Privacy Policy	This policy explains how the Company collects and handles personal information in accordance with the Personal Data Protection Act 2010 ("PDPA").
 Remuneration Policy	This policy provides clear and guiding principles for determining the remuneration of the Board and Senior Management and aligns their interests with the interests of shareholders and with the Company's business strategies.
 Whistleblowing Policy	This policy provides and facilitates a consistent and systematic process for the reporting of any actual or potential improper conduct.
 Community Investment Policy	This policy defines areas in which the Company will contribute to the community across three pillars: Community Development, Sports and Education.
 Diversity and Inclusion Policy	This policy aims to describe the Company's commitment to diversity and inclusion, and is aligned to one of IJM's core values, <i>Respect for Diversity</i> .
 Environment Policy	This policy describes the Company's commitment to promoting a sustainable environment and acknowledges that we have a responsibility to protect the environment in all business activities and operations.
 Human Rights Policy	This policy provides guiding principles to ensure that the Group adheres to fundamental human and labour rights and values to achieve organisational goals and maintain sustainable growth through a healthy, harmonious and professional workplace.
 Responsible Supply Chain Policy	This policy aims to extend the Group's values and principles to suppliers, service providers and contractors to foster trust and long-term benefit to all stakeholders in our supply chain. The policy is underpinned by good ethics, a healthy and safe workplace that minimises the risk of violating human and social rights, sound environmental practices and strict compliance to local laws and regulations.
 Occupational Safety and Health Policy	This policy describes the Company's commitment to creating, maintaining, and managing a safe and healthy working environment for our employees and safeguarding others affected by our operations and services.
 Quality Policy	This policy aims to describe the Company's commitment to quality that is aligned to IJM's motto, <i>Excellence through Quality</i> .

Anti-bribery and corruption system (GRI 205-2, GRI 205-3)

We actively manage the Group's exposure to bribery and corruption risk by embedding robust internal controls across the business divisions. We emphasise good business ethics and transparency as our core approach to combating bribery and corruption risk. We have zero-tolerance for all forms of bribery and corruption and uphold all applicable laws concerning anti-bribery and corruption.

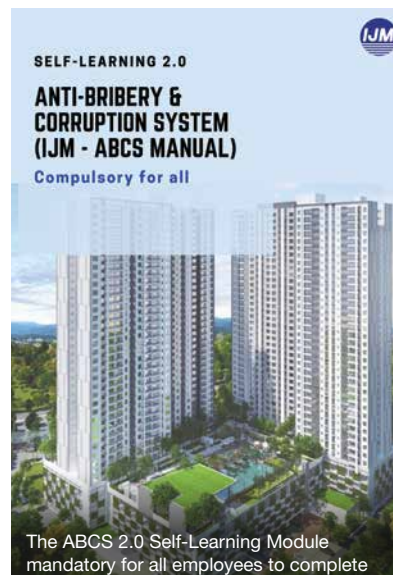
Our Anti-Bribery and Corruption System ("ABCS") is a management system that comprises a manual containing principles and policies that guide our ethical decisions and are implemented across the Group. It iterates our adherence to local laws and regulations, such as the amended Malaysian Anti-Corruption Commission Act 2018, which took effect on 1 June 2020.

All our employees are required to comply with our Anti-Bribery and Corruption Policy at all times. The Policy covers all elements and types of bribery and corruption to ensure our interactions with government authorities, investors, suppliers, contractors and business partners are conducted with high ethical standards. All investments, including mergers, acquisitions, joint ventures and projects, are reviewed for potential anti-bribery and corruption risks with appropriate due diligence conducted on the counterparty and owners of the counterparty, where relevant. In addition, we have implemented robust measures to mitigate corruption risks which are regularly assessed, monitored and audited.

Third parties performing work or services for or on behalf of IJM are also required to acknowledge conformity to the Code of Business Conduct for Third Parties, as well as comply with all applicable laws and our ABCS manual.

The Group continues to take all necessary measures to promote a culture of integrity through awareness campaigns and regular communication. All employees are expected to read, familiarise and strictly comply

with the ABCS in carrying out their duties and a compulsory internal ABCS e-learning session is also conducted for all employees. In March 2021, we launched the ABCS 2.0 Self-Learning Module across the Group, which was compulsory for all employees to complete. The module will be periodically reviewed to ensure relevance and is up to date, in line with SDG 16 *Peace, Justice and Strong Institutions*, and our core value of *Integrity*. Dedicated communication channels on anti-bribery and corruption information to promote a culture of integrity and compliance is set up on our intranet. Relevant employees are also sent for external training on corporate liability and corruption risk management. In FY2021, there were zero confirmed incidences of corruption across IJM's business operations and there were zero monetary losses as a result of legal proceedings associated with charges of bribery or corruption.



Anti-Bribery Management System townhall session at Kuantan Port with the Senior Assistant Commissioner Malaysia Anti-Corruption Commission present

COMMITMENT TO QUALITY (GRI 102-16)

We continually improve our products and services to deliver on our motto of *Excellence through Quality*. All our business divisions implement management systems which are certified in accordance with relevant local and international benchmark standards. Guided by our Quality Management System framework and Quality Policy, which are available on the Company's website, we continuously enhance our skills, processes and quality management system.

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The Construction, Property, Industry, Port and Toll Divisions are certified with the ISO 9001:2015 Quality Management System (“QMS”), the international standard that specifies requirements for a quality management system, demonstrating that our products and services are offered to meet customer and regulatory requirements. All our Divisions implement a systematic approach through our management systems and the Plan-Do-Check-Act work process that optimises available opportunities to acquire and retain customers while improving results.

The Construction Division implements a self-regulated assessment system, IJM Quality and Safety Assessment System (“IQSAS”), for civil engineering projects. This quality assessment framework is annually reviewed and continuously improved by our Quality Management Committee.

In addition, our adoption of the Quality Assessment System in Construction (“QLASSIC”) also emphasises the importance we place in providing workmanship quality of the highest standards. QLASSIC is a system or method to measure and evaluate the workmanship quality of a building construction work based on Construction Industry Standard (CIS 7:2006).

In FY2021, our NPE Kuchai Link 2 was completed and assessed with an IQSAS score of 87%, well above our target score for civil engineering works of 85%. We received four High QLASSIC Achievement Awards at the CIDB QLASSIC Awards 2020 for our residential projects Bandar Rimbayu and Austin Duta. The QLASSIC score achieved was 84% for Bandar Rimbayu Phase 10B, 83% for Austin Duta Phase 5A & Phase 4, and 84% for Austin Duta Phase 5.



Austin Duta received the High QLASSIC Achievement Awards at the CIDB QLASSIC Awards 2020

Our Industry Division’s products are certified with the following:

- MS 1314: Part 4:2004 Precast concrete piles
- SS EN 206:2014 Concrete
- MS EN 206:2016 and CIS 21:2016 Ready-mixed concrete
- JIS G 3137:2008 Small diameter steel bars for prestressed concrete
- MS 1138:Part 3:2007 Prestressing steel
- MS 1462 Metal scaffolding

Furthermore, the Division is also certified with the C60 Shoring system, BS 5975 Code of practice for temporary works procedures and the permissible stress design of falsework and BS EN 12812 Falsework.

The Plantation Division adheres to sustainable agriculture and aims to enhance credibility and build trust with our stakeholders. Our practices and product quality are externally accredited through both international and national certification schemes as well as the quality related management system certification schemes such as:

- The International Sustainability and Carbon Certification (“ISCC”)
- Malaysian Sustainable Palm Oil (“MSPO”)
- Indonesian Sustainable Palm Oil (“ISPO”)
- GMP+ (Good Manufacturing Practices and integration of HACCP-Hazard Analysis and Critical Control Points) and
- Standard of Industrial Research Institute of Malaysia (“SIRIM”) quality standards



Successful recertification of ISCC and surveillance audits for MSPO and ISPO in all of Plantation’s operations

ENSURING CUSTOMER SATISFACTION

As in the preceding years, customer satisfaction continues to be a material topic for all our Divisions. Despite the pandemic, we continue to engage with our customers to ensure we meet their requirements and deliver the best of our services, in line with our core value of *Customer Focus*.

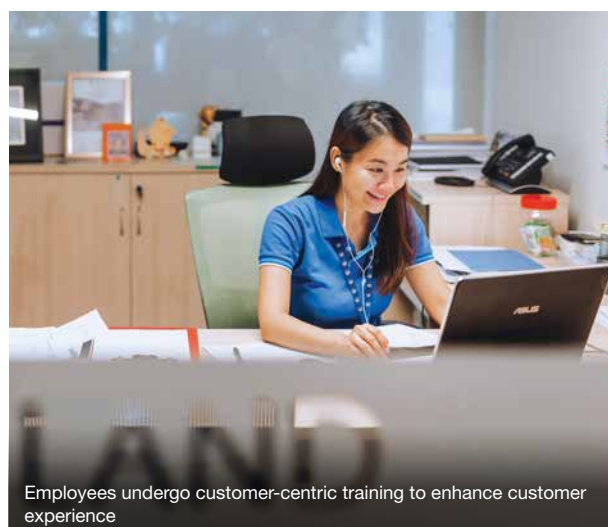
Customer satisfaction surveys help us understand matters and expectations that mean the most to our customers. The table below outlines our targets and outcomes of the surveys in FY2021 across our business divisions:

Business Divisions	Construction	Property	Industry	Port	Toll
	Customer satisfaction survey	Customer satisfaction survey	Customer satisfaction survey	Customer satisfaction survey	Highway users satisfaction survey
Target	80%	75%	80%	80%	85%
Performance	84%	75%	95%	92%	87%
Status	Achieved	Achieved	Achieved	Achieved	Achieved

The Property Division's Customer Satisfaction Score ("CSAT") and Net Promoter Score ("NPS") measurement systems are used to gauge satisfaction levels of IJM Land's products and services. In FY2021, the Property Division achieved a CSAT of 75% and an NPS of 29, indicating the willingness of our customers to provide positive word-of-mouth referrals. In addition, the Division conducts internal customer-centric staff training to ensure good service and improve our relationship with customers.

During the financial year, training consisted of online sessions that focused on knowledge sharing on various topics such as the use of virtual showrooms as well as on tile quality and workmanship. The Division also leveraged technology to drive better customer experience via virtual tours of our show unit and engaged prospective buyers via online sales presentations from the comfort of their homes.

The prevalence of most people working from home in 2020 has highlighted the importance of a well-planned home that is supported by surrounding amenities. Our developments incorporate flexible and open-plan spaces as well as energy-saving elements such as good ventilation and natural lighting. Our homes are built with high-speed broadband connectivity and fitted with 3-phase wiring that supports work from home.



We create vibrant townships and well-designed homes that include security, connectivity and community facilities such as green spaces and commercial areas. For example, our S2 Heights township provides direct access to the Seremban 2 township, surrounding commercial areas such as Uptown Avenue, S2 Centrio, and Mydin Mall, as well as good connectivity to the North South Expressway.

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The Toll Division ensures road user safety through a 24-hour Traffic Control and Surveillance System and regular traffic patrols. In addition to utilising the Malaysian Highway Road Accident Database and Analysis System, the Division also conducts regular road safety audits, accident investigations and plans appropriate actions and control measures to prevent road mishaps. Some of the implemented measures include installing blue flashing lights and anti-skid traverse bars to improve traffic attentiveness



NPE highway LED lighting system

and discourage speeding. Our highways are also equipped with facilities such as pedestrian bridges, highway lighting systems and emergency telephones.

BRANDING AND REPUTATION

Delivering Inspired Solutions is our brand promise to all our stakeholders. For customers, we leverage on our decades of experience and know-how to provide solutions that will inspire better benefits for all. The IJM brand and reputation are also important differentiators for new business opportunities and for attracting talent.

IJM Land's brand philosophy focuses on going beyond customer satisfaction to retaining customers' loyalty and advocacy. The primary brand drivers for IJM Land have always been innovation, timeless quality, excellent customer service and responsible sustainable practices.

We put our customers' interests first and place a strong emphasis on ensuring that our developments create value, have good accessibility and are well connected with convenient amenities. We received several awards and accolades in FY2021 which are reported on pages 10 and 11 of the Annual Report.

Last year gave us the opportunity to pause and reflect on what truly matters to us: our customers, colleagues and our community. With innovation being the lifeblood of IJM Land, we continued to invest our time in understanding our customers better and discovering where the new shifts in homes, lifestyles and experiences are heading. Instead of pushing our brand to our customers, we have focused our efforts on building customer tribes to share brand love.

Excerpt from The Star article quoting IJM Land Managing Director, 5 February 2021



IJM Land recognised in The Edge Top Property Developers Award 2020

FOSTERING DIGITALISATION AND INNOVATION IN PRACTICE

Adapting to new norms

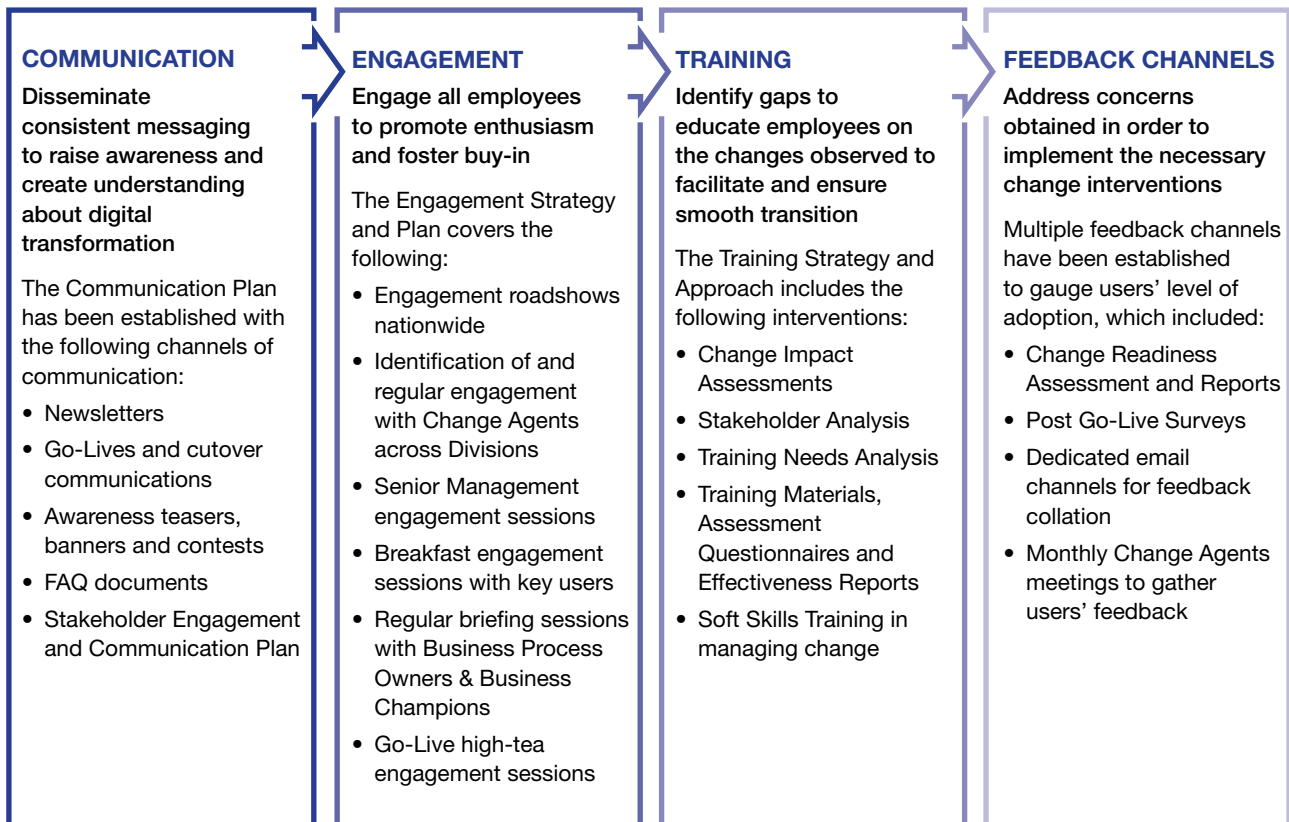
We undertake digital transformation and innovation initiatives to enable and integrate technology across our business operations. Initiatives to support work from home were quickly established at the start of lockdowns and we continue to leverage on technology to enable us to work safely, securely and effectively. As the Group invests in new digital capabilities, corresponding efforts to address information risks are continually being assessed.

Digital transformation: Our change management framework

We completed the rollout of our digital backbone with SAP for Enterprise Resource Planning, Human Capital Management, and e-Procurement in December 2020. While some of our businesses have started using some SAP system components, fine-tuning processes across all businesses are ongoing in 2021.

Digital transformation and adoption has continued to accelerate across the business world. Our Change Management Framework was established to ensure a smooth transition of digital transformation across our business operations. The four pillars outline the key focus areas as shown below:

IJM's Change Management Framework



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In September 2020, Kuantan Port formulated an actionable plan to transform into a digital-ready entity. After brainstorming sessions, crafting goals, strategies and action plans, a comprehensive Digital Roadmap that focuses on transforming our people, processes and use of technology marked the beginning of an exciting yet challenging journey for Kuantan Port towards meeting its vision - *To be the leading maritime hub, driving the region forward and accelerating the growth of our partners.*



Kuantan Port's Digital Roadmap Workshop

Building information modelling

Since 2016, we have been expanding our adoption of Building Information Modelling ("BIM") for our construction projects. The use of BIM during the pre-construction phase enables early visualisation and planning using 3D model-based simulation, promotes better coordination between trades and eases work for renovation and facilities management upon project completion. In FY2021, BIM was implemented in two new projects, namely, STC Hotel and The Light City Development.

The Common Data Environment ("CDE") was set up to overcome the challenges of working remotely during the COVID-19 pandemic. The CDE stores relevant project progress updates and information that is accessible to the BIM team, construction personnel and subcontractors. The CDE enhances work coordination and collaboration among various parties.

The growing demand for BIM implementation both globally and locally has provided a clear impetus for enhanced BIM knowledge sharing between the industry and higher education institutions. In collaboration with IEM and University of Nottingham Malaysia, we shared the application and utilisation of BIM in the construction process with more than 100 students from the Engineering Faculty, under the theme *Building Information Modelling: The Catalyst for the Construction Industry*. The collaboration was also part of our aim to ensure sustainable development within the construction industry by embedding and developing BIM knowledge and intellectual aspects, practical skills and transferable skills among students.

Reinventing the home buying experience

During the COVID-19 pandemic, IJM Land has leveraged on technology to drive better customer experience and engage prospective buyers.

We conducted virtual site tours and viewings, marketed and communicated using multiple online platforms as well as provided e-brochures, 360-degree walkthroughs of IJM Land developments and show units, curated engaging content for social media and upgraded our website for customers to book and secure their desired units.

We also initiated the unit selection phase and signing of Sale and Purchase Agreements through video conferencing, which facilitated transactions without the need for buyers to be physically present.

In FY2021, IJM Land executed its first digital balloting for Phase 1 of Starling in Bandar Rimbayu via its official Facebook page to ensure transparency, accountability and fairness during the balloting process.



First digital balloting for Starling, Bandar Rimbayu

Industrialised building system – the smarter way to build

IJM invested in a fully automated Industry 4.0 Industrialised Building System (“IBS”) to produce IBS precast products in support of the Construction Industry Transformation Programme (“CITP”). The adoption of the IBS system enables us to deliver end products that are of higher quality and precision for our customers ranging from affordable housing, low- and high-rise residential, commercial buildings to public infrastructure such as schools and hospitals. The construction components are manufactured off-site and require site work on installation, hence reducing reliance on foreign workers and improving safety issues.

Our IBS plant that is located in Bestari Jaya, Kuala Selangor was completed in April 2021 and has an annual output capacity of 500,000 square metres. The plant has recently undertaken its testing and commission phase and is awaiting relevant approvals to commence business operations.

SECURITY

Security is a material issue for all our Divisions. The Property Division is committed to implementing various initiatives to mitigate safety and security concerns at our townships apart from providing continued peace of mind for our residents. Our townships and facilities incorporate an approach known as Crime Prevention by Environmental Design (“CPTED”), which entails a natural form of surveillance on top of other security measures, like CCTV surveillance, adequate street lighting and round the clock guard patrols to reduce criminal opportunities and provide a safer environment for all residents.



Guardhouse built at the entrance to Rimbun Alam township with single entry and exit point to facilitate screening of visitors and control entry access

The Industry Division implements a number of security measures for the transport, storage, handling, use and disposal of explosives at all quarry sites. All workers handling the explosives are trained with relevant safety procedures in accordance with all national regulations and health and safety standards. All relevant authorities are pre-informed of any planned use of explosives at the quarry sites.

The Plantation Division has protected its employees from unauthorised entry through a closed-door policy for safety and security reasons during the nationwide MCO. The collaboration with local government agencies has also ensured the safety of our estates and employees living within the operational areas. In addition, regular patrolling by internal security personnel and *Rukun Tetangga* patrol teams further contribute to a safe and secure working environment.

The Port Division’s security regulations are based on the International Ship and Port Facility Security (“ISPS”) code. The ISPS code is an essential maritime regulation for the safety and security of ships, ports, cargo and crew. In addition, there are strict requirements for entrance permits under the National Security Council, unauthorised access restrictions to ships and port facility areas, and the control of port facilities through CCTV surveillance and physical patrolling.



Berthing of ship at the Kuantan Port

For the Toll Division, CCTV cameras are installed at toll plaza areas to monitor highway movements; and at gated walkways assigned to our toll collectors and operational staff for their safety. In addition, security guards are appointed around toll plaza areas to ensure that only authorised employees are allowed to enter certain areas.

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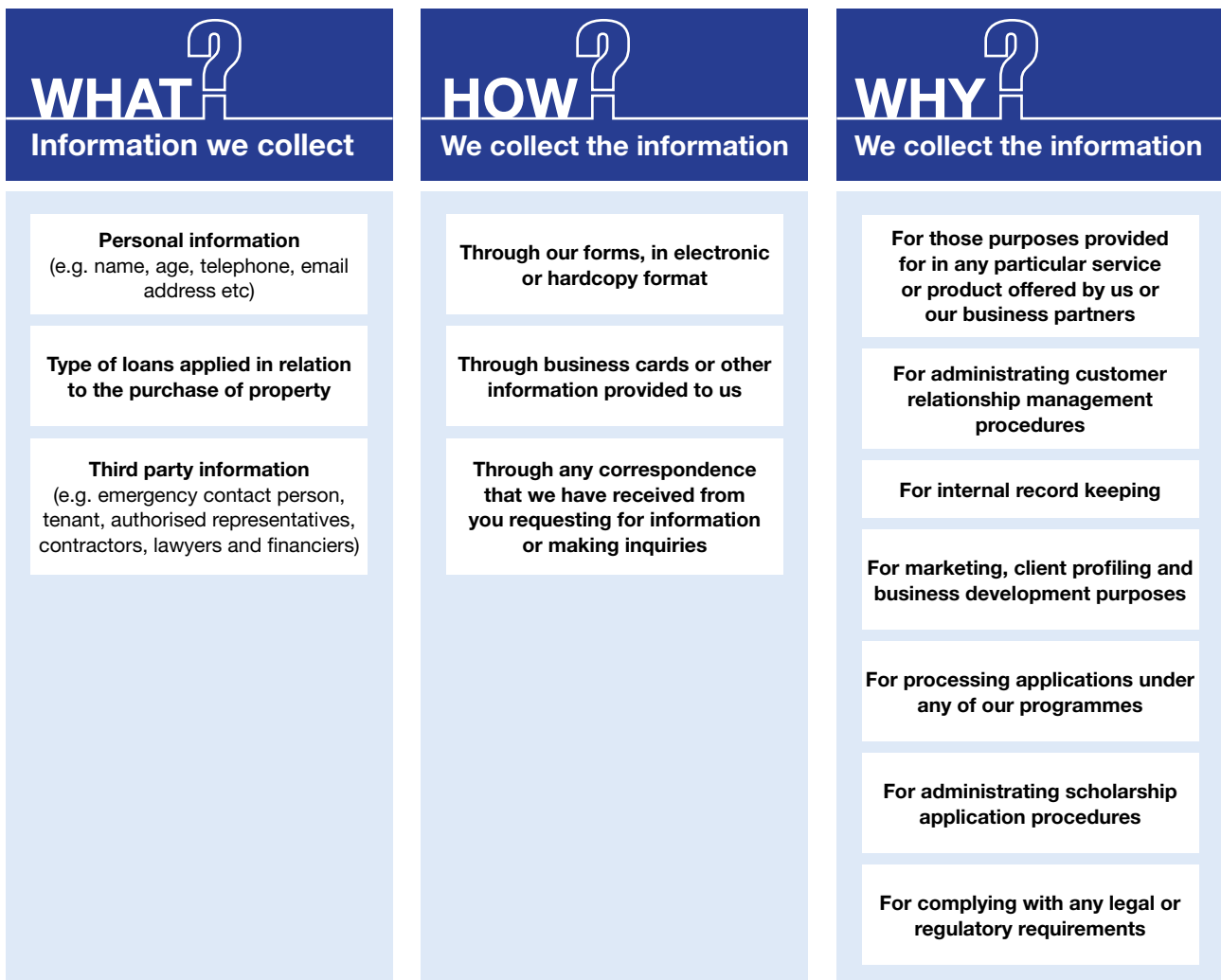
DATA PRIVACY AND PROTECTION (GRI 418-1)

Digitalisation and information technology systems are becoming increasingly important in our operations. Hence, customer data privacy and protection are of utmost importance to us. Therefore, we ensure our business is conducted in strict adherence to the Personal Data Protection Act 2010 (“PDPA”). We established a Privacy Policy to communicate the processing guidelines for collecting, recording, holding or storing our customers’ personal data. Furthermore, we are certified with the ISO/IEC 27001:2013 Information Security Management System (“ISMS”) and ISO/IEC 20000-1:2011 Information Technology Service Management System (“ITSMS”).

We have duly obtained the consent of all our customers before processing their personal data, taken reasonable steps to secure and protect their personal data, and we do not retain their personal data longer than the period for which the information is required. The Privacy Policy, in both English and Bahasa Malaysia, is published on the Company’s website.

In FY2021, we recorded zero substantiated complaints concerning breaches of customer privacy and zero cases of identified leaks, thefts, or loss of customer data. We will continue to protect our customers’ data privacy across our business divisions, and our Privacy Policy will be reviewed regularly in compliance with the PDPA 2010.

Our PDPA approach:



RESPONSIBLE SUPPLY CHAIN (GRI 102-9)

Given the nature of our businesses, we rely on diverse suppliers, service providers and contractors locally and globally for materials and services essential to our operations.

We established a Responsible Supply Chain Policy to ensure alignment of the Group’s values and principles to foster trust and long-term benefit to all stakeholders in our supply chain.

Responsible Supply Chain Policy

We aim to extend the Group’s values and principles to our suppliers, service providers and contractors in order to foster trust and long-term benefit to all stakeholders in our supply chain underpinned by good ethics, a healthy and safe workplace, capable of minimising the risk of violating human and social rights, good environmental practices and ensuring strict compliance to local laws and regulations.



ENVIRONMENT

Environment compliance

We expect our suppliers, service providers and contractors to be respectful in their interactions with the environment by adhering to all applicable environmental legislation, preventing pollution and adopting best practices in accordance with the Group’s environmental management system



SOCIAL

Health and safety

We expect our suppliers, service providers and contractors to have the necessary health and safety measures in place to minimise workplace risks and hazards

Human rights and labour

We expect our suppliers, service providers and contractors to demonstrate their commitment to human rights standards and laws



GOVERNANCE

Ethics and governance

We expect our suppliers, service providers and contractors to adhere to integrity and ethical business practices as outlined in the Group’s Code of Conduct and Ethics

In addition to our Responsible Supply Chain Policy, our Code of Business Conduct for Third Parties sets out fundamental principles and standards where our Third Parties are required to conform in their course of conducting business with the Group. This includes, but is not limited to all vendors, suppliers, service providers, contractors, subcontractors, consultants, agents, representatives and any other persons or entities who provide work, goods or services or act for or on behalf of the Group.

Any violations and/or non-compliance with this Code shall be taken seriously and may result in, among others, termination of the Group’s contract with the Third Parties. The Code of Business Conduct for Third Parties and the Responsible Supply Chain Policy are available on our Company’s website.