A. Strategic Review
Material Matters

Our material matters are the issues that most significantly impact our ability to create value and achieve our strategic objectives. By identifying these issues, we are able to channel our efforts and resources to areas where they can make the most impact, both for our business and stakeholders.

Aligned with our strategic planning cycle, we conduct a materiality assessment every three years, following the below steps.

Materiality Assessment Process

Identification of Stakeholders and Sustainability Matters
- Identify key stakeholders
- Undertake a desktop review of potential material matters and a peer benchmarking exercise

Prioritisation of Key Stakeholders and Material Sustainability Matters
- Carry out a survey with key external stakeholders
- Undertake a materiality workshop

Review & Validation
Present the outcome of the materiality assessment to the senior management and Board for approval

Read more about Stakeholder Engagement and Value Creation on pages 48 to 57

Our last materiality assessment, carried out in 2022, identified 17 material matters across the economic, environmental, social and governance dimensions.

During the year under review, we undertook a high-level review exercise to validate the continued relevance of these topics, determining that the 17 material matters remain significant to our business. The validation exercise also confirmed that eight material matters – our High Priority Material Matters – remain most significant to our business and stakeholders. This is reflected in the materiality matrix below.

UEM Sunrise Materiality Matrix

Material Matters
- M1 Customer Management
- M2 Economic Performance
- M3 Ethical Business Practices
- M4 Employee Management
- M5 Health and Safety
- M6 Data Privacy and Cybersecurity
- M7 Climate Change
- M8 Local Community
- M9 Waste
- M10 Supply Chain Management
- M11 Human Rights
- M12 Market Presence
- M13 Materials
- M14 Indirect Economic Impact
- M15 Water and Effluents
- M16 Biodiversity
- M17 Procurement Practices

M1 CUSTOMER MANAGEMENT

Description

The experience that we provide our customers during their interactions with us, including the products and the ways we interact with them via in-person and virtual communication channels.

Why It Is Important

High quality experiences drive customer satisfaction, loyalty and referral, thereby being a key engine of our long-term growth and success. Ultimately, by keeping our customers happy, we enhance our reputation as a leading property developer.

Risks

- Non-compliance with local regulations and international standards leading to legal, operational and reputational risks
- Delays in project completion and property handovers affecting customer satisfaction, trust and our financial performance
- Market uncertainties, increased financing costs and extended sales cycles impacting homebuyers and our business performance
- Negative customer experiences, poor service quality and public perception affecting our brand credibility, sales and investor confidence
- Data privacy and cybersecurity risks, including cyber threats and potential misuse of personal information
- Unethical business practices undermining our transparency efforts, customer confidence and regulatory standing

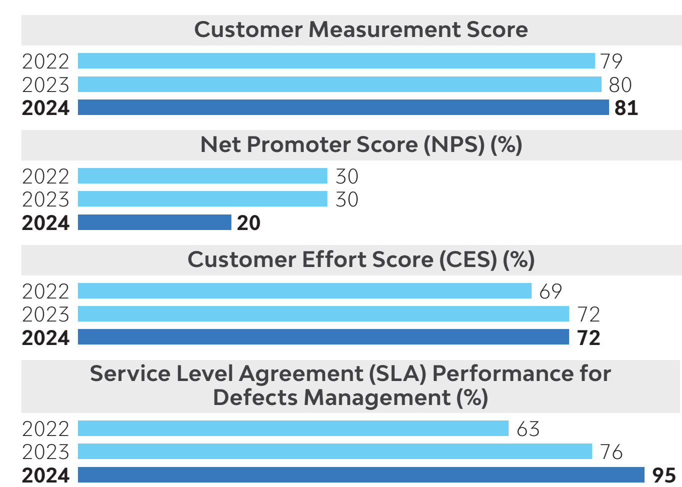
Opportunities

- Strengthened customer satisfaction, loyalty and advocacy enhance our reputation, business growth, profitability and competitive advantage
- Upholding privacy protection, equal treatment and freedom of choice fosters greater trust and fairness in customer interactions
- Contributing to broader human rights goals creates a stronger environment of trust, respect and inclusivity for all stakeholders

Our Response

- Ensuring compliance with local regulations and international standards to deliver quality, sustainable homes while minimising risks and building customer trust
- Implementing robust risk management through quality audits, supply chain evaluations and proactive issue resolution to maintain project timelines, financial stability and service standards
- Strengthening customer engagement through multi-channel feedback platforms, digital tools and in-person interactions to enhance satisfaction, refine the customer journey and address concerns efficiently
- Investing in digital transformation, data analytics and real-time feedback to personalise experiences, optimise service delivery and proactively address potential issues
- Enhancing the homeownership journey through digital platforms, process improvements and customer-centric innovations for greater accessibility and efficiency
- Expanding our strategic collaborations to offer exclusive rewards, integrated lifestyle benefits and enhanced community engagement, reinforcing brand credibility and customer loyalty
- Establishing governance frameworks, policies and standard operating procedures to manage handovers, defects and customer service, ensuring timely responses and consistent quality
- Driving sustainability efforts through environmental initiatives, digital resources and responsible business practices to support long-term community well-being
- Upskilling teams through continuous training and development to sustain high service standards and strengthen market positioning

KPIs



Capitals: F SR **Stakeholders:** SG2 **UN SDGs:** 9 11 **Strategies:** ST1 ST3

Material Matters

M2 ECONOMIC PERFORMANCE

Description

The economic value we generate through our business activities and how this value is distributed to our stakeholders and towards social and environmental advancement, with consideration to climate-related financial risks.

Why It Is Important

Strong economic performance is vital to ensuring that our business has the capital to maintain our assets and pursue growth opportunities. It also provides us with the means to bring wider, sustainable benefits to our stakeholders and society at large

Risks

- Widening affordability gap due to Malaysia's subsidy rationalisation plan, with salary growth lagging behind property price increases
- Misaligned supply, particularly for units below RM500,000, despite strong pent-up demand
- Environmental risks from development, including soil erosion, floods and pollution, affecting on-site and surrounding areas
- Increased congestion and economic disparities between socioeconomic groups due to poorly planned urbanisation and facilities

Opportunities

- Delivering projects that meet the changing demands of consumers, including affordability, thus positioning us as a future-ready developer
- Creating positive socio-economic benefits in the vicinity of our operations, including through job opportunities created and the impact of facilities integrated within our developments

Our Response

- Developing a self-sustaining master plan in Gerbang Nusajaya to integrate residential, commercial, industrial and transportation needs while promoting sustainable growth
- Positioning Puteri Harbour as a premier waterfront destination with world-class infrastructure, lifestyle offerings and regional connectivity
- Kiara Bay's open plan community mall The Beat serves the community's needs through placemaking and recreational activities, while The Connaught One Transit-Oriented Development (TOD) enhances connectivity, accessibility and urban convenience
- We embed mitigation and adaptation measures in our project designs to manage environmental risks such as soil erosion, floods and pollution, ensuring resilient developments that minimise impacts on-site and to surrounding areas

Capitals: F M H I   Stakeholders: SG1 SG3 to SG9   UN SDGs: 9 11   Strategies: ST1 to ST4

M3 ETHICAL BUSINESS PRACTICES

Description

Ethical business practices are essential for building a resilient and sustainable business. We are committed to operating our business in an ethical manner and adhering to all relevant laws and regulations. We recognise the damaging effects of corruption and other unethical business practices on our stakeholders, including our employees, customers, shareholders and the wider community.

Why It Is Important

To protect our Company and stakeholders against unethical practices, we are committed to ensuring that our people, processes and operations comply with all applicable laws, regulations and policies, including the Malaysian Anti-Corruption Commission Act 2009.

We are committed to the highest standards of integrity and have a zero-tolerance policy towards all forms of corruption. We will not tolerate any behaviour that violates our commitment to ethical and legal business practices.

Risks

- Implementing ethical standards often requires higher investment in areas such as fair wages, sustainable materials and regulatory compliance
- Companies that follow strict ethical standards may lose out to competitors who use unethical shortcuts to offer lower prices or faster services
- Ensuring ethical conduct across global suppliers and partners is difficult and any unethical behaviour by third parties can harm the company's reputation

Opportunities

- Ethical practices help build a strong, trustworthy brand image, which attracts loyal customers who value honesty, fairness and responsibility
- Companies known for ethical behavior are more likely to attract skilled employees and responsible investors who want to be associated with trustworthy and value-driven organisations
- By focusing on ethical standards, businesses are better positioned for long-term success through stronger stakeholder relationships, reduced legal risks and a proactive approach to environmental and social responsibility

Our Response

- Establishing robust policies and anti-corruption measures, including the Anti-Corruption Policy Statement, Anti-Corruption Policy & Guidelines, Code of Conduct and Code of Conduct for Business Partners, to uphold integrity and ensure our business operations are free from corruption
- Our Integrity & Risk Management (IRM) Department has established a Group Risk Management Policy & Guidelines that outlines our objectives, responsibilities and accountabilities
- Conducting training programmes on anti-corruption for employees to emphasise the value of integrity in the workplace and all our business transactions
- Establishing and implementing a CHIEF Integrity Advocate (CIA) programme to promote integrity throughout the organisation
- Regularly engaging with the MACC and government-linked investment companies (GLICs) to strengthen anti-corruption efforts
- Our Australian businesses implemented a Modern Slavery Statement to comply with the Australian Modern Slavery Act 2018 (Cth)

Capitals: F SR   Stakeholders: SG3 SG4 SG5 SG6 SG8 SG9   UN SDGs: 6 16

Material Matters

M4 EMPLOYEE MANAGEMENT

Description

We are committed to attracting, developing and retaining a diverse and high-performing workforce in a safe, inclusive and empowering environment. By fostering employee well-being, equity and continuous learning, we uphold responsible business practices and enable sustainable growth aligned with international standards and sustainable practices expectations.

Why It Is Important

Our employees are the foundation of our long-term business resilience, innovative capability and future growth. An engaged, future-ready workforce enhances our ability to deliver sustainable value to our stakeholders, while supporting our U2030 aspirations as aligned with global sustainability benchmarks.

Risks

- Potential impact on employee morale and productivity during periods of organisational restructuring and leadership transition
- Challenges in attracting and retaining high-quality talent with critical subject matter expertise in a competitive market
- Risk of workforce instability due to employee turnover
- Cultural transformation efforts may face resistance or slow adoption, affecting progress toward U2030 goals

Opportunities

- Boosting productivity to support long-term business growth
- Elevating staff well-being, engagement and psychological safety to reduce turnover
- Building a resilient, digitally skilled and sustainability-minded workforce
- Driving inclusive leadership and cultural transformation to build a great and sustainable workplace

Our Response

- Providing continuous learning and development opportunities
- Conducting regular performance reviews to guide growth and drive high performance
- Offering competitive and holistics rewards and benefits
- Curating fit-for-purpose well-being programmes to improve wellness and mental health programmes
- Supporting flexible working arrangements
- Organising engagement activities and festive celebrations to promote collaboration and inclusivity

CHIEFs participating in a workshop to shape the organisation's purpose and future direction.

Capitals: H I   Stakeholders: SG1 SG7   UN SDGs: 5 8 10

M5 HEALTH AND SAFETY

Description

Our promotion of health, safety and environmental (HSE) excellence through regulatory compliance, strategic partnerships and structured programmes while driving a zero-fatality culture, strengthening our workforce capability and aligning with international standards to support operational excellence and sustainability.

Why It Is Important

Effective HSE management protects our people, supports business continuity and ensures compliance with regulatory and international requirements. A strong health and safety culture also reduces risk, improves operational performance and reinforces stakeholder trust, all while contributing to long-term sustainability.

Risks

- Regulatory non-compliance leading to reputational harm and potential penalties
- Workplace incidents impacting employee well-being, safety and productivity
- Environmental non-conformance causing delays, penalties and reputational damage
- Insufficient HSE training and awareness creating gaps in implementation and standards adherence

Opportunities

- Strengthening our reputation through compliance and recognition as an appointed GLC OSHNET member and registered as member of the Malaysian Society for Occupational Safety and Health (MSOSH)
- Fostering a safety-first culture to enhance well-being and workforce productivity
- Minimising incidents to support operational efficiency and reduce downtime
- Contributing to sustainability goals through proactive environmental management
- Building stakeholder trust through industry leadership and best practice implementation

Our Response

- Strengthening our governance and ensuring proactive compliance with regulatory requirements
- Implementing behaviour-based safety programmes and improving hazard management to reduce incidents
- Enhancing awareness through comprehensive HSE training and certification at all levels
- Utilising digital tools to track compliance, manage risks and monitor performance
- Monitoring our environmental impact and applying sustainability policies aligned with global standards
- Monitoring air, water and noise quality continuously to manage compliance and mitigate risks
- Embedding waste reduction, resource efficiency and pollution prevention into daily operations
- Conducting Environmental Impact Assessments (EIA) for applicable projects to meet regulatory and sustainability requirements
- Implementing water monitoring programmes and management plans to optimise usage and prevent contamination

KPIs

Workplace Fatalities (no.)	
2022	0
2023	0
2024	**0**

HSE Training Hours (no. of hours)	
2023	38,183.5
2024	**37,213.6**

Reduced Lost Time Injury Rate (LTIR)	
Employees	
2022	0
2023	0
2024	**0**
Non-employees	
2022	0
2023	0
2024	**0**

Capitals: H   Stakeholders: SG1 SG5 SG7   UN SDGs: 8

Material Matters

M6 DATA PRIVACY AND CYBERSECURITY

Description

The robust controls, continuous monitoring and proactive risk management in place to safeguard customer information and our corporate data.

Why It Is Important

Strong cybersecurity measures ensure business continuity by minimising the likelihood of attacks that could halt operations.

Risks

- Data loss or corruption due to failed system recovery, disrupting operations and causing potential revenue loss
- Data breaches leading to reputational damage, reduced customer trust and legal implications

Opportunities

- Building stakeholder and employee awareness on data protection and accountability

Our Response

- Encrypting data end-to-end and monitoring threats in real time via our Security Operations Centre (SOC)
- Creating awareness across the organisation through targeted training on data protection and accountability
- Continuously updating our policies and security tools to align with international best practices

KPIs

KPIs	Baseline Assessment		Completion Rate (%)
	Before Training (%)	After Training (%)	
Cybersecurity Awareness Training (2024)	76	78	100

Integrity & Cybersecurity Day

Capitals: I   Stakeholders: SG2   UN SDGs: 9, 16

M7 CLIMATE CHANGE (ENERGY & EMISSIONS)

Description

Our approach to managing and reducing GHG emissions, focused on achieving climate-related targets through energy efficiency, low-carbon solutions and sustainable development practices.

Why It Is Important

Addressing climate change is critical to long-term business sustainability, investor confidence and community trust. As climate-related risks increase, reducing emissions and transitioning to low-carbon operations helps build resilience, protect value and future-proof our developments.

Risks

- Increased regulatory scrutiny, legal actions and penalties that may damage reputation
- Shortage of skilled talent in sustainability-related fields
- Loss of investment opportunities due to lack of transparency in ESG practices
- Rising costs of compliance with climate-related regulations and standards
- Supply chain disruptions from climate-related events affecting material availability

Opportunities

- Integrating green building practices and energy-efficient solutions across all new developments, while retrofitting existing developments with energy-efficient technologies to reduce emissions and lower long-term costs
- Enhancing our product designs to align with ESG principles
- Adhering to international ESG standards and certifications to meet investor and customer expectations
- Collaborating with stakeholders to raise awareness of sustainable practices

Our Response

- Prioritising energy-efficient designs, renewable energy use and eco-friendly construction materials
- Incorporating climate risk considerations into property planning to enhance resilience
- Retrofitting assets with sustainable technologies to reduce operational emissions
- Committing to a low-carbon transition by 2030 and achieving carbon neutrality by 2050
- Ensuring transparent governance, ethical conduct and alignment with international sustainability standards
- Supporting communities through inclusive development and quality-of-life improvement programmes

An EV charging station at The Beat, Kiara Bay, showcasing our commitment to reducing carbon emissions

Capitals: F M N   Stakeholders: SG2 to SG4 SG6 to SG9   UN SDGs: 7, 12, 13   Strategies: ST4

Material Matters

M8 LOCAL COMMUNITY

Description

We believe it is our responsibility to create a positive impact in the communities where we operate.

Why It Is Important

Through our initiatives, we strive to enhance the well-being, growth and resilience of these communities by supporting education, social welfare, sustainability and economic empowerment. By actively engaging with stakeholders and collaborating with partners, we aim to create a thriving environment that benefits present and future generations.

Risks

- Unequal access to opportunities
- Communities relying on corporate programmes may struggle if support is reduced
- Raising environmental and social awareness among internal and external stakeholder groups

Opportunities

- Investment can enhance the overall well-being of the community
- Support helps communities maintain their unique identities
- More inclusive and sustainable development projects
- Continue collaborating with government agencies and non-governmental organisations (NGO)

Our Response

- Collaborating with stakeholders to engage, discuss and communicate to ensure the appropriate social programmes executed
- Addressing community needs through programmes, donations and infrastructure support
- Creating opportunities for entrepreneurs and small businesses through partnerships
- Empowering students through educational activities and sports programmes
- Reducing environmental risk by incorporating sustainable practices into community projects

Students of our adopted schools, SK Bangi and SK Rinching Hilir, participating in the 'Know-Your-Edibles' event organised by our social enterprise partner, KNOTs.

Capitals: H SR **Stakeholders:** SG1 SG7 SG8 SG9 **UN SDGs:** 1 4 6 8 10 11 12 13 **Strategies:** ST4

M9 WASTE

Description

Our management of hazardous and non-hazardous waste, as well as effluents disposed of as waste or wastewater.

Why It Is Important

Compliance and regulatory risk as there are legislative obligations and sustainability standards that we must comply. Failure to comply can result in negative impact to the Company's reputation and to the environment and community

Risks

- Regulatory compliance
- Mitigation of environmental impacts
- Optimisation of resource utilisation
- Protection of public health
- Cost savings and operational efficiency
- Enhance brand reputation and stakeholder trust

Opportunities

- Implementing circular economy principles in design and operations
- Promoting efficient use of resources and materials that can be reused, repurposed or recycled to minimise waste

Our Response

- Reducing waste through adoption of prefabrication techniques in line with the Modern Methods of Construction (MMC), while minimising packaging and optimise material usage
- Initiating recycling and reusing programmes for construction materials, office waste and landscaping waste, to divert waste from landfills
- Engaging certified and licensed third parties to handle and dispose waste in accordance with regulatory standards
- Monitoring reports on waste collection, disposal and recycling activities and monitoring their performance against agreed upon metrics
- Installing Automatic Waste Collection System (AWCS) in our developments, enhancing the hygiene standards and mitigate the risk of occupational injuries among the maintenance personnel
- Adhering to the waste management guidelines as documented in the health, safety and environment requirement for contractors

Waste segregation practised at one of our development sites to reduce landfill waste, conserve resources and promote a circular economy.

Capitals: N **Stakeholders:** SG4 SG8 **UN SDGs:** 12 15 **Strategies:** ST4

Material Matters

M10 SUPPLY CHAIN MANAGEMENT

Description

The planning, sourcing, procurement, conversion and logistics activities that support project delivery, along with collaboration and coordination across partners to optimise value, efficiency and sustainability.

Why It Is Important

Effective supply chain management improves cost efficiency, project timelines, quality and risk mitigation. It also supports long-term sustainability goals by embedding responsible sourcing and fostering resilient, collaborative partnerships.

Risks

- Managing multiple parties across a complex project landscape can lead to delays and miscommunication
- Long lead times and fluctuating material costs may disrupt project timelines and budgets
- Weak supply chain visibility may reduce our agility and risk response capability

Opportunities

- Building strategic partnerships through initiatives like the Vendor Partnership Programme (VPP)
- Advancing sustainable procurement practices across the value chain
- Strengthening and diversifying our supplier base via an agile and up-to-date Approved Vendor List (AVL)
- Leveraging technology such as Building Information Modelling (BIM) and big data for supply chain integration

Our Response

- Strengthening our relationships and communication with consultants, contractors and vendors
- Integrating our suppliers into digital systems and technology platforms to streamline operations
- Prioritising sustainable procurement in alignment with ESG goals
- Ensuring our AVL remains current, agile and diverse to support project needs

KPIs

Supplier Base Expansion (no. of vendors)

The Bumiputera Vendor Partnership Programme aims at building long-term, strategic relationship with vendors to enhance their capabilities and competitiveness.

Capitals: M SR N | Stakeholders: SG5 | UN SDGs: | Strategies: ST1 ST3 ST4

M11 HUMAN RIGHTS

Description

We are committed to upholding and promoting human rights across all aspects of our operations, supply chains and business relationships. We strive to create an equitable, respectful and inclusive environment for all.

Why It Is Important

Respecting human rights is fundamental to ethical business conduct and sustainable growth. As a responsible employer and corporate citizen, we must ensure dignity, safety and equal opportunity for all individuals connected to our business – including employees, contractors and communities – while managing legal, reputational and operational risks.

Risks

- Risk of discrimination or unfair treatment based on gender, race, disability, nationality, religion or age, which could undermine inclusivity and employee trust
- Potential for non-compliance with local and international labour and human rights standards across operations or supply chains
- Inadequate grievance mechanisms or lack of awareness may limit employees' ability to report violations or seek redress
- Reputational and legal exposure if human rights abuses are found within business relationships or among third-party vendors

Opportunities

- Reflected in our Diversity, Equity and Inclusion Policy, UEM Sunrise aims to build an organisation that fosters diversity, equity and inclusion by promoting a culture that respects and appreciates differences, advocates equality and encourages individuals to grow and develop to reach their full potential. The Policy applies to all members of the Board and employees of the Group, including those on contract, on secondment, on internships, or anyone directly or indirectly employed by UEM Sunrise Group, whether remunerated or otherwise

Our Response

- Providing training, development and progression to all employees and helping them reach their full potential
- Ensuring fairness and compliance with laws by reviewing and updating employment practices and procedures when necessary.
- Empowering employees through awareness campaigns and accessible grievance mechanisms.
- Collaborating with suppliers, contractors and communities to promote fair labour practices and protect vulnerable groups

We actively promote diversity, equity and inclusion practices within our workplace.

Capitals: H | Stakeholders: SG1 SG5 SG6 SG7 SG8 SG9 | UN SDGs:

Material Matters

M12 MARKET PRESENCE

Description

Our ability to maintain and grow our industry position by delivering sustainable, high-quality developments, expanding into strategic markets, enhancing brand value, attracting investment and contributing to economic development.

Why It Is Important

A strong market presence is essential for long-term growth, stakeholder confidence and brand relevance, enabling us to capture emerging opportunities, attract investment and contribute to the communities we serve.

Risks

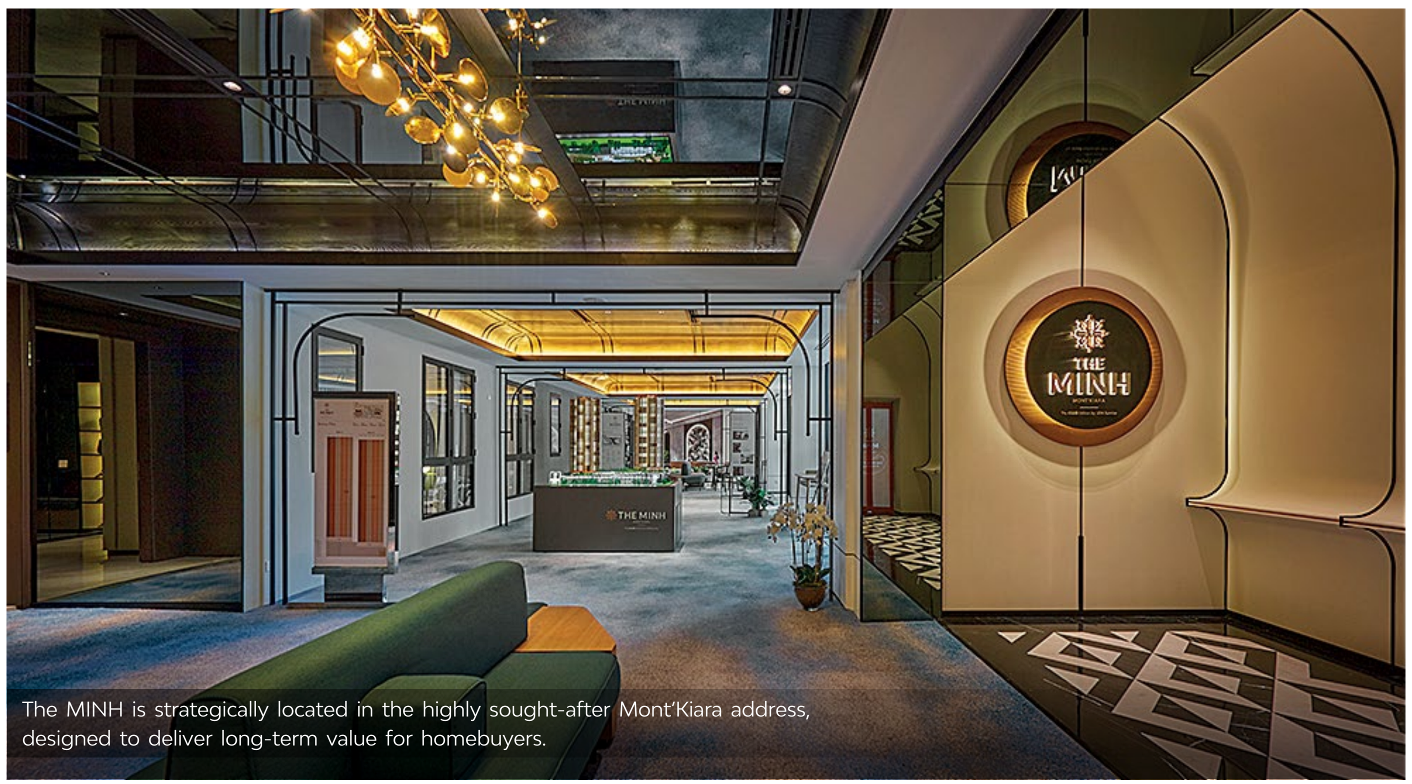
- Increased competition leading to potential loss in our market share.
- Macroeconomic volatility affecting property demand and buyer confidence.
- Challenges in penetrating new markets or maintaining a competitive advantage.

Opportunities

- Leveraging strategic locations to drive sustainable growth.
- Expanding into emerging markets and high-demand segments.
- Enhancing brand value through sustainable, innovative and customer-centric developments.

Our Response

- Strengthening our presence through strategic expansion, partnerships and innovation.
- Differentiating our brand via customer engagement, community programmes and sustainability-led design.
- Staying ahead through ongoing market research, R&D and adaptability to changing trends.



The MINH is strategically located in the highly sought-after Mont'Kiara address, designed to deliver long-term value for homebuyers.

Capitals: F M | Stakeholders: SG2 SG3 SG4 SG6 | UN SDGs: | Strategies: ST1 ST2 ST3

M13 MATERIALS

Description

The materials used to deliver our developments, including sourcing practices, composition and the impact these materials have on sustainability, quality and project outcomes.

Why It Is Important

The materials we use have a direct impact on the sustainability, quality and affordability of our projects. By prioritising sustainable, low-impact and high-performing materials, we advance our mission to deliver developments that are environmentally responsible, economically viable and socially beneficial.

Risks

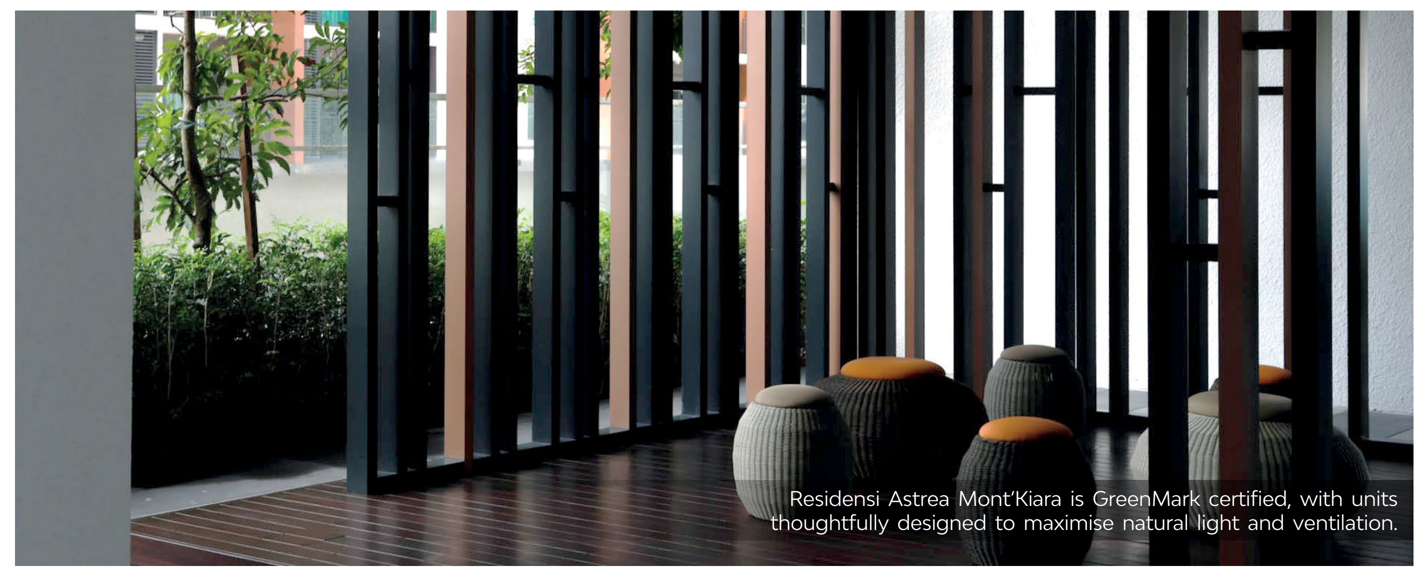
- Use of non-sustainable materials increasing our carbon footprint and resource depletion, undermining our long-term sustainability goals.
- Vulnerability to supply chain disruptions such as material shortages, delays or price fluctuations, which may impact project viability and increase costs.

Opportunities

- Driving innovation through alternative construction methods and recycled materials, reducing waste and shortening project timelines.
- Advancing circular economy practices through recycling, repurposing and designing for material reuse.
- Achieving green building certifications through strategic sourcing of low-carbon materials.
- Enhancing resilience and efficiency through use of standardised and modular components.

Our Response

- Utilising BIM to enable integrated data analysis and real-time collaboration, thereby improving coordination in material procurement.
- Applying the UEM Sunrise Design Playbook to enhance precision through the metric system and minimise material wastage via standardisation and modularisation.
- Implementing standard residential layouts based on Design for Manufacturing and Assembly (DfMA) principles to streamline project launches and achieve cost efficiency.
- Engaging in strategic collaborations to promote ethical sourcing and increase the availability of sustainable materials.
- Embedding Sustainable Development Design Guidelines (SDDG) in design and construction phases to prioritise low-impact materials and reduce the overall carbon footprint.



Residensi Astrea Mont'Kiara is GreenMark certified, with units thoughtfully designed to maximise natural light and ventilation.

Capitals: N | Stakeholders: SG7 SG8 | UN SDGs: | Strategies: ST4

Material Matters

M14 INDIRECT ECONOMIC IMPACT

Description

Our commitment to sustainability extends beyond just environmental and social impact. By incorporating economic sustainability into our agenda, we are able to create long-term value not only for our business but for the communities in which we operate. As a leading property developer, our success in generating economic growth and maintaining a strong market presence is essential to our role in contributing to the growth and development of the local economy and we strive to do so in a way that is sustainable and responsible.

Why It Is Important

When we choose to develop a new area, our operations and built environment have the ability to boost socio-economic values in surrounding community. We also create job opportunities and drive economic activity, both of which are critical to building a prosperous and sustainable future for Malaysia.

Risks

- Ethical practices may lead to higher production costs, which can make products or services less price-competitive in markets where consumers prioritise affordability over ethical standards
- In regions where unethical practices are normalised or overlooked, ethically operated businesses may face difficulties entering or sustaining operations, potentially leading to lost revenue and reduced market share
- Stakeholders who prioritise financial performance over ethical considerations may perceive ethical commitments as obstacles to profitability, leading to tension or reduced investment support

Opportunities

- As consumers become more aware of social and environmental issues, there is growing demand for ethically produced goods and services, providing businesses with new market opportunities and the potential for increased sales
- Ethically driven businesses can leverage their commitment to social responsibility to justify premium pricing, thereby improving profit margins and attracting customers who value sustainability and ethical practices
- Investors and financial institutions increasingly prioritise ESG criteria, creating opportunities for ethically focused companies to attract investment from socially conscious capital sources

Our Response

Our dedication to fuelling economic growth and fostering community prosperity goes hand-in-hand with our commitment to upholding labour standards and promoting local hiring practices. We not only drive quality projects that uplift stakeholders but also prioritise the well-being of our workforce. This includes adhering to minimum wage regulations for all employees and workers engaged in our operations, regardless of local variations

Capitals: F SR N | Stakeholders: SG7 SG8 SG9 | UN SDGs: 8, 13 | Strategies: ST4

M15 WATER AND EFFLUENTS

Description

Our responsible and efficient water use across offices and project sites, coupled with effective effluent management, which aims to minimise environmental impact and protect community health.

Why It Is Important

Responsible water and effluent management is essential for sustainability, operational continuity and regulatory compliance while also protecting community health and strengthening climate resilience.

Risks

- Non-compliance with water regulations leading to penalties and reputational damage
- Water scarcity disrupting operations and affecting occupant comfort
- Pollution from improper effluent management harming ecosystems and community well-being

Opportunities

- Embedding water-efficient technologies in our developments to support affordability and environmental goals
- Enhancing climate change resilience across operations and built assets
- Enabling green building certification through sustainable water and effluent practices

Our Response

- Incorporating climate-resilient design and planning in all developments
- Applying water-efficient technologies and best practices to reduce consumption
- Diversifying water sources to minimise reliance on municipal supplies
- Managing water quality to prevent pollution during construction and operations
- Conducting regular audits and risk assessments to monitor compliance with relevant permits and regulations

Environmental care in action: Noise monitoring for a quieter, healthier neighbourhood

Capitals: N | Stakeholders: SG7 SG8 | UN SDGs: 6, 12 | Strategies: ST4

Material Matters

M16 BIODIVERSITY

Description

Our identification and assessment of biodiversity-related risks and potential impacts on terrestrial, freshwater and marine environments located within or near areas of high biodiversity value.

Why It Is Important

Protecting biodiversity and conservation areas where we operate safeguards the environment, ensures regulatory compliance, enhances long-term business resilience and preserves ecosystem services that benefit both nature and society.

Risks

- Loss of biodiversity and degradation of ecosystems, which may result in ecological collapse and reputational risk

Opportunities

- Access to green financing, such as sustainability-linked loans, green bonds and socially responsible investment (SRI) Sukuks
- Community engagement via placemaking
- Educational awareness on conservation, preservation and regeneration of ecosystems

Our Response

- Integrating biodiversity and ecological considerations throughout project planning, design, construction and operations
- Ensuring full compliance with environmental laws and biodiversity-related regulations across all developments
- Supporting tree planting programmes and nature-based initiatives to restore ecosystems
- Promoting urban biodiversity to enhance liveability and ecological balance in built environments
- Partnering or collaborating with research institutions, NGOs and government agencies to enhance biodiversity, focusing on R&D efforts


Mangrove forest adjacent to Estuari development, Iskandar Puteri

Capitals: N
Stakeholders: SG7 SG8
UN SDGs: 15
Strategies: ST4

M17 PROCUREMENT PRACTICES

Description

The processes, policies and procedures used to acquire our goods and services, with a focus on cost efficiency, quality, timeliness and risk management throughout the supply chain.

Why It Is Important

Effective procurement practices enable cost control, assure quality, support timely delivery, strengthen vendor relationships and contribute to risk mitigation and overall project success.

Risks

- Cost overruns and poor budgeting resulting in financial losses
- Project delays due to ineffective procurement planning
- Quality issues from substandard materials or workmanship
- Reputational damage from procurement-related disputes or performance failures
- Contractual disputes due to unclear terms or poor vendor performance

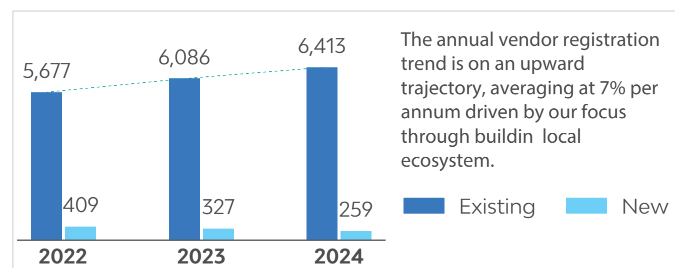
Opportunities

- Realising cost savings by optimising our procurement value chain
- Enhancing quality control through robust processes and vendor standards
- Improving project timelines through structured project management practices
- Building long-term strategic partnerships that add value across our supply chain

Our Response

- Maintaining an up-to-date AVL focused on high-performing suppliers
- Prioritising strong supplier-client relationships for better collaboration and delivery
- Embracing technology to streamline procurement processes and enhance transparency

Vendor Registration Trend (2022-2024)



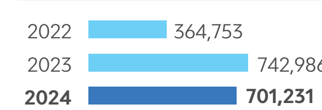
Total Number of Vendors

2022	2023	2024
6,086	6,413	6,672

Percentage of New Registration (%)

Percentage of Vendors from Local Companies (%)

Total Contribution to Vendors (RM'000)



Proportion of Spending on Local Vendors (%)

Capitals: M H SR
Stakeholders: SG5
UN SDGs: 9 12
Strategies: ST1 ST3 ST4

A. Strategic Review
Operating Landscape

Economic & Property Market Overview and Outlook

Operating in a dynamic property sector, it is essential that we closely monitor market performance, trends and developments, as doing so enables us to strategically refine our approach and respond proactively.

Globally, economic recovery across real estate markets has remained gradual, hindered by ongoing challenges including inflationary pressures, geopolitical tensions and climate-related disruptions. Advanced economies, in particular, have grappled with managing debt levels and adjusting to fluctuating interest rates, while emerging markets have experienced moderate recovery, primarily driven by sustained domestic demand. Energy transition initiatives, AI-led productivity enhancements and shifting global trade alliances have emerged as significant economic themes influencing market dynamics.

Closer to home, the Malaysian property market has shown notable resilience, buoyed by robust economic policies, positive market sentiment and a resurgence in tourism, presenting favourable opportunities for industry players.

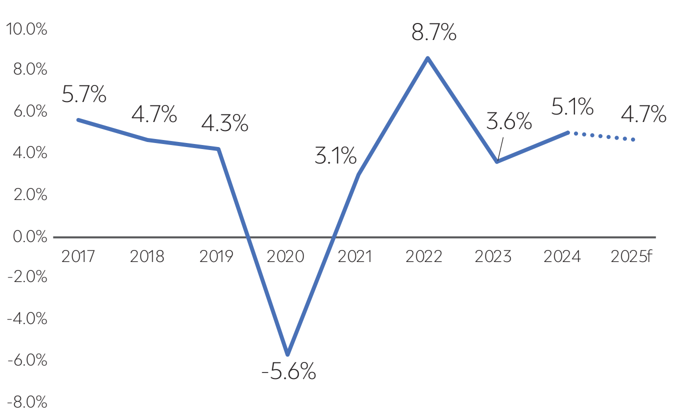
In this section, we provide a comprehensive analysis of key trends and developments shaping Malaysia's real estate sector across residential, industrial and commercial segments. Additionally, we offer insights into the Australian market, where we continue to pursue growth opportunities to expand our footprint.

Macro Overview of Malaysian Property Market

Positive Economic Indicators

Malaysia's Gross Dosmectic Product (GDP) achieved stronger-than-expected growth of 5.1% in 2024, improving from 3.6% in 2023, driven by stable government policies, robust demand in the electrical and electronics (E&E) sector and sustained foreign direct investments (FDI).

Malaysia GDP Growth, 2017–2025f

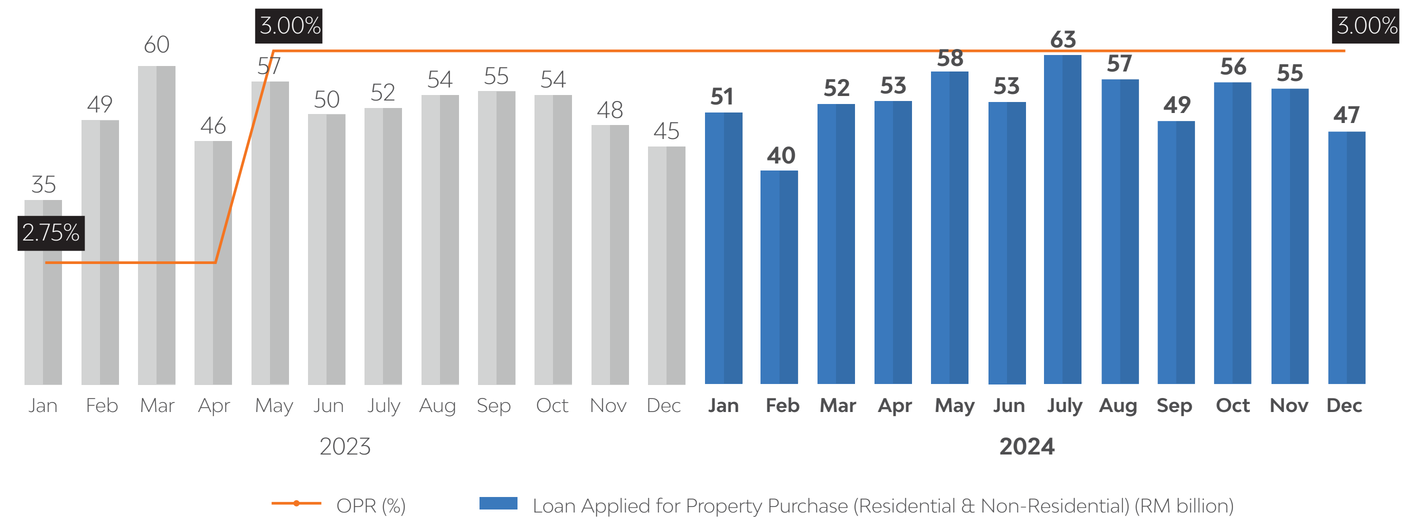


Source: Department of Statistics, Bloomberg

Although inflation continues to pose a global challenge, Malaysia's inflation rate moderated to an average of 1.8% in 2024, maintaining its downward trajectory and reflecting greater price stability compared to previous years (2023: 2.5%; 2022: 3.3%). This moderation was primarily attributable to slower price increases in sectors such as food and beverage (F&B) and accommodation services. By December 2024, inflation had further eased to 1.7%, down from 1.8% in November.

Meanwhile, the Overnight Policy Rate (OPR) remained steady at 3.0% throughout 2024, providing a favourable financing environment and bolstering market confidence. Loan applications registered steady growth, peaking at RM63 billion in July. Following a slight dip in August and September, loan demand recovered in October, underscoring market resilience and sustained demand over the year.

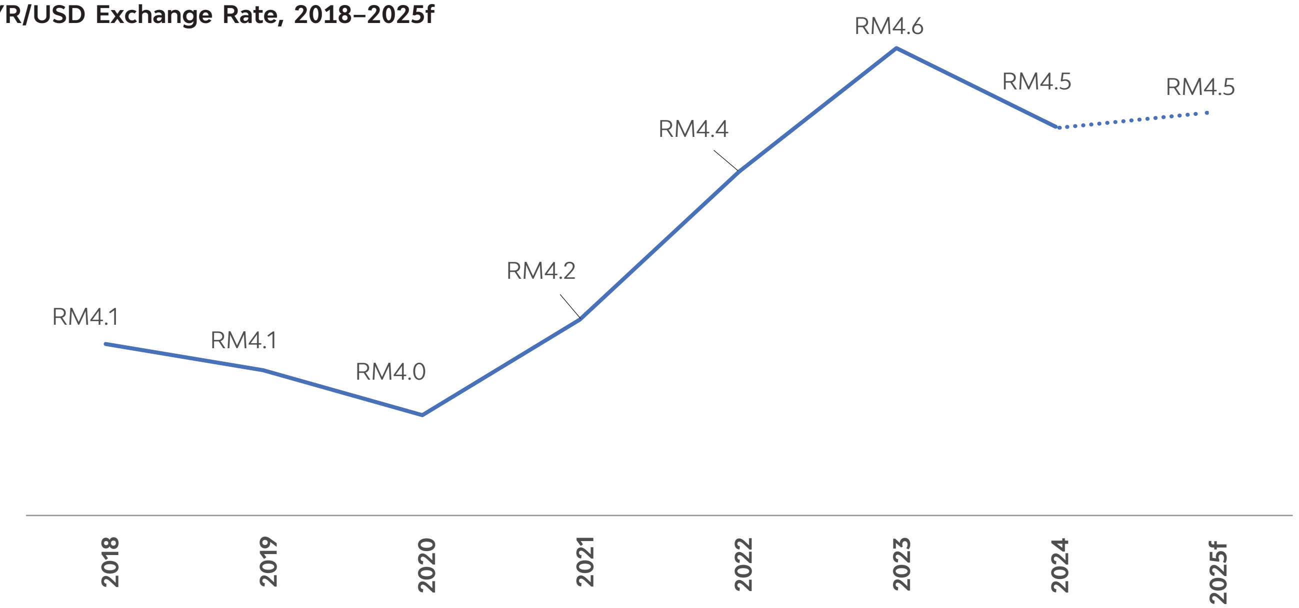
Overnight Policy Rate and Property Loan Applications, 2023–2024



Source: Bank Negara Malaysia (BNM)

The rise of the national currency was another notable highlight, with the Ringgit ending 2024 as the best-performing major Asian currency. It appreciated by more than 2.7% during the year, stabilising around RM4.47/USD in December, a reflection of resilient fiscal policies and strong investment inflows.

MYR/USD Exchange Rate, 2018–2025f



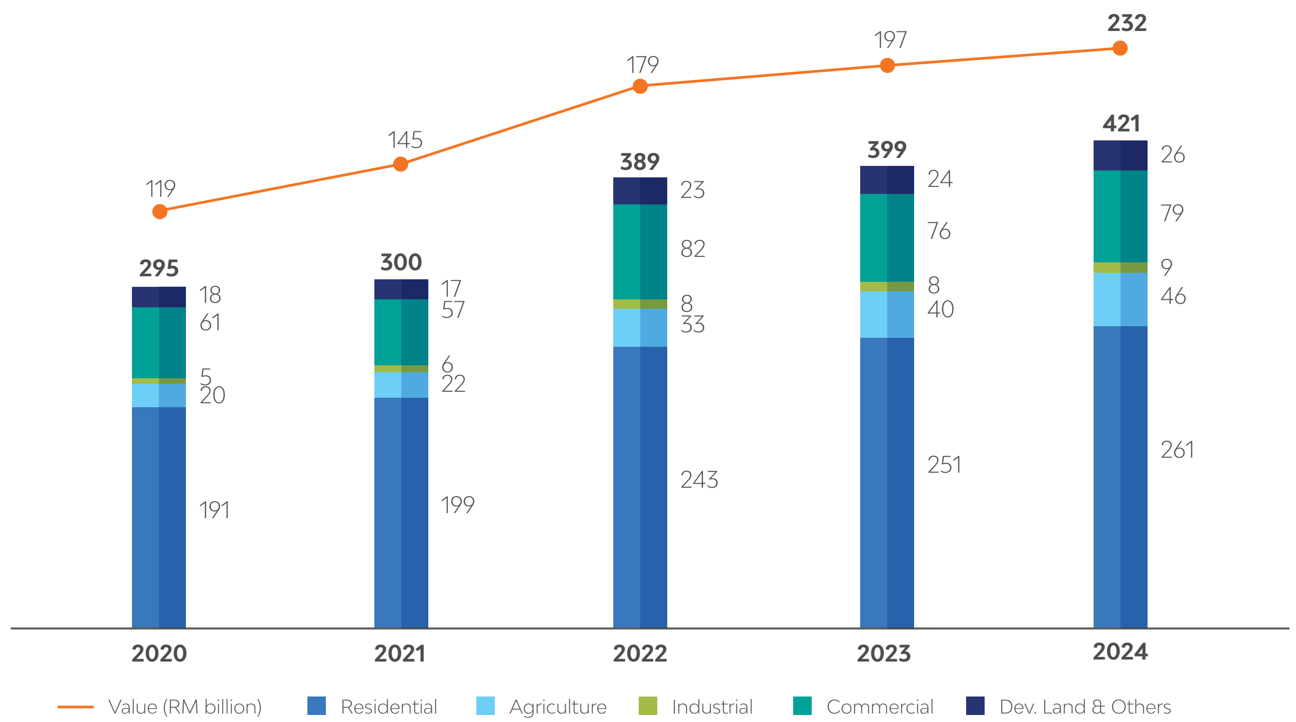
Source: Bloomberg

Economic & Property Market Overview and Outlook

General Property Market Trends and Regulatory Developments

As revealed in the annual National Property Information Centre (NAPIC) report, Malaysia's property market showed positive momentum across key segments. Residential demand remained stable for affordable housing, transit-oriented and integrated developments, while the luxury housing segment continued to cater to niche markets. Robust demand for industrial products persisted, driven primarily by expansion in e-commerce, data centres and manufacturing investments, particularly concentrated in Johor and Klang Valley. Meanwhile, although the commercial sector benefited from tourism-led retail recovery, demand for hybrid-ready, green-certified office spaces stayed selective.

Malaysia Transaction Volume ('000 units) by Segment and Total Value (RM billion), 2020-2024



Source: NAPIC

Several government policies and regulatory updates are influencing the property sector. These include a revamp of the Malaysia My Second Home (MM2H) programme, featuring a new tiered system (Silver, Gold, Platinum) with mandatory property purchase criteria aimed at stimulating the high-end market and attracting foreign investors.

Additionally, the Corporate Renewable Energy Supply Scheme (CRESS) was introduced to encourage the sustainable growth of energy-intensive industrial and commercial developments, such as data centres, by enabling direct sourcing of electricity from renewable energy providers. Complementing this initiative, the Ministry of Housing and Local Government has issued new data centre planning guidelines to further enhance Malaysia's attractiveness as a regional data centre hub.

Looking ahead, upcoming regulations such as the Real Property Development Bill (RPDB) and the Urban Redevelopment Act (URA), expected in 2025, are poised to reshape the landscape. The URA, in particular, is anticipated to drive sustainable redevelopment in Malaysia's urban centres and be a key enabler for public-private partnerships in revitalising ageing city zones and catalysing inner-city redevelopment. We are well-positioned to tap into opportunities arising from this Act, particularly in strategic areas with strong infrastructure and transit links.

Potential Industry Risks and Challenges

While the overall prospects and demand outlook for Malaysia remain positive, we remain mindful of ongoing risks and challenges within the business environment.

From an operational perspective, rising construction costs and persistent labour shortages present risks of project delays and increased operational expenditures. Nevertheless, developers will likely remain cautious in passing these cost increases to customers, given that housing affordability continues to be a significant concern, further exacerbated by subsidy reforms and increased household expenses.

Externally, escalating US-China trade tensions continue to pose significant headwinds for global trade. The Trump administration has implemented steep tariffs on Chinese imports, with rates reaching up to 145%, while China has retaliated with tariffs as high as 125% on US goods. These measures have heightened uncertainty in global trade dynamics, impacting supply chains and economic stability worldwide.

RESIDENTIAL SEGMENT

Malaysia's residential property market displayed resilience in 2024, driven by favourable economic conditions and stable interest rates, significantly boosting consumer sentiment. The market recorded notable growth, with residential transaction volumes rising by 4.0% and transaction value increasing by 5.9% year-on-year. A total of 260,516 units were sold during the year, amounting to RM106.9 billion.

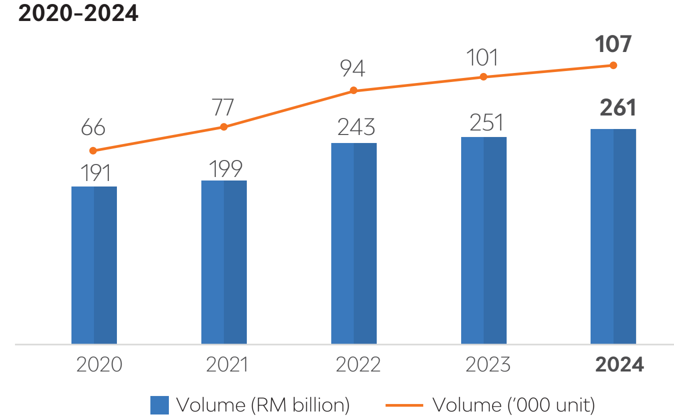
In a positive development, the number of overhang units declined by 7.7% to 44,585 units, reflecting developers' more strategic approach to project launches. The industry sharpened its focus on high-demand segments, particularly attainable mid-range properties priced below RM500,000, alongside deliberate initiatives to clear unsold inventory. While new supply continued, developers adopted a cautious stance, prioritising established demand centres and reducing speculative activities in oversupplied segments. These strategies proved effective, as demand remained particularly strong for properties priced below RM800,000 in prime urban locations and below RM500,000 in suburban areas and Tier-2 cities.

Property values also maintained steady upward momentum, as demonstrated by the Malaysian House Price Index (MHPI). Moderate price appreciation occurred across our core domestic markets; Klang Valley saw an average price increase of 2.5% to RM680,635, while Johor recorded a more significant rise of 5.3% to RM436,576.

Positive market developments in Johor strongly support our strategic growth initiatives within key development zones in the Southern Region, specifically in Iskandar Puteri. The region is poised for revitalisation, fuelled by its proximity to Singapore and sustained infrastructure investments. Notable catalysts include the Johor-Singapore Special Economic Zone (JS-SEZ) and the Rapid Transit System (RTS) Link connecting Johor Bahru and Singapore, both expected to spur economic growth, increase FDI and boost residential demand.

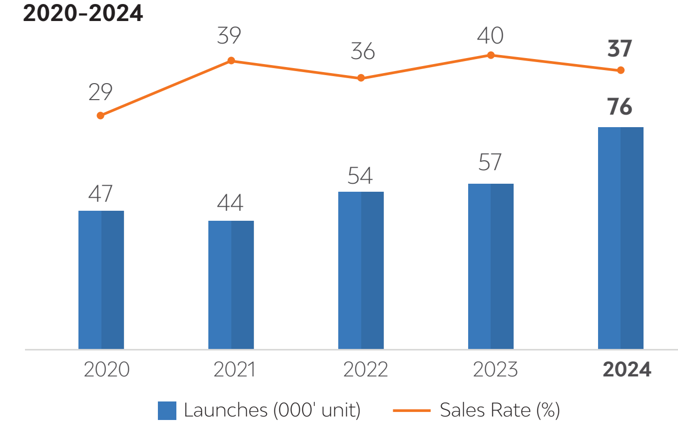
With Iskandar Puteri's outlook strengthened by supportive government policies and an influx of businesses and expatriates, we are well-positioned to capture these opportunities and deliver substantial growth across the region in the coming years.

Malaysia Residential Transaction Volume and Value, 2020-2024



Source: NAPIC

Malaysia Residential Launches and Sales Rate, 2020-2024



Source: NAPIC

UEM SUNRISE BERHAD
INTEGRATED ANNUAL REPORT 2024

Economic & Property Market Overview and Outlook

COMMERCIAL SEGMENT

In 2024, the commercial office and retail segments continued to encounter challenges driven by the shift towards hybrid work arrangements, evolving consumer behaviour and persistent oversupply.

Four notable office buildings were completed across the Klang Valley during the year – Merdeka 118, Menara Felcra, Pavilion Damansara Heights Corporate Tower 1 and ATWATER Corporate Towers – raising the total office space supply in the Klang Valley to 125.5 million sqft.

Market conditions remained favourable for tenants amid persistent oversupply, resulting in high vacancy rates and downward rental pressure in older office buildings, particularly in Kuala Lumpur and Johor Bahru. However, the prime office segment exhibited resilience, sustaining stable occupancy levels and rental rates despite the influx of new supply. With the designation of the Tun Razak Exchange (TRX) as Malaysia's International Financial Centre, we anticipate a revitalisation of the Klang Valley office market, with greater emphasis on high-quality, well-managed, ESG-compliant office spaces that accommodate evolving flexible workspace trends. TRX will continue to catalyse rejuvenation in its surrounding precincts and the upcoming Urban Renewal Act is also expected to facilitate redevelopment of ageing and under-utilised commercial plots, aligning with national urban rejuvenation goals.

The retail segment in Klang Valley performed relatively better in 2024, driven by new developments and refurbishments of existing malls, which have positively enhanced the retail landscape. Prime, strategically located retail developments continued to thrive, successfully attracting international brands and experiential retail concepts. Strong consumer spending supported healthy occupancy rates in prime retail spaces, although secondary malls, especially in suburban areas, faced challenges in tenant acquisition. To stay competitive amidst the rapid growth of e-commerce, retailers are increasingly adopting experiential shopping and digital omnichannel strategies to attract and retain customers.

Looking forward, persistent oversupply in both office and retail markets remains a challenge, resulting in slower absorption rates. To address this, we will continue to adopt a planned, curated and disciplined approach to our commercial real estate ventures, strategically pursuing opportunities that generate consistent recurring income and capital gains. Our aim remains to deliver value to investors and stakeholders while effectively serving and enhancing our communities.

INDUSTRIAL SEGMENT

Malaysia's industrial property market maintained its resilience in 2024, driven by sustained manufacturing expansion, the continued growth of data centres and robust logistics activity, despite a moderation in the e-commerce-driven surge observed during the COVID-19 period. The sector recorded a notable increase in transaction value, reaching approximately RM27.9 billion – representing a strong growth of 16.4% compared to RM23.9 billion in the preceding year. Key segments underpinning demand include semiconductors, EVs and high-value manufacturing.

Purpose-built industrial parks and free trade zones continued to attract strong interest, particularly in strategic locations such as Johor, driven by the establishment of the JS-SEZ, as well as Penang and Selangor. Occupancy rates for prime industrial assets remained consistently high, with some select locations even facing supply constraints. Consequently, rental and land value trends remained stable to upward-trending, particularly for strategically located sites near key ports and logistics hubs. The increasing preference for modern, ESG-compliant industrial facilities has also begun shaping market pricing dynamics, reflecting a premium on quality assets.

Following the earlier surge driven by e-commerce expansion, demand within the industrial market has stabilised and become more balanced across various segments, with renewed emphasis placed on traditional and diversified industrial uses. The market's resilience is underscored by a robust 4.6% expansion in Malaysia's manufacturing sector sales during 2024, compared to growth of just 0.2% in 2023. This growth was primarily driven by significant expansions within the Food, Beverages & Tobacco subsector (14.6%), alongside solid performances from Electrical & Electronics products (8.7%) and Non-metallic Mineral, Basic Metal & Fabricated Metal Products (3.2%). These achievements highlight sustained, broad-based demand across Malaysia's key manufacturing industries.

Ongoing global trade tensions and rising tariff risks – particularly under renewed protectionist policies in the US – are expected to accelerate 'friend-shoring' of supply chains, benefitting Malaysia as a neutral, cost-competitive industrial hub in Southeast Asia. However, these dynamics also introduce an element of uncertainty.

Future prospects remain cautiously optimistic, supported by Malaysia's approval of RM88.8 billion in manufacturing investments in 2024 and national policies such as the New Industrial Master Plan 2030 (NIMP 2030), which aim to drive Malaysia's industrial transformation. The emergence of data centres and industrial or logistics facilities represents particularly promising sectors for 2025, fortified by rising demand for digital infrastructure and strategic industrial initiatives. Moreover, the establishment of the JS-SEZ is set to substantially elevate Malaysia's economic prospects by 2030, attracting international corporations, driving job creation and stimulating sustained economic growth.

Aligned with these developments, we remain committed to strategically capitalising on the expanding industrial property market, particularly in Johor. Our proximity to the world-class Port of Tanjung Pelepas and robust industries in Singapore's Jurong West provides a strong foundation for our continued growth in the region.


Skyline of Mont'Kiara

Economic & Property Market Overview and Outlook

AUSTRALIA (RESIDENTIAL MARKET)

Australia's real estate sector remains stable and on a growth trajectory, although there are clear signs of moderation. National house prices recorded an average increase of 5.1% in 2024; however, the flat performance observed in the final quarter – representing the weakest quarterly result since March 2023 – signals a potential slowdown in market momentum.

Rental prices, while still robust, also demonstrated moderation, easing from a peak growth rate of 7.8% in March 2024 to 6.7% in September 2024. Despite this deceleration, continued strong rental growth highlights persistent low vacancy rates, indicating an overall tight rental market.

High interest rates and ongoing uncertainty around future rate movements continued to influence housing demand and buyer sentiment. Although the Reserve Bank of Australia (RBA) maintained the cash rate at 4.35% throughout 2024, the cumulative impact of 13 rate hikes since May 2022 resulted in increased buyer caution across the market.

The labour market remained stable and resilient throughout 2024, providing critical support to overall housing market stability. This resilience has also helped alleviate fears surrounding the "mortgage cliff", with many homeowners recently transitioning from low fixed-rate mortgages, previously secured during the pandemic, to significantly higher variable rates, resulting in sudden increases in repayments. Although mortgage distress and arrears rose slightly in response, they remain low by historical standards.

City-specific performance varied considerably across Australia's capital cities. According to PropTrack's median home price data, Perth (+18.7%), Adelaide (+14.6%) and Brisbane (+12.6%) emerged as the strongest performers in annual price growth.

Given the mixed dynamics of the Australian property market, we will adopt a prudent and strategic approach in our Australian expansion. Perth's strong growth prospects, in particular, present attractive opportunities following our acquisition of residential development land in Subiaco in 2023.

2025 OUTLOOK

Impact of the Global Economic Landscape

The return of the Trump administration in 2025 has reignited tensions with China, as its "America First" agenda clashes with China's "Made in China 2025" strategy. This has introduced significant economic turbulence, particularly for China and emerging markets. Escalating geopolitical frictions, including China's retaliatory tariffs and export controls on critical minerals, pose substantial risks to global trade and supply chains.

Southeast Asia, intricately embedded within global supply chains, must navigate these shifting dynamics with heightened caution. Malaysia, Singapore and Thailand hold strategic positions within the China-centric electronics supply chain, whereas the Philippines and Vietnam play key roles in assembly operations. While China possesses policy tools to counter economic disruptions, internal challenges – such as weak domestic demand and waning investor confidence – necessitate swift and robust policy responses to mitigate downside risks associated with the Trump 2.0 administration.

Economic and Monetary Outlook

Malaysia's economy is projected to expand between 4.5% and 5.5% in 2025, although risks are skewed to the downside. Uncertainties primarily stem from potential disruptions related to US trade and tariff policies, alongside the trajectory of interest rates set by the Federal Reserve. Conversely, Malaysia could benefit should trade disruptions prove less severe than anticipated, or if global policy adjustments prove beneficial.

Inflation is expected to rise moderately to 3.0% in 2025, driven by factors including fuel subsidy rationalisation for RON95, rising labour costs influenced by national budget measures, increases in minimum wages, the implementation of a multi-tier foreign worker levy and new mandatory Employees Provident Fund (EPF) contributions for foreign workers.

Despite these inflationary pressures, BNM is anticipated to maintain its OPR at 3.0% throughout 2025. At the same time, higher civil service salaries, rising minimum wages and expanded cash assistance programmes will likely sustain steady loan demand for residential properties and resilient consumer spending patterns.

Property Sector Outlook and Trends

Growth in the national property sector will hinge on catalytic investments, notably in data centre developments, industrial expansion projects, the JS-SEZ and the revival of the High Speed Rail (HSR) project between Kuala Lumpur and Singapore.

Nevertheless, housing affordability remains a critical challenge, intensified by escalating living costs and constrained purchasing power. To address this, property developers must strategically evolve their offerings, emphasising integrated developments, smarter multi-functional spaces and climate-responsive designs that appeal to modern consumer preferences and sustainability demands.

Additionally, as renting increasingly emerges as a viable alternative to homeownership, diversification into the build-to-rent (BTR) segment offers considerable potential – provided these developments are carefully planned, strategically located and timed effectively to meet market needs.

Outlined below are several other key trends shaping Malaysia's property landscape and the strategic opportunities they present, underscoring our strong positioning to capitalise effectively on these dynamics.

- **Industrial Growth**
  Given our established presence in Johor, we are strongly positioned to capitalise on industrial-focused opportunities in the region, leveraging the JS-SEZ to attract high-tech investments and unlock new growth corridors.
- **Increasing Focus on Sustainability**
  We are further accelerating our renewable energy initiatives and embedding ESG principles across our projects, with plans in the pipeline including RE industrial parks and low-carbon solutions.
- **Urban Rejuvenation and Integration**
  Our ongoing emphasis on transit-oriented and integrated developments aligns closely with national urbanisation strategies, particularly the Urban Renewal Act, which will drive the regeneration of underutilised urban spaces. We remain vigilant for opportunities for participating in urban renewal and brownfield redevelopment projects, particularly in prime central locations.
- **Resilient Residential Demand**
  We are projected to launch attainable and mid-market residential projects to address pent-up demand from the segment, while selectively pursuing opportunities within higher-end and luxury segments.

Our Strategic Priorities Moving Forward

Leveraging our strong reputation, commitment to responsible development and robust portfolio across industrial, residential and commercial segments, we remain ideally positioned to navigate evolving market priorities and capture emerging opportunities.

With planned fuel subsidy rationalisation likely to impact consumer preferences, proximity to public transportation will become a critical unique selling point (USP) for future projects. Concurrently, we are proactively aligning upcoming developments with national megatrends, major infrastructure initiatives and special economic zones to maintain our competitive advantage.

The growing emphasis on sustainable manufacturing and green technology innovation further highlights the importance of integrating ESG principles into our strategic approach. By embedding ESG considerations deeply into our value proposition, we will continue to deliver modern, future-ready projects, reinforcing our leadership in sustainable development.

2025 Outlook

The Australian property market is anticipated to maintain its growth trajectory in 2025, though at a more moderate pace compared to previous years. Key drivers include expected reductions in interest rates, continued housing undersupply and sustained buyer demand. Market performance, however, will remain varied, with Perth, Southeast Queensland and Adelaide likely outperforming larger markets such as Sydney and Melbourne, which have recently seen price growth flatten.

Several factors underpin this cautiously optimistic outlook. Firstly, strong population growth continues to generate demand. This trend is especially pronounced in Perth and Brisbane, where population growth remains particularly robust, but also evident in Melbourne and Sydney, where international migration is expected to remain a key demand driver, albeit potentially at lower levels than in 2024.

Secondly, persistently high construction costs have limited new housing supply, intensifying the existing supply-demand gap and reinforcing property prices. Thirdly, the RBA's decision to cut interest rates to 4.1% in February 2025, alongside further expected interest rate cuts, is expected to reinvigorate market activity, particularly benefiting more expensive cities like Sydney and Melbourne, where buyer sensitivity to interest rates is highest.

Collectively, these dynamics suggest that the Australian property market will experience modest yet steady growth or stability throughout 2025, as it adapts to evolving economic conditions.

A. Strategic Review

Key Market Trends

The property sector continues to evolve amidst shifting economic conditions, regulatory developments and changing customer expectations. Understanding these trends is crucial for anticipating risks, identifying opportunities and guiding strategic responses. The following outlines key market forces shaping the landscape and our proactive responses to these trends.

Negative Positive

LABOUR SHORTAGES IN CONSTRUCTION

Description

- A significant shortage of labour in the construction and related industries is impacting project timelines and increasing costs

Potential Impact

- (Negative) Delays in project completion
- (Negative) Lower productivity and efficiency
- (Positive) Opportunity to adopt automation and technology to reduce reliance on manual labour
- (Positive) Reskilling and upskilling existing workers to enhance workforce capabilities

Risks

- Project delays affecting reputation and revenue
- Higher operating costs
- Reduced competitiveness due to lack of skilled workforce

Opportunities

- Adoption of construction technologies such as modular construction and Industrialised Building System (IBS) may enhance construction efficiencies and improve our competitiveness

Outlook

While labour shortages present immediate challenges, leveraging technology and strategic workforce planning can transform this into a long-term opportunity for greater efficiency and innovation. Collaboration with government and industry stakeholders to strengthen labour policies may also help mitigate the risk

Response

- **Strategic Turnaround Plan** - Launched a three-phased strategic turnaround plan – Triage, Stabilise and Sustain – to improve operational efficiency and financial performance. The initial Triage phase focused on expediting project delivery and tightening cost controls to minimise financial leakages
- **Cost Management** - Adopted a more cost-conscious approach by closely monitoring operating expenses to reduce inefficiencies. This has helped mitigate the financial impact of labour shortages and rising material costs
- **Project Prioritisation** - Focus on delivering critical projects and adjusting timelines as needed to successfully complete key developments on time, effectively mitigating the impact of labour shortages on project timelines

Capitals: F H Stakeholders: SG1 SG2 SG5 Material Matters: M4 M10 M17 Risk: R2 R3 R4 Strategies: ST2 ST3

Negative Positive

RAPID URBANISATION

Description

- Rapid urbanisation in Malaysia is transforming cities into key economic and social hubs, with increasing demand for housing, infrastructure and services. Urban migration, population growth and government-led initiatives such as transit-oriented developments (TODs) are reshaping the urban landscape, driving both opportunities and challenges in urban planning and real estate development

Potential Impact

- (Negative) Intensifies pressure on existing infrastructure and contributes to urban sprawl
- (Negative) Creates upward pressure on property prices in central and high-demand areas, affecting affordability
- (Positive) Stimulates economic growth and productivity, attracting investment in infrastructure, real estate and technology sectors
- (Positive) Fuels growth in retail, F&B and lifestyle sectors, attracting workforce talent
- (Positive) Accelerates adoption of smart technologies, enhancing urban resilience through digitalisation, sustainable planning and green buildings

Risks

- Rising land acquisition costs in key urban areas
- Overcrowding and infrastructure strain in high-demand centres
- Environmental degradation from overdevelopment and urban sprawl

Opportunities

- Leverage and enhance our expertise in high-rise and integrated developments
- Capture rising demand for innovative and sustainable urban housing solutions

Outlook

- Rapid urbanisation presents us with an opportunity to lead in developing sustainable, connected communities. By leveraging our expertise in TODs and integrated townships, we are well-positioned to meet rising demand for liveable urban environments while supporting long-term economic and social progress

Response

- **Sustainable Development Focus** - Prioritise sustainable and integrated townships that combine residential, commercial and recreational spaces, as well as TODs and smart city concepts
- **Technology Integration** – Leverage technology to improve urban liveability
- **Alignment with Urban Planning** – Ensure projects are aligned with national and local urban masterplans to address the evolving needs of rapidly growing cities
- **Alternative Housing Models** – Explore alternative residential tenures such as BTR options that cater to shifting lifestyle preferences
- **Access to Ownership** – Partner with financial institutions to ease access to property ownership

Capitals: F M Stakeholders: SG2 SG3 SG6 SG7 Material Matters: M2 M8 Risk: R1 Strategies: ST1 ST2

Key Market Trends

Negative Positive

WORKFORCE CHALLENGES

Description

- The demand for niche expertise is intensifying, while rapid technological shifts are outpacing the current supply of skilled talent. This has led to growing capability gaps and greater difficulty in sourcing and retaining key personnel. The competition for top talent is further amplified by turnover rates and limited availability of ready successors. At the same time, hybrid work continues to reshape team dynamics, presenting new challenges in maintaining cohesion, performance and engagement

Potential Impact

- (Positive) Rising demand for enhanced workplace policies and benefits to attract and retain skilled professionals
- (Positive) Heightened competition for talent in the construction and real estate sectors
- (Positive) Greater need to upskill and reskill employees to meet evolving customer needs and technological advancements

Risks

- Talent Attraction & Retention: Heightened competition for niche skills may limit our ability to attract and retain high-calibre talent essential for growth
- Employee Turnover: Attrition among critical roles threatens business continuity and increases succession planning pressure
- Skillset Misalignment: Evolving job requirements and technological disruption are widening skill gaps, creating a mismatch between existing capabilities and future business needs
- Culture & Engagement Risks: A disengaged workforce may impact productivity, innovation and the ability to foster a high-performance culture aligned with our U2030 aspirations
- Hybrid Work Challenges: Sustaining collaboration, team cohesion and employee well-being in hybrid environments remains ongoing operational challenges

Opportunities

- Upskilling and reskilling to close skill gaps and prepare the workforce for future growth
- Purpose-driven, values-based branding to attract top talent
- Investing in a positive, inclusive culture to boost employee engagement, well-being, innovation and resilience
- Investment in digital tools to provide valuable insights, improve productivity and performance as well as enhance talent management

Outlook

- The real estate industry will continue to face common workforce challenges, including talent shortages, gaps in productivity and collaboration resulting from hybrid work arrangements, dispersed teams and declining employee morale and engagement levels. Addressing these issues through long-term workforce planning, targeted upskilling initiatives and inclusive workplace strategies will be critical to sustaining growth and achieving strategic goals

Response

- **Supportive Work Environment** – Provide competitive compensation, clear career pathways and skill development opportunities through structured learning platforms
- **Hybrid Work Enablement** – Introduce effective hybrid work models with adaptive policies, processes and technologies to ensure collaboration across remote and in-office teams
- **Flexible Benefits Programme** – Introduced benefits focused on preventive healthcare to promote a healthy workforce
- **Focus on Employee Experience and Well-being** – Enhance employee morale and inclusivity by introducing initiatives that support a diverse and engaged workforce

Capitals: H I **Stakeholders:** SG1 SG5 SG7 **Material Matters:** M2 M4 **Risk:** R3 R4 **Strategies:** ST1 ST2 ST3 ST4

Negative Positive

COMPLIANCE AND REGULATORY LANDSCAPE

Description

- The regulatory and compliance landscape is evolving rapidly, with a growing emphasis on sustainability, transparency and governance. We must navigate a complex web of laws, policies and standards — both locally and globally — to uphold operational and reputational integrity

Potential Impact

- (Negative) Non-compliance may lead to penalties, project delays and reputational damage, potentially eroding stakeholder confidence
- (Positive) Proactive compliance fosters investor confidence, enhances operational efficiency and strengthens market positioning

Risks

- Project disruptions due to tighter regulations
- Increased compliance costs and need for operational adjustments
- Reputational risks arising from non-compliance

Opportunities

- Strengthen stakeholder trust through transparent practices
- Gain competitive edge through alignment with ESG standards
- Access to sustainable financing linked to regulatory compliance

Outlook

- The compliance and regulatory landscape will continue to evolve, shaped by global sustainability goals, advancing technologies and heightened stakeholder expectations for transparency. We must remain agile, embedding governance frameworks and ESG principles into core strategies to build trust, enhance resilience and retain a competitive edge

Response

- **Regulatory Readiness** – Maintain robust compliance and regulatory intelligence to stay ahead of changing requirements
- **Stakeholder Engagement** – Engage continuously with regulatory authorities to ensure alignment
- **Training & Capability Building** – Conduct regular training and knowledge-sharing sessions with both internal and external RTS and HSR and advisors
- **ESG Integration** – Actively strengthen focus and awareness on ESG principles to align operational practices with evolving regulatory expectations

Capitals: F N **Stakeholders:** SG2 SG3 SG7 SG8 SG9 **Material Matters:** M3 M4 M5 M6 M7 M9 M10 M11 M13 M15 M16 M17 **Risk:** R2 R5 **Strategies:** ST4

UEM SUNRISE BERHAD
INTEGRATED ANNUAL REPORT 2024

Key Market Trends

Negative Positive

TECHNOLOGY AND DIGITALISATION

Description

- The rapid pace of digitalisation and technological advancement is reshaping the real estate landscape. From AI-driven tools and automation to data analytics and customer-centric platforms, organisations are embracing innovation to improve operational efficiency, enhance customer experiences and remain competitive

Potential Impact

- (Negative) Increased reliance on digital tools heightens vulnerability to cyberattacks, risking data breaches and business disruptions
- (Negative) Automation may replace repetitive tasks, requiring upskilling or reskilling of employees
- (Positive) Improved customer satisfaction from new innovations can indirectly drive business growth and revenue
- (Positive) Enhanced productivity and operational efficiency through digital tools and platforms

Risks

- Inability to optimally manage and protect digital infrastructure may expose us to cybersecurity threats
- Delayed adoption of digital tools may lead to financial losses

Opportunities

- Expand customer reach through digital platforms
- Strengthen decision-making using data analytics for greater accuracy and insight
- Leverage digital innovation to promote sustainable practices such as optimising energy usage and minimising waste, resulting in cost savings and improved environmental stewardship

Outlook

- We remain committed to investing in innovation and leveraging digital tools as key growth enablers. Moving forward, the focus will be on data-driven decision-making, enhancing operational efficiency and strengthening cybersecurity. AI adoption is also a strategic priority to boost productivity and advance sustainable progress across the organisation

Response

- **Embracing Digital Tools** – Adopt advanced tools such as Microsoft 365 Copilot and AI-powered chatbots to improve internal efficiency and customer engagement
- **Customer-Centric Innovation** – Rolled out an end-to-end home buying journey in partnership with a local bank (HomeClick)
- **Cybersecurity Focus** – Prioritise the protection of digital assets through training and awareness programmes
- **Operational Efficiency** – Streamline business processes via automation and digitalisation to boost productivity
- **Culture of Innovation** – Promote innovation and change management to support smooth adoption of new technologies

Capitals: F M H I **Stakeholders:** SG1 SG2 SG8 **Material Matters:** M1 M2 M6 **Risk:** R1 R3 R5 **Strategies:** ST1 ST2 ST3 ST4

Negative Positive

ESG AND RENEWABLE ENERGY EXPECTATIONS

Description

- Driven by growing stakeholder demand, evolving regulations and rising investor expectations, companies are under increasing pressure to operate more sustainably, address climate change and manage social issues with greater transparency. While not yet mandatory, it is possible that local authorities may introduce future regulations requiring renewable energy integration in new developments

Potential Impact

- (Negative) Increased expectations for sustainability elements to be embedded in project developments, leading to higher construction costs
- (Negative) Greater prioritisation of companies with strong ESG credentials, raising the bar for compliance and transparency
- (Negative) Technical challenges in integrating renewable energy infrastructure (e.g. solar panels and energy storage) in developments with limited land size or suboptimal sunlight exposure
- (Positive) Growing demand for transparency in ESG practices across operations and projects
- (Positive) Implementation of renewable energy can reduce operating costs, benefiting occupants and enhancing long-term value
- (Positive) Support Malaysia's low-carbon agenda and enhance our positioning as a sustainable, ESG-driven developer
- (Positive) Expansion of internal ESG training and education will foster a stronger sustainability culture within UEM Sunrise

Risks

- Heightened regulatory scrutiny, legal exposure and potential penalties that may cause reputational damage.
- Limited availability of talent with sustainability-related expertise
- Missed investment opportunities due to lack of transparent ESG practices

Opportunities

- Improve development value and quality as we embed green building practices and energy-efficient solutions in all future developments
- Improve alignment with international ESG standards and certifications
- Strengthen stakeholder engagement to build awareness of sustainable practices
- Enhance product design and features in alignment with ESG principles

Outlook

- The focus on ESG and renewable energy is expected to intensify, with increasing calls for disclosure on carbon emissions, biodiversity and labour practices. The growth of ESG-linked financing and technological innovation will also create new, cost-effective opportunities for embedding sustainability across operations and developments

Response

- **Governance and Transparency** – Uphold good governance through transparent reporting and ethical business practices
- **Social Impact** – Deliver positive community outcomes through affordable housing, development programmes and broader social initiatives
- **Green Development** – Prioritise energy-efficient designs, renewable energy integration and environmentally responsible materials
- **Climate Risk Readiness** – Incorporate climate-related risks into development planning to enhance the resilience of our properties

Capitals: F SR N **Stakeholders:** SG2 SG3 SG4 SG6 SG7 SG8 SG9 **Material Matters:** M2 M7 M9 M13 M15 M16 **Risk:** R2 R5 **Strategies:** ST4

Key Market Trends

Negative / Positive

COMPETITIVE LANDSCAPE

Description

- The real estate industry is experiencing intensified competition, fuelled by market saturation, the entry of new players and shifting customer preferences. The increasingly demanding environment requires continuous innovation and differentiation to retain market share and stay competitive

Potential Impact

- (Negative) Failure to execute projects with precision may worsen oversupply in certain segments, erode brand loyalty and lead to loss of market share
- (Positive) Leveraging strong differentiation can attract diverse customer segments and improve profitability

Risks

- Price wars may impact profit margins
- Difficulty in differentiating products in a saturated market
- Rapid changes in consumer preferences may lead to misalignment between offerings and market demand

Opportunities

- Leverage brand strength and innovative solutions to enhance market share
- Expand into underserved markets or develop niche offerings
- Deepen customer loyalty through personalised experiences and sustainable practices

Outlook

- The competitive landscape will remain dynamic, driven by evolving consumer needs, emerging technologies and growing sustainability expectations. Success will depend on our ability to innovate, remain adaptable, deepen market understanding and consistently deliver distinctive, high-quality developments that resonate with target segments

Response

- **Innovation & Differentiation** – Adopt a proactive approach centred on innovation, efficiency, sustainable developments and customer satisfaction
- **Strategic Expansion** – Pursue diversification into emerging asset classes and underserved market segments
- **Technology Integration** – Leverage digital tools to boost operational efficiency and tailor offerings to evolving customer expectations
- **Market Monitoring** – Continuously analyse competitor activities and shifting market trends to anticipate change and remain agile

Capitals: F **Stakeholders:** SG2 SG3 SG6 **Material Matters:** M2 M12 **Risk:** R1 **Strategies:** ST1 ST2 ST3

A. Strategic Review

Key Risks & Mitigation

Proactively identifying and addressing potential risks helps minimise disruptions, keeping our objectives on track and operations running smoothly. This enhances our resilience, optimises our resources and enables informed, strategic decision-making, fostering long-term stability and value for our business and stakeholders.

Read "Risk Management Report" on pages 264 to 267 for more information on our risk management approach.

Management of Key Risks

R1 COMPETITION RISK

The property sector is highly dynamic, presenting challenges in securing prime yet cost-effective land banks, attracting and retaining human capital, maintaining a stable supply of materials and labour and diversifying our offerings while managing price fluctuations. With property development as our main revenue driver, market volatility and systemic risks remain key concerns.

Implication on Value Creation

- Intensified competition for investment opportunities may result in funding constraints
- Rising land costs could make it harder to acquire prime locations
- Over-investing in marketing or aggressive expansion can lead to financial pressure without guaranteed returns
- Heightened competition may result in price wars, reduced margins and higher marketing and promotional expenses

Our Response & Mitigation Actions

- Setting strategic plans and detailed budgets to define clear objectives, optimise our resources and enhance our performance assessment
- Reviewing and refining our cost structure to sustain our competitive pricing and profitability, including streamlining operations, improving efficiency and removing unnecessary expenses
- Integrating technology such as HomeClick, hUb prop, Building Information Modeling (BIM) and AI into our processes to drive innovation, reduce costs and improve project outcomes
- Forming strategic partnerships and alliances while strengthening our brand to extend our market reach, attract and retain customers and enhance our competitive positioning

Opportunities Arising from this Risk

- Expanding our revenue streams and reducing market dependency by tapping into new markets and customer segments
- Enhancing customer satisfaction and strengthening our market position through continuous innovation and improved offerings

Outlook

Johor is set to become Malaysia's next economic powerhouse, driven by the Johor-Singapore Special Economic Zone (JS-SEZ) and the Special Financial Zone (SFZ) in Forest City. With a strong presence in the state, we are well-positioned to capitalise on these opportunities through innovative, high-quality developments. As the master developer behind transformative communities such as Iskandar Puteri in Johor and Mont'Kiara in Kuala Lumpur, we have a proven track record of building sustainable, value-driven communities. Additionally, our ongoing projects, including the Happy+ series, align with Johor's growth. We will continue to drive innovation, enhance differentiation and strengthen strategic partnerships to reinforce our leadership in the evolving property landscape.

Capitals: F **Stakeholders:** SG2 SG3 SG4 SG6 **Material Matters:** M2 M12 **Strategies:** ST1 ST2 ST3

Key Risks & Mitigation

R2 FINANCIAL RISK

We face various financial risks, including credit risk affecting our credit ratings and financing, as well as business and earnings risks from our revenue and profit shortfalls. Additionally, liquidity risk challenges our ability to meet both anticipated and unanticipated funding obligations. All these risks have the potential to disrupt our financial management, operations and stability.

Implication on Value Creation

- Delayed land transactions could affect our revenue and profit recognition
- Financial constraints may slow our landbank development and construction billings
- Legal actions from creditors or tax authorities could erode our profitability
- Rising interest rates may increase our borrowing costs and reduce our margins
- Regulatory changes in tax or financial policies could restrict our access to project funding

Our Response & Mitigation Actions

- Monitoring our financial risks, liquidity levels and borrowing repayment maturity profiles to optimise our cash flow and ensure financial stability
- Monetising our inventory to strengthen our cash reserves
- Executing GDV launch plans and divesting our non-strategic land and non-core assets to enhance our liquidity
- Tracking our sales performance, inventory levels and development milestones to sustain our liquidity buffers
- Ensuring compliance with financial covenants, including maintaining gearing ratios within required thresholds
- Actively managing our debtors to ensure timely payments
- Engaging closely with banks and the investment community to communicate our plans and growth prospects

Opportunities Arising from this Risk

- Securing financing more easily by leveraging a stable financial environment
- Mitigating credit risk through access to resilient bond and Sukuk markets
- Securing alternative capital by capitalising on investor preference for corporate bonds and Sukuk
- Benefiting from a favourable economic climate due to fiscal deficit reduction
- Attracting foreign investors to boost our growth and expansion prospects

Outlook

The Malaysian economy is projected to grow by 4.5% in 2024, supported by a recovery in exports and sustained domestic demand, but macro risks such as trade tensions, geopolitical conflicts and inflation will persist. To navigate these challenges and safeguard our financial stability, we will maintain prudent financial management and diversify our revenue streams.

Capitals: F **Stakeholders:** SG2 SG3 SG4 SG6 SG9 **Material Matters:** M2 M14 **Strategies:** ST1 ST2 ST3 ST4

R3 OPERATIONAL RISK

We face operational risks arising from reliance on third parties, whose non-performance may disrupt our project development and delivery. Additionally, internal process inefficiencies, system failures and evolving IT and digital risks could impact operational effectiveness, product quality, timelines and cost management.

Implication on Value Creation

- Delays in project timelines and increased costs due to supplier issues could lead to lower product quality
- Cyberattacks or system failures may disrupt our business operations and impact our financial performance
- Ineffective internal procedures and systems could reduce our efficiency, increase our expenses and lower our profitability

Our Response & Mitigation Actions

- Strengthening our project management capabilities through continuous review, monitoring and enhancement of our operational processes, while embedding technology and digitisation to improve overall efficiency
- Benchmarking our Integrated Management System and Standard Operating Procedures against ISO 9001:2015 and other best practices to ensure product and service quality
- Protecting our IT infrastructure against unauthorised access and security threats using an Identity Access Management System, Endpoint Protection System and Unified Threat Management at both the end-user and gateway levels
- Demonstrating commitment to ESG through our Sustainability Blueprint 2.0, aiming for a low-carbon future by 2030 and carbon neutrality by 2050

Opportunities Arising from this Risk

- Enhancing our supply chain resilience by diversifying our suppliers
- Gaining preferential pricing and priority access to materials by forming strategic partnerships with reliable suppliers
- Strengthening our digital protection by investing in cybersecurity and cyber insurance
- Improving our efficiency and reducing errors by implementing better systems and technology
- Enhancing employee competency and effectiveness by investing in training and development
- Boosting our operational performance by optimising our processes
- Accelerating project completion while maintaining quality control through streamlined construction processes, advanced project management and rigorous quality assurance measures

Outlook

Rising building costs and economic uncertainties have led to a more cautious approach among developers, requiring greater financial prudence and strategic planning to navigate market complexities. Looking ahead to 2025, the outlook remains cautiously optimistic, with Malaysia's economy expected to grow, supported by strategic investments and a resilient industrial sector. While the property market is set for marginal growth, steady demand is anticipated.

Capitals: F M **Stakeholders:** SG2 SG5 SG6 **Material Matters:** M1 M2 M6 M10 M17 **Strategies:** ST1 ST2 ST3

Key Risks & Mitigation

R4 PEOPLE RISK

Rising competition for skilled professionals, shifting workforce expectations and the demands of the Fourth Industrial Revolution (IR 4.0) challenge our ability to build a strong leadership pipeline and maintain a future-ready workforce. These pressures also increase the risk of productivity declines, operational disruptions and obstacles to achieving our long-term strategic goals.

Implication on Value Creation

- Project delays, reduced productivity and development quality due to loss of talent
- Lack of skilled labour availability or employee retention
- Higher personnel costs due to regulatory changes and tighter talent supply
- Low employee morale, absenteeism and high turnover rates reduce overall productivity

Our Response & Mitigation Actions

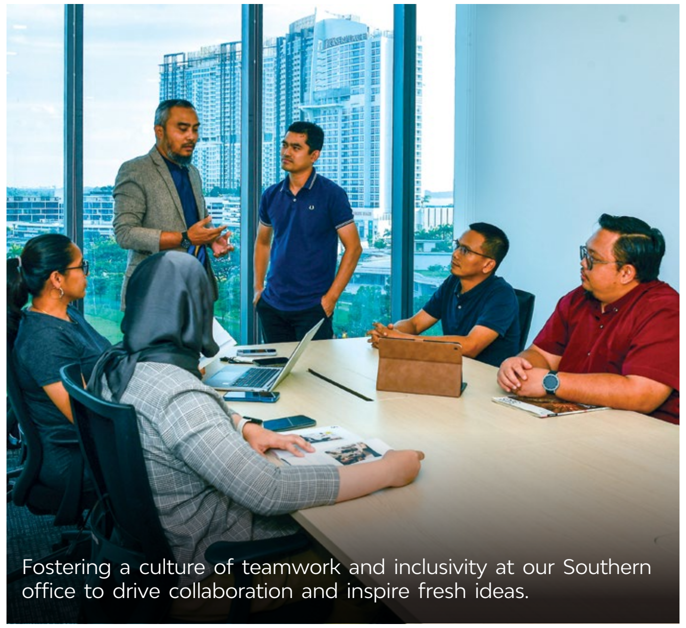
- Talent & Succession Management: Regular talent management and succession planning discussions are held to identify and address developmental gaps as well as structured leadership and talent programmes to nurture emerging leaders, high-potential individuals and enhance their skills
- High Growth Culture: Fostering a high-performance and growth culture through comprehensive learning and development programmes driven by our business strategy, future skill needs and individual career development plans that support resilience and sustained contributions
- Teamwork and Inclusivity: We foster a culture of teamwork, inclusivity and a safe work environment to enhance collaboration and employee well-being
- Employee Engagement & Well-being: Robust employee engagement programmes, including mental health wellness initiatives, are in place to boost job satisfaction, loyalty and overall well-being
- Organisational Structure Alignment: The Group has a well-defined organisational structure, regularly reviewed to ensure alignment with business and operational needs.

Opportunities Arising from this Risk

Introducing structured leadership and talent development programmes, while leveraging AI and digital tools, to create a pipeline of future leaders, boost workforce productivity and improve collaboration and employee well-being

Outlook

The Malaysian job market is expected to remain tight, with an anticipated drop in the unemployment rate to 3.1% in 2025. This will support employment and income levels, but also pose challenges in attracting and retaining talent. We will need to enhance our talent development and retention strategies, as well as focus on employee engagement and well-being to mitigate people risk.



Fostering a culture of teamwork and inclusivity at our Southern office to drive collaboration and inspire fresh ideas.

Capitals: F H I **Stakeholders:** SG1 SG2 SG5 SG7 **Material Matters:** M2 M4 **Strategies:** ST1 ST2 ST3

R5 REGULATORY AND CORRUPTION RISK

Operating in a highly regulated environment, we face risks of non-compliance with evolving laws, including those on anti-bribery, money laundering, terrorism financing, competition, data protection, economic sanctions and environmental and safety standards. Growing regulatory scrutiny and enforcement actions further increase legal, financial and reputational risks.

Implication on Value Creation

- Reputational damage or loss of public confidence due to poor governance
- Financial losses from fines, penalties and reduction in share price
- Failure to meet legal or contractual obligations resulting in potential claims or litigation
- Additional compliance cost

Our Response & Mitigation Actions

- Periodically reviewing our corruption risk profile
- Ensuring strict compliance with all relevant laws and regulations
- Continuously improving associated anti-corruption policies and procedures
- Conducting various integrity and anti-corruption awareness initiatives, including monthly newsletters, talks, training and chat sessions as well as Integrity Month initiatives
- Appointing CHIEF Integrity Advocates (CIA) and implementing the CIA programme to improve ethics and integrity
- Providing a mechanism for employees, third parties and members of the public to report wrongdoing or improper conduct
- Attaining ISO 37001 Anti-Bribery Management Systems certification.
- Building a strong compliance culture across the organisation
- Building professional relationships with regulatory bodies

Opportunities Arising from this Risk

- Mitigate corruption risks by continuously evaluating and certifying the Anti-Bribery Management System (ABMS)
- By maintaining high standards of integrity and compliance, we can enhance our reputation and build trust with stakeholders
- Compliance with regulations can drive operational efficiency by ensuring that processes and practices are aligned with best practices and industry standards. This can lead to improved performance and reduced risk of legal issues
- Enhance policies and procedures in accordance with the Adequate Procedures standards to remain in compliance with the National Anti-Corruption Strategy

Outlook

Regulatory changes and enforcement in Malaysia will continue to evolve, influenced by both domestic and international factors. We will need to ensure strict compliance with all relevant regulations and implement robust anti-corruption measures. The Company's commitment to transparency and stakeholder engagement will be crucial in navigating regulatory and corruption risks.

Capitals: F N **Stakeholders:** SG2 SG3 SG7 SG8 SG9 **Material Matters:** M3 M4 M5 M6 M7 M9 M10 M11 M13 M15 M16 M17 **Strategies:** ST4

A. Strategic Review

Our Strategy Roadmap

The U2030 Transformation Plan

The launch of our U2030 Transformation Plan in December 2023 set the course for reshaping our business for sustainable growth and resilience. The first year of this journey has yielded positive results, demonstrating steady progress.

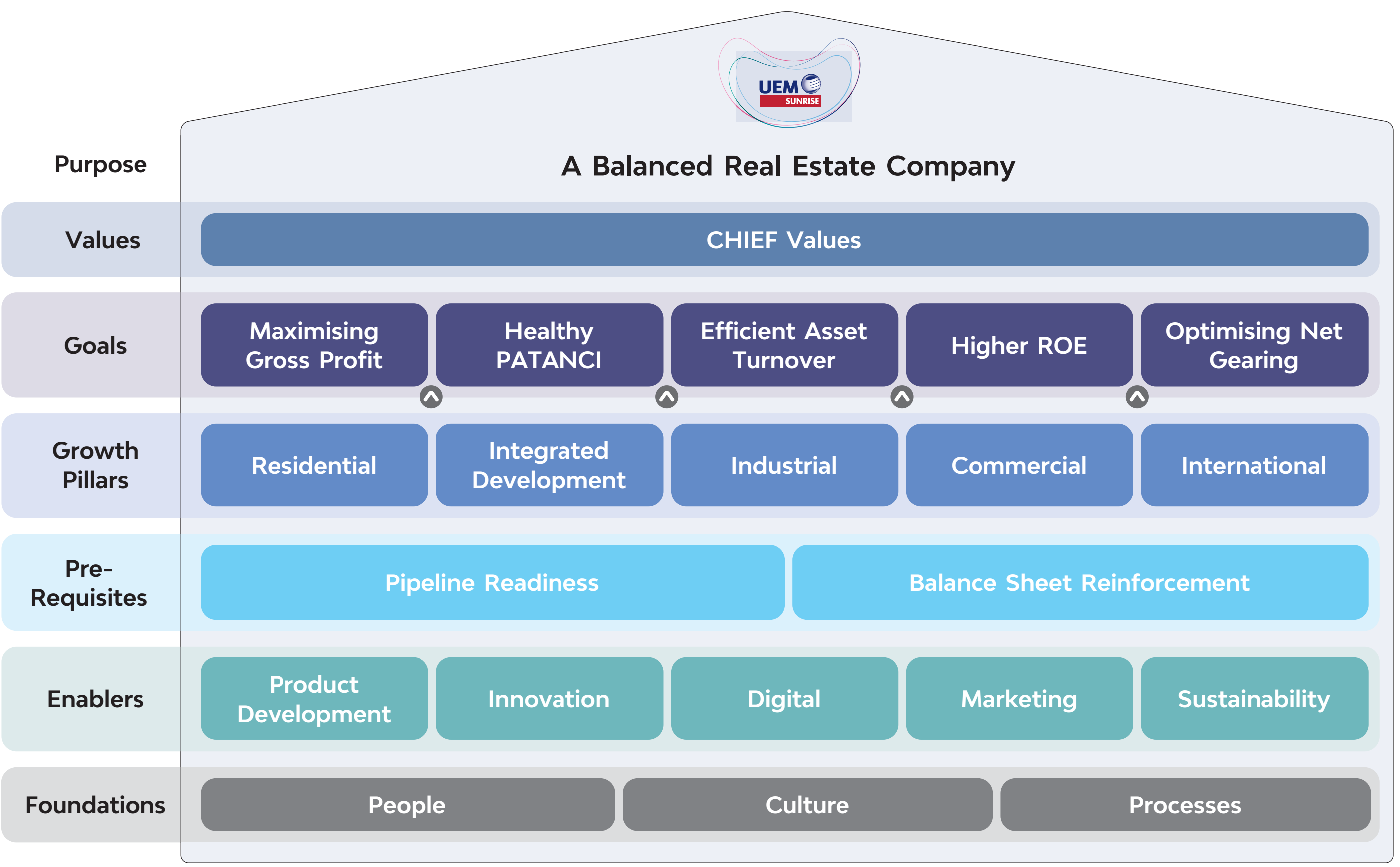
We have focused on driving operational improvement, strengthening our internal capabilities through streamlined processes, disciplined launch execution and enhanced pipeline readiness. At the same time, reinforcing our balance sheet has been a key priority, achieved through the divestment of non-strategic assets, strategic commercialisation of selected lands and joint venture monetisation. These efforts are laying the foundation for long-term stability and future scalability.

In line with our growth pillars, we have also refined our Southern Region Masterplan by unlocking our commitment to deliver industrial strategies and diversifying our product proposition, mainly through residential and commercial offerings. Diversification of our landbank and asset portfolio remains a key strategy to drive sustainable growth while effectively catering to market needs.

People and innovation continue to be central to our transformation journey. Under U2030, we are strengthening our Talent DNA through focused capability-building initiatives, fostering collaboration and adaptability. Engagement activities such as workshops, sprint reviews, regular Teh Tarik and Turun Padang sessions have played a key role in aligning teams across the organisation.

Looking ahead, our focus remains on delivering sustainable value and maintaining strategic momentum. With clear goals and strong foundations, we are well-positioned to evolve into a balanced real estate company.

The U2030 Strategy House below illustrates our overall transformation plan, while the four Strategic Thrusts outline our key initiatives, achievements, risks and challenges throughout our transformation journey.



Purpose

A Balanced Real Estate Company
We are transforming the Company into a balanced real estate player by 2030, with a core emphasis on long-term sustainable growth and value creation for our stakeholders.

Values

CHIEF Values
Our values guide organisational alignment in achieving the U2030 Transformation Plan's goals.

Goals

Performance targets aimed at improving organisational performance to deliver higher returns and drive value creation for our stakeholders.

Growth Pillars

U2030 capitalises on key market trends by focusing on growth drivers and delivering impactful developments across five sectors:

1. **Residential**
   Our goal is to develop more than just living spaces; we aim to create vibrant, sustainable communities that cater to the evolving lifestyles of homeowners and tenants. The ongoing surge in urbanisation, coupled with improving economic conditions, continues to fuel robust demand for residential properties.

2. **Integrated Development**
   Our approach to integrated developments centres on creating holistic urban environments that seamlessly blend residential, commercial, recreational and community spaces. These developments emphasise sustainability, accessibility and a cohesive ecosystem of modern amenities.

3. **Industrial**
   Supporting the growth of key sectors such as e-commerce, logistics and data centres, these projects are designed to facilitate industrial growth and contribute significantly to the nation's economic expansion, aligned with initiatives such as the Johor Bahru-Singapore RTS, NIMP 2030 and the National Energy Transition Roadmap (NETR).

4. **Commercial**
   Recognising the growing need for vibrant commercial spaces, U2030 focuses on developing centres that drive innovation, collaboration and community engagement. These commercial hubs are carefully designed to enhance the overall value of our townships, serving as focal points for economic activity and social interaction

5. **International**
   With a proven track record in Australia, U2030 is poised to capitalise on emerging real estate opportunities. We focus on delivering innovative, high-quality projects that meet market needs, leveraging our expertise to thrive in a competitive landscape. Our global outlook ensures sustained growth and portfolio diversification.

Prerequisites

Achieving our growth aspirations is contingent on two foundational elements:

1. **Pipeline Readiness**
   Ensuring disciplined planning and execution to maintain a robust project pipeline and support continuous growth.

2. **Balance Sheet Reinforcement**
   Strengthening financial stability and ensuring market readiness to seize new opportunities through divestments of non-core assets and monetisation activities.

Enablers

U2030 is powered by key enablers that accelerate our journey toward sustainable growth:

1. **Product Development**
   Creating unique value proposition that stems from functional, customer-centric product development designs.

2. **Innovation**
   Innovative solutions to product delivery.

3. **Digital**
   Digital tools and technology that will enhance effectiveness and efficiency.

4. **Marketing**
   Creative marketing and branding to communicate our product value proposition and build brand awareness and loyalty.

5. **Sustainability**
   Sustainable product design, operations and processes, as guided by our Sustainability Blueprint 2.0 and SDDG.

Foundations

The U2030 plan is grounded on three critical foundations:

1. **People**
   The diverse skills and knowledge of our people that aligns with our values.

2. **Culture**
   Our high growth and performance culture that thrives on agility, creativity and inclusivity fuelling innovation and collaboration across the organisation.

3. **Processes**
   Efficient and effective end-to-end delivery process that adapt to the dynamic real estate landscape.

A. Strategic Review
Strategic Performance Review

ST1 DRIVE SUSTAINABLE REVENUE STREAM

Goal

Direct efforts towards developing core products and positioning the Property Development segment as our primary source of revenue.

Initiatives	Achievements	Headline 2025 KPIs	Priorities for 2025
• Expanded market presence by diversifying into new markets, thereby broadening our customer base and mitigating market risk • Established short-to-medium term development plan. • Implemented Year 1 of U2030 Transformation Plan by strengthening our product launch pipeline, integrating industrial and township components and increasing presence in Australia • Activated existing landbank, reviewed land use and continuously refined existing masterplans to maximise site potential and optimise GDV	• Revenue of RM1.3 billion, marginally higher than 2023 • PATANCI of RM104.3 million, highest since 2020 • Pipeline readiness improvement for Property Development segment. • New launch GDV of RM904.3 million, exceeding expectation of RM800.0 million • Delivered improved Gross Profit (GP) Margin for this segment via GDV uplift and cost savings	**Financial Metrics:** • Revenue • GP Margin • PATANCI • Return On Equity (ROE) and Net Gearing • Net Sales **Operational Metrics:** • Launch Readiness • Employee Productivity • Customer Satisfaction • Quality Score	• Implement Year 2 of U2030 Transformation Plan with focus on Southern region to leverage on the JS-SEZ • Achieve new launch GDV of RM2.0 billion • Drive further improvements in launch discipline and pipeline readiness for Property Development segment

Short to Medium Priorities | Focus Areas

- Achieve new launch GDV of RM2.0 billion for 2025 and maintaining this for the next 3 years
- Activate land in Southern region while landbanking in Central region

Long-Term Priorities | Focus Areas

- Work towards U2030 priorities, including capitalising on the emerging industrial market, developing sustainable revenue-generating integrated developments from 2026 onwards from activation of existing landbank and acquiring new landbanks
- Continuing to emphasise on monitoring and tracking the pre-development process to ensure pipeline readiness

Capitals: F M **Stakeholders:** SG2 SG3 SG4 SG5 SG6 **Material Matters:** M1 M2 M10 M12 **Risks:** R1 R2 R3 R4

ST2 CATALYSE SOUTHERN REGION POTENTIAL

Goal

Strengthen Southern presence and activate our strategic assets with ready infrastructure.

Initiatives	Achievements	Headline 2025 KPIs	Priorities for 2025
• Revisiting our masterplan for Gerbang Nusajaya to explore the potential of TOD development along the new Walk, as alignment • Re-masterplanning of Puteri Harbour, in particular Marina Walk as a destination linked to Puteri Harbour International Ferry Terminal (PHIFT) • Curate developments that cater to evolving lifestyle, needs and customer segments • Actively align with strategic partners to support and integrate green energy solutions and sustainable practices	• Launched UEM Sunrise Sales Gallery at Gerbang Nusajaya • Improved pipeline readiness for Property Development segment • Achieved 10% take-up rates* for new Southern launches * *Non-bumi units of Aspira Hills, Aspira LakeHomes and DiReka Square new launches in 2024*	**Financial Metrics:** • Revenue • GP Margin % • PATANCI • Return On Equity (ROE) and Net Gearing • Net Sales **Operational Metrics:** • Launch Readiness • Employee Productivity • Customer Satisfaction • Quality Score	• Launch and create value from Johor landbank • Leverafe key national projects including JS-SEZ, NIMP 2030, MM2H and transportation/ connectivity projects such as RTS, HSR • Rejuvenate retail business in Iskandar Puteri for placemaking, enhanced rental yield and accelerated development maturity

Short to Medium Priorities | Focus Areas

- Launch and create value from Johor landbank
- Leverage key national projects including JS-SEZ, NIMP 2030, MM2H and transportation/connectivity projects such as RTS and HSR

Long-Term Priorities | Focus Areas

- Continue in the pursuit of U2030 Transformation Plan goals with focus on leveraging in the JS-SEZ in the Southern region
- Leverage the various stimulus packages introduced by the government
- Capitalise on opportunities in renewable energy via the NETR, HSR alignment, Budget 2025 benefits, NIMP 2030 incentives for infrastructure projects in the Southern region and the relaxation of MM2H guidelines

Capitals: F M **Stakeholders:** SG2 SG3 SG4 SG6 **Material Matters:** M2 M12 **Risks:** R1 R2 R3 R4

Strategic Performance Review

ST3 SCALE NEW GROWTH SEGMENTS

Goal

Scale up and expand our newer, high growth segments including Industrial and Commercial, reprioritise our asset portfolio and practice prudent financial management.

Initiatives	Achievements	Headline 2025 KPIs	Priorities for 2025
• Masterplanning for Industrial expansion in Gerbang Nusajaya • Land acquisition drive for Integrated/Township developments in Central region • Re-masterplanning of Puteri Harbour to rejuvenate our Commercial and Retail assets. • Partnering with specialists/niche players and venturing into new markets (local and international/Australia) • Balance growth objectives with prudent financial management (including debt reduction and strategic monetisation initiatives)	• Monetised land in Southern region for RM386.2 million via sale of shares in a JV • Strategically commercialised several non-core land parcels in Southern region via land sale or JV arrangement • Implemented debt management exercise	**Financial Metrics:** • PATANCI • Operating Cash Flow • Return On Equity	• Multiplying our efforts on reprioritisation via JV rationalisation and asset divestment. • Strategically commercialising non-core landbanks to pare down debt and optimise balance sheet for development activities • Steadying our balance sheet and cash management to enable a successful debt reduction exercise and lower our total debt

Short to Medium Priorities | Focus Areas

- Southern – Rollout of immediate planned launches and detailed re-masterplanning of Gerbang Nusajaya to capitalise on demands and market
- First launch of Industrial segment in Southern region and integration with Southern township development
- Central – Activation of integrated developments and acquisition and exploration of new landbanks on-going
- Strategic approach on build-to-core and exit strategy for new development, support element for development pure play, CAPEX for rehabilitation of selected assets for eventual divestment and exit strategy for existing underperforming assets

Long-Term Priorities | Focus Areas

- Rebalancing our landbank between the Southern and Central regions and expanding our presence in Australia
- Improving Economy
  - Curate developments that cater to evolving lifestyles, needs and customer segments
  - Balance growth objectives with prudent financial management
  - Enable businesses to establish and flourish in key growth corridors like Iskandar Puteri
- Focus on investment & industrial growth
  - Pure industrial play to gain competitive advantages
  - Create infrastructure and spaces required by industries, supporting their growth and expansion
  - Actively align with strategic partners to support and integrate green energy solutions and sustainable practices

Capitals: F M **Stakeholders:** SG2 SG3 SG4 SG6 **Material Matters:** M2 M10 M12 **Risks:** R1 R2 R3 R4

ST4 ADVANCE SUSTAINABILITY AGENDA

Goal

Carbon Neutrality 2050

Initiatives	Achievements	Headline 2025 KPIs	Priorities for 2025
• Utilised Bursa Malaysia's Centralised Sustainability Intelligence (CSI) solution to engage supply chain partners in assessing their ESG maturity • Established Sustainability Blueprint 2.0 – a strategic framework that guides us to deliver on our sustainability commitments and strategic goals as we transition towards a Low Carbon Future by 2030 • Created version 3 of our Sustainability Policy, which serves as the overarching policy encompassing ESG principles, outlining the Company's commitments to integrating sustainability principles into our business operations • Reinforced sustainability governance by onboarding the sustainability working group, which comprises 28 champions from all departments across the Company	• Identified and engaged with 59 vendors to complete the ESG survey • Approved Sustainabiltiy Blueprint 2.0 • Approved Sustainability Policy (Version 3) • Held kick-off workshop for sustainability champions • Sustainability Thought Hub on GHG emissions	• FTSE4Good ESG Rating • GHG Emissions Inventory Management	• GHG carbon management • Green building development • Biodiversity • Circularity • Labour standards • Green Leases • Enhancing reporting and disclosure standards • Undertaking a materiality assessment • Responsible supply chain management

Short to Medium Priorities | Focus Areas

- GHG reduction strategies and decarbonisation pathway
- Green Certification Policy
- Biodiversity Policy
- Waste Management Policy
- Human Rights Policy
- Green Leases
- IFRS S1 & S2 roadmap
- Full materiality assessment in alignment with ISSB
- Sustainability learning and awareness campaign on labour rights
- Climate risk assessment

Long-Term Priorities | Focus Areas

- Internal carbon pricing
- Water Management Policy
- Green procurement
- Internal carbon pricing
- Life cycle assessment (LCA)

Capitals: F H SR N **Stakeholders:** SG2 SG3 SG4 SG6 SG7 SG8 SG9 **Material Matters:** M2 M7 M9 M10 M13 M14 M15 M16 **Risks:** R2

A. Strategic Review
Key Performance Indicators

PATANCI

Aim/Objective: To monitor and evaluate our effectiveness in generating sustainable returns

2024 Achievement
RM104.3 million

2020 **(RM277.3 million)**	2022 **RM80.5 million**
2021 **(RM213.0 million)**	2023 **RM75.7 million**

Gross Sales (Property Development)

Aim/Objective: To monitor and quantify annual sales to drive improvements to revenue and profitability

2024 Achievement
RM1.4 billion

2020 **RM1.1 billion**	2022 **RM0.9 billion**
2021 **RM1.5 billion**	2023 **RM2.1 billion**

Gross Profit Margin

Aim/Objective: To improve operational financial efficiency

2024 Achievement
31.2%

2020 **26.3%**	2022 **29.3%**
2021 **18.7%**	2023 **35.4%**

Return On Equity

Aim/Objective: To improve return on shareholder's equity investment

2024 Achievement
1.5%

2020 **(4.0%)**	2022 **1.2%**
2021 **(3.1%)**	2023 **1.1%**

Unbilled Sales

Aim/Objective: Ensure strong earnings visibility for the next 18 to 36 months

2024 Achievement
RM3.0 billion

2020 **RM1.9 billion**	2022 **RM1.8 billion**
2021 **RM2.4 billion**	2023 **RM2.7 billion**

New Launch GDV

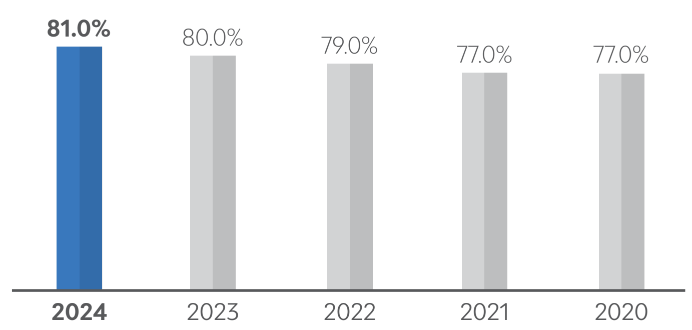
Aim/Objective: The annual GDV of new launches is a key indicator of the Company's ability to deliver long-term sustainable growth

2024 Achievement
RM0.9 billion

2020 **RM0.9 billion**	2022 **RM0.5 billion**
2021 **RM0.6 billion**	2023 **RM3.6 billion**

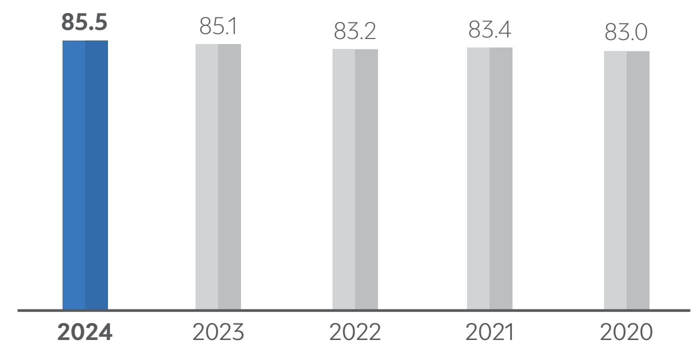
Customer Measurement Score

Aim/Objective: Deliver quality and sustainable homes to ensure the satisfaction of our customers while enhancing customer journey, building lasting relationships, delivering value and earning their trust and loyalty



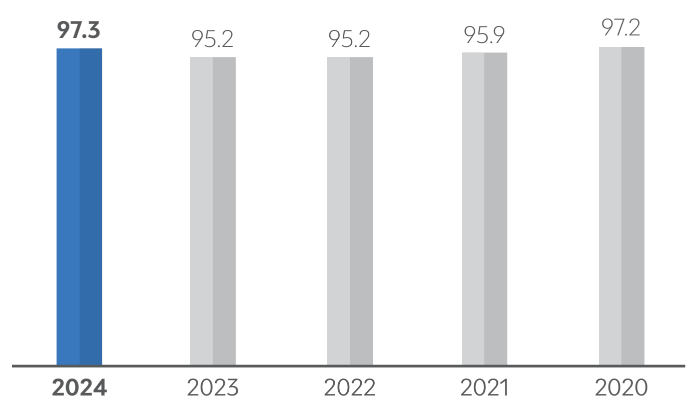
QLASSIC

Aim/Objective: Deliver quality and sustainable homes to ensure the satisfaction of our customers while enhancing customer journey, building lasting relationships, delivering value and earning their trust and loyalty



SHASSIC

Aim/Objective: Provide safe working conditions for our employees and develop a high-performing workforce



Sustainability Rankings

Aim/Objective: Align organisational practices with corporate strategy to mitigate adverse impacts on ESG aspects stemming from operational activities

2024 Achievement
FTSE4GOOD ✓
S&P Global CSA/ESG ✓

2020 **FTSE4GOOD** ✓	2022 **FTSE4GOOD** ✓
2021 **FTSE4GOOD** ✓	2023 **FTSE4GOOD** ✓

B. Performance Review
Financial Review

FY2024 marked a pivotal milestone for UEM Sunrise Berhad as the Group delivered one of its strongest post-pandemic performances both financially and operationally. This was anchored by robust sales, higher joint venture performance and disciplined capital management.

Rebounding stronger: Financial Results at a Glance

The Group closed the financial year with solid results. Total revenue held steady at RM1.3 billion, supported by steady progress billings, opportunistic land sales and recurring income from commercial assets. Notably, we delivered a PATANCI of RM104.3 million, a 38% increase from the previous year and the highest since 2021.

Revenue remained well-diversified, with 66% contributed by property development, driven largely by projects in the Central region. Land sales, primarily from strategic monetisations in Iskandar Puteri, accounted for 24%. The remainder was derived from our recurring income streams, including property investment and asset management. This segment benefitted from improved performance across our quality commercial asset portfolio, where net yield rose to 5.1% (2023: 1.1%), supported by higher occupancy rates and increased rental revenues. Notable contributors included Publika, The Beat at Kiara Bay and Hyatt House, which continued to deliver strong leasing momentum. We also strengthened the quality of our hospitality and retail assets in key growth areas, while ongoing placemaking and rejuvenation initiatives in Iskandar Puteri further boosted footfall and yielded a positive operating turnaround. These advancements strengthened recurring income and reaffirmed the Group's position in strategic growth corridors.

Our 38% rise in PATANCI was supported by:

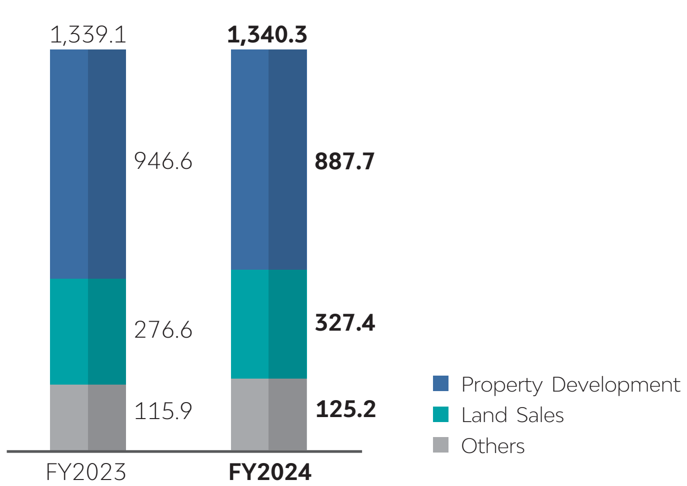
- Stronger contributions from joint ventures and associates
- Lower financing costs driven by strategic debt optimisation and more favourable sukuk pricing
- Effective cost controls and efficient project execution, which underpinned bottom-line resilience even as gross margins moderated

Elevated Shareholder Value Through Record Dividend Payout

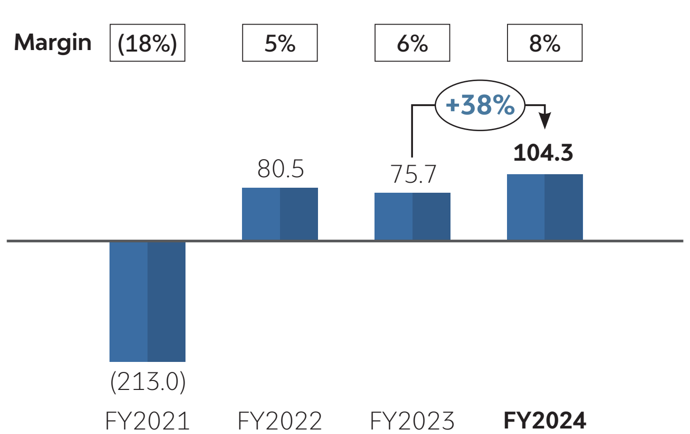
We also strengthened shareholder returns. The Board declared a single-tier dividend of 1.24 sen per share, translating to a 60% payout ratio which was an increase from 50% the year before and the highest payout in UEM Sunrise's history.

This underscores our confidence in the Group's cash flow generation and financial position, while ensuring room for future reinvestment.

Revenue (RM million)



PATANCI (RM million)



FY2024 Dividend Payout

1.24 sen

60% payout ratio

(FY2023: 0.75 sen and 50% payout ratio)

Operational Milestones Mark a Year of Strong Delivery

FY2024 marked a significant year of operational progress for the Group, including exceeding our sales target by 41% to achieve total sales of RM1.4 billion. This success was fuelled by well-executed product launches and strong demand for offerings tailored to evolving market needs. Notably, around 30% of sales originated from new launches, with the Central region contributing 59% of total sales, driven by flagship projects such as The MINH, Residensi ZIG and The Connaught One. The Southern region accounted for 40%, underpinned by strong take-up in developments like Aspira Hills, Aspira LakeHomes and Senadi Hills.

The Group also made meaningful progress in reducing completed unsold inventory, with a significant proportion of sales in FY2024 coming from existing stock. This supported cash flow generation and enhanced operational agility as the Group realigned its portfolio to focus on higher-demand segments.

Record-high Unbilled Sales Since 2021

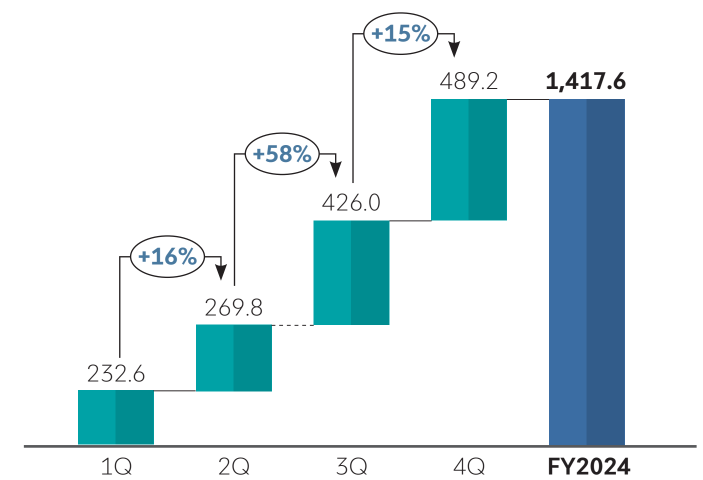
Unbilled sales rose to RM3.0 billion, up 15% year-on-year, representing the highest post-pandemic level and reinforcing earnings visibility for the next 18 to 36 months — a key enabler for ongoing expansion and reinvestment.

Unlocking Value Through Targeted Landbank and Asset Monetisation

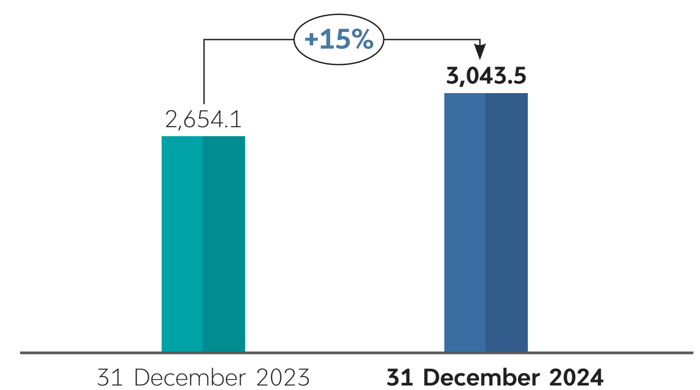
In FY2024, the Group made significant strides in optimising its portfolio through strategic divestments. This included the disposal of our remaining 40% equity stake in Aura Muhibah Sdn. Bhd. to KLK Land Sdn. Bhd. for RM386.2 million, resulting in a reduction of approximately 2,500 acres of land in Kulai, Johor. We also divested a prime land parcel in East Ledang for RM144.9 million to a global data centre player, supporting the rising demand for digital infrastructure in Iskandar Puteri.

In addition, we completed the sale of 1,776 bays of parking facilities in Solaris Mont'Kiara for RM40.0 million, further demonstrating our commitment to disciplined capital recycling and unlocking value from non-core assets.

Sales (RM million)



Unbilled Sales (RM million)



RM571.1 million

Strategic Monetisation

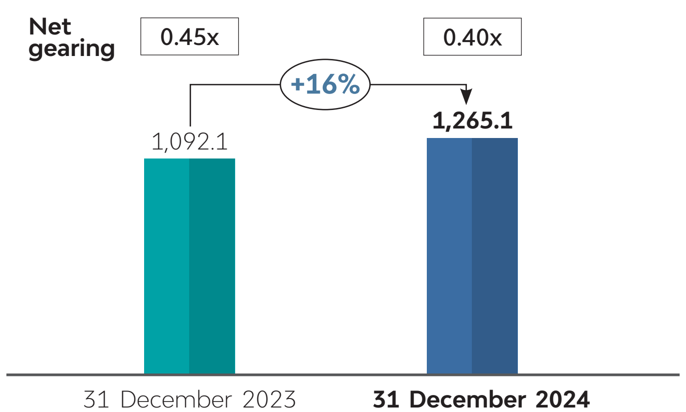
Financial Review

Strengthened Balance Sheet Through Proactive Treasury Management

The Group adopted a disciplined and forward-looking approach to capital and risk management. As at 31 December 2024, cash, bank balances, deposits and short term investments stood at RM1.3 billion, a 16% increase year-on-year, reflecting strong liquidity and prudent financial stewardship. Net gearing improved to 0.40x (FY2023: 0.45x), enhancing our financial flexibility to fund strategic priorities.

During the year, we restructured our debt portfolio, successfully reducing sukuk spreads to as low as 29 basis points in the August 2024 issuance, down from 191-196 basis points, enabling us to price at par and significantly reduce funding costs.

Cash, Bank Balances, Deposits and Short Term Investments (RM million) & Net Gearing Ratio



Our credit strength continued to be recognised externally. MARC Ratings affirmed its ratings of MARC-1IS/AA-$_{IS}$ on our Islamic Commercial Papers/Islamic Medium-Term Notes Programme (ICP/IMTN-3) of RM4.0 billion, while maintaining the AA-$_{IS}$ rating on our two earlier RM2.0 billion IMTN Programmes (IMTN-1 and IMTN-2). The ratings outlook remained stable, reflecting the Group's sound credit profile and funding position. The Group's debt maturity profile remains well-managed as we are optimistic on sufficient liquidity buffers to support upcoming obligations.

We also advanced capital efficiency through strategic land disposals, working capital improvements and cash flow optimisation initiatives. These actions reinforced our resilience amid external volatility while aligning capital deployment with long-term value creation. Our robust liquidity position supports continued reinvestment, ensuring capacity to pursue growth opportunities under our U2030 strategic roadmap.

MARC

Rated **MARC-1$_{IS}$/AA-$_{IS}$** with **Stable** outlook for the two Islamic Commercial Papers/ Islamic Medium-Term Notes Programme (ICP/IMTN-3) with a combined nominal value of RM4.0 billion.

Building on Momentum, Delivering Potential

As we enter FY2025, the Group is well-positioned to sustain growth and capture new opportunities. Backed by a strong project pipeline across key markets, we are targeting RM2.0 billion in launched GDV and RM1.05 billion in property sales, building on the momentum of FY2024.

Our focus will be on advancing industrial development in line with national priorities such as the JS-SEZ and NETR, while expanding digital capabilities through AI and PropTech and embedding ESG principles via our new Sustainability Policy. Concurrently, we aim to unlock further value from our landbank and commercial assets through strategic activation and monetisation.

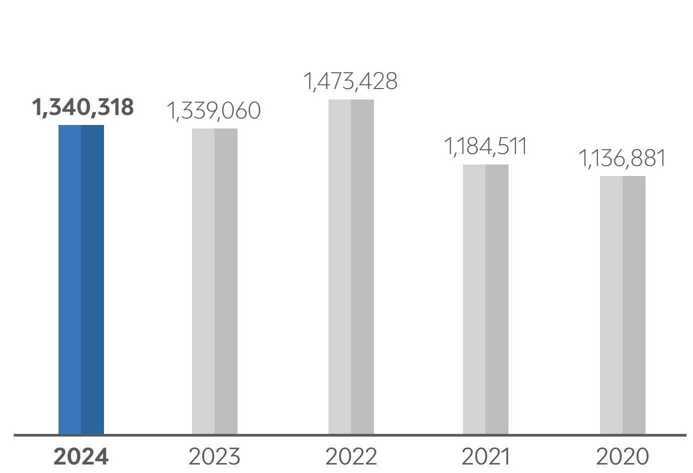
Guided by our U2030 Transformation Plan and despite ongoing global uncertainties, we remain confident in our ability to deliver sustainable growth and long-term stakeholder value.

2025 Sales Target
RM1.05 billion
(2024 Target: RM1.0 billion)

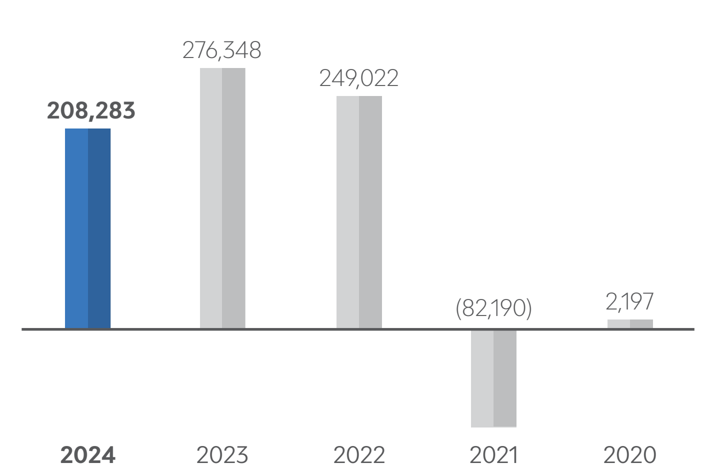
2025 Launched GDV Target
RM2.0 billion
(2024 Target: RM0.8 billion)

B. Performance Review
Five-Year Financial Highlights

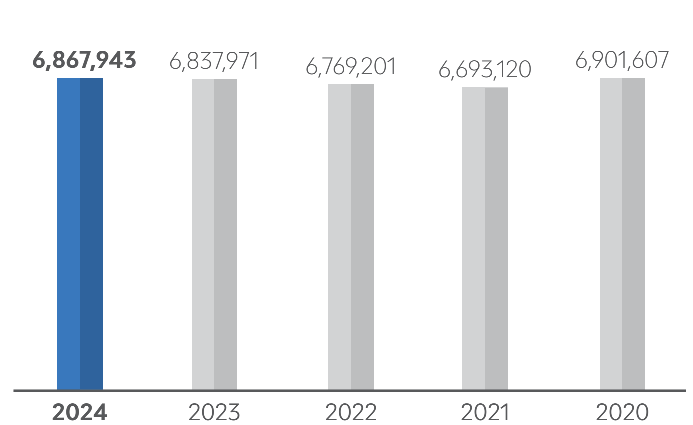
REVENUE (RM'000)



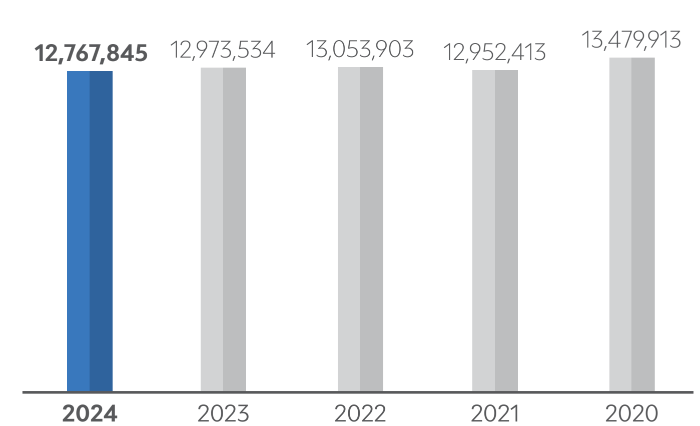
OPERATING PROFIT (RM'000)



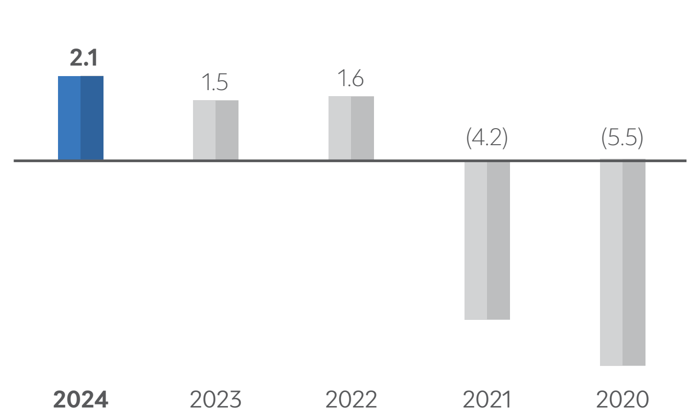
SHAREHOLDERS' EQUITY (RM'000)



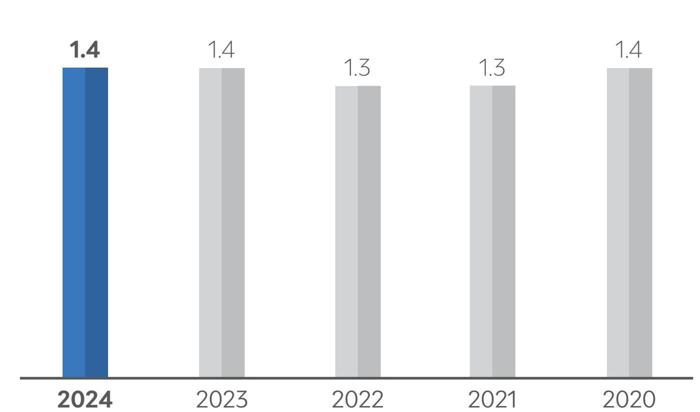
TOTAL ASSETS (RM'000)



EARNINGS/(LOSSES) PER SHARE (SEN)



NET ASSETS PER SHARE (RM)



B. Performance Review

Five-Year Group Performance

For The Financial Year Ended 31 December

In RM'000	2024	2023	2022	2021	2020
Revenue	**1,340,318**	1,339,060	1,473,428	1,184,511	1,136,881
Cost of sales	**(922,718)**	(865,351)	(1,042,246)	(963,483)	(838,105)
Operating expenses	**(322,224)**	(275,951)	(247,286)	(340,748)	(372,729)
Other income	**112,907**	78,590	65,126	37,530	76,150
Operating profit/(loss)	**208,283**	**276,348**	**249,022**	**(82,190)**	**2,197**
Finance costs	**(148,772)**	(157,781)	(143,470)	(144,712)	(132,850)
Share of net results of associates & joint ventures	**104,168**	20,378	27,991	12,981	(64,678)
Profit/(loss) before income tax and zakat	**163,679**	**138,945**	**133,543**	**(213,921)**	**(195,331)**
Profit/(loss) attributable to owners of the parent	**104,338**	75,727	80,539	(213,047)	(277,284)
Earnings/(losses) per share (sen)	**2.1**	1.5	1.6	(4.2)	(5.5)
Return on equity	**1.5%**	1.1%	1.2%	(3.1%)	(4.0%)

B. Performance Review

Five-Year Financial Review of the Group

As At 31 December 2024

In RM'000	2024	2023	2022	2021	2020
TOTAL ASSETS					
Property, plant and equipment and investment properties	**1,054,553**	1,172,417	1,209,105	1,252,419	1,319,957
Interests in associates, joint ventures & others	**1,738,246**	1,800,718	1,781,176	1,748,701	1,697,559
Inventories and contract cost assets	**6,543,529**	6,439,002	6,442,259	6,740,375	7,371,511
Receivables	**1,304,572**	1,498,485	1,583,015	1,339,293	1,029,668
Tax recoverable	**116,007**	121,946	85,988	106,998	97,780
Goodwill	**621,409**	621,409	621,409	621,409	621,409
Deferred tax asset	**282,597**	268,424	283,003	290,191	255,760
Deposits, cash and bank balances	**989,996**	1,001,572	1,025,551	853,027	1,086,269
Asset held for sale	**116,936**	49,561	22,397	–	–
Total assets	**12,767,845**	**12,973,534**	**13,053,903**	**12,952,413**	**13,479,913**
TOTAL EQUITY AND LIABILITIES					
Share capital	**4,960,276**	4,960,276	4,960,276	4,960,276	4,960,276
Merger relief reserve	**34,330**	34,330	34,330	34,330	34,330
Other reserves	**60,248**	96,675	78,340	82,798	78,238
Retained profits	**1,813,089**	1,746,690	1,696,255	1,615,716	1,828,763
Shareholders' equity	**6,867,943**	**6,837,971**	**6,769,201**	**6,693,120**	**6,901,607**
Non-controlling interests	**112,851**	114,660	104,467	102,931	468,974
Borrowings	**4,032,523**	4,179,931	4,315,248	4,213,970	4,113,823
Tax payable	**17,014**	61,589	15,769	3,981	19,008
Payables	**1,213,974**	1,242,802	1,328,633	1,379,581	1,446,130
Provisions and others	**523,540**	536,581	520,585	558,830	530,371
Total equity and liabilities	**12,767,845**	**12,973,534**	**13,053,903**	**12,952,413**	**13,479,913**
Net asset per share attributable to owners of the parent (RM)	**1.4**	1.4	1.3	1.3	1.4

B. Performance Review
Group Quarterly Performance
For The Financial Year Ended 31 December

In RM'000	First Quarter 31/03/2024	Second Quarter 30/06/2024	Third Quarter 30/09/2024	Fourth Quarter 31/12/2024	Year Ended 31/12/2024
Revenue	224,956	205,223	369,329	540,810	**1,340,318**
Cost of sales	(154,625)	(132,748)	(256,216)	(379,129)	**(922,718)**
Operating expenses	(59,188)	(64,129)	(70,289)	(128,618)	**(322,224)**
Other income	20,813	48,516	20,745	22,833	**112,907**
Operating profit	**31,956**	**56,862**	**63,569**	**55,896**	**208,283**
Finance costs	(39,316)	(39,136)	(35,332)	(34,988)	**(148,772)**
Share of net results of associates & joint ventures	17,763	8,652	9,757	67,996	**104,168**
Profit before income tax and zakat	**10,403**	**26,378**	**37,994**	**88,904**	**163,679**
Profit attributable to owners of the parent	8,178	18,843	22,990	54,327	**104,338**
Shareholders' equity	6,838,311	6,826,597	6,800,547	6,867,943	**6,867,943**
Earnings per share (sen)	0.2	0.4	0.5	1.1	**2.1**
Return on equity*	0.5%	1.1%	1.4%	3.2%	**1.5%**

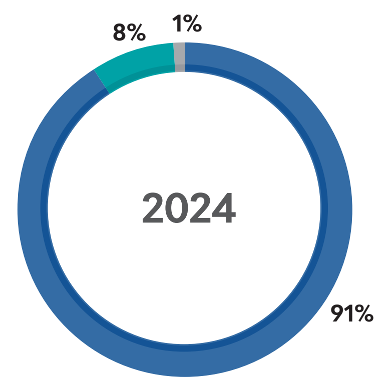
* *annualised*

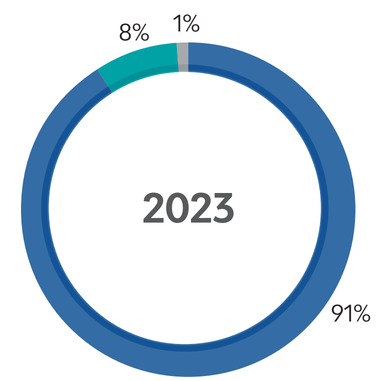
In RM'000	First Quarter 31/03/2023	Second Quarter 30/06/2023	Third Quarter 30/09/2023	Fourth Quarter 31/12/2023	Year Ended 31/12/2023
Revenue	240,778	363,955	312,354	421,973	**1,339,060**
Cost of sales	(134,662)	(249,320)	(229,583)	(251,786)	**(865,351)**
Operating expenses	(52,530)	(59,802)	(63,321)	(100,298)	**(275,951)**
Other income	13,041	15,094	22,974	27,481	**78,590**
Operating profit	**66,627**	**69,927**	**42,424**	**97,370**	**276,348**
Finance costs	(34,036)	(44,271)	(38,755)	(40,719)	**(157,781)**
Share of net results of associates & joint ventures	(4,974)	19,291	9,731	(3,670)	**20,378**
Profit before income tax and zakat	**27,617**	**44,947**	**13,400**	**52,981**	**138,945**
Profit attributable to owners of the parent	15,354	24,698	8,337	27,338	**75,727**
Shareholders' equity	6,741,967	6,796,869	6,785,583	6,837,971	**6,837,971**
Earnings per share (sen)	0.3	0.5	0.2	0.5	**1.5**
Return on equity*	0.9%	1.5%	0.5%	1.6%	**1.1%**

* *annualised*

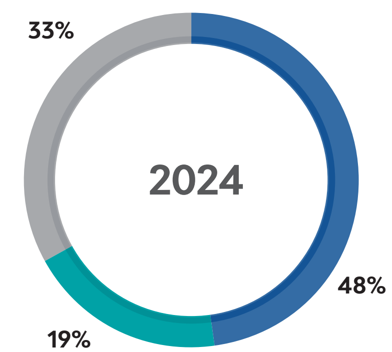
B. Performance Review
Segmental Analysis

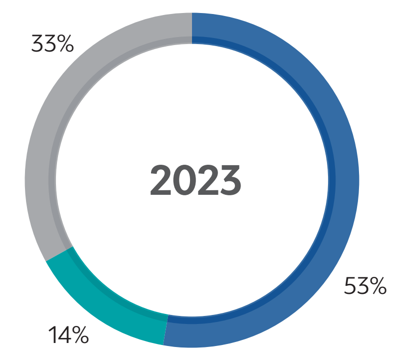
TOTAL REVENUE



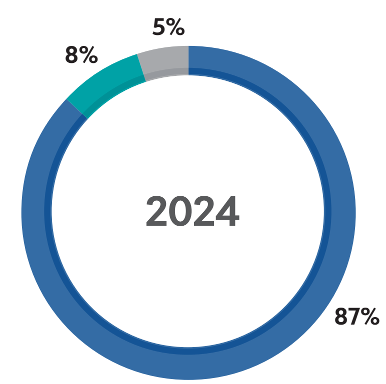


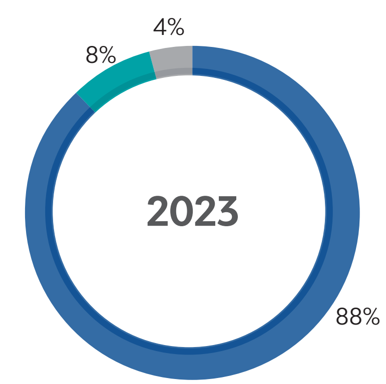
GROSS PROFIT





TOTAL ASSETS



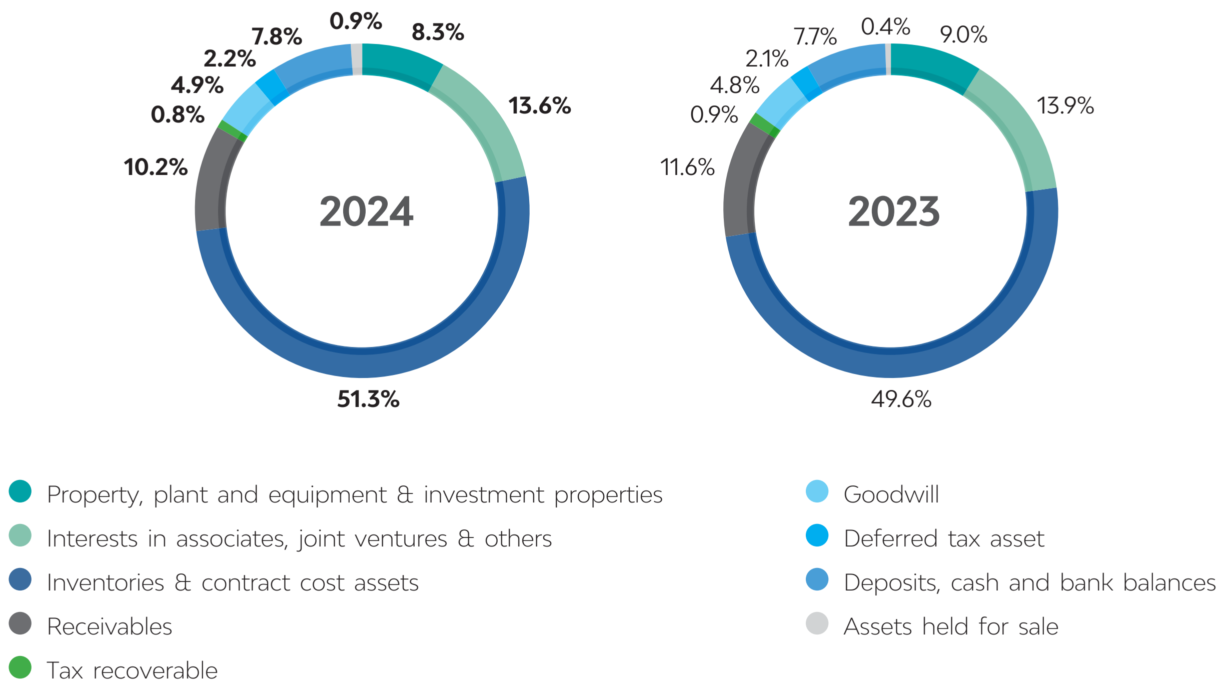


Property Development | Property Investment | Others

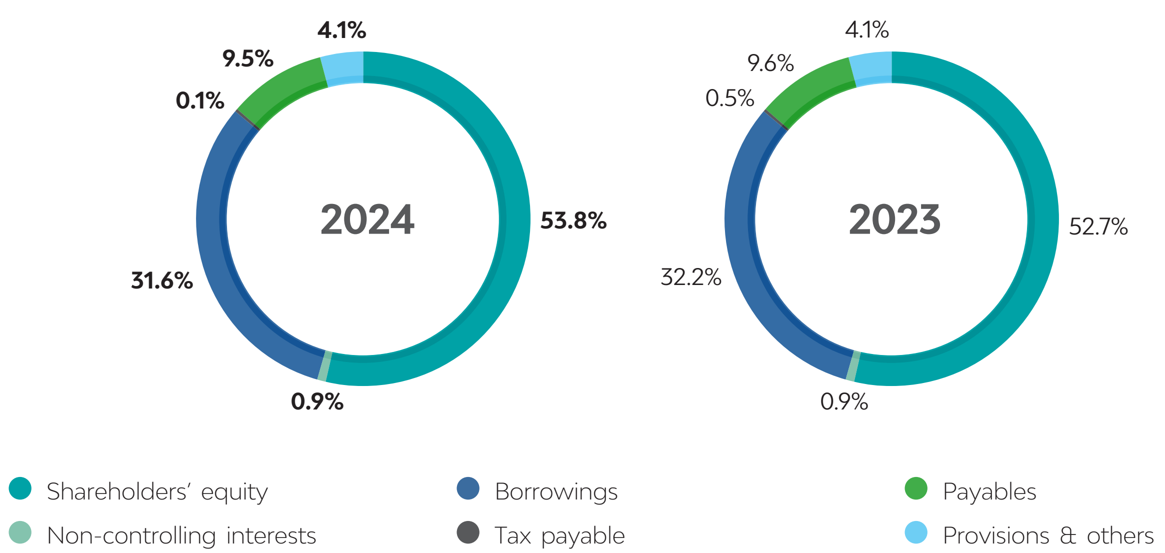
B. Performance Review

Simplified Group Statement of Financial Position

TOTAL ASSETS



TOTAL EQUITY AND LIABILITIES

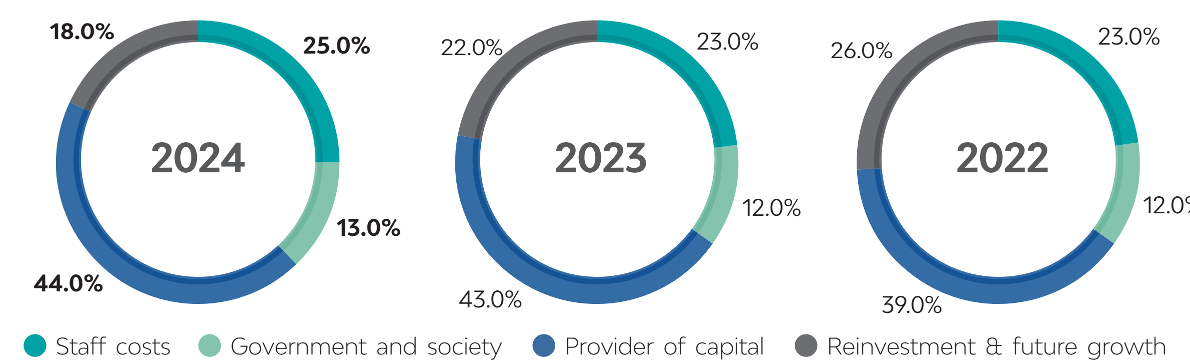


B. Performance Review

Statement of Value Added & Distribution

For The Financial Year Ended

In RM'000	2024	2023	2022
Value Added:			
Revenue	**1,340,318**	1,339,060	1,473,428
Purchase of goods & services	**(1,076,307)**	(980,323)	(1,139,790)
Value added by the Group	**264,011**	358,737	333,638
Other income	**112,907**	78,590	65,126
Share of result of associates	**21,879**	188	4,043
Share of result of joint ventures	**82,289**	20,190	23,948
Total value added available for distribution	**481,086**	457,705	426,755
Distribution:			
To employees			
– salaries and other staff costs	**119,890**	105,944	97,190
To government			
– income tax	**59,777**	51,512	51,479
– zakat	**1,391**	1,531	–
To provider of capital			
– dividend	**62,603**	37,939	25,292
– finance cost	**148,772**	157,781	143,470
To community			
– investment in CSR	**534**	283	168
– contribution to SIREH Park	**2,000**	3,461	–
Retained for reinvestment & future growth			
– depreciation & amortisation	**46,211**	51,291	52,384
– retained profits	**41,735**	37,788	55,247
– minority interest	**(1,827)**	10,175	1,525
Total distributed	**481,086**	**457,705**	**426,755**
Reconciliation			
Profit for the year	**102,511**	85,902	82,064
Add: Depreciation & amortisation	**46,211**	51,291	52,384
Finance costs	**148,772**	157,781	143,470
Staff costs	**119,890**	105,944	97,190
Income tax	**59,777**	51,512	51,479
Zakat	**1,391**	1,531	–
Donation	**2,534**	3,744	168
Total value added	**481,086**	457,705	426,755



B. Performance Review
Investor Information

Corporate and Investor Engagement

2024

27 February
Consolidated results for the financial year ended 31 December 2023

4–5 March
UBS OneASEAN Summit 2024 in Singapore

23–26 April
RHB Non-Deal Management Roadshow in Kuala Lumpur

29 April
Notice of 16th Annual General Meeting (AGM)

30 April
Issuance of Integrated Report for the financial year ended 31 December 2023

28 May
First quarter consolidated results for the financial period ended 31 March 2024

29–31 May
Citi Pan-Asia Regional Investor Conference 2024 in Singapore

6 June
16th AGM held virtually

11–13 June
20th CITIC CLSA ASEAN Forum in Indonesia

22 August
Second quarter consolidated results for the financial period ended 30 June 2024

26-27 September
Invest Malaysia-Iskandar 2024 in Johor and Singapore

15 October
2024 Principal Investment Summit in Kuala Lumpur

21 November
Third quarter consolidated results for the financial period ended 30 September 2024

UEM Sunrise stands firm in our values, which includes putting our stakeholders at the centre of our purpose. We remain fully committed to disseminating transparent and consistent information with clarity, equal access, accuracy, timeliness and comprehensiveness, in addition to providing continuous updates with regard to the Company's business operations, financial performance, key development progress, strategic direction and future plans.

We custom-made our engagement plans to meet key stakeholders' value expectations. Throughout the year, we actively engaged with the investment community and other stakeholders regularly in line with the recommendation of the Malaysian Code on Corporate Governance and other relevant regulatory bodies. This enabled us to better understand our stakeholders' changing needs and provide them with relevant information to enable them to make informed investment decisions, resulting in the forging of stronger, trust-based relationships with local and international investment communities.

As our focus on ESG grows, we are committed to creating and preserving sustained value for all our stakeholders through our integrated strategy. The Investor Relations (IR) team assumes a pivotal role in driving our corporate governance initiatives, supporting the CEO, CFO and Chief Strategy and Transformation Officer (CSTO) in their engagement efforts to cultivate a strong relationship with shareholders, investors and other stakeholders. We pride ourselves on consistently maintaining a direct and open communication with our stakeholders and in keeping the market informed of all information that may or could be expected to have a material impact on the value of UEM Sunrise's securities. Our commitment to transparency and proactive engagement underscores our dedication to corporate governance excellence.

16th Annual General Meeting

Our AGM is the engagement platform for our Board and shareholders, providing an avenue for shareholders to seek clarification on and gain a deeper understanding of our financial performance and strategies.

Engagement Date: 6 June 2024
Audience: 911 shareholders and proxies
Meeting type: Virtual

Analyst Briefings

We hosted regular quarterly investor conference calls presided over by our CEO, CFO and CSTO, together with our IR team. The briefings took place immediately after the quarterly financial results were released to Bursa Malaysia.

Engagement Date:
Q4 2023 - 27 February 2024
Q1 2024 - 28 May 2024
Q2 2024 - 22 August 2024
Q3 2024 - 21 November 2024
Audience: Analysts and Fund Managers
Meeting type: Virtual

Investment Community Engagement

The IR team hosted meetings with the investment community of various formats to suit the occasion, including one-on-one meetings, group meetings, site visits to our projects in the Southern region (specifically in Iskandar Puteri) as well as projects within the Central region.

Engagement Date: Throughout the year
Audience: Analysts and Fund Managers
Meeting type: Physical and virtual meeting

Other Communication Channels

The following communication channels are made available to reach out and disseminate relevant information to stakeholders and the public effectively and efficiently.

Website:
www.uemsunrise.com/corporate/investor-relations

Social Media:
LinkedIn: UEM Sunrise Berhad
Instagram: uem_sunrise
Facebook: UEM Sunrise
X: UEMSunrise_MY

Email:
ir@uemsunrise.com

Investor Information

Investor Relations

Return to Shareholders

In 2024, UEM Sunrise declared a dividend of 1.24 sen, reflecting a 60% dividend payout ratio. This marks an increase from 2023, where the Company declared a 0.75 sen dividend with a 50% dividend payout ratio.

Credit Ratings

In 2024, The Malaysian Rating Corporation (MARC) affirmed its rating of MARC-1IS/AA-$_{IS}$ on UEM Sunrise's Islamic Commercial Papers (ICP) and Islamic Medium-Term Notes (IMTN) Programme (ICP/IMTN-3) with a combined nominal value of RM4.0 billion. MARC also affirmed its AA-$_{IS}$ rating on UEM Sunrise's two RM2.0 billion IMTN Programmes (IMTN-1 and IMTN-2). The ratings carry a Stable outlook.

Broad Research Coverage and Recommendation

As of 21 March 2025, UEM Sunrise was covered by eight research houses. Analyst sentiment was broadly neutral, with 37.5% issuing a Buy rating, 25% a Hold rating and the remaining 37.5% a Sell rating.

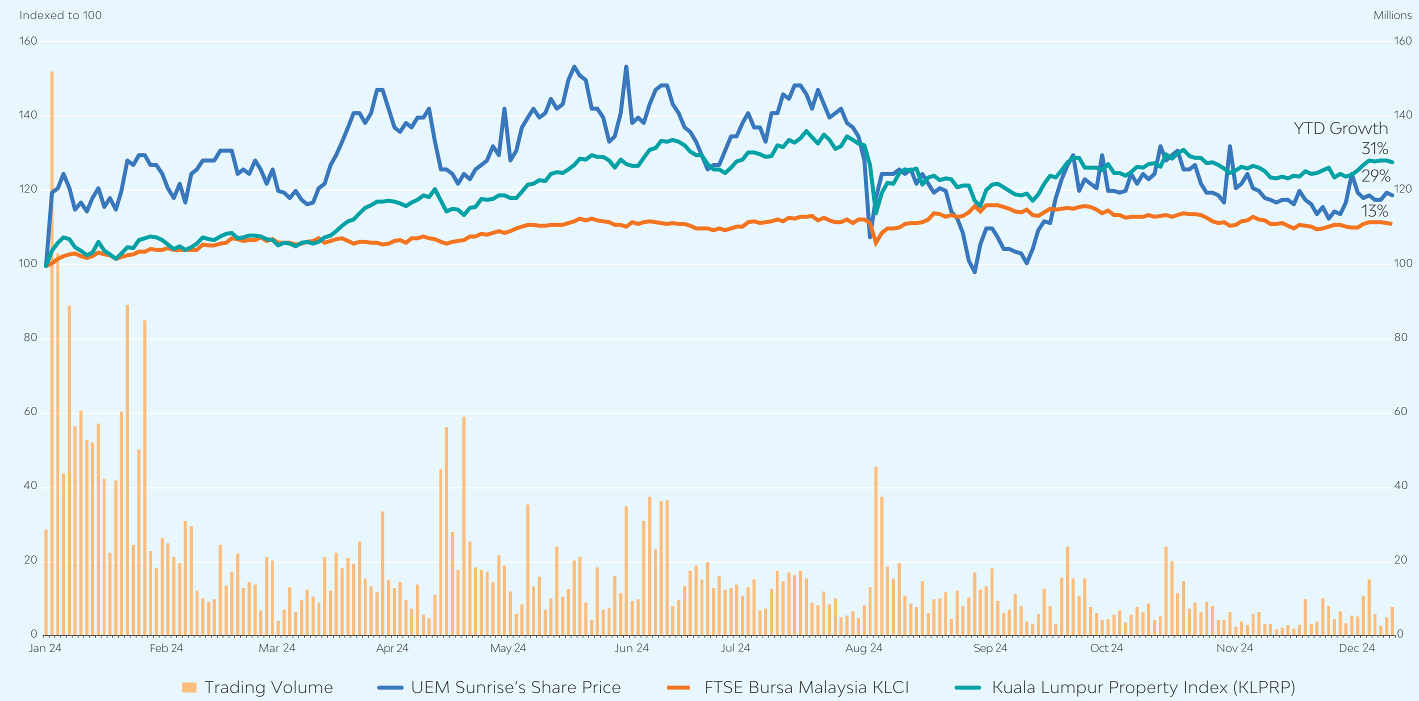
FIRM	RATING
RHB Investment Bank	BUY
AmInvestment	BUY
Maybank Investment Bank	BUY
CIMB Securities	HOLD
UOB Kay Hian	HOLD
CGS International	SELL
Hong Leong Investment Bank	SELL
Public Investment Bank	SELL

Investor Focus Areas

Focus Areas	Our Response
Financial Performance	UEM Sunrise remains focused on enhancing financial performance through prudent cost management and the optimisation of project margins. In FY2024, the Company recorded a PATANCI of RM104.3 million - an increase of 37.8% compared to the previous year. We continue to refine our capital allocation strategy to support sustainable long-term growth.
Strategic partnership	Collaborations with reputable partners remain a key enabler of our growth strategy. In FY2024, we established strategic alliances with China Machinery Engineering Corporation (CMEC) and Gotion High-Tech Co. Ltd. at Gerbang Nusajaya, reinforcing our commitment to unlocking value through synergistic partnerships.
Shareholder returns	Delivering long-term value to shareholders remains a top priority. We assess dividend payouts based on earnings performance, capital requirements and prevailing business conditions. In FY2024, we declared a dividend of 1.24 sen per share, representing a 60% payout ratio, in line with our objective of maintaining a sustainable and balanced return policy.
Debt management and liquidity position	We continue to actively manage our debt portfolio to maintain an optimal capital structure. As of FY2024, our gearing ratio stands at 0.40x, supported by ongoing efforts to lower financing costs through refinancing initiatives and strategic debt reduction. The Company also maintains a robust cash position, with available cash, bank balances, deposits and short term investments amounting to RM1.3 billion as of FY2024. This ensures ample liquidity to support our operations, obligations and future growth initiatives.

Share Performance

Movement of Key Indices, UEM Sunrise's Share Price and Daily Trading Volume



Month	Lowest Closing Share Price (RM)	Highest Closing Share Price (RM)	FBMKLCI (Points)	KLPRP (Points)
Jan 2024	0.84	1.07	1,512.98	920.88
Feb 2024	0.97	1.08	1,551.44	921.75
Mar 2024	0.97	1.21	1,536.07	1,007.79
Apr 2024	1.01	1.17	1.575.97	1,018.79
May 2024	1.05	1.26	1,596.68	1,088.29
Jun 2024	1.04	1.22	1,590.09	1,080.89
Jul 2024	1.10	1.22	1,625.57	1,134.34
Aug 2024	0.82	1.11	1,678.80	1,030.81
Sep 2024	0.84	1.07	1,648.91	1,074.03
Oct 2024	0.97	1.09	1,601.88	1,069.00
Nov 2024	0.94	1.03	1,594.29	1,065.66
Dec 2024	0.96	1.08	1,642.33	1,133.72

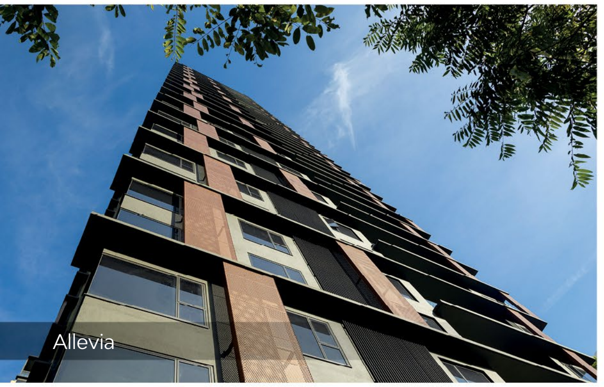
Stock	Opened Trading on 2 Jan 2024	Closing Trading 31 Dec 2024	Performance (%)
UEMS	0.84	1.08	29%
KLCI	1,453.10	1,642.33	13%
KLPRP	864.34	1,133.72	31%

C. Business Review
Central Region, Malaysia

Central Region

The Central region remains integral to our portfolio, anchored by high-value developments in key urban locations within the Klang Valley and our commitment to delivering a high quality urban living experience. In 2024, we focused on enhancing our product offerings and improving customer engagement to align with evolving market demands. The region continues to offer resilient demand and strategic growth opportunities, reinforcing its role as a cornerstone of our urban development strategy.

Image of The Beat, Kiara Bay captured by Leonard Yap, winner of 2024 Malaysia Ria Photography Contest – Architecture category


Allevia

Publika


Serene Heights

Ongoing Projects
10

NLA of Commercial Retail Assets
484,674 sqft

Remaining Landbank
504 acres

Remaining GDV
RM28.9 billion

Retail and Commercial Assets
6

Central Region, Malaysia

Central Business

Who We Are and What We Do

We are deepening our presence in Malaysia's Central Region through a curated portfolio of developments that reflect our commitment to sustainability, multi-generational living, and integrated urban planning. Flagship projects like Mont'Kiara, Kiara Bay, and Serene Heights shape vibrant and future-ready communities, while our commercial assets, including Publika, Arcoris Mont'Kiara, and The Beat at Kiara Bay, underscore our position as a long-term value creator in the Greater Klang Valley.

Business Environment

The Central region is anchored by a dynamic mix of townships, high-rise residences, integrated developments, and commercial portfolios. Mont'Kiara and Kiara Bay remain highly sought-after for their holistic urban living, while The Connaught One, our first transit-oriented development in Cheras, enhances accessibility and affordability. KAIA Heights, Serene Heights and Symphony Hills offer wellness-driven, family-centric communities. Our commercial assets like Publika, Arcoris Retail, and Hyatt House complement residential offerings and elevate township liveability. These landmarks drive footfall and reinforce lifestyle appeal. Despite macroeconomic headwinds, the region remains resilient, supported by strong brand equity and sustained market relevance.


KAIA Heights, Seri Kembangan

Key Focus Areas

- Unlock high-rise and integrated opportunities in Petaling Jaya, including Kelana Jaya and the redevelopment of the former Dutch Lady factory under an urban rejuvenation agenda
- Advance strategic mixed-use developments in Mont'Kiara, Dutamas and Kiara Bay, building on our track record while addressing evolving urban living demands
- Enhance urban connectivity and accessibility through transit-oriented developments to strengthen integration with the Greater Klang Valley's mobility networks
- Optimise our commercial portfolio to boost asset value and strengthen recurring income in the region

2024 Achievements

Key Financial and Business Highlights

- **Achieved RM841 million** of Gross Sales driven by developments such as The MINH, Residensi ZIG and The Connaught One
- Accounted for **52%** of the Group's unbilled sales, amounting to **RM1.6 billion**
- **Activated RM5.7 billion** worth of mixed-use projects including Kelana Jaya, Seksyen 13 Petaling Jaya, The Connaught Two, MK31 Phase 2 and Solaris Parq Plot B, targeted for launches in next 2-5 years

Sustainability Highlights

- Installed rooftop solar panels at The Beat, Kiara Bay, generating **1,000 kWh** of clean energy and advancing our sustainability commitment
- Launched **green mobility** initiatives within selected communities to promote sustainable transportation solutions
- Achieved a **SHASSIC score of 100%** for The Connaught One, **97%** for Allevia while KAIA Heights attained an impressive score of **97%**, reflecting excellence in safety and health standards

Awards and Recognitions

- Won six prestigious accolades at the StarProperty Real Estate Developers Awards 2024, included the **StarProperty All-Star Award** presented to UEM Sunrise Berhad, **The Starter Home Award** and **The Poseidon Award** for Residensi ZIG, **The Family-Friendly Award** for *KAIA Heights*, **FIABCI Malaysia Property Award 2024** under the commercial Residential High Rise category and **ILAM Malaysia Landscape Architect Award (MLAA) 14 Honour Award** under the Developer Category for project Residensi Solaris Parq

Business Performance Review

Key Initiatives

- Intrika 2, Serene Heights: Launched on 26 October, featuring 114 landed homes with a total GDV of RM91.3 million
- Serene Square: Launched on 1 December, it is the township's first affordable commercial offering (*Kedai Kos Sederhana Rendah*), comprising 19 shop units with a total GDV of RM3.0 million
- Solaris Dutamas (Publika): Rejuvenation efforts are underway to enhance Publika Mall and the broader Solaris Dutamas precinct, with improvements to include upgraded public toilet, improved tenancy curation, and placemaking initiatives to revitalise footfall and community engagement
- Divestment of Solaris Mont'Kiara car park: Finalised the strategic disposal of our car park asset in Solaris Mont'Kiara, and completed the targeted transaction completion in first quarter 2025
- Strategic monetisation of Arcoris retail and car park: Monetisation plans for the retail and parking components at Arcoris Mont'Kiara are progressing, in line with our initiative to optimise our commercial portfolio and enhance recurring income visibility

Achievements

- KAIA Heights Phase 1, Seri Kembangan and Residensi Allevia, Mont'Kiara, as well as Residensi AVA, Kiara Bay have progressed to the final stage of construction with Progress of Completion of 100% and 86%, respectively, with the target of handover in 2025
- Publika recorded a healthy 14% gross yield, with an average occupancy rate of 86% in 2024
- Arcoris Retail and Hyatt House achieved healthy average occupancies of 99% and 65%, respectively in 2024
- Summer Suites maintained a stable average occupancy of 81%, continuing to strategically cater to the mid-market urban segment in the heart of Kuala Lumpur City Centre
- Though still in its early stages, The Beat at Kiara Bay achieved full occupancy, reinforcing Kiara Bay's positioning as an up-and-coming integrated lifestyle hub

Challenges	Mitigation Actions	Results
• Escalating construction cost pressures due to material price volatility • Increased competition for market share in matured submarkets of the Central Region • Evolving buyer expectations for lifestyle, ESG and connectivity features • Softer retail leasing market and evolving tenant demands.	• Strategic procurement and phased tendering to lock in favourable rates and manage exposure to cost escalation • Early contractor involvement to embed value engineering and enhance buildability • Regular market sensing to refine product design, pricing, and value propositions in line with evolving demand • On-going tenant revitalising initiatives and targeted leasing campaigns to enhance footfall and optimise trade mix	• Achieved cost efficiencies through pre-tender technical workshops and value optimisation studies • Maintained competitive product offerings with strong take-up in targeted segments • Sustained buyer interest despite macroeconomic uncertainties, supported by project readiness and pricing strategies • Achieved sustainable revenue and yield performance across selected commercial assets, with Publika, Arcoris, and The Beat recording gross yields of up to 14.3%, reflecting success in asset optimisation and curation efforts

Outlook and Prospects

- Heightening focus in Petaling Jaya via our upcoming mixed-use projects in Kelana Jaya and Section 13 to anchor the Group's urban rejuvenation strategy
- Unlocking value from our strategic landbank and leveraging our strong track record through lifestyle-centric developments in Mont'Kiara, Kiara Bay and Symphony Hills
- Intensifying efforts to enhance the performance of our commercial portfolio, including through ongoing tenant revitalisation initiatives, community centric placemaking activities, and monetisation of select assets
- Embedding ESG principles across our operations, from green building certifications and sustainable design to social impact initiatives and responsible governance

C. Business Review
Southern Region, Malaysia

Southern Region

In Johor, we continue to develop integrated townships in Iskandar Puteri, guided by master plans that leverage our extensive landbank and strategic location through key projects in Gerbang Nusajaya and Puteri Harbour. We are also tapping into emerging growth areas such as the JS-SEZ, as well as sectors like renewable energy and data centres, aligning with the NIMP 2030 and NETR and the National Energy Transition Roadmap (NETR).

Puteri Harbour, a prestigious waterfront development in Johor's southern coast


Gerbang Nusajaya Interchange


Imperia Office Tower


Aspira Hills Show Units

Total Ongoing Launched GDV
RM13.2 billion

Remaining GDV
RM60.6 billion

Total Land Area
6,593.0 acres

Remaining Land Area
4,661.9 acres

Southern Region, Malaysia

Southern Business

Who We Are and What We Do

UEM Sunrise is the largest land owner in Iskandar Puteri, Johor, known for integrated townships, high-rise residential, commercial, and industrial developments. In the Southern region, we spearhead catalytic projects including Gerbang Nusajaya and Puteri Harbour, while managing a growing commercial portfolio that anchors Iskandar Puteri's transformation into a vibrant and sustainable city.

Business Environment

Iskandar Puteri, within the Iskandar Malaysia economic corridor, continues to grow, fuelled by cross-border investments, infrastructure upgrades, and demand for lifestyle-led and industrial developments. Despite macroeconomic headwinds (e.g. rising costs and global uncertainties), the segment remains resilient underpinned by our strategic landbank, strong brand equity and enhanced regional connectivity.

Key Focus Areas

- Future-proofing business models for long-term relevance to employees and customers
- Accelerating industrial expansion through strategic partnerships and land activation
- Unlocking asset potential to enhance intrinsic value and long-term returns
- Driving consistent dividend growth aligned with capital efficiency
- Reinforcing ESG impact through measurable sustainability outcomes

Show unit of Aspira Hills, Iskandar Puteri

2024 Achievements

Key Financial and Business Highlights

- **RM0.8 billion** in GDV from townships launched
- **24%** of revenue generated from strategic land monetisations, mainly in Iskandar Puteri
- **40%** of total sales contributed by Aspira Hills, Aspira LakeHomes and Senadi Hills in Iskandar Puteri, Johor
- **29%** of total sales from new launches, supported by steady sales conversion and reflecting organic demand for affordable and attainable products
- Completed inventories reduced significantly via effective marketing campaigns and strong sales performance in East Ledang and Almas in Iskandar Puteri

Sustainability Highlights

- Introduced an enhanced Sustainability Policy to drive ESG commitments
- Introduced green mobility initiatives in selected communities

Awards and Recognition

- Achieved **98%** SHASSIC score for Aspira Gardens Phase 2
- Achieved **96%** SHASSIC score for Senadi Hills RMBJ-D
- Achieved **99%** SHASSIC score for Senadi Hills Phase 2A
- Recognised by Malaysia Construction Industry Development Board Quest 2024 (Construction Industry Achievement)
- Outstanding QLASSIC scores for Senadi Square, Senadi Hills (Phase 1B) and Aspira ParkHomes (Phase 3)

Business Performance Review

Key Initiatives

- Aspira LakeHomes Phase 4, 5 and 6: Aspira LakeHomes Phase 4 and 6 were launched on 20 July 2024, followed by Phase 5 on 11 September 2024. 147 units of meticulously designed super-link homes with built-ups of 2,072-2,821 sqft, priced from RM712,300 to RM1.13 million, were fully booked.
- Aspira Hills Phase 1: Launched on 21 September 2024, featuring well-planned homes with built-ups of 1,673-1,987 sqft, priced from RM576,300 to RM1.03 million. All 272 units sold out in a day, reflecting strong market confidence
- Nadi Nusantara 2: Launched the latest phase in the Kasih Series at Senadi Hills, Iskandar Puteri with 1,000 sqft units at a fixed price of RM150,000 under our affordable housing initiative
- DiReka Square: Launched via an exclusive preview on 22 September 2024, featuring 67 premium commercial units (3,077-10,220 sqft) priced from RM1.48 million to RM5.17 million. All units were fully booked, reflecting strong demand in Puteri Harbour
- Completed the construction of Gerbang Nusajaya Interchange and expanded community infrastructure in Gerbang Nusajaya and Puteri Harbour
- Signed MoU with key industry players (ITRAMAS, CMEC, GOTION) for hybrid solar power plant and renewable energy industrial park
- Partnered with LOGOS Infrastructure for innovative data centre campus
- Improved occupancy rates at Anjung Neighbourhood Centre and Puteri Harbour International Ferry Terminal (PHIFT) to 90.1% and 87.4% respectively, driven by strategic enhancements to our commercial assets

Achievements

- Achieved 60% take-up rate within three months of launch for phase 1 of Aspira Hills
- Recorded RM0.8 billion in GDV from in FY2024 from launches of Iskandar Puteri projects
- 40% of total sales by Aspira Hills, Aspira LakeHomes and Senadi Hills in the Southern Region
- Completed 33 units of Senadi Hills – KKSR, a development shop office in Senadi Hills, Iskandar Puteri

Challenges	Mitigation Actions	Results
• Rising construction costs • Delayed authority approval • Low footfall and underdeveloped commercial developments	• Strategic procurement and phased tendering • Proactive engagement with local councils • Strategic refinement to align with Puteri Harbour's masterplan, focusing on rejuvenating key commercial assets such as Marina Walk and PHIFT	• Lowered costs through early contractor involvement • Shortened average approval timelines for selected projects • Enhanced vibrancy and footfall across key assets, especially throughout festive seasons

Outlook and Prospects

- Advancing industrial developments through strategic partnerships to unlock land value and accelerate catalytic growth
- Unlocking long-term value from strategic landbank by leveraging national initiatives, including JS-SEZ, NIMP, MM2H and enhanced cross-border connectivity
- Driving infrastructure-led growth through renewable energy, proposed HSR developments and industrial incentives

Nurturing Nature, Enriching Communities

Biodiversity Preservation

Established and managed by The Nusajaya Natural Heritage Trust (TNNHT), SIREH Park – short for *Sustainable, Initiatives, Recreation, Education and Haven* – is a not-for-profit corporate social responsibility (CSR) initiative led by UEM Sunrise. It reflects the transformative impact of sustainability-driven efforts, providing a thriving green space that balances conservation, recreation and education. Strategically located next to one of our property developments, Nusa Idaman, a hillside suburb spanning 250 acres, SIREH Park offers a unique integration of nature and community. Its proximity allows residents and visitors alike to benefit from easy access to trails, biodiversity zones, and learning areas, all while promoting a deeper appreciation for the natural environment.

SIREH Park, the biggest urban park in Malaysia, exemplifies this vision. Spanning 343 acres of lush landscapes, it serves as both a sanctuary for biodiversity and a vibrant community hub, home to a rich variety of flora and fauna. The park offers a haven for nature lovers, birdwatchers and outdoor enthusiasts alike. Its multi-elevation jogging trails, well-maintained walking paths and open green spaces encourage recreation while deepening the connection between people and nature.

Beyond leisure, SIREH Park is a living classroom, inspiring environmental awareness through educational excursions and hands-on experiences. From extreme outdoor adventures to quiet moments of reflection in nature, the park embodies our commitment to sustainable urban biodiversity, ensuring that today's green spaces continue to flourish for future generations.

At UEM Sunrise, we build communities and nurture ecosystems, planting the seeds for a greener tomorrow.

Sustainability Statement 2024

We operate in an industry with inherent sustainability-related challenges and recognise that the nature of our work necessarily results in significant environmental impacts. With this in mind, we have integrated sustainability at the heart of everything we do – from our Group-wide business strategies to our specific operational processes. Doing so not only enables us to minimise negative outcomes but also create lasting positive impacts through our liveable communities, our support of biodiversity, our diverse and supportive work environments and much more.

This is an ongoing journey – one that compels us to continuously assess and enhance our efforts in pursuit of a truly sustainable future.

Towards a Low-Carbon Future

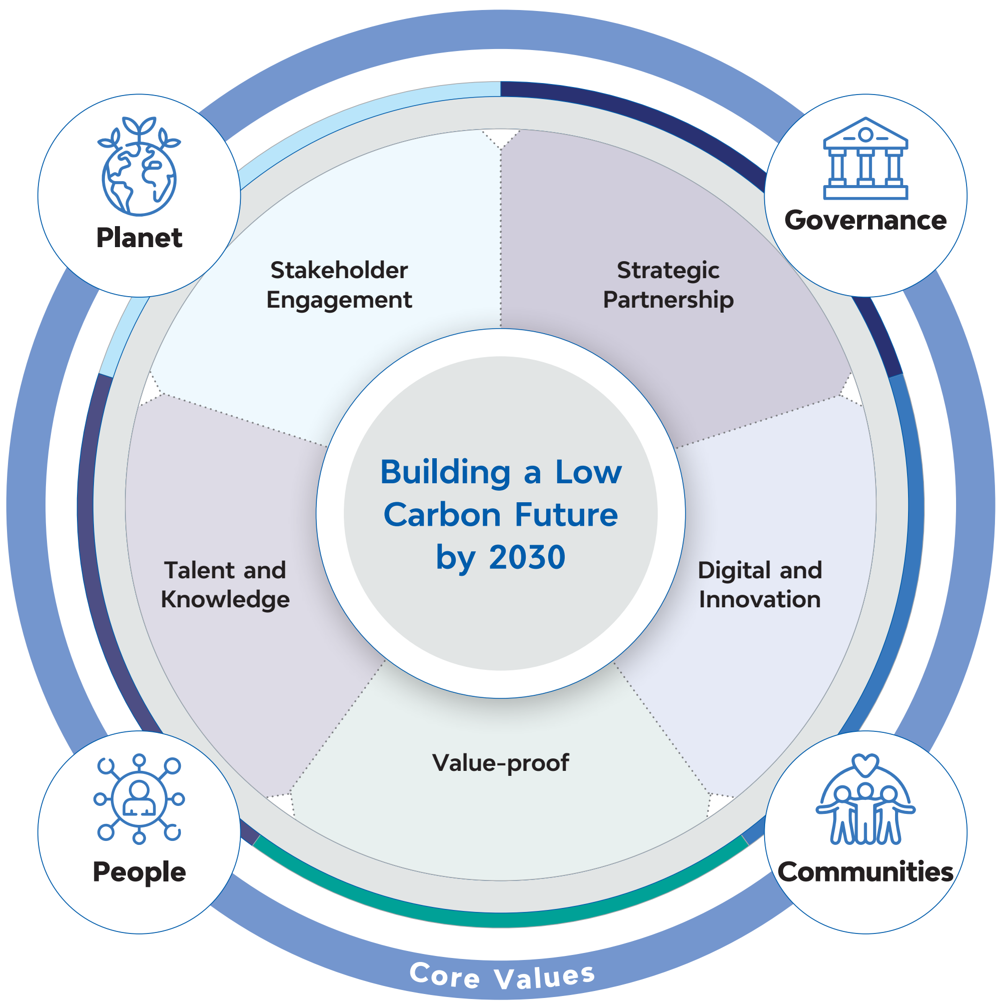
Our journey towards a low-carbon future is guided by a structured, science-based approach. We are committed to achieving carbon neutrality by 2050, with ambitious intermediate targets set for 2030 and 2040.

Our Sustainability Blueprint

At UEM Sunrise, sustainability is a strategic imperative, shaping how we operate, develop properties and engage with the communities we serve.

In 2024, we introduced our **Sustainability Blueprint 2.0,** an enhanced roadmap designed to accelerate our transition towards a low-carbon, inclusive and resilient model of shared value creation. This blueprint is anchored on four key pillars: **Planet, People, Governance and Communities,** each supported by enablers that drive sustainable outcomes across our operations.

By strengthening our sustainability objectives and strategies, this updated blueprint ensures we remain on track to achieve "carbon reduction targets for 2030, 2040 and ultimately carbon neutrality by 2050", in line with the Paris Agreement and the national aspiration of achieving net zero emissions by 2050.



Our Key Pillars

Key Pillars	Our Goals	Our Commitments
Planet	Minimising our environmental impact while promoting biodiversity.	Reducing emissions and waste in our operations by utilising the latest building technologies and Greenhouse Gas (GHG) management, while incorporating greenery and maintaining biodiverse habitats within our developments.
People	Creating safe, inclusive and empowered workplaces.	Ensuring a safe and healthy working environment while nurturing a positive and collaborative working culture where every employee is empowered to reach their full potential.
Governance	Upholding integrity and delivering excellence.	Embedding ethical and sustainability considerations into our governance and decision-making process, enabling resilience and long-term value creation.
Communities	Building sustainable cities and communities.	Providing high-quality, sustainable and liveable spaces that enhance well-being and foster thriving communities.

Our Key Enablers

Key Enablers	What It Means	Our Commitments
Strategic Partnership	Collaborating and engaging proactively with industry associations and government bodies to achieve our targets.	• Work with authorities towards developing standardised building codes and flexible zoning. • Leverage regulations to incentivise and subsidise supply and/or demand in order to close market gaps and achieve targets.
Digital and Innovation	Using technologies and digital solutions to customise the spaces we build according to occupant needs.	• Adopt Building Information Modelling (BIM) and data-driven and autonomous building. • Develop integrated projects with interconnected buildings that operate together. • Protect owners' privacy with enhanced cybersecurity measures.
Value-proof	Protecting and subsequently increasing our asset value by embedding ESG into our strategies and processes.	• Commit to strategic commercialisation, transparent reporting and innovative financing methods. • Scale sustainable solutions based on a compelling business case and return on investment. • Incorporate, track and report ESG performance into risk-adjusted returns.
Talent and Knowledge	Empowering our employees via upskilling and reskilling, while also attracting the best talent and becoming a thought leader.	• Establish the appropriate organisation structure and appoint capable leaders to lead our people transformation. • Create a positive workplace culture and ensure equal access to opportunities.
Stakeholder Engagement	Obtain varied perspectives to inform the creation of holistic solutions that address stakeholder needs.	• Collaborate with the real estate associations to develop solutions to industry challenges. • Work with tenants, operators and asset managers to implement solutions that improve operational efficiency and lower costs. • Engage with academia to develop innovative technology which can potentially be commercialised in our developments. • Engage with local communities to inform the creation of human-centric developments.

Sustainability Statement 2024

Incorporation of Metrics and Targets

We have defined clear KPIs and targets to track and evaluate our performance. These are outcome-oriented goals that provide clarity on our aspirations, driving tangible, result-oriented actions while also ensuring accountability and supporting effective monitoring.

The following KPIs have been incorporated into our Sustainability Blueprint 2.0:

No	Metric	Target	Actual (2024)	%	
1	QLASSIC score	83%	85.5%	+3%	▲
2	Customer Measurement Score	85%	81%	-4.7%	▼
3	Service Level (SLA) performance for defect management	85%	95%	+11.8%	▲
4	Number of cases related to corruption	0	0	0%	◀▶
5	Compliance with applicable laws and regulations	100%	100%	0%	◀▶
6	Attendance for anti-corruption related training (internal)	100%	98%	-2%	▼
7	Employee engagement survey score (Voice of CHIEFs)	50%	62%	+24%	▲
8	Training hours for all employees	25,000 hours	50,898 hours	+103.6%	▲
9	Women in senior management roles	30%	53%	+76.7%	▲
10	SHASSIC Score	93%	97.3%	+4.6%	▲
11	Work-related fatalities	0	0	0%	◀▶
12	Summons for non-compliance relating to Health and Safety	0	0	0%	◀▶
13	Lost-time injury (LTI)	0	0	0%	◀▶
14	Incidents of permanent disability	0	0	0%	◀▶
15	Projects assessed for health and safety impacts	100%	100%	0%	◀▶
16	Number of breaches of data privacy	0	0	0%	◀▶
17	Compliance with the Personal Data Protection Act 2010 (PDPA)	100%	100%	0%	◀▶
18	Cybersecurity e-learning take up rate for employees	90%	100%	+11.1%	▲
19	Total investment for community engagement programmes	0.2% of profit after tax	0.36% of profit after tax	+80%	▲
20	Total volunteer hours in community engagement programmes	1,500 hours	1,225.5 hours	-18.3%	▼
21	Number of beneficiaries from community engagement programmes	40,000	39,290	+1.8%	▲
22	Carbon emissions reduction (Scope 1, 2 and 3)	20% total reduction by 2030	21% reduction*	+5%	▲
23	Reduction in energy consumption	20% total reduction by 2030	11.6% reduction**	-42%	▼

* Refer to pages 185 to 187 Emission section for detailed reduction of our absolute emissions
** Refer to the Energy consumption section on pages 187 to 188 for detailed disclosure

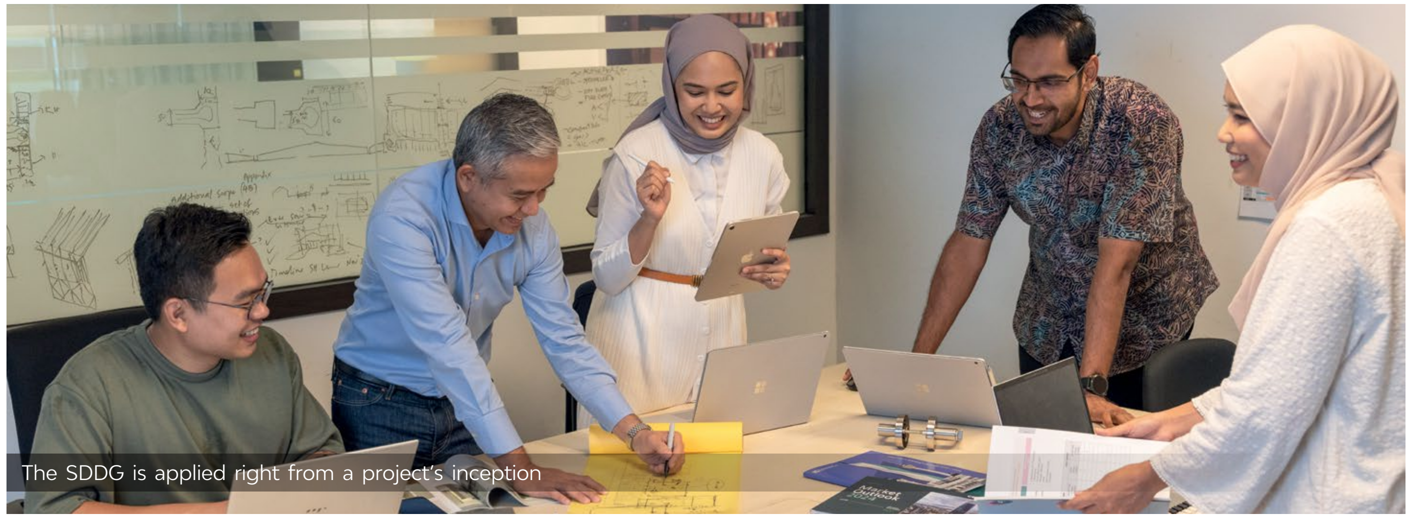
Sustainable Development Design Guidelines (SDDG)

SDDG is a set of principles aligned with our Sustainability Blueprint 2.0, guiding our developments to be economically, environmentally and socially sustainable.

We are committed to ensuring that 100% of our new projects are green-certified ready. To support this goal, sustainability assessments are conducted periodically at various stages of the project lifecycle using a structured checklist. These assessments are carried out jointly by the project's consultants, design managers and business units.

SDDG is applied right from a project's inception, with criteria covering areas such as sustainable urban planning, innovative architectural design and resource-efficient construction strategies. In 2024, the SDDG was adopted across six projects at the design stage, with an average checklist score of 71%.

In 2024, 10% of our projects have been provisionally certified with recognised green certifications, specifically GreenRE by REHDA. We continue to enhance our internal frameworks and monitoring systems to increase this percentage in the coming years. Through the SDDG, we strive to deliver resilient, efficient, equitable and liveable developments that reflect our long-term sustainability objectives and values.



The SDDG is applied right from a project's inception

Sustainability Sukuk Framework

We established our Sustainability Sukuk Framework to facilitate sustainable financing for projects aligned with our Sustainability Blueprint 2.0 and the United Nations Sustainable Development Goals (UNSDGs). These projects encompass green buildings, energy efficiency, renewable energy, affordable housing, pollution prevention and control, sustainable water and wastewater management, as well as socioeconomic advancement and empowerment.

The framework outlines clear guidelines for the issuance of ASEAN Sustainability Sustainable and Responsible Investment (SRI) Sukuk Murabahah under our Islamic commercial papers programme and Islamic medium term notes programme, focusing on four key areas:

1. Utilisation of proceeds
2. Project evaluation and selection process
3. Management of proceeds
4. Reporting

By adhering to these principles, we ensure transparency, accountability and the effective allocation of funds towards impactful sustainability initiatives.

Sustainability Statement 2024

Sustainability as Part of U2030

Our U2030 transformation plan is designed to position UEM Sunrise as a balanced real estate player by 2030, with a strong focus on long-term sustainable growth and value creation for our stakeholders.

Sustainability is a key enabler of this transformation, driving efforts to reduce our environmental impact while enhancing our social contributions. Central to this commitment is the establishment of a Sustainability Charter, which defines our sustainability goals and initiatives. This charter aligns with our carbon neutrality target by 2050, reinforcing our dedication to environmental stewardship and community engagement as we navigate this journey.

Contributing to the United Nations Sustainable Development Goals (UNSDGs)

The United Nations Sustainable Development Goals (UNSDGs) outline 17 global goals that define what a sustainable future looks like. Through the integration of responsible business practices across all aspects of our operations, we actively contribute to 15 out of the 17 UNSDGs.

UNSDG		Our Initiatives
	1.1	We collaborated with Yayasan UEM, the philanthropic arm of our parent company, UEM Group to support students through our Back-to-School programme, providing essential supplies to help them prepare for the new academic year.
	1.4	We carried out 62 CSR initiatives, impacting 39,290 lives.
	3.4	We promoted awareness of mental health, as well as non-communicable diseases (NCDs) among our employees through CHIEF Wellness Programme, enabling them to lead healthier and more meaningful lives.
	4.1	We promoted education through collaborative effort with PINTAR Foundation, focusing on academic excellence, character building and holistic student development.
	4.3	We invested more than RM1.8 million towards our employees' education and skills development, providing them with value added skills and knowledge.
	4.6	We provided the local community with access to reading materials through BukuHub, a community library project located in 9 strategic locations across Malaysia. Via a joint venture with Sime Darby Property, we collaborated with Perpustakaan Negara Malaysia to set up and operate Buku2u, a community library at Radia, Bukit Jelutong, serving an average of 17,569 visitors yearly, with a total membership subscription of 6,221 since its inception in 2021.
	5.5	Our workforce consisted of 56% women, with women making up 53% of senior management.
	6.3	We collaborated with the Faculty of Science at Universiti Malaya and contributed RM50,000 through Yayasan UEM under a MOU to support efforts in improving the water quality of Kepong Metropolitan Park Lake, adjacent to our Kiara Bay development. This initiative aims to enhance the lake's environmental condition, transforming it into a more sustainable and appealing feature for the surrounding community.
	6.5	We implemented erosion and sediment control measures, as well as optimised our effluent treatment systems at all development sites to prevent water pollution from our construction activities.
	7.a	We have integrated UEM Sunrise SDDG as a guiding principle in the design stage of 6 projects, ensuring our products are aligned with our sustainability goals.
	7.3	We maintained 3 projects with provisional green building certifications.
	8.2	We advanced technologies i.e. Integrated Building System (IBS), Design for Manufacture and Assembly (DfMA) and modularisation strategies to streamline our projects construction processes, enhancing efficiencies and improve our competitiveness.
	8.3	We practice local sourcing, with 98% of our building materials, equipment, services and other items sourced from local vendors.
	8.5	We instituted fair and competitive remuneration policies, as well as provided opportunities for upskilling and career development.
	9.2	We completed an affordable commercial development in Senadi Hills, Iskandar Puteri, with a total GDV of RM6.7 million, providing cost-effective shop offices fronting high transit traffic to give its businesses a profitable edge.
	9.4	We implemented our Building Information Modelling (BIM) workflow for all our projects since 2023, optimising energy usage and reducing waste.
	10.3	We promulgated our Diversity, Equity and Inclusion (DEI) policy among our workforce, providing a framework which values the contributions of each individual while allowing them the space to grow and succeed.
	11.1	Our projects are guided by our SDDG which ensures safe residential properties that are also sustainable, water and energy efficient.
	12.2	We used BIM, which digitalises the planning process and minimises waste, as well as reduces costly project revisions.
	12.4	We used advanced construction techniques and modular designs to optimise resource usage and minimise discharge of waste.
	13.2	We unveiled our Sustainability Blueprint 2.0, accelerating our transition towards carbon neutrality by 2050.
	13.b	RM700 million sukuk was successfully raised, with notable issuance of RM200 million in August 2024 at the lowest-ever credit spread, resulting in finance cost savings.
	15.5	We contributed RM2 million in 2024 towards the operational costs of SIREH Park, a 343-acre natural heritage park that conserves biodiversity in the local region.
	16.5	We are committed to the highest standards of integrity, with zero tolerance for all forms of corruption. This extends to our business partners with our Code of Conduct for Business Partners.
	17.16	We are focused on exploring sustainable technologies and green collaboration opportunities, with the goal of reducing our GHG emissions and achieving carbon neutrality by 2050.

Sustainability Governance

BOARD OF DIRECTORS

Board Governance & Risk Committee (BGRC)

Executive Committee (EXCO) *(formerly known as Management Committee)*

Sustainability Function and Sustainability Champions

Our sustainability governance framework ensures that sustainability is embedded across every level of our business.

Guided by key statutory provisions, best practices, policies and guidelines, our Board of Directors is responsible for setting and overseeing our overall sustainability agenda. Supporting this, the Board Governance & Risk Committee (BGRC) works closely with management to establish priorities, set targets and oversee sustainability governance and anti-corruption compliance.

At the senior management level, the Executive Committee ensures our operations align with ESG best practices, guided by sustainability-related KPIs. Meanwhile, our Sustainability Champions, embedded within each department, drive our sustainability initiatives in day-to-day operations.

For more information on our approach to governance, please read our Corporate Governance Overview Statement on pages 228 to 258 of this report.

Sustainability Statement 2024


Inaugural Sustainability Champions workshop conducted in October 2024

Our Material Matters

Our material matters are the ESG issues that most impact our business and the assessments of our stakeholders. Through active engagement with our stakeholders, we proactively identify these issues and develop effective strategies to address them. This creates shared values, fosters increased trust and enhances the resilience of our business.

To ensure our strategies remain relevant and impactful, we conduct a comprehensive materiality assessment every three years, complemented by an annual high-level review of our material sustainability matters. Following our last full assessment in 2022, we conducted a yearly review, reaffirming that the topics listed below remain material to our business.

For more information on our materiality assessment process, please refer to Our Material Matters on pages 62 to 79.

Priority	Material Matter	Definition and Scope	More Information
M1	Customer Management	Delivering high-quality developments and maintaining transparent communication, empowering customers to make informed decisions, as we seek to exceed expectations and enhance overall satisfaction and trust.	Page 63
M2	Economic Performance	Tracking economic value generated and distributed (EVG&D) while proactively assessing financial implications, risks and opportunities arising from climate change.	Page 64
M3	Ethical Business Practices	Conducting our business with integrity, ensuring full compliance with all applicable laws, regulations, guidelines and industry standards that govern our operations.	Page 65
M4	Employee Management	Delivering our commitment to meaningful employment, fair labour standards, employee development and well-being as an inclusive employer that embraces diversity and equal opportunities.	Page 66
M5	Health and Safety	Maintaining a safe work environment by systematically identifying, assessing and mitigating hazards to safeguard the health and safety of employees, workers and customers.	Page 67
M6	Data Privacy and Cybersecurity	Ensuring the digital safety of our data, as well as adhering to all data privacy laws with robust cybersecurity measures.	Page 68
M7	Climate Change (Energy and Emissions)	Managing and reducing GHG emissions, implementing strategic actions to meet climate-related targets through energy efficiency and emissions reduction initiatives.	Page 69
M8	Local Community	Managing our impact on the communities we operate in, whether economic, social, or environmental, while also strengthening our social responsibility through voluntary contributions and activities.	Page 70
M9	Waste	Ensuring responsible management of hazardous and non-hazardous waste, as well as effluents disposed of as waste or wastewater.	Page 71
M10	Supply Chain Management	Ensuring our supply chain partners are aligned with our policies and practices in the delivery of products through the management of environmental and social impacts.	Page 72
M11	Human Rights	Upholding human rights protections within our operations and supply chain, ensuring ethical and responsible engagement at all levels.	Page 73
M12	Market Presence	Contributing to economic development in the communities where we operate by fostering local employment, fair remuneration and sustainable development.	Page 74
M13	Materials	Sourcing materials responsibly, ensuring that all materials used in our developments meet our sustainability standards.	Page 75
M14	Indirect Economic Impact	Driving long-term economic growth through infrastructure development and the built environment to benefit stakeholders and the community.	Page 76
M15	Water and Effluents	Reducing our consumption and increasing our efficiency of water usage for industrial processes and general purposes.	Page 77
M16	Biodiversity	Preserving and protecting terrestrial, freshwater and marine ecosystems, especially in areas of high biodiversity value.	Page 78
M17	Procurement Practices	Reinforcing our commitment to local suppliers, encouraging economic growth and sustainable sourcing.	Page 79

Membership and Associations

We actively engage in various memberships and associations to drive collective action on sustainability and to stay informed about the latest industry innovations and trends.

- Real Estate and Housing Developers' Association Malaysia (REHDA)
- Federation of Public Listed Companies Berhad
- The International Real Estate Federation (FIABCI) Malaysia
- PINTAR Foundation
- Malaysian Advertisers Association
- Association of Accredited Advertising Agents Malaysia
- Malaysia Australia Business Council (MABC)
- Association of Chartered Certified Accountants (ACCA)
- Malaysian Society for Occupational Safety and Health (MSOSH)

UEM SUNRISE BERHAD
INTEGRATED ANNUAL REPORT 2024

Economic Impact

Bazaar at Publika Shopping Gallery

Key Highlights

Economic

- **98%** of suppliers are **local companies**.
- Continue to support the government's **affordable housing initiatives**.

Governance

- Achieved **ISO 37001:2016 Anti-Bribery Management System (ABMS) certification**, covering key areas such as procurement, corporate social responsibility and integrity and risk management.
- **100%** of our vendors were screened using social criteria.

Contributing to the Nation's Growth

Our economic performance is a key driver of our sustainability agenda, providing the financial resources needed to invest in local communities, distribute value to our stakeholders – via job creation, procurement, zakat and taxes paid – and contribute to national development objectives. In turn, achieving these objectives strengthens our standing as an organisation, building a more sustainable basis for our long-term success.

As a leading property developer, we are committed to achieving sustainable and responsible growth, ensuring that our business create lasting value for both our stakeholders and the broader economy.

Related Material Matters:

- M2 Economic Performance
- M12 Market Presence
- M14 Indirect Economic Impact
- M17 Procurement Practices

Our Initiatives

Expanding Our Market Base

We continuously seek to expand our market presence by diversifying into new areas and broadening our customer base. To achieve this, we have expanded our product categories, established short-to medium-term development plans, reviewed our land use and leveraged our existing landbank. Additionally, we are maximising the potential of our masterplans to optimise gross development value (GDV) and capitalise on the economic potential of new projects such as the New Industrial Master Plan 2030 (NIMP 2030) and the Johor-Singapore Special Economic Zone (JS-SEZ). In 2025, we aim to achieve a new launch GDV of RM2.0 billion.

Our new projects align with our U2030 Transformation Plan, focusing on the creation of sustainable, integrated developments. These projects will incorporate industrial and township components, as well as transit-oriented developments, to foster social cohesion and enhance community well-being. Additionally, we are expanding our presence in Australia with this concept. Our developments in Collingwood in the state of Victoria and Subiaco East in Western Australia, for example, integrate retail and residential spaces to promote community engagement and improve affordability.

Prioritising Local Hiring

Providing local employment opportunities is a key pillar of our commitment to nation-building. We prioritise hiring local talent across our key operational hubs in Malaysia, thereby driving long-term socio-economic value for local communities. In 2024, Malaysians comprised 100% of our workforce.

We uphold fair labour practices, ensuring full compliance with minimum wage laws and offering competitive wages, regardless of regional differences. Additionally, we invest in upskilling and training programmes to strengthen the capabilities of our local workforce. We also partner with local educational institutions and technical training centres to create pathways for graduates to enter the property development sector.

Indirect Economic Impact

Our developments create lasting economic impacts that extend beyond our initial investment, driving sustained growth and community enrichment. From dynamic urban centres to integrated transportation hubs, we remain committed to strengthening local economies while fostering vibrant, connected communities.

Providing Affordable Housing

Delivering affordable housing is one of the key focus impact areas under the Community pillar of our Sustainability Blueprint 2.0 and a key initiative under UNSDG Goal 11: Sustainable Cities and Communities.

Recognising the critical role of safe and affordable housing in building sustainable communities, we focus on delivering inclusive, high-quality living spaces with convenient access to essential services such as education and healthcare.

With our extensive experience in property development, we actively support homeownership through government-led initiatives that promote affordable housing and accessible financing.

To ensure cost efficiency without compromising on quality, we adopt modern construction technologies such as Building Information Modelling (BIM). BIM enhances design precision, minimises material waste and streamlines construction timelines. It is a data-driven design process that integrates the geometry of design components with specific material properties and performance data. The resulting BIM model serves as a centralised source of information during design stage, enabling data extraction, analysis, informed decision-making and real-time project monitoring.

By integrating these strategies, we effectively deliver affordable housing. In 2024, we completed one project in the Southern region—Senadi Square (KKSR), an affordable commercial development within Senadi Hills, Iskandar Puteri. It comprises 33 affordable shop office units strategically located along a high-traffic transit corridor, providing a competitive edge for businesses. Additionally, 19 units under the Serene Square affordable commercial development are currently under construction, with vacant possession targeted for October 2025.

To date, we have completed 2,002 units of affordable projects across Malaysia, reinforcing our commitment to making quality homes accessible to more people.

Refer to page 13 for completed projects in 2024

Economic Impact

Our Approach to Taxation

Tax Transparency

UEM Sunrise maintains transparency in its tax affairs to build trust with tax authorities, stakeholders and the public. Upholding tax transparency is essential for regulatory compliance, building stakeholder trust, mitigating legal and reputational risks and promoting sustainable development.

Through direct and indirect tax contributions, we support economic growth and socio-economic development in countries where we operate, such as Malaysia, Australia and South Africa. In 2024, the Group paid RM88.1 million in income tax.

Additionally, we proactively respond to emerging nation and international-wide tax developments, such as the introduction of the E-Invoicing and Global Minimum Tax, demonstrating our commitment to robust governance.

Mandatory E-invoicing regulation

Malaysia government is fostering for economic and tax efficiency, streamlining operations and encourages technological transformation via the mandatory e-invoicing regulation starting August 2024 and complete implementation by 2027. For companies with more than RM100 million annual revenue which fall under Phase 1, UEM Sunrise successfully rolled-out and integrated 8 subsidiaries' billing systems with the tax authority. Our group-wide e-invoicing rollout programme is designed for full participation of all our subsidiary entities in phases by the required deadlines.

Global Minimum Tax

UEM Sunrise is a subsidiary of UEM Group Berhad which is the ultimate parent entity of a multinational group that is in-scope of the Pillar Two Model Rules (Pillar Two) with consolidated annual revenues more than EUR750 million. UEM Sunrise and its subsidiaries also fall within the Pillar Two scope enacted in the jurisdictions we are operating in, namely Australia, Malaysia, Singapore and South Africa. For Malaysia, Pillar Two rules will be effective for the year beginning 1 January 2025.

We have completed the necessary assessments and based on Transitional Country-by-Country Report Safe Harbour, all jurisdictions mentioned above can rely on the transitional safe harbour relief except for Singapore. However, we do not expect a material exposure to Pillar Two income tax.

Tax Governance, Control and Risk Management

Effective corporate governance involves ensuring compliance with tax laws and mitigating associated risks in which it requires establishing the policies and procedures to manage tax-related activities.

Our Chief Financial Officer oversees our tax governance, with all tax-related responsibilities managed by a dedicated Tax Team and financial controllers at respective segments. We have established a structured approach to identifying, managing and monitoring tax risks, ensuring adherence to regulatory requirements. Through regular assessments and oversight at various levels, including the Audit Committee and Board of Directors, we uphold strict compliance with our tax governance policies and procedures. To further strengthen our framework, we engage external consultants for independent evaluations, integrating their recommendations to enhance transparency, accountability and best practices in tax governance.

Tax Planning

We remain committed to aligning tax planning with our strategic business objectives and operational needs, ensuring full compliance with applicable laws and regulations. Through close collaboration with tax advisors, we continuously identify and mitigate key tax risks, reinforcing our commitment to responsible and transparent tax management.

Transfer Pricing

We acknowledge the critical role of transfer pricing compliance in our international operations and are committed to ensuring that all transactions adhere to arm's length principles. Our Tax Team oversees transfer pricing matters, ensuring strict compliance with regulatory requirements and industry guidelines.

Engagement with Tax Administrators

We maintain open and constructive engagement with tax authorities, fostering professional relationships built on mutual respect and collaboration. Our interactions with tax administrators are guided by ethical principles and compliance with tax legislation. Additionally, we take an active role in public policy advocacy, contributing to the evolution of tax policies and regulations through direct engagement and industry partnerships, ensuring a fair and transparent tax environment.

Sustainable Procurement Practices

We take a holistic approach to procurement, prioritising the hiring of local vendors whenever possible. This not only reduces the environmental impact of long-distance transportation – contributing to our carbon neutrality ambitions – but also brings benefit to the Malaysian economy. In 2024, 98% of our suppliers were local companies.

To further support and strengthen our suppliers, we collaborate with them through our Vendor Partnership Programme. This initiative allows us to leverage our combined strengths to explore new products and services, undertake cross-platform marketing for greater visibility and drive progress towards shared sustainability goals.

To date, 9 vendors have participated in the Vendor Partnership Programme and we aim to promote participation from more vendors in 2025.

Assessing the Financial Implications of Sustainability-related Impacts

It is essential for us to evaluate the financial implications of sustainability-related impacts as we seek to understand the potential risks and opportunities associated with a rapidly evolving environment. This assessment includes both direct costs such as infrastructure damage or rising insurance premiums, and indirect costs, including regulatory changes, shifts in consumer preferences and supply chain disruptions. By gaining a comprehensive understanding of these financial implications, we can develop strategies to mitigate risks, capitalise on emerging opportunities and ensure sustainable growth in a future shaped by sustainability-related factors, including climate change.

In 2024, we conducted an in-depth analysis to determine the potential financial implications, as well as the broader risks and opportunities, that sustainability-related impacts may present to our business. Through this process, we identified four key risk areas, which are outlined below.

Financial Implication and Other Risks and Opportunities

Description of the risk or opportunity	Description of the impact associated	Financial implications of risk or opportunity before action taken	Approach to manage the risk or opportunity	Costs of actions taken to manage the risk or opportunity
Climate Regulations				
• Regulatory risk - Mandatory requirement for GHG emissions audit by 2027 under the National Sustainability Reporting Framework.	• Non-compliance could lead to penalties, reputational damage and loss of investor trust. • Compliance provides opportunities for improved stakeholder relations and operational efficiency.	• Fines, operational inefficiencies and reduced access to capital markets.	• Preparing for the GHG emissions audit under the National Sustainability Reporting Framework. • Aligning our Sustainability Blueprint 2.0 with the IFRS S1/S2 and FTSE4Good frameworks. • Embedding energy efficiency measures through the Sustainable Development Design Guidelines (SDDG).	• Investment in upgrades for operational and compliance systems to meet regulatory requirements. • Allocate sufficient resources to support assurance audits and implementation of other energy efficiency initiatives.

Economic Impact

Description of the risk or opportunity	Description of the impact associated	Financial implications of risk or opportunity before action taken	Approach to manage the risk or opportunity	Costs of actions taken to manage the risk or opportunity
Biodiversity Compliance				
• Regulatory and Reputational Risk – Target to align with GRI 101: Biodiversity 2024 to manage location-based and supply chain biodiversity impacts.	• Failure to meet biodiversity standards and requirements could result in fines and reputational damage. • Actively aligning our efforts to such standards can foster stakeholder trust and enhance brand leadership.	• Fines and litigation costs may be incurred due to non-compliance.	• Conducting biodiversity impact assessments in accordance with GRI 101. • Strengthening biodiversity management and commitments throughout our supply chain. • Leveraging stakeholder engagement for compliance and awareness.	• Costs of conducting biodiversity assessments, implementing mitigation measures and ensuring compliance within the supply chain.
Resource Scarcity				
• Operational Risk - Potential disruptions within the supply chain and inadequate suppliers with proper ESG credentials.	• Supply chain disruptions can increase costs and delay project timelines. • Engaging and educating suppliers on ESG-related practices to ensure resource availability and business continuity.	• Increased expenses due to delayed projects and higher costs for limited resources.	• Strengthening our ESG assessment on suppliers in line with GRI and FTSE4Good frameworks. • Establishing vital partnerships with suppliers to ensure resource availability.	• Allocate sufficient resources for conducting ESG assessments, executing training programmes and implementing supply chain enhancements.
Esg Data Assurance				
• Operational, technological and reputational risk – Inaccurate and unreliable ESG data being disclosed.	• Inaccurate ESG data undermines credibility, exposing us to the risk of regulatory scrutiny and potentially diminishing investor confidence.	• Inaccurate or inadequate data could lead to penalties due to non-compliance, impacting revenue and reputation.	• Implementing robust ESG data governance frameworks. • Engaging third-party assurance service providers for data verification and compliance audits. • Developing clear metrics and departmental targets for accurate reporting.	• Costs of conducting external audits, implementing ESG data management systems and executing training programmes.

As we acknowledge that our current assessment lacks the disclosure of financial implications or costs and revenue projections associated with the risks and opportunities identified, we are currently in the process of assessing the viability of developing a computational system. This system will enable us to identify, estimate, monitor and manage the projection of costs and revenues for each risk and opportunity.

Our Performance

Distribution of Economic Value

	2022 (RM'000)	2023 (RM'000)	2024 (RM'000)
Direct Economic Value Generated:			
Revenue	1,473,428	1,339,060	**1,340,318**
Economic Value Distributed to:			
Operating Costs	1,139,790	980,323	**1,076,307**
Employee Wages and Benefits	97,190	105,944	**119,890**
Payments to Providers of Capital	143,470	157,781	**148,772**
Payments to Governments	51,479	53,043	**61,168**
Community Investment	168	3,744	**2,534**
Total	1,432,097	1,300,835	**1,408,671**

	2024		
Economic Value Distributed by Country			
	Malaysia (RM'000)	**Australia (RM'000)**	**South Africa (RM'000)**
Operating Costs	**1,044,019**	**28,571**	**3,717**
Employees Wages and Benefits	**116,350**	**2,927**	**613**
Payments to Providers of Capital	**211,276**	**99**	**-**
Payments to Governments	**63,648**	**(2,480)**	**-**
Community Investment	**2,534**	**-**	**-**

Number of Completed Units and Projects

Number of units completed and issued with vacant possession

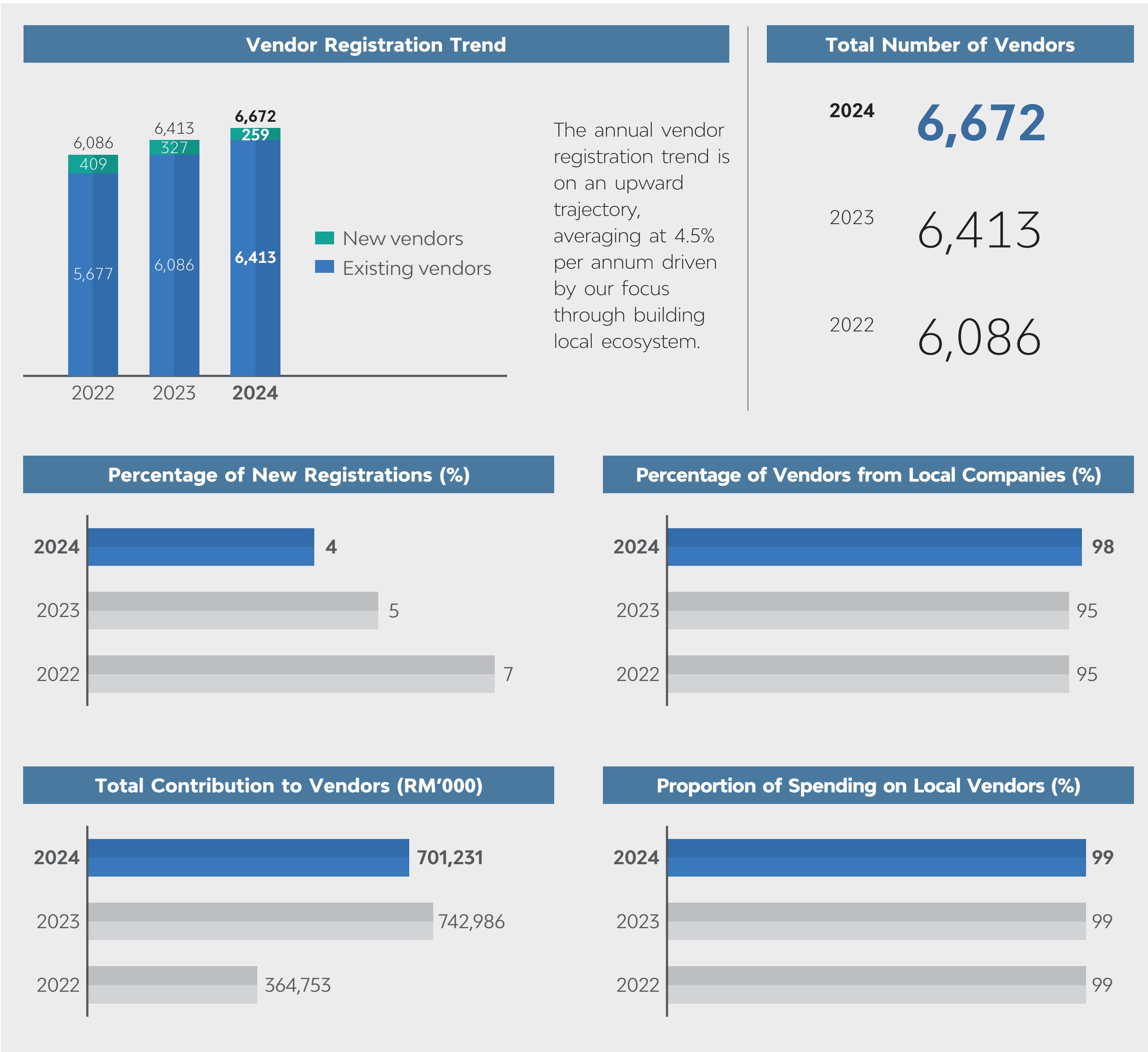
2022	2023	**2024**
1,051	1,724	**33**

Number of projects completed

2022	2023	**2024**
6	13	**1**

Economic Impact

UEM Sunrise's Vendor Registration Trend, 2022 – 2024



Going Forward

We remain committed to driving economic growth while creating sustainable, long-term value for our business, stakeholders and the communities in which we operate. Our dedication extends beyond financial performance, ensuring that our actions contribute positively to the well-being of those impacted by our operations. As part of this responsibility, we uphold tax transparency and strict compliance with all regulatory requirements, ensuring our business operates with integrity and accountability. Additionally, we continue to prioritise local vendors and suppliers, supporting their growth and resilience, which in turn strengthens the broader economy and fosters shared prosperity.

Ethical Business Practices

Related Material Matters:

M3 Ethical Business Practices

A resilient, sustainable and reputable business is built on strong ethical foundations and any instance of corruption or unethical practices may not only harm our business but also impact our employees, customers, shareholders and the wider community.

In line with this, we are committed to upholding integrity by adhering to all relevant laws and fostering a culture of integrity, transparency and accountability, thereby maintaining stakeholder trust and driving the creation of long-term value.

To reinforce this commitment, we uphold a zero-tolerance policy against all forms of corruption. This policy applies to both our employees and business partners, who are expected to abide by our anti-corruption measures.

Our key policies are available on our corporate website at www.uemsunrise.com/corporate/living-with-integrity, including the following:

- Anti-Corruption Policy Statement
- Anti-Corruption Policy & Guidelines
- Code of Conduct
- Code of Conduct for Business Partners

Our Initiatives

Our Governance Framework

We have implemented a structured framework that helps us ensure our business operations remain transparent and free from any form of corrupt practices. Our anti-bribery management systems comply fully with ISO 37001, covering key areas such as procurement, corporate social responsibility and integrity and risk management.

Our Integrity & Risk Management (IRM) Department has established the Group Risk Management Policy & Guidelines, which defines our objectives, responsibilities and accountabilities in managing risks, including corruption risk.

A key part of this framework is the Integrity and Governance Unit (IGU), housed within the IRM Department, which is responsible for driving the execution of our integrity and anti-corruption initiatives. Oversight of our governance and compliance efforts is further reinforced by the Board Governance & Risk Committee (BGRC). Additionally, we conduct periodic reviews of corruption risk profiles, ensuring they align with the Group Risk Management Policy & Guidelines.

For more information, please refer to our Statement on Risk Management and Internal Control on pages 259 to 263 and Corporate Governance Overview Statement on pages 228 to 258.

Fostering a Culture of Integrity and Ethical Conduct

All employees, including the Board of Directors, are required to complete the Conflict of Interest and Anti-Corruption Declaration annually. This ensures a thorough understanding of the related policies and guidelines, with mandatory refresher training conducted for employees before the declaration.

Additionally, all employees and Board members must read and acknowledge the Code of Conduct each year, while suppliers and vendors are obligated to acknowledge the Code of Conduct for Business Partners (i.e., during the initial registration process and every five years thereafter), which commits to upholding ethical business practices within their business practices.

To further reinforce our culture of integrity, we have established a comprehensive Whistleblowing Policy, which includes a secure and anonymous online platform for employees, third parties and the public to report any wrongdoing or misconduct, including corruption and bribery, within the Group. This mechanism is designed to ensure that all reports are handled confidentially and without fear of retaliation, aligning with our commitment to anti-corruption, ethical business practices and a respectful workplace environment.

Economic Impact

CHIEF Integrity Advocate (CIA) Programme

We introduced the CHIEF Integrity Advocate (CIA) Programme to cultivate a strong culture of integrity across the organisation. To reinforce employee awareness on anti-corruption, we have implemented a range of initiatives, including monthly Hi-Integrity newsletters, introduction of integrity and anti-corruption related policies during onboarding and interactive Hi-Integrity chat sessions. Additionally, our E-Learning programmes and awareness sessions provide continuous reminders of our ethical business practices.

Engaging with the MACC and GLICs

We regularly engage with the Malaysian Anti-Corruption Commission (MACC) and government-linked investment companies (GLICs) to strengthen our anti-corruption commitments.

Training Programmes

In 2024, we conducted the following initiatives and training programmes to re-emphasise our zero-tolerance approach to anti-corruption and our commitment to integrity.

- New UEM Sunrise Integrity and Anti-Corruption E-Learning Programme – Module 1
- Integrity & Cybersecurity Day 2024
- Integrity & Anti-Corruption Awareness Talk 2024
- Governance & Risk Day 2024

Our Performance

	2022	2023	2024
Number of legal actions regarding anti-competitive behaviour, anti-trust and monopoly practices	0	0	**0**
Number of whistleblowing disclosures	9	8	**28**
Number of confirmed corruption incidents and actions taken	0	0	**0**
Number of employees disciplined or dismissed due to non-compliance with anti-corruption policy	NR	1	**0**
Political Contribution (RM)	0	0	**0**
Cost of fines, penalties or settlements in relation to corruption (RM)	0	0	**0**

NR – Not Reported

Communication About Anti-corruption Policies and Procedures

	2023	2024
No. of Board of Directors Informed on Anti-Corruption Policies and Procedures	9	**8**
Percentage of Board of Directors Informed on Anti-Corruption Policies and Procedures (%)	100%	**100%**
Methods of Communication for Board of Directors	• Email • Monthly Hi-Integrity newsletter • Quarterly update in BGRC and Board of Directors meetings	**• Email • Monthly Hi-Integrity newsletter • Quarterly update in BGRC and Board of Directors meetings**
No. of Employees Informed on Anti-Corruption Policies and Procedures	874	**938**
Percentage of Employees Informed on Anti-Corruption Policies and Procedures (%)	100%	**100%**
Methods of Communication for Employees	• Email • Company intranet • Monthly Hi-Integrity newsletter • Regular training and awareness programmes	**• Email • Company intranet • Monthly Hi-Integrity newsletter • Regular training and awareness programmes**
No. of Business Partners Informed on Anti-Corruption Policies and Procedures	6,413	**6,672**
Percentage of Business Partners Informed on Anti-Corruption Policies and Procedures	100%	**100%**
Methods of Communication for Business Partners	• Email • Tender briefing • Code of Conduct for Business Partners	**• Email • Tender briefing • Anti-Corruption Policy & Guidelines • Code of Conduct for Business Partners**

Number and Percentage of Employees Who Have Received Training on Anti-corruption (By Employee Category)

	2023		2024	
Employee Category	**No. of employees received training on anti-corruption***	**Percentage of employees received training on anti-corruption**	**No. of employees received training on anti-corruption**	**Percentage of employees received training on anti-corruption**
Non-Management	622	99%	**614**	**94%**
Management	177	100%	**196**	**97%**
Senior Management	32	89%	**34**	**94%**

**Employees of Cahaya Jauhar Sdn Bhd are not included*

Operations Assessed for Risks Related to Corruption

	2023	2024
Total number of operations	17	**22**
Total number of operations assessed for corruption-related risks	17	**22**
Percentage of operations assessed for corruption-related risks	100%	**100%**

In 2024, we achieved ISO 37001:2016 Anti-Bribery Management System (ABMS) certification covering key areas such as procurement, corporate social responsibility and integrity and risk management. This achievement marks a significant milestone in our journey to fortify adequate procedures - our core defense against Section 17A Corporate Liability.

Going Forward

We remain committed to integrity, good governance and ethical business practices while ensuring full compliance with regulatory requirements. To strengthen our efforts in eradicating corruption, we continuously review and enhance our training and awareness programmes to reinforce ethical conduct across our organisation.

Beyond internal initiatives, we extend this commitment to our business partners by upholding and enforcing our Code of Conduct for Business Partners, ensuring alignment with our values and ethical standards.

Economic Impact

Supply Chain Management

We view responsible supply chain management as essential to business resilience and growth.

To this end, we are committed to fostering mutually beneficial relationships with our vendors and business partners, ensuring they are fully aligned with our ESG commitments in delivering quality products and services.

Related Material Matters:

- M10 Supply Chain Management

Our supply chain governance is underpinned by key policies and guidelines, including our Code of Conduct (CoC) for Business Partners. This ensures that our vendors and business partners uphold the same standards of integrity and ethical behaviour as we do at UEM Sunrise.

Our Initiatives

We seek to engage with business partners who share our values and contribute to our broader sustainability objectives. With this objective in mind, all potential vendors are subject to rigorous screening across multiple areas.

All vendors and business partners on our Approved Vendor List are required to read, understand and acknowledge the CoC for Business Partners. This serves as their formal commitment to adhere, respect and uphold the principles outlined in the CoC, along with all applicable laws and regulations, particularly those related to anti-bribery and corruption.

To strengthen our partnerships, we actively engage with vendors through briefings, site visits and interviews, allowing us to gain deeper insights into their business practices while ensuring alignment with our expectations and sustainability requirements.

Our Key Policies to Mitigate Corruption Risks

Our policies establish the standards that all vendors are expected to uphold, reinforcing our commitment to ethical, legal and sustainable practices throughout our value chain.

- CoC for Business Partners
- Procurement Policy
- Anti-Corruption Policy & Guidelines
- Conflict of Interest Policy
- Whistleblowing Policy

Selecting the Best Vendors in Alignment with Our Sustainability Aspirations and Goals

We carefully select our vendors to ensure our high standards are maintained across our supply chain. As part of our vendor pre-qualification process, we evaluate vendors based on the following criteria:

- Company operational capacity and capability
- Financial capacity and capability
- Quality, Health, Safety and Environmental capability
- Contractors' Declaration (social and anti-corruption standards)

Our Performance

	2023	2024
Percentage of vendors screened using Environmental Criteria (%)	64	**53**
Percentage of vendors screened using Social Criteria (%)	100	**100**

Social Impact

'Live BIG, Win BIG' campaign to appreciate homebuyers and to enhance their home purchasing journey

Key Highlights

- Overall Customer Measurement Score of **81%**.
- Employee Engagement Survey (Voice of CHIEFs) Score of **62%**.
- Average QLASSIC score of **85.5%**.
- Achieved 5-star SHASSIC rating for all projects assessed with an average score of **97.3%**.
- Impacted **39,290** people in the local community through our CSR programmes.

Customer Management

Our sustainable growth hinges on effective customer management, allowing us to build and nurture long-term relationships with our customers. We place their satisfaction at the forefront, ensuring that our services provide comprehensive support and value. By fostering brand loyalty and advocacy, we strengthen customer trust and retention, contributing to our business's long-term success and financial performance.

Related Material Matters:

- M1 Customer Management
- M4 Employee Management
- M5 Health and Safety
- M6 Data Privacy and Cybersecurity
- M8 Local Community
- M11 Human Rights

Our strategy to enhance the customer experience is centred on digital innovation, data-driven insights and continuous, meaningful engagement. To make this a reality, we implemented advanced solutions that simplify and enrich the customer journey.

This includes developing user-friendly digital platforms, such as our enhanced hUb Prop app designed to support property investors and homeowners, empowering them to manage their homeownership journey with greater ease and efficiency.

Social Impact

Additionally, we offer an omnichannel experience, allowing our customers multiple touchpoints to stay connected with us and providing flexibility to meet diverse needs:

Customer Service Lounge

Our lounges are strategically located at various regions/ developments nationwide, catering to walk-in customers. Here, we address issues such as product handover, defect management and other enquiries.

hUb Prop App

Our self-service app enables customers to manage their property from the convenience of their mobile device while also staying updated with key information on Trésor membership and property status.

Customer Contact Centre

Our Customer Contact Centre personnel can be reached through our hotline number at +6016 2999 333 or via email at speaktoUS@uemsunrise.com.

Live Chat

Our customers can get instant support via our RIA chatbot through www.uemsunrise.com, with built-in features for live chat transitions to our Customer Contact Centre staff.

Social Media

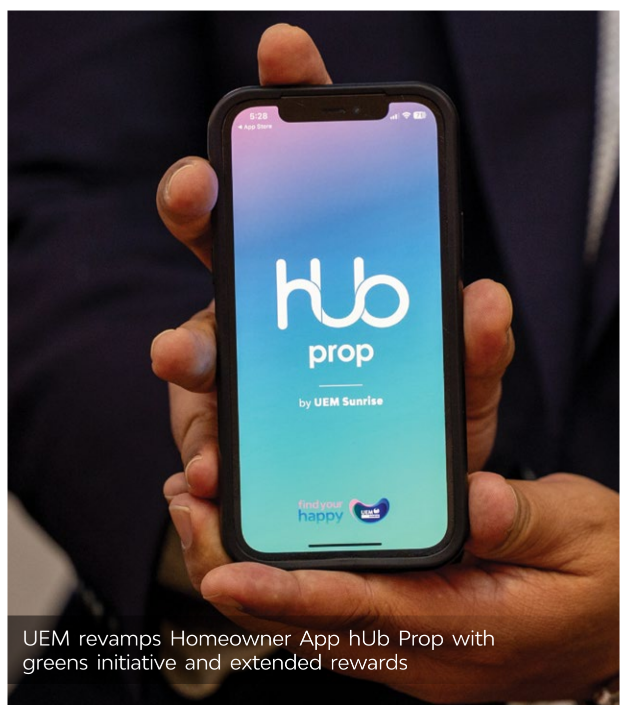
We are present across popular social media platforms to disseminate updates to our customers, as well as address any concerns they may have. Our social media monitoring and response are governed by our Social Media Policy, underscoring our commitment to responsible online engagement.

At every touchpoint, we leverage data management tools to analyse customer insights, track preferences and tailor our offerings to meet their specific needs.

Our commitment to strong customer management is reinforced through robust processes and procedures. Our operations team ensures that any defects identified during the Defects Liability Period (DLP) are addressed efficiently and effectively. This involves collaborating closely with contractors, suppliers and consultants to identify root causes, implement remediation plans and ensure all corrective work meets industry standards. By resolving defects promptly and thoroughly, we aim to exceed customer expectations while upholding our reputation for excellence and responsiveness. The hUb Prop app further enhances transparency by allowing customers to track and monitor the status of defects lodged and rectified.

Similarly, our teams are committed to continuous improvement, refining our product offerings and processes based on insights gained from past projects, as well as focus group discussions with selected customers to gather their feedback and opinions. By analysing customer feedback, contractor input and stakeholder insights, we identify strengths and areas for improvement. These learnings are then integrated into future product designs and developments, ensuring continual innovation across our projects.

We also regularly review our Integrated Standard Operating Procedures to ensure they remain effective, efficient and comprehensive. These procedures cover key post-sales aspects, including vacant possession delivery, handover processes, defect management and customer feedback management. By continuously refining these standards, we aim to streamline operations and enhance the overall customer experience, ensuring a seamless and optimised journey for every homeowner.



UEM revamps Homeowner App hUb Prop with greens initiative and extended rewards

Our Initiatives

Enhancing Operational Efficiency Through Digital Solutions

In 2024, we invested over RM12.4 million in digital transformation initiatives, including upgrades to hUb Prop and the UEM Sunrise website. By adopting a data-driven approach, we seamlessly integrated customer insights, leading to a sales conversion rate of 23%. Our RIA chatbot has also facilitated interactions with 1,554 users, enhancing customer engagement. Furthermore, we have strengthened cybersecurity measures to detect and mitigate security threats, ensuring the protection of data, applications and digital infrastructure, ultimately reinforcing our business resilience.

Driving Sales Performance with Trésor

As of 31 December 2024, we expanded our Trésor loyalty programme to 29,747 members, with Trésorians contributing 23% to our Malaysian sales. This growth has been driven by expanded Trésor engagements, where we offered exclusive benefits and privileges to our valued Trésorians. This included Trésor Rebates, Trésor Prime Referral and Family Extension Rebate, along with access to exclusive lifestyle experiences that enrich everyday living. To intensify engagement among the Trésor community and increase sales velocity, we also organised exclusive events, including private previews, movie screenings, festival celebrations and appreciation gatherings. We collaborate with like-minded and strategic partners to offer rewards, exclusive services and discounts that enhance the homeownership experience, ensuring our customers feel valued and their investment is well appreciated.

Real-Time Feedback and Customer Satisfaction Excellence

We actively gather customer insights through real-time feedback and engagement across multiple touchpoints, including sales, product handover and our Customer Contact Centre. To measure customer satisfaction effectively, we conduct an annual survey that evaluates overall experiences with our products, services and interactions. This is complemented by a Mystery Shopping Programme, which assesses service standards at our sales galleries.

In 2024, our commitment to continuous improvement resulted in an overall Customer Measurement Score of 81%, derived from Customer Satisfaction Score (CSAT) and Mystery Shopping Programme results. Additionally, we recorded a Net Promoter Score (NPS) of +20 and a Customer Effort Score (CES) of 72%, reflecting our ongoing efforts to enhance the customer experience.

Digitalising Customer Operations

We have mapped the entire customer journey, covering stages, steps, touchpoints, channels, departments and intervals to enhance their overall experience. To further improve how we manage customer interactions and streamline workflows, we launched Talkdesk cloud-base Digital Contact Centre on 18 September 2024. In addition, we are now able to generate an Online Sales Quotation that includes financing options to further streamline the home-buying process.

We are also embedding AI into other areas of our operations for increased efficiency. Currently, we have piloted Microsoft CoPilot and Salesforce Einstein AI with selected users to enhance their capabilities. We have also upgraded RIA ChatBot by integrating generative AI to enhance customer interactions with more intuitive, humanlike and accurate responses.

Optimising Pre-Delivery Inspection (PDI)

Our Pre-Delivery Inspection (PDI) process ensures that units undergo proactive defect inspections and rectifications before vacant possession is issued. We used a lesson learned analysis to determine efficient resolution of defect cases and improve our customer feedback. As a result, our SLA performance for 2024 improved dramatically to 95% versus 76% in 2023.

Continuous Improvement of hUb Prop

Since its June 2019 launch, our hUb Prop mobile app has achieved over 12,366 downloads, with 6,714 active users. We have continuously improved its functions and user experience, with our latest update including more merchants through the Trésor Partnership programme to benefit Trésorians using the app, as well as the ability to personalise the app. In addition, the Homeowner Guide and House Rules for property owners have been digitalised and uploaded in hUb Prop for ease of reference.

Enhancing the Home Buying Experience

HomeClick is our digital platform designed to streamline the property-buying journey, making it easier for customers to explore and invest in their future homes. Through HomeClick, users can take virtual property tours, reserve units and secure financing via Maybank's Home2u application—all from the convenience of their devices.

Currently, HomeClick is available for Residensi ZIG at Kiara Bay, with plans to expand the platform to include more projects in the future.

Social Impact

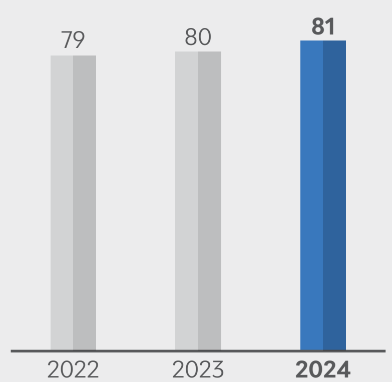
Our Performance

Enhancing Sales and Customer Experience Through Digitalisation

	2022	2023	2024
Investments in Digital Initiatives (OPEX) (RM million)	10.1	10.3	**12.4**
Total sales from our digital platform (%)	23.0	27.8	**23.0**
Chatbot visitors	-	1,068	**1,554**
Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing and communications, including advertising, promotion and sponsorship by:			
i. Incidents of non-compliance with regulations resulting in a fine or penalty	0	0	**0**
ii. Incidents of non-compliance with regulations resulting in a warning	0	0	**0**
iii Incidents of non-compliance with voluntary codes	0	0	**0**

Key Metrics for Customer Satisfaction

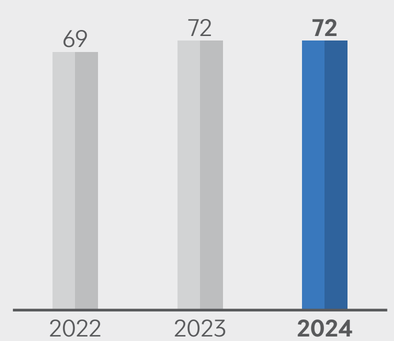
Customer Measurement Score (%)



Net Promoter Score

2024 **+20**
2023 +30
2022 +30

Customer Effort Score (%)



Going Forward

We are committed to delivering an exceptional customer experience by continuously enhancing service standards and fostering strong relationships. Our focus is on optimising customer excellence and satisfaction, ensuring that every interaction is seamless, transparent and customer-centric.

A key part of this commitment is ensuring fair and equitable treatment for all customers, regardless of background, by removing barriers to homeownership and upholding a strong stance against discrimination. We are also reinforcing our sales processes by providing ethical, transparent information, empowering customers to make informed decisions about their property investments.

Additionally, we are strengthening data protection measures to safeguard customer privacy, in full compliance with the Personal Data Protection Act and international best practices. We are committed to the responsible use of customer data, leveraging insights to enhance the overall customer experience while maintaining trust and security.

Employee Management and Human Rights

Related Material Matters:
- M4 Employee Management
- M11 Human Rights

Our employees are our greatest asset and their well-being as well as satisfaction are fundamental to our success. We are committed to creating a safe, inclusive and supportive workplace where every employee feels valued and empowered to reach their full potential. By encouraging an environment for growth and excellence, we enable our people to perform at their best, ensuring the long-term sustainability of our operations.

To achieve this, our Diversity, Equity and Inclusion (DEI) Policy serves as a cornerstone to guide our practices and decisions. This framework aims to:

Enhance
our reputation as a viable employer of choice by attracting and retaining an inclusive and diverse pool of employees at all levels.

Provide
equal access to opportunities and resources without discrimination for our employees to reach their full potential.

Promote
an environment that values the unique contributions of each individual, ideas, backgrounds, experiences and perspectives of employees to grow and succeed.

Establish
a work environment that fosters dignity and respect for all employees.

At UEM Sunrise, we are committed to upholding the highest standards of labour practices and ethical conduct across all areas of our operations. As part of our ongoing efforts to ensure the well-being of our workforce, we strictly adhere to the Employment Act 1955 and the relevant labour laws in the regions where we operate.

We are fully committed to preventing child labour and forced labour within our workforce and across our supply chain. UEM Sunrise does not engage in the hiring of any children or underage individuals and we take strong measures to ensure no forced labour is involved at any stage of our operations.

Our vendors and business partners also share in this commitment. As part of our collaboration, they acknowledge and comply with our Code of Conduct for Business Partners, which clearly outlines our expectations related to labour standards, including the prohibition of child and forced labour.

In addition, UEM Sunrise's team regularly conducts periodical site inspections to monitor and ensure compliance with these standards. These inspections include verification that there is no child labour or forced labour on any of our project sites, reinforcing our commitment to ethical labour practices.

Aligned with our DEI policy, we maintain a zero-tolerance approach towards workplace bullying, harassment, victimisation and unlawful discrimination. Any complaints regarding such misconduct are taken seriously and addressed through disciplinary procedures, with appropriate actions implemented in accordance with the UEM Sunrise Code of Conduct and employee handbook. In the year under review, there were no substantiated complaints related to human rights violations or incidents of discrimination.

Number of discrimination cases reported: 3
Status of the incidents and actions taken: Case 1 - Alleged employee resigned Case 2 - Alleged employees has been reviewed and case resolved through consequence management Case 3 - Incident no longer subject to action, issue resolved through consequence management

UEM SUNRISE BERHAD
INTEGRATED ANNUAL REPORT 2024

Social Impact

Our Initiatives

Leveraging People Analytics

Our HR team leverages on our HR system and available Digital softwares to enable data driven decisions about talent management and workforce planning. We apply people analytics in the following areas:

Area	How We Use Analytics
Measuring Employee Performance	We use data-driven performance assessments, benchmarked against individual objectives and KPIs, to improve workforce efficiency.
Strategic Workforce Planning	We identify future skill needs that are aligned with our business goals, enabling us to proactively strengthen our human capital.
Recruitment and Hiring	We optimise hiring channels for talent acquisition and use psychometric assessments to evaluate the suitability of candidates for our roles.
Retention and Engagement	We identify flight risks to reduce employee turnover, enhance retention strategies and ultimately strengthen our workplace culture.
Diversity and Inclusion	We use demographic data to ensure fair hiring practices and equal career advancement opportunities.
Competitive Intelligence	Our workforce trends are benchmarked against our peers to enable better decision-making.

Talent Attraction and Retention

Our Commitment to Equal Opportunity Employment

We are committed to being an equal opportunity employer and embed non-discrimination and fairness in all of our employment practices, ensuring impartial treatment for all employees.

Our hiring, promotion and career development opportunities are based on skills, qualifications and achievements — not age, gender, ethnicity, or other demographic factors. Additionally, our remuneration policies ensure equal pay for equal work. We also value the knowledge and experience our employees bring to the organisation and support their growth through upskilling programs, enabling older employees to remain competitive in the workforce.

To promote diversity and inclusion in our workforce, we have inclusive workplace policies that respect various religious practices and public holidays, as well as prayer rooms for religious observances.

New Hires in 2024

In 2024, we welcomed 144 new employees to the UEM Sunrise family, refreshing perspectives and innovation at our dynamic workplace. Our strategic recruitment approach ensures that we attract talents who not only possess the right qualifications and experience but also align with our company values and vision. To support a seamless transition, our onboarding programme familiarises new hires with our organisational culture, key policies and role expectations. Additionally, our succession planning initiatives continue to nurture high-potential talents, preparing them for critical leadership roles within the organisation.

New Employees
2024
144

Comprehensive Employee Benefits

Our commitment to employee well-being is reflected in the comprehensive benefits we provide. Recognising the importance of retirement planning, we contribute an additional 2–3% above the statutory requirement to the Employees Provident Fund (EPF), reinforcing our employees' long-term retirement planning. Our extensive insurance coverage includes Group Personal Accident Insurance, Group Hospitalisation and Surgical Insurance and Group Term Life Insurance, ensuring protection and peace of mind.

We further support employee health and work-life balance by offering annual health screenings, dental care benefits, personal club membership subsidies and flexible work arrangements. Additionally, our offices are equipped with nursing rooms for breastfeeding mothers, alongside various health and wellness programmes designed to promote overall well-being and productivity.

Benefits Offered by UEM Sunrise

- Flexible working arrangements
- Increments, bonuses, special recognition awards and other incentives
- 15% employer's share to EPF for employees with over two years' service
- 98 days of maternity leave
- 7 days of paternity leave
- 9 days of compassionate leave
- Talent mobility, for internal job movement (CHIEF Move), transfers and assignments at overseas offices as well as other companies within UEM Group
- Corporate club membership at an approved social and recreational club and personal membership in a company-approved club
- Study leave and sabbatical leave

Hybrid Working Arrangement

We embrace a hybrid working model, allowing employees to split their time between the office and remote work. Our Hybrid Working Policy (HWP) establishes clear guidelines and eligibility criteria, ensuring that employees can leverage flexible work arrangements to better balance their professional and personal commitments.

Parental Leave

We recognise the importance of supporting employees during key life transitions and our parental leave policy is designed to help them manage both family and career responsibilities effectively. In 2024, we achieved a 95% return-to-work rate for employees who took parental leave, embodying our commitment to fostering a family-friendly workplace.

Employee Turnover

In 2024, our turnover rate was 11.4%. To continue attracting and retaining top talent, we are dedicated to enhancing our salary structures and reward schemes, ensuring market competitiveness. Additionally, we remain focused on developing strong talent pipelines and strengthening our talent development programmes to support long-term workforce sustainability.

Turnover Rate
11.4%

Fair Remuneration and Competitive Benefits

Remuneration and Compensation

We uphold equitable and competitive remuneration policies, ensuring fair compensation and attractive benefits for our employees. Our policies fully comply with local regulations, covering benefits, remuneration packages, working hours, overtime, minimum wage and allowances. Additionally, we commit to non-discriminatory pay across gender, age and other demographics.

To determine competitive pay structures, we benchmark against external reports and our industry peers. At the Board level, the Nominations & Remuneration Committee oversees salary structures, while our CEO and HR team ensures remuneration aligns with our diversity, equity and inclusion policies.

Our pay structure consists of basic pay determined by job role and experience, as well as a variable pay component (i.e. bonuses and incentives) linked to performance, including Sustainability-related targets. Bonuses and salary increments are structured based on key performance indicators (KPIs), ensuring a merit-based reward system.

Career and Performance Reviews

Our performance review process is based on individual goals and KPIs, ensuring a fair and objective appraisal system to assess each employee's contribution. In addition, the process provides employees with a platform to discuss career aspirations, set professional goals and explore growth opportunities. We support career progression within our organisation, offering multiple career paths to encourage talent retention.

In 2024, 100% of eligible employees participated in performance and career development reviews, resulting in 139 promotions, reflecting our dedication to recognising achievements and contributions. Additionally, our ongoing succession planning continues to ensure a sustainable talent pipeline while mitigating turnover and recruitment risks.

Social Impact

Employee Engagement for Talent Retention and Job Satisfaction

UEM Sunrise Belief System

Keeping our employees engaged is a key priority as we foster a high-growth culture rooted in the UEM Sunrise Belief System. Our initiatives and strategies to create a positive work environment are guided by four core pillars: Well-being, Recognition, Engagement and Festivities.

CHIEF @ UEM Sunrise

We prioritise employee well-being with our CHIEF Wellness Programme, designed to encourage employees to take proactive control of their health and overall well-being. This includes a range of fitness activities, curated learning programmes through LinkedIn Learning and expert-led talks. Additionally, through the CHIEF Recognition Programme, we celebrate and reward employees who exemplify our core values and demonstrate the spirit of excellence that defines UEM Sunrise.

Employee Engagement Events Held in 2024

- CHIEF Wellness Day
  - A day to raise awareness and promote healthy initiatives for the holistic well-being of employees.
- Health Improvement Programme (HIP)
  - A curated ten-week physical health improvement programme for employees whose screening results indicate a 'high-risk' of health problems.
- Well-Being @ Work Thought hUb
  - Expert talks and mental health assessments to promote well-being in the workplace.
- Festivities celebrations and engagement
  - Celebrating festivities through online and physical contests, races and engagements.
- Team-building
  - Divisional team-building to enhance divisional collaboration, strengthen trust and camaraderie and organisational alignment.
  - Cross-functional CHIEF Build-our-Bonds programme focussing on agility, business mindset and communication.

Employee Engagement Platforms

We foster a supportive and inclusive work environment through regular dialogue sessions, building open communication with our employees. Engagement initiatives, such as town halls and interactive sessions with Senior Management, help create a more connected and informed workforce. Additionally, during festive seasons and special occasions, we celebrate with our CHIEFs through various cultural and engagement activities, embracing diversity and strengthening workplace connections. These initiatives not only enhance employee engagement but also reflect our appreciation for the diverse backgrounds and traditions within Malaysia.

Employee Engagement Survey

Every year, we conduct our Voice of CHIEFs (VOC) survey to measure employee sentiment and engagement levels. In 2024, we recorded a VOC score of 62%. As part of our efforts, our People team collaborates with various divisions to analyse survey results and implement targeted strategies to address key areas of improvement.

Investing in Our Employees

Investing in learning and development is a strategic necessity for thriving in today's evolving business landscape. Our approach focuses on educating (imparting knowledge), enhancing (improving expertise) and evolving (driving change) across four key pillars: leadership, essentials, academies and digital learning. We offer a diverse range of learning channels, including physical training, webinars and interactive workshops, ensuring our employees are equipped with the skills and knowledge needed for long-term success, innovation and a competitive edge.

Investing in Employee Learning and Development

Recognising the importance of a highly skilled and capable workforce, in 2024, we have invested RM1.8 million in employee learning and development in 2024. These initiatives sought to empower employees through training, education and professional growth opportunities, helping them to strengthen their leadership capabilities and achieve their career aspirations.

Learning and Development Programmes

Led by our in-house Learning, Culture and Talent Management unit, we have developed comprehensive internal development programmes that equip employees with relevant industry knowledge and critical skills. Additionally, employees are encouraged to participate in external training modules to broaden their expertise. To further support professional growth, development programmes are integrated into employee KPIs, exemplifying the importance we place on continuous learning and career advancement.

Furthermore, we have also implemented leadership development programmes tailored to develop the skills needed for each level of leadership. By doing this, we ensure a vast talent pool for succession planning and developing the next generation of leaders.

- Senior Management Leadership Development Programme (SLDP)
  Helps senior leaders master the leadership behaviours of personal effectiveness, people building, strategic thinking and being a results champion to drive and lead UEM Sunrise.
- Middle Management Leadership Development Programme (MLDP)
  Fosters character, passion and vision clarity to enhance participants' leadership capabilities, empowering them to guide their teams towards achieving strategic objectives and nurturing personal growth.
- Junior Management Leadership Development Programme (JLDP)
  Supports the development of leadership practices, enabling new managers to drive excellence, inspire confidence and foster sustainable business practices.
- Non-Executive Development Programme (NEDP)
  Develops a pool of effective workers, increasing their productivity and ensuring sustainable future growth.
- Project Management Professional (PMP) Essentials
  Equips emerging leaders, team leads and mid-level professionals with key project management tools and techniques to effectively lead projects, achieve organisational goals and advance their careers with PMP certification.

CHIEFs having fun in a charade challenge during the Merdeka Ria Amazing Race team building

Social Impact

UEM Sunrise Learning Approach

EDUCATE (Import knowledge)

- Main thrust to upskill and enhance the leadership virtue of the employees to lead self, team and organisation
- Solidify basic knowledge, align to the greater scheme of things and drive companywide strategies
- Be the 'Subject Matter Expert' to partner and complement across the organisation to perform role effectively
- Anticipate the future needs and prepare for changes with resources and roadmap in line with U2030

ENHANCE (Improve know-how)

EVOLVE (Influence Change)

Leadership

Talent Development focus to upskill as greater Company assets

- Leadership Development Programme (LDP)
- Coaching and Mentoring
- Business Management
- BoD Training
- Thought hUb

Essentials

Basic knowledge to align with Companywide strategies

- Onboarding
- UEM Sunrise COI and COC
- Core Competencies
- UEM Sunrise Products
- Sustainability and ESG
- Technology + Digital
- Project Management

Academies

Job specific knowledge that is critical to perform role effectively

- Digital
- Finance
- People
- Safety
- Marketing and Sales
- Project Development
- Sustainability
- Leadership

Future-readiness

Address future needs to enable and encourage for employees to always be learning

- AI and ChatGPT
- Sustainability and ESG
- Technology + Digital
- Adaptability and Agile Mindset
- Innovative Capability

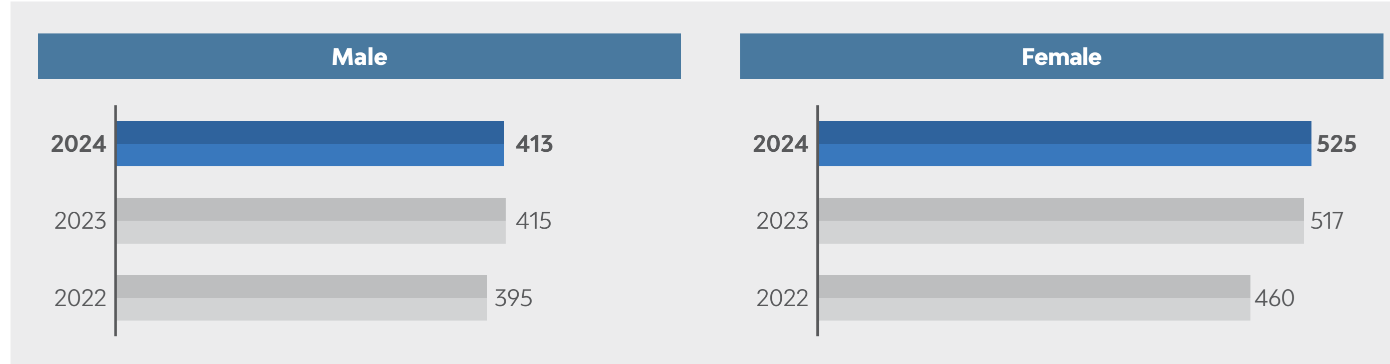
CHIEF Champions (CC)

UEM Sunrise Learning and Development Programmes

- **Leadership and Talent Development**
  Empowers management with exemplary leadership skills.
  Talent programmes to ensure talent and succession pool readiness.
- **Core/Functional/Technical Development Programme**
  Upgrades employees' competencies to perform their specific job, role, or function effectively.
- **Knowledge Sharing**
  Cultivates a mindset of continuous learning and growth through knowledge sharing by internal and external subject matter experts.
- **Quality, Health, Safety and Environment (QHSE) Training**
  Trains employees in the specialised area of QHSE skills, including on- and off-the-job training.
- **Industrial Relations Training**
  Raises awareness about good industrial relations practices that cover workplace issues and the employment relationship between employers and employees.
- **Digital Learning Programme**
  Allows employees to take charge of their growth through self-directed learning using AI-powered digital learning platforms, such as LinkedIn Learning.

Our Performance

Number of Employees by Gender



Percentage of Employees by Gender, Age Group and Ethnicity for Each Employee Category

Employee Category	Gender		Age Group			Ethnicity			
	Male	Female	<30 years old	30–50 years old	>50 years old	Chinese	Malay	Indian	Others
2024									
Non-Management	**44.5**	**55.5**	**18.9**	**74.4**	**6.8**	**11.7**	**82.9**	**3.3**	**2.2**
Management	**41.8**	**58.2**	**0.5**	**80.8**	**18.7**	**27.9**	**64.9**	**4.3**	**2.9**
Senior Management	**47.2**	**52.8**	**0.0**	**58.3**	**41.7**	**41.7**	**55.6**	**2.8**	**0.0**
2023									
Non-Management	43.9	56.1	21.4	72.2	6.4	11.4	83.2	3.9	1.6
Management	45.4	54.6	0.0	79.1	20.9	31.1	61.2	4.1	3.6
Senior Management	51.4	48.6	0.0	71.4	28.6	42.9	54.3	2.9	0.0
2022									
Non-Management	45.8	54.2	19.1	75.0	5.9	11.4	82.6	3.9	2.2
Management	46.9	53.1	0.6	78.3	21.1	34.3	57.1	5.1	3.4
Senior Management	51.6	48.4	0.0	67.7	32.3	48.4	45.2	6.5	0.0

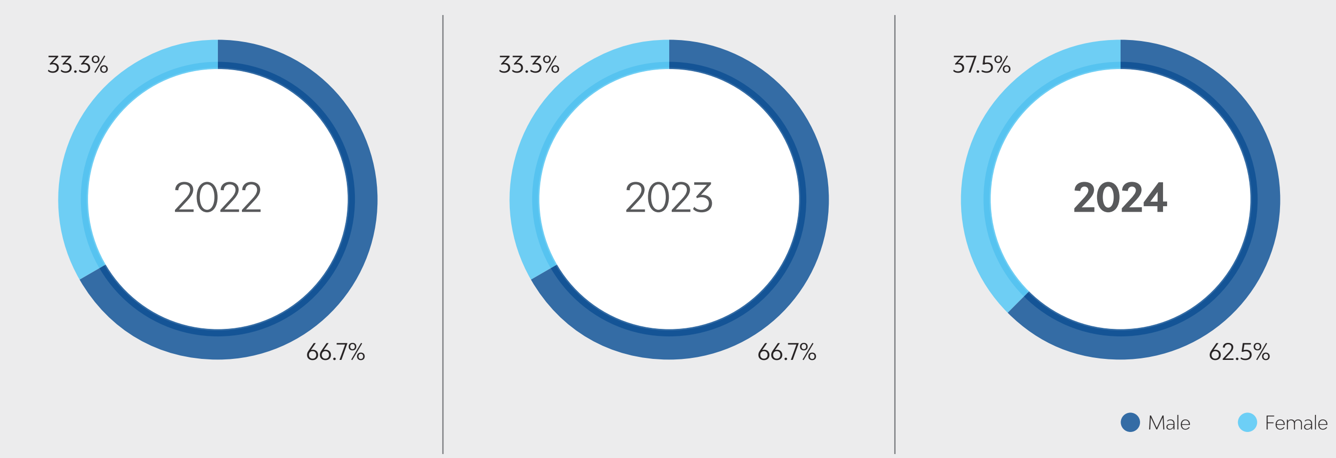
Percentage of Employees That Are Contractors or Temporary Employees

	2022	2023	2024
Percentage of employees that are contractors or temporary employees (%)	10.3	13.7	**15.5**
Percentage of employees who are interns (%)	1.0	0.9	**2.4**

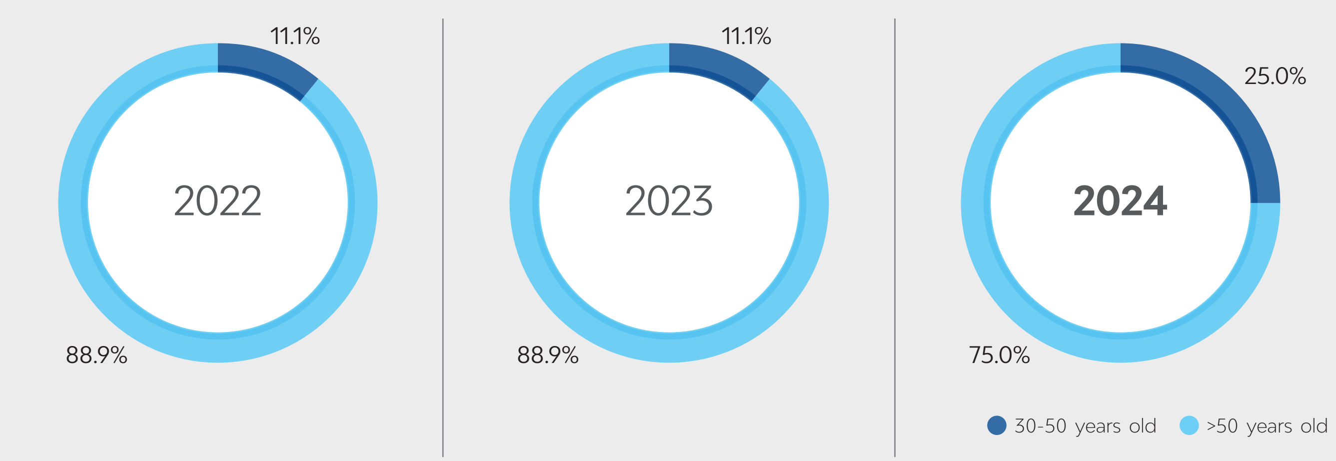
Social Impact

Percentage of Board Directors by Gender and Age Group

By Gender



By Age Group



New Employee Hires

	Gender		Age Group			Region	
	Male	Female	<30 years old	30–50 years old	>50 years old	Malaysia	International
2024							
Number	**66**	**78**	**76**	**62**	**6**	**144**	**0**
Rate	**7.2%**	**8.5%**	**8.3%**	**6.7%**	**0.7%**	**15.7%**	**0.0%**
2023							
Number	76	116	109	80	3	192	0
Rate	8.5%	13.0%	12.2%	9.0%	0.3%	21.5%	0.0%

Turnover and Turnover Rate

	Gender		Age Group			Region			Employee Category		
	Male	Female	<30 years old	30–50 years old	>50 years old	Malaysia	Australia	South Africa	Non-Management	Management	Senior Management
2024											
Number	**57**	**48**	**23**	**71**	**11**	**104**	**1**	**0**	**73**	**27**	**5**
Rate	**6.2%**	**5.2%**	**2.5%**	**7.7%**	**1.2%**	**11.3%**	**0.1%**	**0.0%**	**7.9%**	**2.9%**	**0.5%**
2023											
Number	59	54	33	72	8	113	0	0	89	19	5
Rate	6.6%	6.1%	3.7%	8.1%	0.9%	12.7%	0.0%	0.0%	10%	2.1%	0.6%

Parental Leave

	2023			2024		
	Male	Female	Total	Male	Female	Total
Number of employees entitled to parental leave	330	517	847	**318**	**525**	**843**
Number of employees who took parental leave	34	38	72	**30**	**23**	**53**
Number of employees who returned to work after parental leave ended	33	38	71	**30**	**18**	**48**
Number of employees who returned to work after parental leave ended and were still employees 12 months after their return to work	32	36	68	**26**	**17**	**43**
Return to work rate	97.1%	100.0%	98.6%	**100%**	**79.0%**	**90.6%**
Retention rate	97.0%	94.7%	95.8%	**93.0%**	**95.0%**	**81.1%**

Performance and Career Development Reviews (By Gender)

	As of 31 December 2023		As of 31 December 2024	
	Male	Female	Male	Female
Total number of eligible* employees	359	444	**347**	**455**
Percentage of eligible employees who received performance and career development reviews (%)	100	100	**100**	**100**

* *All employees excluding practical and graduate trainees, contract employees (sales) and employees on probation.*

Social Impact

Performance and Career Development Reviews (By Employee Category)

	As of 31 December 2023			As of 31 December 2024		
	Non-Management	Management	Senior Management	Non-Management	Management	Senior Management
Total number of eligible* employees	589	178	36	**572**	**196**	**34**
Percentage of eligible employees who received performance and career development reviews (%)	100	100	100	**100**	**100**	**100**

** All employees excluding practical and graduate trainees, contract employees (sales), employees on probation and employees serving notice.*

Total Training Hours and Investment

	2023	2024
Total training hours (hours)	22,194	**50,898**
Total investment in training (RM 'mil)**	1.2	**1.8**

** Amount excluding HRDC grant.

Total Training Hours and Average Training Hours per Employee (By Gender and Employee Category)

	Gender		Employee Category		
	Male	Female	Non-Management	Management	Senior Management
2024					
Total training hours	**22,954**	**27,944**	**37,255**	**11,756**	**1,887**
Average training hours per employee	**50**	**49**	**49**	**53**	**39**
2023					
Total training hours	7,844	14,350	10,641	10,444	1,109
Average training hours per employee	19	28	15	53	32

Types of Employees

	2023			2024		
	Male	Female	Total	Male	Female	Total
Number of employees	415	517	932	**413**	**525**	**938**
Number of permanent employees	349	455	804	**333**	**460**	**793**
Number of temporary employees (Employees on renewable contract)	66	62	128	**80**	**65**	**145**
Number of non-guaranteed hours employees	0	0	0	**0**	**0**	**0**
Number of full-time employees (Must fulfil eight hours a day or according to labour law)	415	517	932	**413**	**525**	**938**
Number of part-time employees (Employees with fewer working hours compared to full-time employees)	0	0	0	**0**	**0**	**0**

Employees by Region

	2023			2024		
	Male	Female	Total	Male	Female	Total
Malaysia (Central)						
Number of employees (headcount/FTE)	232	335	567	**237**	**352**	**589**
Number of permanent employees (headcount/FTE)	194	301	495	**190**	**306**	**496**
Number of temporary employees (headcount/FTE)	38	34	72	**47**	**46**	**93**
Number of non-guaranteed hours employees (headcount/FTE)	0	0	0	**0**	**0**	**0**
Number of full-time employees (headcount/FTE)	232	335	567	**237**	**352**	**589**
Number of part-time employees (headcount/FTE)	0	0	0	**0**	**0**	**0**
Malaysia (Southern)						
Number of employees (headcount/FTE)	179	178	357	**174**	**167**	**341**
Number of permanent employees (headcount/FTE)	152	150	302	**142**	**148**	**290**

UEM SUNRISE BERHAD
INTEGRATED ANNUAL REPORT 2024

Social Impact

	2023			2024		
	Male	Female	Total	Male	Female	Total
Number of temporary employees (headcount/FTE)	27	28	55	**32**	**19**	**51**
Number of non-guaranteed hours employees (headcount/FTE)	0	0	0	**0**	**0**	**0**
Number of full-time employees (headcount/FTE)	179	178	357	**174**	**167**	**341**
Number of part-time employees (headcount/FTE)	0	0	0	**0**	**0**	**0**
Australia and South Africa (International)						
Number of employees (headcount/FTE)	4	4	8	**2**	**6**	**8**
Number of permanent employees (headcount/FTE)	4	1	5	**1**	**6**	**7**
Number of temporary employees (headcount/FTE)	0	1	1	**1**	**0**	**1**
Number of non-guaranteed hours employees (headcount/FTE)	0	0	0	**0**	**0**	**0**
Number of full-time employees (headcount/FTE)	4	4	8	**2**	**6**	**8**
Number of part-time employees (headcount/FTE)	0	0	0	**0**	**0**	**0**

Going Forward

As we progress on our journey towards long-term sustainable growth, a key priority will be developing the capabilities of our people, ensuring they are equipped with the right skills and expertise to drive the aspirations of our U2030 transformation plan. We remain committed to enhancing training and development programmes, ensuring that U2030 initiatives are inclusive and address the diverse needs of our workforce.

To support employee retention and growth, we recognise the importance of providing meaningful benefits and comprehensive support systems. We will continue to gather employee feedback to further refine our policies and offerings, ensuring they align with evolving workforce expectations. Our parental leave and flexible work arrangements will be regularly reviewed and updated to meet the changing needs of our workforce.

For our recruitment strategy, we will maintain a strong focus on attracting talents who not only possess the necessary skills and experience but also embody our company values and vision. Nurturing a dynamic and forward-thinking workforce is fundamental to our continued growth and success.

Health and Safety

At UEM Sunrise, we are unwavering in our commitment to safeguarding the health and safety of our employees, vendors and the communities in which we operate. Embedding a strong safety culture reinforces our reputation as a responsible and caring employer, as we prioritise safety above all else at our work sites. Beyond that, our focus on safety also cultivates a work environment that supports sustained productivity and high performance.

Related Material Matters:

- M5 Health and Safety
- M10 Supply Chain Management
- M11 Human Rights

Our commitment to health and safety is embedded in our policies and procedures, which are regularly reviewed and updated to align with the latest industry standards and best practices. Since 2012, we have implemented a comprehensive Quality, Health, Safety and Environment (QHSE) management system across all business operations. UEM Sunrise maintain certification to ISO 45001:2018 Occupational Health and Safety Management System (formerly OHSAS 18001) and ISO 14001:2015 Environmental Management System (EMS) to proactively manage workplace risks and environmental impacts in a structured and consistent manner.

As of 2024, 100% of our ongoing project sites and head office operations are covered under both certified systems. This full coverage ensures that health, safety and environmental protocols are consistently applied, monitored and improved in line with internationally recognised standards.

Our dual certification in ISO 45001:2018 and ISO 14001:2015 reflects our commitment to a safe, healthy and environmentally responsible workplace, underpinned by a culture of continuous improvement and regulatory compliance.

To further strengthen our oversight, the Board Governance & Risk Committee (BGRC) oversees the implementation of appropriate systems and processes to effectively manage Occupational Safety and Health (OSH) risks across our operations.


UEM Sunrise first aid and CPR training for CHIEFs

Beyond our workplaces, we recognise our role in developing properties and public spaces that contribute to community well-being. Our safety-first approach extends to the continuous and safe upkeep of our projects, ensuring that our developments meet the highest safety standards for homeowners, tenants and the general public.

Behaviour Based Safety

To demonstrate our dedication in Health and Safety, we initiated BBS approach in the organisation, which aims to integrate a safety conscious culture within the organisation. BBS is a proactive approach to reinforce safe work environment and provides structural and quantitative approach for long-term solutions. Climate Change surveys have been conducted among staff, consultants, and contractors to determine our current position on the DuPont Bradley Curve. The survey results show that we are at the "Defend" stage. We have delivered several in-house and external trainings to build capability and expertise among our people.

We are aligning our safety management practices with key industry regulations to ensure robust compliance and continuous improvement. The Construction (Design and Management) Regulations 2015 (CDM) provide a foundational framework for integrating health and safety considerations throughout the lifecycle of a construction project – from planning and design to execution. Complementing this, the Occupational Safety and Health in Construction Industry (Management) Guideline 2020 (OSHCIM).

We are currently transitioning to ensure full adherence to the new Occupational Safety and Health (OSH) Act, which was gazetted on 1 June 2024. This transition reflects our commitment to upholding the highest safety standards across all activities. Awareness training sessions have been conducted, and we have initiated the process of identifying all applicable legal and other relevant industry.

Social Impact

Our Initiatives

Our Occupational Safety and Health Management Scope and Strategy

Safeguarding the well-being of our workforce is a fundamental priority embedded in our Occupational Safety and Health Management System (OSHMS). Designed to uphold industry-leading safety standards, our OSHMS applies to all employees, contractors and stakeholders involved in our operations across all UEM Sunrise-controlled workplaces, highlighting our resolve to provide a safe, healthy and productive work environment.

Our OSHMS extends across every level of engagement, making sure all who contribute to our projects and corporate functions adhere to a standardised approach to workplace safety. It covers employees working across corporate offices, regional branches and project teams, as well as contractors and subcontractors engaged in construction, facility management and operational services. Temporary and part-time workers supporting office and project-based functions are also included, along with consultants and service providers involved in project management, engineering, safety audits and operational oversight. Interns and trainees participating in hands-on training or fieldwork also operate under the strict safety supervision of UEM Sunrise.

The OSHMS framework further extends across a range of activities, emphasising compliance with health, safety and environmental (HSE) regulations. This includes administrative and management activities in corporate offices, construction and development projects, facility management and maintenance efforts, as well as regular site inspections and audits to help identify and mitigate potential risks. The safe transportation and handling of construction materials and equipment are also key considerations under our safety framework, alongside emergency preparedness protocols such as fire drills, crisis management initiatives and incident response procedures. We also place a strong emphasis on continuous learning, with structured HSE training, safety inductions and competency-building workshops for employees.

Committing to the Well-Being of Our Workers

Health, Safety and Welfare at Work

At UEM Sunrise, the well-being of our construction site workers is central to our commitment to sustainability. Through a comprehensive approach to worker welfare, we ensure that all contractors and site workers operate in a safe, fair and dignified environment that upholds their rights, health and quality of life.

From the moment we gain site possession, a Project Health, Safety and Environment Compliance Plan is established, ensuring that all health, safety and environment measures are in place. To safeguard workers' health, medical surveillance and pre-employment checkups are mandatory, ensuring that workers are medically fit to perform their duties. Aside from our risk mitigation processes, safety on-site is reinforced through a Traffic Management Plan, which protects both workers and surrounding communities from potential road hazards, while barricades and hoarding structures prevent unauthorised access and mitigate risks associated with high-risk activities. Security measures are also in place to prevent trespassing, ensuring that all sites remain controlled and secure environments. Moreover, we recognise the impact of vector-borne diseases on worker health, implementing fogging and larvaciding procedures to minimise mosquito-related illnesses. These preventive actions are not limited to project sites but are also extended to the surrounding neighbourhoods and communities, helping to reduce the risk of dengue and other mosquito-borne diseases more broadly.

Worker comfort and hygiene are equally critical to their well-being. Dedicated rest areas and PPE-free zones provide workers with spaces to relax, hydrate and eat comfortably. Proper sanitation facilities, including well-maintained toilets, further contribute to worker dignity and hygiene, ensuring that their daily needs are met with respect and care.

Fair Employment and Workers' Rights

Beyond physical safety, we remain firmly committed to fair wages and employment stability. At all of our work sites, workers are required to have a valid work permit and CIDB Green Card, which not only ensures legal employment status but also ensure the workers has received proper training and has a basic understanding of safety and health regulations in the construction industry.

Our workers are paid fairly and on time, guaranteeing their financial security and ability to support their families. Their work permits also protect them from exploitation and unfair dismissals, reinforcing job security across all levels.

Furthermore, we uphold our obligations under the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 (Act 446), which mandates proper worker accommodations, ensuring that they have safe housing and access to essential facilities such as food and medical care. Medical checkups and disease prevention programmes are implemented to maintain worker health, allowing them to continue earning without disruption.

Our Health and Safety Policies and Guidelines

We have established robust policies and guidelines to manage health and safety risks effectively, namely:

- **UEM Sunrise QHSE Policy**
  This is our overarching policy that sets out our principles, responsibilities and commitments to fostering a strong safety culture.
- **UEM Sunrise QHSE Manual**
  This comprehensive document outlines all safety procedures, risk management protocols and compliance guidelines for all employees and contractors.
- **HSE Performance Monitoring and Reporting Guideline**
  This guideline sets how we track health safety and environment performance, including key indicators, incident reporting and audits.
- **Emergency Preparedness and Response (ERP)**
  This defines our response during a crisis, including fire drills, evacuation procedures and first aid readiness.

Mitigating Workplace Risks and Hazards

We identify work-related hazards, assess associated risks and mitigate them using Hazard Identification, Risk Assessment and Risk Control (HIRARC). Risk identification, assessment and the application of a hierarchy of controls are critical components of an effective Occupational Safety and Health (OSH) management system. This structured approach allows us to create a safe working environment for our employees, contractors and stakeholders.

Our Risk Mitigation Process

1 Routine Hazard Identification and Risk Assessment

We conduct regular worksite inspections with employee participation to capture their insights. We also break down tasks and identify hazards in each job step with Job Safety Analysis (JSA) and Job Hazard Analysis (JHA). Additionally, we encourage hazard reporting with near-miss reporting, health surveillance and employee feedback and involvement.

2 Non-Routine Hazard Identification and Risk Assessment

We use change management to address hazards associated with changes in operations, processes, or equipment before implementing any changes. In case of any incidents, we investigate them thoroughly to identify root causes and contributing factors and implement preventive measures. We also regularly strengthen our emergency preparedness measures to cover all possible scenarios.

3 Application of the Hierarchy of Controls

This is a five-step process where we eliminate hazards where feasible, substitute them with safer alternatives, implement physical controls to prevent hazards, develop administrative policies to reduce exposure to hazards and provide and ensure the proper use of Personal Protective Equipment (PPE) as a last line of defence.

4 Regular Review and Monitoring

We conduct periodic risk assessments, monitor the effectiveness of our safety controls and ensure continuous improvement of our safety management, policies and procedures based on lessons learned analysis and encouraging feedback from stakeholders. This ensures that our risk management process remains dynamic and adaptive to changing circumstances.

Encouraging Employees to Report Hazards and Unsafe Conditions

A key component of our OSH programme is ensuring that employees have clear and accessible channels to report workplace hazards and unsafe conditions. This is essential in identifying and mitigating risks before they escalate. To facilitate this, workers can report hazards directly to their immediate supervisors or submit a hazard reporting form. Additionally, we have also established anonymous reporting channels, including an online reporting system via the company intranet, allowing employees to voice concerns without fear of reprisals.

Social Impact

Furthermore, if workers encounter any situation that presents an imminent danger to their health or safety, they have the right to stop work, remove themselves from the situation and inform their immediate supervisor, HSE officer, or project team leader about the unsafe condition. In valid cases of concern, we will immediately carry out an investigation, assessment and correction of the risk following our risk mitigation process. Work will resume only when it is deemed safe by our HSE team.

To further strengthen this initiative, we regularly assess and refine our reporting mechanisms, updating policies and educating employees on their legal protections, including whistleblower protection laws.

Worker Participation, Consultation and OSH Communication

To foster a culture of collaboration and shared responsibility, we have established a Health and Safety Committee, comprising representatives from both management and workers. These committees serve as platforms to discuss ongoing safety issues, provide feedback on health and safety concerns and strengthen worker engagement in risk management. As frontline workers are often the first to identify potential hazards, their participation in safety planning, incident reporting and investigations is invaluable in preventing accidents and injuries.

We actively engage workers in the evaluation and continuous improvement of our OSH management system, recognising that their day-to-day experiences provide critical insights into potential workplace risks. By integrating their feedback, we ensure that our safety procedures remain practical, effective and responsive to real-world conditions. Additionally, we recognise and reward employees who contribute to maintaining a safe and compliant work environment, reinforcing the importance of their participation. To further strengthen OSH communication, we utilise multiple platforms, including meetings, newsletters and digital channels, spreading health and safety awareness and information among all employees.

As part of our ongoing commitment to employee well-being, ergonomic concerns raised by staff were formally discussed during our HSE Corporate Committee meetings, which include participation from employee representatives. This platform enables direct engagement between employees and management on labour-related issues. Feedback received has directly contributed to improvements in the workplace, including the procurement of ergonomic chairs, tables and other supportive equipment to enhance employee comfort and reduce occupational health risks.

Preventing and Mitigating OSH Impacts in Our Business Operations

We are committed to minimising and preventing occupational safety and health (OSH) risks across our operations, products and services, as safety remains a priority in all business relationships. Our approach involves conducting comprehensive risk assessments and due diligence, actively engaging with contractors and suppliers and integrating OSH standards into contractual agreements. We also provide specialised training for employees, contractors and business partners to emphasise workplace safety awareness and compliance. Collaboration and effective communication play a crucial role in our approach to addressing OSH concerns, allowing us to proactively investigate incidents, implement response protocols and ensure transparency in OSH-related matters. Furthermore, we continuously seek to leverage technology to enhance OSH performance, engage in ongoing dialogue with stakeholders and refine our OSH management framework through regular reviews and improvements.

Commitment to Safety and Delivery of Quality Products

As part of our resolve to exceed safety and quality standards, we ensure that all site supervisors and skilled workers obtain the necessary accreditation in line with the Malaysia Construction Industry Development Board (CIDB) Act (Act 520). This initiative enhances workmanship and quality assurance across all construction sites, as it demonstrates that supervisors and workers possess the necessary competencies to carry out their tasks safely and efficiently, reducing workplace risks and improving project execution. To maintain strict compliance, our Total Quality Management Unit closely monitors accreditation submissions, supported by our internal ProSus system, which facilitates monthly online updates on accreditation status.

Number and Percentage of Supervisors and Workers Accredited

	2023	2024
Accredited Skilled Workers	1,046 (99%)	**874 (95%)**
Accredited Site Supervisors	95 (94%)	**123 (89%)**

Quality Assessment System for Building Construction Works

We are dedicated to delivering high-quality developments while maintaining safe and healthy work environments. Our strong performance in product quality and site safety is reflected in our achievements under the Quality Assessment System for Building Construction Works (QLASSIC). In recognition of our commitment to excellence, 2 of our projects recorded an average score of 85.5%. Additionally, 8 of our projects attained a 5-star Safety and Health Assessment System in Construction (SHASSIC) rating, achieving an average score of 97.3%, further demonstrating our dedication to safety and construction excellence. In 2024, we maintained full compliance with health and safety regulations, with no recorded instances of non-compliance leading to fines, penalties, warnings, or breaches of voluntary codes.

Building a Strong Safety Culture

Our health and safety commitment extends beyond our internal workforce to include customers, contractors and business partners, reflecting a shared responsibility for workplace safety. We actively promote a culture of safety and accountability, enabling everyone to contribute to maintaining a secure and healthy environment.

OSH Training Programmes

We are committed to enhancing occupational safety and health (OSH) performance by fostering a strong safety culture across all levels of our operations. To achieve this, we implement a combination of general safety awareness programs and specialised hazard-related training sessions, ensuring that participants receive targeted instruction relevant to their roles. In 2024, we conducted safety training for 2,620 workers and 488 employees, delivering a total of 37,213.6 training hours across our project sites and headquarters.

Training at Project Sites

- Awareness on infectious diseases
- Fire drill training
- SHASSIC awareness training
- Safety toolbox
- Pre-SHASSIC training
- ProSus Training

Training at Head Office

- CIDB Green Card Training
- Basic Occupational First Aid, CPR and AED Training
- Work Health Promotion Program collaboration MSOSH (Malaysian Society for Occupational Safety and Health) and PERKESO (Social Security Organisation)
- Awareness Talk on HIV, AIDS, Tuberculosis and Malaria
- Workplace Accident Free Week (Head Office)
- Corporate HSE Committee Meeting
- Behaviour Based Safety Awareness Training
- Construction Design Management (CDM) Professional Training
- Construction Design Management (CDM) Awareness Training

Promoting the Health and Well-Being of Our Employees

We promote a culture of health and wellness by providing employees with holistic health and well-being services. Our employees have access to counselling services for their mental well-being, as well as regular stress management workshops. Additionally, our workplace incorporates ergonomically designed furniture and tools to prevent musculoskeletal issues.

Furthermore, our wellness programme integrates a range of healthy activities, including collaborations with the UEM Sunrise Sports and Recreational Club, health talks, webinars and health screenings. Employees are encouraged to participate in physical workout sessions led by both internal teams and external trainers, while trained psychologists offer coaching and mental health employees support.

Key Health and Well-Being Initiatives

- CHIEF Wellness Day 2024
- Pound Workout
- Art Moments
- Health Improvement Programme
- In-House Counselling
- ThoughtHub – "Resilience: Winning Your Inner Game" (Well-being at Work Talk and Assessment)

Safety Performance in 2024

In 2024, there were no fatalities among employees and non-employees. Non-employees refer to individuals or entities that are not directly employed by UEM Sunrise but are engaged in activities related to the company's operations, including contractors, consultants, temporary workers and visitors. However, we noted one recordable work-related injury among non-employees. We take each incident seriously and after thorough investigation, we implement immediate steps to prevent reoccurrences, such as increasing patrols in high-risk areas and oversight of tasks with potential hazards. We also strengthened our safe work procedures, ensuring employees are familiar with all safety protocols and encouraging employees to speak up about safety.

Lost-time is defined as lost days (consecutive or not), counted from and including the day following the day of the accident, includes injury, diagnosis of occupational poisoning and occupational disease measured in calendar days, the employee was away from work, reference from Notification of Accident. Dangerous Occurrence, Poisoning and Occupational Disease (NADAPOD) Guideline.

Social Impact

Our Performance

Workers Covered by Our OSH Management System

	2023		2024	
Covered by an OHS management system and has been internally audited by IMS-ISO Auditors	Employees	Workers who are not employees but whose work is controlled by the organisation	Employees	Workers who are not employees but whose work is controlled by the organisation
Number	932	2,505	**948**	**2,620**
%	100	100	**100**	**100**

All Employees

Fatalities as a result of work-related injury

	2022	2023	**2024**
Number and Rate	0	0	0

High-consequence work-related injuries

	2022	2023	**2024**
Number and Rate	0	0	0

Recordable work-related injuries

	2022	2023	**2024**
Number and Rate	0	0	0
Number of hours worked	1,713,440	1,833,120	**1,820,320**
Lost time incident rate (LTIR)	0	0	0

Non-employees

Fatalities as a result of work-related injury

	2022	2023	**2024**
Number and Rate	0	0	0

High-consequence work-related injuries

	2022	2023	**2024**
Number and Rate	0	0	0

Recordable work-related injuries

	2022	2023	**2024**
Number and Rate	0.57 (-)	8 (1.28)	**1 (1.05)**
Number of hours worked	5,267,200	5,267,200	**6,539,520**
Lost time incident rate (LTIR)	0.04	0	0

Work-Related Ill Health for Employees and Non-employees

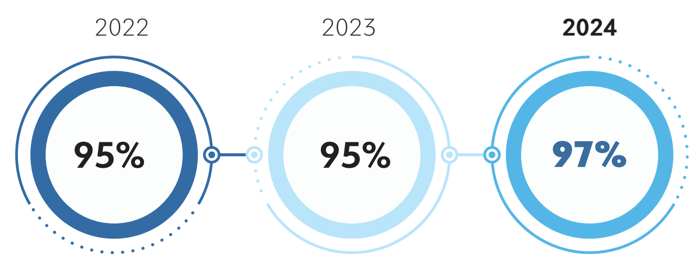
Number of fatalities as a result of work-related ill health

	2022	2023	**2024**
Employees	0	0	**0**
Non-employees	0	0	**0**

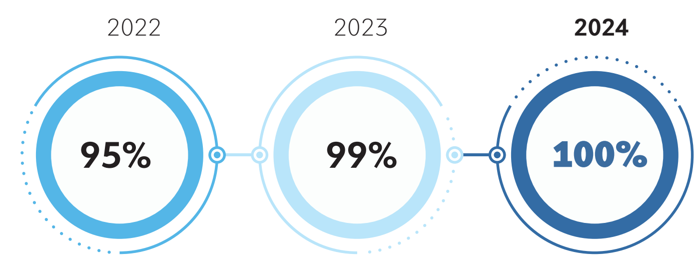
Number of cases of recordable work-related ill health

	2022	2023	**2024**
Employees	0	0	**0**
Non-employees	0	0	**0**

SHASSIC Average Score by CIDB Malaysia



CIDB Green Card Compliance Score



Going Forward

Our commitment to QHSE is a fundamental pledge to prioritise the safety of our people, ensure secure operations and ultimately deliver safe, quality developments to our customers and the community. To further strengthen our safety-first culture, we will be leveraging technology-driven solutions, including predictive safety analytics and digital reporting, to identify potential hazards before they occur and streamline safety management processes. Training programmes will also be expanded across all levels of employees and contractors, ensuring that every individual understands and applies safety protocols effectively.

Regular performance reviews will also be conducted to assess the effectiveness of safety initiatives, pinpoint areas for improvement and reinforce successful practices. Moreover, to embed a proactive safety culture across all departments, we will be enforcing a new requirement where every employee must identify workplace hazards every quarter, aligning the entire organisation with a safety-first mindset.

Social Impact

Data Privacy and Cybersecurity

Related Material Matters:

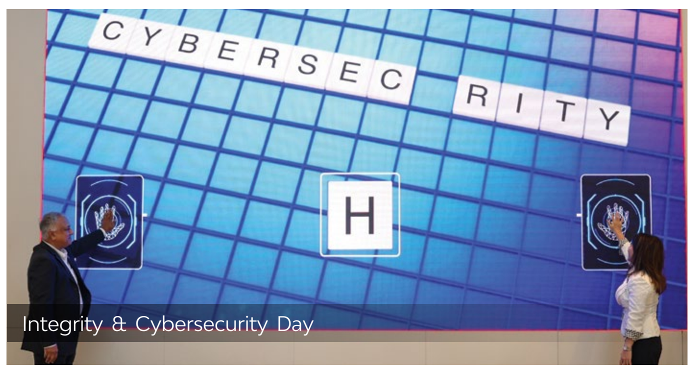
M6 Data Privacy and Cybersecurity

As our operations become more digitalised, protecting our data and digital assets remains a top priority for us. Due to the increasing proliferation of digital threats, it is critical to safeguard customers' sensitive information and the security of our digital infrastructure, reinforcing trust and maintaining the integrity of our operations. Thus, we are committed to implementing stringent cybersecurity measures that also uphold customers' right to privacy. By continuously enhancing our digital security protocols, we ensure that our customers are confident in trusting us with their data while safeguarding the continuity of our business operations.

Our dedication to continuous improvement and proactive measures serves as a fortress against digital threats, defending the resilience and security of our digital infrastructure. We uphold high-level data protection standards by enforcing strict IT policies that align with ISO 20000 standards, the NIST Cybersecurity Framework and the Personal Data Protection Act of 2010. Our comprehensive cybersecurity strategy integrates access controls, encryption protocols and incident response mechanisms.

To maintain compliance with evolving standards, we conduct regular security audits, undergo vulnerability assessments and provide ongoing cybersecurity awareness training for employees. We also ensure that only designated personnel handle confidential information, minimising the risk of data breaches and unauthorised access. Our structured approach enhances data governance and accountability, strengthening our ability to safeguard sensitive information and uphold trust in our digital ecosystem.

Our Initiatives



Integrity & Cybersecurity Day

Cybersecurity Protection Performance

In 2024, the digital landscape witnessed a significant rise in cyber threats across multiple attack vectors. Despite these growing challenges, our dynamic cybersecurity measures and commitment to digital security ensured the successful detection and remediation of 100% of threats, enabling us to record zero identified leaks, thefts, or losses of customer data.

Management of Cybersecurity Complaints

We reaffirm our commitment to addressing IT concerns efficiently and maintaining high standards of service delivery, especially in cybersecurity matters. In 2024, we achieved a 100% Service Level Agreement (SLA) fulfilment within 24 hours.

IT Policy and SOP Realignment

As part of our strategic efforts to bolster corporate information security, we undertook a realignment of IT policies and Integrated Standard Operating Procedures (ISOP). This initiative was driven by our commitment to agility and resilience in adapting to emerging technological landscapes, regulatory updates and cyber threats. By continuously enhancing our governance frameworks, we ensure that our cybersecurity infrastructure remains robust, effective and responsive to evolving digital risks.

Cybersecurity Awareness Programme

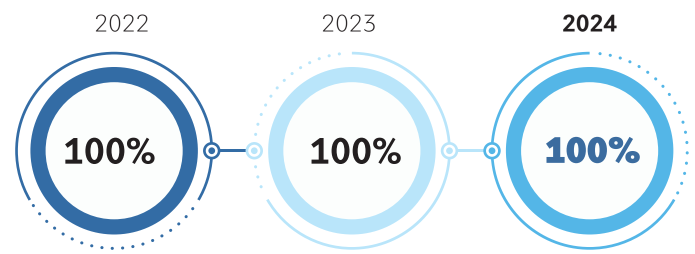
Our ongoing cybersecurity awareness initiatives reflect our dedication to equipping employees with the knowledge to combat digital threats effectively. In 2024, our Email Phishing Protection Compliance rate was at 98.6%. Additionally, our Cybersecurity E-Learning take-up rate reached 100%, further solidifying our employees' proactive approach to digital security.

Overall Performance

Our commitment to transparent data handling, digital security and forward-looking management of cyber threats has resulted in zero substantiated complaints concerning breaches of customer privacy, maintaining the digital trust of our valued stakeholders.

Our Performance

Cyber Threats Detected and Remediated

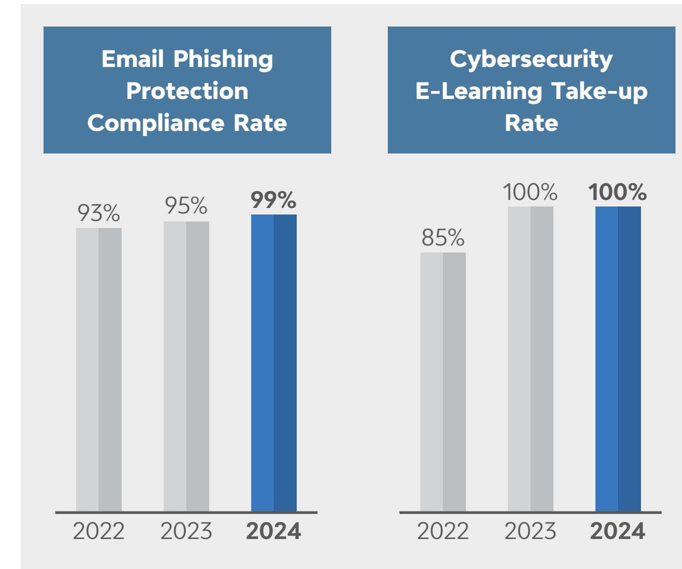


Management of Complaints

	2022	2023	2024
Number of Tickets	201	539	**523**
SLA Achievement* (%)	100%	100%	**100%**

** SLA resolution time within 13.5 hours*

Cyber Threats Detected and Remediated



Number of Substantiated Complaints Received Concerning Breaches of Customer Privacy

	2023	2024
Number of Complaints	0	**0**
Number of Identified Leaks, Thefts, or Losses of Customer Data	0	**0**

Going Forward

We remain committed to reinforcing our cybersecurity framework, ensuring the protection of our digital assets and infrastructure against an evolving cyber threat landscape. To stay ahead of emerging threats, we will continue conducting regular risk assessments alongside our annual Security Posture and Vulnerability Assessments, allowing us to continuously evaluate and fortify our system's resilience. Additionally, we plan to enhance our cybersecurity defences by further leveraging AI capabilities, enabling real-time threat monitoring and proactive mitigation of cyber risks.

Recognising the critical role of employee awareness in cybersecurity, we will continue to invest in targeted training programmes, fostering a culture of vigilance that empowers our workforce to identify and respond effectively to potential threats. Furthermore, we will strengthen our Security Operations Centre (SOC) capabilities, ensuring 24/7 monitoring and rapid incident response, further enhancing our ability to detect, contain and remediate cybersecurity incidents swiftly.

Social Impact

Local Community

At UEM Sunrise, we are committed to making a meaningful and positive impact in the communities where we operate.

Placemaking is a fundamental element of our property development work. The process involves creating environments that are not only functional and safe but also inspire residents to engage and foster stronger connections with one another, thereby building stronger communities.

Related Material Matters:

- M8 Local Community
- M11 Human Rights

By actively listening to community needs and concerns, we develop Corporate Social Responsibility (CSR) initiatives that deliver focused and lasting benefits. These efforts not only strengthen our reputation as a responsible corporate citizen and nation-builder but also foster strong relationships with local communities, governmental authorities and other stakeholders whose support is essential to achieving our long-term business goals and maximising our potential as an organisation.

Our CSR strategy is built on three core pillars: education enhancement, community engagement and environmental conservation. Within each of these areas, our dedicated CHIEF volunteers play a crucial role in implementing initiatives that bring tangible improvements to the lives of community members.

Our Corporate Social Responsibility Pillars

1 **Education Enhancement**

2 **Community Engagement**

3 **Environmental Conservation**

Our Initiatives

Fostering Thriving Communities Through Placemaking

Our commitment to communities begins with the properties and townships we develop. As a responsible developer, we create spaces that are not only safe and high-quality but also foster stronger community ties and overall well-being.

This is guided by our Sustainable Development Design Guidelines (SDDG), which outline best practices in community planning and design to enhance social equity, interaction and inclusivity. Furthermore, community is one of the pillars underpinning our Sustainability Blueprint, where our goal is to build sustainable cities and communities where everyone can thrive.

Incorporating Parks and Green Spaces

We design our developments to integrate parks and green spaces, fostering social interaction, active lifestyles and overall well-being. These spaces encourage community bonding, promote healthier, more connected neighbourhoods. A prime example is Aspira Linear Park, where a detention pond has been thoughtfully transformed into a vibrant public recreational space. This community hub attracts both residents and visitors, offering facilities for jogging, strolling, children's playground activities and futsal and basketball games.

Beyond recreation, parks enhance the appeal of our developments, improve air quality and help mitigate urban heat. They also play a crucial role in climate resilience by supporting stormwater management and reducing overall environmental impact.

Community involvement is at the heart of our park planning. Our Customer Satisfaction Survey allows us to gather valuable feedback from residents about our developments, including public spaces. This approach helps us better understand the needs and concerns of the community, enabling us to refine our designs and enhance shared spaces while fostering a strong sense of ownership and promoting sustainable living. Aspira Linear Park stands as a testament to this engagement, as the surrounding community frequently gathers there to organise various activities, strengthening social ties and enriching the overall neighbourhood experience.

Accessibility is also a key priority in our developments. Our parks and landed properties are designed to be inclusive, ensuring that everyone, including persons with disabilities, can access and navigate them effortlessly. We incorporate features such as gentle ramps, step ramps, lever handles and wheelchair-friendly spatial layouts to provide seamless mobility across different levels, creating spaces that are welcoming to all.

In our master plans, parks are an essential feature. The following projects highlight our commitment to integrating green spaces:

- Serene Heights Central Park
  39.1 acres (including a 20.4-acre detention pond)
- Aspira Hills Open Space
  10.2 acres
- Aspira Linear Park
  13.7 acres (including a 6.6-acre detention pond)
- Estuari Central Park in the Estuari Masterplan
  32.6 acres (including a 14.5-acre detention pond)
- Taman Linear DiReka in Laman DiReka
  17.8 acres

Where possible, we revitalise aging urban areas as part of our projects, thereby improving the lives of local residents and enhancing the overall value of the area. As part of our efforts on urban regeneration, our practice is to assess site conditions and capitalise on opportunities for redevelopment that would deliver shared and sustainable benefit for the local community and our business.

At present, we are currently embarking on the following urban regeneration projects, focusing on delivering sustainable and community-orientated urban redevelopment:

Project 1 — Rejuvenation of Marina Walk, Puteri Harbour

Target Completion: 2027

Integrating Marina Walk into the broader Waterfront Crescent masterplan to create active public spaces for the community, consequently enhancing the overall value of the area and attracting more local and foreign visitors to Puteri Harbour.

Project 2 — Redevelopment of the Dutch Lady factory in Petaling Jaya

Target Completion: 2032

Redeveloping the factory into a mixed-use development with residential towers and retail properties, in alignment with ongoing efforts to rebalance our portfolio and increase our foothold in the Klang Valley

Project 3 — Purchase of Giant Mall in Kelana Jaya (For the development of its land)

Target Completion: 2030

Transforming the land purchased into a high-value mixed-use development, thereby delivering a development that contributes to the growth of the local economy and enhances quality of life.

Project 4 — Development of Lot 1 and Lot 2 at The Oval, Subiaco East, Perth, Western Australia

Target Completion: 2029

Developing this iconic site while respecting its rich legacy and the character of the neighbourhood, demonstrating our commitment and impact in sustainable urban regeneration.

Supporting Sustainable Lifestyles

We strive to make our properties models of sustainable living, with our tenants playing a key role in driving this vision. Through active engagement and collaboration, we foster a partnership-driven approach that empowers tenants to contribute to a greener, more resilient community.

To drive shared action, we set clear sustainability targets focused on energy efficiency, waste reduction and water conservation. These are supported by smart meters, sensors and data analytics to track progress. We also offer financial incentives, certifications and shared resources such as EV charging stations and composting facilities to encourage participation.

Our waste management programme promotes recycling and responsible disposal, while water conservation efforts such as low-flow fixtures and rainwater harvesting support sustainable resource use. Tenant engagement is further strengthened through workshops, feedback loops and AI-driven analytics i.e. Microsoft Co-pilot, encouraging continued progress on their sustainability journey.

We also support CSR initiatives by sponsoring event spaces for community clean-ups, tree-planting activities and sustainability workshops. These efforts reinforce our brand reputation while fostering a strong sense of community and shared responsibility among our tenants.

Social Impact

Understanding Our Operational Impacts on Surrounding Communities

Our properties and townships are often very large in scale and their development may involve activities that can have significant negative impacts on communities in their vicinity.

As a responsible developer, we conduct pre-construction Environmental Impact Assessments (EIA) and Social Impact Assessments (SIA) on relevant projects to proactively identify risks and establish mitigation plans.

In 2024, we have undertaken assessment of the relevant development activities and how it is impacting the local communities socially, resulting in the identification of the following potential impact areas and mitigation measures to minimise the negative impacts:

Potential Impact Area	Description	Mitigation Measures and Action Plans
Traffic Congestion and Road Safety Risks	• Construction activities often lead to increased traffic volume, heavy vehicle movements and temporary road closures.	• Upgrade and repair of affected roads and intersections. • Control and limit the movement of heavy vehicles in and out of the construction area. • Compliance with the proposed road upgrading scheme. • Maintain open dialogue with local communities while providing feedback channels and a grievance mechanism for complaints concerns to be submitted.
Strain on Local Infrastructure and Public Services	• Large-scale developments can increase demand for water, electricity and public transportation, putting a strain on existing infrastructure and resources.	• Obtain approvals from the utilities companies for any construction of supporting infrastructure. • Compliance with the stated guidelines and approval conditions as set by the authorities. • Compliance with requirements from technical agencies for designated utility facility routes.
Physical health and safety risk	• Risk of infectious diseases caused by construction activities • Workers and surrounding communities near construction zones may be exposed to hazardous substances, including cement dust, asbestos and volatile organic compounds (VOCs) • Improper handling of flammable materials can pose fire hazards, putting both workers and surrounding communities at risk. • Improper waste disposal and the use of hazardous materials may.	• Prioritise cleanliness and health in daily activities and in the provision of living spaces for workers by complying with established standards to prevent the breeding of Aedes mosquitoes and also pests. • Appoint Pest Controller Operator (PCO) for continuous and periodic extermination activities on and around the construction site. • Periodic visits by the Safety and Health Officer to the construction site and surrounding areas. • Compliance with the conditions set forth by the Solid Waste Management and Public Cleansing Department • Compliance with Act 446 (Labour Practices), the Employee Act and CIDB Green Card requirements, while also establishing a corporate HSE Committee that conducts quarterly safety meetings.
Emotional and physical disturbances due to noise and air pollution	• Prolonged construction activities, piling work and machinery operations contribute to excessive noise levels, impacting sleep patterns, stress levels. • Dust, particulate matter and emissions from construction machinery and material transportation can affect air quality. • Heavy vehicles produce dust, noise and damage roads	• Comply with approval conditions and pollution control measures as set by the local authority. • Comply with guidelines and standards regarding 'Hazard Identification, Risk Assessment and Determining Control' (HIRADC). • Appointment of Safety Health Officer or Site Safety Supervisor. • Implement dust suppression measures, proper waste disposal and water filtration systems. • Restrict construction hours, using low-noise equipment and implementing proper traffic management to reduce noise pollution.

Incidents of violations involving rights of indigenous	
Were there any incidents of violations involving rights of indigenous peoples? If yes, please indicate	No
Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period	0

Improving Lives Through Targeted CSR Initiatives

UEM Sunrise upholds children's rights by fostering inclusive, supportive and nurturing environments for their growth particularly through access to quality education, school supplies support and sports development. In line with this, we collaborate with schools and non-profit organisations to uplift underprivileged students, the elderly, low-income communities and those affected by natural disasters.

In addition, all our initiatives are inclusive and accessible to all, ensuring that both men and women, as well as marginalised gender groups have equal opportunities to participate. This includes structuring programs such as education support, skills development and sports initiatives in ways that encourage everyone to get involved.

In 2024, we invested a total of RM936,014 in 62 CSR initiatives, supported by 337 CHIEF volunteers. Through this, we impacted the lives of 39,290 beneficiaries and 12 organisations.

Pillar 1 Education Enhancement


UEM Sunrise's 'Back-to-School' Programme with SK Ladang Pendas, Iskandar Puteri

Back-to-School Programme

In line with our commitment to education, we distributed school necessities to 200 underprivileged students to start the new school year. This programme, held in January 2024, was done in collaboration with Yayasan UEM, the philanthropic arm of UEM Group Berhad.

Sports Development

As part of our commitment to promoting an active lifestyle among students, we have integrated sports development into our education enhancement initiatives.

Specifically, we have introduced skateboard clinics at SK Kiaramas and SK Seri Anggerik, offering students professional coaching and access to proper equipment. This initiative is designed to build confidence, improve coordination and foster resilience among students.

By inspiring the younger generation and creating pathways for future athletes, the programme underscores the importance of sports in delivering a well-rounded, holistic education.

BukuHub

Launched in 2019, BukuHub is our ongoing community library project supporting the National Community Policy to build a sustainable and inclusive environment. Designed to promote literacy and knowledge-sharing, BukuHub provides access to books and reading materials while serving as a gathering space for people to interact, engage and learn together. To date, a total of 9 community libraries have been launched under BukuHub.

Promoting Intelligence, Nurturing Talent and Advocating Responsibility (PINTAR)

Our PINTAR school adoption programme, initiated in collaboration with Khazanah Nasional Berhad, boosts schools' academic performance and improves the education quality for underprivileged students. To date, we have adopted 19 schools under this programme.

UEM SUNRISE BERHAD
INTEGRATED ANNUAL REPORT 2024

Social Impact

Pillar 2 Community Engagement

CHIEF Initiatives

Title	Total Volunteers	Total Hours Each Volunteer	Total Hours
Central Bubur Lambuk Distribution @ Masjid Wilayah Persekutuan	28	5	140
Southern Bubur Lambuk Distribution @ Masjid Kota Iskandar	4	2	8
Contribution to Rumah Kebajikan Anbu Illam and Karunai Illam in conjunction with Deepavali Celebration	22	2	44
Chinese New Year Contribution to Old Folks Home 2024	12	4	48
UEM Sunrise Skateboard Clinics	60	2.5	150
Contribution of Baju Raya for Orphans 2024	37	7	259
UEM Sunrise Badminton Clinic @ Estuari Sports Centre with Adopted Schools.	5	2.5	12.5
Waste to Wonder in conjunction with World Nature Conservation Day 2024	12	6	72
UEM Sunrise Badminton Mini Tournament @ Estuari Sports Centre with Adopted Schools (Finals)	18	5	90
UEM Sunrise Skateboard Clinic with SK Kiaramas	40	2.5	100
UEM Sunrise Skateboard Clinic with SK Seri Anggerik	30	2.5	75
Sekolah Kebangsaan Seri Anggerik Court Refurbishment	5	3	15
Back To School Programme (SMK Kiaramas and SK Seri Anggerik)	30	4	120
UEM Sunrise Bakul Rezeki to Adopted Schools	10	2	20
UEM Sunrise Bakul Rezeki to PPR Sri Aman, Jinjang	24	3	72
TOTAL			**1,225.5**

Promoting environmental awareness through 'Waste to Wonder' programme at Publika, in conjunction with World Nature Conservation Day.

Pillar 3 Environmental Conservation

Promoting Environmental Awareness

Programme	Details
Waste to Wonder 'Know Your Edibles' programme with adopted schools	An outdoor, experimental learning initiative where students from SK Bangi and SK Rinching Hilir learned about edible garden and composting techniques. This hands-on approach was designed to instill sustainable habits in the young participants and to teach them the importance of environmental stewardship.
Waste to Wonder programme in conjunction with World Nature Conservation Day at Publika	We partnered with various social enterprises to showcase and share knowledge on sustainable activities and deliver an expert demonstration on converting waste into valuable resources. This initiative educated and drove advocacy within the community on transforming waste or surplus materials into usable items, as well as enhancing the value of existing products.

Our Performance

Total Community Investment

	2023	2024
Total Contribution to CSR Programmes (RM)	282,740	**936,014***
Number of Beneficiaries	27,480	**39,290**
Number of NGOs supported	6	**7**

* *inclusive wakalah programme for zakat paid in 2023.*

During 2024, there were five community grievances received through our structured feedback channels and grievance mechanism, 100% of which were addressed and then resolved through remediation.

These grievances involved the following issues:
- Elevated noise levels from construction activities
- Extended work hours (involving critical construction processes that are necessary to maintain the structural integrity of our developments)
- Inadequate response to community members' requests for updates on construction activities.

To address these issues, we have taken several measures. Firstly, we have reinforced strict compliance with EIA guidelines and strengthened our environmental monitoring efforts to minimise potential negative environmental impacts. We have also improved community engagement by striving to provide timely updates on construction schedules, thereby minimising the risk of miscommunications with community members in future. Lastly, we have our grievance resolution mechanisms to ensure that complaints are addressed more effectively.

Looking ahead, we remain committed to strengthening our community engagement frameworks to improve stakeholder communication. We will also implement additional mitigation strategies to minimise disturbances while continuing to collaborate with regulatory bodies and local authorities to uphold responsible construction practices.

Going Forward

Moving forward, we are committed to integrating community impact more deeply within the planning and design of our communities. Guided by our SDDG, we will place social equity, interaction and inclusivity at the heart of this mission, aiming to foster more meaningful spaces and environments that provide our tenants with the intangible yet vital ingredients they need to live more purposeful and fulfilling lives.

In parallel, we will remain dedicated to investing in initiatives that addresses and identifies societal needs within three core pillars of education, social engagement and environmental conservation. By continuing to engage with local groups and stakeholders, we will identify areas where our support can drive greater positive change, deepening our impact and strengthening our standing as a responsible and sustainable organisation.

Environmental Impact


A journey back to nature with kids at SIREH Park

Key Highlights

- **Successfully** completed a re-baselining exercise on our 2023 results to ensure an accurate baseline for performance monitoring.
- Developed a more **comprehensive** and **accurate** GHG inventory database.
- Embarked on **renewable energy initiative** to install solar photovoltaic system at Kiara Bay Sales Gallery.

Climate Change

As the impacts of climate change become more keenly felt through extreme weather events, sea level rises and other physical impacts, the urgency for concerted action in this key issue becomes greater than ever.

At UEM Sunrise, climate action is central to our sustainability agenda, with climate-related considerations integrated across our business operations. This not only strengthens our resilience against financial, legal and reputational risks but also reflects our responsibility as a nation-builder.

By leading by example—reducing our operational emissions and setting clear sustainability expectations for our suppliers—we extend our impact beyond our business, driving meaningful climate action and contributing to a more sustainable future for generations to come.

Related Material Matters:

- M7 Climate Change
- M9 Waste
- M13 Materials
- M15 Water and Effluents
- M16 Biodiversity

As a member of the Real Estate and Housing Developers' Association (REHDA), UEM Sunrise is committed to aligning its climate change policy with the positions and advocacy efforts of the association. This includes active participation in promoting sustainable development practices, such as green building standards through the GreenRE rating system and supporting engagements with policymakers to advance climate resilience and low-carbon transition.

UEM Sunrise supports REHDA's role in encouraging property sector to contribute to National Energy Transition Roadmap (NETR)'s goals, including energy efficiency, renewable energy adoption and low-carbon mobility. Thus, aligning our advocacy efforts towards NETR which sets the national direction for decarbonisation.

Our Milestones and Key Reduction Areas

In line with the government's ambition to reduce carbon emissions intensity against GDP by 45% (compared to 2005 levels) by 2030, we have set three key milestones to guide our progress in emissions reduction and environmental conservation:

- 20% total reduction in carbon emissions, energy consumption and waste generation by 2030;
- 60% total reduction in carbon emissions, energy consumption and waste generation by 2040; and
- Achieving Carbon Neutrality by 2050

These goals are aligned with our Sustainability Blueprint 2.0, which outlines strategies and actionable steps to drive us forward. We continue to align the remuneration of our senior management with climate change and ESG-related key performance indicators (KPIs), thus ensuring that sustainability and climate-related risks are considered when making key operational and strategic decisions. Furthermore, our overall performance is guided by our corporate scorecard, which comprises key performance monitoring criteria relating to policy and blueprint, ESG index rating, awareness programme and GHG management.

Our Initiatives

Energy

Through energy efficiency solutions, we strive to reduce energy use across our operations without sacrificing the quality of our output, while concurrently exploring and implementing renewable energy across our buildings, fleet of vehicles and other assets.

Installing EV Charging Facilities

In alignment with Malaysia's Low Carbon Mobility Blueprint 2021-2030 and the National Energy Policy, we are actively installing electric vehicle (EV) charging stations across all new high-rise residential developments. This initiative is carried out in collaboration with Gentari Sdn. Bhd., ChargEV and other key partners.

Additionally, for all landed properties in our new developments, except for the series starter homes programme, each unit is allocated a designated socket to facilitate EV charging. These installations, encourage residents to adopt environmentally friendly practices by transitioning from fuel-operated vehicles to hybrid and fully electric vehicles.

Ongoing projects with planned EV charging bays:
- KMP7 The ZIG
- CTC Phase 1
- KAIA Phase 1 and 2

Upcoming projects with proposed EV charging bays:
- CTC Phase 2
- Dutch Lady Land
- Kelana Jaya Land
- MK31 Plot 2
- Solaris Parq Plot B
- Collingwood Build-to-Rent
- Subiaco East

By integrating EV charging infrastructure into our developments, we are not only supporting Malaysia's transition towards a low-carbon future but also enhancing sustainability and convenience of our communities.

Environmental Impact

Installing Solar Energy Systems

In line with our commitment to reduce energy consumption and move towards renewable energy sources, we have installed rooftop solar photovoltaic systems at our commercial buildings in the Central and Southern regions of the country, ensuring our commitment to low-carbon economy while enjoying long-term savings on electricity bills.

We have installed rooftop photovoltaic systems in the following project:

Installing Solar Photovoltaic Systems at Kiara Bay Sales Gallery

We are embarking on a solar photovoltaic system installation project in collaboration with Boilermech Cleantech, a leading provider of holistic solar solutions in Malaysia. This project is structured under a unique business model with Boilermech, allowing us to benefit from a zero upfront payment to finance the necessary capital expenditure. Through this initiative, we are equipping our designated property with renewable energy infrastructure while generating long-term cost savings on energy bills.

With Boilermech's expertise and guidance, we have designed a customised solar PV system with a proposed capacity of 936.1 kWp, incorporating 1,702 panels. However, the final capacity is subject to several factors, including the actual roof area, compliance with Suruhanjaya Tenaga (ST) and Tenaga Nasional Berhad (TNB) requirements and the successful completion of the Power Supply Study (PSS) and Connection Confirmation Check (CCC).

The solar PV system was activated in March 2025 and is expected to generate an estimated 1,076,964.33 kWh of energy per annum, contributing to our sustainability goals while reducing operational energy costs.

The system forms part of our building management system through real-time monitoring applications, enabling continuous tracking of energy generation and usage. This allows for timely maintenance, improved energy efficiency and data-driven decision-making across the facility.

Renewable energy initiative solar photovoltaic installed at Kiara Bay

Utilising SMART Meters for Efficient Energy Consumption

The integration of smart meters into a centralised server, facilitates real-time monitoring and data-driven energy optimisation, driving significant improvements in operational efficiency while ensuring proactive management of discrepancies for enhanced sustainability performance. At present, we have installed smart meters to enable seamless and efficient energy consumption management at Publika. A total of 249 smart meters have been installed across the retail lots and food court stalls, comprising 83 single-phase meters (supplying 240 volts) and 166 three-phase meters (supplying 415 volts).

These meters are integrated into a centralised server, allowing real-time monitoring, data collection and energy optimisation. This ensures efficient resource management and enables us to respond quickly to any discrepancies.

Additionally, the smart meters are equipped with various advanced functions, including automated meter reading, energy tariff programming and a 'Happy Hours' feature that prevents power failures during nights, weekends and public holidays. These features help to minimise power supply interruptions and ensure energy is consumed efficiently when required.

Supporting National Policy on Climate Change

In March 2024, we have provided input for the Malaysia's National Sustainability Reporting Framework Consultation Paper driven by The Advisory Committee on Sustainability Reporting (ACSR), chaired by the Securities Commission Malaysia (SC). The Consultation Paper aims to seek feedback on the use and application of IFRS S1 and IFRS S2, including the required transition reliefs, the approach in relation to a sustainability assurance framework and the enablers or support required.

In October 2024, we provided feedbacks for Proposed Amendments to the Main Market Listing Requirements and ACE Market Listing Requirements in relation to sustainability reporting requirements and other enhancements on adoption of IFRS S1 and S2 in line with the National Sustainability Reporting Framework.

Emissions

In line with our commitment to achieving carbon neutrality by 2050, we have taken a crucial step in managing our GHG emissions. In 2024, we prioritised establishing a robust baseline data set and refining our GHG inventory measurement process.

During the year, we collaborated with a consultant to conduct an extensive review of our GHG measurement approach and inventory setup. The extensive review of our GHG Inventory was based on the GHG Protocol Corporate Reporting and Accounting standard (GHG Protocol standard), ensuring adherence to the latest sustainability reporting requirements as issued by Bursa Malaysia. Under the GHG Protocol standard, we utilised the operational control approach to determine our organisational boundary for reporting of our operational emissions and identified 46 facilities as part of our organisational boundary. This is a revision from the 14 facilities included in our previous measurement and disclosure in our Integrated Annual Report (IAR) 2023.

The 46 facilities were selected as they fall under our direct operational control. We have excluded leased assets, joint-venture facilities beyond our operational control, or assets that are no longer in operation.

Additionally, we have expanded our operational boundaries to include emissions from:

- Fertiliser usage
- Refrigeration and air-conditioning equipment
- Land-use changes

As part the efforts in improving our GHG Inventory to be more in line with the GHG Protocol Standard, we have begun to calculate the carbon sequestration and emissions from the land use and land use change that occurred under our operational control. To do so, we primarily accounted for the land use change emissions from the property development activities that have occurred during this reporting period, as well as the carbon sequestration from the Group's land bank including SIREH Park.

We have also reclassified the Scope 1 and Scope 2 emissions reported by our main contractors.

Please refer to the diagram presented in the next page for an overview of our organisational and operational boundaries for GHG reporting.

Environmental Impact

Approach & Methodologies

- **Reporting Standards**
  The GHG Protocol Corporate Accounting and Reporting Standard by World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD)
- **GHG Emissions Calculation**
  Based on internationally recognised calculation tools i.e., 2019 Refinement to the 2006 IPCC Guidelines and local emission factors (where applicable)

Scope of Emissions

- **Scope 1: Direct GHG Emissions**
  - What it covers: Emissions from UEM Sunrise direct control including fuel consumption from on-site generators, refrigeration and air conditioning and fertiliser usage.
- **Scope 2: Indirect GHG Emissions from Electricity Use**
  - What it covers: Indirect emissions from electricity use in our operations building, corporate offices, sales galleries, commercial and retails, carparks, district cooling system (DCS) plants and SIREH Park.
- **Scope 3: Other Indirect GHG Emissions**
  - What it covers: All indirect emissions (not included in Scope 2) that occur in the value chain of UEM Sunrise i.e. emissions from Scope 1 & 2 of our main contractors, business travel and employee commuting.

In conclusion, our review identified the need to revise the boundary of our operational emissions and restate certain data and its sources across the emission scopes, in alignment with the GHG Protocol.

As a result, our absolute emissions increased in 2023 after re-baselining due to the expansion of boundaries (both organisational and operational). We have updated our GHG emissions data for the previous reporting year (2023), as shown in the table below, which will serve as our baseline to improve future emissions monitoring.

Comparing to the 2023 re-baselined emission, in 2024, our absolute emissions decreased by 21% due to the reduction in refrigerant top-up at Sunrise DCS, electricity consumption and fuel consumption by contractors.

Emissions Sources/Emissions (tCO_2eq)	2023	Under the GHG Inventory Study	
		2023 (Re-baselined)	2024
Scope 1*	**12,368.0**	**5,467.9**	**1,951.7**
Stationary Combustion	12,368.0	105.7	**125.6**
Mobile Combustion		161.0	**153.2**
Fugitive Emissions		5,201.1	**1,672.6**
Fertiliser Usage		0.1	**0.3**
Scope 2	**9,488.0**	**41,178.3**	**36,252.2**
Purchased Electricity	9,488.0	41,178.3	**36,252.2**
Scope 3**	**1,201.0**	**15,322.3**	**10,632.3**
Cat. 1 – Purchased Goods & Services		13,302.3	**8,496.8**
Cat. 5 – Waste Generated	1,098.0		
Cat. 6 – Business Travel	72.0	104.3	**182.7**
Cat. 7 - Employee Commuting	31.0	1,915.7	**1,952.8**
Absolute GHG Emissions	**23,058.0**	**61,968.5**	**48,836.2**

* *Due to the re-baselining exercise carried out, Scope 1 operational boundaries for 2023 were expanded to include mobile combustion, fugitive emissions, and fertiliser usage.*

** *For 2023 (re-baselined) and 2024, emissions from main contractors, previously recorded under Scope 1 and 2, were reclassified under Scope 3: Category 1 – Purchased Goods and Services while emissions for Scope 3: Category 5 – Waste Generated will be published pending further refinement based on the GHG Protocol and IPCC Guidelines.*

The contribution of Scope 1 emissions decreased after re-baselining, as emissions from contractors that were previously reported under Scope 1 and 2 were reclassified to Scope 3.

Building on the momentum from this year's approach, we plan to conduct a Scope 3 Materiality Assessment and develop our GHG Emissions Reduction Strategies and Decarbonisation Pathways, with a focus on decarbonising our operations to achieve Carbon Neutrality by 2050. The GHG Emissions Reduction Strategies and Decarbonisation Pathway will be centred around Scope 2 – purchased electricity, as this contributes to the highest GHG emissions.

Environmental Monitoring

As a responsible developer, we prioritise the well-being of surrounding communities and the environment by proactively managing potential impacts from our projects. To uphold our commitment to sustainability and social responsibility, we conduct regular air, noise and vibration monitoring to mitigate any adverse effects.

We implement stringent measures to control dust and pollution from construction activities, ensuring air quality is maintained while keeping noise levels within permissible limits. Vibration monitoring is also carried out to prevent damage to nearby structures and minimise disruptions to residents.

To further strengthen our approach, we require all contractors to engage third-party accredited laboratories for environmental quality sampling of air, water and noise. Vibration testing is conducted at selected projects in critical areas, such as slopes, to ensure safety and compliance with regulatory standards.

Through these efforts, we remain dedicated to responsible development, reducing environmental and social impacts while safeguarding communities and natural ecosystems.

Our Performance

Total Energy Consumption

Energy	Unit	IAR 2023	Based on Operational Control Approach		Project Sites
		2023	2023 (Re-baselined)	2024	2024
Non-Renewable Fuel	in MWh	52,349.53	620.09	753.70	24,646.98
	In GJ	188,458.29	2,232.31	2,713.32	88,729.12
Electricity	in MWh	10,533.07	53,200.13	46,836.03	1,823.81
	In GJ	37,922.29	191,520.46	168,609.72	6,565.73
District Cooling System (DCS)	in MWh	3,668.92			
	In GJ	13,208.10			
Total	**in MWh**	66,552.42	53,820.22	47,589.73	26,470.79
	In GJ	239,588.68	193,752.77	171,323.04	95,294.85

For energy consumption, we are also using the operational control approach as per GHG emissions inventory for the reporting boundaries. Hence, the significant increase compared to the total of energy consumption disclosed in IAR 2023 previously. Therefore, the restatement for 2023 total energy consumption and the 2024, as indicated in the table above.

The decrease in electricity consumption in 2024 is primarily due to increased efficiency at our Sunrise DCS as a result of service and maintenance work done in 2023 and the handover of Mall of Medini.

In addition, we have rolled out and continue to encourage the adoption of energy-concious behaviours such as shutting down lights during lunch hours and optimising air conditioning temperature settings temperature setting at our office buildings. Moving forward, we are optimistic that the GHG emissions reduction strategies and decarbonisation pathway, which will be developed in Q2 2025, will further contribute to the reduction of our energy consumption.

Environmental Impact

Air Quality Monitoring (by Project)

Project	Sampling Points	Average Reading (µg/m³)	Min (µg/m³)	Max (µg/m³)	Target (µg/m³)
Project in Klang Valley and Southern	281	26.9	2	260	100

Noise Monitoring (by Project)

Project	Sampling Points	Average Reading (dBA)	Min (dB)	Max (dB)	Target (dBA)
Project in Klang Valley and Southern	250	Day: 49.1 Night: 49.1	Day: 5.4 Night: 4.8	Day: 113.1 Night: 67.2	Day: 65 Night: 66

Water Monitoring (by Project)

Project	Average Reading (mg/l)	Max (mg/l)	Min (mg/l)	Target (mg/l)
Project in Klang Valley and Southern	30	382	2	50

Vibration Monitoring (by Project)

Project	Sampling Points	Average Reading (mm/s)	Min (mm/s)	Max (mm/s)	Target (mm/s)
Project in Klang Valley and Southern	107	0.5	0.04	07.6	15

	2023	2024
Total costs of environmental fines and penalties (RM)	0	**0**

Through continuous monitoring and enhancement efforts, we are committed to maintaining high environmental standards across air, water, noise and vibration management. As a testament to this, we have not received any summons from local authorities. To ensure ongoing compliance and effective environmental impact mitigation, we engage third-party environmental consultants and implement Best Management Practices (BMP) and Sediment Control Plans. We conduct quarterly assessments and ensure adherence to Environmental Impact Assessments (EIA) for relevant projects. We will continue to take a proactive approach, supported by robust internal controls and expert guidance, to ensure continuous improvement and sustained compliance in all aspects of environmental management.

Going Forward

In line with our Sustainability Blueprint 2.0, we will continue to enhance our sustainability policies, practices and targets to better actualise our commitment towards meaningful and sustainable climate action.

The re-baselining exercise carried out in 2023 has improved the quality of emissions data at our disposal, providing us with a stronger basis to drive concerted reduction efforts across our Scope 1, 2 and 3 emissions.

At the same time, we will continue to make progress in implementing energy efficient solutions within our operations and accelerate our shift to renewable energy through solar and EV installations across our projects, thereby supporting sustainable transitions for our residents, staff and stakeholders.

Task Force on Climate-Related Financial Disclosures (TCFD)

At UEM Sunrise, we have aligned our climate-related disclosures with the Task Force on Climate-related Financial Disclosures (TCFD) framework, which is in line with the International Financial Reporting Standards (IFRS) S2 (Climate-related Disclosures) standard.

To achieve compliance, we have undertaken an analysis of our climate-related risks and opportunities, identifying key areas where our business may be affected due to the physical and transitional effects of climate change. This proactive move enables us to introduce strategies to safeguard our assets, protect our reputation amidst evolving stakeholder expectations and capitalise on new sources of growth in the low-carbon economy.

For more information on our approach to climate action and emissions reductions, refer to the Climate Change topic on page 182

Governance

At UEM Sunrise, climate-related issues are overseen by the Board of Directors, with strategies and initiatives being reviewed and endorsed by the Management Governance & Risk Committee.

Board of Directors

The Board of UEM Sunrise, through the Board Governance and Risk Committee (BGRC), holds ultimate responsibility for the oversight and control of all sustainability and climate-related matters. The BGRC's roles and responsibilities include:

- Reviewing and ensuring that our sustainability governance aligns with our business strategy, with specific focus on effective management of economic, environmental and social matters that impact our core business operations.
- Assisting the Board in setting sustainability strategies, priorities and targets.
- Strengthening the Group's resilience by embedding sustainability into decision-making, thereby ensuring the delivery of long-term value while maintaining stakeholder confidence.

In addition to overseeing the Group's management of climate-related impacts, the BGRC also plays a key role in formulating strategies to mitigate negative impacts and capitalise on any opportunities as they arise.

To foster awareness and informed decision-making, the BGRC deliberates and communicates these strategies to Senior Management via the Management Governance & Risk Committee, at the operational level. Additionally, the BGRC receives regular updates on key sustainability issues, including waste management, energy consumption and emissions, reinforcing a structured and transparent approach to sustainability governance.

The Management Governance & Risk Committee (MGRC)

The MGRC comprises of senior management representatives from various functions across the Group. Its primary role is to oversee the implementation of risk mitigation strategies, with a strong emphasis on addressing climate-related risks.

Working in collaboration with our Risk function, the MGRC is responsible for developing effective risk mitigation on measures that not only safeguard the business but also leverage emerging opportunities. These efforts contribute to advancing our Environmental, Economic, Social and Governance (EESG) objectives, particularly in areas such as energy management, emissions reduction and climate risk adaptation. The MGRC also monitors and documents progress and outcomes from various sustainability initiatives implemented across the Group.

The MGRC is assisted by our Sustainability Department, which is responsible for implementing approved sustainability strategies and ensuring the seamless coordination and implementation of sustainability efforts throughout the organisation.

Strategy

Climate change presents both significant risks and opportunities. While adapting our strategies and operations is essential to ensuring long-term resilience, effectively identifying and mitigating climate-related risks can lead to innovative solutions that enhance sustainability and long-term growth.

For instance, we are actively exploring alternative water sources, such as rainwater harvesting and the development of sustainable water infrastructure, to ensure a consistent water supply for ongoing and future projects. This proactive approach mitigates the risk of water shortages, which could otherwise lead to construction delays.

Additionally, adopting environmentally friendly initiatives not only aligns with global sustainability goals but also strengthens our market competitiveness. For example, by integrating sustainable design principles into townships and developments, we can positively impact the lives of our residents while enhancing our reputation as a responsible developer, creating a sustainable "win-win" outcome.

The following outlines the key climate-related risks and opportunities that could impact both our Property Development and Commercial Building segments.

Environmental Impact

Recent survey recorded 58 species of birds at SIREH Park

Property Development

Climate Change Aspect	Risks	Opportunities
Changing market demands	• Customers increasingly demand for sustainable properties, which may result in design changes and cost increases.	• Integrating modern, sustainable features into our developments. • Positioning our developments as innovative, eco-friendly and forward-looking.
Resource scarcity	• Certain resources, such as water may become scarce due to climate change. • The costs of materials may rise due to climate change affecting our supply chain.	• Investing in sustainable building materials and methods. • Promoting resource efficiency and reducing waste.
Regulatory changes	• Climate regulations frequently change, resulting in increased compliance costs.	• Proactively adapt to evolving standards, positioning UEM Sunrise as a responsible developer. • Integrating green building certifications, such as GreenRE as a symbol of compliance as well as desirability.

Retail and Commercial Buildings

Climate Change Aspect	Risks	Opportunities
Changing tenant demands	• Tenants are preferring sustainable commercial spaces.	• Building sustainable features into our commercial spaces, such as energy-efficient lighting and air-conditioning. • Attracting tenants that are interested in sustainability, which increase the prestige of our commercial properties.
Price volatility	• The volatile price of energy costs makes it difficult to predict our operational expenses.	• Implementing energy-efficient technologies to reduce our energy consumption. • Investing in renewable technologies such as solar panels to manage our long-term energy use.
Brand reputation	• Possible negative perception due to impact on environment	• Building a positive reputation among the community and stakeholders as a climate-conscious, environmentally friendly property manager.

Offices and Sales Galleries

Climate Change Aspect	Risks	Opportunities
Changing workplace expectations	• Rising temperatures and humidity levels may affect employee comfort and productivity in office spaces.	• Enhancing indoor climate control with energy-efficient air-conditioning, better ventilation and heat-reducing building materials. • Improving energy conservation habits among employees at workplace.
Resource scarcity	• Water shortages and rising costs of materials could impact office operations and new workspace setups.	• Implementing water-saving measures such as rainwater harvesting and water-efficient fixtures. • Using sustainable and locally sourced materials in office renovations.
Energy price volatility	• Rising energy costs affecting office operations and employee comfort (e.g., air-conditioning usage).	• Investing in energy-efficient lighting, HVAC systems and smart office technology to optimise energy use. • Exploring on-site renewable energy sources (e.g., solar panels) to manage costs and emissions.
Brand reputation	• Perception of UEM Sunrise as not being environmentally conscious in its own office spaces.	• Strengthening corporate reputation by integrating visible sustainability initiatives in offices and sales galleries. • Encouraging employees to adopt sustainable workplace actions, reinforcing UEM Sunrise's ESG leadership.

UEM Sunrise is committed to aligning its future capital expenditures and mindful of the Paris Agreement's goal of limiting global warming to 1.5°C. As part of this commitment, we plan to undertake a comprehensive 1.5°C scenario analysis to assess the potential physical and transitional impacts of climate change on our developments and operations. Insights from this exercise will guide the integration of climate considerations into our investment decisions, ensuring that future projects support our long-term GHG reduction targets and contribute to a low-carbon, climate-resilient future.

Risk Management

Our approach to climate-related risk management is guided by our Enterprise Risk Management (ERM) framework. Guided by the framework, we carry out comprehensive assessments of risks spanning our business operations and strategy, specifically considering ESG and climate-related factors.

The risk assessment process is guided by specific criteria and parameters, evaluating factors such as environmental and social impacts, regulatory compliance, financial and business implications and supply chain vulnerabilities. Key considerations also include raw material availability, production capacity, access to financing and capital markets and buyer demand.

To enhance accuracy and reliability, we incorporate quantifiable risk metrics wherever applicable. Additionally, we place significant importance on stakeholder perceptions and materiality assessments, as these insights help refine our strategic direction in addressing climate change-related complexities.

Beyond risk management, we prioritise business continuity through an updated Business Continuity Plan (BCP), which is designed to address major disruptions that could affect our operations, including those related to climate change.

Metrics and Targets

Energy consumption is a key metric considered within our climate action strategy. Our approach here focuses on reducing electricity and fuel usage, as well as promoting sustainable practices across our value chain to drive energy and emissions reductions beyond our business.

In addition to reducing energy consumption, we have introduced a range of emission reduction initiatives including the adoption of renewable energy, responsible energy management, efficiency-driven Design for Manufacture & Assembly (DfMA) and sustainable waste reduction and lean construction practices. These practices align with ISO 14001:2015 Environmental Management System (EMS), which defines global best practices in environmental management.

Looking at our performance thus far, we are confident in achieving our target of a 20% reduction in carbon emissions, energy consumption and waste generation by 2030, in line with our Sustainability Blueprint 2.0. Meanwhile, we will continue to pursue longer-term initiatives to accelerate our journey towards carbon neutrality 2050.

Environmental Impact

Waste

Related Material Matter:

M9 Waste

Effective waste management is essential for minimising environmental impact, optimising resource use and protecting public health. We are therefore committed to reducing waste wherever possible and implementing cost-effective, environmentally responsible disposal methods. To align our efforts with our long-term goals, our waste management strategies are integrated into our Sustainability Blueprint 2.0, which outlines our commitment, strategies and to reducing carbon emissions, energy consumption and waste generation by 20% by 2030.

Our operations—including land clearing, building construction, infrastructure development, property maintenance and services such as district cooling systems (DCS)—require significant resources, such as construction materials, energy and water. These activities inevitably generate waste and contribute to environmental impact.

As a responsible property developer, we are dedicated to minimising waste generation and promoting sustainable practices across our value chain. To ensure accountability, we have implemented a systematic approach to collecting, monitoring and analysing waste-related data, allowing us to enhance the efficiency and effectiveness of our waste management practices.

Our Sustainability Policy

Our Sustainability Policy outlines our commitment to waste management, which includes the implementation of circular economy principles within our operations, promoting the effective use of resources and adopting recycling and upcycling where possible to minimise waste.

Our Internal Guidelines on Waste Management

Our internal waste management guidelines include an Environmental Instructions Manual (Waste Control) as well as specific waste-related guidelines contained as part of our Health, Safety and Environment requirements for our contractors.

Data Collection

We capture data on waste generation, composition and disposal through onsite assessments and audits and analyse this data through ProSus, our in-house data and analytics software.

Documentation

We maintain records on waste-related data, including waste types, quantity disposal methods and associated costs.

Reporting

We generate reports on our waste management performance by compiling and analysing data, identifying trends and areas for improvement.

Monitoring

We regularly review waste-related metrics to ensure we are on track to hit our waste reduction targets and inform the implementation of corrective actions as required.

Our Initiatives

Sustainable Development Design Guidelines (SDDG)

In line with our SDDG, we proactively minimise waste by incorporating material reuse and selection during the design stage. These include:

- Reused On-Site Materials – Prioritising the use of existing materials by repurposing or refurbishing them for different applications. For example, salvaging doors and cabinets from existing buildings on-site for reuse.
- Reused Off-Site Materials – Incorporating salvaged materials from external sources whenever possible, such as materials or components from decommissioned facilities.
- Temporary Structures – Selecting temporary formwork and framing that can be reused multiple times, reducing construction waste and enhancing overall sustainability.
- Recycled Materials – Conscientiously choosing building materials that contain recycled content to minimise reliance on virgin material extraction and processing. This aligns with the International Organisation for Standardisation (ISO) guidelines for acceptable definitions of recycled content.

By integrating these principles, we enhance resource efficiency and contribute to a more sustainable built environment.

Adopting Prefabrication

We have minimised waste and optimised our material usage by adopting prefabrication techniques in line with the Modern Methods of Construction (MMC). Our approaches include:

- Designing modules with scalability and flexibility in mind to accommodate future changes or expansion.
- Establishing standard module sizes and increments that can be used across products or components.
- Designing each module to support its functionality while minimising dependencies on other modules.
- Considering manufacturing and assembly considerations during the design process.

Encouraging Recycling and Reuse

As part of our efforts to divert waste from landfills and save costs, we have instituted programmes to recycle and reuse construction materials, office waste and landscaping waste.

Waste Monitoring and Management Plans

We implement strict waste management plans across all construction sites and operational facilities, ensuring that waste is properly monitored, separated and disposed of responsibly. To verify the effective execution of these plans, we conduct regular environmental walkabout inspections and boundary monitoring around our project sites.

Special attention is given to hazardous waste, including scheduled waste, which is carefully labelled and disposed of in full compliance with regulations. Additionally, we closely monitor wastewater and sewage discharge to prevent pollution or runoff, ensuring adherence to environmental standards.

Engaging Our Supply Chain Partners

We ensure that our suppliers and contractors adhere to proper waste management practices through partner education and engagement sessions.

Working with Third-party Waste Management Companies

When working with us, our third-party waste management partners must possess all relevant certifications, permits and licenses to handle and dispose waste in accordance with regulatory standards. We also require our partners to produce regular reports on waste collection, disposal and recycling while adhering to predetermined metrics.

Implementing an Automated Waste Collection System

We have introduced smaller, strategically placed collection points within the Automated Waste Collection System (AWCS) to maximise urban space efficiency and reduce reliance on manual waste handling by both building occupants and maintenance personnel. The system also enhances hygiene standards and minimises the risk of occupational injuries.

Office Recycling Programme

In 2024, we organised the Green Office Day (GOD) recycling programme along with other recycling initiatives across our Central and Southern region offices and sales galleries, encouraging all employees to participate.

As part of this programme, we partnered with Trash4Cash and KITARecycle to collect and recycle various items brought in by our employees, including e-waste, paper, glass and used cooking oil, collecting a total of 8,021 kg of recyclable items.

Through these initiatives, we continue to promote sustainability and responsible waste management within our workplace.

Environmental Impact

Our Performance

Total Waste Generated

Project Sites:

	2022 (in Tonnes)	2023 (in Tonnes)	2024 (in Tonnes)
Total Waste Generated by Category			
Non-hazardous	9,345.22	5,221.27	**21,191.91**
Hazardous	0.32	0.44	**0.44**
Total Waste Generated	**9,345.54**	**5,221.71**	**21,192.35**
Total Waste Recycled	146.17	85.34	**2,604.03**

	2022* (in Tonnes)		2023 (in Tonnes)		2024 (in Tonnes)	
	Non-hazardous	Hazardous	Non-hazardous	Hazardous	Non-hazardous	Hazardous
Total Waste Diverted from Disposal	-	-	85.34	0.44	**2,604.03**	**0.44**
Total Waste Directed to Disposal	-	-	5,135.93	-	**18,587.88**	**-**

A further breakdown of data improvement efforts began in 2023.

Office & Sales Galleries - Recycling:

Type of recycle	in kg	in Tonnes
Mixed Paper	7,205	7.21
Cardboard	172	0.17
Scrap Metal	6	0.01
Aluminium	8	0.01
Electronic	630	0.63
Total	**8,021**	**8.02**

We continue to monitor waste generation across all our ongoing project sites. In 2024, we observed a significant increase in total waste generated, primarily due to the demolition work at our Kelana Jaya project. Additionally, the increase in awareness regarding waste segregation and reporting among our contractors also contributed to this rise. The waste data reflects the total waste generated and recycling from all our ongoing project sites. We have also conducted several waste recycling efforts at our head offices and sales galleries in Klang Valley and Johor. We remain committed to improving our waste management practices and promoting sustainability across all facets of our operations.

Hazardous waste is classified based on its biological, chemical and physical properties, encompassing materials identified as toxic, reactive, ignitable, corrosive, infectious, or radioactive. Meanwhile, non-hazardous waste, as defined under the Environmental Quality Act 1974, refers to materials that do not exhibit hazardous characteristics or contain regulated substances. This includes municipal solid waste, recyclables and specific industrial by-products that adhere to the prescribed non-hazardous classification. With proper and adequate waste management processes, these materials pose minimal risk to human health and the environment.

Going Forward

Recognising the importance of responsible waste management, we will continue to invest in employee training and process improvements to ensure compliance with regulatory standards. Additionally, we will actively engage with industry peers and regulatory bodies to stay informed about evolving regulations and foster collaboration on effective waste management solutions. At the moment, our overarching target for waste management remains at 20% reduction by 2030 which was endorsed in 2023, however we will review our target as we progress in the journey towards circular economy. In 2025, ur target is to establish a Waste Management Policy to enforce greater consistency and drive improved efficiency of our waste management procedures, in line with best practices.

Materials

Related Material Matter:

M13 Materials

As a property developer, we recognise the significant impact that material use has on our overall environmental footprint. With this in mind, we strive to incorporate sustainable construction materials and processes into our developments in ways that preserve natural resources, enhance material reusability and improve cost efficiency.

Our strategy to responsible material management and innovation aligns seamlessly with our Sustainability Blueprint 2.0. Our approach to this key area balances sustainability with the imperative of maintaining high-quality standards and delivering truly distinctive developments. In doing so, we achieve two key goals simultaneously: reducing our environmental impact and strengthening our reputation as an innovative, future-fit property developer.

Our Initiatives

Streamlining the Design Process with Building Information Modelling (BIM)

Our approach to material efficiency begins at the early design stage. By streamlining the process through BIM, we create a virtual replica of the building to identify and analyse potential design issues, material requirements and cost implications before physical construction begins. This enables informed decision-making to optimise cost efficiency, improve resource utilisation and reduce the need for costly on-site modifications.

As part of our latest BIM advancements, we have integrated Early Performance Analysis (EPA) into the workflow. By combining real-time site data with AI-powered analysis, EPA helps determine optimal building orientation and comfort levels during the initial design stages—further reinforcing our commitment to sustainability. Examples of EPA applications include Daylight Potential, Solar Analysis and Wind and Noise Studies.

Since 2023, we have implemented the BIM workflow across all our projects. This has enabled us to monitor material usage effectively and lays the foundation for standardising material quality moving forward.

Adhering to the UEM Sunrise Design Playbook

Our Design Playbook enables us to optimise design, enhance efficiency and establish key standardisation across our projects. By using a structured approach, we streamline processes and improve project outcomes. Our modularisation strategies further boost efficiency by allowing the repeated use of similar components and assemblies, accelerating both the design and construction phases. To date, we have implemented this standardisation and modularisation process in all projects since 2023.

In alignment with the Design Playbook and the Design for Manufacture and Assembly (DfMA) approach, we have introduced the Utility Compartment Unit (UCU) — a prefabricated off-site unit designed to expedite construction timelines and reduce on-site labour requirements. The pilot project for UCU was launched at Serene Heights Phase 3A1, where 124 units were successfully installed. Moving forward, we plan to integrate UCU into all future developments, reinforcing our commitment to efficiency and sustainable construction practices.

Utilising Standard Layouts

In order to optimise cost, time and design efficiencies, we have developed standardised residential layouts based on the DfMA approach. This approach streamlines project launches and ensures a consistent development pipeline. By adopting a pre-coordinated model, the design process is significantly accelerated, allowing consultants to work more efficiently while reducing time spent on design and planning stages. Additionally, the use of standardised and modular components improve cost efficiency, further optimising resource utilisation and project execution.

Collaborating with Strategic Partners

We have collaborated with several organisations to strengthen our responsible practices in sustainable material usage. In partnership with Petronas Group Technical Solutions (PGTSB), we tested the application of plastic-modified bitumen for the Gerbang Nusajaya Show Village (GNSV) and Proshield+, both aimed at enhancing sustainability and durability in our developments. Additionally, we explored the use of pervious concrete with CIMA Concrete Solution to improve environmental resilience.

Furthermore, in collaboration with Eastern Pretech, we developed a fully functional Prefabricated Bathroom Unit (PBU) mock-up, with our Symphony Hills Sales Gallery serving as the pilot project. This initiative aligns with our commitment to integrating innovative and sustainable building solutions into our developments.

Environmental Impact

Weight of materials used in 2024

Total weight or volume of material that are used to produce product or services in 2024								
Non-Renewable Materials	Concrete (m^3)	338,722	Steel (kg)	13,793,554				
Renewable materials	Timber Formwork (m^3)	524,812	Laminated Tmber Flooding (m^3)	231,547	Precast Concrete (m^3)	165,795	Stone (m^3)	34,717

Going Forward

Looking ahead, we remain committed to optimising the sourcing of sustainable materials and maximising resource efficiency. By leveraging advanced construction methods and modular design, we aim to reduce waste, lower costs and enhance sustainability across our projects. Additionally, we are actively reviewing our Procurement Policy to ensure alignment with our objective of prioritising eco-friendly materials that promote environmental responsibility throughout the value chain.


Timber formwork for concrete casting made using renewable materials

Water and Effluents

Related Material Matter:
M15 Water and Effluents

We are committed to promoting efficient and responsible consumption of energy, water and materials in our daily operations, as stipulated in our Sustainability Policy. Our Sustainability Blueprint 2.0 highlights our strategic approach to water management, focusing on intregrating water-efficient systems into building design and practices in our operations, while promoting sustainable water supply systems.

UEM Sunrise does not operate in water-stressed areas and we remain dedicated to minimising water consumption across our sites and ensuring responsible effluent management. Furthermore, by adopting sustainable water practices, we aim to enhance water conservation, reduce pollution and contribute to the well-being of surrounding communities. These efforts not only strengthen our regulatory compliance but also help mitigate operational risks and uphold our reputation as a responsible developer.


Water monitoring near Kampung Sungai Melayu, Iskandar Puteri, as part of UEM Sunrise's Environmental Monitoring Plan

Given that water scarcity can lead to contamination issues and potential violations of clean water rights, we strictly adhere to local environmental regulations and standards governing water usage and discharge, including the ISO 14001 standards as guidelines on water management, as well as water conservation measures to promote responsible resource management.

Our water supply comes from a combination of potable and non-potable sources, including municipal supply, water body withdrawals and rainwater harvesting systems, which are utilised for construction, irrigation and building operations. Water usage is primarily allocated for landscaping, sanitation and HVAC/DCS systems within our properties. Discharges may occur from stormwater runoff or operational effluents and we remain vigilant in mitigating potential impacts such as pollution from construction runoff, landscaping activities and operational discharges. To enhance efficiency, we closely monitor monthly water consumption within our operations and by contractors.

Actions taken to reduce water use include the implementation of water-efficient fixtures, sustainable landscaping techniques like using plants naturally adapted to the local climate and soil and advanced irrigation systems to optimise non-potable water usage. These initiatives minimise consumption across properties and construction sites. By extracting water from on-site water bodies for landscape and irrigation purposes, we further lessen the dependency on potable water. Additionally, we prioritise responsible effluent management by installing and maintaining silt traps and silt screens to prevent water contamination at our project sites. These measures are fully compliant with regulatory standards, ensuring sustainable water management and environmental protection.

UEM SUNRISE BERHAD
INTEGRATED ANNUAL REPORT 2024

Environmental Impact

Our Initiatives

Water Management

Identifying Water Risks with ROAR

In accordance with the ISO 14001 standards, we initiated a Risks and Opportunities Assessment Register (ROAR) to systematically identify, assess and manage potential risks and opportunities related to our operations. In particular, this allows us to mitigate challenges to water conservation, enhance our water management practices and drive continuous improvements in making positive environmental and operational impact.

Driving Water Efficiency

Throughout our developments, we have integrated water-efficient technologies and practices, including low-flow fixtures for water closets (WC) and water recycling systems to optimise water usage. In line with our SDDG, we aspire to incorporate water-efficient fixtures in our projects that hold Water Efficiency Labelling and Standards (WELS) certification or similar certifications.

Aspira Hills is a prime example of a water-efficient development, integrating mindful water management in both its building design and surrounding environment. The bathrooms are equipped with water-efficient fixtures, such as dual-flush toilets and WELS-certified fixtures, while the central park at Aspira Hills features stormwater green infrastructure, including rain gardens and bioswales.

To drive continuous improvement in Group-wide water efficiency, we conduct water audits across our business and remain committed to prioritising water-saving initiatives across our premises.

Diversifying Our Water Sources

We have explored alternative water sources, including rainwater harvesting and reclaimed water from dry ponds at project sites, to reduce dependence on municipal water supplies. As part of this initiative, we introduced rainwater harvesting tanks (RHWT) in our developments (5 projects have been completed while 6 projects are in construction phase), enabling rainwater collection for reuse in toilets and landscape irrigation. Moving forward, RHWT will also be integrated into all future projects, reinforcing our commitment to sustainable water management.

Ensuring Water Quality

We have implemented erosion and sediment control measures, including sediment ponds, vegetative buffers, silt screens and silt traps, to mitigate construction-related runoff and minimise sedimentation in water bodies. Additionally, we have enhanced the management of effluent treatment systems to ensure compliance with regulatory standards and prevent water pollution from construction activities and operational discharge.

In addition, we are also embarking on the desilting process with scheduled maintenance as part of our initiative to further improve water quality.

Monitoring Our Compliance and Risk

We conduct regular assessments and audits to ensure adherence to water-related regulations, permits and environmental management plans. To strengthen our risk management approach, we have developed and implemented early warning systems and contingency plans, enabling us to proactively address emerging water-related risks, regulatory changes and community concerns.

In 2024, we recorded zero instances of breaches or non-compliance with water quality or quantity permits, standards and regulations.

Pursuing Continuous Optimisation and Innovation

We continuously seek ways to identify innovative technologies, materials and practices for water conservation, pollution control and sustainable water use through investment in research and development.

In 2023, we initiated the signing of a Memorandum of Understanding (MoU) with Universiti Malaya's Faculty of Science to assess the water quality and heavy metal contents of the lake in the Kepong Metropolitan Park. The evaluation is vital for us to assess and determine the revitalisation of Kiara Bay's waterfront development. At the moment, we are exploring partnership with academic institutions and consultants for phase two of the project to improve the water quality of the lake.

At SIREH Park, we utilise a significant amount of non-potable water from the pond for irrigation. In 2024, an estimated 38,840 liters of non-potable water was extracted from the pond.

Water Discharge

Monitoring Our Effluents and Wastewater

We actively monitor Total Suspended Solids (TSS) levels on a monthly basis, assessing sources such as soil erosion, runoff and site discharges, with support from the external consultants of the respective projects. While certain water bodies naturally contain suspended particles, a sudden rise in turbidity is a reason for concern, particularly as some of our projects are situated near natural water resources.

Excessive suspended silt can negatively impact water quality, aquatic ecosystems and human health, while also increasing flooding risk. To mitigate these potential impacts, we are committed to maintaining TSS levels within the regulatory limit of 150mg/l. Furtherance to which, we have continued with the monitoring of our TSS levels during 2024.

Furthermore, all effluents and wastewater generated at our project sites undergo proper treatment by Indah Water Konsortium (IWK) and are disposed of in full compliance with National Water Services Commission (SPAN) regulations and other relevant local authorities.

Our Performance

	2022		2023		2024	
	in m³	in ML	in m³	in ML	in m³	in ML
Office & Sales Gallery	14,176.00	14.18	19,340.43	19.34	**10,042.00**	**10.04**
Retail/Commercial	–	–	64,072.57	64.07	**79,925.00**	**79.93**
Project	1,264,534.40	1,264.53	399,074.59	399.07	**177,997.80**	**178.00**
Total	**1,278,710.40**	**1,278.71**	**482,487.59**	**482.48**	**267,964.80**	**267.97**

For Project Sites:

Potable Water	1,234,523.00	1,234.52	95,498.17	95.50	**174,327.00**	**174.33**
Non-Potable Water	30,011.40	30.01	303,576.42	303.58	**3,670.80**	**3.70**

Our water usage is primarily based on water withdrawal from municipal potable water supplies, which serve in the majority of our operational needs. Non-potable water are used for site cleaning and landscape maintenance, where the water is sourced from lakes and natural ponds located within or surrounding our project sites, allowing for more sustainable water management.

We recorded no incidents of non-compliance with water quality or quantity permits, standards, or regulations in 2024, reflecting our commitment to responsible water stewardship across all operations.

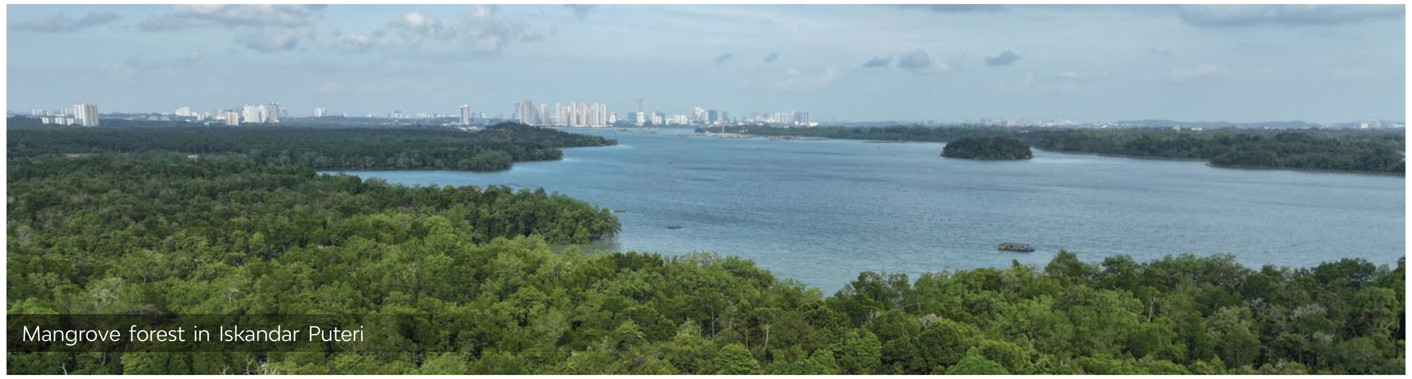
Going Forward

We remain committed to adopting innovative water-saving technologies to minimise water consumption across our operations and developments.

As part of our efforts to enhance effluent management, we are investing in upgraded treatment facilities to ensure compliance with stricter regulations while reducing the environmental impact of wastewater discharge.

To uphold high environmental protection standards, we will continue to require all contractors to engage third-party accredited laboratories for water quality sampling before any discharge into waterways. This practice reinforces our commitment to regulatory compliance, ecosystem preservation and the well-being of surrounding communities.

Additionally, we will maintain continuous monitoring of water usage, effluent discharge and other environmental performance indicators, implementing measures to further improve water efficiency and minimise environmental impact where possible.



Mangrove forest in Iskandar Puteri

Environmental Impact

Biodiversity

Related Material Matter:

M16 Biodiversity

We recognise the key role that biodiversity plays in driving ecological balance, enhancing climate resilience and supporting overall environmental well-being.

Biodiversity conservation is a crucial component of our Sustainability Blueprint 2.0 as biodiversity supports ecosystem functions and services to ensure carbon storage in forest and its ability to offset global greenhouse gas emissions. In line with this, we integrate biodiversity considerations into our planning and development strategies, such as by integrating green spaces and vegetation in urban spaces within our developments and implementing water-sensitive urban design (WSUD). These efforts actively protect existing flora and fauna while enhancing the sustainability and liveability of our developments.

In addition, biodiversity conservation contributes to carbon offsetting, thereby playing a key role in our long-term drive to achieve carbon neutrality.

Our Biodiversity Approach

Biodiversity Exposure & Assessment

Before commencing land clearing and construction, all project sites—especially new developments—undergo a biodiversity exposure assessment. In 2024, our ongoing projects demonstrated minimal biodiversity risks, as none encroach upon primary forest areas, reducing the likelihood of significant ecological disturbances.

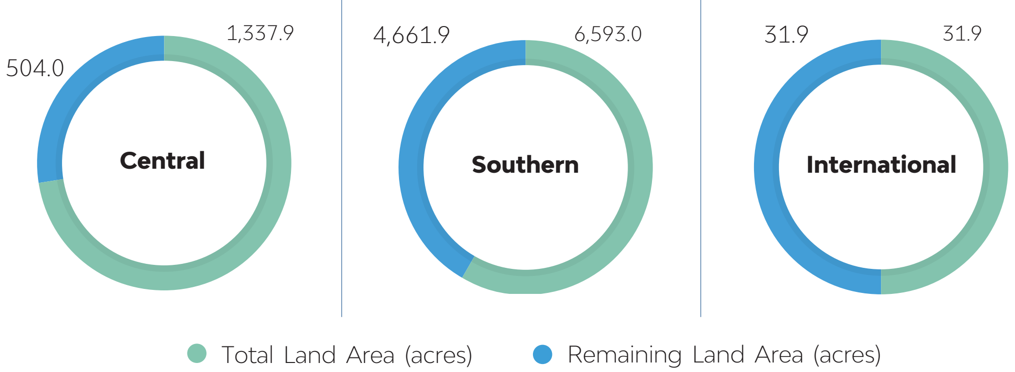
We strictly adhere to all Department of Environment (DOE) regulations at both state and federal levels. In line with the Environmental Quality Act 1974, we conduct Environmental Impact Assessments (EIA) for projects that meet the prescribed criteria outlined in the Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 2015.

To ensure ongoing compliance, audits are conducted by DOE-appointed auditors or consultants. These evaluations assess adherence to environmental regulations, including the potential biodiversity impacts and the effectiveness of mitigation measures in place.

The findings from these audits are thoroughly documented in our Environmental Aspect Impact Register (EAIR) and Risks and Opportunities Assessment Register (ROAR), both of which are integral components of our Project Quality, Health, Safety & Environment Plan (PQHSEP).

Once a project's environmental impact is identified, an Environmental Management Plan (EMP) is developed to outline mitigation measures. These measures are implemented alongside quarterly environmental monitoring by accredited laboratories, ensuring ongoing compliance with regulatory standards and best practices.

In 2024, we subjected the following townships to biodiversity exposure assessments:



Total

7,926.7
Total Land Area (acres)

5,197.9
Remaining Land Area (acres)

Key Sensitive Areas and Key Biodiversity Areas

UEM Sunrise is committed to responsible land use and biodiversity conservation in line with our sustainability priorities. As of the reporting period, only one of our sites, Subiaco is located in proximity to and classified as an Environmentally Sensitive Area (ESA) or Key Biodiversity Area (KBA), representing just 0.015% of our total landbank. This minimal footprint reflects our proactive approach in site selection and due diligence to avoid encroachment into ecologically sensitive zones.

Our Sustainable Development Design Guidelines (SDDG)

Our Sustainable Development Design Guidelines (SDDG) incorporate biodiversity-related considerations at every project phase, ensuring minimal impact on natural habitats and native species.

Key principles and approaches embedded within SDDG include:

Preserving Ecology and Biodiversity

We identify and protect ecologically-significant areas, such as wetlands, forests and wildlife habitats, from development. Establishing protected zones or nature reserves helps maintain ecosystem balance, conserves biodiversity and safeguards natural landscapes for future generations.

Developing Urban Forests

We prioritise the creation of green spaces and urban forests within our developments to provide habitats for diverse plant, insect and animal species. Urban forests enhance air quality, regulate temperature and support stormwater management by intercepting rainfall and reducing runoff.

Integrating Native Species into Landscapes

Our landscaping incorporates native plant species to support local ecosystems, provide food and shelter for wildlife, attract pollinators and maintain ecological stability. This approach enhances biodiversity while ensuring the resilience of green spaces.

Incorporating Constructed Wetlands

We develop constructed wetlands in urban settings to create natural habitats for aquatic plants, amphibians, fish, birds and small mammals. These wetlands also play a crucial role in improving water quality, promoting ecological balance and enhancing the visual and recreational appeal of urban spaces.

Fostering Collaborations and Partnerships

We actively engage with environmental agencies, conservation organisations and local communities to advance biodiversity conservation and promote awareness initiatives. By fostering strategic partnerships, we strengthen our efforts in sustainable development and ecological stewardship.

Both our brownfield and greenfield developments prioritise nature preservation and greenery. While we do not have a formal deforestation policy, we actively integrate natural green spaces into our developments. For example, we utilise water-sensitive urban design (WSUD) to enhance rainfall absorption and facilitate the biological processing of wastewater.

A key example is the planning of Estuari and Residential South, where special attention was given to mangroves along the perimeter and within the site. This approach minimises tree removal while exploring potential carbon offset benefits.

Embedding a Focus on Biodiversity

We are dedicated to being an environmentally responsible leader and community partner by ensuring that biodiversity considerations are seamlessly integrated into our decision-making processes.

In 2024, our Sustainability Policy and Blueprint was updated to incorporate biodiversity considerations in our planning and decision-making processes. This helps to ensure compliance with all applicable laws and regulations pertaining to environmental impact and drives the adoption of best practices in biodiversity protection.

UEM SUNRISE BERHAD
INTEGRATED ANNUAL REPORT 2024

Environmental Impact

Our Initiatives

SIREH Park – Our Biodiversity Hotspot

Established and managed by The Nusajaya Natural Heritage Trust (TNNHT), SIREH Park is an example of the amazing outcomes that can stem from a commitment to preserving the planet's natural beauty.

Since opening to the public in November 2017, this 343-acre park has developed as a sustainable, world-class natural heritage park, providing recreational, educational and research opportunities for people of all ages and backgrounds. The park welcomes thousands of visitors weekly, offering a variety of nature-based activities designed to enhance eco-awareness, deepen appreciation for nature and promote sustainable living.

In 2024, we reaffirmed our commitment to biodiversity by donating RM2 million to TNNHT, ensuring the continued growth and maintenance of SIREH Park. These funds will support ongoing conservation efforts, biodiversity initiatives and operational expenses, allowing the park to remain an accessible and thriving green space for all.

Additionally, we have partnered with TNNHT to launch various biodiversity initiatives aimed at strengthening conservation efforts within SIREH Park. Through these initiatives, we continue to champion environmental stewardship and sustainable living for future generations.

Tree Planting Initiative

As part of our ongoing commitment to environmental conservation, we continued our tree planting initiative at SIREH Park in 2024, with 913 trees planted. This contributes to our long-term target of 25,000 trees by 2028. To date, a total of 10,230 trees have been planted.

SIREH Park is also open to all individuals and organisations who wish to participate in its environmental protection through the Plant That Tree Programme. In 2024, 50 donors from various companies and individuals contributed 913 trees through this initiative.

Additionally, we categorised the contributed trees based on their extinction risk classification, following guidelines from the International Union for Conservation of Nature (IUCN) Red List.

Level of Risk	Number
Critically endangered	20
Endangered	3
Vulnerable	156
Near Threatened	123
Least Concern	389
Not Evaluated	222
Total	913

Green Composting Initiative

SIREH Park has successfully implemented a green composting programme, producing a total of 1,650kg of compost from green waste collected within the park. Over 100 members of the community from various companies such as Timberland Singapore, Esteel Services and others, alongside students from UiTM Melaka, participated in the composting workshop. The initiative plays a crucial role in promoting sustainable waste management practices and reducing landfill waste, with the compost produced utilised to nourish the park's flora, improve soil health and reduce reliance on chemical fertilisers.

Bamboo Farming and Garden

In collaboration with the Malaysian Timber Industry Board (MTIB), SIREH Park received a donation of 1,500 bamboo saplings, representing 12 different species. Recognised for its rapid growth and exceptional carbon sequestration capabilities, bamboo plays a vital role in the park's sustainability approach and agenda.

The park's bamboo garden serves as a conservation and research hub, highlighting bamboo's versatility in environmental sustainability. The garden also serves as an educational platform, showcasing the diverse positive impacts of bamboo in eco-friendly construction, handicrafts and erosion control.


SIREH Park, a haven for bird watchers

Tracking Wildlife in SIREH Park

SIREH Park is home to a diverse range of wildlife, serving as a vital ecological corridor within the region. Recent surveys and tracking efforts have recorded sightings of wild boars, snakes, otters, monkeys, dusky leaf monkeys, porcupines and various bird species, including eagles and kingfishers.

Our most recent survey recorded 58 species of birds and 158 species of insects and other animals in the park.

The park's biodiversity monitoring programme is supported by the iNaturalist platform, enabling visitors and researchers to contribute to the documentation of local flora and fauna, with the data collected helping in assessing ecosystem health and informing conservation efforts.

SIREH Park Eco Learning Garden

In 2024, SIREH Park secured a RM50,000 grant from the Iskandar Puteri Community Grant to establish a community learning platform. This resulted in the development of the SIREH Park Eco Learning Garden, an educational hub for biodiversity and sustainability that offers interactive learning experiences on environmental topics. This hub will not only foster for continuous learning but also actively engage the community in creating more a sustainable and environmentally-conscious community.

Through hands-on activities, workshops, research collaborations and guided tours, the platform helps to forge a deeper understanding of nature among students, researchers and community members of all ages.

Collaborating to Protect Biodiversity

Through SIREH Park, we have initiated collaborations with educational institutions to undertake studies relating to biodiversity. In 2024, this included:

- Collaborating with the University of Technology Malaysia (UTM) on GeoTrees study and User Requirement Analysis (URA) for Geoinformation students
- Collaborating with UTM for student research field for Geospatial approach for Landslides Vulnerability Assessment

We also engaged the local community through multiple initiatives and events, drawing 290 participants comprising people from corporate entities, NGOs, students and local residents.

In addition, we held the following sessions specifically for school students in the surrounding area during their school holidays.

- Forest School Holiday Camp at SIREH Park
- Edu Farm with no entry fee

Additionally, our biodiversity efforts at SIREH Park garnered two awards at the Synergistic Government-University-Community-Industry (GUCI) Sustainable Collaboration Seminar 2024, organised by UTM and the Iskandar Puteri City Council.

- A Silver Medal was awarded for our composting project themed "SIREH PARK A Sustainable Haven: Journey to Greener Future".
- A Gold Medal was awarded for our collaboration with UTM titled "A Synergy of Greening Efforts in SIREH Park Using Geotrees Data-Driven Platform".

Going Forward

Moving forward, we will remain committed to protecting biodiversity across all our developments by conducting comprehensive biodiversity impact studies and integrating greenery and sustainability principles as outlined in our Sustainable Development Design Guidelines (SDDG). To further reinforce this commitment, we are working towards establishing a Biodiversity Policy, which will prioritise biodiversity protection in our development planning and enforce a strict stance against biodiversity loss.

Beyond financial investment, our ongoing support for SIREH Park reflects our proactive approach to biodiversity conservation and climate risk management. Moving forward, we aim to enhance biodiversity management by strengthening our involvement in SIREH Park and the Plant That Tree Programme, as well as exploring opportunities to expand conservation initiatives within open spaces in our developments.

Collaboration remains central to our strategy. We will continue working closely with local communities, NGOs, government agencies and other stakeholders to promote environmental awareness, and develop effective biodiversity conservation strategies.