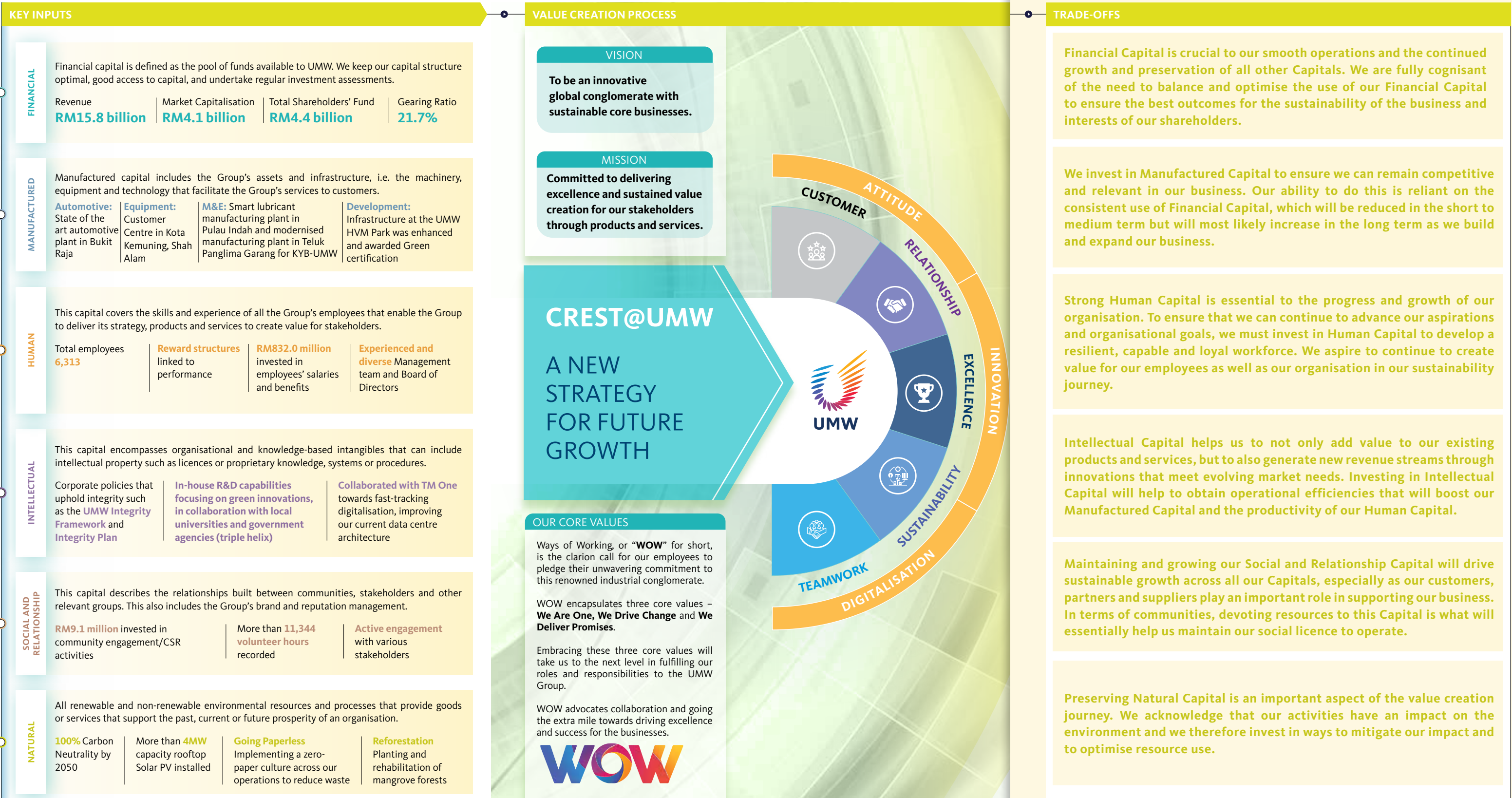


OUR VALUE CREATION BUSINESS MODEL

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KEY INPUTS

FINANCIAL

Financial capital is defined as the pool of funds available to UMW. We keep our capital structure optimal, good access to capital, and undertake regular investment assessments.

Revenue	Market Capitalisation	Total Shareholders' Fund	Gearing Ratio
RM15.8 billion	RM4.1 billion	RM4.4 billion	21.7%

MANUFACTURED

Manufactured capital includes the Group's assets and infrastructure, i.e. the machinery, equipment and technology that facilitate the Group's services to customers.

Automotive: State of the art automotive plant in Bukit Raja	Equipment: Customer Centre in Kota Kemuning, Shah Alam	M&E: Smart lubricant manufacturing plant in Pulau Indah and modernised manufacturing plant in Teluk Panglima Garang for KYB-UMW	Development: Infrastructure at the UMW HVM Park was enhanced and awarded Green certification
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HUMAN

This capital covers the skills and experience of all the Group's employees that enable the Group to deliver its strategy, products and services to create value for stakeholders.

Total employees 6,313	Reward structures linked to performance	RM832.0 million invested in employees' salaries and benefits	Experienced and diverse Management team and Board of Directors
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INTELLECTUAL

This capital encompasses organisational and knowledge-based intangibles that can include intellectual property such as licences or proprietary knowledge, systems or procedures.

Corporate policies that uphold integrity such as the UMW Integrity Framework and Integrity Plan	In-house R&D capabilities focusing on green innovations, in collaboration with local universities and government agencies (triple helix)	Collaborated with TM One towards fast-tracking digitalisation, improving our current data centre architecture
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SOCIAL AND RELATIONSHIP

This capital describes the relationships built between communities, stakeholders and other relevant groups. This also includes the Group's brand and reputation management.

RM9.1 million invested in community engagement/CSR activities	More than 11,344 volunteer hours recorded	Active engagement with various stakeholders
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NATURAL

All renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future prosperity of an organisation.

100% Carbon Neutrality by 2050	More than 4MW capacity rooftop Solar PV installed	Going Paperless Implementing a zero-paper culture across our operations to reduce waste	Reforestation Planting and rehabilitation of mangrove forests
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VALUE CREATION PROCESS

VISION

To be an innovative global conglomerate with sustainable core businesses.

MISSION

Committed to delivering excellence and sustained value creation for our stakeholders through products and services.

CREST@UMW

A NEW STRATEGY FOR FUTURE GROWTH

OUR CORE VALUES

Ways of Working, or “WOW” for short, is the clarion call for our employees to pledge their unwavering commitment to this renowned industrial conglomerate.

WOW encapsulates three core values – **We Are One, We Drive Change** and **We Deliver Promises**.

Embracing these three core values will take us to the next level in fulfilling our roles and responsibilities to the UMW Group.

WOW advocates collaboration and going the extra mile towards driving excellence and success for the businesses.

WOW

CUSTOMER

ATTITUDE

RELATIONSHIP

EXCELLENCE

INNOVATION

SUSTAINABILITY

DIGITALISATION

TEAMWORK

INITIATIVES

Intensifying customer retention and relationship

Cost optimisation efforts led to savings of **RM178.4 million** in FY2022

Built strong relationships with our principals

Refer to President & Group Chief Executive Officer's Review on pages 20 to 29 and Financial Highlights on pages 30 to 35 for more details

Automotive: New model launches, including the Corolla Cross hybrid electric model from Toyota and Ativa Hybrid from Perodua

Equipment: A series of successful marketing campaigns was launched to maximise opportunities during the year

M&E: Launched Grantt Bio VG Hydraulic Oil, its first range of green, bio hydraulic lubricants

Aerospace: Strong commitment to quality and product excellence

Refer to Our Performance on pages 52 to 83 for more details

Continue to provide training through the UMW Executive Development Programme (UEDP)

Organised the CREST@UMW Learning Series which includes discussions with business leaders and guest experts on topics and trends related to CREST's core pillars and strategic enablers

Signed Collective Agreement with Kesatuan Pekerja-Pekerja Perusahaan Kumpulan UMW to strengthen labour relations with workers

Refer to our Sustainability Report 2022 for more details

Deployed a total of 21 RPA (Robotic Process Automation) projects to improve productivity

Collaborated with Telekom Malaysia (TM) on hybrid cloud, to consolidate and improve our data centre architecture as part of our efforts to optimise technology and operations.

Progressed new research and innovation initiatives through the UMW Innovation and Research & Development Centre

Developed a range of strategic partnerships with various institutions to expand R&D collaborations

Refer to our Sustainability Report 2022 for more details

Provided a range of personal protective equipment in response to community and frontline requirements

Provided excellent customer service and met customer needs

Established new partnerships with a range of organisations to drive green innovation, nurture technological advancement and attract foreign investment

Refer to our Sustainability Report 2022 for more details

Accelerating our sustainability agenda of achieving carbon neutrality by 2050 by further integrating sustainability into our business operations

Introduced hybrid electric vehicle (Corolla Cross), expanded forklift refurbishments and battery-powered forklift business

UMW Green Shoots (UGS) and Bamboo planting initiatives

Refer to our Sustainability Report 2022 for more details

Return on Equity: **9.5%**

Dividend payout: **14.2 sen**

Earnings per share: **35.5 sen**

Automotive: Both Toyota and Perodua maintained their leading positions in the non-national and national car markets respectively

Automotive: Introduced the Toyota Mirai which uses hydrogen fuel cell technology currently being used in Sarawak

M&E: Grantt Bio VG Hydraulic Oil (VG46 and VG68) both obtained MyHijau certification

Equipment: Industrial segment's business grew in sectors such as food & beverage, logistics, and warehousing

Aerospace: the Division retained its position in the top **5%** of Rolls-Royce's high performing suppliers group

Green Products: Expansion of BRUSS and Water Reclamation Plant (in-house membrane)

30% women's representation on the Board of Directors

Diversity: **80%** male, **20%** female

Employee Engagement Survey recorded a satisfaction level of **93%**

Zero fatality

Energize UMW engagements to promote employee wellness

46 high potential young talents selected since 2018

Improvement in productivity and work efficiency through process automation and digitalisation

Fully compliant with the Eco-Dealership evaluation

Applications modernisation across the business units in staying updated with the latest functionality and features

Mitigated the risk of cyber threats and cyber attacks by continuously improving awareness on cyber security among employees

Improved procurement process to strictly ensure compliance with Group's procurement guidelines

In support of our local vendors, **58.99%** of the Group's procurement was spent on local suppliers

2,146 UMW Community Volunteers clocked **11,344** voluntary hours

Collaboration between employees and local communities in reforestation activities under the UGS initiative

Supported the Trail of National Rivers Programme's bamboo tree planting activities

Rooftop Solar PV capacity increased from 2MW to 4MW, a **100%** increase from the previous year

Improved GHG emissions disclosures by reporting Scope 1 emissions (direct emissions from sources owned or controlled by UMW Group): **8,069.4** tCO₂e and Scope 2 emissions (indirect emissions from purchased energy such as electricity): **46,321.1** tCO₂e

157,000 mangrove and **10,000** bamboo trees planted

Printing was reduced by **484,394** prints which is equivalent to **1.3 tonnes** of solid waste avoided

Awarded with Bronze in Green Rating for UMW Campus in Serendah by GreenRE

OUTCOMES

Financial strength

Value comes from prudent financial management and stringent cost optimisation provided for shareholder returns.

Embedded trust

The strength of our assets serves to bring about a competitive advantage and provide assurance on our quality.

Increased productivity

Ensuring productivity not only constantly improves, but is also substantially amplified through consistent, inclusive engagement and enhanced, targeted learning, led by an involved Management.

Greater innovation

Creating limitless value through inventive courses of action by collaborating with strategic partners to deploy untapped revenues and efficient systems to meet progressive market requirements.

Better relationships

Investing in building stronger relationships with advantageous collaborations within the value chain and in the communities we operate in to support our goals in sustaining a better world.

Sustainable environment

Mitigating our impact on the environment through concerted efforts to minimise our footprint by integrating sustainability measures into our businesses and carrying out conservation initiatives.