

# ESTABLISHING SUSTAINABLE COMMUNITIES

Communities matter as they provide the context  
to which our developments thrive.



COMMUNITY  
CHEST

# SUSTAINABILITY REPORT

Mah Sing has always adhered to the founding principles of incorporating sustainability efforts and initiatives as an integral part of conducting and growing the Group's businesses.

In line with Mah Sing's Vision & Mission, Mah Sing has taken proactive measures to roll-out structured and holistic programs for the Group's sustainability efforts and initiatives.

This Sustainability Report depicts the sustainability efforts and initiatives that have benefitted Mah Sing's stakeholders such as the:-

- A. Community
- B. Workplace
- C. Environment
- D. Customers
- E. Contractors/ Suppliers
- F. Shareholders

## A. COMMUNITY

The Group firmly believes in giving back to the society through its Corporate Social Responsibility ("CSR") programs and community outreach initiatives surrounding its development projects.

### CSR via MAH SING FOUNDATION

Mah Sing Foundation, through which CSR activities of the Group are conducted, is the brainchild of the Group Managing Director/ Group Chief Executive, Tan Sri Dato' Sri Leong Hoy Kum. Tan Sri Dato' Sri Leong believes that a holistic and integrated effort in CSR will be more effective and impactful in benefiting the needy; and his commitment towards CSR is deeply embedded in the Group's corporate philosophy.

Since its inception in year 2005, Mah Sing Foundation celebrates the achievements of Mah Sing's long term and continuous commitment in being a responsible and active participant of the local communities. To date, the Group has made meaningful contributions exceeding RM5 million to the social and cultural development of the community, both locally and abroad.



▼  
Mah Sing Foundation unveiled its new logo of two hearts; the bigger one embracing the smaller heart in the Foundation's corporate colors of red and white. The logo's use of hearts was to encapsulate the essence of care, love, dignity and compassion; with the bigger heart representing Mah Sing Foundation's continuous effort in brightening the community's future.

## SUSTAINABILITY REPORT

CORE FACTS

MESSAGES

ACTIVITIES

GOVERNANCE

FINANCIALS

ADDITIONAL INFORMATION

NOTICES

FORM OF PROXY

Year 2013 was an eventful year for Mah Sing Foundation with fund disbursements through:-

**Medical assistance via financial support to those suffering from critical illness/ disability; or support through schemes by organizations that look after public health and welfare**

- Sponsorship to Optimax Healthcare Services "Hope for Clarity", a program that offers needy senior citizen patients free cataract treatment.



Pusat Jagaan Kanak-kanak Down Syndrome dan Hyper Active Klang



- Donation to Pusat Jagaan Kanak-kanak Down Syndrome dan Hyper Active Klang, for the purchase of a van to transport children for medical and educational purposes.

- Medical assistance to Liong Gon through Yayasan Nanyang Press (China Press) in support of her knee operation related expenses.
- Supported the Buddhist Tzu-Chi Merits Society Malaysia's Profound Parental Love Musical Concert to raise building fund for Tzu Chi medical centre as well as for daily operating expenses.
- Donation towards National Stroke Association of Malaysia ("NASAM") in support of their 16<sup>th</sup> Annual Fun Fair to defray cost of organising the fun fair event. NASAM plays a role in offering rehabilitation services for stroke survivors and support to their families.
- Contribution to Persatuan Pusat Kebajikan Insan Malaysia for the purchase of ottobuck system/ artificial limb for the less fortunate senior citizen, orphan and needy.
- Donation to an employee of the plastics division in aid of medical expenses incurred for her mother.

Yayasan Kebajikan SSL Haemodialysis



- Supported Yayasan Kebajikan SSL Haemodialysis in purchasing dialysis system for the needy patients.

- Donation towards the Penang Fo Yi Haemodialysis Society through Starwalk Penang 2013. Objective of the event was to encourage corporations to choose a participating team as their preferred charity home whereby donations from the event will be channeled directly to the selected homes.

Penang Fo Yi Haemodialysis Society



## SUSTAINABILITY REPORT

### Financial assistance and relief schemes for the poor and distress

Taiwan Buddhist Tzu-Chi Foundation Malaysia



Contributions to Taiwan Buddhist Tzu-Chi Foundation Malaysia for its Tzu Chi Jing-Si Hall (Hall of Reflection in Serenity) in Kuala Lumpur, Malaysia. Upon completion of the hall building, the foundation will be in a better position to cater the needs for the poor and the underprivileged.

- Contributions to New Southern Records in conjunction with its charity concert held to raise funds for the benefit of selected homes and deserving non-governmental organizations.
- Donations to Phoenix Welfare Foundation Kuala Lumpur in conjunction with its charity function to raise funds for beneficiaries "Pertiwi Soup Kitchen/ Chow Kit Foundation", "Single Mother Welfare Society Malaysia", "Montfort Boys Town" and "Befrienders Kuala Lumpur".

China Embassy Humanitarian Donation Account



Contribution to the China Embassy Humanitarian Donation Account for the Sichuan Yaan Earthquake Relief Fund. The fund was used for disaster relief and post-disaster reconstruction after the 7.0-magnitude earthquake in Lushan County, Sichuan Province.

The Penang Rotary Charity Foundation



Contributions to The Penang Rotary Charity Foundation "Stop Hunger Now" project in support of the campaign to eradicate poverty and hunger among children in the lower income groups.

Philippine Red Cross



Contributions to the survivors of Typhoon Yolanda via the Philippine Red Cross.

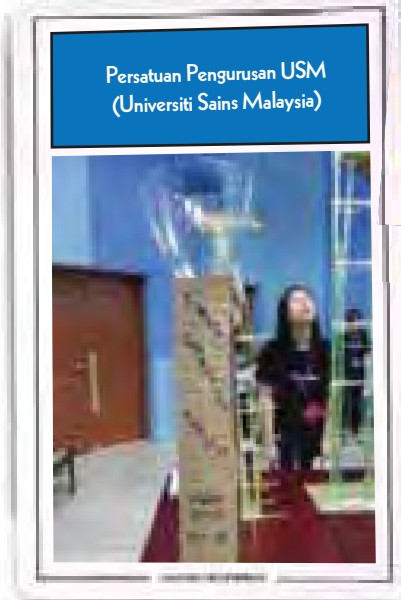


## Educational assistance consisting subsidies and donations to needy and deserving students

- Contributions towards Star Publications' Newspaper-in-Education ("NiE") school sponsorship program to improve the proficiency of the English language amongst students in Chinese primary schools.
- Contribution to Tabung Pendidikan SJKC Sg. Long towards the school's building fund.
- Contribution to Jawantankuasa Tabung Pembinaan SJK (C) Union in conjunction with 61<sup>st</sup> anniversary of SJK (C) Union and school relocation fundraising campaign.
- Contribution to J/K Pembangunan Dewan SJK (C) Sg. Buloh towards the school's building fund.
- Scholarship to Tee Leen Qian who was in need of financial aid to further her study in Diploma in Aviation.



- ▶ Donation towards Yayasan Tunku Naquiyuddin for *The Mousetrap* charity production by Agatha Christie held in Kuala Lumpur. This charity performance since 1995 has provided educational subsidies to the underprivileged.



- ▶ Sponsorship for Persatuan Pengurusan USM (Universiti Sains Malaysia) to provide students with unique and meaningful learning experiences through activities at the Youth Evolution Summit - Connect & Conquer Workshop.



- ▶ Mah Sing Foundation participated in the 8<sup>th</sup> Faisal Cup Tournament 2013 in support of Dignity for Children Foundation's ("Dignity") goals to provide for underprivileged children the opportunity and freedom to play organized sports. Mah Sing Foundation sponsored one of Dignity's programs via its 12-month CSR project.

## Encouragement of social and sporting activities that enrich the community and serve to promote national unity

- Contributions to Yayasan Nanyang Press towards Nanyang Charity Run held to encourage people to lead a healthy lifestyle by being physically active while doing charity. Mah Sing staff took part in the run in support of the good cause.



- ▶ Sponsorship towards Cruyff Court Iskandar, a joint collaboration between the Johan Cruyff Foundation, Iskandar Investment Berhad and Khazanah Nasional Berhad to use sports as a way of promoting social inclusion & character building among children, particularly those from underprivileged backgrounds.



- ▶ Mah Sing team in support of The Edge-Bursa Malaysia Kuala Lumpur Rat Race 2013, a run jointly organized by The Edge-Bursa Malaysia to raise fund for charity.

## SUSTAINABILITY REPORT

Mah Sing Foundation seeks to raise more funds via fundraising events. In 2013, the fundraising activities organized included:-

### • “Share a Smile” Fundraising Dinner

Since its inaugural fundraising event “An Unforgettable Night of Sharing” in year 2012 in which 15 charitable organizations benefitted from the funds raised, Mah Sing Foundation had once again organized a fundraising dinner “Share a Smile” in year 2013.



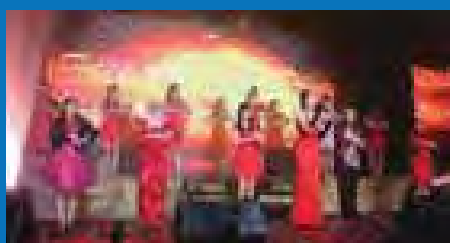
Mah Sing Foundation's Chairman, Group Managing Director/ Group Chief Executive with corporate and business partners who took part and supported the fundraising event.



Teresa Teng Tribute by Tong Yao from Sichuan China.



Singing performance from “Dignity for Children Foundation”, one of the beneficiaries of Mah Sing Foundation.



Singing & sign language performance by Mah Sing employees.

Proceeds from the dinner benefitted non-governmental and non-profit outfits as well as to sponsor scholarship totaling RM206,000 to selected Tunku Abdul Rahman University College (“TAR-UC”) students in their degree courses. Mah Sing Foundation believes that scholarship program is a good platform to support deserving Malaysian students in achieving their personal goals and ambitions. Additionally, Mah Sing Foundation Scholarship Program will host students’ practical training attachment with the Group’s various business units.



► The launch of Mah Sing Foundation Scholarship Program.



Charitable organizations that benefitted from the “Share a Smile” fundraising event:-

Pertubuhan Kebajikan Yesuvin Mahligai (YM) Selangor; Beautiful Gate Foundation for the Disabled; Pert Keb Mental Titian Kasih Sel; Pusat Penjagaan Kanak-Kanak Cacat Taman Megah; Lovely Disabled Home; United Voice; Gereja Charis Puchong (House of Joy); Persatuan Rumah Caring Kajang Selangor; Amitabha Centre; and Persatuan Rumah Kebajikan Rita.

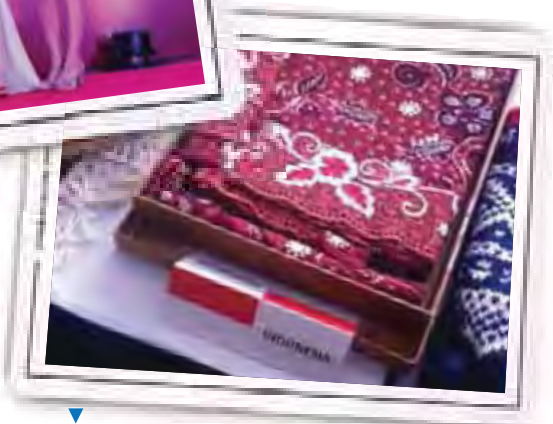
## • Mah Sing Foundation Christmas Charity Night

Mah Sing Foundation capped off the year of fundraising and disbursement with "Mah Sing Foundation Christmas Charity Night" at Mah Sing's Southville City@KL South Show Village and Sales Gallery.

Mah Sing was proud to be the Gold Sponsor and Official Lifestyle Developer for the "17<sup>th</sup> Miss Tourism International 2013 World Final" which brought 60 international beauty contestants to grace the event with special talent show and charity auction session.



Each of the beauty queens showcased a unique souvenir from their home country at the charity auction session. Business associates and others in attendance bid for the items for a good cause.



An exquisite Indonesian batik was amongst other souvenirs in display for charity auction.

Mah Sing believes that charity begins at home and echoing the earlier move of contributing to the Philippine Red Cross in aid of the survivors of Typhoon Haiyan in the Philippines, a total of RM300,000 was contributed during the charity night in aid of local communities affected by floods on the East Coast of West Malaysia. Contributions of RM200,000 and RM100,000 were made via Sultan Ahmad Shah Environment Trust: Misi Bantuan Kemanusiaan Banjir Negeri Pahang Darul Makmur and Mercy Malaysia respectively.



► Contribution in aid of local communities affected by floods on the East Coast of West Malaysia via Mercy Malaysia.

The spirit of giving continued with donations to SJKC Pin Hwa 2, a school located in Aman Perdana, to help the school raise funds for the construction of its assembly hall. The contribution was part of Mah Sing's community outreach initiative surrounding its development projects. Aman Perdana is Mah Sing's first township development project in the Klang Valley.



► Assembly hall at SJKC Pin Hwa 2, which is under construction.



## SUSTAINABILITY REPORT

### COMMUNITY OUTREACH INITIATIVES SURROUNDING DEVELOPMENT PROJECTS

Further to building quality homes, Mah Sing also seeks to contribute towards improving the quality of lives amongst the community. With this in mind, Mah Sing continuously undertakes community development activities that improve the well-being as well as foster harmonious relationships with the local community.



▼ Mah Sing in support of the Blood Donation Campaign by the National Blood Bank ("Pusat Darah Negara") at the concourse area of Southgate Commercial Centre.



▼ New carpet floor finishes supplied and installed at prayer hall of SS9 Mosque, Sg Way.

### B. WORKPLACE

Mah Sing Group Berhad was indeed gratified to be amongst twenty (20) other winners who have received the HR Asia Magazine's "HR Asia Best Companies to Work for in Asia 2013", a regional HR excellence award that recognizes the effort that the Group had put in to make Mah Sing a preferred employer to work for.

“As Mah Sing grows, we realize that funds can be tapped, but human capital must be built. We know that it is our Human Capital that will drive the business and more specifically, our bottom lines.”

Tan Sri Dato' Sri Leong Hoy Kum  
Group Managing Director/ Group Chief Executive





## SUSTAINABILITY REPORT

CORE FACTS

MESSAGES

ACTIVITIES

GOVERNANCE

FINANCIALS

ADDITIONAL INFORMATION

NOTICES

FORM OF PROXY

In an effort to create brand awareness amongst the public and improve Mah Sing's position in the job market, the Group has been on an active recruitment drive for the right personalities and competencies. Mah Sing participated in career fairs and work in close collaboration with both local and private universities/ colleges on activities such as workshops, trainings, interactive sessions, site visits, development programs.

### LEARNING & DEVELOPMENT

As a company committed to developing its people and build talent, Mah Sing is heavily invested in learning & development. Internal and external trainings have been provided for all employees, from non-executives to senior management to instill a culture of continuous self-improvement.



▼ Mah Sing's booth at Malaysia's 100 Leading Graduate Career Fair 2014.



▼ Networking with USM students at the Youth Evolution Summit.



▶ Injection moulding process & trouble shooting training in-session for Mah Sing Plastics Malaysia.



▶ 'Train-the-Trainer' workshop in-session for the ISO team.



▶ Mah Sing Group's HR Director with INTI students at coaching & mentoring session.



▶ Mah Sing Plastics Indonesia's employees during teamwork training.



▼ Mah Sing's pilot Youth Development Program designed for top students from fields of Construction Management, Quantity Surveying & Architecture is a collaboration with Tunku Abdul Rahman University College's School of Technology.

▶ 'First Impressions Count!' workshop in-session.



## SUSTAINABILITY REPORT

### STAFF RECOGNITION & WELFARE

The Group has a competitive remuneration package to reward and attract talents, including the Employees' Share Option Scheme ("ESOS") in addition to basic pay packages.

Ongoing reviews have been undertaken by the Group Human Resources & Administration ("Group HR & Admin") to align the Group's HR policies to industry best practices.

Year 2013 saw the launch of Mah Sing's "Valuing Performance (VP)", a performance management system with the aims to aligning employees' goals to organizations' and linking rewards to performance.

Through communication sessions and workshops, employees were able to understand the objective, benefits & details of the new Performance Management System.



VP Communication to create awareness and provide employees an overview of the new Performance Management System.



VP Workshops to provide employees with in-depth knowledge and skills on effectively using the new Performance Management System.

Long service awards were conferred to employees during the Group's annual dinners as a show of appreciation for their loyalty and contribution.



▶ Recipients of long service awards.

### WORK-LIFE BALANCE

Mah Sing is also a firm believer that community sports and events bring people together. Through initiatives developed under MS Sports Club, the Company aims to create a platform to inculcate and encourage competitive spirit and camaraderie among its employees. In the year under review, one of the activities MS Sports Club organized was the "Bowling Tournament 2013".



▼ Participants at the bowling tournament.



## SUSTAINABILITY REPORT

CORE FACTS

MESSAGES

ACTIVITIES

GOVERNANCE

FINANCIALS

ADDITIONAL INFORMATION

NOTICES

FORM OF PROXY

Further to this, MS Sports Club brought another event "Treasure Hunt 2013" which was opened to all Mah Sing employees, family members and friends. The event took the participants driving through routes for treasure hunt clues around the Klang Valley area and also surrounding Mah Sing projects.



"Dressed-up hunting car was flagged off to start from the Icon City project.



Treasure hunters hunting for clues to given questions.



Participants performing light physical challenge midway along the route.

Additionally, the Group organized get-together activities to promote social interaction amongst employees.

Departmental Hari Raya gathering. ◀



▶ "Treasures" such as crackers, instant noodles that were hunt along the route were donated to the charity home "Agathians Shelter Petaling Jaya".

▶ Mah Sing Family Day cum Show Village and Sales Gallery Grand Opening at the Southville City@KL South project. The Fun Fair event was filled with Ferris Wheel, balloons, fireworks, carnival performances.





## SUSTAINABILITY REPORT

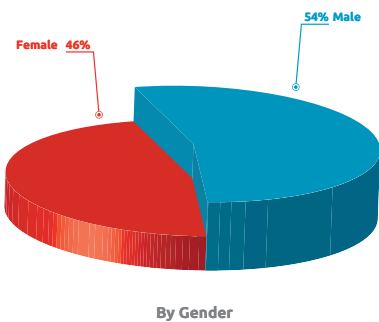
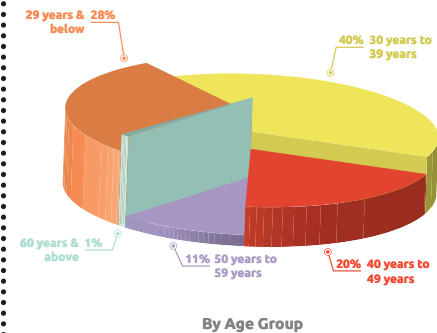
### WORKPLACE DIVERSITY

The Group supports a diverse and inclusive workforce that comprises a mix of community from different gender, age group, nationality or ethnicity which provides opportunities for creative solutions and promotes productivity.

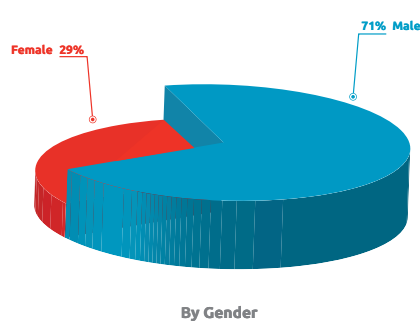
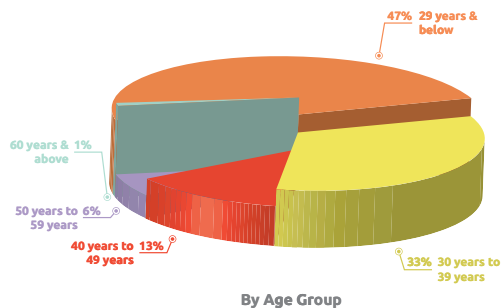


▼ Mah Sing employees shared ideas and taglines for the rebranding of Icon City hoarding.

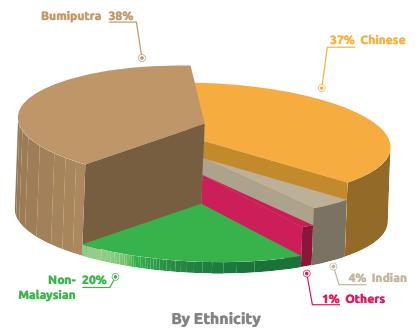
#### Property & Investment Holding Division



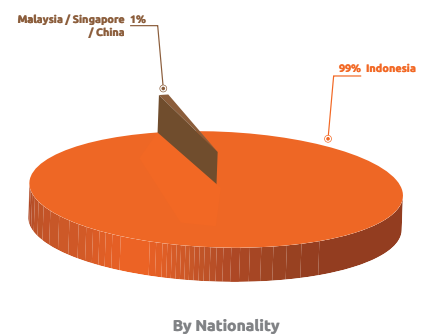
#### Total Group including Plastics Division



#### Malaysian operation



#### Overseas operation



## HEALTH & SAFETY AT WORKPLACE

The Group has in place a Safety, Health & Environment Policy and places high emphasis on health and safety at workplace.

Safety measures include security guards stationed within office buildings, surveillance equipment at relevant work locations, proper lightings installed at areas such as car park and staircase. Car park security escort service is provided to female employees who collect their cars within the vicinity of work premises during late hours.

Out of concern for the health of Mah Sing employees due to the worsening haze situation in June 2013, the Group Managing Director/ Group Chief Executive directed Group HR & Admin to source, procure and distribute the N95 facemasks to all employees within the Group.



Gotong-royong drainage cleaning at Mah Sing Plastics Malaysia.

The Group continues to inculcate a sense of awareness amongst its employees to accept responsibilities in occupational safety, health and environmental matters and maintain a clean, safe and orderly working environment.

## C. ENVIRONMENT

The Group reaches out to the environment via its support towards various earth-friendly efforts.

## PROPERTY DIVISION

The Group continues to work on ever-improving designs, layouts and where possible, to incorporate environmental-friendly green features and innovations in its property development products.

During the project design & planning stage, the Group has registered many of its development projects for green certification. The following green projects are benchmarked against green compliance standards recognized by the World Green Building Council which include Malaysia's Green Building Index ("GBI"), Singapore's Green Mark; or United States' Leadership in Energy and Environmental Design ("LEED"):-

## SUSTAINABILITY REPORT

### Project green certification status



The green building rating systems provide comprehensive framework for assessing environmental impact and performance in various categories such as energy efficiency, water efficiency, environmental protection, indoor environmental quality and green innovation credits. Environmental friendly and sustainable construction practices are adopted to reduce polluting effects. When required, Environmental Management Plan is prepared for projects where the construction activities can be a potential source of environmental impacts.

In testament to the Group's efforts in greening its development projects, landscaping designs and green space allocation was given a priority during the design and planning process of projects. The Southville City@KL South has its Show Village and Sales Gallery stands on 20 acres of lush landscaping. The extensive and integrated landscape was designed with vast space and open air circulation areas, complemented with mature imported True Date Palms, Black Olive Trees, collection of majestic bonsai plants and varied selection of cactus. Water landscaping such as the infinity pool, waterway creates a cooling sensation for the surrounding environment.

The essence of modern living with natural surroundings at the Show Village and Sales Gallery will be blended into the actual township; aiming to create a living environment which emphasizes the harmonies of nature.





## PLASTICS DIVISION

The division covers both the Malaysian and Indonesian operations that manufacture plastics products which can be reused and recycled.

In compliance with the Efficient Management of Electrical Energy Regulation 2008, the electrical energy consumption pattern of the Malaysian plastics operations ("MSPI") was assessed for implementation of potential energy cost reduction measures. The Management targets lower energy consumption by 10% in the next 3 years. To that effect, whenever practical, the Management has constantly adopted energy efficiency practices in new raw material/ component/ packaging/ chemical, plant and equipment procurement to help deliver energy-efficient improvement and reduce impacts from manufacturing processes. Energy Management Policy is communicated to all employees and other stakeholders within the value chain. Where relevant, they will be trained to observe good environmental practices.

Besides complying with all applicable environmental legislation and statutory regulations, the Group's plastics division achieved the ISO 14001:2004 "Environmental Management System" certification since year 2007. The Management targets to achieve the ISO 50001: 2011 "Energy Management System" certification in the next 3 years.



▶ On-site assessment was undertaken by the consultants together with the committee to analyze the current condition and recommendation of overall potential energy cost savings.



▶ One of the disposal areas identified for schedule waste at MSPI factory, as part of schedule waste management to meet industrial standard requirement.

## GROUP WIDE ENVIRONMENTAL OUTREACH EFFORTS

At workplace, employees are constantly encouraged to conserve energy consumption of essential electrical & electronic equipment, to reduce, reuse & recycle paper usage in their daily operation. The Group's HQ participated in the turning off of non-essential lights for an hour on the annual Earth Hour day initiated by the World Wide Fund for Nature ("WWF").



▼ Earth Hour banner on Mah Sing Facebook page.

## SUSTAINABILITY REPORT

### D. CUSTOMERS

#### CUSTOMER CARE

Mah Sing continues to earn the loyalty of its customers by offering value-added services like M CARE and M CLUB.



▼ M Club Member Priority Preview at Southville City@KL South project. In appreciation of members' loyalty, privileges and benefits such as buyer repeat purchase discounts, buyer-get-buyer rewards and birthday surprises were offered.



▼ M Care training in-session for the Sales & Marketing team in Southern Region to enhance staff knowledge of property support services offered by Mah Sing to property owners.

Mah Sing is committed to continue its effort in introducing premier lifestyle living in its development projects. Some of the lifestyle amenities offered by various projects include facilities such as swimming and wading pools, gymnasium, dance studio, futsal and badminton courts. Clubhouses which provide a platform where people come together for various celebrations and activities are also integrated in selected township developments.



▼ Chap Goh Meh celebration at The Clubhouse@Garden Residence.



▼ The colorful multi-cultural dance during grand opening of the Recreational Clubhouse at M Residence@Rawang.



▼ Drinking water tests were being carried out during a Healthcare Check & Talk at the Perdana Residence 2 Clubhouse.

## SUSTAINABILITY REPORT

CORE FACTS

MESSAGES

ACTIVITIES

GOVERNANCE

FINANCIALS

ADDITIONAL INFORMATION

NOTICES

FORM OF PROXY

To improve good customer service experience, vacant possession handover procedures are continuously improved. Trainings were provided to Customer Service team in complaint-handling practices and technical-related matters.



► In preparation for handover at Sierra Perdana project



► Handover at Bayu Sekamat project

House owners happily receiving Welcome Gift Hamper during handover at Kinrara Residence project ◀



Group Security has embarked on improving security services to all development projects to serve purchasers and owners better. Efforts were made to build better cooperation with the police force, to have better surveillance security and more vigilant vehicles entry-exit checkpoint at the guard house.



## SUSTAINABILITY REPORT

### PRODUCT QUALITY

The Group's divisions demonstrated continual commitment to provide its customers with the highest standards in product delivery processes and systems towards quality products. Both the property and plastics divisions are ISO 9001:2008 "Quality Management System" certified.

On top of the ISO 9001:2008 accreditation, PT Mah Sing Indonesia is also ISO/TS 16949:2009 "Quality Management Systems – Particulars requirements for the application of ISO 9001:2008 for automotive production and relevant service part organisations" accredited.

Mah Sing has many of its development projects which are Building and Construction Authority of Singapore's Construction Quality Assessment System ("CONQUAS") assessed. Contractors of the CONQUAS-assessed projects are required to comply with CONQUAS requirements, allowing Mah Sing to set targets on the desired standard and quality of its developments. As a measure of product quality, close to 90% of the CONQUAS-assessed projects were above 70%, both architectural and structural scoring combined.

Mah Sing's commitment towards quality and reliability in delivery has been recognized in the property industry for its excellence in many aspects:-

- International Property Awards – "Asia Pacific Property Awards ("APPA") – "Best High-Rise Architecture for M City"
- Association of Accredited Advertising Agents Malaysia ("4As") – "Putra Brand Awards – Property Development 2013-2014"
- BCI Asia - "Top 10 Developers Awards"
- BrandLaureate Malaysia - "BestBrands Signature Brand Award - Property 2012-2013"
- Ch'ng Hung Teck Network - "CHT Pursuit of Excellence (Property) Award 2013"
- The Edge Malaysia - "Top Property Developers Award 2013 – Listed Top 10"
- International Property Awards – "Asia Pacific Property Awards ("APPA") – "Best Leisure Development for Legenda@Southbay"
- Kementerian Tenaga, Teknologi Hijau dan Air ("KeTTHA") - "Malaysia GreenTech Developer Award 2013"
- The Malaysian Reserve - Property Press Awards 2013 – "Best Infrastructure Redevelopment 2013 – Icon City"
- The Malaysian Reserve - Property Press Awards 2013 – "Most Iconic Cyberjaya Development 2013 – Aspen@Garden Residence"
- The Malaysian Reserve - Property Press Awards 2013 – "Best Residential Enclave 2013 – Ferringhi Residence"
- "Overseas Property Professional ("OPP") Bronze for Best Affordable Development -Southville City"



## E. CONTRACTORS/ SUPPLIERS

Mah Sing endeavors to deliver products that meet customers' requirements with respect to safety, health and environment. In meeting customers' requirements and contract specifications, materials that are purchased or services which are performed are continuously monitored in terms of pricing (economies of scale), quality (reliable source), availability (choice), timely delivery (efficiency) and safety & health standards.

The Group's procurement function is carried out in-house and covers areas such as the identification and selection of suitable sources of materials and services, comparison of quotations, evaluation and selection of contractors/ suppliers based on established criteria, periodical performance assessments and updates of approved contractors/ suppliers lists.

New resources for materials or services are continuously sought and this will establish a wider network of contractors/ suppliers, manufacturers, dealers and agents which will bring about good value for money and also provide valuable new market and product information to the Group.

## F. SHAREHOLDERS

### CORPORATE GOVERNANCE

Mah Sing is committed to ensuring the highest standards of corporate governance in the areas of board effectiveness, relationship with shareholders and investors, accountability and audit.

The Group's commitment to good governance was recognized by the awards received from:-

- Euromoney "Best Managed and Governed Companies - Asia Poll 2014"
- Corporate Governance Asia's 4th Asian Excellence Recognition Award "Best Investor Relations Company (Malaysia)"

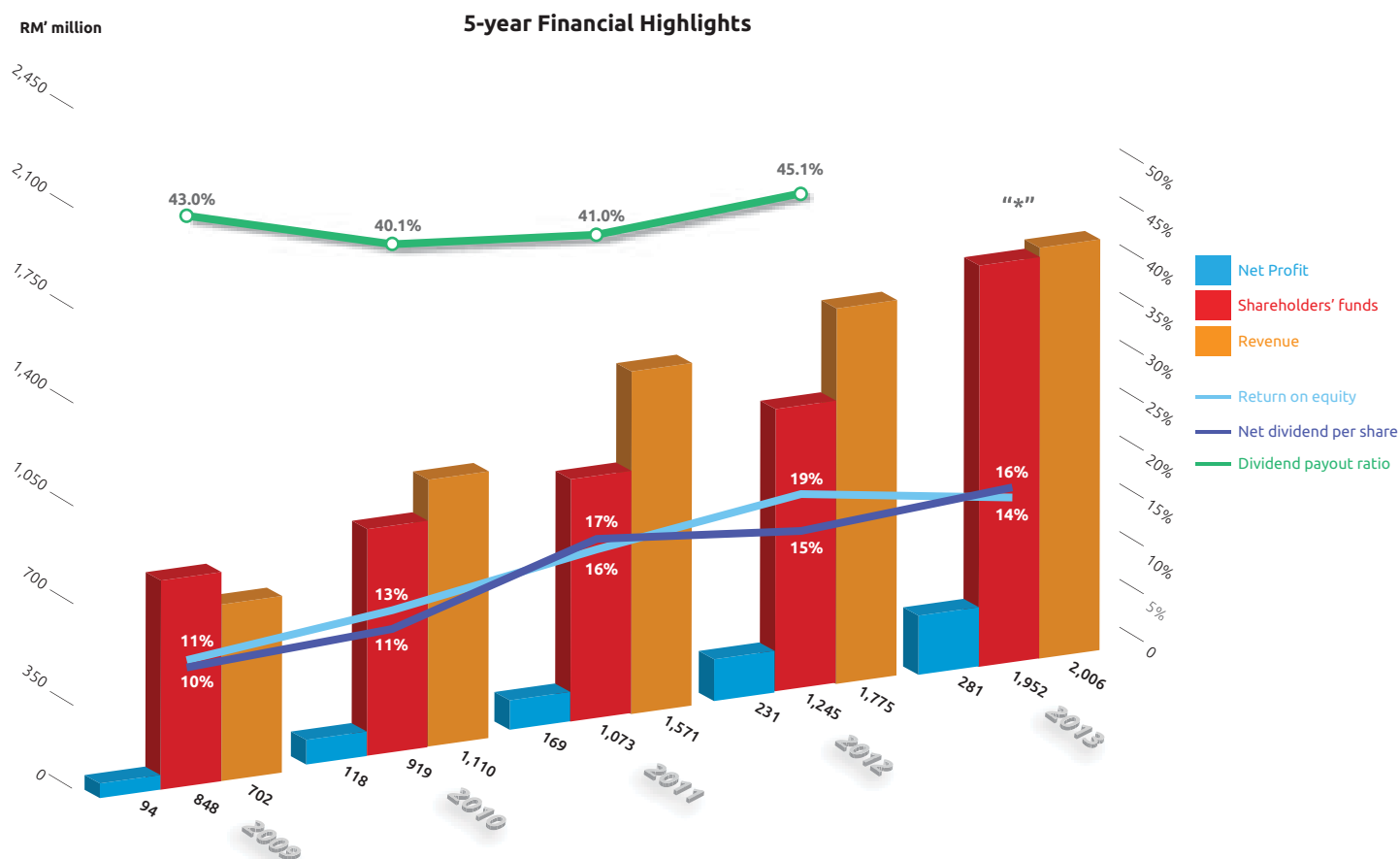
Set out on pages 70 to 81 of this Annual Report is the Corporate Governance Statement detailing the Group's corporate governance practices.

### INVESTORS

Mah Sing continues to reward its investors with stable and sustainable returns as evidenced by the Compounded Annual Growth Rate for both revenue and net profit of 25% over the last 5-financial years ended 31 December 2013. The Group is proud to receive the award from The Edge Malaysia - "Billion Ringgit Club (BRC) - Highest Profit Growth Company (Property & REIT sectors)" for its strong revenue and net profits growth.

Return on equity has consistently been above 10% and dividend payout ratio has consistently been above its policy of minimum 40% since 2006.

## SUSTAINABILITY REPORT



"\*" A First and final single-tier dividend of 8.0 sen per ordinary share of RM0.50 each in respect of the financial year ended 31 December 2013 was proposed, and is subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting. The dividend payout ratio would depend on the number of shares in issue on dividend entitlement date.

As testament to the Group Managing Director/ Group Chief Executive's leadership and dedication in charting the Group on its consistent strong performance and track record, Tan Sri Dato' Sri Leong Hoy Kum was honoured with:-

- Circle Corp - "Distinguished Chinese Award 2013"
- Corporate Governance Asia - 4th Asian Excellence Recognition Award "Asia's Best CEO (Investor Relations)"
- Enterprise Asia - "Asia Pacific Entrepreneurship Awards 2013 - Entrepreneur of the Year"
- IAIR - "Best Company for Leadership Award 2013"
- The Leaders International & American Leadership Development Association ("ALDA") - "Global Leadership Awards 2013 - Lifetime Achievement Award"

### OUR ONGOING COMMITMENT

For the year under review, Mah Sing is satisfied with the sustainability efforts the Company has undertaken.

Going forward, the Company is committed to further improve and continuously promote sustainability in all areas of operations and businesses.