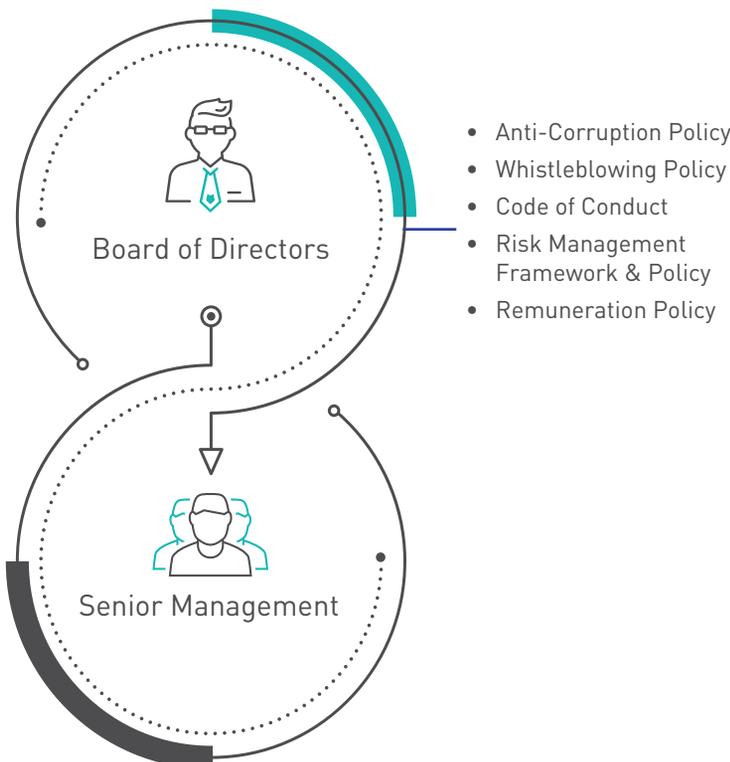


SUSTAINABILITY STATEMENT

As a pioneering developer and provider of green energy solutions, we are committed to harness sustainable innovation through our RE projects in order to contribute into provision of better quality living environments in the future. “Energising A Sustainable Future” is not merely a tagline or slogan. We have embarked on this sustainability journey since 2010.

Aligning with the Government’s focus towards ESG, the Group continues to carry and expand its business operations in a sustainable and responsible manner. The Group focuses on sustainability principles when formulating and implementing business strategies, decision making and operational execution to achieve its goals. Through this Sustainability Statement, the Group provides its stakeholders a better understanding of its strategic approach to create sustainable long-term value for the Group as well as our stakeholders.

GOVERNANCE STRUCTURE



The initiation, drafting, and overview of the Sustainable Policy are under the purview and guidance of the Board of Directors, which consists of eminent persons that are highly experienced in multi-disciplinary fields. Any initiative, including sustainability-related plans and strategies from the Board of Directors will be executed and supported by the Senior Management. The Senior Management is also responsible in updating the Board on the effectiveness of sustainability-related programs and initiatives undertaken throughout the year to ensure there is a successful integration for financial goals, business strategy and business model with the environmental and social sustainability considerations.

SCOPE OF THIS STATEMENT

The Statement covers the sustainability efforts and performances within the activities of the Group and all its subsidiaries involved in its principle business of renewable energy, construction & engineering, green technology and environmental services, waste-to-energy (“WTE”) and waste management. The information disclosed in this Statement are for activities carried out between 1 November 2020 to 31 October 2021, unless otherwise specified.

BASIS OF STATEMENT

This Statement was prepared in accordance with the relevant paragraphs of the Main Market Listing Requirements relating to Sustainability Statements. As Cypark acknowledges the importance of ESG impacts on our business strategy, financial performance and operations, we will continue to enhance the disclosure of our sustainability performance moving forward.

MATERIALITY

The materiality in relation to the sustainability of the Group’s business has been determined from our experience in dealing with sustainability matters in executing our projects, as well as the analysis of the Group’s internal documents and internal processes. The Group reviews sustainability related risk periodically as part of its risk assessment to ensure it continues to address its key sustainability concerns.

SUSTAINABILITY STATEMENT



Courtesy visit by Employee Provident Fund (“EPF”)’s delegation led by the Chief Executive Officer of EPF, Datuk Seri Amir Hamzah Azizan to Cypark Resources Berhad’s HQ on 20 April 2021

FEEDBACK

We welcome our stakeholders’ feedback and concerns in our efforts to improve the sustainability measures and reporting standards. You may direct your feedback, enquiries or details to ir@crbenv.com

OUR COMMITMENT TO SUSTAINABILITY

We are committed in ensuring business sustainability and strive to responsibly manage natural resources in contributing holistically to the wellbeing of the society. Cypark continually produces products and services that are not only profitable but also economically and environmentally sustainable.

STAKEHOLDERS ENGAGEMENT

As part of its sustainability process, specifically in determining vital matters that are crucial for the Group and the environment, Cypark continues to actively engage various stakeholders as our business involves environmental-related activities. Thus, our stakeholders are not limited to authorities, clients, employees and shareholders, but extend to communities as well.

The Group has always worked closely with various stakeholders, which allows Cypark to fully comprehend and complement various stakeholder expectations and requirements and enables us to better manage matters pertaining to sustainability and materiality. Hence, this directly improves our business operations and standing.



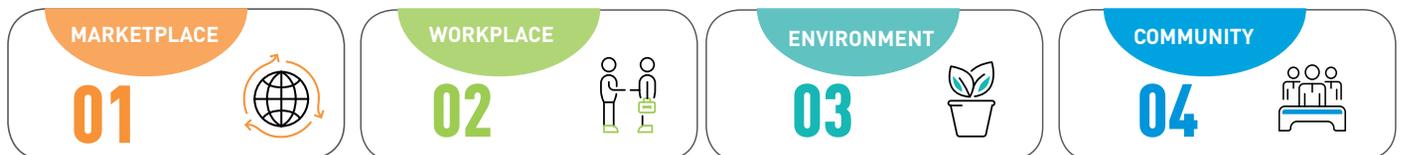
Courtesy visit by Lembaga Tabung Haji’s Investment Team to SMART WTE at Ladang Tanah Merah on 20 May 2021

SUSTAINABILITY STATEMENT

Stakeholder	FYE 2021 Constructive Engagement	Results/Outcomes
 Employees	<ul style="list-style-type: none"> • Corporate events • Meetings and gatherings • Trade events • Employee training 	<ul style="list-style-type: none"> • Improves long-term technical and soft skills abilities of the Cypark community • Strengthens the human capital sense of teamwork, camaraderie, and long term efficiency • Strengthens the Malaysian spirit of togetherness
 Investors/ Shareholders	<ul style="list-style-type: none"> • One-on-one engagement • Company announcement • Financial results announcements • Circulars • Annual General Meetings (“AGM”) • Quarterly Analyst Briefing • Participation in Investor Relations events 	<ul style="list-style-type: none"> • Being responsive and considerate of investors feedback and clarification • Improves the investor’s perception and understanding of Cypark’s existing and future business plans • Meeting or exceeding investor’s expected targeted return
 Government	<ul style="list-style-type: none"> • Meetings, dialogue sessions and briefings • Official visits • Outreach programmes • Participation in ministry events, sponsored events 	<ul style="list-style-type: none"> • Contributes to the betterment of existing government policies and assists in the introduction of new policies. • Builds strong long-term rapport with the Government in order to cultivate a conducive business environment for the RE industry
 Local Communities/ NGOs	<ul style="list-style-type: none"> • Involvement in community focused programmes • Involvement in corporate events • Organising Corporate Social Responsibility (“CSR”) activities • Foster strong relations with related NGOs 	<ul style="list-style-type: none"> • Enhances the existing strong bond between the communities and Cypark • Contributes to the Government efforts in educating the communities on the importance of Environmental Preservation and Sustainable Eco-System
 Media	<ul style="list-style-type: none"> • Press conference • General press/media releases • One-to-one media engagements • Dialogue sessions with media • Media invitations to corporate events 	<ul style="list-style-type: none"> • Maintains the existing excellent effort of media engagement in order to further enhance Cypark’s branding
 Industry	<ul style="list-style-type: none"> • Involvement in meetings, dialogue sessions and briefing, such as the Hong Leong Bank Sustainability Round Table, PV Invest Tech Malaysia and Clean Power & New Energy Conference 2021 • Organising official visits 	<ul style="list-style-type: none"> • Further enhances RE industry development in Malaysia through continued support of industry-based activities

OUR SUSTAINABILITY STRATEGY

We have embarked on our sustainability journey since inception in 2010 and sustainability is a motto that has been ingrained in the Group’s policies. It is inextricably linked with Cypark’s business strategy, decision making and operational execution. The fundamental key pillars in realising these are:



SUSTAINABILITY STATEMENT

MARKETPLACE



Cypark's Renewable Energy Park located in Pajam was developed and constructed under a remediated landfill area

01

Throughout the years, Cypark has been working persistently to create a conducive marketplace that complements the overall needs and objectives of each stakeholder. These efforts have been crafted and executed after the evaluation of current key social and environmental issues. We emphasise on continual measures to support the economic sustainability of our operations.

Greenhouse Gas Reduction

Development of RE parks that reduce GHG emissions

Responsible Land Use

Solid Waste Modular Advance Recovery and Treatment System ("SMART")

Innovation and Research & Development ("R&D")

Management Direction, Portfolio Management & Idea-to-Launch Process

Assist Income Generation

World's first innovation of Agriculture Integrated Photovoltaic ("AIPV") System

EMBRACING RENEWABLE ENERGY ("RE")

RE has always been Cypark's core business philosophy and strategy. Cypark is one of the few companies that are involved in various forms of RE business, namely solar, WTE, biogas and biomass. We are also the market leader in the amount of RE sold to the grid and we will continue to be involved heavily in the industry especially in the newly implemented Malaysian Electricity Supply Industry ("MESI") 2.0. We anticipate that MESI 2.0 will further enhance the acceptance of RE in Malaysia and RE usage is expected to increase by ten-fold as compared to existing usage.

SUSTAINABILITY STATEMENT

GREENHOUSE GAS REDUCTION

Cypark is one of the few listed companies on Bursa Malaysia that can claim to have an operation with zero carbon emission and reduced Greenhouse Gas (“GHG”) emission. To date, the Group’s RE parks, which are in commercial operations, have successfully avoided the emission of 279,277.56 tonnes of carbon dioxide (“CO₂”) while generating 404,750 MWh renewable energy. This is in addition to the avoidance of other emissions including nitrogen oxide and sulphur dioxide. Reducing GHG emission has been our continuous effort as part of our long-term sustainable business philosophy and our contribution to society.

Year 2021	Total Renewable Energy Generation (GWh)	USEPA Annual Avoidance of Carbon Dioxide Equivalent (Tonnes)
Total to date	404.75	279,277.56

The GHG reduction process is not only implemented in the energy generation activities but also in terms of land use to reduce vegetation clearance as per our green construction philosophy. We believe the future of our generation lies in renewable and low-carbon sources of energy as stakeholders gravitate towards decarbonisation to mitigate climate change.

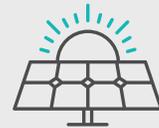
RESPONSIBLE LAND USE

Our modus operandi in the creation of RE parks focuses on the use of non-productive and/or non-commercial areas, which is the reason why some of our current RE parks are mainly located on landfill areas and rehabilitated landfill areas. These kind of areas facilitate the process of lowering GHG emission because it will not involve any additional land acquisition and tree and vegetation clearing throughout the park creation process. The best example of this is our Ladang Tanah Merah RE Park, which is located in a landfill area that houses a solar plant, a biogas engine and a WTE plant. This is the first in Malaysia, and possibly in South East Asia, that has such a combination encompassing Solid Waste Modular Advanced Recovery and Treatment System (“SMART”) methodology, Landfill Waste Management and other types of Renewable Energy.



4.3 MW Renewable Energy Park in Jelevu, Negeri Sembilan

RENEWABLE ENERGY TARGET



Malaysia Plan

6,000 MW

of renewable energy installed capacity by the year 2025



Cypark Resources Berhad

400 MW

of renewable energy capacity by the year 2022

500 MW

of renewable energy by 2023

SUSTAINABILITY STATEMENT

To date, the Group has successfully remediated and converted up to 888 acres of non-productive lands and water bodies into income-generating areas in relation to LSS, biogas and biomass projects. Furthermore, in order to have better land resource allocation for different projects, Cypark pursues collaboration with various entities from both public and private sectors. Our focus, however, remains on sourcing non-productive land or space wherever possible.

ASSIST INCOME GENERATION

We adopted and implemented the Agriculture Integrated Photo Voltaic (“AIPV”) system, which allows us to achieve clean energy generation as well as food crop cultivation and livestock rearing. The 1.075 MW AIPV facility located in Kuala Perlis, Perlis and the 4 MW solar plant in Jelebu have shown promising results so far on the co-existence of both commercially viable activities that can potentially be implemented in other future projects.

INNOVATION AND R&D

Innovation and R&D are the key components that enable the Group to stay ahead of local competition and to be deemed on par with other internationally renowned RE companies. This was proven when Cypark became the only local company that won the previous LSS3 tender.

Led by competent Malaysian Renewable Energy researchers, almost 2% of our revenue is allocated to fund the R&D. Our R&D team stands tall for having brought to Malaysia the ground-breaking, first-ever floating solar farm as well as WTE facility. Moreover, we are also the pioneer in introducing the innovative AIPV system to the world. Other notable achievements of our R&D include SMART inverter applications, enhanced solar panels, the incorporation of the Internet of Things in the form of energy management software, and data sensors to improve monitoring and maintenance.

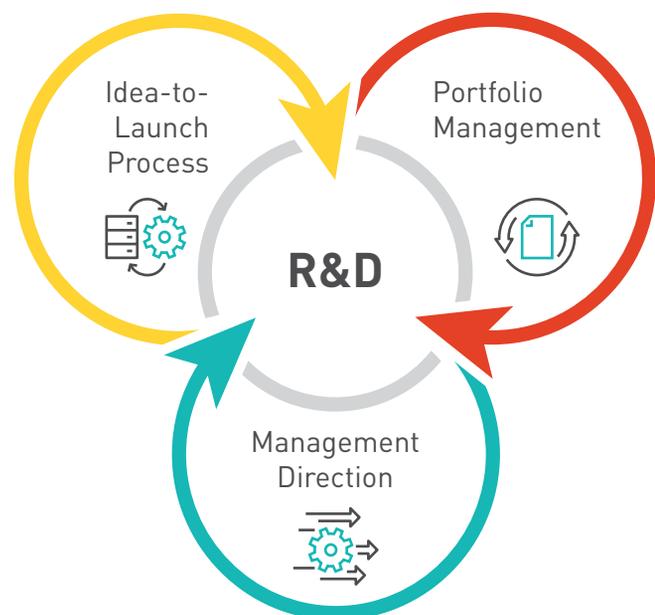


First and largest AIPV in Malaysia located in Kuala Perlis, Perlis

We will continue to emphasise the R&D of real-world applications, which are practical and commercially driven. For examples, research on vertical solar, enhancement of energy storage applications, expanding the usage of biofuels sources, and enhancement of solar energy generation facilities. These applications shall accord further benefits in terms of cost efficiency and environmental sustainability.

We also attempt to keep abreast of digitalisation and technological innovation in enhancing our product offerings to our customers. In view of this, we have entered into a MOU with Huawei Technologies (Malaysia) Sdn Bhd (Huawei) on 3 December 2021 to collaborate for the purposes of a long-term cooperation for a total of 500 MW RE projects in and outside Malaysia. In this arrangement, Huawei will act as the technology enabler and it will undertake to provide the technical and after-sales support for all products and solutions. Meanwhile, Cypark will be the user and installer of the said products and solutions, subject to agreement of both parties and the terms and conditions of the collaboration with Huawei for the Project. The partnership with Huawei is expected to allow Cypark to monitor the performance of our projects better, while also enabling more informed and timely decision making with regards to our EPCC and operation and maintenance of our RE projects.

The R&D team is supervised by the Senior Management to ensure that the R&D efforts are aligned with the business strategies, and that resources are utilised optimally to ensure commercial value.



SUSTAINABILITY STATEMENT



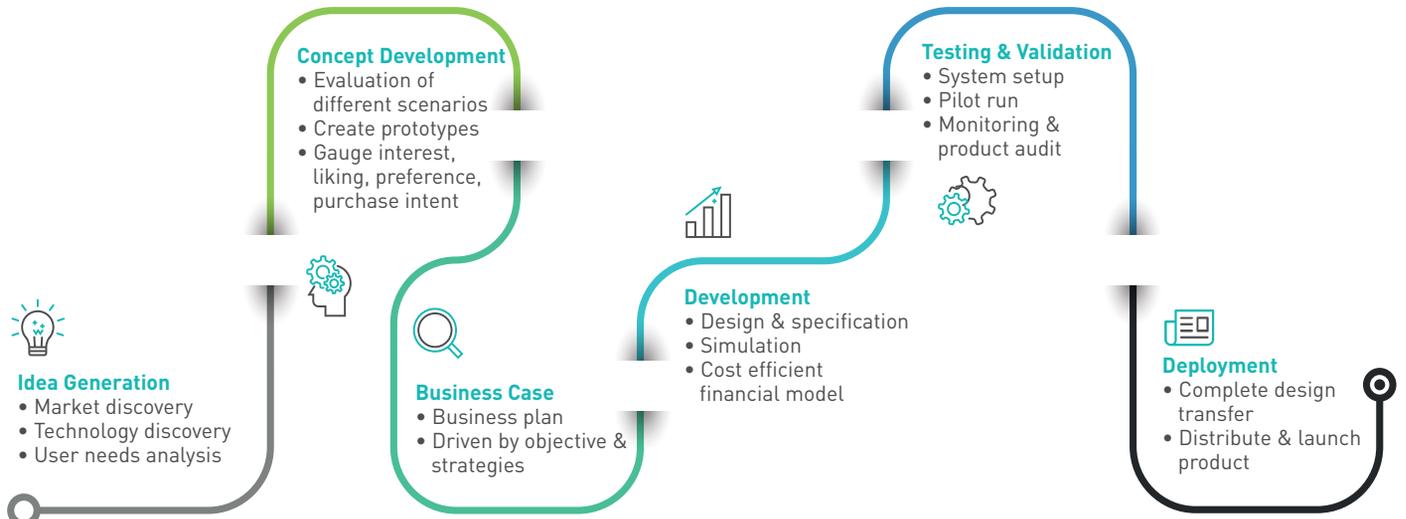
Signing of the MOU with Huawei represented by En. Faizal Yusof, Senior Director of Engineering & Technical of Cypark

Our R&D Portfolio management prioritises the projects based on the direction from the Senior Management to ensure adequate resources are strategically allocated to the R&D projects for finest outcomes, especially when there is an increase in projects coming into the pipeline.

The next phase is the Idea-to-Launch Process. This critical step needs to be followed diligently by the business unit to ensure the R&D can be successfully commercialised, on time and within budget. At the same time, it also ensures the R&D fits with Cypark’s business philosophy in ensuring environmental and economic sustainability.

BRINGING OUR IDEAS TO LIFE

Idea-to-Launch Process



SUSTAINABILITY STATEMENT

WORKPLACE



Toolbox briefing at Cypark's SMART WTE Plant in Ladang Tanah Merah, Negeri Sembilan

02

Human capital is Cypark's main asset. Hence, Cypark is committed to create a dynamic and environmentally stimulating workplace that can attract, retain and develop new and existing talents and bring out the best in them. We also recognise the immense value of our human capital and seek to build the competencies and capabilities of our people to realise their full potential while ensuring their health and safety.

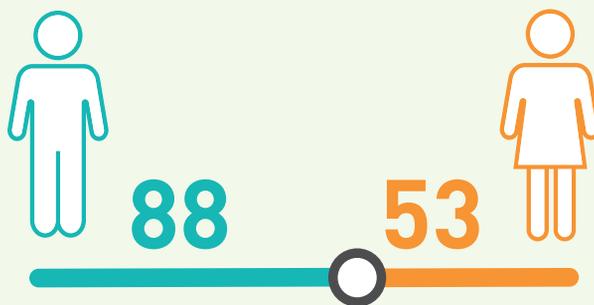
The Group prides itself for having a diverse, multi-cultural workforce consisting of highly skilled local industry professionals, whom we believe are on the par with their overseas counterparts. Furthermore, gender equality has been well entrenched and practised, and continues to be strengthened.

EMPLOYEE RECRUITMENT

Our workforce continues to grow in FYE 2021 with 35 new hires as we believe a stronger workforce is needed to reinforce our business and achieve more productivity; resulting in the progress of the Company.

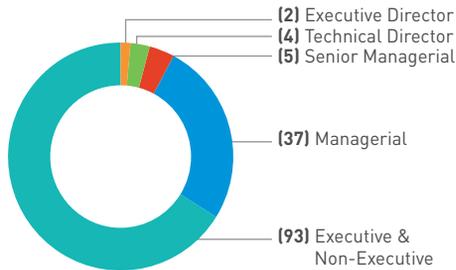
Of the total existing employees, 88 are males and 53 are females, which demonstrate equal employment opportunities regardless gender have been given, in line with our values to be an equitable employer that recruits, retains and rewards staff based purely on merit and professional contribution and capabilities.

Employees by Gender

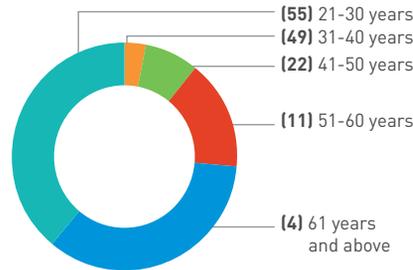


SUSTAINABILITY STATEMENT

Employees by Function



Employees by Age



Total Employees: 141

POTENTIAL DEVELOPMENT

To be amongst renowned corporations in the renewable energy sector globally, we seek to empower our people with a nurturing ambience. Moving forward, we want Cypark’s employees to grow with us so that they are able to adapt with the advancement of technology and new challenges.

In FYE 2021, thirty-two (32) personnel attended various training engagements pertaining to technical skills, compliance awareness, product knowledge, human resources, health, safety, security and environment, soft skills, leadership skills and finance. The Group focuses in boosting and maintaining core competencies and building new capabilities in technology and innovation.

HEALTH AND SAFETY

As safety is the key element of our organisational culture, we continue to emphasise, maintain and cater a safe work environment for our workforce. Cypark is attentive in creating a safe and healthy workplace by eliminating work-related injuries and illness. We take pride in the strong track record that we have built in Cypark.

Cypark’s response to COVID-19 has been nothing short of proactive. Besides putting in place strict Standard Operating Procedures (“SOP”) at project sites and headquarters, Cypark has taken the initiative to provide COVID-19 vaccination to all employees including their immediate families. In September 2021, Cypark was one of the earliest corporate body to successfully launch a full vaccination programme. This was our contribution towards the country to achieve herd immunity.

The Group has continued to inculcate a strong Health, Safety, and Environment (“HSE”) mindset and culture within the organisation, particularly for those who work onsite. This includes weekly safety toolbox briefing at construction sites, site inspections by Senior Management along with various internal and external training programmes.

Moreover, the Group continues to create various HSE campaigns through company-wide communication channels as part of the on-going dissemination and propagation of safety-first mind set among employees. We believe in encouraging employees and workers to take ownership in ensuring safety in their respective work areas to prevent work-related hazards or perilous situations.



**Total Training Budget
in FYE2021**

RM125,800



**Average Spending on
Employees’ Training**

RM142



**Average Training
Hours Per Staff**

0.14 hours

SUSTAINABILITY STATEMENT

ENVIRONMENT



Cypark and PKNM Energy Sdn. Bhd. ("PKNME"), a wholly-owned company of Perbadanan Kemajuan Negeri Melaka, a corporate statutory body of the Melaka State Government, signed a Cooperation Agreement to participate in the WTE Public Private Partnership Project at Sungai Udang, Melaka

03

The Group remains steadfast in our commitment to sustainable development and seeks to operate in a way that minimises environmental harm. We seek to uphold environmental concerns with emphasis on application of new technologies and industry best practises that are environmentally friendly.

Cypark continues its approach beyond developing conventional carbon emission reduction projects by rehabilitating contaminated landfills. The Group has successfully transformed non-productive, abandoned and degraded areas by remediating and converting up to 888 acres of area into environmentally friendly renewable energy projects which also generate income in respect of LSS, biogas and biomass projects.

GREENHOUSE GAS REDUCTION

The Group's development of RE parks produce zero GHG emission compared to conventional fossil fuel based power facilities. Presently, the Group's RE parks have helped to successfully avoid 279,277.56 tonnes of Carbon Dioxide ("CO₂") while generating 404,750 MWh from renewable energy. This is in addition to avoid other emissions such as Nitrogen Oxide, Sulphur Dioxide, and many more.

	Current year (2021)	Total to date
Total Renewable Energy Generation (MWh)	60,251.34	404,750.08
USEPA annual avoidance of carbon dioxide equivalent (tonnes)	41,573.42	279,277.56
Coal Fire Avoidance (tonnes)	7,400.98	49,717.79
Value of coal import avoided	4,315,179.77	28,988,058.32



The strong demand received for our Biomass Engineered Fuel enables Cypark to continuously export it overseas

We are spirited to say that we are one of the few listed companies on Bursa Malaysia that are actively contributing to the reduction of carbon and GHG emission.

We pledge to further minimise our carbon footprint by embracing and reinforcing renewable energy generation and energy efficiency.

CIRCULAR ECONOMY MODEL

Cypark subscribes to the models of the circular economy, where resources are to be optimised – recycled, preserved and kept in use for as long as possible – extracting the maximum value while simultaneously allowing these to regenerate for future use. Circular economy promotes production and consumption of sustainable and greener energy instead of burning non-renewable fossil fuels.

The Group believes that by adhering to the principles of a Circular Economy, the Group is able to better comprehend its sustainability goals. The Circular Economy approach also directly contributes to addressing key issues such as climate change, resource depletion, and contamination of land and water, among others. As part of Cypark’s focus to expand its WTE segment, Cypark has formed partnerships with state government bodies in Johor and Melaka to explore WTE opportunities in the region.



Cypark and Permodalan Darul Ta’zim Sdn Bhd (“PDT”), a wholly-owned company of the Johor State Government, signed a Cooperation Agreement to participate in the WTE Public Private Partnership Project at Bukit Payong, Batu Pahat, Johor Tender issued by the Ministry of Housing and Local Government



Cypark’s Total
Renewable Energy
Generation

**404,750.08
MWh**



Cypark’s Total
Coal Fire Avoidance

**49,717.79
tonnes**

SUSTAINABILITY STATEMENT

COMMUNITY



Cypark's contributed towards building national herd immunity through its Program Mobilisasi Vaksin Komuniti ("MOVAK") launched in Johor on 26 June 2021

04

Cypark values its staff and views society as the most essential part of its sustainability voyage. We believe that social and community development supports livelihoods by uplifting the economy as well as the quality of life.

Although there were myriad of challenges amidst the COVID-19 pandemic period, Cypark strived to engage with various society-focused programmes such as industry conferences and forums, government events and other related activities. Through our CSR programme, we participated in various community development activities including providing educational institutions with information on renewable energy and offering internship opportunities.

All in all, we continue to educate our employees that CSR should be contemplated as a natural extension to our business model and footprint, and should not be viewed entirely as a form of charity or societal outreach.