# **SOCIAL RESPONSIBILITY**

## LABOUR PRACTICE AND STANDARDS

### **Related UNSDGs**



Goal 3: Good Health & Wellbeing



Goal 8: Decent Work & Economic Growth



Goal 10: Reduced Inequality



Goal 16: Peace, Justice & Strong Institute

#### Why This Is Important

For Tropicana, upholding fair labour practices and standards is crucial for ethical business conduct, mitigating legal risks, building a strong reputation, and ensuring project success through a motivated and productive workforce. A strong workforce will drive economic growth for the Group as well as improve business operations.

#### **Our Approach**

#### **Human Rights Principles**

Our approach to labour practices standards is based on international principles such as the Universal Declaration of Human Rights and relevant local laws. In addition, we align our practices with the International Labour Organisation's ("ILO") conventions on human rights and Children's Rights and Business Principles by the United Nations Children's Fund ("UNICEF"). This includes firm and unequivocal stances against all forms of child labour, forced labour, discrimination and any other violation of human rights and personal freedoms. Our commitment to human rights includes upholding Freedom of Association and Collective bargaining, which, at minimum, is based on local laws.

As a Malaysian company, we remain supportive and a proponent of Malaysian government policies and plans to enhance human rights, especially concerning employee relations. We are aware that Malaysia has ratified the Protocol of 2014 to the Forced Labour Convention and the adoption of the National Action Plan on Forced Labour. The National Action Plan on Forced Labour includes measures to increase the inspection of workplaces, provide more support to victims of forced labour and increase awareness. Given this development and heightened scrutiny by the government, we endeavour to continuously improve our compliance monitoring capabilities, not just within our properties and operating sites but where required, across our value chain.

The sustainability governance structure articulated at the beginning of this report is responsible for ensuring human rights considerations are integrated into all parts of the business. This means our commitment to human rights extends beyond our direct employees and our workplace but includes our contractors and key suppliers.

The sustainability committee is responsible for the overall human rights risk assessment, communication and engagement of human rights policies to all key stakeholders. As part of our continuous risk assessment and compliance monitoring, we actively engage key stakeholders to ensure compliance with our policies, prescribed ethical standards and local laws. Our risk assessments include the 11 indicators prescribed by the ILO, which we have explicitly integrated into our Human Rights Policy.

As part of our human rights risk assessment exercise, we have identified areas of improvement and developed a Human Rights Policy. This demonstrates Tropicana's strong commitment to human rights, ensuring compliance with statutory obligations and enhancing communication and awareness. The policy refers to the elements of forced labour and ensures that all parties comply with the company's standards.

Our Human Rights Policy has been made available to the general public via our corporate website and in our employee portal in order to encourage awareness and tipping on potential or actual violations by our stakeholders and the general public.

To ensure that no grievances or tipping on any or potential human rights violations go unheard and unresolved, we have in place a secure and trusted whistleblowing channel to allow aggrieved parties or any other parties with information on human rights violations to raise their concerns without any fear of retaliation. Our grievance channel has been made public via our website, allowing our internal and external stakeholders to provide tips confidentially and anonymously. However, to facilitate investigation and ensure protection against retaliation, we do encourage whistleblowers to share their contact details. Notwithstanding, we investigate all complaints, irrespective of whether it is anonymous or otherwise.

#### **Zero Discrimination & Equal Opportunity**

We are committed to providing equal opportunities and fostering a work environment that is free from unlawful discrimination or harassment across the organisation. We monitor this commitment through our employee surveys or feedback and encourage employees to report any incidents to their immediate manager, Human Resources ("HR") or through our whistleblower channel.

This commitment is part of our company code, which prohibits any form of discrimination based on race, religion, gender, age, sexual orientation, disabilities and nationality. We have included this stance via our Human Rights policy, which is made available publicly and applicable to anyone dealing with us.

We aim to create an inclusive workplace that is accessible to all employees, including those with disabilities. This commitment includes providing essential facilities such as handicapped parking spaces, wheelchair ramps and universally accessible restrooms to ensure that differently abled employees can navigate the workplace safely and efficiently.

#### **Labour Practices**

We are aware that we rely not only on enablers performing corporate functions at our headquarters but also on labourers and other personnel at our premises, construction sites and completed properties. An overview of our key policies and practices, which apply to all workers at our premises and construction sites:

Our Policy	Description
Equal Pay for Equal Work	<ul> <li>We foster a fair working environment where compensation is based on job responsibilities, qualifications and performance, free from bias</li> <li>Our dedication to equal pay is both a legal obligation and a core aspect of our corporate culture</li> </ul>
No Recruitment Fees	<ul> <li>Recruitment fees for foreign workers have been a contentious issue in recent years due to the ambiguities surrounding whether it should be borne by the employer, employee or recruitment agencies</li> <li>Tropicana supports and adopts Malaysia's stance of "No recruitment fee". Malaysia, as a member state of the ILO, has adopted a "no recruitment fee" concept from its Fair Recruitment Initiative in 2014, whereby it has been implemented verbally to disclose the responsibilities of the employers in bearing the cost of recruitment</li> <li>Our "No Recruitment Fee" stance is crucial in avoiding actual or any perception of workers at our construction</li> </ul>
Conducive Working & Living Conditions	<ul> <li>We ensure that our work sites comply with the health and safety standards</li> <li>As part of our commitment to ensure a conducive workplace, we ensure that we comply with the law with respect to working hours and rest time</li> <li>Our commitment to a conducive workplace also means we continuously assess the possibilities and feasibility of adopting better processes and construction approaches and integrating new technologies in delivering our business</li> <li>With respect to living conditions, we ensure that all foreign labourers are provided with comfortable housing, which is, at minimum, based on Malaysia's Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990</li> <li>We understand that conducive workplace and living conditions are an important ingredient in complying with our stringent health and safety policies. Instances such as human fatigue leading to accidents/mishaps and the spread of communicable diseases can be mitigated and avoided through conducive workplace and living space arrangements</li> </ul>

Our Policy	Description
Prohibition of Excessive Overtime	We ensure that workers employed at our premises and construction sites work within the prescribed working hours and overtime under the Employment Act of Malaysia
Living Wages	<ul> <li>We comply with the minimum wage requirement and encourage our contractors and suppliers to pay employees above the required minimum wage</li> <li>Our wages for labourers at our construction sites are competitive – especially given the skilled labourer shortage as locals shun 3D jobs – dirty, dangerous and difficult and the shortage of foreign labourers due to changes in government policies</li> </ul>
No bullying, harassment, intimidation/threats and violence	<ul> <li>We do not tolerate any harassment or violence against workers at our premises and construction sites – irrespective of their employment – whether by Tropicana or our contractors/suppliers</li> <li>For the year, we did not have any instances of threats and violence which has come to our attention</li> </ul>
Universal Medical Access	<ul> <li>We committed to ensuring all workers have access to required medical care should there be untoward incidents.</li> <li>Apart from ensuring competitive salaries, we also provide/maintain the required medical insurance to ensure access to adequate care for incidents arising from their employment</li> </ul>
Upholding Workers' Right to Representation, Freedom of Association, and to Form and Join Unions for Collective Bargaining	<ul> <li>We respect the freedom of association and collective bargaining as part of our commitment to support the fair and equitable treatment of our employees. The Group will not refuse any genuine opportunity to collectively bargain with employees</li> <li>The minority group, which is our unionised employees, represent 7.9% of our total workforce. Engagement sessions were done through union representatives and conducted during the collective bargaining negotiation session before the expiry of the Collective Agreement</li> </ul>

We require all our counterparties to comply with our human rights policy. Any instances of substantiated non-compliance to our human rights policy will be viewed seriously. Action may include immediate engagement and developing prescribed remediation for the said non-compliance. We are aware of the exposure and reputation risk to Tropicana arising from non-compliance with human rights standards by our counterparties and contractors.

Tropicana is committed to having and adhering to stringent human rights and labour standards. We believe that our workers are critical to our business, and we aim to always ensure that their rights are protected and their needs are catered. However, over the last year, we have learnt that there is always room for introspection and review and that improvement is a continuous journey.

Moving forward, we hope to enhance our awareness and monitoring mechanisms, such as in-person engagements with employees and vendors on human rights and exploring partnerships in improving human rights awareness and compliance – not just within Tropicana but across our supply chain and the local communities with which we interact. This includes our contractors, sub-contractors at our premises and construction sites and property managers for our completed properties.

#### **Our Performance**

As a result of our commitment to upholding human rights and fostering a respectful, inclusive work environment, we are pleased to report that no substantiated complaints of human rights violations were received in FY2022, FY2023, or FY2024.

Number of substantiated complaints of human rights violations received in FY2022, 2023, and 2024

**None Reported** 

SUSTAINABILITY \_\_\_\_\_\_\_\_\_15

Similarly, our zero-tolerance approach to discrimination and harassment ensures a safe and equitable workplace across all our locations, including corporate offices, project sites, and construction areas. We are pleased to confirm that no substantiated complaints regarding discrimination or harassment were reported during the same period.

Number of substantiated complaints concerning discrimination or harassment in the workplace received in FY2022, 2023, and 2024:

**None Reported** 

## **OCCUPATIONAL, SAFETY & HEALTH**

#### **Related UNSDGs**





Goal 8: Decent Work & Economic Growth

#### Why This Is Important

Health and Safety is a vital aspect of our business in ensuring business continuity as well as safeguarding our employees and all workers at our premises and construction sites, contributing to the overall success and sustainability of the business. This extends to workers, contractors, direct or indirect sub-contractors, or any employees employed by them and any other members of the public.

#### **Our Approach**

We are committed to zero incidents of major or severe injury and zero fatalities across all our places of business and construction sites at all times. We continue to implement rigorous monitoring and improvement on-site with our aim to reduce incident rates. We will not rest on our laurels and will continue to strive to ensure a safe and secure workplace is maintained. We believe that all of our workers and labourers who come to work must go back safely.

We ensure that all construction sites have competent health and safety officers. The health and safety officer is responsible for performing a risk assessment based on the Hazard Identification, Risk Assessment, and Risk Control ("HIRARC") Guideline issued by the Department of Safety and Health. The project manager of every construction site also ensures that all mitigation actions are put in place and continuously complied with. The sustainability committee assist the board in overseeing the management of health and safety risks across all our sites.

The sustainability committee also acts as Tropicana's health and safety committee. This is because health and safety are linked to other sustainability matters such as climate change, human rights and labour practices. We are aware that the increasing prevalence of severe weather conditions such as heatwaves, floods and drought presents a health and safety threat to our workers and the general public at large. We have clear work-stop order policies in the face of extreme weather events. With respect to human rights and labour rights, better work and living conditions reduce instances of human fatigue and improve alertness, which reduces health and safety risks. We, therefore, take a holistic and multipronged approach to reducing and further mitigating any health and safety risk.

Furthermore, effective project management and adoption of innovative construction approaches such as aluminium formworks also reduce exposure to health and safety risks – as we reduced the man-hours required at the site.

The health and safety risk assessment is maintained and reviewed continuously for all our premises and construction sites. This ensures adequate control measures are in place to detect and prevent any untoward incidents. We are aware that construction sites are regarded as high-risk sites given the nature of construction projects. Hence, we ensure heightened scrutiny and compliance monitoring. Any non-compliance to our health and safety requirements is dealt with within the specified timeline, based on its nature and urgency.

Our health and safety risk assessment is performed during the construction planning stage and continuously reviewed until the successful handover of our properties to their respective owners. As a result of integrating health and safety risk assessment, we can identify and integrate measures at the planning stage. An example would be where our construction site and activity is exposed to seismic activity, we ensure that we comply with additional measures such as adherence to MS EN 1998-1:2015 – the construction standard for seismic resistance for building