

SUSTAINABILITY STATEMENT

Parkson Holdings Berhad (“Company”) is pleased to present its Sustainability Statement which provides an overview of its Economic, Environmental and Social (“EES”) practices for financial year ended 31 December 2023 (“FY2023”).

The Company is an investment holding company with stakes in Parkson Retail Asia Limited (“PRA”) and Parkson Retail Group Limited (“PGRL”), listed on the Singapore Exchange Securities Trading Limited and The Stock Exchange of Hong Kong Limited respectively. Its subsidiaries are involved in retail business, operation of department stores, and food and beverage (“F&B”) businesses, investment holding, property management, property development and project management, provision of consultancy and/or management services, wholesale and retail of cosmetic and related products, distribution and retailing of fashionable goods, provision of money lending and credit services, and intellectual property holding.

PRA operates 37 Parkson department stores in Malaysia. PRGL, one of the premier retail operators in the People’s Republic of China (“PRC”) operates and manages 43 department stores (including “Parkson Beauty” concept stores), 1 Lion Mall, 2 Parkson Newcore City Malls, supermarkets, fashion, and F&B outlets in 29 major cities in the PRC and Laos. PRGL is also involved in the consumer financing business through Parkson Credit Sdn Bhd (“Parkson Credit”) which provides the convenience of purchasing motorcycles and household appliances via easy instalment payment.

BASIS OF SCOPE

This Sustainability Statement covers the Group’s operations in Malaysia namely Parkson departmental stores, Parkson Branding and Innovation division, Parkson Credit and Hogan Bakery.

REPORTING FRAMEWORK AND STANDARDS

We have taken steps to incorporate standard disclosures in accordance to the Global Reporting Initiative (“GRI”) Standards and Bursa Malaysia Securities Berhad’s (“Bursa Malaysia”) Main Market Listing Requirements (“Listing Requirements”) with reference to its Sustainability Reporting Guidelines. The standard disclosures are also aligned with the United Nations Sustainable Development Goals (“UNSDGs”).

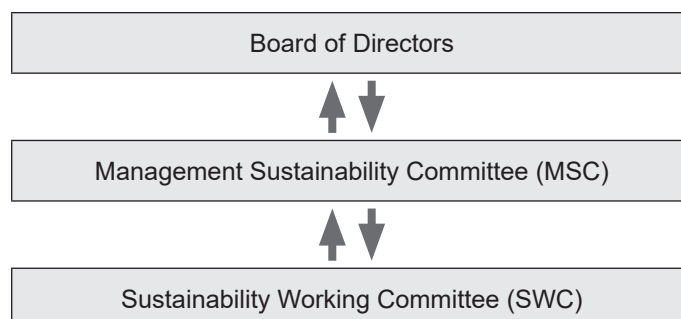
The Group is working to adopt the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) with effect from FY2025. We will continue to improve our disclosures to align with best practice reporting standards.

APPROACH TO SUSTAINABILITY

Our sustainability approach is guided by Lion Group’s mission “We are committed to make Lion Group a caring organisation and be recognised for excellence in quality, growth and profitability”, of which the Group is a member.

We have adopted a holistic sustainability approach across our business operations and functions. The strategic direction guided by the Board of Directors, with the Head of Company/Business taking on the executive role for effective and efficient implementation, and driven via collaboration amongst various Departments and Business Units across the Group.

SUSTAINABILITY STRUCTURE



The Board of Directors has oversight of the Group's strategic direction on sustainability.

The MSC is chaired by the Head of Company/Business, and assists the Board with strategic direction of sustainability matters. MSC is responsible for steering, coordinating and ensuring the effective and efficient implementation of the sustainability framework.

The SWC comprises members from middle management across our operations and is responsible for the day-to-day implementation of the sustainability strategies and plans.

GOVERNANCE

The Group complies with applicable laws and regulations of corporate governance and adheres to related best practices. With a high standard of corporate governance, we believe that the Group will be able to maintain its success, remain competitive and sustainable in the long term. Our Corporate Governance Overview Statement and Statement on Risk Management and Internal Control are presented in pages 13 to 31 of this Annual Report.

STAKEHOLDERS ENGAGEMENT

Stakeholders engagement is imperative in understanding their expectations. We recognise that stakeholder expectation, assessment and feedback are an integral part of our sustainability strategy and initiatives, and we are continuously improving our approach via regular engagements that are held through both formal and informal channels.

Key Stakeholders	Area of Interest	Engagement Platforms
Employees	<ul style="list-style-type: none"> • Health, safety and well-being • Learning and development • Respect and recognition • Job satisfaction • Pay and benefits 	<ul style="list-style-type: none"> • Meetings • Training programmes • Internal newsletter • New employee induction programme • Staff gatherings and other engagement channels

STAKEHOLDERS ENGAGEMENT (continued)

Key Stakeholders	Area of Interest	Engagement Platforms
Customers	<ul style="list-style-type: none"> • Price promotion • Convenience and experience • Engaging, knowledgeable personnel • Responsible financing 	<ul style="list-style-type: none"> • Face-to-face interaction through service channels • Communication through Marketing Department, Customer Service Department and Corporate Communications Department • Feedback through website, e-mail, social media platform • Sales, promotions, road shows and related events • In-store information
Suppliers/Vendors	<ul style="list-style-type: none"> • Long term partnership • Financial resilience • Sustainable business growth • Experienced management team 	<ul style="list-style-type: none"> • Liaison with suppliers before sourcing and engaging with contract managers • Meetings, business alliance events/meetings • Vendor service/support channel
Shareholders and Investors	<ul style="list-style-type: none"> • Good governance • Sustainable business growth • Disclosure and transparency 	<ul style="list-style-type: none"> • Investor relations channel and meetings • Annual General Meeting • Quarterly reports, Annual Report
Regulatory Agencies and Statutory Bodies	<ul style="list-style-type: none"> • Regulatory compliance • Safety and security 	<ul style="list-style-type: none"> • Meetings and events • Consultative and statutory reporting
Local Communities	<ul style="list-style-type: none"> • Responsible corporate citizen • Support for social causes • Creation of job opportunities 	<ul style="list-style-type: none"> • Activities and sponsorships organised by the Group and Lion-Parkson Foundation
Media	<ul style="list-style-type: none"> • Response to media enquiries and requests for interviews • Long term engagement 	<ul style="list-style-type: none"> • Media releases, media statements and interviews • Advertisements • Media invitations and sponsorships
Industry Associations	<ul style="list-style-type: none"> • Support for mutual interests • Parkson is a member of the Malaysia Retailers Association (MRA), Malaysia Retail Chain Association (MRCA) as well as the Intercontinental Group of Department Stores (IGDS) • Parkson Credit is a member of Credit Sale Companies Association and International Chamber Of Commerce (ICC) Malaysia 	<ul style="list-style-type: none"> • Meetings and events

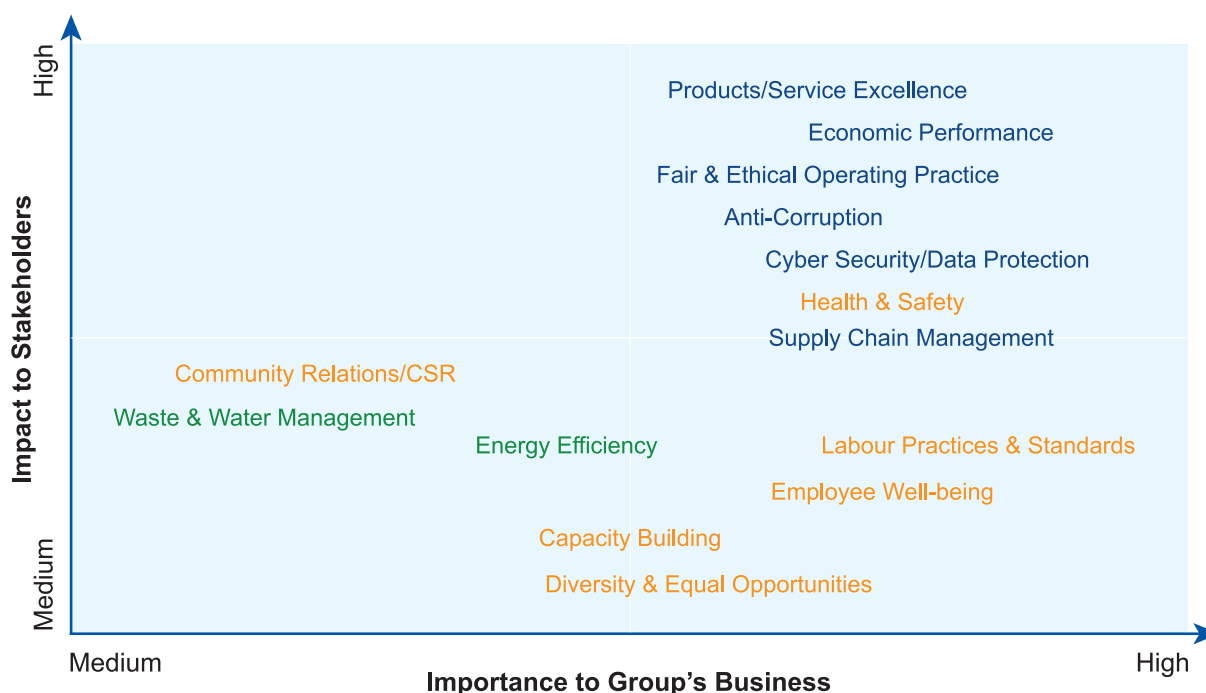
MATERIAL MATTERS

Our materiality matters are validated by our various divisions, combined into a consolidated matrix of issues relating to the activities of the Group. In identifying matters material to the Group, we were guided by GRI and the Listing Requirements.

We aim to conduct a comprehensive materiality assessment once every 3 years, and undertake an annual review of the relevance of our prioritised economic, environmental and social impacts arising from our day-to-day activities.

Economic	Environmental	Social
<ul style="list-style-type: none"> • Economic Performance • Fair & Ethical Operating Practice • Product/Service Excellence • Anti-Corruption • Cyber Security/Data Protection • Supply Chain Management 	<ul style="list-style-type: none"> • Energy Efficiency • Waste & Water Management 	<ul style="list-style-type: none"> • Employee Well-being • Health & Safety • Capacity Building • Diversity & Equal Opportunities • Labour Practices & Standards • Community Relations/CSR

MATERIALITY MATRIX





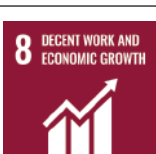


Indicators :







CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (“SDGS”)

We are committed to adopt the Sustainable Development Agenda 2030 established by the United Nations (“UN”). The following outlines the Group’s efforts in supporting the SDGs in the year under review:

UNSDGs	Description	Our Approach
	<p>Goal 1: No Poverty End poverty in all its forms anywhere</p>	<ul style="list-style-type: none"> • Provide financial aid for medical treatment to the most vulnerable segments of society • Collaborate with other bodies and Non-Governmental Organisations (“NGOs”) to extend our reach and ensure help is targeted to those most in need
	<p>Goal 3: Good Health and Well-being Ensure healthy lives and promote well-being for all at all ages</p>	<ul style="list-style-type: none"> • Prioritise health and safety in our business operations by adopting rigid safety standards and systems, provide continuous safety training to protect our employees, sub-contractors and the general public • Promote healthy lifestyles and work-life balance by organising programmes that focus on our employees’ physical and mental well-being
	<p>Goal 4: Quality Education Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<ul style="list-style-type: none"> • Provide scholarships to undergraduates pursuing their first degree locally • Promote employee development programme
	<p>Goal 5: Gender Equality Ensure full participation in leadership and decision-making</p>	<ul style="list-style-type: none"> • Acknowledge women’s contribution in the industry and committed to promoting the advancement of women, especially in fields related to steel manufacturing, engineering and construction • Ensure women’s effective representation and equal opportunities for leadership at all levels of decision-making across business activities
	<p>Goal 8: Decent Work and Economic Growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<ul style="list-style-type: none"> • Provide competitive remuneration packages to our employees, and training opportunities for career growth and development • Promote a safe and secure working environment for all workers, including contractors and foreign labour • Stand firm against any form of forced labour, modern slavery and child labour

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (“SDGS”) (continued)

UNSDGs	Description	Our Approach
	Goal 12: Responsible Production and Consumption Substantially reduce waste generation	<ul style="list-style-type: none"> Encourage 3R (reduce, reuse, recycle) activities to reduce waste generation
	Goal 13: Climate Action Take urgent action to combat climate change and its impacts	<ul style="list-style-type: none"> Compliance with all applicable statutory and regulatory requirements.
	Goal 16: Peace, Justice and Strong Institutions Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	<ul style="list-style-type: none"> Support fair and equitable workplace Ensure a strong ethics and compliance culture Zero tolerance towards bribery and corruption, as articulated in our Anti-Bribery and Corruption Policy
	Goal 17: Partnership for the Goals Encourage and promote effective partnerships, building on the experience and resourcing strategies of partnerships	<ul style="list-style-type: none"> Collaborate with regulators, industry players and community development programme partners

KEY SUSTAINABILITY MATTERS

ECONOMIC

Ensuring economic sustainability is paramount for long-term business success. Our commitment lies in upholding ethical and responsible marketplace practices through transparent business conduct, operating our business with integrity, and a commitment to excellence. These principles not only enhance our competitiveness but also foster long-term relationships with our stakeholders.

• **Economic Performance**

The Group’s financial performance is vital for ensuring the sustainability of our business. We are committed to our responsibility of cultivating impactful employment opportunities and contributing to economic development. The jobs we generate within our operations and related sectors, coupled with the taxes we pay, play a pivotal role in making a significant and positive impact on the overall economy.

	RM’000
<i>Revenue</i>	3,125,907
<i>Profit after tax</i>	28,928
<i>Net loss attributable to owners of the parent</i>	(19,186)

Note: Further information on Economic Performance can be found in Financial Statements section of the 2023 Annual Report from pages 68 to 229.

- **Products/Service Excellence**

Delivering quality is important in maintaining credibility and customer trust, which are necessary in the highly competitive retail industry. Parkson being a true-blue Malaysian brand and household name for over 30 years has a responsibility to its customers to ensure that all merchandise carried by its stores fulfil customers' expectations. Hence, Parkson places high priority on the quality of the products offered to its customers and ensures that its suppliers share the same philosophy.

Our F&B businesses adhere strictly to the Standard Operating Procedures (SOPs) laid down by our brand's Principal which have very stringent food safety policies.

In conducting its business operations, Parkson Credit adopts responsible financing best practices and is committed to provide affordable and quality financial services in line with its corporate values and within the regulatory framework.

- **Fair & Ethical Operating Practice**

We believe that in conducting business activities, we must go beyond mere compliance with laws and regulations. Our commitment is to uphold high ethical standards that surpass societal expectations, ensuring fairness and equity in all endeavours. We offer products and services designed to meet customer expectations, demonstrating a fair and responsible attitude that considers both customer and business interests.

Building trust with stakeholders, including shareholders, investors, customers, suppliers, local communities, and employees, is essential. We pledge to disclose diverse information transparently, fostering understanding of our business and corporate activities.

Operating in accordance with fair competition practices, we apply the principle of non-favoritism in dealings with public authorities and allow suppliers to compete for business based on the overall value offered to the Group.

Committed to fair marketing practices, we prioritise clear and transparent communication with customers. As a financial service provider, Parkson Credit ensures that consumers are provided with fair contract terms.

- **Anti-Corruption**

The Group continues to promote a culture of integrity through awareness campaigns and regular communications. Our employees are required to comply with our Anti-Bribery and Corruption Policy ("ABC Policy") at all times.

We are committed to conducting our affairs in an ethical, responsible and transparent manner. In the pursuit of this commitment, we encourage our stakeholders to disclose suspected wrongdoings which may involve or concern our Group's directors, management, employees, performance, relations with other stakeholders, assets and reputation. Whistleblowers will be accorded protection of their identity unless the disclosure is required by any applicable law.

Corruption-related Training

In 2023, 76.0% of our employees have completed the necessary training. Additionally, employees are required to complete an annual e-declaration on Conflict of Interest and acknowledgment on the understanding of the ABC Policy to indicate compliance.

Operations Assessed for Corruption-related Risks

In FY2023, we conducted corruption risk assessments across all our operations, with 100% of them undergoing the evaluation.

Corruption Incidents

As of 31 December 2023, we recorded zero incidents of corruption across our business operations.

Executive 82.31% Non-executive 73.52%	Corruption Related Training	100%	Operations Assessed for Corruption-related Risks	ZERO	Corruption Incidents
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- **Cyber Security/Data Protection**

We continuously strive to ensure the confidentiality and protection of customers' and stakeholders' information and documents based on requirements under the Personal Data Protection Act 2010. Information on our vendors, suppliers and customers is strictly private and confidential, and is treated as such at all times.

We continue to educate our employees on data protection and privacy through knowledge-sharing initiatives. This includes disseminating information via articles published in our corporate newsletter covering key aspects such as the fundamentals of information security, online scams, cyber espionage, malware, and ransomware. Additionally, we have implemented a caution statement in all emails received, reminding recipients to only open emails deemed safe. The primary objective is to enhance awareness regarding the importance of maintaining the integrity and confidentiality of sensitive information, thereby mitigating potential threats and security breaches that could significantly impact the organisation.

During this reporting period, there were no substantiated complaints of breaches in customer privacy or loss of customer data. We will continue to protect our customers' data privacy across all operations.

ZERO	Substantiated Complaints Concerning Breaches In Customer Privacy Or Data Loss
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- **Supply Chain Management**

Our procurement department ensures that we engage in responsible procurement practices which is reinforced with the requirement for all our active registered vendors to periodically acknowledge their commitment to our Vendor Code of Conduct. Vendors' qualification/credentials are carefully vetted before being admitted into our list of qualified suppliers. Our initiatives start with the supplier selection process incorporating sustainability considerations such as fair labour practices and safety requirements.

Compliance and commitment by vendors and suppliers to conduct business with us in a transparent manner is sought through performing audits and making continuous improvements in our procurement processes and policies, including reassessing our procurement contracts. We believe local sourcing of products and services from within the country where possible is vital as it brings many advantages including lower costs, timely delivery, reducing carbon miles and invigorating the economy.

Local Suppliers

In 2023, a significant portion of our procurement expenditure, specifically 98.03%, was spent on local suppliers.



- **Customer Satisfaction**

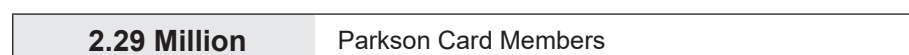
Customer support and loyalty is critical to the success of our business. Hence, we strive to put customers at the forefront of everything we do whilst we aim to provide safe, fairly sourced quality products as well as premium, value-adding services to our customers. Product knowledge and service skills training are part of our routine training programmes to ensure that our employees provide premium quality services to our customers.

Parkson has customer engagement and sharing sessions, and loyalty programmes to build long-lasting relationships with our customers, which are held with Parkson Card and/or BonusLink members, and customers at our stores.

The Group places high priority on customer engagement and interaction with various customer feedback channels to further improve on our customer service and achieving customer satisfaction. We have in place a variety of touchpoints to facilitate customer contact and our customers can submit a formal complaint to us via customer care desk, phone calls, social media platforms such as Facebook and WhatsApp, email or through messaging application to our Customer Service Department.

- **Parkson Card Loyalty Programme**

Our Parkson Card loyalty programme has enabled us to devise targeted promotions and events catering to the preference of our members. In addition, Parkson Card is accepted in countries where we have operations, and is supported by a wide range of our merchant partners. The cross border benefits that all members enjoy are the discounts ranging from 5% to 6% depending on their membership tiers. As at 31 December 2023, we have a total of 2.29 million Parkson Card members.



ENVIRONMENTAL

The Group remains steadfast in its commitment to sustainable development and seeks to operate in a way that minimises environmental harm. We advocate the 3R actions of Reduce, Reuse and Recycle at our workplace, and adopt preventative measures to conserve the environment and reduce pollution. We seek to uphold environmental concerns with emphasis on application of new technologies and industry best practices that are environmentally friendly, optimise the use of resources and promote energy efficiency, and we are committed in taking proactive measures to preserve the environment for future generations whilst meeting the needs of our stakeholders.

We encourage all employees to adopt the concept of 'Responsible Consumption' by using materials, energy and resources in a sustainable way to minimise the impact to the environment. This includes reducing the amount of energy and water used in our premises, less paper printouts and the use of recycled paper for printing, and reduce the usage of single-use plastics at the workplace. Efforts to educate employees are ongoing to ensure that everyone adopts the concept of sustainability.

- **Energy Efficiency**

The Group's primary environmental footprint stems from electricity consumption, where it is used for lighting and air conditioning in all our offices, department stores and F&B outlets. Minimising our environmental footprint is not only in coherence with our belief of conducting business in a socially responsible manner, it also helps us to reduce our operational costs.

To align with the energy conservation objective, almost 80% of the lightings in our Parkson stores have been converted to light emitting diode ("LED") lights. Compared with conventional lights, LED lights could contribute to 35% to 45% savings in energy consumption [measured in kilowatt hours (kWh)].

In addition to installation of LED lights, other energy conservation initiatives undertaken by Parkson include optimising the usage of high energy consumption store equipment (such as auto start/stop elevators and air conditioners) and switching on escalators/air conditioners closer to the commencement of our stores' operating hours, and cultivation of energy-saving habits namely, switching off lights, air conditioners and office equipment when not in use, and promoting use of natural daylight where possible, such as having windows and skylights.

We place a high priority on energy conservation throughout all aspects of our operations. For FY2023, the total energy consumption recorded was 43,257.85 megawatts.

43,257.85 Megawatts	Total Energy Consumption
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- **Water and Waste Management**

While the Group's operations may not involve extensive water consumption, we acknowledge the scarcity of water as a valuable resource, and consistently remind our employees to use water prudently. For FY2023, the Group consumed 130.74 megalitres of water.

In our department stores, we mainly produce cardboard, paper, and plastic wastes, while our offices generate paper waste. We are committed to recycling, making sure these wastes get a second life rather than ending up in landfills. As we embrace digitalisation and electronic processes, our reliance on paper has significantly decreased. This aligns with our ongoing efforts to adopt eco-friendly practices and contribute to a sustainable future.

It is worth noting that, as tenants in shopping malls and office buildings, water and waste management is the responsibility of the landlord.

130.74 Megalitres	Water Consumed
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- **Promoting Green and Environment-Friendly Products and Initiatives**

Whilst ensuring quality service, we also aim to create a green and low-carbon shopping and dining experience for our customers. We constantly explore greener alternatives in our day-to-day operations such as introduction of more efficient and energy-saving products and processes as well as 5S and 3R management techniques in our operations.

As part of its commitment to environmental sustainability, Parkson has taken a significant step by discontinuing all single-use plastic bags in its department stores. In line with the Think Green, Act Green initiative launched in September 2023, customers are encouraged to bring their own reusable shopping bags. Parkson also set up a Reusable Bag Community Station, allowing shoppers to drop off spare reusable bags for others to use, initiating a community-wide eco-journey, and hosted sustainability goal-sharing sessions with some of its vendors, promoting a collective commitment to environmentally conscious practices. In FY2023, Parkson has replaced its pre-printed Parkson vouchers with E-vouchers.

Parkson Pavilion Bukit Jalil joined forces with CRC (Community Recycle for Charity) to encourage shoppers to contribute to the green cause by donating unused clothes, clothing accessories, paper items such as books and magazines, children's toys and batteries. These items were deposited in the designated Recycle Box within the store during the campaign period.

SOCIAL

We recognise the importance of social inclusion as it influences our lifestyles and professional endeavours. With a commitment to contribute to the betterment of society, our aim is to cultivate a positive social impact that can truly make a meaningful difference.

- **Employee Well-being**

We are dedicated to establishing workplaces where every individual is confident that their contributions will be acknowledged, and where they feel secure in expressing themselves. Emphasising the necessity of engaging and listening to our employees, we actively strive to cultivate an environment that is not only conducive, but also fosters happiness and productivity. To facilitate effective employee engagement, we establish various forums, including town-halls, "lunch & learn" sessions, festive open houses, and sports and recreational activities. Such engagements address both work and social requirements of our employees leading to a healthy work-life balance which proves to be an important factor for recruitment and retention of employees.

With the Employment Act (Amendments) 1955 taking effect on 1 January 2023, the Group is implementing the amendments related to the Act, such as overtime eligibility, increase in maternity leave period, paternity leave, flexible working arrangement, prohibition of forced labour, amongst other provisions.

The Group has in place its Anti-Sexual Harassment Policy to safeguard our employees from such harassment. We put up posters on how to prevent sexual harassment at the workplace and organised online sharing sessions on sexual harassment to create awareness amongst employees on our strict internal sexual harassment policy. Any individuals who wish to report incidents of bullying and harassment can refer to our Whistleblower Policy.

For FY2023, there were no cases of discrimination or harassment being reported or recorded. There were zero incidences of non-compliance to labour laws.

ZERO	Substantiated Complaints Concerning Human Rights Violation
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• **Health & Safety**

The health and safety of our employees and customers are vital to our businesses, hence the Group subscribes to the safety, health and environmental regulations with a systematic approach reinforced by constant training and monitoring to ensure the safety and well-being of our employees and customers.

In compliance with legal requirements such as the Occupational Safety and Health Act and related regulations and guidelines, the Group has in place a Safety and Health Policy and Guidelines for our department stores, F&B outlets and business premises to ensure a safe and comfortable environment for everyone.

Compliance with the safe work practices stated in these guidelines is the primary responsibility of all employees, consignors and their promoters, contractors and consultants performing their duties at our premises. Safety campaigns are held to remind and refresh the staff on safety awareness and related issues with training conducted for staff on the use of fire extinguishers, first aid i.e. CPR and injury management, and evacuation procedures.

Health and Safety Training

In 2023, a total of 2,142 employees were given various training on health and safety standards.

2,142	Employees Trained On Health And Safety Standards
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Among the training were:

- Basic First Aid & CPR
- Hazard Identification, Risk Assessment and Risk Control
- Kursus Keselamatan Kebakaran Bagi Organisasi
- Understanding Ergonomics Risk Assessment at Workplace
- Basic Occupational First Aid
- Ergonomic and Occupational Injuries at Workplace
- OSH Hazard and Risk Management Program
- HIRARC Remote Online Learning

Work Related Injuries

Workplace incidents are taken seriously; they are investigated and appropriate actions taken to prevent recurrence. In FY2023, there was one recorded incident of work-related injuries resulting in a lost time incident rate of 0.003%. While we deeply regret any occurrence of injuries within our workforce, we remain committed to ensuring the safety and well-being of all employees. This incident serves as a reminder of the ongoing importance of maintaining rigorous safety protocols and continuously improving our practices to prevent future incidents and create a safer working environment for everyone.

• **Capacity Building**

Developing our talent is a key focus for the Group to ensure we have the right people in place to allow us to grow our future leaders and strengthen our talent pipeline. We provide learning and development opportunities in respect of technical, functional and behavioral competencies for our employees in line with their job requirements and career aspirations. Learning interventions are delivered on-the-job, via formal class training or online and continuing education. We encourage and support employees to participate in upskilling courses related to their work scope and obtain skill certification for wider job coverage.

Total Hours of Training by Employee Category

Executive	16,515	HOURS
Non-executive	42,316	

In 2023, among the training and development programmes conducted both physically and/or online are as follows:

- The A-Z of Domestic Inquiry
- MIA International Accountants Conference 2023
- MBRS Hands-on Application of Financial Statement Content into the MBRS templates
- Negotiation Skills for Better Results
- Enterprise Risk Management
- HRDC Conference – Pioneering Growth, Inspiring Challenge
- Parkson E-Voucher
- MIA 2024 Budget Seminar
- HR Administrator Training
- Transformational Leadership Seminar
- Diversity & Equal Opportunities
- ESG Sustainability Reporting Workshop
- Masterclass in Kaizen for Work Improvement and Operational Process
- MRA Retail Conference – Retail Insight
- 18th BFM Brandfest 2023
- Visual Merchandising Display Skills

• **Diversity & Equal Opportunities**

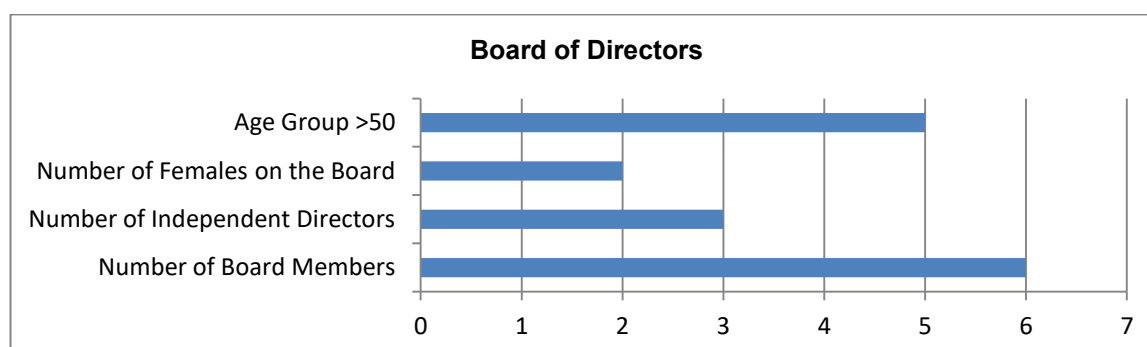
We do not tolerate discrimination against race, gender, age, religion or nationality and any form of harassment in our work environment. The Group’s workforce is a reflection of the multi-cultural and multi-ethnic diversity of Malaysia with a wide range of demographic segments and social backgrounds represented across all levels of the organisation.

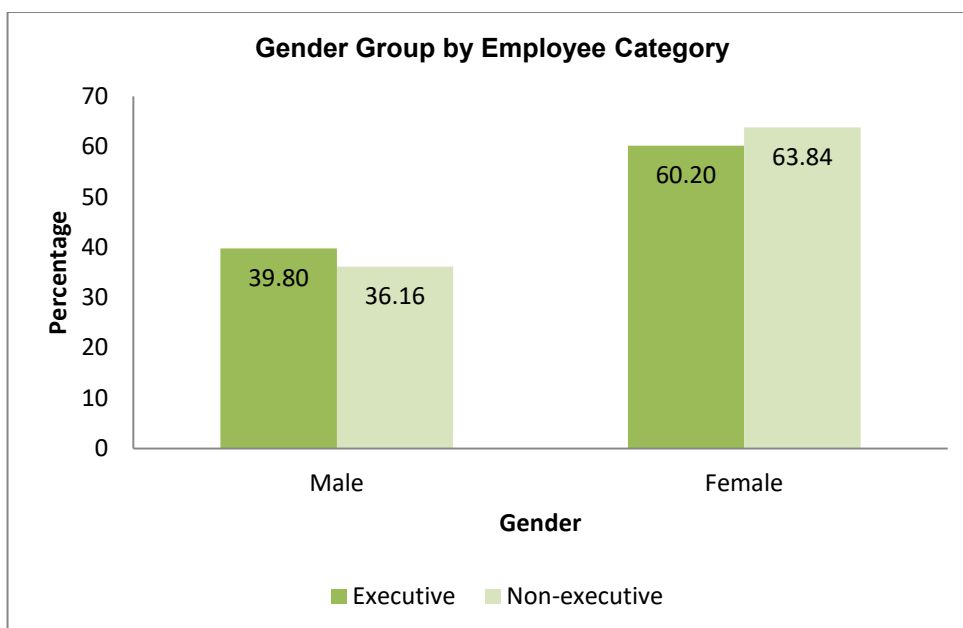
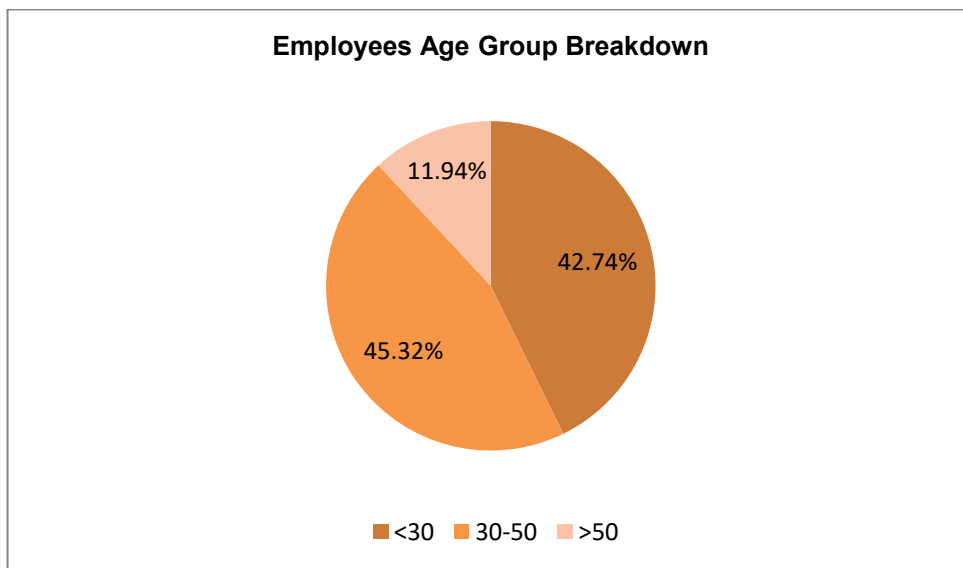
The representation of females on the Board of Directors (“Board”) at 33.33% highlights the Company’s dedication to fostering diversity and inclusion in top leadership positions, with 83.33% of our Board Members falling within the age group of above 50.

On a Group-wide basis, 62.83% of our employees are female and 37.17% are male, which is a reflection of our core business relating to fashion and beauty, particularly at the department stores. We have a well-balanced team, with 45.31% falling in the middle 30-50 years old age group, of which 36.56% are in executive positions.

We also engage part-time staff, including students and retirees, who are paid hourly and governed by part-time regulation hours, along with temporary staff receiving monthly wages. Additionally, we have indirect staff under the payroll of our vendors on our premises.

The retail industry typically experiences high turnover due to the demanding nature of the job, often characterised by long working hours. We are continuously focused on implementing strategies to attract and retain talented individuals, ensuring stability and efficiency in our operations.





Employees Category (%)		Age Group by Employee Category (%)				Total Turnover by Employee Category	
			<30	30 – 50	>50		
Indirect (vendors)	66.97					Executive	69
Part-time/Temporary	2.39	Executive	15.26	59.77	24.97	Non-executive	1,107
Permanent	30.64	Non-executive	53.28	39.77	6.95		

- Community Relations/Corporate Social Responsibility (“CSR”)**

In keeping with our philosophy of giving back to the community, the Group focuses on helping to uplift the community via Lion-Parkson Foundation (the “Foundation”) established in 1990 by Lion Group of Companies of which the Group is a member. The Group is also supporting the local community wherein it operates by participating in charity programmes and fundraising drives to assist those in need.

Empowerment through Education

We believe in Empowerment through Education; that education is the catalyst to bring about sustainable change for the better for our future generations. Annually, the Foundation awards scholarships to undergraduates in local universities. The selected scholars undergo training in soft skills such as problem-solving and communication skills as well as internships at Lion Group companies during their semester breaks to prepare them for working in the corporate world.

In FY2023, the Foundation disbursed scholarships amounting to RM350,000 to 36 undergraduates pursuing their bachelor's degree in local institutions of higher learning. Additionally, the Foundation contributed RM10,000 to the Chinese Chamber of Commerce and Industry of Kuala Lumpur and Selangor (KLSCCCI) – Scholarship Fund.

Expansion of Home for Special Children

The Foundation has completed the expansion of the Home for Handicapped & Mentally Disabled Children in Banting, Selangor to include an old folks home which is expected to be handed over to the operator, Persatuan Penjagaan Kanak-Kanak Terencat Akal Negeri Selangor by the first quarter of the next financial year.

Medical Assistance for the Less Fortunate

In reaching out to a broad and diverse cross-section of beneficiaries irrespective of race or religion, the Foundation also provides financial assistance to the less fortunate suffering from critical illnesses who require medical treatment including surgery as well as purchase of medical equipment and medication.

In FY2023, approximately RM270,030 had been disbursed in the form of sponsorship for medical treatment to 31 individuals including purchase of equipment and medication. The Foundation also donated RM20,000 to Hospital Selayang's Cataract Surgery Centre which assisted 86 patients from the B40 group undergo cataract operation.

Other CSR Initiatives

In November 2023, Lion-Parkson Foundation contributed RM5,000 to the 'Sports Carnival for OKU' organised by Malaysia Independent Living Association For Disabled (MILAD), a non-profit organisation dedicated to promoting inclusivity for individuals with disabilities, and donated RM5,000 to Malaysian Federation for the Deaf (MDF) in conjunction with Taska Istika Jaya Children's Day, through a charity programme organised by Malaysia Steel Institute. Parkson Credit sponsored the stationery sets and meals for the children and teachers at the event.

In a notable demonstration of their commitment to the preservation of wildlife, Parkson Credit, together with its network of motorcycle dealers, sponsored the care of two Malayan Tapirs at Zoo Negara for a one-year period. Parkson Credit's contribution of RM26,645 covers the maintenance, feeding and upkeep of one tapir while the motorcycle dealers contributed a similar amount for the second tapir which is an endangered species. Parkson Credit also organised a blood donation in partnership with National Blood Centre in December 2023 as part of its CSR initiatives.

Parkson entertains requests from students of related retail and business courses from local institutes of higher learning to visit its stores, and welcome them and stakeholders to a tour of the stores to provide them with insights and hands-on experience in the retail industry.

In February 2023, Hogan Bakery staff visited Angels Children's Home in Taman Overseas Union, Kuala Lumpur with food and drinks, and celebrated the birthday of those born in February.

SUSTAINABILITY PERFORMANCE DATA

Indicator	Measurement Unit	2023
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Executive	Percentage	82.31
Non-executive	Percentage	73.52
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	688,082.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	197
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Executive Under 30	Percentage	15.26
Executive Between 30-50	Percentage	59.77
Executive Above 50	Percentage	24.97
Non-executive Under 30	Percentage	53.28
Non-executive Between 30-50	Percentage	39.77
Non-executive Above 50	Percentage	6.95
Gender Group by Employee Category		
Executive Male	Percentage	39.80
Executive Female	Percentage	60.20
Non-executive Male	Percentage	36.16
Non-executive Female	Percentage	63.84
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	66.67
Female	Percentage	33.33
Under 30	Percentage	0.00
Between 30-50	Percentage	16.67
Above 50	Percentage	83.33
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	43,257.85
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	2,142
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Executive	Hours	16,515
Non-executive	Hours	42,316
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	69.36
Bursa C6(c) Total number of employee turnover by employee category		
Executive	Number	69
Non-executive	Number	1,107
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	98.03
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	130.740000

Internal assurance External assurance No assurance

(*)Restated

STATEMENT OF ASSURANCE

In strengthening the credibility of the Sustainability Statement, selected aspects/parts of this Sustainability Statement have been subjected to an internal review by the Company's internal auditors and the Statement has been reviewed by the Company's Audit Committee and approved by the Board.

Subject Matters covered are provided below:

Material Matters	Subject Matter
Anti-corruption	• Percentage of employees who have received training on anti-corruption by employee category
	• Percentage of operations assessed for corruption-related risk
	• Confirmed incidents of corruption and action taken
Community/Society	• Total amount invested in the community where the target beneficiaries are external to the Company
Diversity	• Percentage of employees by gender and age group, for each employee category
	• Percentage of directors by gender and age group
Energy Management	• Total energy consumption
Health and Safety	• Number of work-related fatalities
	• Lost time incident rate
	• Number of employees trained on health and safety standards
Labour Practices and Standards	• Total number of hours of training by employee category
	• Percentage of employees that are contractors or temporary staff
	• Total number of employee turnover by employee category
Supply Chain Management	• Proportion of spending on local suppliers
Data Privacy and Security	• Number of substantiated complaints concerning breaches of customer privacy and loss of customer data
Water	• Total volume of water used