

# ENVIRONMENTAL COMMITMENTS FOR A SUSTAINABLE FUTURE

Recognising the significant impact of climate risks and opportunities on sustaining life on our planet, OSK Holdings Berhad (“OSK”) is committed to integrating climate adaptation measures into all our business endeavours. We aim to advance sustainable practices, continuously improve to reduce environmental harm, invest in climate resilience, and foster a harmonious balance between nature and human development, particularly within the communities we serve.

We ensure compliance with relevant laws, regulations, and ordinances by performing detailed scenario planning to assess risk severity and establishing clear control measures at each operation site. We are committed to maintaining zero instances of non-compliance with environmental statutory requirements.

## ENVIRONMENTAL MANAGEMENT STRATEGIES

In Malaysia, both our Construction and Acotec Divisions are certified with ISO 14001:2015 Environmental Management Systems (“EMS”) and fully adhere to its requirements. This proactive approach includes conducting impact assessments to evaluate potential environmental impacts on air, water, soil, and ecosystems as a critical step to prevent accidents and incidents.

Our Cables Division has successfully passed the first stage of the audit conducted by external auditor in July 2024 and aims to achieve full certification by October 2024.

We recognise that property development and construction alter landscapes and ecological processes. We are committed to playing our part in conserving the ecosystem within our project sites by implementing measures to minimise impacts on local flora and fauna, and to maintain the natural habitat throughout the development.

Before development begins, we conduct environmental risk assessments for property development projects in both Malaysia and Australia in accordance with local regulations.

In our risk assessments for the Iringan Bayu township in Seremban, Negeri Sembilan, we incorporated biodiversity risks and conducted a thorough analysis of the site’s topography and geology. Before starting construction, we evaluated the site’s plants and vegetation, ensuring that no ecologically critical species were present before clearing began.

### Projects with Environmental / Social Impact Assessments

**M** MELBOURNE  
SQUARE®

**M** ORI  
PARK

**SHOREA**  
PARK  
FUCHUNG

**Nurfa**  
TAMAN MELAWATI

**HANA**  
HILLS  
TAMAN MELAWATI

# 100%

**of township developments**  
have undergone environmental assessment,  
and regular environmental monitoring is ongoing.

**IRINGAN BAYU**  
SEREMBAN

**Yarra**  
PARK  
SUNGAI PETANI

# BIODIVERSITY RISK ASSESSMENT AT IRINGAN BAYU TOWNSHIP, NEGERI SEMBILAN

## Background

This ecological study aimed to establish baseline conditions and assess the biodiversity of terrestrial flora and fauna at the project site, primarily consisting of secondary forest within an elevation range of 50m-210m above sea level, classifying it as a lowland dipterocarp forest.

The project site is surrounded by roads, settlements, residential areas, institutional and religious facilities, and agricultural land to the northwest and southwest. Notably, there are no forest reserves within a 5 km radius or environmentally sensitive areas within a 500m radius of the site.

### Terrestrial Flora Survey

Conducted via direct observation (rapid botanical survey) across five stations, the study recorded 77 species from 37 families, primarily consisting of secondary vegetation and lowland forest remnants.

Survey outcomes included habitat assessments, biomass estimation, and a checklist of recorded terrestrial flora, with each species cross-referenced against the:

- Malaysian Biodiversity Information System (MyBIS)
- Local flora conservation references
- IUCN Red List database

No species of significant conservation concern were identified, with most classified as either “Not Evaluated” or of “Least Concern”.

### Terrestrial Fauna Survey

Conducted through direct and indirect observation and camera trapping, recorded terrestrial mammals, amphibians, reptiles, and birds. A total of 12 mammal species from 8 families were recorded, consisting of both forest specialists and generalists.

The outcomes included habitat assessments, a checklist of recorded species, and photographs, cross-referenced with:

- Malaysia Wildlife Conservation Act
- Red List of Mammals in Peninsular Malaysia
- Malaysian Biodiversity Information System (MyBIS)
- Local faunal conservation references
- IUCN Red List database

No rare or endangered species were observed at the project site.

### Mitigation Measures for Terrestrial Fauna

#### Site Clearing Direction:

Clearing activities conducted in stages to avoid entrapping fauna on-site and allowing sufficient time for animals to safely move and migrate off-site.

#### Wildlife Management:

Hunting, poaching, capturing, or disturbing animals (particularly birds) is strictly prohibited.

### Measures to Counter Human-Wildlife Conflict:

- Roller bins are provided for proper collection of domestic solid waste from the site office and workers’ resting areas before off-site disposal, to prevent passive wildlife feeding.
- Workers will be advised not to feed wildlife (such as long-tailed macaques), as this can alter their natural diet and survival instincts.
- All garbage bins will be securely enclosed to prevent wildlife access.

## POLLUTION PREVENTION

Given the inherent pollution risks in our construction and manufacturing operations, preventing air, water, and soil pollution is a fundamental part of our sustainability strategy. Regular inspections across all project sites are integral to our pollution prevention and control efforts, ensuring compliance with ecological and environmental regulations, including limits on key pollutant discharges.

To control air pollution during construction, we implement strict measures to prevent material scattering, dispersal, and leakage across all sites. Dust suppression practices, such as regular road spraying and wheel wash stations, are employed to keep vehicles from spreading dust onto public roads.

At our Cables factory in Melaka, a scrubber has been put in place to function as an Air Pollution Control System to ensure air pollutant emissions remain below permissible limits. The devices work by removing harmful materials from the factory's exhaust gases before they are released into the environment.

Additionally, we conduct water quality tests and ensure that waste discharge is managed in compliance with all relevant standards, specifically the Environmental Quality Act 1974. At construction sites, sediment traps are utilised to control runoff, and chemicals and fuels are stored in contained areas to prevent spills and leaks. At the Mori Park project in Shah Alam, Selangor, a check dam has been constructed in a site ditch to trap sediment and prevent erosion. Water quality at drains and sediment basins is regularly tested during construction to ensure that activities do not contaminate local waterways.

Our Cables Division's Health, Safety, and Environment team monitors the factory's discharged water for its temperature, pH level at 25°C, colour etc, and the presence of suspended solids, mercury, lead, copper, oil and grease, and more. Water discharge monitoring is conducted annually, and water samples are sent to laboratories registered under the Laboratory Accreditation Scheme of Malaysia to be analysed.

To prevent soil pollution at our project sites, we deploy silt fences and fiber rolls and build sediment basins, and ensure that hazardous and non-hazardous waste is properly disposed of to avoid contamination. Spill prevention plans are implemented, with secondary containment systems in place to store hazardous materials.

We recognise that construction workers are exposed to potentially hazardous noise levels. To address this, we have identified noise risks and implemented appropriate control measures, with resources allocated for their execution. Additionally, we ensure noise control within allowable limits at construction sites and surrounding areas by coordinating contractor work to minimise employee exposure to noise hazards, with noisy operations scheduled during the day to reduce impact on the community.

On the other hand, our Cables and Acotec Divisions have measures in place to minimise noise pollution, including regular maintenance to prevent excessive noise from machinery wear and tear. Continuous noise level monitoring allows for timely adjustments, keeping levels within acceptable limits.

## EMPHASIS ON ENVIRONMENTAL RESPONSIBILITY

Continuously enhancing our environmental performance remains a core focus of our business. We achieve this by equipping employees, as well as contractors and suppliers, with essential knowledge and skills on environmental protection measures. The importance of adhering to best management practices is emphasised through ongoing internal and external training programmes, fostering a culture of environmental responsibility.



On-the-job training at a construction site.

### Environmental Training in 2023

**424**

Training hours

**188**

Employees participated  
in environmental training

In our manufacturing and construction segments, we enforce rigorous monitoring and auditing programmes to ensure compliance with environmental standards. Periodic site inspections are conducted across all project sites and manufacturing facilities, with detailed records kept for ongoing progress monitoring and management reviews. Corrective actions are promptly implemented as needed, continuously enhancing our practices and reinforcing our commitment to minimise environmental impacts across all operations.

These inspections are supplemented by comprehensive audits by both internal teams and independent external auditors, to ensure adherence to best practices and continuous improvement in our environmental performance. To date, monitoring test results have consistently demonstrated satisfactory compliance.

## ENGAGEMENT WITH STAKEHOLDERS

We strive to build positive relationships with local communities and government representatives through effective engagement. Before commencing any project, our Property Development Division actively seeks feedback from nearby communities through surveys and focus group discussions to identify potential environmental and social impacts. This input is integrated into the construction planning process, ensuring local concerns are addressed, fostering collaboration, and aligning our projects with community needs.

## BIODIVERSITY CONSERVATION

We acknowledge that construction and development can result in habitat destruction, fragmentation, and species loss. As a responsible corporate citizen, we are dedicated to managing biodiversity risks by integrating environmental considerations into our projects. We conduct thorough due diligence to assess biodiversity risks and carry out environmental impact assessments before construction to address and mitigate these risks.

We designed the Iringan Bayu Township with the goal of creating a sustainable, mixed-use community that harmonises residential, commercial, and recreational spaces while preserving the natural environment and local biodiversity. Iringan Bayu Wetland Park, a sprawling 22-acre crown jewel of the township, harmoniously combines biodiversity and environmental conservation with art and open space, exemplifies OSK's commitment to biodiversity conservation. Originally planned as a rainwater retention pond, the green lung today plays an important role in mitigating biodiversity loss and contributing to reducing nature-related risks.

- Iringan Bayu Wetland Park is home to 202,814 wetland plants, 1,087 trees, birds of 10 species and fishes of 11 species, and otters.
- The 16 aquatic plant species that dot the lake serve important ecological functions, such as absorbing pollutants and providing habitats for fishes.

List of Threatened Species Planted at Iringan Bayu Wetland Park

Scientific Name	Common Name	IUCN Red List Category
Vatica diospyroides	Resak	Endangered
Hopea ferrea	Malut	Endangered
Dipterocarpus Alatus	Keruing	Vulnerable
Dipterocarpus Turbinatus	Garjan	Vulnerable
Shorea Materialis	Balau Pasir	Endangered

## Stakeholder Engagement Activities In 2023

### Mori Park, Shah Alam

- Conducted in-person surveys, engaging 384 community members.
- Held four focus group discussions with representatives from local communities and government agencies.



Iringan Bayu Wetland Park.

We have also made a concerted effort to progressively enhance our conservation efforts for endangered flora. In 2023, among the 100 new additions that have taken root at the Wetland Park included five species listed as vulnerable and endangered on the International Union for Conservation of Nature's Red List of Threatened Species.



Educational tours at the Wetland Park.

As part of our ongoing efforts to foster biodiversity conservation awareness among stakeholders, we hosted 80 students and community members in two educational tours at the wetland park in February and September in 2023 respectively, coordinated by seven employee volunteers. During the tour, the participants were briefed about the ecological functions of the Wetland Park and guided through nature-themed activities such as treasure hunt and bookmark making with leaves.