

TOWARDS SUSTAINABILITY

Sustainability Report 2007



Towards Sustainability

Preserving and protecting the environment is a group effort at every level. The report cover for the Sustainability Report 2007 portrays three children holding hands in an area that is lined with trees. This concept reaffirms UEM Environment's long term vision for the sustainable development of our business. The children symbolises the future that UEM Environment is investing in, and the trees reflect the sustainable nature of our business.

At UEM Environment, we are committed to working proactively towards sustaining our environmental legacy and passing it on to future generations. Through service excellence, constant improvement of standards and performance, transparency and a strong culture of environmental awareness, UEM Environment is staying true to our Vision statement of being "The GREENER Environmental Solution".



Contents

- 2** About UEM Environment
- 3** About this Report
- 5** Our Performance at a Glance
- 8** Our Approach to Sustainability
- 9** Message from the Managing Director
- 12** Our Vision and Mission
- 14** Sustainability Cost Commitments
- 16** Corporate Structure
- 17** Our Management Team
- 18** Corporate Governance
- 21** Social Performance
- 36** Environmental Performance
- 52** Economic Performance
- 55** ACCA MESRA Awards 2007
- 56** Verification Report
- 60** GRI Index
- 64** Glossary
- 66** Appendix
- 67** List of Figures and Tables

About UEM Environment



The generation of waste is an inevitable consequence of life. A small but significant proportion of waste is hazardous, which by its nature has the potential for harm to human health and pollution of the environment. The safe management of hazardous waste is an essential service for a modern society to protect the environment while helping to sustain high standards of living.

UEM Environment Sdn Bhd (UEM Environment) is a company committed to making a difference for the environment, our communities, employees and customers. As an industry leader in providing hazardous waste management services, we offer a complete solution for the management of hazardous wastes and work in partnership with our clients to develop long term answers to the treatment and disposal of their waste.

We strive to be a trusted and valued community partner, and we commit our resources and resourcefulness to programmes that build up our communities and our cities. As a company with 306 employees as of 31 December 2007 and more than 1,700 customers, we also commit our voice to calling for greater diversity in the workplace and the world around us.

As a major player in the Malaysian environmental services industry, UEM Environment has the capabilities to meet environmental needs in waste disposal and management. Our services help industries manage their scheduled waste in an environmentally responsible manner. Our group of companies include:

- Kualiti Alam Sdn Bhd (Kualiti Alam)
- Kualiti Khidmat Alam Sdn Bhd (Kualiti Khidmat Alam)
- Kualiti Kitar Alam Sdn Bhd (Kualiti Kitar Alam)
- E-Idaman Sdn Bhd (E-Idaman)
- Abu Dhabi Kualiti Alam Environmental Services LLC (ADKA)

The UEM Environment group of companies complement each other by providing comprehensive services in the field of hazardous waste management. We are able to offer the following products and services:

- **Privatisation of Hazardous, Medical & Municipal Waste Management**
 - Projects
 - Packaging & Labelling
 - Logistics Planning & Transportation
 - Hazardous Waste Recycling & Recovery
 - Treatment & Disposal
- **Remediation of Contaminated Sites**
- **Asbestos Survey, Removal & Disposal Services**
- **Integrated & Comprehensive Sludge Management & Tank Cleaning Services**
- **Technical & Consultancy Services**
 - Environmental Management Services which cover Laboratory & Analytical Testing, Environmental Monitoring Programme, Special Waste Treatment & Disposal, Waste Water Solutions and Waste Management Facilities Set-Up
 - Waste IT Solution for Real-Time Waste Tracking System
- **Research & Technology Development (R&D) for Process and Technology Innovation**
 - Kualiti Alam Modular Incinerator
 - Waste Burner & Industrial Shredder
- **Feasibility Studies & Master Plan for privatisation of waste management services and/or systems**

2007 was a full and rewarding year for UEM Environment. Consistent with other leading responsible businesses, we annually report our performance for the attention of our stakeholders and the wider public. In 2006, we publish our Inaugural Sustainability Report 1996-2005, which was followed by our Sustainability Report 2006 the following year. This is our third Sustainability Report in the series, explaining our achievements in 2007 with reference to the objectives set for the year in 2006 and setting objectives for 2008 to meet our aspirations for the future. Our Safety, Health and Environment (SHE) performance in 2006 and 2007 for Kualiti Alam is documented in our separately published SHE Report 2006-2007.



About this Report

This report shows our progress in the area of sustainability reporting over 2007. Like previous reports, this edition uses a stakeholder structure which demonstrates how we interact with internal and external stakeholders.

This year's report reflects our ongoing efforts to refine the quality and materiality of our reporting. We continue to evaluate these efforts year over year to understand how we can increase the relevance, engagement and effectiveness of our Corporate Social Responsibility (CSR).

UEM Environment recognises that sustainability is an essential element of our business. The theme of our sustainability report this year is 'Towards Sustainability', which reflects our long term vision for the sustainable development of our business, and our resolve to promote a positive relationship with our stakeholders and the environment.

This report can be viewed as a disclosure of our corporate responsibility performance. Our intent is to share the information in a standardised way on issues that are most relevant to our internal and external stakeholders. Our transparency efforts and our commitment to reporting are not limited to this document. We see value in different methods of reporting and communicating, and this report complements our website (www.kualitiam.com) where we disclose our performance.

We have structured our report to provide comprehensive coverage of sustainability issues in a manageable and straightforward manner. In each section of the report we outline our key achievements during 2007. We have reported each performance measure using quantitative data where possible to assist in determining progress against our sustainability objectives for 2007.

Reporting Conventions

Most of this report refers to data from 2007 and the first half of 2008. UEM Environment refers to the company and its subsidiaries.

Reporting Boundaries

This Sustainability Report covers our entire organisation unless otherwise indicated. The report includes quantitative and qualitative data for the calendar year 2007. We also describe relevant actions taken in the first half of 2008.

Target audiences

Our target audience consists of all of our stakeholders, including but not limited to government leaders, regulators, employees, business partners, academics, non-governmental organisations (NGOs), environmental groups, community leaders, individuals with interests in corporate responsibility and the communities in which we operate.

Global Reporting Initiative (GRI) Guidelines

Our previous Sustainability Reports have followed the specifications set forth by the GRI's 2002 Sustainability Guidelines. For 2007, we have used the latest GRI Guidelines, the G3 Guidelines as our main point of reference.

The GRI is an independent body established in collaboration with the United Nations Environment Programme (UNEP) to define benchmarks for corporate sustainability reporting. The GRI Index enables report users to:

- Determine quickly and simply where certain information mentioned in the GRI guidelines can be found
- Obtain a clear view of the extent to which UEM Environment has incorporated the content stated in the GRI guidelines into our Sustainability Report

The G3 Guidelines have different application levels. We apply an application level of C+, whereby we report on the profile disclosures and at least 10 performance indicators. The report is also externally assured. For further details on the application of the G3 guidelines, please refer to the GRI Index from pages 59 to 62.



About this Report



We strongly support the GRI as a core tool for sustainability reporting because it has credibility with a broad cross-section of stakeholder groups. We are committed to using the GRI Guidelines, and we support efforts to advance reporting on the basis of the GRI. See pages 60 to 63 for our GRI Index.

Information Systems and Quality of Data

The carbon emissions energy data for 2007 are based on monthly electricity bills, fuel receipts and fleet Global Positioning System (GPS) tracking. We are working to report more accurate energy data in next year's report. To get the most relevant and up-to-date information, we have interviewed several representatives from our different divisions in order to provide us with anecdotal evidence and data.

External assurance

We engaged Bureau Veritas Certifications (M) Sdn Bhd (BVC) to provide limited assurance on the information in this report. The report itself, including the identification of material issues, is our responsibility. BVC is responsible for developing and carrying out an appropriate programme of work as described in their assurance report and reporting their conclusions. BVC's assurance report can be found on pages 56 to 59.





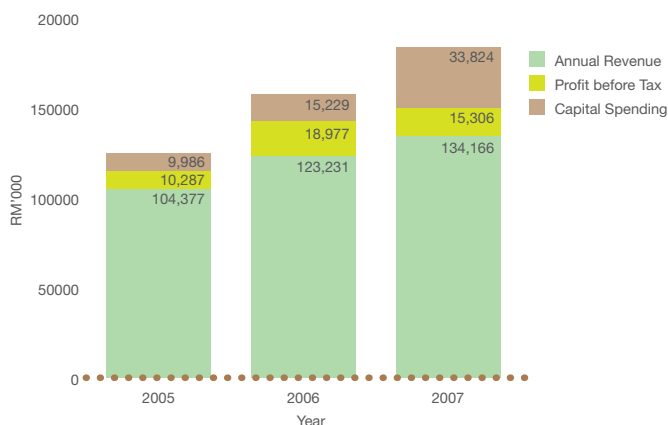
Our Performance at a Glance

For UEM Environment, being a sustainable waste management company means managing our business in a way that enhances social and economic impacts to society while striving to minimise and mitigate environmental effects associated with waste management.

2007 has seen UEM Environment grow from strength to strength. Kualiti Kitar Alam, our scheduled waste recycling and recovery facility went into operations in December 2007 after garnering the appropriate approvals from the authorities. Not only that, we also witnessed our transportation and marketing subsidiary, Kualiti Khidmat Alam become the latest member of UEM Environment to obtain multiple certifications in its Integrated Management System (IMS) for ISO 9001, ISO 14001 and OHSAS 18001.

We are pleased to report that we have recorded our highest revenue in 2007 since the start of our operations. With the exception of 2004, we have recorded pre-tax profits for the past 5 years. Conversely, our capital expenditure has also increased as we continuously seek to provide better and more efficient services to our customers, and also as part of our assets management programme. The capital spending for 2007 was significantly higher compared to 2006 due to the commencement of operations for Kualiti Kitar Alam. The diagram below presents some key financial indicators of the Group.

FIGURE 1: UEM ENVIRONMENT'S FINANCIAL PERFORMANCE FROM 2005 TO 2007



OUR STRATEGY

UEM Environment intends to remain in its present operating sectors and expand regionally and globally. Growth will be pursued within the Group, in addition to which there will be acquisitions. The group aims to grow faster in Malaysia than the market average. The long term growth target for the company's net sales is more than 10 per cent annually. Our growth for abroad will be focused on opportunities available, establishing new units and acquisitions. In particular, growth will be sought in Indonesia, Middle East and Asia in general.

Over the next five years, we will invest significantly both in Malaysia and abroad, which will accelerate growth in net sales. Investment in product R&D will be increased.

Our competitiveness will be maintained through improved efficiency and differentiation. Efficiency will be improved by viewing the business as processes and changing its operating methods. Process evaluation will be based on time and costs evaluations. Differentiation from the customer's perspective will be achieved through price, product development and services rendered. We have developed our assets management programme and invested heavily in building the capacity of our services.

UEM Environment endeavours to exploit its expertise, especially in the Asia and the Middle East regions, where we see great opportunities in market development. The aim is to extend and share our experience in waste management value chain to these markets.



Our Performance at a Glance



PROGRESS AND PRIORITIES

In our 2006 Sustainability Report, we outlined our priorities for the near future. Here's a snapshot of our progress:

Pursue Zero Lost Time Injuries (LTI)

Setting benchmarks in workplace safety is part of what we stand for. As such, we are proud to announce that Kualiti Alam, our hazardous waste treatment and disposal facility has continued its impeccable record for safety at the Integrated Scheduled Waste Management Centre (WMC) in Bukit Nanas, Negeri Sembilan by extending its Zero LTI run to 2,000,000 man hours as at 30 April 2007.

Reduce our carbon footprint

The first step in managing our carbon footprint is to calculate our emissions accurately. We are pleased to announce that we are reporting our Carbon Footprint for the first time this year. Our carbon emissions disclosure for 2007 includes the electricity consumption of our various offices and plants and the fuel consumption arising from our transportation usage and our plant operations. We must acknowledge that we are in the early stages of this process and will build upon this information in years to come.

Improve revenue

UEM Environment's tax liabilities were approximately RM8.5 million in 2007. Spending on goods and services totalled RM50 million for 2007.

Address community issues related to growth

In 2007, UEM Environment continues to field permanent representatives to sit in on the Village Development and Security Committee (JKKK) of Felda Sendayan, Kampung Jimah Baru, Kampung Jimah Lama, Taman Gadong Jaya and Tanah Merah Residents Association to participate in village development activities and receive feedback.

We continue to be a vocal advocate for increased public funding for the communities in which we operate.

Recruit and retain employees

A comprehensive workforce strategy is helping UEM Environment plan ahead to hire the people we need to implement our growth plans. Between 2006 and 2007, our workforce grew from 274 to 306 employees, a rise of 12%. On top of that, staff turnover as a percentage of total workforce population decreased from 9.6% in 2006 to 6.5% in 2007. This is a sign that while the competition for talent remains intense, UEM Environment still remains the preferred choice of our employees.

Invest in environmental technology

UEM Environment significantly expanded our oil recovery facility by setting up a pre-treatment plant for Kualiti Kitar Alam. We are also in the midst of establishing a synergy programme with the local cement industry on the utilisation of waste as alternative fuel.

We are currently undertaking a collaborative study on pre-treatment methods for reduction of Total Organic Carbon (TOC) and Oil & Grease (O&G) in sludge wastes to meet solidification or landfill criteria. Another collaborative study we have undertaken is a study on the alternative treatment of chromate waste.



KEY LIMITATIONS

As our sustainability programme is still in its infancy, we acknowledge that there are still a few areas that we can improve on. We are in a continuous process of refining our data collection and reporting processes with each passing year. Included below are the areas in which we hope to report on within the next five years:

Environmental data for all subsidiaries

We aim to report on the environmental performance data of all our subsidiaries on an individual basis. This includes Kualiti Alam, Kualiti Khidmat Alam, Kualiti Kitar Alam, E-Idaman and ADKA. At the moment, our environmental performance data is very much focused on Kualiti Alam, with some coverage of Kualiti Khidmat Alam and Kualiti Kitar Alam. We are looking at ways in which our information collection process can be streamlined to accommodate the different needs and functions of our subsidiaries.

Supplier management

Although our contractors currently follow the same responsibilities, standards and training that apply to our fulltime employees, we hope to have separate performance management systems for our permanent staff and contractors in the next five years as these two categories have different needs.

One of the measures we have undertaken in this direction is to have our SHE Department organise tailor-made courses which are specifically geared towards our suppliers and contractors alike, concentrating on management systems, the use of individual protection devices, safety instruments and operational modalities due to the high rate of property damage caused by contractors.

Goals and performance

We realise that we have yet to set any concrete organisation-wide targets regarding our sustainability performance. We are striving to change that by aiming to implement Key Performance Indicators (KPIs) for our community investment programme and reporting on our carbon footprint.

LOOKING AHEAD

As we move ahead, we will focus on the following priorities:

- **Advance new technologies and investments** to better manage Greenhouse Gas (GHG) emissions. UEM Environment is committed to being a leader in sustainable waste management and aims to bring a carbon capture and storage initiative closer to implementation.
- **Drive environmental excellence** further into our organisation by reducing resource consumption and waste generation. We aim to improve internal energy efficiency and ensure we use water resources wisely.
- **Establish targets for key performance areas** such as GHG and energy use intensity and report our progress toward achieving those targets.
- **Support community** development by mitigating the impact of growth where possible and supporting broader community efforts to enhance quality of life for the residents living in the communities in which we operate.
- **Build and develop our workforce** through recruitment and retention strategies and skills development programmes.
- **Support the safety culture** created through our Safety, Health, Environment and Quality (SHEQ) Policy with an increased focus on safety systems such as monitoring, process safety management, incident investigation and follow-up.
- **Tracking social investment** in order to maximise the potential of our investments and support, and ascertain the extent of such impacts on communities and local economies.



Our Approach to Sustainability



UEM Environment sets clear policy and objectives on our expectations on sustainability from the top of the management team throughout the organisation. We seek to follow best practice, adhere to regulatory standards as a minimum and aim to exceed the expectations of those that regulate our businesses and stakeholders that have an interest in our operations. We recognise that all aspects of sustainability must be firmly embedded in the culture of the company. We maintain and publish our core business values which set our ethical position.

To ensure that the business achieves its objectives we invest in high quality operational facilities and monitoring equipment and employ skilled and responsible people. We recognise the need for continual development and improvement in the standards of our operations and measure performance year-on-year by reporting factually the success of the objectives through annual reporting on sustainability, which demonstrates to shareholders, staff, neighbours and regulators how our objectives are being met and exceeded. We are proud of our culture where all staff members feel responsible for making a difference in delivering high standards within the organisation and to our clients, stakeholders and local communities.

We realise that when we undertake social programmes, we must take care to ensure that societal impact is our first priority. However, this should not take place in a vacuum, or in such a way as to act against the interests of our employees and shareholders. The key is to find ways to align the interests of these diverse groups, and that usually requires a long-term view.

Starting from the June 2008, we seek to conduct feasibility studies prior to conducting our community investment programmes in order to maximise the potential of our investments and support, and ascertain the extent of such impacts on communities and local economies. We aim to put in a set of KPIs to ensure that the time and money we have donated is well-spent. In summary, our community involvement strategy is to identify the most important interaction between our talents and the needs of the community and plan a structured Community Investment Policy around it.

UEM Environment is committed to conducting its business operations in a responsible manner and we recognise the need to continually improve our operations where practicable in order to reduce our effects on the environment, ensure the safety and welfare of our personnel and neighbours, and ensure customer satisfaction through service excellence.

We seek to exceed legal obligations and be among the leading exponents of good practice and technological development within the waste management industry. We aim to provide services that achieve the professional integrity and objectivity that our customers and stakeholders require and every effort will be sustained to ensure the accuracy and reliability of our services.

To achieve this and remain competitive, we pursue a programme of continuous improvement in all aspects of our business. In achieving this high level of regulatory compliance, customer satisfaction and operational improvement, corporate direction will be set on an annual basis. To ensure a high standard of awareness within the company we provide our employees with continuous training to improve their skills and competencies. For the maintenance of external awareness and good perception, we actively liaise with regulatory bodies, environmental organisations, stakeholders, the local community and all other interested parties.

Message from the Managing Director

Corporate Citizenship

As global markets become more interdependent, corporate citizenship has a larger role to play in shaping a company's success. For UEM Environment, citizenship is a business imperative, offering opportunities and challenges to do things differently. To capitalise on these opportunities requires more than intent – it requires investment. We are making our intent for citizenship real by investing in people, ideas, funding and systems that will allow for continuous improvement in a sustainable future.

As the nation's leading hazardous waste specialist, we advise and help many businesses, assisting them in understanding the many legal and other requirements that they face to manage their waste streams properly.

As such, it is critical to the long term future of our business and the businesses of our clients that we operate to exemplary standards not just within legal requirements, but exceeding them, and in doing so ensure that our waste solutions are sustainable, protecting the interests of our clients and shareholders.

UEM Environment has a history of responsible business conduct. We strongly believe that real business success is not just about profits measured in numbers but also, as importantly, about how those numbers are achieved. Our corporate strategy reflects our commitment to sustainable business practices and balancing responsibility alongside growth and productivity.

AZMANUDDIN HAQ AHMAD

Managing Director,
UEM Environment and Kualiti Alam



Message from the Managing Director



10

UEM Environment's position is clear. Success of our organisation is important to us. It allows us to invest in new technologies and services for our customers. In 2007, our investment in new technologies includes the setting up of a pre-treatment plant in oil recovery for Kualiti Kitar Alam and the pilot study conducted on the extraction of oil from hydrocarbon waste as alternative fuel for use at the WMC.

Our success also leads to an increase in revenue, enabling us to pay the dividends which form such an important part of the long-term savings and pension plans of our shareholders. We are proud to announce that our revenue for 2007 was approximately RM134 million, a 9% increase from 2006.

Besides allowing us to contribute to public services through the taxes we pay to governments, the growth of our company also creates jobs for our colleagues and suppliers. Between 2006 and 2007, our workforce grew from 274 to 306 employees, signifying a rise of 12%.

However, that is not to say that profits should be pursued without concern for a company's wider social obligations. Far from being incompatible, long-term success and good corporate behaviour are linked inextricably.

Investing in a Sustainable Future

By the very nature of our activities in waste treatment, recovery and recycling, we contribute greatly to sustainable development. Nevertheless, these activities can generate environmental impacts. Our goal is to reduce these impacts and comply with legislation.

The environmental management system ISO 14001, implemented at so many of our facilities, reflects our commitment to continual environmental improvement. Kualiti Alam attained its certification for ISO 9001 and ISO 14001 in 2000, while certification for ISO/IEC 17025 and OHSAS 18001 was attained in 2001. Kualiti Khidmat Alam and Kualiti Kitar Alam obtained multiple certifications in their IMS for ISO 9001, ISO 14001 and OHSAS 18001 in 2007 and 2008 respectively. E-Idaman is on its way to achieve certifications in its IMS in 2009, while UEM Environment is aiming for ISO 9001 certification in 2009.

We have invested and put in place measures to protect the environment as stated in our Vision and Mission from day one of our operations in 1996. Our WMC was designed and constructed with a closed-storm water collection system to harvest rain water as a feature to conserve natural resources. Environmental monitoring of the WMC was carried out even before operation began.

To put our business on a truly sustainable footing, we need to work with our customers to develop cost-effective and environmentally sound solutions to minimise the hazardous waste they produce and maximise the recycling of valuable resources. Over the past year, we greatly increased our dialogue with NGOs, members of government, community representatives and social welfare organisations. This dialogue has allowed us to better understand how our business goals can be aligned with commonly held social goals. The counsel we received helped strengthen our citizenship mission.

The fact is that we are not just a company. We are citizens of the communities in which we work. We realise that managing a hazardous waste management operation can have effects which manifest themselves beyond the boundaries of our sites. Be it at work or at home, we have the same obligation to conduct ourselves in a safe and responsible manner. We have the same duty to help build better communities, to protect our natural resources, to respect our people, and to do the right thing.

This year represents a landmark in our operation at UEM Environment. Kualiti Kitar Alam, our hazardous waste recycling subsidiary began operations in December 2007 after receiving License from DOE on 22 August 2007. With the availability of Kualiti Kitar Alam, we can now pride ourselves as the most comprehensive one-stop scheduled waste management centre in the country, specialising in the management of scheduled waste for recycling and recovery, treatment and disposal.

Climate Change

Although short-term priorities are very important, they must not prevent us from taking a long-term view and planning for the future. The challenges of climate change, water scarcity and energy issues permeate nearly every part of the world. As a responsible corporate citizen, we do our best to mitigate the environmental impacts of our operations. While the waste management industry can be a notoriously energy and water intensive industry, we realise that we can develop innovative technologies and services to address these challenges.



Technology will be a key driver of sustainability going forward as we work to reduce the environmental impacts of our expanding operations. In 2007, we set up a new process of carrying out pre-treatment of silicon waste and a storm water treatment facility at the WMC. Investments in renewable energy will complement those efforts in our core business. By upgrading our Rotary Kiln to run on reconstituted oil, we reduced our diesel consumption in 2007 by 10%. Innovative partnerships and collaboration with all stakeholders – governments, communities, suppliers and investors, to name a few – will also be essential.

Although not specifically linked to carbon emissions, our Sustainability Reports in the past have always provided information on our use of resources. Nonetheless, we realise that in order to successfully offset our carbon emissions, we need to report on our carbon emissions in a more structured manner. This is why we have begun to look at our Carbon Footprint in this year's report. We must acknowledge that we are in the early stages of this process and will build upon this information in years to come.

People Values

Perhaps our most significant long-term investment is being made in our people. This is an obvious priority because our people determine the quality of our organisation and the satisfaction of our clients. Our growth and international expansion plans mean that our employee base is becoming more diverse. We believe that our commitment to sustainability inspires our employees and is one of the binding factors in our business. I am very proud of the commitment from all levels of staff in the UEM Environment Group. Their dedication and high-performance attitude is crucial in catapulting UEM Environment to a position among the pre-eminent players in the waste management industry today.

Conclusion

Building on the base established by our earlier reports, this report highlights key initiatives and charts our progress in the community, workplace, marketplace and environment. We hope that you will have a better understanding of how UEM Environment aims to be the Greener Environmental Solution through our various initiatives which contribute to our long-term business growth, as well as build sustainable communities.

Our corporate citizenship strategy speaks to our strengths in compliance and governance, environmental technology as well as environment, health and safety policies and practices. Those strengths must be reflected and applied in how we do business in emerging markets, a key part of our future growth and success and an important piece of our corporate citizenship strategy.

As we strengthen our efforts to enhance our culture of integrity and innovation in communities we serve, our expectation is that we can help to improve the quality of life for citizens, our employees and our investors.

Our five key focus points are:

- P** Productivity of Resources
- E** Expansion and Growth of Business
- P** People and Organisational Development
- S** Systems and Processes Improvement
- I** Image and Perception Improvement

The Vision and Mission Statements of our organization can be objectively identified and disseminated to all levels of the workforce.

At UEM Environment, we are optimists by nature. We recognise that there are many challenges in our world today. But we believe in the imagination and power of individuals and of business to find ways of dealing with these challenges. We are committed to taking on this responsibility. As a company with strong growth ambitions, we will continually strive to improve our performance, based on the belief that creating value and making a positive impact on society go hand in hand. We at UEM Environment are determined to pursue this road and we look forward to continuing to work and interact with you. We hope that this report gives you a good insight into our performance and progress and inspires you in your daily life.

Once again, thank you to all our stakeholders for your support and constructive comments on how we could do better – to serve better.

To all my colleagues, thank you again for all your efforts and commitment in achieving our dream. I leave all of you with a quote for thought:

- "If you're planning for one year, grow rice"*
- "If you're planning for 20 years, grow trees"*
- "If you re planning for centuries, grow and preserve Natural Resources"*

Thank you



Our Vision and Mission



OUR VISION

The GREENER Environmental Solution

OUR MISSION

To be a role model as an environmentally and socially responsible citizen, offering innovative products and services with the highest standards of professionalism and ethics for sustainable development

CORE VALUES

Professional Ethics
 Teamwork & Togetherness
 Technical & Business Acumen
 Continuous Quality Assurance
 Safety, Health & Environment Friendly

We are fully committed to ensuring a sustainable future for the future generation, and in doing so have ensured that our operations have obtained and successfully maintained the certifications to internationally recognised benchmarks such as ISO 9001:2000, ISO 14001:2004(UKAS), OHSAS 18001:1999 and ISO/IEC 17025 certifications.

OUR PRINCIPLES

Everyone is responsible for their impacts on our environment. We believe in employee empowerment, the prevention of pollution and compliance with relevant legislation and approved codes of practice. We will seek to ensure that all our activities are operated safely and in line with our SHEQ Policy. Our approach is based on the following values:

- We will operate to the highest ethical and professional standards through fostering a style of management based on honesty, trust and integrity
- We will respect our employees whilst fostering a working environment that will encourage employees to operate to their full potential
- We have a responsibility to safeguard the communities and environment that come into contact with our operations
- We adopt approved codes of conduct to protect the environment within which we operate
- We regularly monitor, audit and review our own performance to ensure continuous improvement
- We involve our employees on environmental issues and raise awareness of their responsibilities under the law and this policy
- We require our contractors and suppliers to comply with the law and encourage them to adopt standards that are at least as good as ours
- We will target our efforts to reduce our significant negative environmental aspects by operating comprehensive Environmental and Compliance Management Systems



Currently, UEM Environment has committed itself to the following policies:

- SHEQ Policy
- Employees Remuneration
- Child Labour and Worker Exploitation Policy
- Personal Information Privacy
- Anti-Harassment
- Anti-Discrimination

We seek to minimise the impact of our operations and society's waste through the way we conduct our business, by promoting sustainable waste management practices and by integrating the concept of sustainable development into our business activities.

VALUE CREATION

At the heart of every thriving organisation, there is a set of core values. At UEM Environment, we have worked hard at ensuring the accountability of our business with our stakeholders, in particular the local community, relevant regulatory agencies and customers. In 2006, we implemented PEPSI, a 5-point value creation strategy to enhance our performance and raise productivity.

The key areas are:

- P** Productivity of Resources
- E** Expansion and Growth of Business
- P** People and Organisational Development
- S** Systems and Processes Improvement
- I** Image and Perception Improvement

Under the PEPSI value creation strategy, our workplace leaders are expected to:

- Develop new sets of skills to lead the people, not just to manage the business
- Develop more leaders
- Be more market-driven
- Be less bureaucratic
- Be more creative and innovative
- Be more quality-conscious
- Be more strategic than operational in approach
- Be more open to ideas

With the implementation of the 5-point value creation, we are more focused in delivering our products and services to our customers and other stakeholders in a more effective, efficient and systematic manner. In addition, it provides a clearer strategy to all levels of our human capital in delivering and achieving our Vision and Mission statements.

As the PEPSI value creation strategy was only implemented in 2006, we are constantly in the process of refining the performance data collection process. We hope to be in a position to report more on the outcome of the PEPSI strategy in the next three years.



Sustainability Cost Commitments



At UEM Environment, we incorporate environmental accounting in our daily management and budgeting activities. Our guiding principles are based on the company's SHEQ Policy which emphasises on a green environment; commitments to prevent pollution by ensuring strategies are developed to control the quality of air emission, to reduce effluent, and to conserve natural resources.

At UEM Environment, we have continuously invested in environmental management activities. At the beginning of each year, we evaluate the environmental aspects and impacts from which an Environmental Monitoring Programme (EMP) will be developed and implemented to mitigate any significant impacts. This is used as an environmental consideration whenever decisions are made on costs and investments undertaken.

Sustainability cost presents itself in many ways. In our 2006 Sustainability Report, we reported our sustainability investments from 2002 to 2006 in the form of Environmental Cost Commitments, as shown in Table 1.

TABLE 1: ENVIRONMENTAL COST COMMITMENTS FROM 2002 TO 2006

Activity	Year					
	2002	2003	2004	2005	2006	
Business Area	<ul style="list-style-type: none"> • Compliance • Global Environment • Conservation • Pollution Prevention • Resource Conservation 	RM3.3M	RM3.7M	RM3.1M	RM6.2M	RM11.6M
Environmental Management Activities	<ul style="list-style-type: none"> • Training & Consultancy • ISO Audits • Area Maintenance 	RM0.9M	RM1.5M	RM1.6M	RM425K	RM889K
Activities Upstream/ Downstream	<ul style="list-style-type: none"> • Internal Waste Processes • External Waste Processes 	RM4.8M	RM7.5M	RM10.2M	RM3.95M	RM13.9M
Social Activities	<ul style="list-style-type: none"> • Social Contribution • Information Disclosure 	RM115K	RM118K	RM125K	RM280K	RM401K
Research & Development	<ul style="list-style-type: none"> • Research & Development 	RM70K	RM90K	RM13K	RM75K	RM76K



As part of our improvement programme, we have streamlined the layout of our Environmental Cost Commitments for 2007 into a more auditable format. The sustainability investment figures have been re consolidated to reflect the environmental expenditure per department. By reporting our environmental-related expenditure for the year by departments, we hope to make it easier to verify our Sustainability Cost Commitments in the coming years.

TABLE 2: SUSTAINABILITY COST COMMITMENTS FOR 2007

Department	Activity / Scope	Total expenditure (RM)
Plant & Operations	<ul style="list-style-type: none"> • Pollution Prevention • Data Management & Records Retention • Training • Equipment • Internal Waste Disposal/Treatment 	11.32M
Support Services & Facilities Management	<ul style="list-style-type: none"> • Plant Repairs & Maintenance • Maintenance Personnel • Support Services/Personnel • Facility Management • Repair Works • Motor Vehicle Maintenance • Landscaping 	7.73M
Environmental Management Services	<ul style="list-style-type: none"> • Lab Facilities Maintenance & Management • Research & Development • Training • Consultancy • Pollution Prevention • Internal Waste Disposal/Treatment 	1.53M
Corporate Communications	<ul style="list-style-type: none"> • Social Contribution • Information Disclosure • Outreach/Awareness Programmes 	313K
Human Resources, Administration & Security	<ul style="list-style-type: none"> • Staff Welfare • Staff Uniform • Laundry Charges • Personnel Development • Staff Amenities • Security 	858K

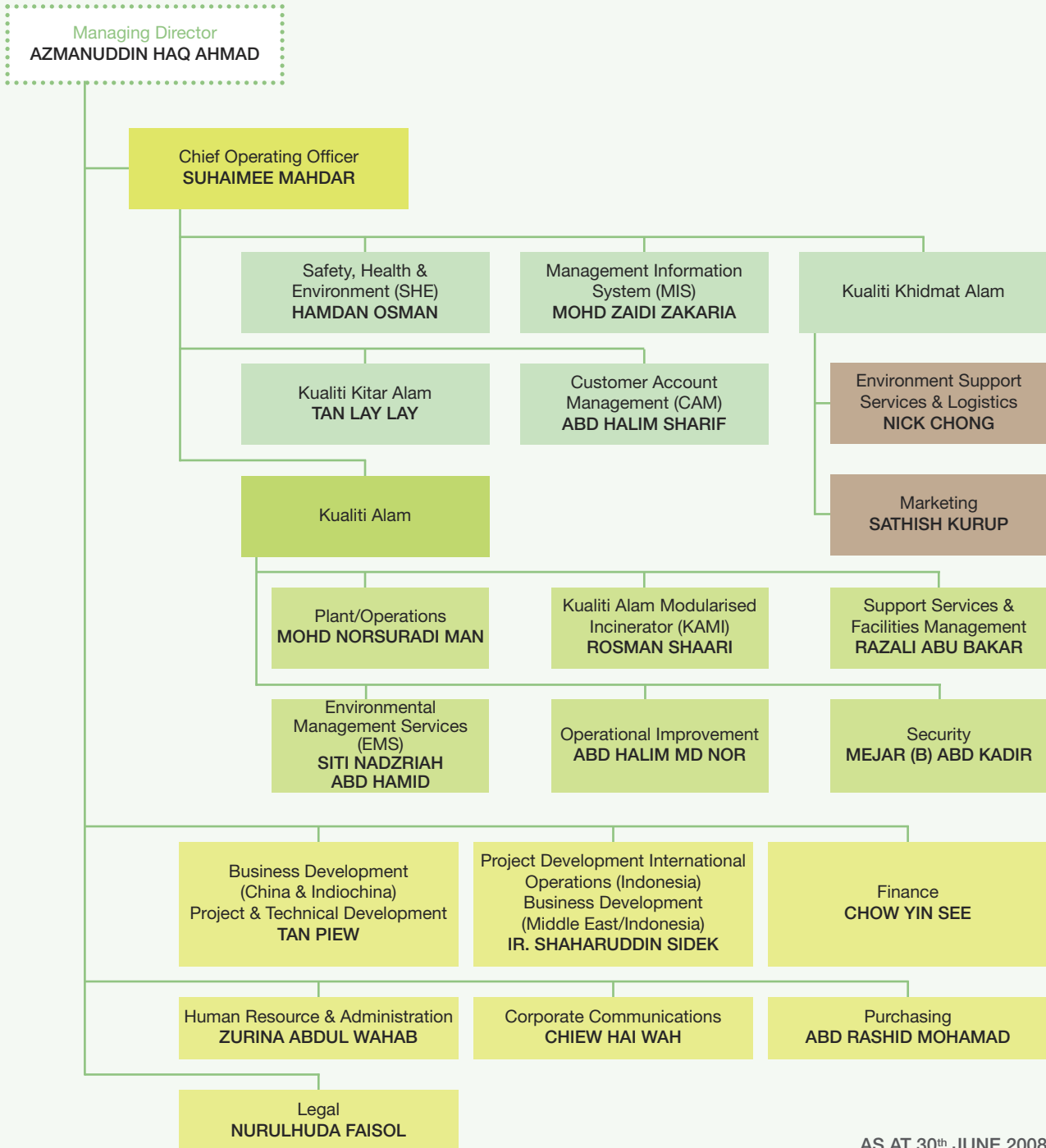


Corporate Structure

Our parent company, UEM Group is Malaysia's leading infrastructure development conglomerate and partner in nation building. It is a wholly-owned subsidiary of Khazanah Nasional Berhad, an investment arm of the Malaysian government. UEM Group has more than 40 major operating companies, including 10 public listed companies.



Our Management Team



AS AT 30th JUNE 2008





Corporate Governance

Trust and transparency are the foundations of strong relationships with our stakeholders. Our governance practices help ensure we conduct our business responsibly and report our activities openly.

UEM Environment is committed to setting high standards for good corporate governance and operating with integrity. Our commitment to perform with integrity is instilled in every employee as a non-negotiable expectation of behaviour. This expectation is backed by a culture of compliance and beliefs that are supported by a system of an independent and fully informed Board, comprehensive processes, policies, communications and training.

We strive to encourage transparency in our organisation and provide direction on how to make the shared commitment to integrity actionable. However, we also realise that the complexities of doing business in a global marketplace with changing and variable legal and regulatory policy requirements make compliance an ever-evolving, demanding undertaking.

At UEM Environment, corporate governance means ensuring a comprehensive system of stewardship and accountability is in place and functioning among directors, management and employees. The following are some of the targets that will help us continue to have a strong corporate governance culture built on integrity, accountability and transparency.

- Ensure every employee complies with our internal policies
- Install mechanisms in place to continually evaluate the effectiveness of our SHE programmes
- Comply with all laws and regulations that affect our business

OUR 2007 HIGHLIGHTS

- We conducted several internal audits of our SHE systems throughout all of our business segments and also participated in external audits and inspections of our operations.
- We are subject to inspections from the Department of Environment (DOE), Department of Occupational Safety and Health (DOSH) as well as other governmental departments on an annual basis. To date, we are pleased to report that since 1999, we have had no incidences of non-compliances.
- We have successfully maintained our certifications for ISO9001:2000, ISO14001:2004 and OHSAS 18001:1999. Through these certification exercises, we are able to demonstrate continuous improvements in our safety, health, environmental and quality management programmes.
- Kualiti Alam added another ISO certification to its name: the UKAS accreditation for its ISO 14001 standards on 14 March 2007. UKAS auditors were present as observers during our SIRIM QAS reassessment audit from 28 to 30 August 2006. With the accreditation comes proof of Kualiti Alam's competence, impartiality and sustainable performance that undoubtedly strengthens UEM Environment's offerings at large.
- Kualiti Khidmat Alam became the latest member of our organisation to obtain multiple certifications in its Integrated Management System (IMS) for ISO9001:2000, ISO14001:2004 and OHSAS 18001:1999 from BVC in October 2007. The certifications cover Kualiti Khidmat Alam's corporate office in Kuala Lumpur and WMC and also its three branch offices in Penang, Kuantan and Johor Bharu.
- Kualiti Alam underwent a successful facility review by CHWMEG, Inc., a non-profit trade association based in USA that reviews waste management facilities worldwide in August 2007.



From left to right:

- 1 Tan Sri Nuraizah Abdul Hamid
- 2 Azmanuddin Haq Ahmad
- 3 Dato' Ahmad Pardas Senin
- 4 Mohd Hussein AB Hamid

BOARD OF DIRECTORS

UEM Environment's Board of Directors serves as the cornerstone of our company's governance system. It is appointed to act for and on behalf of our shareholders – the owners of the business. The Board recognises that it has a unique role in representing and promoting the interests of all of UEM Environment's stakeholders and is accountable to shareholders for the performance and activities of the company. The Board's mandate includes identifying and managing risk, strategic planning and establishing and enforcing our standards of ethical conduct.

The UEM Environment Board comprises Yang Berbahagia Tan Sri Nuraizah Abdul Hamid as our chairman; and other board members comprise Azmanuddin Haq Ahmad, Dato' Ahmad Pardas Senin and Mohd Hussein Hamid.

Tan Sri Nuraizah Abdul Hamid served as the Chairman of the Malaysian Communications and Multimedia Commission (MCMC) from November 2000 to October 2003. Prior to that, from June 1996 to October 2000, Tan Sri Nuraizah was the Secretary-General of the Ministry of Energy, Water and Communications (KTAK).

Before her retirement in 2000, Tan Sri Nuraizah had served a total of 33 years in the public service in various positions in the Government. Apart from having served as the Secretary-General of the KTAK, she had also served in the Prime Minister's Department, the Ministry of Agriculture, the Public Service Department and the Ministry of Education. Tan Sri Nuraizah was also seconded to the Economic and Social Commission for Asia and the Pacific (ESCAP) to serve as Programme Officer for two years in its Development Planning Division.

Tan Sri Nuraizah is currently Chairman of AKRiZ Sdn Bhd, a company focused on total solutions and systems integration in the fields of advanced technologies, defence and communications; as well as the Chairman of RAC Development Sdn Bhd, a joint-venture company between AKRiZ and a subsidiary company of the Perbadanan Kemajuan Negeri Perak. Tan Sri Nuraizah sits as a member in the Advisory Panel of the Cluster Schools Programme of the Ministry of Education.

Tan Sri Nuraizah holds a B.A (Hons) from University of Malaya and a Masters of Public Administration from The American University, Washington D.C. She also received an honorary PhD in Management of Technology from University College of Technology Tun Hussein Onn, Malaysia. She attended a Senior Management Training Programme at the New Zealand Staff Training Institute in 1984 and the Advanced Management Programme at the Harvard Business School in 1997.

Azmanuddin Haq Ahmad is the Managing Director of UEM Environment and Kualiti Alam. He is also the Executive Vice-Chairman of ADKA. He holds a BA (Honours) Degree in Accounting and Financial Management from the University of Sheffield, United Kingdom. He was with Aseambankers Malaysia Berhad prior to joining the UEM Group. He joined the UEM Group as Assistant General Manager in the office of Managing Director/Chief Executive Officer in October 2001. He was later promoted to the position of Director in the office of Managing Director/Chief Executive Officer of UEM Group on January 2003.

His primary role at the UEM Group was to oversee the corporate finance and merger and acquisition of the UEM Group. He is also the Director of Kualiti Khidmat Alam, Kualiti Kitar Alam and E-Idaman. He previously sat on the Boards of Cement Industries of Malaysia Berhad and Faber Group Berhad. Azmanuddin has held the position of Honorary Secretary-General at BCSDM since 2007 and has been a Council Member of ENSEARCH since 2008.





Dato' Ahmad Pardas Senin is a director of UEM Environment and is also the Managing Director and Chief Executive Officer of UEM World Berhad. He is also the Managing Director and Chief Executive Officer of UEM Group Berhad and Deputy Chairman of Projek Lebuhraya Utara-Selatan Berhad (PLUS), PLUS Expressways Berhad and UEM Builders Berhad. He currently holds directorships in Pharmaniaga Berhad, Opus Group Berhad, UEM Land Berhad and is also Chairman of Expressway Lingkaran Tengah Sdn Bhd (ELITE) and Linkedua (Malaysia) Berhad. He is also a director of Universiti Teknologi Mara (UiTM).

Dato' Ahmad Pardas is a Fellow of the Chartered Institute of Management Accountants (FCMA), a Chartered Member of the Malaysian Institute of Accountants (MIA) and a Member of the Institute of Internal Auditors, Inc. He is a member of the Financial Reporting Foundation (FRF).

Prior to joining the UEM Group, Dato' Ahmad Pardas had more than 17 years of service with the British-American Tobacco (BAT) Group.

Mohd Hussein AB Hamid is a director of UEM Environment and is the Senior Director, Direct Business Units of UEM Group and UEM World. He is also the director of ADKA Enviro. An associate member of the FCMA (UK), Mohd Hussein started his career as an Inventory Accountant for ESSO Production (M) Inc in 1977. From 1985 to 1994, he was the Finance Manager for Motorola (Malaysia) Sdn Bhd. In 1995, he became the General Manager, Business Development of Intria Berhad (now known as UEM Builders Berhad). He joined PLUS in March 2000 and was the Chief Operating Officer for both PLUS Expressways Berhad and PLUS. In September 2004, he was appointed the Chief Operating Officer, Direct Business Units of UEM Group. Concurrent with this position, he was appointed as Senior Director, Direct Business Units of UEM World in July 2005. He subsequently became the Senior Director, Direct Business Units of UEM Group in January 2006. He holds directorship in several companies within the UEM Group.

COMMITTEES

At UEM Environment, we have established the following committees to assist in the assurance of corporate governance:

- Audit Committee – Oversees our accounting and financial reporting processes, the quality and integrity of our financial statements, the effectiveness of our internal controls and is directly responsible for the retention and oversight of the work of our external auditors.
- Human Resources & Compensation Committee – Reviews and recommends comprehensive principles and strategies for executive compensation, approves material changes in our employee benefits plan and reviews our management resources and plans to ensure appropriate succession plans for executives. It is comprised of the Managing Director, Chief Operating Officer and Heads of Department.
- Corporate Governance & Nominating Committee – Assists the Board in developing our corporate governance system, reviews and recommends compensation for Board and Committee service, assesses overall performance of the Board, identifies Board candidates and ensures the Board functions independently of management.
- Safety, Health, Environment & Quality Committee – Approves our SHEQ policy, reviews our SHEQ strategies and programmes, industry standards and applicable legislation and monitors safety, health, environment and quality performance.
- Corporate Safety, Health & Environment - Comprised of senior management; and representatives of employees of different levels and departments which are responsible in ensuring that we conduct our activities and operate our facilities in an environmentally responsible manner and maintain the integrity of our SHEQ policies.



Social Performance

At UEM Environment, we recognise that our relationships with the people with which we interface while conducting our business, be they employees, clients, the public or regulators, have a significant influence on our long term success. That is why we work hard to build strong relationships with our stakeholders. Consistent with our core business values we are committed to acting responsibly, with integrity and professionalism. We seek to create a safe working and living environment that is not compromised by the existence of our sites or their activities. The following are some of the steps we are taking to improve our social performance:

- Be “best-in-class” in operational health and safety in all our activities and strive to have zero accidents, injuries or incidents
- Set and communicate targets for days-away injury frequency and severity, reportable vehicle accidents, emergency response, inspections, leak repairs and third-party damages
- Invest in an integrated set of talent management initiatives to attract the best talents and develop, engage and retain our workforce
- Increase our community investment dollars over time to meet the objectives of the 9th Malaysian Plan

OUR 2007 HIGHLIGHTS

- We have had zero LTI for Kualiti Alam in 2007 and maintained our zero dangerous occurrences on site.
- We won the National Council for Occupational Safety and Health (NCOSH) Excellence Gold Award in the Utility Services Category in February 2007.
- We won the ACCA MESRA award under the First Time Reporter Category for our debut Sustainability Report 1996-2005 in May 2007.
- We were awarded the Malaysian Society for Occupational Safety and Health (MSOSH) OSH Gold Award in October 2007 for our occupational safety and health record and practice at our WMC.
- We bagged our second Prime Minister’s Hibiscus Award under the Notable Achievement Category for our environmental practices and commitment in November 2007.

OUR STAKEHOLDERS

We need to earn and maintain stakeholder support for our expansion plans. Informing stakeholders about our business plans and responding to their concerns in a timely and respectful manner are just how we do business.

UEM Environment defines stakeholders as groups or individuals who could be impacted by our operations or who could, through their own actions, affect our business. Our main stakeholders include:

- Employees
- Community residents and landowners
- Shareholders
- Governments and regulators
- NGOs
- Business groups, customers and suppliers

We work to maintain good long-term relationships with these groups through open communication, consultation and collaboration. These interactions occur both formally and informally. Stakeholders can be heard through workshops, multi-stakeholder committees and regulatory processes for growth projects. There are also many ongoing informal settings where stakeholders can voice their concerns.

Our Workforce

Companies in the current labour market are facing intense competition for talent. As a result, today’s employer must stand out from the crowd. We believe being a good employer means more than providing a healthy paycheck. It is also about being a place where employees are proud to work for, feel challenged and rewarded, and have opportunities to grow.



Social Performance



The success of any company depends on its people. All of us are essential to providing the quality of service and the degree of innovation that makes this business successful. Put simply, our employees are the public face of our operations and can create a positive impression of UEM Environment within a community. Being a good employer is therefore not just one of our main social responsibilities, it makes very good business sense too.

We recognise the value of employees' experiences and knowledge to provide powerful learning and mentoring opportunities for colleagues. Our company is committed to providing employees with the training and learning opportunities they need to excel in their careers. We strive to create a culture of opportunity where employees can challenge themselves to reach their full potential.

In 2007, we continued to expand our workforce through organic growth in alignment with business growth. Between 2006 and 2007, our workforce grew from 274 to 306 employees, a rise of 12%. On top of that, staff turnover as a percentage of total workforce population decreased from 9.6% in 2006 to 6.5% in 2007. We also regularly collaborated with consulting organisations for specific project needs.

UEM Environment provides competitive pay, compensation and benefits similar to current market practices to our employees. We monitor the competitiveness of our programmes regularly through participation in surveys such as the Employee Benefits Review Survey and Employee Climate Survey, as well as through our involvement in industry groups.

Performance Management System (PMS)

The aim of PMS is to achieve a perfect fit between employees' skills, work processes and organisational targets. Starting with an inventory of the available knowledge and existing behavioural patterns which can be influenced by human resources development instruments, it forms the basis of successful performance by the individual employees and the organisation as a whole. The company's performance is highly dependent on the personal development of each of our employees. Accordingly, we have developed a step-by-step approach to our PMS.

The Management supports employees in effectively aligning their contributions with the strategic goals of our business. They provide feedback to employees in order to guide their performance and development in each performance year. Effective performance management ensures strong performance, the ability to recognise and reward performance and the development of opportunities for advancement. Our Management leaders are encouraged to develop their ability to provide effective performance feedback, to recognise and reward effective performance and to support employees in their development planning.

We have identified Core and Leadership Competencies that are valued at UEM Environment – a framework that employees can apply in their development planning to prepare for opportunities. The Core Competencies are:

- Customer focus
- Execution and results
- Flexibility, interpersonal skills
- Job/technical skills

All of our employees are required to undergo a biannual Performance Management Review. The Performance Management Review encourages both employee and supervisor to provide each other with feedback on their performance and also acts as an opportunity for the discussion of career objectives and direction.

Career Development

UEM Environment provides programmes for the skills management and continuous learning of our staff to support their career development. We provide education assistance for our employees who wish to pursue their higher education by absorbing 70% of the course fees via our Continuous Education Assistance Fund. We also provide study loan assistance of up to RM5K to our employees. Our senior management are encouraged to participate in our Master in Leadership programme organised by the UEM Leadership Centre.

TOTAL REMUNERATION PACKAGE

A competitive total remuneration package is one of the most important elements in attracting and retaining talent. Our approach to reward and benefits is anchored strongly in aligning internal needs with shareholder interests. UEM Environment rewards employees for good performance, competence development and for contributing to overall company success. This creates a positive and encouraging environment with opportunities for employees to optimise their potential and be rewarded fairly. Our total remuneration package is at the centre of our efforts to attract and retain talented employees, and is one of our key principles in our People Strategy. This is in line with our PEPSI Strategic Focus Area: People and Organisation Development.

The total remuneration package at UEM Environment consists of base pay, short- and long-term incentive plans, benefits, pension and savings plans. Programme design and administration is consistent across the company in most areas with some adjustments for local market conditions and the unique needs of each type of business. Rewards for good performance remain a strong theme in the total remuneration package.

Employee performance on an individual and/or group level is an integral part of our incentive programmes. Our performance and success impact our ability to provide competitive benefits, savings and recognition programmes for employees and their families.

Employee Reward and Recognition

We reward and recognise our employees' environmental contribution through our annual performance appraisal whereby environmental indicators like housekeeping and resources reduction are evaluated as part of their performance. Good suggestions will also be recorded and included as part of our appraisal system.

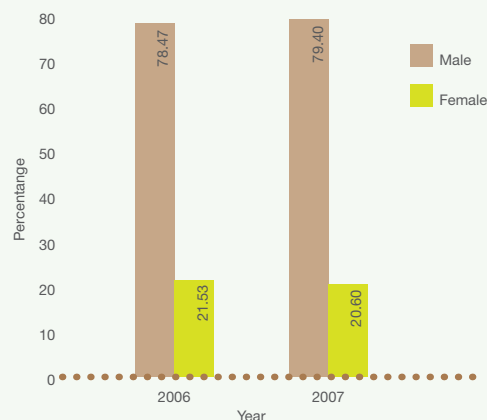
Each of our businesses recognises the special achievements of our employees on an ongoing basis. These activities include service awards, monetary gifts, recognition in our internal communications and opportunities for challenging assignments.



COMMITMENT TO A DIVERSE WORK ENVIRONMENT

At UEM Environment, we want to be a company where all employees are optimal contributors to our business objectives and all have equal access to the opportunities available. The company's workplace harassment and anti-discrimination policies denote our strong commitment to maintaining the dignity and respect of all employees. We also subscribe to the principles of a fair and equitable work environment. To us, building a diverse workforce is not just a matter of doing the right thing; it is a matter of delivering value to our customers, employees and shareholders.

FIGURE 2: GENDER EQUALITY



UEM Environment had a total of 306 permanent employees as at the end of December 2007 with 79% males and 21% females. This is similar to the gender proportion of employees in 2006 which was 78% males and 22% females.

Our work environment promotes a diversity of roles and enriched job experience through project management and participation in cross-functional teams. We also encourage our employees to take an active role in their communities through a variety of volunteer activities. In the workplace, marketplace and community, we are working to create an environment in which all people are valued, respected and given the opportunity to succeed.



Social Performance

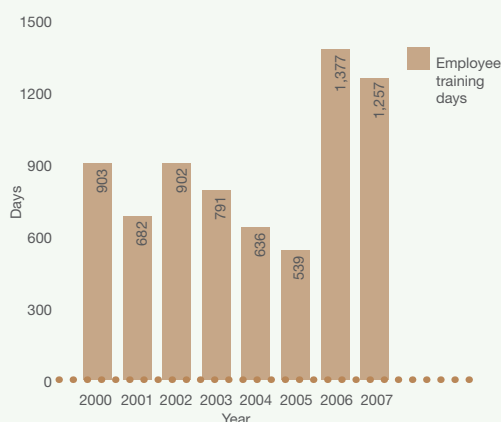


TRAINING

UEM Environment operates in a technically complex industry. We need people with high level skills, particularly in waste analysis, environmental management, health and safety and the requirements of our regulators. In parallel with these industry specific skills, we also need sound commercial and business management skills. We have been fortunate in retaining people with these skills in the businesses that we have acquired, and we have been successful in recruiting new highly skilled people to join us. A culture of training and development is promoted throughout the company by information dissemination, regular review of professional development and on the job instruction.

Employee training not only benefits the company but also the individuals themselves: therefore, UEM Environment has a comprehensive training programme in place. Nearly all staff positions in the business are included in a training matrix, which shows for each role the courses that are mandatory, the preferred courses and those which are optional.

FIGURE 3: EMPLOYEE TRAINING DAYS FROM 2000 TO 2007



Our employees benefited from 138 training programmes in 2007. Our total employee training days for 2007 was 1,257. Although this signifies an 8.7% decrease compared to the 1,377 training days provided in 2006, we have managed to boost our training expenditure to RM391,960.79 for 2007. This represents a 5% increase compared to 2006.

In 2007, our training programme included:

TABLE 3: EMPLOYEE TRAINING CONDUCTED AT UEM ENVIRONMENT IN 2007

Month	Programme	No. Of Participants
January	Personal Leadership Follow-up Programme	5
February	Seminar on UK Waste Management Technologies	5
February	Personal Leadership Follow-up Programme	5
March	Wastewater Treatment Facilities Design Workshop	5
April	Occupational First Aid	20
May	AutoCAD 2007 (Basic) Training	4
	International Conference on Radiation Protection and Workshop	3
	Inventory and Stores Management	2
June	Integrated Management System: Legal Requirement Training	9
	Personal Leadership Follow-up Programme	5
July	Cylinder Management Equipment Training	11
August	Incineration Technology and System Design	3
September	Advanced Global Summit Biofuels 2007	3
October	Renewable Energy Seminar by Solar Energy Institute (SERI)	1
November	ISO 9001: 2000 IRCA Lead Assessor	1
	Waste to Wealth International Conference 2007 (W2W)	3
December	Awareness Training ISO 9001:2000	19

Staff Awareness Training

Under our UEM Environment Training Policy and Procedures, we provide a minimum of 2 days of training on policies and procedures concerning aspects of staff awareness which are relevant to our operations. 86% of our employees underwent the staff awareness training in 2007, compared with 90% in 2006. Besides that, all of our security personnel are trained in our policies and procedures concerning aspects of staff awareness that are relevant to our operations.



PROTECTING THE ENVIRONMENT

We believe staff awareness and robust management systems are keys to our protection of the environment. We aim to:

- Raise the environmental awareness of our employees by encouraging involvement at all levels and educating through training, communication and constant reappraisal of working methods
- Operate a comprehensive SHEQ management system
- Adopt the principles of ISO14001, seeking accreditation where appropriate
- Regularly monitor, audit and review our own environmental performance to ensure continual improvement
- Share and promote Best Practice and Best Available Techniques between business units
- Publish details of our performance in our annual Sustainability Report

EMPLOYEE HEALTH

Following on from the Occupational Health Surveillance Programme that was conducted for Kualiti Alam in 2006 and 2007, Kualiti Khidmat Alam and Kualiti Kitar Alam commenced a similar programme for their staff members in 2008. The objectives of this programme are:

- To provide an assessment on the health and safety of employees who are exposed or likely to be exposed to chemicals hazardous to health
- To maintain and improve the health status of employees through health education and early detection
- To reduce absenteeism and disruption in lifestyle by providing accessible health assessment promptly

The percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes are split equally, with 50% representation at the management level and 50% at the non-executive level.

EMPLOYEE COMMUNICATIONS

With staff spreading across the country, a critical part of people management is sharing information. Effective internal communications and employee relations are of strategic importance to UEM Environment, particularly as we continue to grow and develop our workforce to support our business growth.

We seek to foster an environment committed to open and frank communication with a dedicated channel for employee upward feedback and input. We actively engage our employees in exchange of information and communications through:

- Annual employee meetings
- Human Resources communications practices and tools
- Intranet and employee newsletters
- Regular e-mail updates to employees
- Business performance review videos
- Face-to-face sessions that enable employees to meet our Managing Director and share their questions, issues and recommendations
- Manager and leader updates to employees
- SHE committees and working groups, where employees and management meet regularly to discuss local issues
- Active employee social clubs

Employees are made aware of environmental matters through daily morning briefing (Toolbox meeting), memos, emails, notice boards, KASB community newsletter (Buletin KASB), Customer Service magazine (Intouch) and Safety, Health, Environment & Quality Week (SHEQ Week).

We also encourage our employees to participate in the achievement of our overall environmental policy and objectives by setting personal targets through job performance for yearly performance appraisal activity. We provide awareness training and other environmental related training. We have also developed a formal feedback system using the complaint/ suggestion forms.



Social Performance



SUPPLY CHAIN MANAGEMENT

At UEM Environment, we see sound environmental and social principles as an important part of sustaining a successful and responsible business. We work hard to anticipate risk, demonstrate company values, enhance our governance practices, increase employee satisfaction and look after the communities where we do business.

We expect the companies in our supplier network to take a similar ethical business approach and we take this into account when selecting our suppliers and developing longer-term relationships with them. Our aim is to ensure that environmental, ethics, labour practices and health and safety issues are not separate add-on features, but are embedded into all our sourcing processes, including supplier selection and supplier relationship development.

Besides that, we aim to work with locally-based suppliers as far as is reasonably practicable. Not only will it lead to lower costs in transportation fees, it will also stimulate the local economy and reduce our transportation-caused carbon emissions.

Our SHEQ Policy addresses our suppliers and contractors where we are committed in inculcating the SHEQ Management systems to our contractors and vendors and also provide training and continual education to them in order to enable them to meet our organisation's environmental requirements.

We require our transportation contractors to conduct route optimisation to ensure the most efficient utilisation of "drive time". Our contractor's lorries are tracked through our GPS monitoring system and drivers must adhere to rules in regard to driving hours, lorry parking areas and number of rest stops. Contractors are also required to conduct preventive maintenance on their fleet of vehicles to control emissions and black smoke. We conduct regular training for our contractors to ensure that they are able to perform their services to the level of our requirements.

Our Purchasing Department implemented the integration of safety, health and environmental concerns into their strategic sourcing of vendors – recognising that our company's wastes, emissions and environmental risks are often directly linked to the quantity and quality of the goods and raw materials that we buy. While the implementation process can be challenging, environmentally preferable purchasing can offer long-term business benefits.

We plan to conduct a vendor assessment in August 2008 to identify and assess greener alternatives to currently used products and materials, and to weigh our suppliers' environmental performance and initiatives in our purchasing decisions. We strive to include safety, health and environment concerns as important criteria in the procedure to evaluate supplier performance. This is to ensure that our suppliers comply with our safety, health and environmental requirements.

ANTI-COMPETITIVE BEHAVIOUR

Although UEM Environment holds exclusivity in hazardous waste management in Peninsular Malaysia, we are firmly against anti-competitive behaviour. Our marketing and transportation arm, Kualiti Khidmat Alam follows a pre-determined price range for their services rendered which is comparable to market prices.

Anti-competitive behaviour goes against our business ethics. Not only does it bring a negative effect on the economy as a whole, it also disadvantages other competing firms and customers who are not able to avoid their effects, generating a significant social cost.

PARTICIPATING IN INDUSTRY ASSOCIATIONS

We are active participants in the following associations:

- Malaysian Danish Business Council (MDBC), since 1993
- Malaysian International Chamber of Commerce and Industry (MICCI), since 1992
- American Malaysian Chamber of Commerce (AMCHAM), since 2000
- Association of Scheduled Waste Recyclers (ANSWERS), since 2003
- Federation of Malaysian Manufacturers (FMM), since 1999
- Waste Management Association of Malaysia (WMAM), since 2008
- Malaysian Centre For Environmental Communicators Berhad (MACEC), since 2006
- Business Council for Sustainable Development Malaysia (BCSDM), since 1993
- Chemical Industries Council Of Malaysia (CICM), since 2006
- Association of Environmental Consultants and Companies of Malaysia (AECOM), since 2000
- Environmental Management and Research Association of Malaysia (ENSEARCH), since 2006
- Air and Waste Management Association (AWMA), since 2006

We are members of these associations to show our commitment for change towards environmental conservation and sustainable socio-economic growth in the country. This includes encouraging multi-stakeholder discussions on policy, environmental management and technology transfer, disseminating scientific and technical knowledge via exhibitions and conferences, developing corporate sustainable development policies in the waste management industry and cooperating with other national and international organisations in similar or related fields.

We do not only join these associations, we participate actively as well. Our Managing Director, En Azmanuddin has held the position of Honorary Secretary-General at BCSDM since 2007 and has been a Council Member of ENSEARCH since 2008. Some of our key personnel are also active members of various working committees at the national level, as listed in the table below.

TABLE 4: NATIONAL LEVEL PARTICIPATION ON ENVIRONMENT IN 2007

Committee	Role played
Working Group on Scheduled Waste	Developing Malaysian Standards (MS) on scheduled waste sampling
Working Group on National Life Cycle Inventory Assessment for Waste Management	Developing National LCIA for hazardous waste
Sub-Working Group on Greenhouse Gas Inventory for Waste Sub-Sector	Developing the inventory of GHG in solid waste disposal, domestic and commercial wastewater handling, industrial wastewater and sludge stream, indirect emissions from human sewage and waste incineration in Malaysia for Second National Communication (NC2).
Institute of Environment & Development (LESTARI)	Participated in 3rd roundtable dialogue of MyNICHE (Malaysian Network for Integrated Management of Chemicals and Hazardous Substances for Environment and Development)



Educating Waste Generators

We actively organise and support seminars, workshops and dialogue sessions to educate and create greater awareness on proper waste management for the industries with the DOE and trade associations. Our key personnel were involved in various environmental and scheduled waste management presentations throughout 2007.

TABLE 5: ENVIRONMENTAL AND SCHEDULED WASTE MANAGEMENT PRESENTATIONS

Month	Event
January	• Ceramah Pelupusan Buangan Terjadual – Building Lindungan, Wisma Persekutuan, Kuantan
March	• Seminar Buangan Makmal Sekolah-Sekolah Negeri Sembilan – Seremban Golf Club
May	• Certification Course for Scheduled Waste Managers – Environment Institute of Malaysia (EiMAS), Selangor
July	• Taklimat Proses Pelupusan Bahan Kimia Berbahaya – Jabatan Kimia Pulau Pinang
August	• Certification Course for Scheduled Waste Managers – EiMAS, Selangor
September	• Seminar on E-Waste Disposal – Majlis Perbandaran Seberang Prai
October	• Seminar on Chemical Waste Management – Jabatan Kimia Malaysia Cawangan Pulau Pinang



Social Performance



Month	Event
November	<ul style="list-style-type: none"> • Investment Opportunities in Waste Management Facilities – Selangor State Investment Centre • Seminar Pengurusan Alam Sekitar Bagi Aktiviti “Turnaround” Dan “Shutdown” Loji-Loji Perindustrian, Minggu Alam Sekitar Malaysia 2007 – Jabatan Alam Sekitar (JAS) Terengganu • Seminar Pengurusan Alam Sekitar Bagi Industri-industri di Kemaman Supply Base dan Bengkel Kejuruteraan, Minggu Alam Sekitar Malaysia 2007 – JAS Terengganu • Environmental Management for Rubber Industry: Handling, Storage and Disposal of Solid Waste – Malaysian Rubber Board, Kuala Lumpur
December	<ul style="list-style-type: none"> • Kursus pengendalian dan kaedah pelupusan serta rawatan sisa buangan terjadual – Universiti Teknologi MARA (UiTM) Arau, Perlis • Scheduled Waste Management – Minggu Alam Sekitar Perak • Laboratory Waste Management – Hospital Tengku Ampuan Afzan, Kuantan • Hazardous Waste Management – Hospital University Kebangsaan Malaysia (UKM), Selangor • Chemical Waste Disposal – National Institute of Occupational Safety & Health (NIOSH), Selangor

In 2007, UEM Environment held several activities with the State DOEs of Johor, Selangor, Pahang, Melaka, Negeri Sembilan and Penang, as well as local and international industrial representatives and the public to keep them abreast with scheduled waste legislations and other waste management issues. Some of the dialogues, seminars and visits that were conducted in 2007 are shown below.

TABLE 6: DIALOGUES, SEMINARS AND VISITS THAT WERE CONDUCTED IN 2007

Month	Event
March	<ul style="list-style-type: none"> • Melaka State DOE director, En Abdul Hapiz Abdul Samad and officers visited Kualiti Alam’s WMC • Kualiti Alam held a dialogue with Negeri Sembilan waste generators in its 10th Anniversary Kopitiam Series
April	<ul style="list-style-type: none"> • Kualiti Alam held a dialogue with Johor waste generators in its 10th Anniversary Kopitiam Series
May	<ul style="list-style-type: none"> • A group of 60 FMM Negeri Sembilan members held an educational tour of Kualiti Alam’s Integrated Scheduled Waste Management Centre • Kualiti Alam held a dialogue with Northern Region waste generators in its 10th Anniversary Kopitiam Series • UEM Environment held a One-Stop Waste Management Centre Forum for 50 industrial representatives and NGOs in Chennai
August	<ul style="list-style-type: none"> • Kualiti Alam participated in the Waste Management 2007 Exhibition organised by ENSEARCH



STAKEHOLDER ENGAGEMENT

At UEM Environment, our stakeholders are drawn from all sectors of society affected by our operations. They include employees, suppliers, customers, investors, government agencies, environmental groups, business partners and local communities. The time and effort we put into developing positive relationships with these stakeholders is an essential part of being good neighbours and operators in our different geographic regions. This engagement occurs in many different ways, including:

- Project consultation
- Public awareness
- Community relations
- Customer engagement
- Relations with local community

We believe that by communicating with all stakeholders – including local officials, legislators and the media – we can help identify and resolve issues in the first stages of project development. We benefit by learning about issues and proactively responding as early in the project as possible. Our stakeholders benefit by an open and transparent process conducted early enough to have meaningful input. This is of particular importance as we prepare for expansion in other regions outside Malaysia.

CUSTOMER ENGAGEMENT

Customer focus is a crucial element of UEM Environment’s growth strategy. As the operator of Malaysia’s only integrated hazardous waste management facility, we provide services to customers throughout the country. As such, we are highly committed to providing fair and reasonable service to our customers. We thoroughly screen our services to ensure safety and compliance with all relevant legal requirements.

Our commitment to our customers does not stop here. When we have provided our services, we want to hear what customers have to tell us about their experiences. Customer feedback is gathered through regular customer engagement programmes to help gauge our performance against our commitment and adjust our service where necessary. We regularly engage with our customers through forums. These forums provide a means to better understand our customer needs. We also take part in exhibitions and Safety, Health and Environment Week activities upon request by regulatory authorities to educate the public on the importance of proper waste management.

A few of the comments we have received from our customers regarding our customer service are included below:

“Kualiti Alam is a one stop centre for waste disposal. Customers can easily communicate with the facility and arrange for scheduled waste disposal. It is good to know that all wastes will be disposed of properly.” – Strategic Recycling (M) Sdn Bhd.

“The customer service at Kualiti Alam is friendly and knowledgeable. Kualiti Alam’s waste disposal facility also comes recommended by the DOE.” - Mieco Chipboard Berhad.

“Kualiti Alam needs to improve its delivery efficiency for items such as invoices and consignments.” – Diethelm Malaysia Sdn Bhd, Mox Welding Products Sdn Bhd, Infineon Technologies (Malaysia) Sdn Bhd.

“The disposal fees should be reviewed to make the prices more competitive.” – FBK Automotive Compnenets (M) Sdn Bhd, Shin-Etsu Electronics (M) Sdn Bhd.

Customer service is all about the customer’s perception. We see complementary comments from our clients as encouragement for the effort we have put in and constructive criticisms as opportunities for improvement in our business. Some of the improvement actions we have undertaken are highlighted in the section below.

Customer satisfaction rating

We are pleased to report that for 2007, our customer satisfaction levels have remained relatively stable. From March to June 2007, we conducted a customer satisfaction survey on 704 out of 1760 of our active customers throughout Peninsular Malaysia. The survey found that satisfaction with our customer service was generally high at 89%. On top of that, 86% of our clients indicated that they would recommend our services to other people.



Social Performance



We conducted a similar customer satisfaction survey in 2006, albeit at a smaller scale, which saw us interviewing 100 randomly selected customers around Peninsular Malaysia. Of the 89 customers who responded, a whopping 94.6% were satisfied or very satisfied with our collection, treatment and disposal services while 93.3% would recommend our services to other people.

Although it appears that our customer satisfaction rating has dropped by 5.6% from 2006 to 2007, the survey results from 2007 were probably more accurate as the pool of respondents were 7 times bigger in 2007 compared to 2006.

In both years we have taken the feedback from our clients and applied the necessary corrective action. At UEM Environment, we seek to capitalise on our customers' comments and use them as opportunities for further improvement. Examples of these improvement actions are shown below:

TABLE 7: IMPROVEMENT ACTIONS TAKEN TO ENHANCE CUSTOMER SERVICE

Customer Dissatisfaction	Action Taken
Customer Service staff unable to direct enquiries to the appropriate person for action	Training in customer care provided to staff to help them balance their impartiality while still remaining polite and friendly
Lack of personal attention from Customer Service Representative (CSE)	CSE to visit customer regularly
Late delivery of documents	Aim to speed up processing of Certificate of Waste Disposal
Expensive treatment fee	Customers to be informed via email of any rebates or discounts
Lack of availability of light duty trucks leading slow services for smaller waste generators	Logistics Department will be adding another two 3-tonne to trucks to the existing fleet

Public Perception Report

Our parent company, UEM Group published a Public Perception Report by Taylor Nelson Sofres Malaysia Sdn Bhd (TNS) for its subsidiaries in 2006 and 2007. For 2007, public perception for UEM Environment and Kualiti Alam was rated at 49% and 54% respectively. This compares favourably with our public perception index of 35% for both UEM Environment and Kualiti Alam in 2006.

We are proud of the improvement we achieved in market recognition in just one year. This shows that the effort we put in our branding exercise in 2006 paid off. We aim to maintain our upward trend in public perception and are working towards a score of 70% in market recognition in the next five years.

COMMUNITY ENGAGEMENT

We care about our communities – not just because we work there – but because we live there too. We look for ways to partner with the communities we serve. As a company, we focus our efforts on programmes that make our communities cleaner, safer and stronger. We want to be a part of promoting environmental awareness and enhancing the quality of life around us.

To us, our “community” refers to the residents of Felda Sendayan, Kampung Jimah Baru, Kampung Jimah Lama, Kampung Gadong and Tanah Merah. These are the communities around our WMC. Active community engagement has continued at those sites and during 2007 has provided a valuable vehicle for discussion of issues pertinent to our operations.

We have a dedicated special officer who routinely visits the villages to gain firsthand knowledge of any issues arising. Our officer will initially discuss informally with the villagers on any issues impacting their daily lives arising from our activities prior to our dialogue session held annually with the local community. During these dialogue sessions, an engineer will brief the community on the routine soil and water monitoring efforts done to ensure their safety. They also have the opportunity to ask questions and bring up any issues regarding our activities in the vicinity. These sessions have helped us to build a greater understanding of the issues surrounding operations and the community, building rapport and trust.

Besides that, we also have permanent representatives who sit on the Residents Associations of these communities since 2006. This allows us to participate in village development activities and receive feedback from our community stakeholders.



Some of our communities are made up of indigenous people. There were no incidences involving violations involving the rights of indigenous people at UEM Environment in 2007.

To keep our local communities informed, we publish Buletin KASB, a quarterly community newsletter in Bahasa Malaysia to distribute to the local villagers. This has proven effective in informing those people who live closest to our sites on how we operate and our development proposals and has stimulated discussion on issues that are important to the community.

Felda Sendayan was the venue for an immense 50th Merdeka celebration that saw the participation of some 500 residents from neighbouring villages and UEM Environment employees. The celebration began with a “gotong-royong” and was followed by thanksgiving prayers, fireworks display and the preliminary matches for badminton, futsal, sepak takraw and karaoke singing competitions that were organised by UEM Environment.

Community Investment Programmes

As a responsible corporate citizen in Malaysia, we make voluntary contributions to charitable and non-profit organisations on a regular basis. Our key focus areas include education, health, environment, social services and volunteer resources. We focus on using our financial resources, partnerships and human capital to support organisations that contribute to the economic and social development of communities where we live and work.

In conjunction with NGOs, business groups and local communities, UEM Environment supports various community investment programmes. UEM Environment has an ability to impact the communities where employees work and live—and beyond. We donated a sum of more than RM313,000.00 through donations and sponsorships in 2007. Some of our community investment programmes include:

- RM100,000 sponsorship of the Tree Theatre Group to perform at the 24th UNEP Governing Council Conference’s opening ceremony in Nairobi, Kenya in February 2007.
- Organising our first Kualiti Alam Futsal Championship in Seremban which saw participants from the DOE of various states, the Negeri Sembilan state government and members of the media.
- Sponsoring 1,000 green shopping bags at the Green Fest organised by the Star Newspaper in its two-week long environmental campaign to raise public awareness on environmental protection.

- Sponsoring the 50th Hari Merdeka Celebrations at our local community, Felda Sendayan.
- Assisting with the cleaning up of an illegal scheduled waste dumping site in Tiroi, near Seremban.
- Collaborating with Kumpulan Guthrie via Tanah Merah Estate in its Sungai Jangling Adoption Project, aimed at improving the flora and fauna of the entire river system. As part of the project, a Tree Planting Programme has been set up to introduce children to environmental issues affecting their communities.

At UEM Environment, sustainability is not only restricted to financial contributions and sponsorships. We look for ways to partner with the communities we serve. As a company, we focus our efforts on programmes that make our communities cleaner, safer and stronger. This is why, starting from June 2008, we will be undertaking feasibility studies prior to conducting our community investment programmes in order to make the most of our community investments and support. One of the measures we have planned is to establish a set of KPIs to monitor the progress of our various community involvements to ensure that the time and money we have contributed reach their maximum potential.

SAFETY AT WORK

The waste industry has traditionally had a poor safety record. This is unacceptable and as a significant employer in the industry, we consider it a priority as well as a responsibility to improve both our own record and contribute to improvements across the sector. We take our responsibilities for the health, safety and welfare of our employees seriously. It is the priority of all those with responsibility for the safety and health of others, from top management down to supervisory level, to take a proactive approach to safety and to improve our performance each year.

Safety Performance

Much work has been done during 2007 to address safety management concerns at our various sites using the expertise and experience of our technical team working with site operators. We see this as a positive exercise introducing the high standards of UEM Environment’s business management system and industrial best practice whilst learning from the existing practices and operating styles at new sites.



Social Performance



We have successfully maintained our certifications for ISO9001:2000, ISO14001:2004 and OHSAS 18001:1999 at Kualiti Alam. Through these certification exercises, we are able to demonstrate continuous improvements in our safety, health, environmental and quality management programmes. Kualiti Alam added another ISO certification to its name: the UKAS accreditation for its ISO 14001 standards on 14 March 2007. UKAS auditors were present as observers during Kualiti Alam's SIRIM QAS reassessment audit from the 28 to 30 August 2006. With the accreditation comes proof of Kualiti Alam's competence, impartiality and sustainable performance that undoubtedly strengthens UEM Environment's offerings at large.

As indicators of our safety performance, we measure:

- Work-related injuries and illnesses that are serious enough to cause the injured or ill employees and contractors to be unable to work for one or more calendar days
- Work-related injuries that do not cause the injured employees and contractors to be unable to work (first aid)
- Incidents that result in damages to property
- Incidents that have adverse impacts on the environment (spillage, chemical release)
- Near-miss incidents where all of the effects/impacts above could have happened but did not

FIGURE 4: INJURY DATA FOR 2006 AND 2007

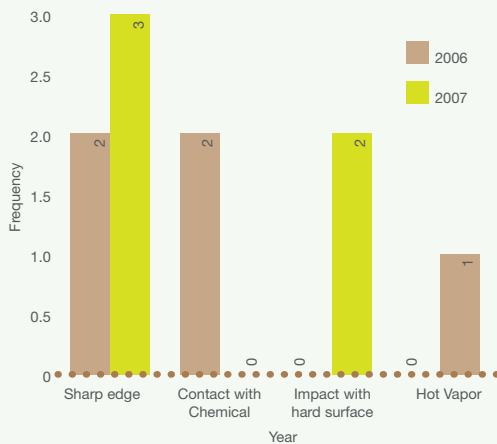
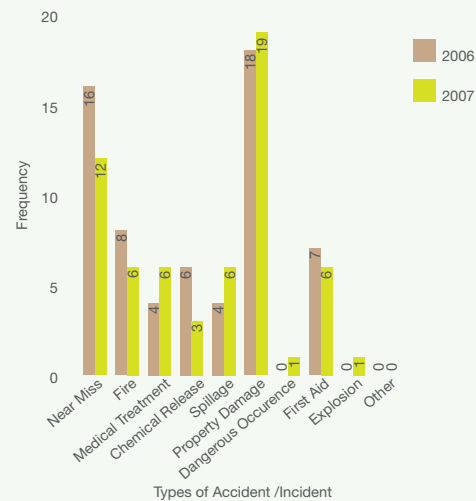


FIGURE 5: ACCIDENT/INCIDENT DATA FOR 2006 AND 2007



Given the diverse nature of our activities, there are many risks that could arise. Overall, we have improved our safety record by reducing the accident and incident rate from 63 cases in 2006 to 60 cases in 2007, a reduction of 4.7%. As part of our improvement measure, the SHE Department will be introducing cut resistance gloves to the operation in 2008 to eliminate injuries involving cuts.

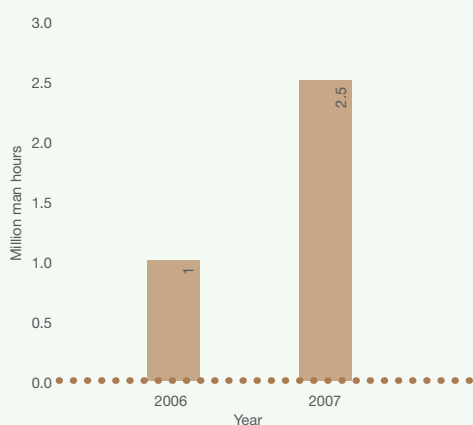
Spillage

In 2007, we recorded 6 cases of spillages which occurred during the transfer of waste from our waste generators to our WMC. A preventive and corrective action plan to combat spillage has been implemented whereby the Operations Department is required to closely monitor their routine activity. Our Logistics Department is responsible for replacing damaged or deteriorating pallets to reduce the probability of pallet collapse, thereby reducing the number of spillage and accidents.

LTI Index

The main indicator we use to measure health and safety is the LTI Index. LTI is defined as any incident which results in an employee suffering a period of absence due to incapacity or ill health arising out of the incident and occurring within 24 hours of the incident.

FIGURE 6: MILLION MAN HOURS WITH ZERO LTI



We have kept our high level of safety and health performance over the last two years as demonstrated by Kualiti Alam's LTI figures. As of December 2007, Kualiti Alam has achieved 2,588,480 man hours without LTI.

KUALITI KHIDMAT ALAM

Kualiti Khidmat Alam is the leader in logistics and marketing services for hazardous waste management through its comprehensive network of branch offices located nationwide. The Kualiti Khidmat Alam team has been in this business for more than 10 years.

Kualiti Khidmat Alam aims to be a company that acts safely and responsibly at all times and in all places, with zero tolerance for unsafe actions, unsafe decisions, unsafe conditions, unsafe equipment and unsafe attitudes. Its mission is to provide an effective and expedient disposal service that starts when the vehicle arrives at site.

Accreditation



Kualiti Khidmat Alam became the latest member of our organisation to obtain multiple certifications in its IMS for ISO9001:2000, ISO14001:2004 and OHSAS 18001:1999 from BVC in October 2007. The certifications cover Kualiti Khidmat Alam's corporate office in Kuala Lumpur and Waste Management Centre and also its three branch offices in Penang, Kuantan and Johor Bharu for marketing, collection and transportation of scheduled wastes for Kualiti Alam and Kualiti Kitar Alam.

Training

In 2007, we continued the awareness-raising programme for health and safety covering issues such as manual handling, risk assessment, accidents, near misses and operational requirements. Listed below are the types of training that were conducted in 2007 for staff at Kualiti Khidmat Alam.

TABLE 8: TYPES OF STAFF TRAINING CONDUCTED IN 2007 AT KUALITI KHIDMAT ALAM

Personnel	Customer					
	Truck Designation	Service Drivers	Regional Executives	Top Heads	Office/ Management	IMS Internal Admin
Auditors						
IMS Procedures		✓	✓	✓	✓	✓
MY Legal Requirements			✓	✓		✓
Defensive Driving Training	✓	✓	✓	✓		
Emergency Response Plan (ERP)	✓	✓	✓		✓	✓
Auditing skills						✓
Train the Trainer			✓			
First Aid Training	✓	✓	✓		✓	
Customer Service		✓	✓		✓	



Social Performance



We also conducted a series of training courses for existing and new drivers in 2007.

TABLE 9: TYPES OF DRIVER’S TRAINING CONDUCTED IN 2007 AT KUALITI KHIDMAT ALAM

Month	Course Title	No. Of Participants
March	Work instruction for existing and new drivers	3
May	Work instruction for new drivers	16
June	Driver’s refresher training and IMS awareness briefing on driver’s procedure	69
August	Driver’s refresher training and IMS awareness briefing on driver’s procedure (II)	3
September	Driver’s refresher training on: <ul style="list-style-type: none"> • Labelling • Waste card • ERP • Fire extinguisher use • New driver’s training • Consignment note • Waste card • Labelling and packaging • ERP • Driver’s procedure 	46

Accident Management

Despite our gains in safety performance over the last few years, we know the journey is far from over. Compared with other industries, the waste industry is perceived as dangerous and with good reason. Given the diverse nature of our activities, there are many varied risks that might arise. There were four truck accidents that occurred in 2007 involving our contractors, compared to two in 2006. Of these four truck accidents, three of them saw the drivers escaping unhurt, while one of the accidents led to the fatal injury of the other truck driver and minor injuries to our driver.

Investigations were immediately launched in each case and we worked with our contractors to improve safety processes and communications at our sites. We are determined to never forget the lessons learned from these tragedies and, of course, prevent them from happening again.

We are constantly looking for ways to reduce the number of accidents in order to decrease the physical and mental suffering caused to accident victims and their families, and to safeguard the lives and safety of our workers, be they permanent or contract employees. Therefore, we are involved in a long term working plan with this objective in mind. We aim to:

- Continue promoting the training and education of our permanent and contract employees in terms of traffic safety
- Organise and participate in campaigns in favour of road safety launched at the international, national and industry levels

In the spirit of sharing responsibility, accidents are investigated by managers and supervisors who then feed back to a special committee. Meetings take place regularly to ensure that where appropriate, improvements to working practice can be made to reduce the risk of accidents and to safeguard the wellbeing of all UEM Environment employees. Additionally, this highlights where positive action has been taken for the overall safety of our staff.



At UEM Environment, we see good safety and health practices not as an additional cost burden, but as an investment for the future. Work place injuries and fatalities can result in not only financial expense, but also loss of reputation. On the other hand, a safe workplace environment and a good safety record will give our workers the confidence that we have their well-being at heart, and motivate them to perform much better.

We wish to develop an effective safety framework with clear principles to keep accident rates to a minimum, not just by responding to accidents when they occur, but by designing safety into the work processes and proactively detecting and fixing unsafe practices before accidents happen.

GPS Monitoring

Hazardous waste travels much greater distances to its disposal sites than non-hazardous waste which tends to be managed within its locality. Due to the long hours that our drivers spend on the road, UEM Environment realises the importance of appropriate driver training and is committed to educating our contract drivers in driving safety.

One of our measures to detect and fix unsafe traffic practices before accidents occur is through GPS monitoring. The GPS uses a constellation of at least 32 Medium Earth Orbit satellites that transmit precise microwave signals, which enable GPS receivers to determine their location, speed, direction and time. GPS monitoring enables us to monitor truck movement and practice fatigue management. Information on the vehicle is fed to our database, which is in turn interpreted to assist in fleet management. Items like average truck weight, total fuel consumption, idle time and distance travelled are tracked.

At the moment, we are in the process of implementing an “Engine On, Handphone Off” system, which we hope will help in decreasing the rate of road accidents amongst our drivers. At the same time, we conduct Transporters Assessments on a quarterly basis and Transporter Audits on an annual basis. It is hoped that these measures will improve our driver performance and enhance our safety records. We are committed to reporting on our driver and safety performance in our upcoming Sustainability Reports.

Emergency Preparedness

UEM Environment takes extensive steps to ensure our operations run safely and reliably. But when incidents or near misses do occur, we believe it is important to respond swiftly, investigate fully and be transparent about what happened.

At Kualiti Khidmat Alam, we have an emergency preparedness procedure in place to ensure that drivers are adequately prepared to respond to emergencies. We have defined emergency as consisting of road accidents, spillage of scheduled wastes in transit and vehicle breakdown.

All trucks are equipped with emergency equipment consisting of first aid kits, fire extinguishers, spillage clean up equipment, etc. We also conduct emergency drills on site at least once a year and train all drivers on our ERP and plans at least twice a year.



Environmental Performance



Care for the environment is at the very heart of our business. For many organisations and individuals the act of throwing waste into a bin marks the end of their environmental responsibility. It is just the beginning for us. We have a far more intimate relationship with the environment and accordingly, have a duty of care for its protection and enhancement.

This responsibility in managing our environmental performance is not confined to the safe collection and disposal of waste. Our operations have an impact on local air quality and the wider atmosphere through the use of fuel by company vehicles and our use and production of energy. How we manage our sites influences biodiversity and affects the environment of local neighbourhoods. The suppliers that we use also have environmental impacts of their own.

We published our first SHE Report for Kualiti Alam in early 2008. The report details our safety, health and environmental performance from 2006 to 2007. It includes information about our emissions, injury and illness performance, as well as details about the programmes we have in place to address SHE issues.

In this section of our Sustainability Report, we will report on some of the areas mentioned in the SHE Report 2006-2007 and our progress in managing our environmental performance since then. Our environmental performance for activities at the WMC is made up of the performance data of Kualiti Alam.

OUR 2007 HIGHLIGHTS

- As part of UEM Environment's effort to promote continuous improvement culture towards achieving our environmental goals, we have:
 - Set up a new process of carrying out pre-treatment of silicon waste, which resulted in savings of RM299,077 per annum.
 - Set-up a storm water treatment facility at the WMC, which led to savings of RM444,570 per annum.
 - We received our fifth consecutive award for Institut Kimia Malaysia (IKM) Excellence Award for excellence laboratory practice and competency in December 2007.

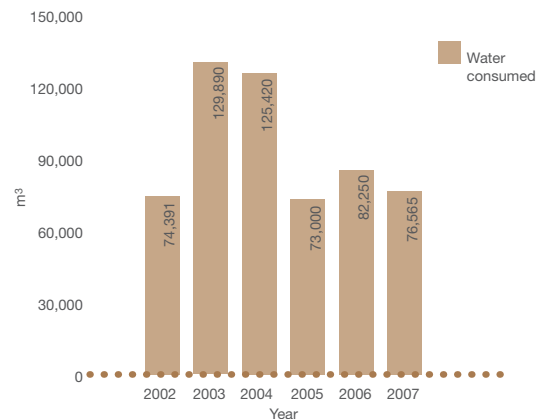
MATERIALS USED

We have developed programmes to use material resources efficiently since 2000. Our materials are used to treat and convert hazardous waste and most of our materials consumed are directly linked to the quantity of wastes treated.

Water

Approximately 46% of our water use on site consists of recycled water. Our wastewater treatment plant at the WMC has been designed to collect stormwater while the processed water from our waste water treatment plant is reused at our treatment facility.

FIGURE 7: COMPARISON OF WATER USAGE FROM 2002 TO 2007



Our water use in 2007 decreased by approximately 10% compared to 2006, primarily due to a leak detected at the front wall rotary kiln cooling jacket in 2006, which resulted in the loss of approximately 2400 m³ of water.

We monitor our water use closely and it is our intention to ensure that water use on site is maximised and used as efficiently as possible.



Treatment Materials

We consume cement, sand, lime, caustic soda, nitrogen gas and a wide range of chemicals to provide our hazardous waste treatment services. These materials are consumed by our incineration, solidification, physical-chemical treatment and leachate treatment plants. Our consumption of these materials varies depending on the type of hazardous waste treated.

As recognised in our previous Sustainability and SHE Reports, it is difficult to predict the volumes of materials used as we are dependent upon our customers. However, we place great emphasis in being efficient with the consumption of our raw materials to ensure maximum utilisation of materials, cost reductions, as well as bringing additional benefits to the environment.

FIGURE 8: CONSUMPTION OF MATERIALS FROM 2002 TO 2007



Our caustic soda consumption for 2007 is drastically higher compared to 2006. This is because we commenced our new leachate treatment and storm water treatment processes in 2007 which called for high usage of caustic soda to act as a stabilising agent in the two treatment processes.

ENVIRONMENTAL MONITORING AND COMPLIANCE

Air Emissions Regulatory Compliance

We strive to ensure that our air emissions arising from our operations are maintained below regulated limits. The major air emissions released by our WMC facilities include carbon monoxide (CO), nitrogen oxide (NO_x) and Volatile Organic Compounds (VOCs). Other contaminants released but in much smaller quantities include sulfur dioxide (SO₂), hydrogen sulfide (H₂S) and particulate matter. We also monitor the release of dioxins and furans from our incinerators.

Under our EMP, monitoring stations have been placed at a number of locations to monitor ambient air quality and emissions from our incineration, solidification and physical-chemical treatment plants. Since 2001, we have a total of six ambient air quality monitoring stations on site.



Environmental Performance



Ambient Air Quality Performance

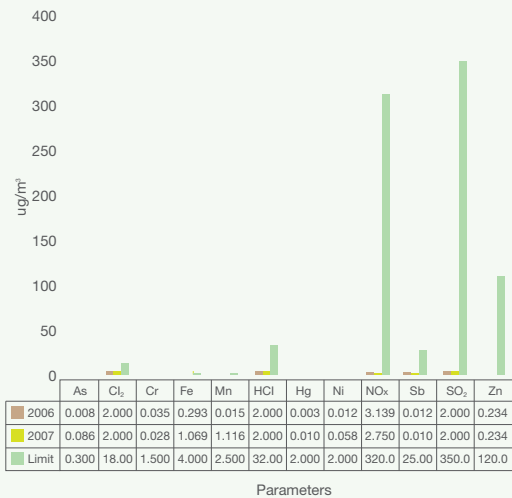
In 2007, we managed to reduce our emissions of NOx and iron (Fe). Although our emissions of manganese (Mn), lead (Pb), copper (Cu) and zinc (Zn) increased compared to 2006, they were still within the stipulated limits.

As part of our monitoring programme, we have initiated air quality monitoring at the ground level since 2006. This was done primarily to ensure the health and safety of our employees on site. Two stations were selected where the following parameters were monitored:

- Free Chlorine (Cl₂)
- Hydrochloric acid (HCl)
- Polychlorinated Biphenyls (PCB)
- Arsenic (As)
- Cadmium (Cd)
- Aluminium (Al)

As can be seen from the data presented, all parameters monitored were within the stipulated limits.

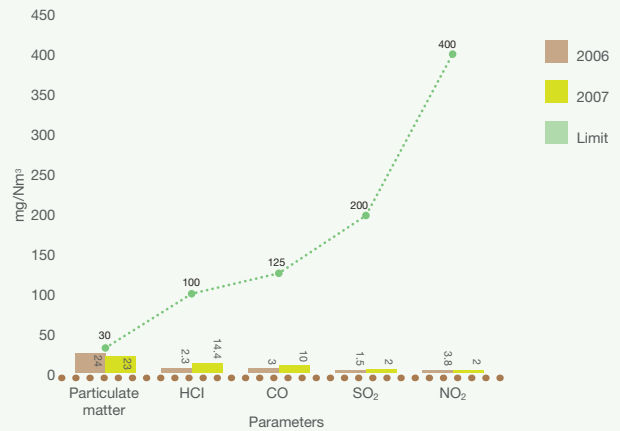
FIGURE 9: COMPARISON OF AMBIENT AIR MONITORING DATA FROM 2006 TO 2007



Stack Emissions Quality Performance

We conduct stack emissions monitoring at the WMC on a quarterly basis. Our stack emissions monitoring covers our incinerators, laboratory fume hood chimneys, Physical and Chemical Treatment Plant and Solidification Plant. We also carry out repairs and replacements of parts regularly to ensure that they meet regulatory criteria.

FIGURE 10: COMPARISON OF STACK EMISSIONS MONITORING DATA FROM 2006 TO 2007



Whilst there were significant increases for HCl and CO in 2007, the contaminants released were still under the stipulated limits. These increments are largely due to the types of the wastes treated at our incineration plants.

Dioxin and furan concentrations were also below the limits as stipulated by DOE guidelines. We are pleased to report that the entire test parameters monitored were in compliance with their respective standard limits.



Water Quality Regulatory Compliance

Our water quality monitoring stations are placed at various locations to detect incidents of pollution for surface water and groundwater. We take extra care in ensuring that water pollution resulting from our activities is kept to a bare minimum.

We are proud to be operating Malaysia's most advanced Leachate Treatment Plant (LTP). As per current practice, if the water sample is not within the prescribed limit, it will not be discharged but reused under plant operations. Only treated wastewater in compliance with the regulation will be discharged. Currently, boron cannot be treated to the stipulated limit prior to discharge.

Surface water Quality Performance

We conduct surface water monitoring based on the Water Quality Index (WQI) and National Index Water Quality Standards for Malaysia (NIWQSM) according to DOE requirements. Since 2001, we have increased our surface water monitoring stations to eight.

The WQI values are tabulated to allow for determination on the cleanliness and availability of water usage, as shown in the table below:

TABLE 10: WQI QUALITY SCALE

Class	Range	Quality Scale	Descriptions for suitability
Class I	>92.7	Excellent water quality	No water treatment is needed (only disinfection and boiling). Suitable for sensitive aquatic species.
Class II	92.7-76.5	Good water quality	Water treatment needed. Suitable for sensitive life and recreational activities.
Class III	76.5-51.9	Medium or average water quality	Intensive water treatment is needed. Still suitable for aquatic life and has economic values.

Class	Range	Quality Scale	Descriptions for suitability
Class IV	51.9-31.0	Fair water quality	Suitable for irrigation activities.
Class V	<31.0	Poor water quality	Not suitable for any activities.

FIGURE 11: WQI INDEX FOR SURFACE WATER MONITORING FOR 2006 AND 2007



All stations have data ranging from 52 to 90, which are in class II and class III as indicated in the WQI Quality Scale shown above. In other words, all stations demonstrated good water quality except stations W2, W3, W4 and W5 which demonstrated medium or average water quality for 2007.



Environmental Performance



Groundwater Quality Performance

We conducted groundwater monitoring at seven locations, of which six (WW1, WW2, WW3, WW4, WW5 & WW6) are located within the WMC area, while one point (KJL) is situated at Kampung Jimah Lama – a local community nearby.

There are currently no legislative requirements in Malaysia for soil and groundwater monitoring.

TABLE 11: GROUNDWATER MONITORING FOR 2007

Parameter	Location							DIV limits
	KJL	WW2	WW3	WW4	WW5	WW6	WW7	
Lead (ug/l)	0.230	0.200	0.200	0.210	0.280	0.210	0.200	0.075
Copper (ug/l)	0.073	0.067	0.070	0.100	0.190	0.110	0.170	0.075
Zinc (ug/l)	0.053	0.040	0.053	0.045	0.030	0.025	0.050	0.800
Arsenic (ug/l)	0.002	0.004	ND	ND	<0.001	ND	ND	0.060
Cyanide (ug/l)	<0.020	<0.020	<0.020	<0.020	<0.020	<0.020	<0.020	1.500
Mercury (ug/l)	<0.001	0.001	<0.001	0.005	ND	<0.001	0.002	0.0003

The groundwater monitoring data was compared against the Dutch Intervention Values (DIV).

There were certain parameters which were below detectable values (ND) due to the different methodologies and equipment used by the laboratory. We are looking to overcome this problem by sourcing for more efficient laboratories.

We realise that our lead and mercury parameters exceeded the DIV limits in 2007. We are in the process of putting in place a programme to mitigate these issues.

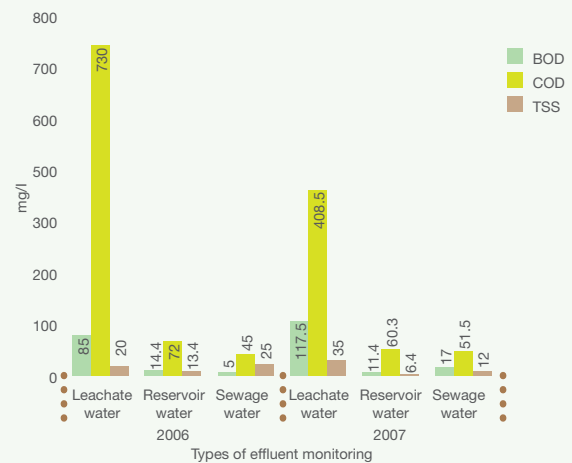
Wastewater Quality Performance

Our WMC only discharges treated sewage effluents. Other effluents arising from scheduled waste treatment are treated in our LTP, which has a zero discharge policy. Leachate is treated and reused in the LTP with continuous surveillance and monitoring.

We have maintained one monitoring station at our LTP and one monitoring station at our sewage treatment plant since 2002. As of 2006, we installed an additional monitoring point at our main reservoir treatment plant, increasing our monitoring points to three.

Our leachate monitoring was performed at the Equalization Tank at our new LTP. We also perform reservoir water and sewage water monitoring from time to time. Reservoir water monitoring is performed at the reservoir, which is used to collect stormwater and rainwater from the drainage within our vicinity.

FIGURE 12: COMPARISON OF EFFLUENT MONITORING DATA FROM 2006 TO 2007



The figure shows our parameter testing for Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD) and Total Suspended Solids (TSS) for 2006 and 2007. We are pleased to report that our COD figures for leachate water and reservoir water were much lower in 2007 compared to 2006.

WASTE MANAGEMENT

In 2007, we generate 20,661 tonnes of waste – 91% being hazardous waste and 9% being solid waste. In 2006, we generate 20,481 tonnes of waste, of which 89% were hazardous and 11% were solid.

Our hazardous waste, which comprises spent oil, contaminated uniforms and rags, slag, fly ash and lab waste is sent to our Incineration Plant for incineration whilst scheduled waste, such as empty drums, pallets and scrap metal is sent to steel mills for recycling or disposed of at the Bukit Palong Municipal Landfill in Lukut. Both types of waste will undergo thorough cleaning procedures and inspection prior to leaving the WMC.

We minimise the amount of waste from our operations wherever possible by reducing the amount of waste we generate or by finding beneficial ways to reuse waste by-products. One of our priorities is to promote consistent waste management practices across our businesses. The development of waste management tracking and training programmes helps our employees achieve better waste recovery and meet regulations.

BIODIVERSITY

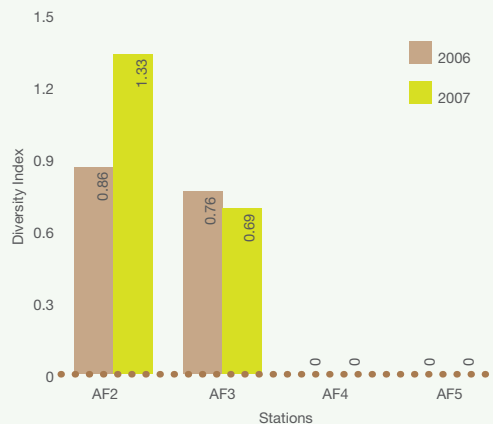
Biodiversity forms the foundation of a vast array of ecosystem services that critically contribute to human well-being. We are committed to managing our land base in a manner that minimises the impact of our operations and return the land to productive capacity as quickly as possible. We have developed plans for landscaping and beautification programmes that include monitoring and special plantings.

We regularly conduct short surveys at four study sites: AF2, AF3, AF4 and MWR. These sites are located within a 3km radius from our WMC. Various ecological indicators are used in the biodiversity monitoring as they form a critical component of monitoring, assessment and decision-making.

Bio-aquatic monitoring

We conduct bio-aquatic monitoring frequently at the WMC to quantify bio-aquatic species into relative abundance and diversity index. The diversity index is used to assess the diversity of any population in which each member belongs to a unique species. Thus, in our monitoring programme, the diversity index is used to demonstrate the biodiversity status for our four main ecological indicators, which are fish, zooplankton, phytoplankton and Chlorophyll a.

FIGURE 13: DIVERSITY INDEX FOR FISH AND INVERTEBRATES



Environmental Performance



FIGURE 14: DIVERSITY INDEX FOR ZOOPLANKTON

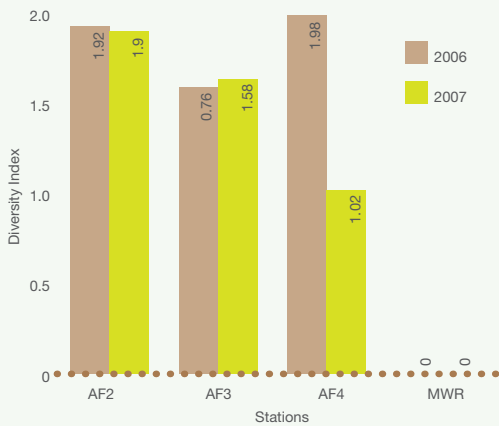


FIGURE 15: DIVERSITY INDEX FOR PHYTOPLANKTON

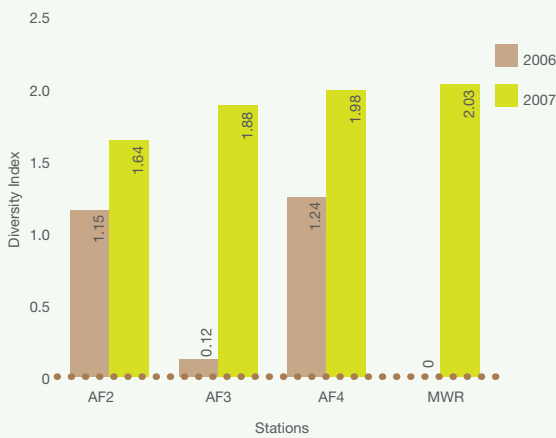
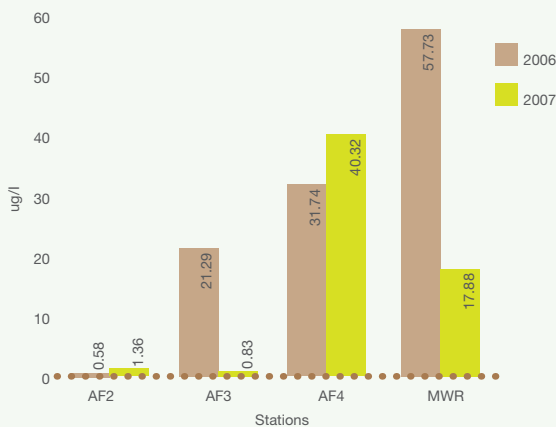


FIGURE 16: CHLOROPHYLL A CONCENTRATION



All stations were at normal and satisfied levels in terms of diversity index and chlorophyll a concentration. We are committed to continue with the monitoring of the biodiversity in our surrounding environment to ensure the conservation of our local ecosystem.

Bioassay monitoring

Bioassay monitoring is another monitoring programme to quantify toxicity of water through the usage of bioassay species indicators. We conducted bioassay monitoring at the WMC through three main species indicator, which are Tilapia, Chlorella vulgaris and Moina micrura at stations AF2, AF3 and AF4.

Overall, the water quality from AF2 and AF3 was found to be non-toxic. There was stimulated growth of Chlorella vulgaris in the monitoring points, indicating high content of nutrients and phosphorus in the water. Water samples from station AF4 showed relatively high toxicity from the monitoring of Tilapia and Moina micrura. This is mostly due to the location of station AF4, which is located at a small stream near a main water reservoir. As the main water reservoir serves to collect rainwater and stormwater, the water samples collected from it indicates the toxicity level prior to treatment.

FIGURE 17: COMPARISON OF TILAPIA FOR 2006 AND 2007

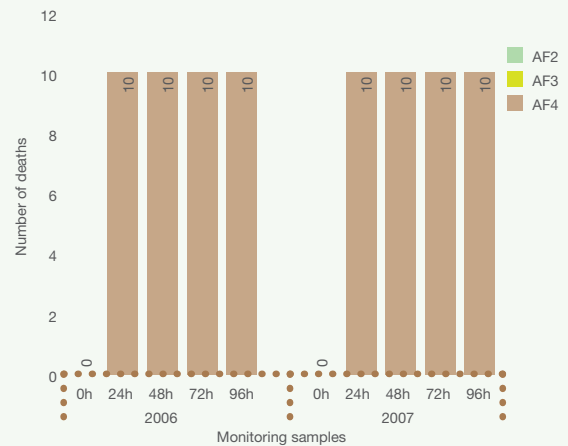




FIGURE 18: COMPARISON OF CHLORELLA VULGARIS FOR 2006 AND 2007

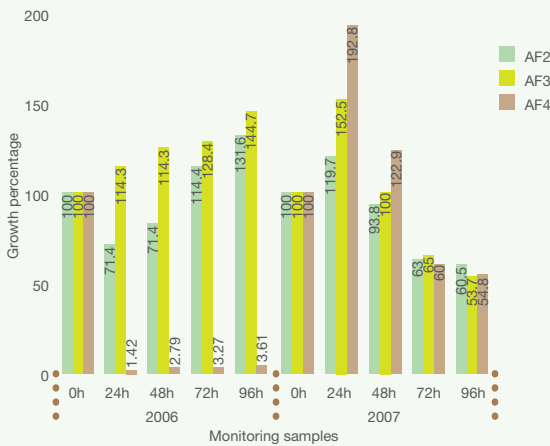
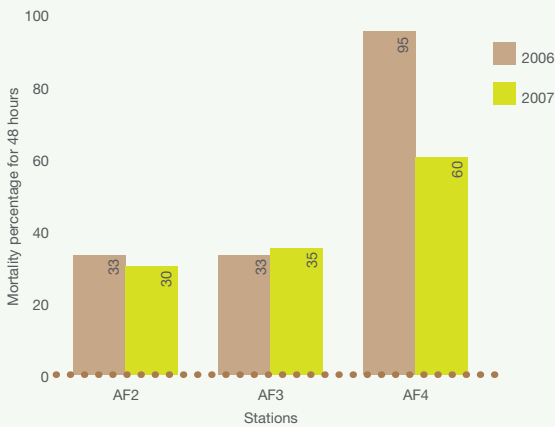


FIGURE 19: COMPARISON OF MOINA MICRURA FOR 2006 AND 2007



Terrestrial Flora and Fauna monitoring

We are proud of our terrestrial flora and fauna monitoring programme as our continuous study of our surrounding area has identified a total of 59 species from 31 families of avifauna. We also found a protected species of butterfly, the Birdwing Butterfly (Troides Helena Cerberus), as well as the observation of a leopard cat at one of the monitoring station.

We are pleased to report that for 2007, no adverse impacts on the flora and fauna were detected. It is our commitment to continue with the monitoring of flora and fauna in our surrounding environment to ensure the conservation of our local ecosystem.

CARBON FOOTPRINT

The release into the atmosphere of GHG such as carbon dioxide (CO₂) and methane (CH₄) poses a threat to the environment due to their potential to cause changes to the global climate, a phenomenon commonly known as “Climate Change”.

We realise our need to minimise the footprint of our operations and are committed to reducing our emissions of the GHG that contribute to climate change. This is why we are proud to announce that we have completed a Carbon Footprint Survey of our carbon emissions in 2007. We aim to create a company-wide Carbon Management Plan and set a carbon reduction target. We expect this to be in place by the end of 2009.

The objective of the Carbon Footprint Survey is to initiate a programme for carbon offsetting. In addition to this, the outcome of this survey would enable us to continue monitoring the carbon footprint generated at our headquarters and various sites, as well as provide a set methodology to other UEM Environment sites and offices for the estimation of carbon emissions generated, should it be required.

Our Carbon Footprint Survey comprised of information obtained from company documents such as fuel records, employee claim records, company invoices, utility bills and schematic diagrams. The scope of work for the Carbon Footprint Survey includes:

- Determination of energy consumption (for offices of Kualiti Alam, Kualiti Khidmat Alam and UEM Environment located at our headquarters at Taman Desa; E-Idaman’s office in Kota Damansara and the WMC in Bukit Nanas)
- Determination of transportation impact (domestic and international) (for our Head Office at Taman Desa, Kualiti Alam, Kualiti Khidmat Alam, Kualiti Kitar Alam and E-Idaman)
- Determination of diesel and reconstituted oil consumption of plant operations (for the WMC in Bukit Nanas)
- Calculation of UEM Environment’s carbon footprint



Environmental Performance



Estimation of Carbon Emissions

All data input for electricity consumption, transportation and plant operations are identified in common units to reduce errors and to allow for consistency throughout measurements. Emissions of carbon have been reported according to the Greenhouse Gas Protocol, which was jointly developed by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI).

The protocol differentiates between emissions for which businesses are directly responsible, indirect emissions caused in the generation of supplied electricity and all other indirect emissions both upstream and downstream. As it is impossible to know or control the negligible downstream emissions generated when products sold by our organisation are used, they have been excluded from this report. Similarly, reporting on the upstream emissions of our businesses would currently rely heavily on estimates and, as a result, they have also been excluded from this analysis. However, given the nature of our operations, we believe that it is appropriate to report on the emissions from third-party provided transportation.

Exclusions

In this survey, the following are not included:

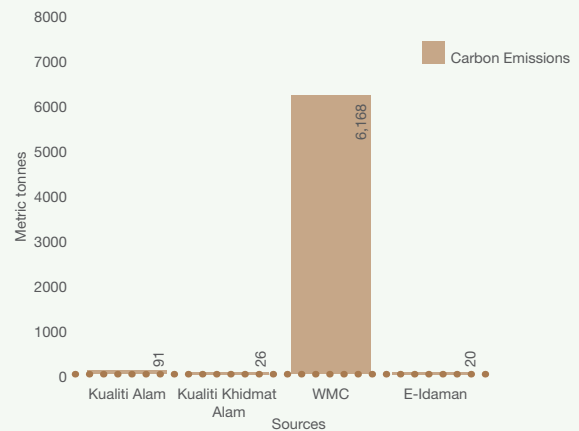
- Impact from contractors, suppliers, vendors
- Impact from leased assets, outsourcing activities
- Volumes of waste generated and disposal methods by waste contractors
- Commuting of staff to and from the workplace

Electricity

Data was obtained from monthly electricity invoices issued to offices of Kualiti Alam, Kualiti Khidmat Alam and UEM Environment which are located at our head office at Faber Tower, Taman Desa; E-Idaman's office in Kota Damansara, as well as the WMC in Bukit Nanas. All data inputs are in unit kWh and covers the period from January 2007 to December 2007.

Arising from this, the carbon emissions for UEM Environment was determined as shown below.

FIGURE 20: CARBON EMISSIONS FROM ELECTRICITY USAGE



Based on the analysis conducted, the overall carbon emission from electricity usage for UEM Environment in 2007 is 6,304.99 metric tonnes of CO₂ units. As expected, our WMC was the most energy intensive part of our company, consuming almost 11,600,000 kWh of electricity in 2007.

Transportation

UEM Environment operates a fleet of vehicles including cars, vans, heavy goods vehicles and earthmoving equipment. We also make use of a variety of public transport, taxis and flights as part of our daily business.

As well as being concerned about the possible environmental impacts of fossil fuel consumption and vehicle exhaust emissions, fuel is also a significant cost to the business and therefore we endeavour to minimise fuel usage and improve efficiency wherever possible. The CO₂ emissions from our transport activities are directly related to the total amount of fuel consumed.

Data was collected for the following transport modes:

- Company-owned vehicles
- Staff-owned vehicles
- Contractor-owned transporters
- Public rail transport



- Long distance bus travel
- Taxis
- Short, medium and long haul air flights

Both domestic and international travel was evaluated.

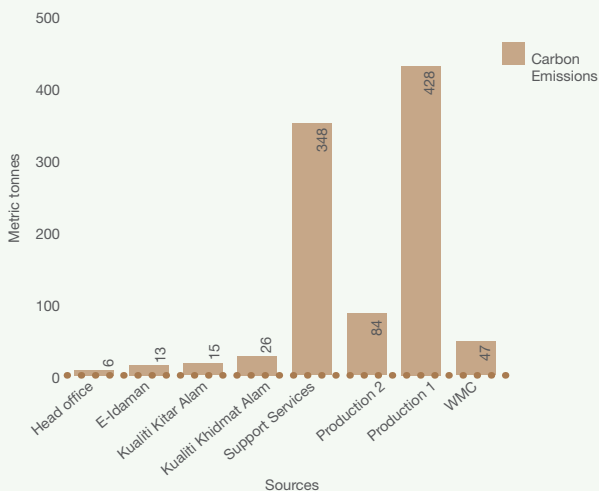
Company- owned Vehicle Transport

Company-owned vehicles for UEM Environment range from cars and pickup trucks to lorries and forklifts. Carbon emissions from vehicles differ according to model type and fuel efficiency. To eliminate the discrepancies that may arise from taking these factors into consideration, data was collected based on type of fuel used and litres of fuel consumed. Data was extracted from records of fuel consumption from January 2007 to December 2007. In cases where the amount of fuel consumed was not stated, the amount in litres was calculated by dividing the amount paid for fuel with the market price for either diesel or petrol at the time.

Fuel type	Malaysian market price in 2007
Petrol	RM 1.92 per litre
Diesel	RM 1.58 per litre

The CO₂ emissions for company-owned vehicles for each of our different subsidiaries are as follow:

FIGURE 21: CARBON EMISSIONS FROM COMPANY-OWNED VEHICLE TRANSPORT



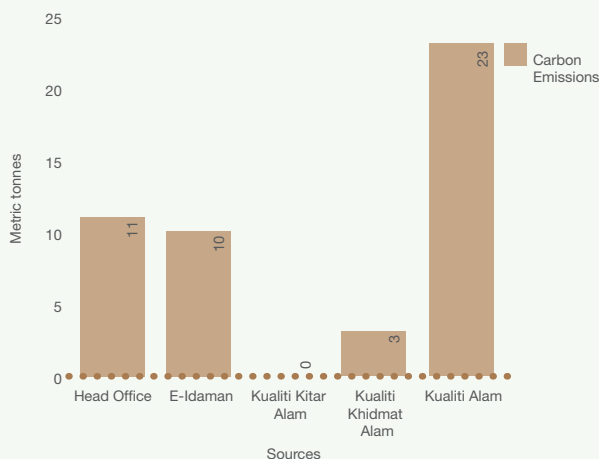
Based on the data provided, we have estimated that the CO₂ emission from usage of company-owned vehicle transportation in 2007 for UEM Environment to be 964.42 metric tonnes.

Staff-owned Vehicle Transport

Carbon emissions from vehicles differ according to model type and fuel efficiency. To eliminate the discrepancies that may arise from taking these factors into consideration, only data on distances travelled were analysed. Data was extracted from records of employee claims in km from January 2007 to December 2007. Calculations were made on the assumption that all vehicles run on petrol.

Twenty of our Senior Management staff members have been provided with Shell Cards which cover their petrol consumption for both personal and company-related travelling. As it is difficult to extract company-related travelling data from the overall data, we have not included the petrol consumption of these twenty Shell Card holders in our Carbon Footprint Survey this year. We aim to refine our carbon footprint calculation process to be more accurate in the coming years.

FIGURE 22: CARBON EMISSIONS FROM STAFF-OWNED VEHICLE TRANSPORT



Based on the data provided, we have estimated that the CO₂ emission from usage of staff-owned vehicle transportation in 2007 for UEM Environment to be 45.84 metric tonnes.



Environmental Performance

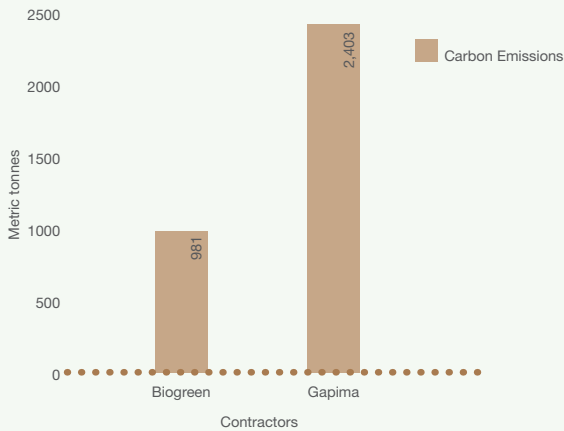


Contractor-owned Transporters

Analysis was conducted for the carbon emissions of our contractor-owned transporters in 2007. These transporters consist of trucks ranging from 20 tonners to 8 tonners and 3 tonners, with the majority of them being 20 tonners. Data was extracted from the GPS monitoring records for contractor transporters from January 2007 to December 2007.

The CO₂ emissions for contractor-owned transporters in 2007 are as follow:

FIGURE 23: CARBON EMISSIONS FROM CONTRACTOR-OWNED TRANSPORTERS



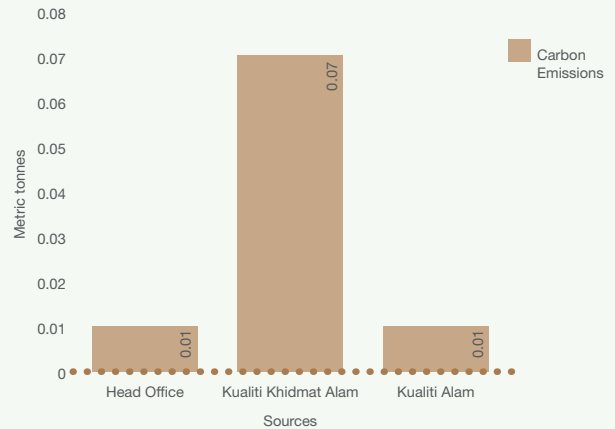
Based on the data provided, we have estimated that the CO₂ emission from our contractor-owned transporters in 2007 for UEM Environment to be 3,384.14 metric tonnes.

Public Rail Transport

Analysis was conducted for UEM Environment’s use of public rail transportation as the public rail system is regularly used by our staff for business purposes. In this survey, public rail transport refers to the Kelana Jaya Light Rail Transit Line (KLJ-LRT), Ampang Light Rail Transit Line (AMP-LRT) and Express Rail Link (ERL). Data was obtained from employee claim records and covers the period from January 2007 to December 2007.

The CO₂ emissions calculated for public rail transport in 2007 are as follow:

FIGURE 24: CARBON EMISSIONS FROM STAFF USAGE OF PUBLIC RAIL TRANSPORT



Based on the data provided, we have estimated that the CO₂ emission from usage of public rail transportation in 2007 for UEM Environment to be 0.089 metric tonnes.

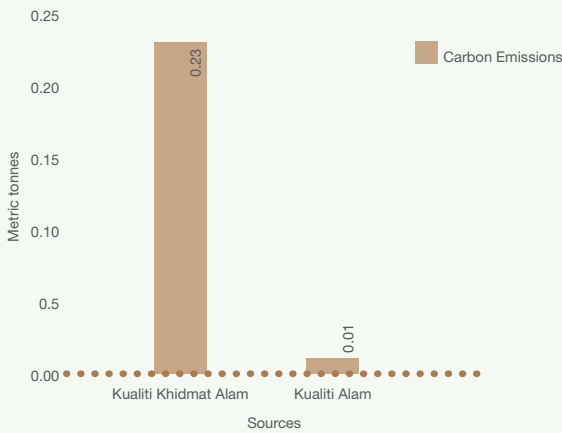
Long Distance Bus Transport

For UEM Environment, the bus travel undertaken for business purposes in 2007 were all long distance. Data was obtained from employee claim records and covers the period from January 2007 to December 2007.

The CO₂ emissions calculated for long distance bus transport in 2007 are as follow:



FIGURE 25: CARBON EMISSIONS FROM STAFF LONG-DISTANCE BUS TRAVEL



Based on the data provided, we have estimated that the CO₂ emission from usage of long distance bus transportation in 2007 for UEM Environment to be 0.238 metric tonnes.

Taxi Travel

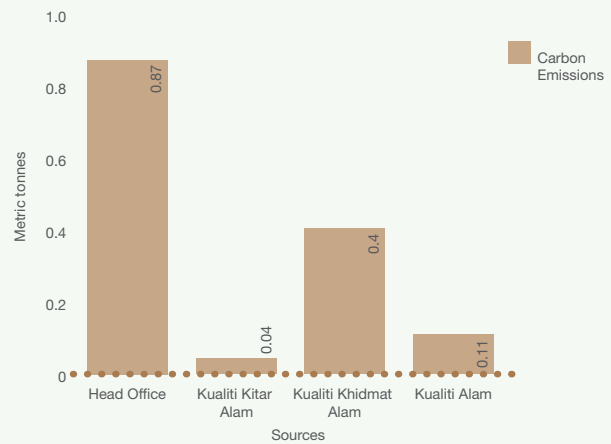
In recent years, taxi fleets in Malaysia have been retrofitted with newer engines to run on natural gas as cost-efficient alternative to petrol. Its major constituent, CH₄, a short and light hydrocarbon renders natural gas less carbon emission per energy unit.

Data on distances travelled was obtained from employee claim records. For the purpose of this analysis, it is assumed that 50% of all taxis within the Klang Valley are using natural gas as a fuel source.

Most of UEM Environment’s business-related taxi travels in 2007 were done locally. However, there were a few that took place overseas. For these overseas taxi trips, we have taken into account their specific fare charges, as well as the commonly used taxi fuels.

Based on the above, the CO₂ emissions from taxi usage for UEM Environment between January 2007 and December 2007 were estimated as follows:

FIGURE 26: CARBON EMISSIONS FROM STAFF TAXI TRAVEL



Based on the data provided, we have estimated that the CO₂ emission from taxi travel in 2007 for UEM Environment to be 1.42 metric tonnes.

Air Travel

According to the Intergovernmental Panel on Climate Change (IPCC), aviation currently accounts for just over 3.5 percent of total CO₂ emissions worldwide. Air travel is considered the most emissions-intensive mode of transport.

On a yearly basis, consumption of fuel by airlines makes up millions of metric tonnes. In the future, the effects from air travel will be manifold as civic aviation is rapidly on the rise.

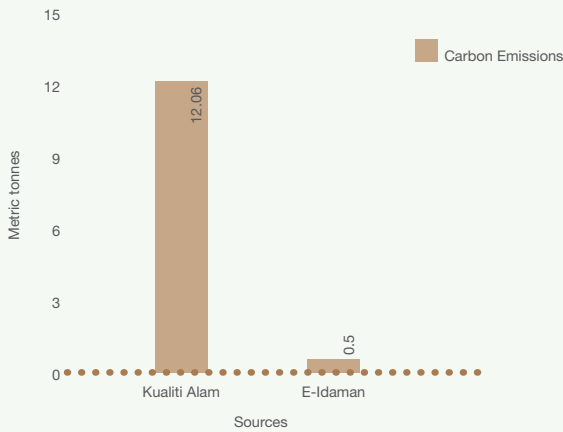
Information on start/end point locations were obtained from employee claim records from January 2007 to December 2007. The CO₂ emissions for UEM Environment’s air travel in 2007 are as follow:



Environmental Performance



FIGURE 27: CARBON EMISSIONS FROM STAFF AIR TRAVEL



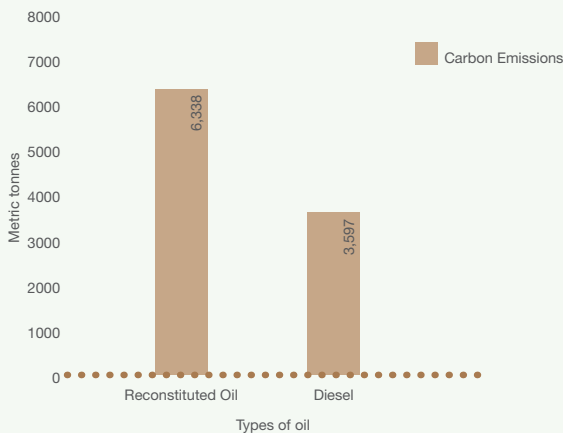
Based on the data provided, we have estimated that the CO₂ emission from business-related air travel in 2007 for UEM Environment to be 12.56 metric tonnes.

Plant Operations

Hazardous waste is treated almost exclusively by incineration. Our readers should note that our diesel and reconstituted fuel consumption for plant operations arise primarily from the activities of three of our incineration plants at the WMC: Incineration 1, 2 and 3.

Data was obtained from records of diesel and reconstituted fuel consumption starting from January 2007 to December 2007. The CO₂ emissions from UEM Environment’s plant operations in 2007 are as follow:

FIGURE 28: CARBON EMISSIONS FROM INCINERATION PLANTS



Based on the data provided, we have estimated that the CO₂ emission from our plant operations at UEM Environment in 2007 to be 9,935.74 metric tonnes.

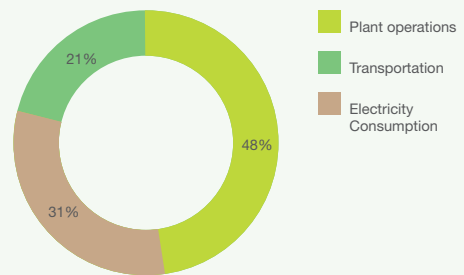
TOTAL CO₂ EMISSIONS

The total annual CO₂ emissions from UEM Environment’s activities are:

TABLE 12: TOTAL ANNUAL CO₂ EMISSIONS

Activities	Annual CO ₂ emission (metric tonnes)
Electricity use	6,304.99
Transportation	4,408.71
Company-owned vehicle use	964.42
Staff-owned vehicle use	45.84
Contractor-owned transporter use	3,384.14
Public rail transportation	0.09
Long-distance bus travel	0.24
Taxi travel	1.42
Air travel	12.56
Plant Operations	9,935.74
Total	20,649.44

FIGURE 29: MAJOR CARBON DIOXIDE EMITTERS AT UEM ENVIRONMENT



As shown above, UEM Environment emitted 20,649.44 metric tonnes of CO₂ emissions, of which 6,304.99 metric tonnes came from electricity consumption, 4,408.71 metric tonnes were from transportation and 9,935.74 metric tonnes were from plant operations at the WMC.

PLANNING FOR THE FUTURE

As this is the first year we are actively calculating our carbon footprint, it is expected that some of our emissions might be misrepresented. However, we are constantly trying to refine the accuracy of our data. The calculation of the footprint represents only the first part of a three-stage process. The next step is to investigate the ways in which this footprint can be reduced and finally to adopt mechanisms to offset the footprint.

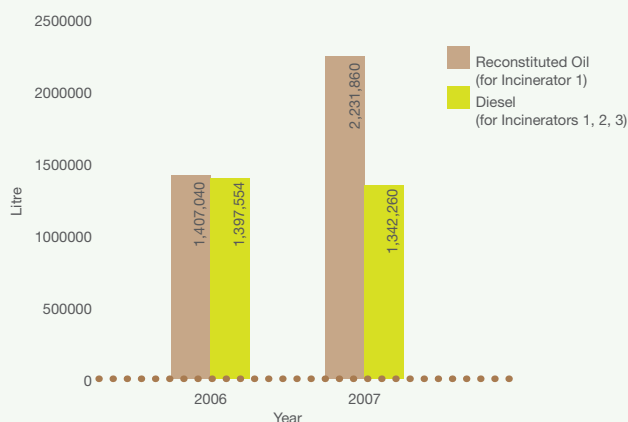
As shown above, our plant operations use accounted for 48% of our carbon emissions for 2007, while transportation and electricity consumption were responsible for 21% and 31% of our emissions respectively. Therefore, our approach to reducing our carbon emissions should be a three-pronged process: increasing fuel efficiency of our plant operations, reducing electricity consumption and increasing transportation fuel efficiency.

Diesel and Reconstituted Oil Consumption

In 2005, we invested RM 1.2 million to upgrade our Incinerator 1 to run on reconstituted oil. Incinerator 1 has the capability to run either on 100% diesel, 100% fuel from waste or a proportion between these two fuel types.

With this new burner, we now have the ability to use either reconstituted oil or fuel derived from waste, providing greater flexibility in terms of fuel source and economical savings.

FIGURE 30: COMPARISON OF DIESEL AND RECONSTITUTED OIL CONSUMPTION FOR 2006 AND 2007



In 2006, we were running our incinerators on a combination of diesel and reconstituted oil; Incinerator 1 was using approximately 50% diesel and 50% reconstituted oil. However in 2007, we were

able to use Incinerator 1 primarily on reconstituted oil, thereby reducing our diesel consumption by 10%.

Under our Six Sigma methodologies implemented in 2007, we aim to further reduce our diesel consumption for both Incinerators 2 and 3 by setting up a new delivery and burner system which run on reconstituted oil at the two incineration plants.

While we have seen a significant reduction in cost in terms of diesel usage in our operations, we are also committed to maximise the use of reconstituted oil in order to ensure effective use of our raw materials and reduce the impact on climate change. We will be exploring the use of other fuel types which will help us reduce both our environmental and cost impacts.

Electricity Consumption

Electricity use accounts for almost 31% of our carbon emissions, so reducing our consumption is a significant way in which we can affect change in our carbon footprint. However, the treatment of scheduled wastes is an energy intensive process and as quality targets get ever tighter we see our demand for electricity continuing to grow.

Recognising the importance in managing energy consumption, we have incorporated the energy reduction issue into the Six Sigma Methodologies Projects. The Six Sigma Methodologies were implemented since May 2007 to promote continuous improvement towards achieving our environmental goals.

A number of measures have been taken to minimise our energy consumption under the Six Sigma methodologies. Installation of the soft starter or inverter in the electrical motor equipment is one of the ways to reduce unnecessary speed and energy consumption for pumps, fans and blowers. We managed to reduce a total of 15%-50% of our energy usage through this effort.

Air conditioning is another main source of energy consumption. In recognition of this, the temperature setting for our air-conditioners have been set to 22-24°C. All cooling or refrigerant systems, air conditioners, chiller compressors and heat exchanger have been converted to split unit air conditional systems to reduce the energy consumption by 8-25%.

We have changed most of our normal fluorescents to energy-saving fluorescent lights to reduce energy consumption. As the Six Sigma Methodologies have only been implemented from the mid year of 2007, only 283,350 kWh of energy consumption has been reduced at the end of 2007. However, our goal is to achieve energy efficiency and maximise the utilisation of materials.



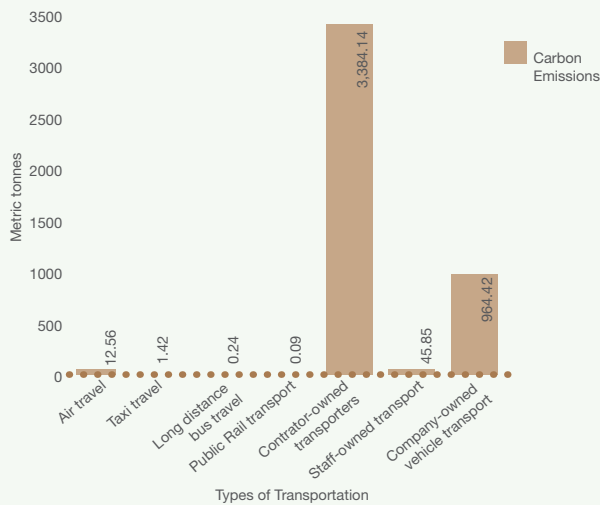
Environmental Performance



Transportation

Transportation accounts for 21% of our carbon emissions in 2007, of which our contractor-owned transporters are our biggest carbon emitters. We recognise that our large fleet of vehicles and the distances they travel have a significant impact on the environment.

FIGURE 31: CARBON EMISSIONS FROM TRANSPORTATION



As road transport emissions are one of our major environmental impacts – and, internationally, a major contributor to global warming – even small improvements can have a significant benefit. Improved fuel consumption and cleaner fuels and engines can cut the amount of CO₂ and other combustion gases produced. We therefore seek to use cleaner fuel and to minimise our consumption of the fuel we use to carry out our business by:

- Maintaining regular servicing of fleet vehicles
- Reviewing the suitability of alternate fuels, such as biodiesel and switching to them as they become commercially available
- Designing more efficient routes to minimise travelling distances and fuel consumption
- Continuing to reduce diesel usage by focusing our ongoing fleet replacement on newer, more fuel efficient vehicles.

Reduce, Reused, Recycle, Recover

Everyone agrees that conserving resources is the environmentally responsible thing to do. However, we have learned that it is easier said than done. The challenge of making hazardous waste recycling and recovery a widespread practice, supported by consumers and business alike, has been a hurdle in the waste industry for many years.

UEM Environment is working to overcome that hurdle. Kualiti Kitar Alam, our hazardous waste recycling and recovery subsidiary began operations at its scheduled waste recycling and recovery facility in December 2007 after garnering the appropriate approvals from the authorities.

We are providing leadership to make hazardous recycling a working, sustainable solution for residential, commercial, municipal and industrial customers across the country. With the availability of Kualiti Kitar Alam services, our WMC in Bukit Nanas now manages scheduled waste for recycling and recovery, treatment and disposal, making us the most comprehensive one-stop scheduled waste management centre in the country.

On a more personal front, our waste management policy focuses on avoiding the creation of waste. Certain daily operational measures at the office can be practiced to reduce carbon footprint and wastage through recycling. Here are some examples of the measures we have taken:

- Separating waste into paper, glass and plastics before disposal
- Using recycled paper for internal use as well as record and filing purposes
- Replacing Styrofoam cups with ceramic mugs in the office pantry

From these measures taken, the results have been encouraging in terms of minimising our carbon footprint. For the coming years, we aim to take a more structured approach in monitoring our recycling initiatives in the office.



Carbon offsetting

Carbon offsetting is neutralising the effect of a company's or individual's carbon emissions by reducing emissions elsewhere. We at UEM Environment are aware that offsetting carbon is a step in the right direction. We are a region-wide company with employees and customers all around the region. While we are making efforts to reduce energy consumption and unnecessary travel, they are unlikely to disappear completely from our day-to-day operations.

As a start, we have started a tree planting exercise in June 2008 in order to offset our carbon emissions. We hope that the trees we have planted will help in reducing our overall carbon footprint.

Carbon Footprint Committee

We aim to establish a Carbon Footprint Committee by the end of 2008 to effectively manage our carbon emissions and reduce our carbon footprint.

Through our Carbon Footprint Committee, we will continue to consult with our stakeholders to develop a co-ordinated and effective response to the climate change challenge. The establishment of such a committee supports our commitment to move towards sustainable development.

Life Cycle Analysis (LCA) of Landfills

Treatment of waste to reduce its hazards, promote recovery and reduce waste to landfill will be increasingly utilised to facilitate compliance with reduction in landfill use targets and tighter legislative requirements on what waste is suitable for landfill disposal. Meeting such requirements is well within UEM Environment's capabilities and our treatment division will help towards meeting such obligations.

Properly designed and managed landfills provide a safe and secure part of sustainable waste management. UEM Environment shares society's concerns about the potential consequences of poorly managed and operated landfill sites. Our landfill sites are the subject of expert design and constructed in accordance with detailed quality assurance plans. Rigorous operational controls are adopted and monitoring systems are used to verify performance.

We have established the required data for our landfills as part of the National LCA Project to develop the National Life Cycle Inventory (LCI) Database. This includes information such as the types of waste we treat at the WMC, our utilities and fuel consumption on a yearly basis, as well as our environmental data on air emissions, leachate treatment and wastewater discharge.

SIRIM intends to use the Database to conduct LCA studies, support the National Ecolabelling Programme and fulfil the requirements of foreign legislation that requires environmental data of products and services throughout their life cycle.



Economic Performance



In 2007, UEM Environment achieved several economic milestones: spending on goods and services, revenue and our capital expenditures all reached new levels. We continued to make progress along our path by investing simultaneously in conventional hydrocarbon production and renewable energy.

However, in the past few years we have seen increased costs for both labour and materials due to an overheated economy. Growth will continue to be both a challenge and an opportunity as we move toward expanding and diversifying our business.

We intend to actively mitigate some of the economic impacts of this growth through careful workforce planning and project management. This includes building our expansion projects in manageable stages, moving some manufacturing work to regions with more labour capacity and working more closely with our stakeholders. We also intend to ensure the people most directly affected by our organisation continue to share the economic benefits in the form of jobs, local purchases and investments in their communities.

UEM Environment is well placed to take advantage of current market opportunities within the treatment sector as a continued tightening of regulation will favour responsible operators with the ability and vision to invest in new technologies.

OUR 2007 HIGHLIGHTS

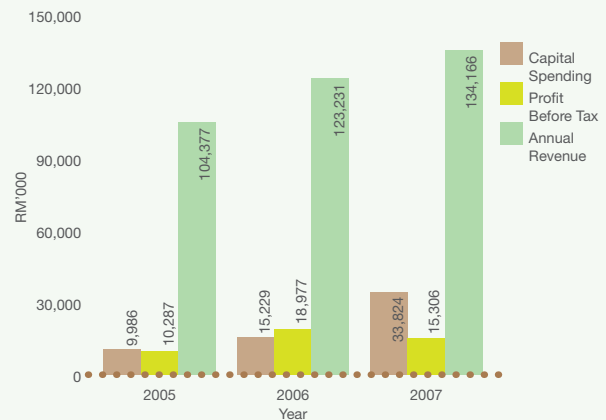
- Achieved revenue of approximately RM134 million, a 9% increase from 2006.
- Kualiti Kitar Alam began operations at its scheduled waste recycling and recovery facility in October 2007 after garnering the appropriate approvals from the authorities.
- Opening of ADKA office in Abu Dhabi in May 2007.

FINANCIAL PERFORMANCE

We remain focused on our main priorities as a business to generate long-term value for our investors. This requires that we deliver shareholder value and maintain profitability while performing in a socially and environmentally responsible way.

In 2007, we recorded our strongest performance yet. Revenue was approximately RM134 million in 2007 compared with RM123 million in 2006. This represents a 9% increase in our revenue as compared to the previous year.

FIGURE 32: AUDITED FINANCIAL PERFORMANCE FROM 2005 TO 2007



The 2005 and 2006 figures listed in Figure 32 above are from the financial performance data of UEM Environment, Kualiti Alam, Kualiti Khidmat Alam, Kualiti Kitar Alam and E-Idaman. The 2007 figures are derived from the financial performance data of UEM Environment, Kualiti Alam, Kualiti Khidmat Alam, Kualiti Kitar Alam, E-Idaman and ADKA.

Our total long-term assets in 2007 was RM174 million, an increase of RM4 million compared to our total assets in 2006 of RM170 million.



DIVERSIFICATION OF BUSINESS

At UEM Environment, we believe that there is a strategic benefit to the search for new technologies and their commercial application to the sector. We continue to seek out these opportunities. While the rapid pace of change in the market provides scope for significant organic growth, we believe that acquisitions and diversification will play an important part in our further development. Our acquisition and diversification strategy is complementary to our drive for organic growth, as acquisitions and diversification may bring strategic advantage either by way of location, integration of services or new technologies.

This is demonstrated at UEM Environment when we branched out into hazardous waste recycling and recovering with the commencement of operations at Kualiti Kitar Alam in 2007. Besides that, we have also expanded the net of our operations by setting up E-Idaman, which is responsible for the management of municipal solid waste collection and public cleansing for the Northern Region of Malaysia, and ADKA, which is positioned to provide one-stop environmental and management solutions efficiently in the United Arab Emirates (UAE).

DEVELOPING RENEWABLE ENERGY RESOURCES

We are pleased to inform our readers that we have conducted a pilot study on the extraction of oil from hydrocarbon waste as potential alternative fuel for use at our WMC. We have also been awarded the contract to set up a pre-treatment plant as an extension to our existing oil recovery facility at Kualiti Kitar Alam. Besides that, we are in the midst of establishing a synergy programme on the utilisation of waste as alternative fuel.

We are currently undertaking a collaborative study with the Faculty of Chemical & Natural Resources Engineering, Universiti Teknologi Malaysia (UTM) on pre-treatment methods for reduction of TOC and O&G in sludge wastes to meet solidification or landfill criteria.

Another collaborative study we have undertaken is a study on the alternative treatment of chromate waste with the Malaysian University of Science & Technology (MUST) and the Malaysian Institute of Chemical & Bioengineering Technology, Universiti Kuala Lumpur.

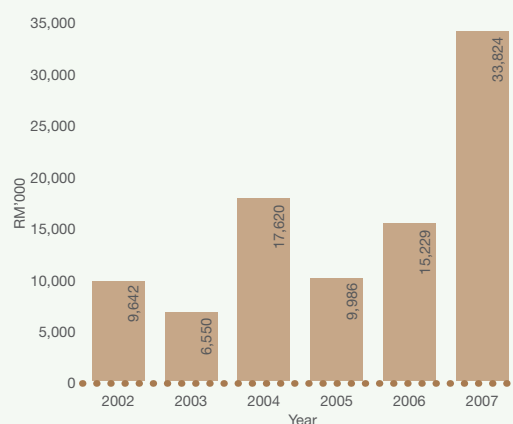
BRINGING ECONOMIC BENEFITS

Being a private limited company, UEM Environment is proud to be able to add value to the economy through our operating expenses and distributions.

TABLE 13: DISTRIBUTION OF ECONOMIC VALUE ADDED FROM 2005 TO 2007

RM ('000)	2005	2006	2007
Payments and benefits to employees	15,600	16,100	21,100
Taxes paid / payable to the Government	-3,300	9,900	8,500
Purchase of goods and services	36,900	39,600	49,500
Payments to providers of capital	11,600	13,300	8,400
Corporate donations and sponsorships	97	322	313

FIGURE 33: CAPITAL EXPENDITURE FROM 2002 TO 2007



Our strategy for the provision of capital expenditure is through the provision of new technology and R&D projects which would enable us to provide more efficient and effective treatment of hazardous wastes whilst at the same time minimising our environmental impacts.



Economic Performance



Benefits to Employees

Our business operations provide jobs and contracting opportunities to our local communities. We have 306 employees with an annual payroll of about RM21 million.

Benefits to Customers

Every day through our integrated hazardous waste management system, we provide our customers the assurance that their hazardous wastes are being managed efficiently in an environmentally responsible and sustainable manner while meeting the increasingly stringent requirements of national legislations. These efforts are conducted through the proper maintenance and continuous improvement of our machineries, facilities and services.

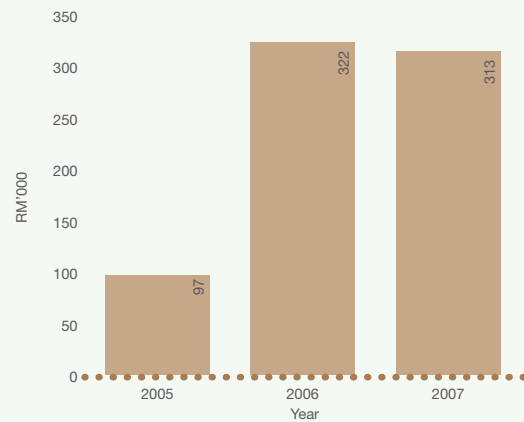
Benefits to Government

Our business activity brings other benefits to society. Some of the greatest beneficiaries are the federal and state governments which receive taxes from our activities. These revenues are used to help fund local public services and infrastructure. Our current organisation business structure provides a one-stop centre which would enable local authorities to curb possibilities of waste leakage arising from the illegal dumping of waste. Arising from this, benefits derived from our comprehensive integrated services will be passed onto our stakeholders.

Benefits to Communities

At the local level, our operations affect economies through the creation of jobs, the purchase of goods and services, and taxes paid to governments. We also invest in community programmes and charitable organisations. Additionally, the Group also makes contributions to deserving charitable and non-profit organisations annually.

FIGURE 34: CORPORATE DONATIONS AND SPONSORSHIPS FROM 2005 TO 2007



ACCA MESRA Awards 2007

We are proud to announce that our Sustainability Report 2006 was awarded the Best Environmental Report of the prestigious ACCA MESRA (Malaysia Environmental and Social Award) 2007.

The ACCA MESRA awards are accorded to organisations that produce stellar reporting in the areas of environment, social and sustainability, besides encouraging best practices and raising the awareness of corporate social responsibility issues and performances.

The awards are endorsed by Bursa Malaysia Berhad, the DOE, the Ministry of Natural Resources and Environment and the Malaysian Institute of Integrity.

A subsidiary of UEM Environment, Kualiti Alam had won the 'First Time Reporter' Category of the ACCA MESRA Award last year.

Listed below are the judges' comments on the report:

- Was singled out by judges for using the specifications set forth by the GRI's 2002 Sustainability Reporting guidelines, which offers a comprehensive framework for reporting a company's impacts and performance
- Demonstrates commitment from the top management to drive culture change that supports sustainability
- Integrates sustainability into corporate culture and business strategies
- Clearly defines the vision, strategy and goals of UEM Environment's sustainability programme
- Defines target audiences and stakeholders
- Discloses historic environmental management costs over a five-year period in tabular format
- Highlights both positive and negative environmental impacts, such as the increase in greenhouse gas emissions
- Provides detailed quantitative and qualitative data relating to historic and current environmental performance
- Presents 5-year data for key environmental indicators including carbon dioxide emissions, energy consumption and leachate monitoring in easy-to-read graphs
- Incorporates a GRI Content Index for easy reference and location of indicators and information
- Written in simple language that dispenses with jargon to ease communication and reader understanding
- Complements UEM Environment's disclosure of its performance on its website enabling diverse stakeholder engagement through print and electronic channels





**BUREAU
VERITAS**

BUREAU VERITAS CERTIFICATION

Assurance Statement

Introduction

Bureau Veritas has been engaged to provide assurance services to UEM Environment Sdn Bhd (UEM Environment). This Assurance Statement applies to the UEM Environment Sustainability Report 2007 (the 'Report').

The preparation of the Report and its content is the responsibility of UEM Environment. Our responsibility is to provide assurance over the Report and underlying processes within the scope set out below:

- **Workplace: Governance**
Verification through low to mid-level assurance via information provided.
- **Workplace: Employment**
Verification through mid-level Assurance on employment, working and living conditions via compliance against internationally recognized standards.

Low to mid-level assurance on health & safety via the Organisation's management / inspection records
- **Workplace: Awards & Accreditation**
Verification through low to mid-level assurance via information provided.
- **Marketplace:**
Verification through low to mid-level assurance via information provided.
- **Environment:**
Verification through low to mid-level assurance via the Organisation's records, purchase & importation data, independent assessment records, environmental controls, stock data, select site visits, the Organisation's policies & practice implementation, KPI/GRI data transposition (internal), select factual & numerical data analysis (KPI / GRI verification will not be traced to source unless local and accessible)
- **Community:**
Verification through low to mid-level Assurance via the Organisation's practices / procedures, training records, limited financial data, lands deeds / disputes procedures, third party studies, impact analysis, the Organisation's management / inspection records, etc.

It is agreed that UEM Environment expects to be able to provide a response to each of the GRI-G3 Guideline Protocols.

UEM Environment aims to provide the C+ or Basic Application Level which requires reporting on each of the GRI-G3 indicators, (even if the report is an omission statement) there will be ten verifiable points general GRI reporting criteria overall.



BUREAU VERITAS CERTIFICATION

Exclusions from the scope of our work

Excluded from the scope of our work is information relating to:

- Statements of commitment to, or intention to, undertake action in the future;
- Statements of opinion, belief and / or aspiration;
- Our assurance does not extend to the information hyper linked from the Report.

Basis of our opinion

In conducting this engagement we have considered following guiding principles:

- The principles of balance, comparability, accuracy, timeliness, clarity, relevance and reliability as per Sustainable Reporting Guideline version 3.0 (GRI-G3).

Our work was planned and carried out to provide reasonable, rather than absolute, assurance and we believe that the work conducted as described in the scope of work above provides a reasonable basis for our conclusions.

We relied on the representations made to us during the course of our assurance work by UEM. Environment personnel. Where we have provided assurance over numeric information, this has been achieved through review of consolidation processes and databases held at the Headquarters, 15th Floor, Menara 2, Faber Towers, Taman Desa, Jalan Kelang Lama, Kuala Lumpur and Kualiti Alam Waste Management Center in Tanah Merah, Negeri Sembilan. This work is not considered sufficient for us to identify all misstatements

Our review included the following activities:

- Interviewed with relevant staff at corporate and operation levels responsible for the information in the Report;
- A review of internal and external documentation such as minutes of meetings, internal newsletters(In Touch and "Buletin KASB"), Sustainability Report 1996-2005, Sustainability Report 2006 , Safety, Health and Environment (SHE) Report 2006-2007, e-mails, receipts, monthly electricity bills, fuel receipts, fleet Global Positioning System (GPS) tracking, invoices, checklists, maintenance logs, memos, UEM Environment Employee Handbook, magazines, newspaper clips, photos, pictures, Association & NGOs memberships, guidelines, schedules, survey reports, training records, Annual Transporter Audit report, Quarterly Transporters Assessment reports, brochures, reports, Human Resources Monthly reports, Customer Satisfaction Report 2007, www.kualitiam.com website and intranet sources;
- Observed related facilities and areas including notice boards, awards display areas, laboratories, cafeterias and chimneys, waste segregation, treatment and disposal facilities;
- A review of the underlying systems and procedures used to collect and process the reported information, including the aggregation of data into the information in the Report;
- A review of the reliability of the quantitative and qualitative information in the Report based on sampling;





BUREAU VERITAS CERTIFICATION

- Visited Kualiti Alam Waste Management Center to review the data collection process and implementation evidence on reported statements in the Report;
- Challenged the related statements and claims made in the Report.

During our investigation we discussed the necessary changes in the Report with UEM Environment and determined that these changes have been adequately incorporated into the final version.

Conclusions

- In our opinion, the Report fulfills the C+ requirements of the GRI 2006 Sustainability Reporting Guidelines (Version 3.0).
- During the course of our review nothing came to our attention to indicate that there was any material error, omission or misstatement. It is Bureau Veritas' opinion that the statements in the Report are accurate and reliable.
- The Report provides a fair representation of UEM Environment's social accounting and reporting activity for the period from 1st January 2007 up to the data collection deadline on 31st December 2007.
- UEM Environment has processes in place for identifying, understanding and managing its social issues and for capturing, understanding and responding to stakeholder views.

Areas for ongoing improvement

- The increased use of performance indicators should feature in subsequent reporting.
- Effective ongoing monitoring, measurement and reporting of UEM Environment against selected indicators and targets to demonstrate ongoing commitment to the reporting process and stakeholder interest.
- UEM Environment to consider inviting Bureau Veritas to witness any stakeholders' engagement in the future.

Considerations and limitations

In relation to our assurance work and conclusions, the following considerations and limitations should be noted:

- Certain information is excluded from the scope of our assurance work, as stated above;
- Environmental and social data are subject to inherent limitations due to its nature and the methods used for determining, calculating or estimating such data. Therefore this independent assurance statement should not be relied upon to detect all errors, omissions or misstatements in the Report, nor can it guarantee the quality of social accounting and reporting processes. We have provided reasonable assurance as to the quality and accuracy of the report within the scope of our investigations.



BUREAU VERITAS CERTIFICATION

Statement by Bureau Veritas of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with over 180 years history in providing independent assurance services.

Bureau Veritas has implemented a code of ethics across the business that is intended to ensure that all our staffs maintain high ethical standards in their day-to-day business activities; we are particularly vigilant in the prevention of conflicts of interest.

Competence: Our assurance teams completing the work for the Social Report have extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes and an excellent understanding of good practice in Corporate Responsibility reporting and assurance.



27th September 2008



GRI Index

GRI #	Index Listing	Page (s)	GRI #	Index Listing	Page (s)
STRATEGY AND ANALYSES					
1.1	Statement by the Managing Director	9-11	3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods	4, 14-15, 43-50, 52
1.2	Key impacts, risks, and opportunities	5-7	3.12	Standard disclosures	56-59
ORGANISATIONAL PROFILE					
2.1	Name of organisation	2	3.13	Policy and current practice with regard to seeking external assurance	4-5
2.2	Primary brands, products and/or services	2	GOVERNANCE, COMMITMENTS AND ENGAGEMENT		
2.3	Operational structure of organisation	16-17	4.1	Governance structure of the organisation	16-17, 19-20
2.4	Location of headquarters	2	4.2	Chair of the highest governance body	19-20
2.5	Countries in which organisation is located	2	4.3	Members of highest governance body that are independent and/or non-executive	19-20
2.6	Nature of ownership and legal form	16	4.4	Mechanisms for shareholders and employees to provide recommendations or direction to highest governance body	22, 25, 29-31
2.7	Markets served	2	4.5	Compensation for highest governance body	NI
2.8	Size of operations	2, 5-6, 22-23, 52-54	4.6	Processes to ensure conflicts of interest are avoided	NI
2.9	Organisational changes in reporting period	5, 52	4.7	Expertise of highest governance body	19-20
2.10	Awards received in reporting period	21	4.8	Internally developed statements of mission or values, codes of conduct and principles	12-13
REPORTING PARAMETERS					
3.1	Reporting period	3	4.9	Procedures of highest governance body for the organisation's identification and management	NI
3.2	Date of most recent previous report	2	4.10	Performance of highest governance body	NI
3.3	Reporting cycle	3	4.11	Precautionary approach	NI
3.4	Contact point for questions regarding report	Front of back cover	4.12	Externally developed principles which the organisation's endorses	NI
3.5	Process for defining report content	3-4	4.13	Memberships in associations	26
3.6	Boundary of report	3	4.14	List of stakeholder groups engaged by organisation	21, 29
3.7	Limitations on scope or boundary of report	6-7	4.15	Identification and selection of stakeholders	21, 29
3.8	Basis for reporting on joint ventures	NI	4.16	Approaches to stakeholder engagement	22-31
3.9	Data measurement techniques and the bases of the calculations	4, 43	4.17	Key topics through stakeholder engagement	22-31
3.10	Effect of any re-statements of information provided in earlier reports and reasons for such restatements	14-15, 52			

GRI #	Index Listing	Page (s)	GRI #	Index Listing	Page (s)
ECONOMIC INDICATORS			Biodiversity		
Economic Performance			EN11	Location and size of land in protected areas	NI
EC1	Direct economic value	52-54	EN12	Significant impacts on biodiversity	41-43
EC2	Financial implication due to climate change	NI	EN13	(Add.) Habitats protected or restored	43
EC3	Coverage of the organisation's defined benefit plan obligations	NI	EN14	(Add.) Strategies for managing impacts on biodiversity	NI
EC4	Financial assistance received from government	NI	EN15	(Add.) Number of IUCN Red List Species and national conservation list species	NI
Market Presence			Emissions, Effluents and Waste		
EC5	(Add.) Standard entry level wage	22	EN16	Total direct and indirect greenhouse gas emissions by weight	48
EC6	Locally-based suppliers	26	EN17	Other relevant indirect greenhouse gas emissions by weight	NI
EC7	Local hiring	NI	EN18	(Add.) Initiatives to reduce greenhouse gas emissions	49-51
	Indirect Economic Impacts		EN19	Emission of ozone-depleting substances by weight	NI
EC8	Infrastructure investments	NI	EN20	NOx, SOx, and other significant air emissions by type and weight	NI
EC9	(Add.) Significant indirect economic impacts	52	EN21	Total water discharge by quality and destination	39-41
ENVIRONMENTAL INDICATORS			EN22	Total weight of waste by type and disposal method	41
Materials			EN23	Total number and volume of significant spills	32
EN1	Weight of materials used	37	EN24	(Add.) Weight of transported, imported, exported or treated waste deemed hazardous	32
EN2	Recycled input materials	36	EN25	(Add.) Identity, size, protected status and biodiversity value of water bodies	NI
Energy			Products and Services		
EN3	Direct energy consumption	44-50	EN26	Initiatives to mitigate environmental impacts of products and services	49-51
EN4	Indirect energy consumption	44, 48-49	EN27	Percentage of products sold and their packaging materials that are reclaimed by category	NI
EN5	(Add.) Energy saved due to conservation and efficiency improvements	NI			
EN6	(Add.) Initiatives on energy efficiency or renewable energy	49-50			
EN7	(Add.) Initiatives to reduce indirect energy consumption	49			
Water					
EN8	Total water use	36			
EN9	Water sources significantly affected by withdrawal of water	NI			
EN10	Percentage and total volume of water recycled and reused	36			



GRI #	Index Listing	Page (s)	GRI #	Index Listing	Page (s)
Compliance			LA8		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	21		Education, training, counselling, prevention, and risk-control programmes regarding serious diseases	NI
Transport			LA9		
EN29	(Add.) Significant environmental impacts of transporting products and other goods and materials used	46		(Add.) Health and safety topics covered in formal agreements with trade unions	NI
Overall			Training and Education		
EN30	(Add.) Total environmental protection expenditures and investments by type	14-15	LA10	Average hours of training per year per employee	24
SOCIAL INDICATORS: LABOUR PRACTICES AND DECENT WORK			LA11	(Add.) Programmes for skills management and lifelong learning	22, 24
Employment			LA12	(Add.) Percentage of employees receiving regular performance and career development reviews	22
LA1	Total workforce by employment type, employment contract and region	NI	Diversity and Equal Opportunity		
LA2	Total number and rate of employee turnover by age group, gender, and region	NI	LA13	Breakdown of employees according to gender, age group, minority group membership	23
LA3	(Add.) Benefits provided to full-time employees Labour/Management Relations	22-23, 25	LA14	Ratio of basic salary of men to women by employee category	NI
LA4	Percentage of employees covered by collective bargaining agreements	NI	SOCIAL INDICATORS: HUMAN RIGHTS		
LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	NI	Investment and Procurement Practices		
Occupational Health and Safety			HR1	Significant investment agreements that include human rights clauses	NI
LA6	(Add.) Percentage of total workforce represented in formal joint management-worker health and safety committees	25	HR2	Significant suppliers and contractors that have undergone screening on human rights	NI
LA7	Rates of injury, occupational diseases, lost days and absenteeism	32-33	HR3	(Add.) Total hours of employee training on policies and procedures concerning human rights	24
			Non-discrimination		
			Freedom of Association and Collective Bargaining		
			HR4	Incidents of discrimination and action taken	NI
			HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at a significant risk	NI

GRI #	Index Listing	Page (s)	GRI #	Index Listing	Page (s)
	Child Labour			Compliance	
HR6	Operations identified as having significant risk for incidents of child labour	NI	SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance	21
	Forced and Compulsory Labour				
HR7	Operations identified as having significant risk for incidents of forced labour	NI		SOCIAL INDICATORS: PRODUCT RESPONSIBILITY	
	Security Practices			Customer Health and Safety	
HR8	(Add.) Percentage of security personnel trained in policies concerning human rights	24	PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement	51
	Indigenous Rights		PR2	(Add.) Total number of incidents of non-compliance with regulations concerning health and safety impacts of products and services	NI
HR9	(Add.) Total number of incidents of violations involving rights of indigenous people	31		Product and Service Labelling	
	SOCIAL INDICATORS: SOCIETY		PR3	Type of product and service information required by procedures	NI
	Community		PR4	(Add.) Total number of incidents of non-compliance with regulations concerning product and service information and labelling	NI
SO1	Programmes that manage the impacts of operations on communities	30-31, 37-43	PR5	(Add.) Practices related to customer satisfaction	29-30
	Corruption			Marketing Communications	
SO2	Percentage and total number of business units analysed for risks related to corruption	NI	PR6	Programmes for adherence to laws related to marketing communications	NI
SO3	Percentage of employees trained in anti-corruption policies	NI	PR7	(Add.) Total number of incidents of non-compliance with regulations concerning marketing communications	NI
SO4	Action taken in response to incidents of corruption	NI		Customer Privacy	
	Public Policy		PR8	Total number of substantiated complaints regarding breaches of customer privacy	NI
SO5	Public policy positions and participation in public policy development and lobbying	27		Compliance	
SO6	(Add.) Total value of financial and in-kind contributions to political parties	NI	PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	NI
	Anti-Competitive Behaviour				
SO7	(Add.) Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	26			

Note: NI (Not included)



Glossary

ACCA	Association of Chartered Certified Accountants	Fe	Iron
Al	Aluminium	FMM	Federation of Malaysian Manufacturers
AECOM	Association of Environmental Consultants and Companies of Malaysia	FRF	Financial Reporting Foundation
AMCHAM	American Malaysian Chamber of Commerce	GCC	Gulf Cooperation Council
AMP-LRT	Ampang Light Rail Transit Line	GHG	Greenhouse gases
ANSWERS	Association of Scheduled Waste Recyclers	GPS	Global Positioning Satellite
As	Arsenic	GRI	Global Reporting Initiative
AWMA	Air and Waste Management Association	H₂S	Hydrogen sulfide
BAT	British-American Tobacco	H₂SO₄	Sulphuric acid
BCSDM	Business Council for Sustainable Development Malaysia	HCl	Hydrochloric acid
BVC	Bureau Veritas Certification Sdn Bhd	Hg	Mercury
Cd	Cadmium	IKM	Institut Kimia Malaysia
CICM	Chemical Industries Council of Malaysia	IMS	Integrated Management Systems
Cl₂	Chlorine	IPCC	Intergovernmental Panel on Climate Change
CO	Carbon monoxide	JKKK	Village Development and Security Committee
CO₂	Carbon dioxide	KJL	Kampung Jimah Lama
CSE	Customer Service Representative	KLJ-LRT	Kelana Jaya Light Rail Transit Line
CSR	Corporate Social Responsibility	KPI	Key Performance Indicator
Cu	Copper	KTAK	Ministry of Energy, Water and Communications
DIV	Dutch Intervention Values	kWh	Kilowatt per hour
DOE	Department of Environment	LCA	Life Cycle Analysis
DOSH	Department of Safety and Health	LCI	Life Cycle Inventory
EIMAS	Environment Institute of Malaysia	LESTARI	Institute of Environment and Development
ELITE	Expressway Lingkaran Tengah Sdn Bhd	LTJ	Lost Time Injury
ENSEARCH	Environmental Management and Research Association of Malaysia	LTP	Leachate Treatment Plant
EMS	Environmental Management System	MACEC	Malaysian Centre for Environmental Communicators Berhad
EMP	Environmental Monitoring Programme	MCMC	Malaysian Communications and Multimedia Commission
ERL	Express Rail Link	MDBC	Malaysian Danish Business Council
ERP	Emergency Response Plan	MIA	Malaysian Institute of Accountants
ESCAP	Economic and Social Commission for Asia and the Pacific	MICCI	Malaysian International Chamber of Commerce and Industry
FCMA	Fellow of the Chartered Institute of Management Accountants	MESRA	Malaysia Environmental and Social Reporting Awards
		Mn	Manganese

MS	Malaysian Standards	UKM	Universiti Kebangsaan Malaysia
MSOSH	Malaysian Society for Occupational Safety and Health	UNEP	United Nations Environmental Programme
MUST	Malaysian University of Science & Technology	VOCs	Volatile Organic Compounds
MyNICHE	Malaysian Network for Integrated Management of Chemicals and Hazardous Substances for Environment and Development	W2W	Waste to Wealth
NC₂	Second National Communication	WBCSD	World Business Council Sustainable Development
NCOSH	National Council for Occupational Health and Safety	WMAM	Waste Management Association of Malaysia
ND	Not detectable	WMC	Integrated Scheduled Waste Management Centre
NGO	Non-governmental Organisation	WRI	World Resource Institute
Ni	Nickel	WQI	Water Quality Index
NI	Not included	Zn	Zinc
NIOSH	National Institute of Occupational Safety and Health		
NIWQSM	National Inland Water Quality Standards for Malaysia		
NO_x	Nitrogen oxide		
O&G	Oil & Grease		
OSH	Occupational Safety and Health		
Pb	Lead		
PCB	Polychlorinated Biphenyls		
PLUS	Projek Lebuhraya Utara-Selatan Berhad		
PMS	Performance Management System		
R&D	Research & Technology Development		
Sb	Antimony		
SERI	Solar Energy Institute		
SHE	Safety, Health, Environment		
SHEQ	Safety, Health, Environment & Quality		
SO₂	Sulfur dioxide		
TNS	Taylor Nelson Sofres Malaysia Sdn Bhd		
TOC	Total Organic Carbon		
UAE	United Arab Emirates		
UiTM	Universiti Teknologi Mara		
UKAS	United Kingdom Accreditation Services		



Appendix

Though there is currently no globally recognised standard for estimating carbon emissions, the standard used in general are derived from Greenhouse Gas Protocol, which was jointly developed by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). The emission factors used for the calculation of GHG emissions were obtained from the sources:

- Department for Environment, Food and Rural Affairs (DEFRA), 2007, Passenger Transport Emission Factors
- International Energy Agency (IEA), 2006, International Electricity Emission Factors
- Intergovernmental Panel on Climate Change (IPCC), 2006, 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- Ministry of Agriculture and Forestry (MAF), 2003, Greenhouse Energy Use and Carbon Dioxide Emissions
- National Energy Technology Laboratory (NETL), 2002, Greenhouse Emission Reductions and Natural Gas Vehicles: A Resource Guide on Technology Options and Project Development

- Singapore Mass Rapid Transit (SMRT), 2008
- United Nations Environmental Programme (UNEP), 2000, The GHG Indicator: UNEP Guidelines for Calculating Greenhouse Gas Emissions for Businesses and Non- Commercial Organisations
- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD), 2001, The Greenhouse Gas Protocol and associated Stationary Combustion Tool
- World Wildlife Fund (WWF), 2007, WWF Hong Kong Carbon Calculator

For the estimation of GHG emissions, activity data obtained was multiplied by the emission factor to yield an emission value in metric tonnes. Emission factors are source-specific and vary according to energy content and fuel efficiency. Data used for the emission factors are presented below:

TABLE 14: SOURCE-SPECIFIC EMISSION FACTORS USED IN CARBON FOOTPRINT CALCULATION

Type	Emission Factors (EF)	Source
Electricity	0.000532 tons CO ₂ /kWh	IEA, 2006 (Malaysian grid)
Travel		
Petrol-based vehicle	0.00234 tons CO ₂ /litre	WRI/WBCSD, 2001
Diesel-based vehicle	0.00268 tons CO ₂ /litre	WRI/WBCSD, 2001
Petrol-based vehicle	0.000185 tons CO ₂ /km	UNEP, 2000
Diesel-based vehicle (UK)	0.000199 tons CO ₂ /km	DEFRA, 2007
Natural gas-based vehicle	0.00025 tons CO ₂ /mile	NETL, 2002
LPG-based vehicle	0.000159 tons CO ₂ /km	WWF, 2007
Train (Electric Rail)	0.000037 tons CO ₂ /km	SMRT, 2008
Bus (Diesel-based)	0.00005 tons CO ₂ /km	WRI/WBCSD, 2001
Heavy truck (Diesel-based)	0.00087 tons CO ₂ /km	WRI/WBCSD, 2001
Short haul plane	0.00018 tons CO ₂ /km	WRI/WBCSD, 2001
Medium haul plane	0.000126 tons CO ₂ /km	WRI/WBCSD, 2001
Long haul plane	0.00011 tons CO ₂ /km	WRI/WBCSD, 2001
Plant Operations		
Diesel	0.00268 tons CO ₂ /litre	WRI/WBCSD, 2001
Reconstituted Oil	0.00284 tons CO ₂ /litre	IPCC, 2006 and MAF, 2003

List of Figures and Tables

	Page		Page		
Figure 1:	UEM Environment's financial performance from 2005 to 2007	5	Figure 26:	Carbon emissions from staff taxi travel	47
Figure 2:	Gender equality	23	Figure 27:	Carbon emissions from staff air travel	48
Figure 3:	Employee training days from 2000 to 2007	24	Figure 28:	Carbon emissions from incineration plants	48
Figure 4:	Injury data for 2006 and 2007	32	Figure 29:	Major carbon dioxide emitters at UEM Environment	48
Figure 5:	Accident/incident data for 2006 and 2007	32	Figure 30:	Comparison of diesel and reconstituted oil consumption for 2006 and 2007	49
Figure 6:	Million man hours with zero LTI	33	Figure 31:	Carbon emissions from transportation	50
Figure 7:	Comparison of water usage from 2002 to 2007	36	Figure 32:	Audited financial performance from 2005 to 2007	52
Figure 8:	Consumption of materials from 2002 to 2007	37	Figure 33:	Capital expenditure from 2002 to 2007	53
Figure 9:	Comparison of ambient air monitoring data from 2006 to 2007	38	Figure 34:	Corporate donations and sponsorships from 2005 to 2007	54
Figure 10:	Comparison of stack emissions monitoring data from 2006 to 2007	38	Table 1:	Environmental Cost Commitments from 2002 to 2006	14
Figure 11:	WQI Index for surface water monitoring for 2006 and 2007	39	Table 2:	Sustainability Cost Commitments for 2007	15
Figure 12:	Comparison of effluent monitoring data from 2006 to 2007	40	Table 3:	Employee training conducted at UEM Environment in 2007	24
Figure 13:	Diversity index for fish and invertebrates	41	Table 4:	National level participation on environment in 2007	27
Figure 14:	Diversity index for zooplankton	42	Table 5:	Environmental and scheduled waste management presentations	27
Figure 15:	Diversity index for phytoplankton	42	Table 6:	Dialogues, seminars and visits that were conducted in 2007	28
Figure 16:	Chlorophyll a concentration	42	Table 7:	Improvement actions taken to enhance customer service	30
Figure 17:	Comparison of Tilapia for 2006 and 2007	42	Table 8:	Types of staff training conducted in 2007 at Kualiti Khidmat Alam	33
Figure 18:	Comparison of Chlorella vulgaris for 2006 and 2007	43	Table 9:	Types of driver's training conducted in 2007 at Kualiti Khidmat Alam	34
Figure 19:	Comparison of Moina micrura for 2006 and 2007	43	Table 10:	WQI Quality Scale	39
Figure 20:	Carbon emissions from electricity usage	44	Table 11:	Groundwater monitoring for 2007	40
Figure 21:	Carbon emissions from company-owned vehicle transport	45	Table 12:	Total annual CO ₂ emissions	48
Figure 22:	Carbon emissions from staff-owned vehicle transport	45	Table 13:	Distribution of economic value added from 2005 to 2007	53
Figure 23:	Carbon emissions from contractor-owned transporters	46	Table 14:	Source-specific emission factors used in carbon footprint calculation	65
Figure 24:	Carbon emissions from staff usage of public rail transport	46			
Figure 25:	Carbon emissions from staff long-distance bus travel	47			



Your Feedback

(please tick where appropriate)

- Can we post your view/s on our website? Yes No
- Can we include your name/organisation with your comment/s on our website? Yes No
- Would you like us to continue to mail materials on the social reporting process or any other information pertaining to the Company in general to you? Yes No
- Would you like to participate in our future dialogue session? Yes No

Please state reason if you answered "No"

(for disclosure purpose, if any information from absent stakeholders is intended for public disclosure as part of the social reporting process, the above reasons can be used to state why your organisation has chosen not to participate in the dialogue session)

.....

Signature

Your name and address (optional)

Organisation

Telephone number (home/office)

Email address

REQUEST FOR A PRINTED COPY OF THE UEM ENVIRONMENT SUSTAINABILITY REPORT 2007 - TOWARDS SUSTAINABILITY

Name

Telephone number (home/office)

E-mail address

Address



fold here

stamp

Chief Operating Officer

UEM Environment Sdn Bhd
15th Floor, Menara 2, Faber Towers
Taman Desa, Jalan Kelang Lama
58100 Kuala Lumpur, Malaysia

fold here

2007 Sustainability Report

The report team wishes to thank all the individuals throughout the organisation who contributed information, stories and data to this report. Special thanks to the core contributors that have been helpful in contributing towards the successful publication of this Sustainability Report.

Core Contributors

Azmanuddin Haq Ahmad
Suhaimee Mahdar
Chiew Hai Wah
Jazzita Jamaludin
Chow Yin See
Kong Lee Peng
Zurina Abdul Wahab
Salmah Kasbullah
Mohd Norsuradi Man
Jefri Mohamad Din
Mohd Sallehuddin Ibrahim
Hamdan Osman
Wan Jamshid Amourzegar
Mohd Johari Abdul Malik
Normalis Ali
Razali Abu Bakar
Abdul Rashid Mohamad
Siti Nadzriah Abdul Hamid
Sathish Kurup
Nick Chong
Barani T. Krishna Moorthy
Tan Lay Lay

Compiled & Prepared by

Green Edge Consult Sdn. Bhd.
No. 28-4 Jalan 14/22, Right Angle
46100 Petaling Jaya,
Selangor.
www.greenedgeconsult.com

Designed by

Octagon Creative Sdn. Bhd.

Contact

Chiew Hai Wah
Corporate Communications Manager
Kualiti Alam Sdn. Bhd.
15th Floor, Menara 2, Faber Towers,
Taman Desa, Jalan Kalang Lama,
58100 Kuala Lumpur, Malaysia.

Email: chiew@kualitiam.com

A softcopy of the corporate
sustainability report can be
downloaded at:
www.kualitiam.com

UEM Enviro Sdn Bhd 375706-V
15th Floor, Menara 2, Faber Towers, Taman Desa
Jalan Kelang Lama, 58100 Kuala Lumpur, Malaysia
Tel: 603 7966 4000 Fax: 603 7966 4040