

# WORKPLACE

## Championing Employees as Our Greatest Asset



### OBJECTIVE

The health and well-being of our workforce is of fundamental importance to the Group. We ensure a thriving workplace that promotes a culture of performance, meritocracy and professional development.



### INITIATIVE HIGHLIGHTS

- IJM once again won the Sector Award for the Property, Construction & Development industry at Malaysia's 100 Leading Graduate Employers 2020 by the Graduates' Choice Award
- IJM launched the HSE campaign, themed *Zero Fatality - Protect Lives, Protect the Environment* in alignment with SDG 3 *Good Health and Well-Being*
- Our workforce continues to be diverse regardless of race, gender and age
- IJM continued our Learning and Development programmes despite the pandemic, where over 4,200 employees and workers clocked over 24,800 training hours
- Port Division renewed a three-year collective agreement with the labour union



### GRI STANDARDS SPECIFIC TOPICS

- GRI 401: Employment
- GRI 403: Occupational Health and Safety
- GRI 404: Training and Education
- GRI 405: Diversity and Equal Opportunity
- GRI 412: Human Rights Assessment

### SDGs



Our businesses thrive on the passion and the performance of our people, and by ensuring a safe, engaging and innovative working environment, we empower our employees to achieve their full potential. Promoting an inclusive and diverse work culture while providing employees with fair remuneration as well as a healthy and safe workplace, supports our ambition to be an employer of choice.

In August 2020, the World Economic Forum released a report titled *Human Capital as an Asset*, which addresses how the pandemic has accelerated the shift to new ways of working. The report also recommends the development of a new human capital accounting framework that enables companies to measure their investment in people that supports the delivery of better outcomes for the business, the workforce and the wider community.

IJM recognises the possible change in workplace and employee dynamics arising from the pandemic. Our continuous efforts to maintain our value proposition as an employer of choice is explained and discussed in this section.

### MAINTAINING A SAFE AND HEALTHY WORKPLACE

(GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7)

In FY2021, IJM was exposed to the impacts brought on by the pandemic and we recognise the importance of being resilient in facing the challenges of occupational safety and health during this time. It is imperative for us to move beyond regulatory compliance to ensure that any potential risks to our businesses are prevented or reduced to an acceptable level. Our Board and the CEO&MDs' involvement and support have been essential in driving improvements in the Company's safety and health performance.

Our safety and health system reflects how we manage occupational hazards and maintain the safety and health of our employees. In September 2020, the Construction Division launched our HSE campaign, themed *Zero Fatality - Protect Lives, Protect the Environment*, in



Our senior management's commitment to the HSE campaign

alignment with SDG 3 *Good Health and Well-Being* to reinforce our commitment to the safety and health of our stakeholders as well as the protection of our environment.

The campaign is conducted annually by the HSE Department to instil a strong HSE culture among our employees and ensure that all parties continue to work together towards creating a safe and healthy workplace. Apart from the campaign, joint management-worker health and safety committees set up at respective project sites enable participation of workers from all job levels in Occupational Safety and Health ("OSH") related discussions.



Our CEO&MD's involvement and support of the HSE campaign

Our OSH Policy ensures that various safety and health measures and controls are in place where our business operations can operate safely. All levels of our workforce, business partners, suppliers and subcontractors are expected to implement necessary safety and health measures to minimise risk at our workplace.

In FY2021, our Construction, Industry and Port Divisions retained the ISO 45001:2018 certification where our safety and health data is audited and verified by SIRIM. Our OSH Management System ensures both leadership and employee participation for the continual enhancement of HSE performances at workplaces.

The OSH management system also places emphasis on risk management processes and planning to ensure all activities and operations are carried out safely and in the right manner. Our safety and health risks and opportunities are proactively managed and determined in the Organisational Context, Risk and Opportunities Register which takes into consideration all existing projects or any potential new projects pursued by the Company.

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The Construction Division implements segregated access and egress points for heavy machinery and pedestrians to reduce risks of accidents. The biometric system at project sites enables real time monitoring of CIDB green card compliance and thus preventing unauthorised access into project sites. Coupled with thermal scanners, the system facilitates easy temperature monitoring within the project sites thus reducing the risk of COVID-19 spread.

In addition, the fencing system and galvanised iron pipes for fall protection prevents serious fall injuries and accidents and ensures the safety of employees working at height. The Division also utilises screen protection systems such as Rail Climbing System or Automated Climbing System to provide a safer working environment. In FY2021, in our continuous efforts to reduce fall risks, our project sites have embraced the use of the Mobile Elevated Working Platform (“MEWP”) for workers at high-rise projects as compared to the conventional scaffold installation.



Mobile Elevated Working Platform used at our high-rise projects

HSE committees are established in every region across the Property Division to address health and safety matters. All our offices and sales galleries are equipped with emergency response equipment such as stretchers, automated external defibrillators (“AED”), first aid kits and fire alarm systems.



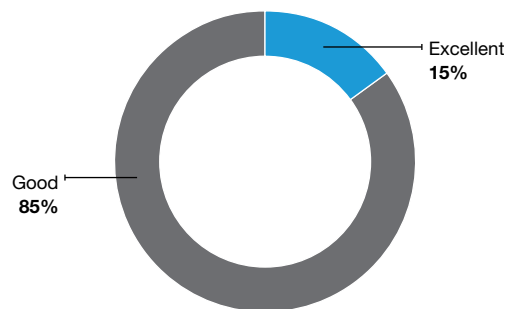
A joint emergency drill between Port Division and Shell with satisfactory response time

### Maintaining internal OSH best practices

The Construction Division executes the risk management process at project sites during the design and pre-construction stages, lowering the level of risk exposure while leveraging on the opportunities for improvement through the implementation of effective and appropriate control measures.

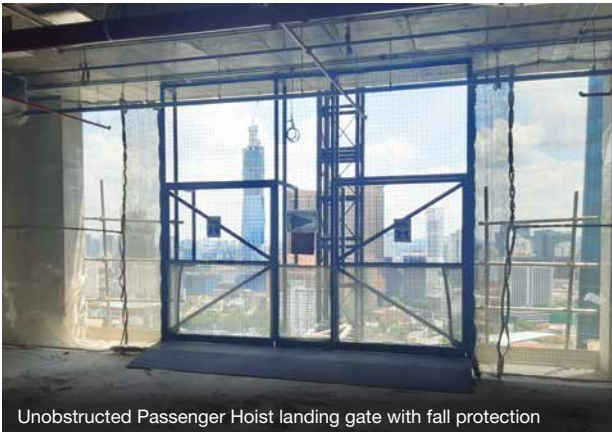
IJM practices a self-regulation process that involves monitoring and measuring construction projects performances through regular site consultations. We then provide necessary advice and guidance to maintain and increase construction projects performances. Internal audit programmes were conducted to evaluate performances and the HSE management system. In addition, third party inspections were carried out specifically on tower cranes at project sites to ensure proper functioning of the machineries, preventing accidents. In FY2021, the Construction Division conducted a total of 20 HSE consultation programmes and 12 HSE internal audits.

### HSE Consultation Programmes in FY2021



In compliance with the OSH (Use and Standard of Exposure Chemical Hazardous to Health) Regulations 2000 requirements, we carry out Chemical Health Risk Assessment (“CHRA”) on both ongoing and new projects sites where hazardous chemicals are utilised. This assessment helps determine the health risks workers are exposed to when managing hazardous

chemicals and the subsequent need for Chemical Exposure Monitoring and Medical Surveillance at project sites. In FY2021, the Construction Division identified one project site that required further Chemical Exposure Monitoring after 23 assessments were conducted on a number of chemicals at the project site.



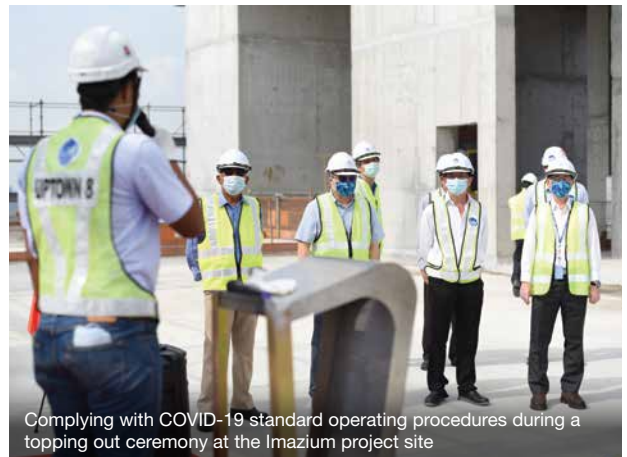
Unobstructed Passenger Hoist landing gate with fall protection



Safety screen system at Affin Bank project at TRX



Edge protection at working platforms at our project sites



Complying with COVID-19 standard operating procedures during a topping out ceremony at the Imazium project site



Biometric system at project sites entrances prevents unauthorised entry

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Health and safety requirements are included in the tender and contract documents for all Property Division projects. The Division also conducts HSE awareness programmes and toolbox sessions with subcontractors ensuring that health and safety is always at the forefront of their minds. They are also kept informed of upcoming changes to regulations and standards, apart from addressing recurring health and safety issues and elevating our standard of practice.

In addition, the implementation of the Department of Occupational Safety and Health's ("DOSH" Occupational Safety and Health in Construction Industry (Management) ("OSHCIM") for future projects is in its trial stages. This risk management approach incorporates the principles of prevention which are avoiding risks where possible, evaluating risks that can be avoided and implementing proportionate measures that control risks from their source. In FY2021, Riana Dutamas Parcel 2 was used as a pilot project for the implementation of OSHCIM management, tackling and minimising risks from its design stage.

All quarry personnel are equipped with personal protection equipment ("PPE") as a standard operating procedure. The PPEs that include eyewear, a safety helmet and shoes protects workers from dust and noise. All quarry visits and tours are supervised and limited. All blasting activities are controlled and requires a permit from relevant authorities. Only the certified shot firer is allowed to conduct blasting works, with the supervision of the Royal Malaysia Police. The Division measures the vibration reading from every blast apart from requiring employees to undergo an annual health screening such as a general physiology assessment, tone audiometry and silicosis as per the Medical Surveillance Report checklist.

The Division also maintains regular CHRA, conducts weekly and monthly HSE inspections and audits as well as undertakes preventive maintenance and machinery inspections. In addition, the Division has active HSE committees in all locations and conducts HSE induction training and toolbox meetings to ensure our workforce are well-versed with safety protocols. We have emergency response teams to handle emergency situations at every site, including COVID-19 management.

The Plantation Division is committed to improving work procedures and creating a safe workplace for all employees and contractors engaged at work as reflected in the Environmental, Occupational Safety and Health Policy. Apart from implementing an inclusive OSH management system, the Division adopts a risk-based approach to identify, manage and take preventive measures on potential hazards and risks in the workplace through Risk Assessment and Risk Control and CHRA.

The Division also conducts regular training on safe operating procedures and respective competency training to ensure employees are technically competent in handling job tasks. Internal audits and inspections are also conducted by in-house Safety and Health Officers at intervals to ensure safety programmes are implemented and in compliance with legislative requirements.

Our Port Division conducts CHRA every five years at our Kuantan Port facilities, assessing the chemical hazards, associated risks and the mitigation actions required. All chemicals are stored at a safe storage space to ensure exposure risk is reduced. Depending on the situation and chemicals handled, personal protective equipment such as respiratory, eye and skin protection are provided to employees and appointed contractors in accordance with the Division's safety measures. In addition, an Emergency Response Plan is in place with a dedicated response team available to cater to chemical emergencies. The next CHRA assessment is scheduled to take place in FY2025.



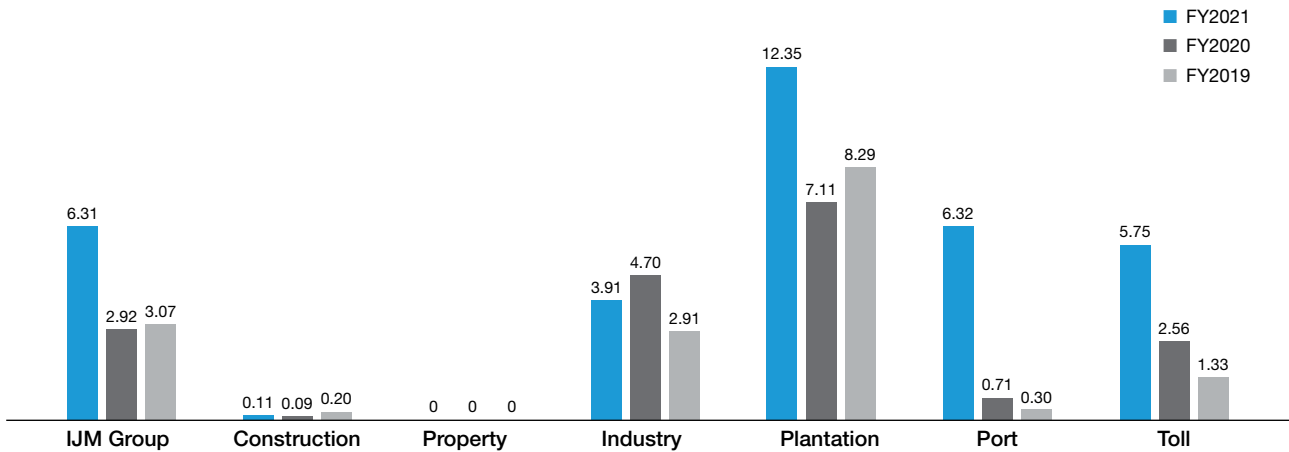
Chemical health risk assessment process being carried out

**Preventing workplace accidents** (GRI 403-9)

In FY2021, the Group recorded a Lost Time Injury (“LTI”) frequency rate of 6.31. This reflects the number of incidents occurring every one million working hours.

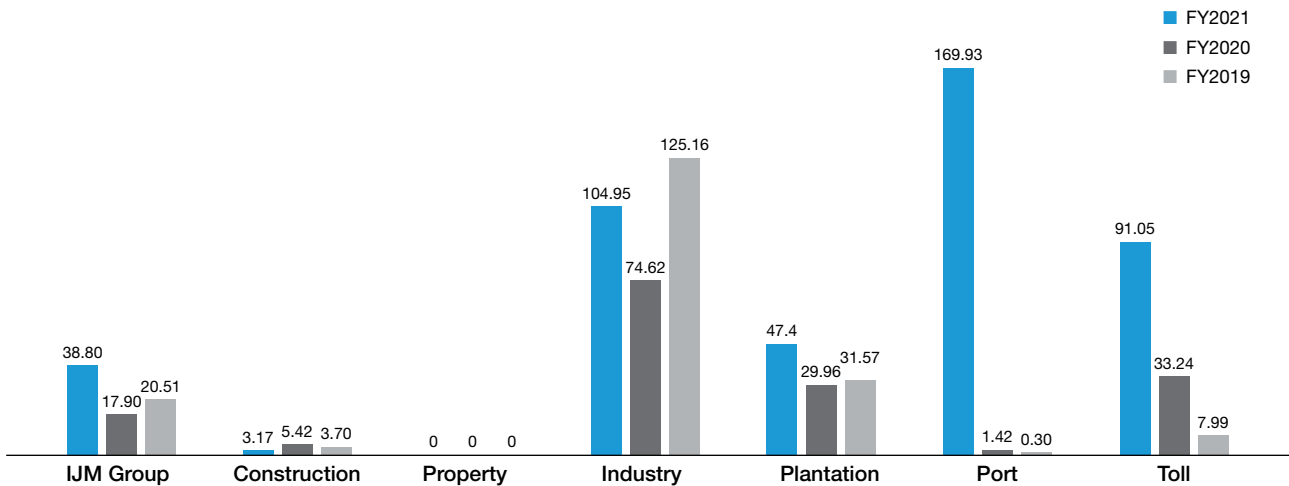
The Group’s severity rate, which measures the amount of time lost due to work-related injuries occurring for every one million working hours, was 38.80.

LTI Frequency Rate (per one million man-hours worked)



Note: Property Division incidences are accounted for under the Construction Division.

LTI Severity Rate (per one million man-hours worked)



Note: Property Division incidences are accounted for under the Construction Division.

IJM is committed to continuously improving our safety standards and we work diligently to reduce the risk of accidents at our workplace. Zero fatality and zero accidents targets are key performance indicators included in the incentive packages for all project directors.

In FY2021, there was one fatality case involving a worker under the employment of a subcontractor. On 25 October 2020, the worker lost his life while working at the MRT V203 project site when an excavation wall collapsed. The incident occurred when support for the excavation and the earth collapsed during sewerage related works and installation of a shoring system.

Immediately, all works involving trench excavation were suspended throughout the project site to facilitate the investigation. IJM, together with the turnkey contractor and the subcontractor, thoroughly investigated the root cause and factors that led to the incident and tightened measures to complete the work safely. We also reassessed all work methods, risk management processes, operational controls and monitoring and enforcement processes and implemented an effective support system to ensure safe sloping and to enhance safety at work.

## WORKPLACE Championing Employees as Our Greatest Asset

### Elevating OSH capabilities and performance

IJM believes that it is crucial to develop OSH knowledge and maintain competency levels of our employees and workers to ensure a high level of sustained performance throughout our businesses. We conduct various engagement programmes to influence and encourage our people to embrace the importance of safety and health at the workplace and take ownership in managing their respective duties in the right manner.

#### On-Job-Training at the workplace

In FY2021, project sites conducted 294 safety and health On-Job-Training sessions for a total of 1,256 of our employees and subcontractors. Some of the training topics include highlighting specific HSE trades and their requirements, working at height, scheduled waste management, chemical management as well as managing plant and machinery. IJM's *Micro Learning* platform is also another mechanism that eases HSE learning at project sites and enables HSE departments to monitor and address HSE performances.

During the year, the Port Division organised the following competency training sessions:

- Forklift Safety and Certification to ensure the safe handling and operating procedures of forklift operations
- Defensive Driving training to identify defensive driving principles, statistics relevant to accidents and deaths, negative and positive driving habits, driver behaviours, hazards, and performing emergency accident avoidance

Road safety is a material topic for the Toll Division too. Mock up accidents are performed by the Toll Division in collaboration with certain government agencies – the Fire and Rescue Department, Royal Malaysia Police and State Health Department – to assess the level of readiness and efficiency in managing an emergency situation, including the cohesiveness of our communication. In November 2020, 140 employees attended a fire safety webinar conducted by the Fire Prevention Centre Malaysia that covered fire safety especially during the COVID-19 pandemic.

In FY2021, our Construction Division received notices of non-compliance due to the reported fatality case and scaffold collapse. Our Industry Division received notices for improvement and prohibition due to safety related non-compliances. Necessary actions have been taken by the respective Divisions to enhance HSE performances within our operations.

### AN INCLUSIVE AND PRODUCTIVE WORKFORCE

(GRI 102-7, GRI 102-8, GRI 401-1, GRI 404-1, GRI 404-2, GRI 405-1)

Our people are the foundation that allows for a thriving business. In line with SDG 8 *Decent Work and Economic Growth*, we are committed towards empowering our workforce through an inclusive, diverse and conducive working environment while capitalising on the benefits of a productive workforce.

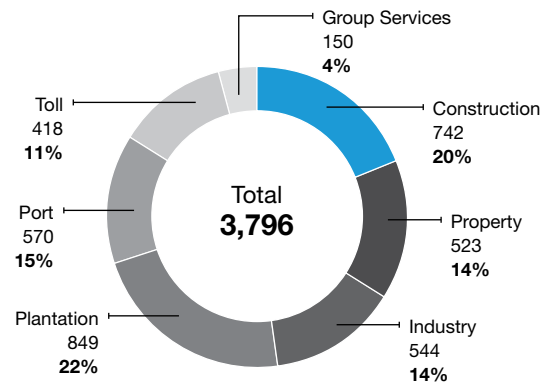
#### Maintaining a diverse talent pool

(GRI 401-1, GRI 405-1)

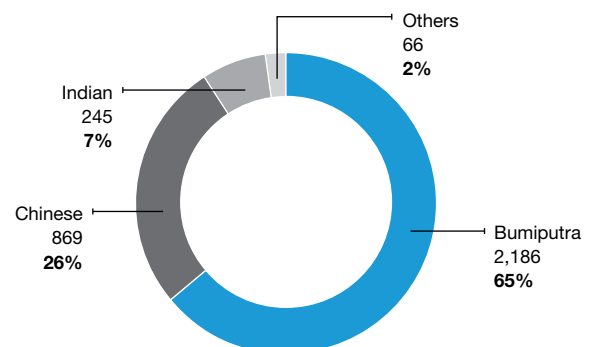
As at 31 March 2021, IJM Group has 3,796 employees across our business divisions where permanent full-time employees make up 87% of the total IJM workforce while contract full-time employees make up the remaining 13%.

In FY2021, IJM's total Malaysian workforce comprised 65% Bumiputra, 26% Chinese, 7% Indian and 2% from other ethnic groups. Non-Malaysians constitute less than 1% of the workforce in all divisions except for IJM Plantations Berhad and Group Services. The Plantation Division employs 49% non-Malaysians in Sabah, East Malaysia and at our Indonesian operations, while Group Services employs 2% of non-Malaysians.

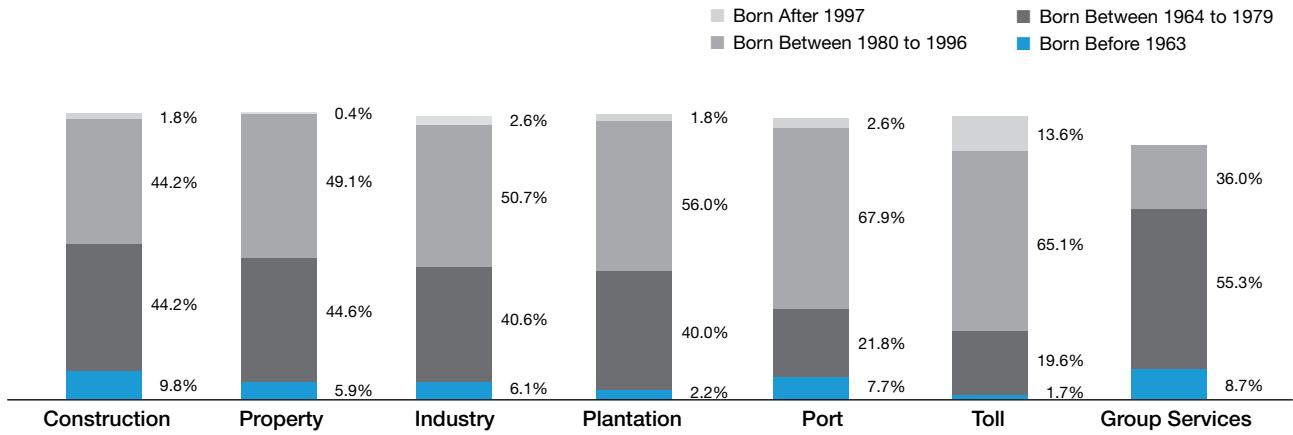
Employees by Division in FY2021



Malaysian Employees by Ethnicity in FY2021



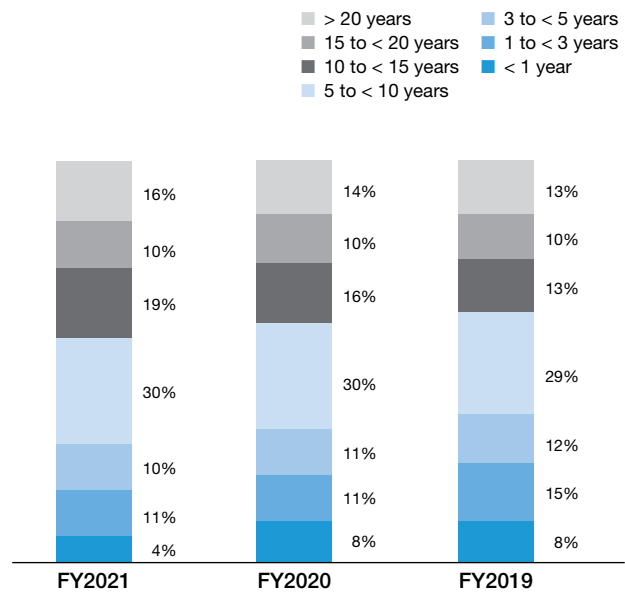
Employees by Generation as at 31 March 2021



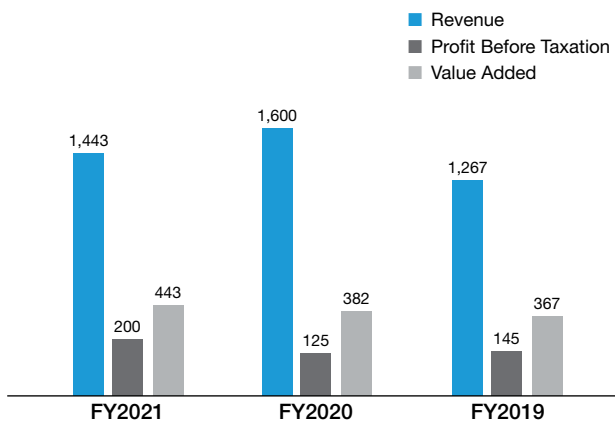
About 75% of our employees have been with IJM for more than five years and 600 employees have been with the Company for more than 20 years. Our 20-year Long Service Award ceremony is an opportunity to recognise employees for their longevity and loyalty towards IJM. In FY2021, 104 employees were honoured with the award, affirming our ability to retain employees and being a good place to work.



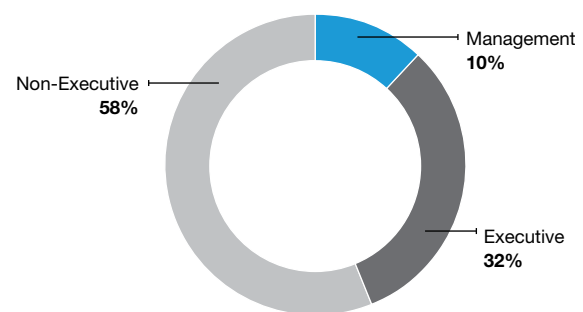
Workforce by Length of Service



Productivity per Employee (RM'000)



New Employee Hires by Employee Category in FY2021





## WORKPLACE Championing Employees as Our Greatest Asset

### Recognised as Malaysia's 100 Leading Graduate Employers 2020

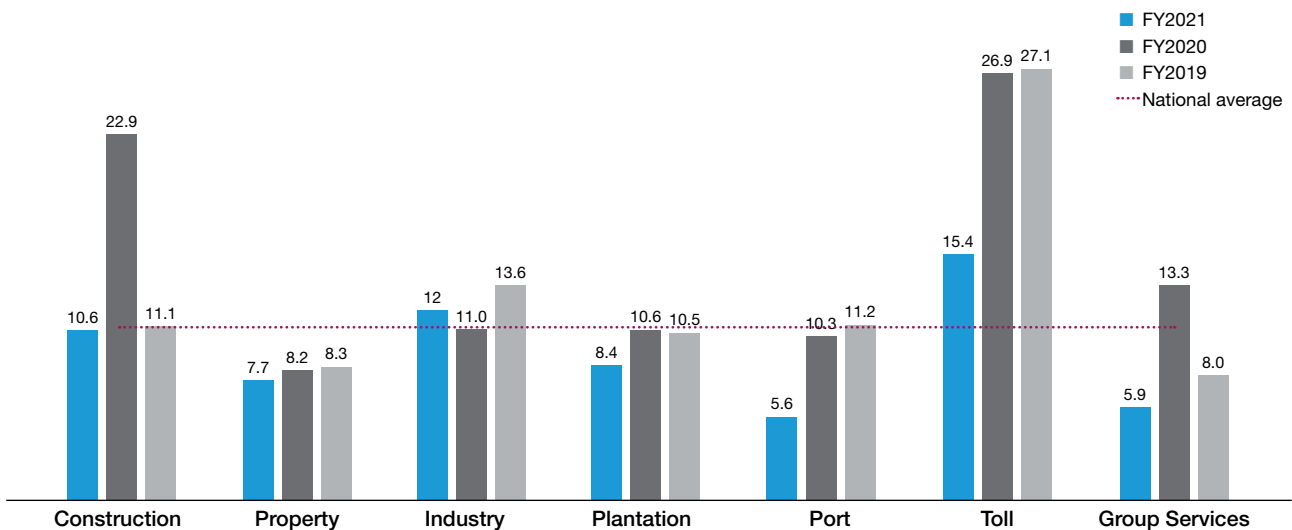
In an annual national survey, IJM was once again voted as Malaysia's 100 most desired graduate employers for the year 2020 by 26,654 local students and graduates, coming in as the first choice in the Property, Construction and Development sector. The Graduates' Choice Award is acknowledged and recognised by the Ministry of Education Malaysia, Malaysia Digital Economy Corporation and the Career Development Centre Club Malaysia.



IJM is transparent about our goals and we believe it helps create a shared vision and a sense of purpose amongst our employees to continue working with us. Our employee turnover rate remains lower than the national average of

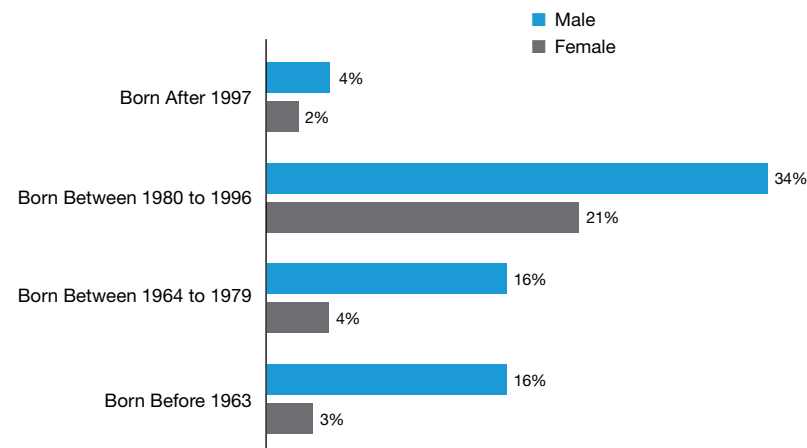
10.8% for most of our Divisions. The turnover rates of our Industry and Toll Divisions are higher than the national average due to the hiring of a large number of part-time employees.

### Turnover Rate by Division (%)



Note: National average turnover rate is as published in the Korn Ferry's Compensation and Benefits Report 2020

### Employee Turnover by Generation and Gender in FY2021



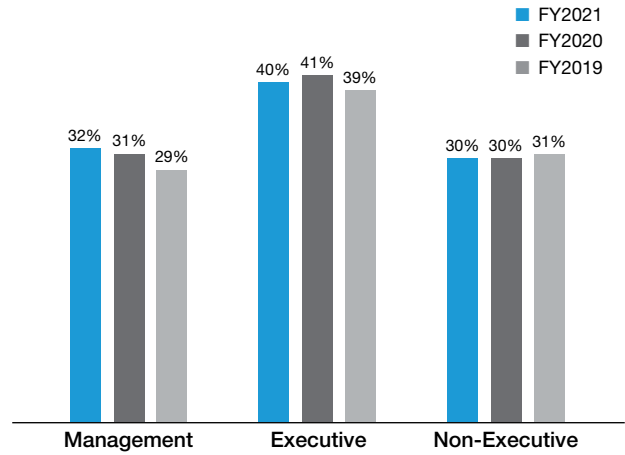
**Women in the workplace**

In FY2021, women made up about one-third of our total workforce – 32% in management roles, 40% in executive roles and 30% in non-executive roles.

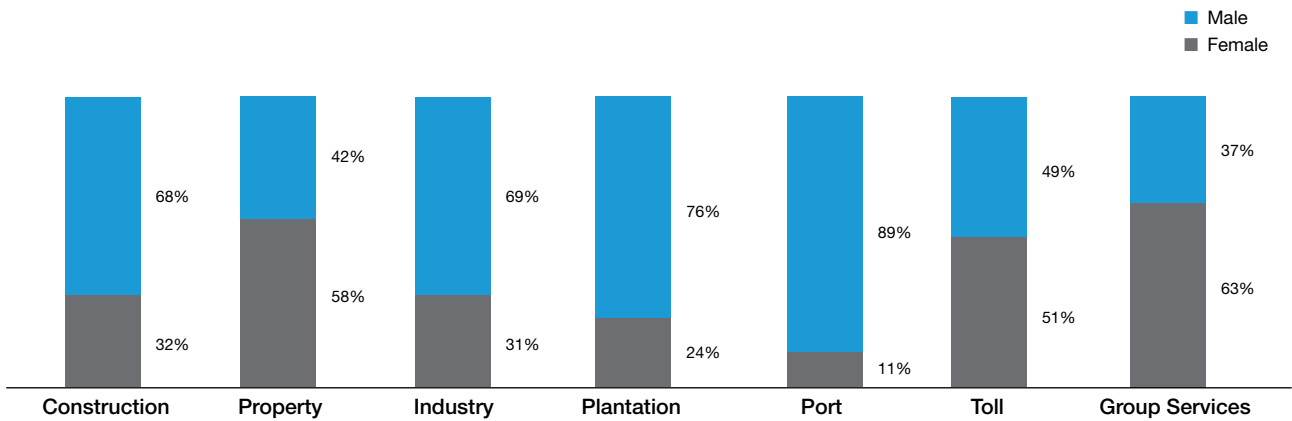
In the reporting year, 213 female employees went on maternity leave and 88% continued to remain employed with IJM upon their return.

Gender	Female	Male
Total employees who went on maternity or paternity leave	213	256
Return to work rate	88%	100%

**Women Representation by Employment Category**



**Employees by Gender in FY2021**



**Keeping employees engaged** (GRI 404-1, GRI 404-2)

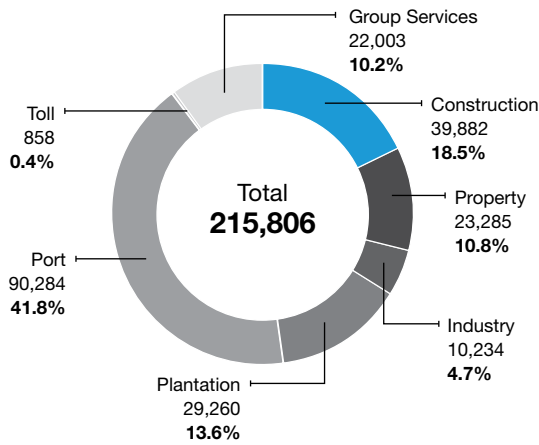
In early 2020, we implemented a new human resource system, which allows for regular performance and career development reviews. Continuous Performance Management facilitates check-ins between employees and their managers to improve performance. Employees are able to track their progress towards their set goals; and include updates of their daily work activities and achievements. This provides an avenue for meaningful performance-oriented conversation with their managers who can then provide effective feedback and coaching, when required.

We are committed to enhancing the continuous professional and personal growth of our employees. Despite the pandemic, we continued to connect with our employees while some worked from home and at the office through a strategic employee training plan. Through our Learning Management System, virtual training programmes were conducted to ensure continuous professional and personal growth of our employees.

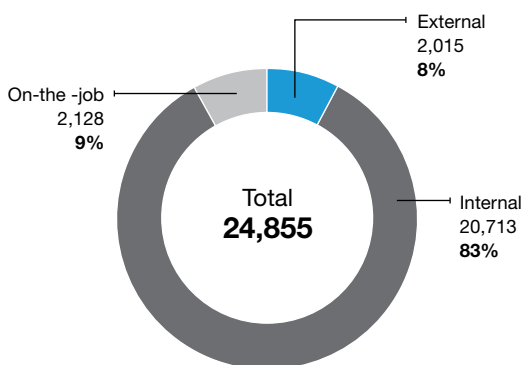
## WORKPLACE Championing Employees as Our Greatest Asset

In FY2021, a total of RM215,806 was spent on Learning and Development, where over 4,200 employees and workers clocked over 24,800 training hours. Our virtual learning and development programmes covered a broad range of topics such as crisis management, performance management, virtual meeting etiquette skills, communication skills, building resilience and other soft skills. We also continue to engage our workforce via virtual and physical forums and townhalls while maintaining all COVID-19 standard operating procedures to ensure employees stay motivated and productive.

Learning and Development Spending by Division in FY2021 (RM)



Training Hours by Type in FY2021



Port Division's townhall briefing

### MAINTAINING HUMAN RIGHTS PRACTICES

(GRI 102-41, GRI 412-2)

We respect and support human rights in our business operations. Our Human Rights Policy, available on the Company's website, provides guiding principles in the areas of diversity and inclusion, workplace security, no child labour, and exploitation in any forms – forced labour, slavery, human trafficking and sexual exploitation, health and safety, as well as community rights especially in locations where we operate.

We have zero-tolerance for child labour and any form of forced labour in our direct operations. Individuals under the legal working age of 18 in Malaysia and 17 in Indonesia are not employed. We respect the rights of our employees to freedom of association and collective bargaining in accordance with national laws. We respect our employees' right to establish and support labour unions and to participate in collective bargaining. Our labour unions represent 2% of the Group's workforce, all of whom are with the Port Division. In January 2021, our Port Division renewed the collective agreement with the labour union. The agreement, which is effective for three years, includes recognition of the union as an exclusive bargaining body as well as members' compensation and benefits such as allowances, leave entitlements, medical and insurance coverage.

We comply with all applicable labour laws, including working hours and overtime, in the countries where we operate. Under the Minimum Wages Order 2020, we adhere to the minimum wage of RM1,200 per month in major cities in Malaysia and RM1,100 per month for areas not included in the listed 56 cities and municipal council areas. The Plantation Division’s Indonesian operations adhere to the minimum wage agreements set by each Indonesian provincial government and observe all related guidelines and revisions in the agreements.

Our Responsible Supply Chain Policy outlines the importance of maintaining good governance of human rights and labour practices within our operations. The nature of our businesses is labour intensive and a majority of our foreign workers are hired by our subcontractors, with the exception of our Plantation Division where foreign labour is hired directly. We expect our subcontractors to also protect foreign labour rights and ensure that they receive fair treatment such as equality in terms of wages, work hours, holidays, terminations, non-discrimination, freedom of association, access to complaint mechanisms and other established protection policies.

Our Plantation Division promotes the well-being of workers by providing free medical treatment for employees and their dependents. There are 22 clinics and six ambulances with full-time certified hospital assistants or nurses in every operating unit. In addition, workers’ children are also provided vaccinations and vitamins at the clinics and through local health outreach programmes.

In collaboration with the Humana Child Aid Society Sabah, the Plantation Division funds four Humana Learning Centres that provide basic education for the children of guest workers aged between five to 12 living in our estates in Sabah. The Division also supports two Community Learning Centres that house secondary school aged children, six kindergartens and 25 care centres for babies, toddlers and pre-school children in our estates.

Plantation Workers by Gender in FY2021

