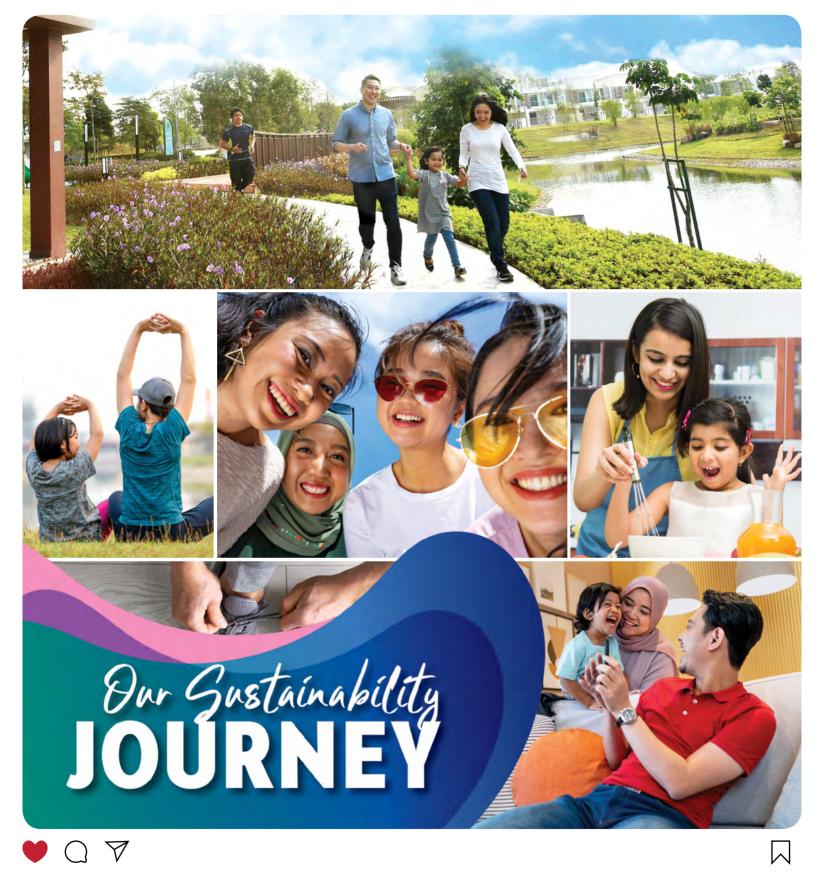
# 过 UEM SUNRISE 🕏



UEM SUNRISE Building communities of the future with you and for you #UEMSunrise #FindYourHappy

A member of UEM Group



Sustainability Report 2019

UEM SUNRISE BERHAD 200801028815 (830144-W)

Aur Vision

Building communities of the future with you and for you.



UEM Sunrise brings together the talented and skilled, the imaginative and the courageous. We create sustainable environments loved by home owners, acclaimed by investors and recognised by industry. We believe in thinking big and acting quickly to unlock potential; to thrive in a changing world.



## CARING

#### HONEST

We care about others as much as doing good work. We take pride in what we do and have the desire to do the best we can consistently – conscientiously finding ways to improve.

We find joy in the work we do, in the people we do it with and in the environment we create to do it in.

We care for people, places we create, and our planet. This interest we have in inspiring others in their quest for happiness must come from a place of honesty. It must be genuine. It must also be used positively to build and move things forward. Through honesty with an intent to build, we create trust.

This becomes the foundation from which our business is built on and prospers. It influences and drives the way we do business. And the business we are in is to inspire and help others find their Happy through the enviroment we create, the products we offer, services we provide and initiatives we do — one space at a time.

# NVOLVED

We need to be actively involved in wanting to support our customers and stakeholders on their Find Your Happy journey regardless of whether it is a masterplan we are developing, a residential tower we are building, a commercial centre we are constructing, a space we are creating or a child whose education we are helping.

This involvement must be driven by genuine interest for it to be meaningful, fulfilling and powerful. When we are actively involved and genuinely interested, we will always find ways to help inspire hopefulness in our customers', stakeholders' and colleagues' Find Your Happy journey.

# ENTHUSIASTIC

We remain optimistic and enthusiastic in the outcome and effect our efforts are contributing to the lives of all the people we touch in their Find Your Happy journey.

With this enthusiasm, positivity and belief comes a confidence borne out of a principled approach far removed from arrogance and selfishness.

# **FUN-LOVING**

As all our ideas, creativity and decisions are made to positively impact others, we find this journey both fulfilling and enjoyable.

We seek and generate ways to find the fun, excitement and happy in everything we do as much as we can.



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ABOUT THIS REPORT

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We at UEM Sunrise reaffirm our commitment to sustainability with the publication of this Sustainability Report 2019.



Together with the Annual Report, our stakeholders are provided with a clear, comprehensive and transparent representation of the Group's performance in managing the economic, environmental and social aspects of the business operations. The Annual Report highlights the financial aspects and value creation of our business activities. Through this Sustainability Report, we at UEM Sunrise would like to share our promise of creating shared value, operating as an environmentally responsible brand and committing to corporate citizenship.

#### **REPORTING FRAMEWORK**

This report has been prepared in accordance with Bursa Malaysia's Sustainability Reporting Guidelines, the Global Reporting Initiative (GRI) Standards and FTSE4Good Bursa Malaysia Index. We are committed to embedding the United Nations Sustainable Development Goals (SDGs) in our business operations.

#### **REPORTING SCOPE AND PERIOD**

This annual sustainability report covers UEM Sunrise and all entities included in the Group's consolidated financial statements, from 1 January to 31 December 2019, unless otherwise indicated. The reporting period aligns with the Group's financial year. This report is to be read together with the UEM Sunrise Annual Report 2019 and other sustainability-related disclosures, which can be found at https://uemsunrise.com.

In line with our continued commitment to environmental sustainability, no hard copies have been printed. This report as are previous editions are available online at: https://uemsunrise.com/corporate/about/ information-downloads.

#### FEEDBACK

Feedback from our stakeholders is welcome to enable continuous improvement in the Group's sustainability practices, processes and performance. Please send your comments and suggestions to feedback@uemsunrise.com.

#### **UEM Sunrise Berhad**

Level U2, Block C5 Solaris Dutamas No. 1, Jalan Dutamas 1 50480 Kuala Lumpur

Tel: 03 2718 7788 Website: www.uemsunrise.com

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Corporate PROFILF

UEM SUNRISE BERHAD (UEM Sunrise) [Registration No. 200801028815 (830144-W)] is a public-listed company and one of Malaysia's top property developers. It is the flagship company for the township and property development businesses of UEM Group Berhad, a wholly-owned entity of Khazanah Nasional Berhad. Khazanah is an investment fund of the Government of Malaysia.

UEM Sunrise's core competencies are in:

- · Macro township development;
- High-rise residential, commercial, retail and integrated development;
- · Property management; and
- Project & construction services.

In all our projects, whether local or international, we are guided by our corporate responsibility objective of 'Building Beyond Buildings' and making a lasting positive impact on the communities in which our projects are built. We build happy communities through products that satisfy customers' needs and desires and sustainable developments that care for the holistic well-being of residents socially, physically and spiritually. For that, we are more than just builders — we are placemakers.

UEM Sunrise is renowned for awardwinning and up-market high-rise residential and commercial developments, spanning the central and southern regions of Peninsular Malaysia as well as globally.

# FY2019 HIGHLIGHTS

# REVENUE RM2.9 billion

42% increase compared to FY2018



## **CONTRIBUTION BY REGION**

Property Development Revenue



# RM224 million

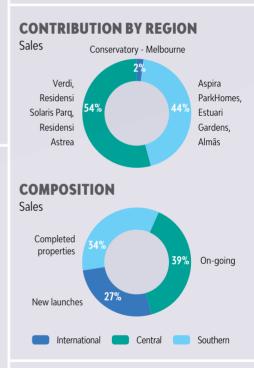
LAUNCHED GDV TO-DATE RM1.2 billion Target GDV for FY2019: RM1.2 bil

REMAINING LANDBANK 12,270 acres\*

#### \*including joint venture development lands

# sales RM1.1 billion

Mainly from Aspira ParkHomes, Residensi Solaris Parq, Residensi Astrea, Verdi and Serene Heights; including RM42 mil from SiLC



# UNBILLED SALES **RM1.8 billion**

As at 31 December 2019

**GEARING (GROSS & NET)** As at 31 December 2019

**0.46x (Gross)** FY2018 0.66x (Gross)

# 0.32X (Net)

Gearing decreased due to completion of both Aurora Melbourne Central and Conservatory, and full settlement of project financing

# A Message FROM OUR MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER

# Dear Stakeholders,

We are proud to present the UEM Sunrise Sustainability Report 2019, which illustrates our commitment to sustainability across our business operations. In this report, we provide you with a comprehensive representation of our approach in managing the economic, environmental and social aspects that affect our business and stakeholders. Our performance highlights the achievements of UEM Sunrise in creating economic value, operating as an environmentally responsible brand and upholding commitment to corporate citizenship.

Over the years, we have witnessed how sustainability has evolved from a concern of mandatory compliance into a driver of our business strategy. In line with this, we conduct continuous engagements with our stakeholders to understand their concerns and address their expectations. We also adopt 11 of the 17 United Nations Sustainable Development Goals (SDGs) to align with our corporate strategy and business operations.

In 2019, we once again reached out to identified stakeholder groups through a materiality assessment and collected a remarkable amount of complete responses — thank you for your feedback. We greatly appreciate your cooperation in delivering this input, which we have subsequently mapped against our strategy to define our sustainability priorities and focus areas in the forthcoming period.

#### **CREATING ECONOMIC VALUE**

At UEM Sunrise, we commit to creating economic value for our stakeholders and the nation at large. During the financial year ended 31 December 2019, UEM Sunrise achieved RM2.9 billion in revenue and RM224 million in profit after tax and non-controlling interests (PATANCI).

In creating and delivering our products, services and initiatives, we adopt our E.V.E approach — Exciting, brings Value and Easy to own. As one of Malaysia's top property developers, ranking 5<sup>th</sup> in The Edge Property Excellence Awards 2019, we aspire to enable our customers to find happiness through our brand.



ANWAR SYAHRIN ABDUL AJIB MANAGING DIRECTOR / CHIEF EXECUTIVE OFFICER

# A MESSAGE FROM OUR MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER

A prime example is our mixed-use development, Aurora Melbourne Central in Australia, where we provide 784 bicycle spaces — the largest number of bicycle spaces among all recent developments in the City of Melbourne

~

In 2019, we launched RM 1.2 billion worth of properties, comprising 1,645 units across the mid-market, and high-rise residential as well as commercial segments. We also completed and conducted the initial handover of 1,109 units of affordable housing in Johor.

Recognising that supporting local businesses is key to creating economic value for the Malaysian economy and building capability in local communities, 99.9% of our contractors and 95% of our consultants for our Malaysian projects are local. Throughout our business operations, we uphold the highest standards of integrity and recorded no known incidences of corruption in the past year.

#### OPERATING AS AN ENVIRONMENTALLY RESPONSIBLE BRAND

In our business operations, we strive to operate as a responsible brand towards all our stakeholders while upholding environmental responsibility. We keep this in mind in developing our products, ensuring that we minimise our environmental footprint and promote efficiency while improving our customers' quality of life. A prime example is our mixed-use development, Aurora Melbourne Central in Australia, where we provide 784 bicycle spaces — the largest number of bicycle spaces among all recent developments in the City of Melbourne. We also embed green features in our homes and neighbourhoods, such as solar panel ready homes, solar-powered street lighting, rainwater harvesting system and electric vehicle (EV) charging stations at our landed townships, Serene Heights in Bangi, and Aspira LakeHomes and Aspira Gardens in Gerbang Nusajaya.

In all UEM Sunrise developments, we are committed to conserving the natural habitat of the area, by protecting biodiversity and preserving the surrounding landscape. In addition, green public spaces are set aside in our townships, as exemplified in our 343-acre SIREH Park that we seed-funded and developed in Iskandar Puteri, and transplanted trees in Radia, Bukit Jelutong. In our newly launched integrated mixed development, Kiara Bay, we will leverage the natural landscape of the adjacent Kepong Metropolitan Park, embracing the lake and park to promote green outdoor spaces.

As we recognise the importance of leading by example in promoting green practices, we have implemented energy-saving measures across our offices, while promoting awareness within the communities we serve. Among others, we discontinued the use of disposable plastic at our sales galleries, commissioned reusable food containers as UEM Sunrise merchandise, and conducted environmental conservation activities as part of our corporate social responsibility (CSR). Our subsidiary, SCM Property Services Sdn Bhd, also implements recycling programmes in the residential high-rise properties they manage in Mont'Kiara.

# A MESSAGE FROM OUR MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER

#### **COMMITTING TO CORPORATE CITIZENSHIP**

While we take pride in the tangible progress we have made, we recognise that this is only possible thanks to our employees, the Titans, and our customers, the Trésorians.

At UEM Sunrise, we recognise that the right people, with the right skills and the right mindsets, are key towards achieving our business objectives. Thus, in 2019 we implemented a New Operating Model to transform into a dynamic organisation, to strengthen our market position and improve customer-centricity. This saw the creation of profit centres that are strongly supported by key corporate centres of excellence functions. Within our diverse workforce, we cultivate a high-growth culture by ensuring our employees stay motivated through the recognition of their performance, competitive benefits and remuneration, by providing a positive work environment.

We also introduced our CHIEF brand values of Caring, Honest, Involved, Enthusiastic and Fun-loving, conceptualised through a bottom-up approach, to instil the norm of creating excitement and bringing value to everything we do. We also unveiled a new tagline, "Find Your Happy", to embody a mindset in helping our customers and all our stakeholders in their journey to happiness. To ensure our employees are empowered to achieve their professional and personal aspirations, we commit to regularly upskilling and equipping them with the relevant skills and tools. In 2019, we began offering employees corporate memberships to digital learning platforms, enabling them to complete 9,917 training hours in total across various channels, a 260% increase from the previous year.

We unveiled a new tagline, "Find Your Happy", to embody a mindset in helping our customers and all our stakeholders in their journey to happiness



 UEM Sunrise's flagship CSR initiative, BukuHub, was launched at PPR Bandar Uda Utama, Johor on 15 February 2019

Our motivated and robust team enables us to consistently fulfil the expectations of our customers and gain their trust as a brand of choice and preferred lifestyle developer. We achieved an overall score of 75% in our Customer Satisfaction Survey in 2019, across corporate reputation, product quality & offerings, and overall customer experience.

We continuously anticipate our customers' evolving needs, through our products, services and initiatives, including investments in technology and digital ventures. Last year, we rolled out our hUb mobile app, our digital customer self-service channel, which offers an improved end-to-end customer journey. hUb is a key milestone in the UEM Sunrise digital transformation journey, which also features our collaborations with external partners, including Grab, Loanplus, and SOCAR, among others.

At UEM Sunrise, we go beyond the scope of property development by staying true to our vision of building communities of the future. We regularly reach out to the communities in our residential and commercial developments through our common spaces, such as Publika and

# A MESSAGE FROM OUR MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER



We rolled out hUb mobile app, our digital customer self-service channel, which offers an improved end-to-end customer journey

Arcoris in Mont'Kiara, and the Mall of Medini in Iskandar Puteri. We also offer value-added services such as shuttle services, regular engagements with residents, community activities and public events.

We encourage employee volunteerism with our titanSquad, contributing to the wider society through our corporate social responsibility (CSR) initiatives. In 2019, we set up 11 BukuHubs, comprising mini-libraries and reading areas in public spaces, in selected sales galleries, shopping malls, schools and affordable housing across the Central and Southern regions. We set up 11 BukuHubs, comprising mini-libraries and reading areas in public spaces, in selected sales galleries, shopping malls, schools and affordable housing across the Central and Southern regions

Throughout the year, we organised a book collection drive in Publika, BukuDrive, which collected over 10,000 books. We have also adopted 21 underperforming schools through the PINTAR School Adoption Programme, organising tuition classes, examination clinics, seminars and motivational talks, to improve the students' academic results. Over the years, 14 out of 21 of our adopted schools have been upgraded from a Band 5 to Band 2 or 1 ranking. We believe education is a sustainable form of charity as it changes lives.

#### **MOVING FORWARD**

We hope that the disclosures within this report showcase UEM Sunrise's commitment to creating economic value, operating as an environmentally-responsible brand, and upholding commitment to corporate citizenship. To keep up with the pace of our industry and the goals towards achieving sustainable development, we constantly realign our corporate strategy to ensure sustainable practices in our business operations and across our supply chain.

To conclude, we would like to express our gratitude to all stakeholders for your contribution and support. Moving forward, we are committed to delivering sustainable value to all our stakeholders in the forthcoming period and over the long run.

Anwar Syahrin Abdul Ajib Managing Director / Chief Executive Officer



Our sustainability philosophy at UEM Sunrise is driven by our promise to create economic value and operate as a responsible brand, while upholding our commitment to corporate citizenship. This is embedded in our strategy, targets and operations, in our journey towards creating shared value over the long run for all our stakeholders.



#### **ENVIRONMENT**

attracts investments and economic activity.

We manage our energy and water consumption and waste to minimise our impact on the environment. We incorporate innovative designs and features in our developments to reduce use of resources and find avenues to conserve biodiversity.



#### **SOCIAL**

We commit to providing the best possible living environment for our customers while nurturing a conducive workplace for our employees. We also invest in the communities where we operate, to bridge socio-economic gaps.



#### GOVERNANCE

Our Board of Directors ensures the highest level of integrity and transparency in all actions to build and maintain our corporate reputation and the trust that stakeholders have in us.



Our sustainability strategy focuses on the Economic, Environmental and Social aspects (EES) of the Group's business activities. We map 11 of the 17 United Nations Sustainable Development Goals (SDGs) to our corporate strategy and business operations.

We take pride in our past sustainable accomplishments on EES aspects and strive to improve our performance by leading by example and by listening to our stakeholders.

#### **OUR PRINCIPLES OF SUSTAINABILITY**

We believe a sustainable business is one that strikes the right balance between stakeholders' expectations and the needs of the business. We seek to be the trusted leader in our industry by building our business on clear principles and sound governance. This helps us reduce risk throughout our value chain and maintain trust in the brand.

# MANAGING SUSTAINABILITY



#### **UEM SUNRISE SUSTAINABILITY POLICY**

This Sustainability Policy aims to integrate a philosophy of sustainable development into all of UEM Sunrise's activities, in order to contribute to a better society; establish and promote sound environmental practices and minimise harm; and deliver sustainable development throughout our operations.

- > Providing a healthy, safe, conducive and empowering workplace;
- > Being an environmentally responsible leader and partner in our communities;
- > Conserving natural resources by optimising reuse and recycling wherever possible;
- > Ensuring the efficient and responsible use of water and energy;
- > Utilising operational processes that do not adversely affect the environment;
- > Conducting rigorous audits, evaluations, and self-assessments on the implementation of this policy;
- > Working with our stakeholders to enhance awareness, and incorporating, practising and promoting sound environmental practices, using our resources to provide leadership, guidance and motivation where necessary; and
- > Taking steps to continually develop and provide environmentally supportive performance and advances including embedding sustainability into our decision-making, planning and investment processes to create sustainable value for our shareholders.

#### •

Award-winning Verdi Eco-dominium, Symphony Hills in Cyberjaya is attuned to the natural surroundings

#### SUSTAINABILITY FOCUS AREAS

#### **PLACES**

We transform places in which we invest, to create value and enhance the lives of local communities

#### SOCIO-ENVIRONMENTAL PERFORMANCE

We develop high-quality societies while improving our social and environmental performance

#### PEOPLE

Our employees are our most valuable assets and their contributions are critical to our success

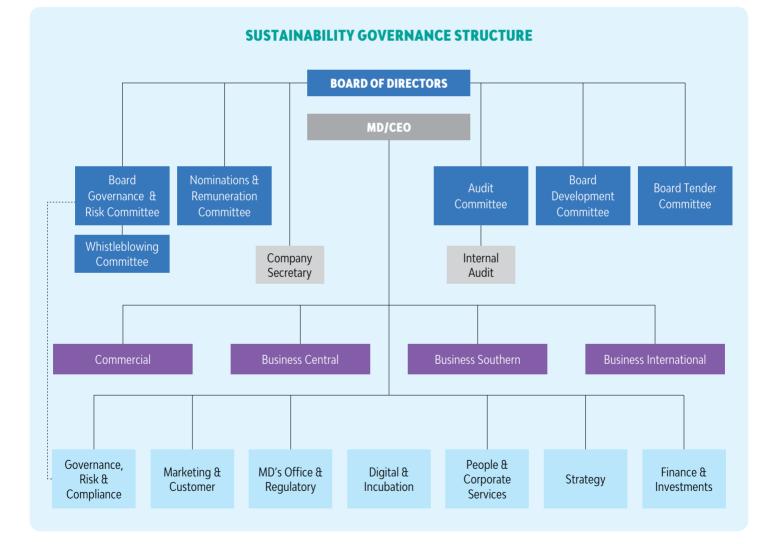
## ECONOMIC PERFORMANCE

We deliver sustainable economic performance that is underpinned by good corporate citizenship  $\bullet$   $\bullet$   $\bullet$   $\bullet$   $\bullet$   $\bullet$ 

# MANAGING SUSTAINABILITY

#### SUSTAINABILITY GOVERNANCE

Our sustainability governance model provides a sound foundation for developing and anchoring the Group's sustainability strategy and targets. At UEM Sunrise, sustainability is an important part of the business oversight of our Board of Directors and integrated into the business strategy. Matters pertaining to sustainability are overseen by the Board Governance and Risk Committee (BGRC). The Board of Directors appoints some of its members to serve on the BGRC, which is responsible for overseeing sustainability efforts to ensure alignment with the Group's business strategy. In parallel, the Board of Directors formalises and reviews the key sustainability initiatives, including recommendations for improvements, which also encompass environmental, ethical, social and governance aspects of the business.



Our senior leadership team at UEM Sunrise is accountable for embedding sustainability initiatives and targets throughout our business operations and overseeing their execution. Sustainability principles are widely practised throughout the Group, including in business conduct, product design and project developments, talent management and engagements with the community and wider society.

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# MANAGING SUSTAINABILITY

#### LISTENING TO OUR STAKEHOLDERS

Stakeholders are defined as the key individuals, groups or organisations who matter and have interest in what we do – those who can either be affected by our activities or are capable of creating an impact to our business. In line with our enterprising and competitive spirit, we are committed to delivering the best possible outcomes and creating greater value for all our stakeholders. Nurturing strong relationships with these groups enables us to build trust among the communities we have built.

In all our interactions, we strive to maintain direct and open communication with our stakeholders. This ensures the market is informed of all information which may have or could be expected to have a material impact on the value of our shares. Regular engagements allow us to gauge their perspectives and insights on emerging issues that are important to both our stakeholders and the business. At UEM Sunrise, we greatly value the opinions and feedback of our stakeholders. By continuously addressing their needs and expectations, we have successfully earned their trust and confidence to be their property developer of choice. As a public listed company, we regularly engage with our stakeholders through structured mechanisms in a timely, effective and transparent manner, to ensure a fair representation of voices.

IDENTIFYING	Distinguished stakeholders who have direct interest in our business operations	
MAPPING	Associate stakeholders against their respective needs and expectations	
ENGAGING	Institute identified engagement initiatives in ensuring stakeholders' needs are successfully achieved	

STAKEHOLDER GROUPS	HOW WE IMPACT EACH OTHER	THEIR EXPECTATIONS	HOW WE ENGAGE & RESPOND
CUSTOMERS	The viability and sustainability of our business are a direct result of providing strong customer satisfaction through unique and sustainable value propositions. In creating and delivering products, services and initiatives, we adopt our E.V.E approach — Exciting, brings Value and Easy to own — to allow our customers to find happiness through our brand, and in return drive our revenue and business performance.	<ul> <li>Exceptional customer experience throughout their homeownership journey</li> <li>A trusted and reputable developer that fulfils customers' needs</li> <li>A developer that continuously engages its customers and communities</li> </ul>	<ul> <li>Identify potential customers through property exhibitions, property events, and advertisements</li> <li>Customer and community engagement, through Trésor Loyalty Programme and Fun Zone Community Centre</li> <li>Customer interaction through One Stop Centres, Customer Contact Centre, hUb mobile app, website and social media platforms</li> <li>Annual Customer Satisfaction and Net Promoter Score (NPS) surveys</li> <li>Focus Group Discussions (FGD) with identified customers</li> </ul>
COMMUNITY	Building trust with our local communities and NGOs essentially gives us the social licence to operate. Our activities may negatively impact the environment, thus we must ensure we do all we can to mitigate this.	<ul> <li>Responsible marketing</li> <li>Waste management</li> <li>Energy management</li> <li>Community care and charitable involvements</li> <li>Corporate citizenship and good governance</li> </ul>	<ul> <li>Various placemaking and civic engagement initiatives</li> <li>Corporate social responsibility (CSR) initiatives across education enhancement, community engagement and environmental conservation</li> </ul>

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# MANAGING SUSTAINABILITY

STAKEHOLDER GROUPS	HOW WE IMPACT EACH OTHER	THEIR EXPECTATIONS	HOW WE ENGAGE & RESPOND
EMPLOYEES	Providing our employees with a safe and conducive working environment, with a strong respect for ethics and a high-performance culture will help drive our business. Employees who are engaged and motivated will be more productive, resulting in a win-win outcome, as the Group benefits from better performance, and our employees find fulfilment and develop their careers. We strive to instil our CHIEF brand values in everything we do, by being Caring, Honest, Involved, Enthusiastic and Fun-loving.	<ul> <li>Sense of pride and ownership in the Group</li> <li>Transparent communication from senior leadership team</li> <li>Career development and promotion opportunities</li> <li>Fair and competitive benefits and remuneration packages</li> </ul>	<ul> <li>Internal newsletters, quarterly townhalls and Titans portal for UEM Sunrise employees</li> <li>Competitive benefits and remuneration packages</li> <li>Implementation of flexible working hours and casual dress code</li> <li>Corporate subscriptions to e-learning platforms</li> <li>Organise team building, sports and recreation activities</li> </ul>
INVESTMENT- RELATED* *Includes analysts, shareholders, investors, and fund providers	Maintaining the trust and confidence of providers of financial capital is a key factor in supporting business growth, as it will lead to a rise in the value of our business, reflected through the Group's performance as a whole. In return, our sustained focus on enabling strong value creation outcomes from each project will yield good returns to investors.	<ul> <li>An experienced and solid senior management team</li> <li>Healthy profit and social impact depending on business verticals</li> <li>Value appreciation of shares</li> <li>Consistent dividend payout</li> </ul>	<ul> <li>Annual General Meeting (AGM)</li> <li>Bursa announcements and press releases</li> <li>Engagement through analyst briefings, meetings, site visits and conferences</li> </ul>
CONTRACTORS & SUPPLIERS	Ensuring a strong partnership and collaboration approach with our contractors and suppliers that upholds the principles of integrity will help us maintain a transparent and cost-effective procurement process. Together with good safety practices that protect workers, this will lead to more sustainable outcomes and better-quality products.	<ul> <li>Professional and transparent procurement processes</li> <li>Competent management of vendors and timely payment of fees</li> <li>Safe and conducive working environments</li> </ul>	<ul> <li>Provide full disclosure of the Group's procurement policies on corporate website</li> <li>Require all vendors to submit a Letter of Declaration pledging commitment to adhere to UEM Sunrise's Code of Conduct for Business Partners</li> <li>Require all suppliers, contractors and subcontractors to provide details of their approach</li> </ul>

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# MANAGING SUSTAINABILITY

STAKEHOLDER GROUPS	HOW WE IMPACT EACH OTHER	THEIR EXPECTATIONS	HOW WE ENGAGE & RESPOND
STRATEGIC PARTNERS	Collaboration with strategic partners enables us to make quick entries into areas that would have taken longer to break into. In return, our partners can benefit from working with our large and exciting portfolio.	<ul> <li>Fair investment opportunities in all UEM Sunrise business verticals</li> <li>High Return on Investment (ROI) throughout partnership period</li> </ul>	<ul> <li>Proactive prospecting of business partners for existing and pipeline projects</li> <li>Active sales and marketing initiatives</li> </ul>
GOVERNMENT/ REGULATORY AUTHORITIES	Conforming to laws and regulations while abiding by best practices will help strengthen our reputation as a responsible property developer. This in turn allows us to support Government agendas that concern stimulating economic growth, contributing to nation-building, providing housing and creating job opportunities.	<ul> <li>Compliance with relevant laws and regulations</li> <li>Contribute to industry best practices and development of new policies and regulations</li> <li>Support Government initiatives</li> </ul>	<ul> <li>Ensure full compliance regardless of business operation sector</li> <li>Active engagements with relevant ministries, regulators and authorities</li> </ul>
MEDIA	The media is an important partner that can help to strengthen our reputation and credibility. We will continue to provide the media with access to timely, reliable and accurate information about our operations.	<ul> <li>Thought leadership on property market and industry</li> </ul>	<ul> <li>Consistent engagement through press releases, networking sessions, press conferences and interviews</li> </ul>
INDUSTRY PEERS	Collaboration with industry peers in terms of knowledge sharing and through association meetings and industry conferences will help to promote sustainable growth of the property industry.	<ul> <li>Improve ease of doing business within the property industry</li> <li>Share industry best practices and developments</li> <li>Promote nation-building and sustainable growth of the property industry</li> </ul>	<ul> <li>Contribute in influencing overall industry policy</li> <li>Participate in industry-wide organisations and conferences</li> <li>Support Government initiatives in industry development</li> </ul>

# MANAGING SUSTAINABILITY

#### MATERIALITY

As part of UEM Sunrise's promise to operate as a responsible brand, we commit to refining the corporate strategy through continuous stakeholder engagements to understand their expectations.

Our first materiality assessment was conducted in 2017, which identified 32 material Economic, Environmental, and Social (EES) aspects that could affect our business and stakeholders. The survey was performed by an external agency to maintain impartiality and secure the anonymity of the respondents.

For the financial year ended 2019, we revised the materiality assessment, emphasising 20 material issues so as to further refine our strategy with regards to the sustainability of our business operations. To do this, we conducted an online survey across nine identified stakeholder groups, over a two-week period, and collected 499 complete responses. Using a weighted-ranking process, our assessment defined the priorities and focus areas for the forthcoming period, which were considered to be integral to our efforts to create short-, medium- and long-term stakeholder value. We adopted the following process for our materiality assessment:

# Step 1Identification<br/>Identified key issues and defined stakeholders for<br/>this consultationStep 2Prioritisation<br/>Conducted online survey across 9 stakeholder<br/>groups over a 2-week period and collected<br/>499 complete responsesStep 3Validation

Obtained Board of Directors' input on the relevance of identified material issues



Aspira LakeHomes in Iskandar Puteri is developed around a seven-acre lake and surrounded by conservation land, conducive for encouraging a healthy lifestyle among its residents

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# MANAGING SUSTAINABILITY

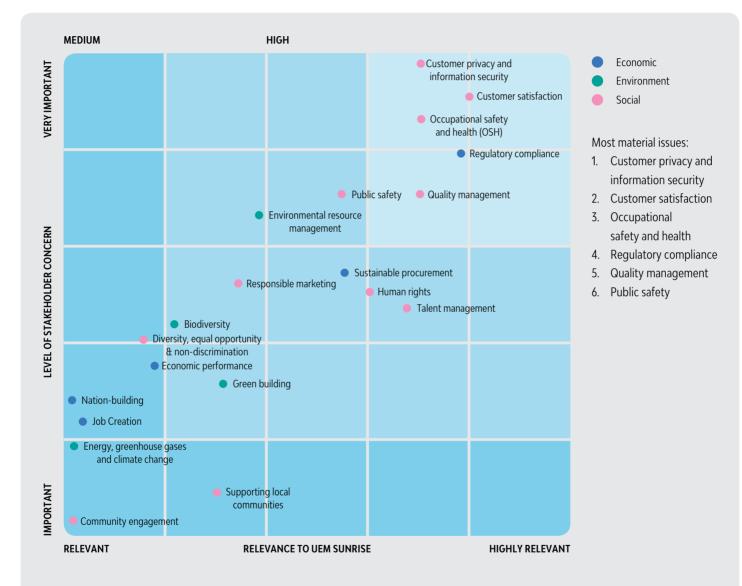
#### **Material Issues**

MATERIAL ISSUE		DESCRIPTION	
	Job creation	Contributing to economic development in local areas by hiring from within local communities	
AIC	Sustainable procurement	Providing transparent and fair procurement processes that support local suppliers and encourage good environmental and social performance throughout the supply chain	
N O M	Economic performance	Generating economic value for all segments of society	
ECONOMIC	Nation-building	Supporting Government efforts in promoting economic growth, development of infrastructure and affordable housing, and placemaking exercises	
	Regulatory compliance	Preventing corrupt and anti-competitive behaviour and complying with all other economic, environmental and social legislation	
-	Environmental resource management	Managing materials, water, effluents and waste air, and noise in our business operations	
NMEN	Green building	Planning, developing and constructing buildings that are energy-efficient and environmentally conscious	
ENVIRONMENT	Energy, greenhouse gases and climate change	Managing energy use and the resulting emissions that affect climate change	
	Biodiversity	Minimising the impact on local flora and fauna during the planning and construction of buildings	
	Customer satisfaction	Ensuring customer satisfaction throughout our end-to-end business operations	
	Responsible marketing	Providing transparent information on the economic, environmental and social impacts of UEM Sunrise products	
	Customer privacy and information security	Protecting the privacy of customers and their personal data	
	Quality management	Ensuring the quality of products through the implementation of quality and defects management systems	
IAL	Talent management	Implementing good practices throughout the entire employee lifecycle, e.g., recruitment, development and retention	
SOCIAL	Diversity, equal opportunity and non-discrimination	Ensuring diversity and equal opportunity at work and eliminating all forms of discrimination	
	Human rights	Protecting the human rights of all workers and employing consultative practices when needed	
	Occupational safety and health (OSH)	Ensuring a healthy and safe environment for all workers	
	Community engagement	Engaging with tenants and local community on a regular basis	
	Supporting local communities	Supporting communities who are impacted by the Group's operations either economically, socially or environmentally	
	Public safety	Ensuring the safety, security and wellbeing of the general public and all visitors to UEM Sunrise property developments	

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# MANAGING SUSTAINABILITY

#### **Prioritisation of Material Issues**



#### Most important issues to selected stakeholders

#### Customers

- Occupational safety and health
- Customer privacy and information security
- Customer satisfaction

#### Employees

- Occupational safety and health
- Quality management
- Regulatory compliance

#### Investment-related stakeholders\*

- Sustainable procurement
- Economic performance
- Environmental resource management

Includes analysts, shareholders, investors, and fund providers

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# MANAGING SUSTAINABILITY

The issues identified will allow us at UEM Sunrise to address the sustainability areas of interest as prioritised by our stakeholders. We do this by ensuring that decision-making, strategy formulation and target-setting are informed by sustainability practices. We have mapped the most material issues to our stakeholders against SDGs that we have adopted, so as to prioritise efforts and achieve meaningful impact. At UEM Sunrise, we are committed to ensuring we meet the expectations of our stakeholders to maintain their trust in our brand.



MATERIAL ISSUES	OUR ACTIONS	RELEVANT SDGS
Customer privacy and information security	Continue our commitment to stringent data protection practices that respect customers' privacy and safeguard their data, to maintain customer trust	12 16
Customer satisfaction	Deliver products that meet or exceed customer expectations to enhance customer satisfaction	12
Occupational safety and health (OSH)	Nurture a preventive workplace culture and encourage involvement in OSH activities to efficiently manage safety risks	3 4
Regulatory compliance	Improve compliance awareness and training throughout the organisation	4 12 16
Quality management	Continue to be guided by rigorous internal audit processes and various internationally recognised management systems, represented by ISO and Malaysian standards	11 12
Public safety	Continue to take all precautionary measures to ensure the safety and security of all tenants, residents, communities and visitors to UEM Sunrise premises	11 12 16
Environmental resource management	Manage the interaction and impact our activities have on the environment by conserving natural resources and maintaining balanced ecosystems	13
Sustainable procurement	Ensure the sustainability of products, materials sustainability and supplier practices	12
Human rights	Support the Universal Declaration of Human Rights and share this responsibility to respect human rights within our operations and through business relationships	10 16
Talent management	Implement a consistent talent management strategy throughout the employee lifecycle, from recruitment to hiring, retention and development of employees	4 8
Responsible marketing	Provide balanced, informative and transparent information that helps customers make informed decisions	12

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# MANAGING SUSTAINABILITY

MATERIAL ISSUES	OUR ACTIONS	RELEVANT SDGS
Biodiversity	Reduce energy consumption, waste to landfills and demand for potable water	15 16
Diversity, equal opportunity and non-discrimination	Commit to workforce diversity to drive innovative and sustainable business	10
Economic performance	Deliver sustainable economic growth by implementing strategic initiatives that generate long-term value	8
Green building	Offer customers and tenants eco-friendly solutions by incorporating green features in our projects	12 13
Nation-building	Ease homeownership for Malaysians and contribute to infrastructure development	8
Job creation	Offer employment opportunities including internships, as well as training programmes and initiatives for skills development	8
Energy, greenhouse gases and climate change	Maximise energy efficiency at each stage of a building's life cycle	13
Supporting local communities	Commit to the economic and social advancement of local communities	4 10 11
Community engagement	Conduct regular engagement with our residents, customers and wider society to enhance their wellbeing and strengthen relationships	3 11

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#### **OUR BUSINESS**

UEM Sunrise is one of Malaysia's top property developers, and we create broad economic value for all our stakeholders, especially our shareholders, customers and investors. We do this by focusing on delivering quality products while ensuring that we also contribute to nation-building.

#### We are ranked 5th in The Edge Top Property Developers Awards 2019



We have achieved numerous successful endeavours, establishing a presence across the Central and Southern regions in Peninsular Malaysia, Melbourne in Australia and Durban in South Africa. In the Central region, we were instrumental in developing Mont'Kiara, the upscale township renowned for luxury high-rise residential and commercial developments. In the Southern region, we are the master developer of Iskandar Puteri (formerly known as Nusajaya), one of the five flagship zones of Iskandar Malaysia, and set to be a key investment, financial and business hub in Southeast Asia. UEM Sunrise also owns and operates various assets, including a total of 1.1 million sg ft of retail space, such as Publika and Arcoris in Mont'Kiara and the Mall of Medini in Iskandar Puteri. Notably, our retail asset, Publika Shopping Gallery in Solaris Dutamas, has established itself as a community-focused incubator of creativity. supporting homegrown and upcoming brands in Malaysia. Currently, our land bank across all regions is 12,270 acres including joint venture development lands.

During the financial year ended 31 December 2019, UEM Sunrise achieved RM2.9 billion in revenue and RM224 million in profit after tax and non-controlling interests (PATANCI). Our financial performance is disclosed in detail in the Annual Report.



# CREATING ECONOMIC VALUE

In creating and delivering products, services and initiatives, we adopt our E.V.E approach – Exciting, brings Value and Easy to own, enabling our customers to find happiness through our brand.

In 2019, we launched RM1.2 billion worth of properties, comprising 1,645 units in total.This consisted 716 mid-market residential units, 870 high-rise residential units and 59 commercial units. These products were priced within the RM500,000 to RM1 million price range. We also delivered 1,874 units of property to our customers, providing new homes to thousands of Malaysians.

Our products are designed with the customers' needs in mind, in the hope of creating homes that fulfil their daily and long-term needs, and bringing value to their investments. We also offer incentives to ease home ownership and provide after sales services at every customer touchpoint.

Moving forward, UEM Sunrise seeks to evolve and provide services beyond the scope of property development, aimed at enhancing the lifestyles in most aspects of our customers' lives while improving our sustainability practices. A digital arm will be established to incubate and oversee this new venture, where technology will be optimised to enable efficient operations and to explore new revenue streams within the real estate space. Focus areas include smart living, smart retail and home customisation, i.e. innovative solutions for the convenience of customers.

# CONTRIBUTION BY REGION

Property development revenue



Southern mainly Serimbun, Aspira LakeHomes and Denai Nusantara

O-----Central mainl

Central mainly Symphony Hills, Residensi Solaris Parq and Serene Heights Bangi

O Aurora Melbourne Central and Conservatory

#### E.V.E

# **EXCITING**

Our brand is about optimism and enthusiasm and is relevant to everyone. It resonates with everybody young and old and encourages people to be happy. It adds positivity to the world and that is exciting.

#### **BRINGS VALUE**

Our brand drives us to inspire joy and happiness one space at a time – creating spaces where everyone is inspired to find their happy and we find our happy by bringing value to others.

## **EASY TO OWN**

Find Your Happy is a simple yet powerful forwardmoving message, inspiring people to live more fulfilled. It is easily understood and easily owned both by us and those we speak to.



 Denai Nusantara is a development under the Rumah Mampu Milik Johor programme, providing quality affordable homes in a strategic location

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# CREATING ECONOMIC VALUE

#### **IMPROVING ACCESSIBILITY TO HOME OWNERSHIP**

Over the years, UEM Sunrise has demonstrated commitment to improving access to home ownership for a wider group of Malaysians.

In 2019, the Group participated in the Home Ownership Campaign (HOC) from 1 January to 31 December. Jointly organised by the Ministry of Housing and Local Government (KPKT) and Real Estate and Housing Developers' Association (REHDA), the HOC catalysed demand and addressed the issue of unsold stocks, proving a boon to the local property sector. In addition to stamp duty exemptions and discounts as mandated by HOC, we partnered with Loanplus to offer fast loan screening, eligibility checks and loan calculation. This allowed UEM Sunrise to help hundreds of Malaysians become first-time home owners.

# Projects featured in the Home Ownership Campaign (HOC) 2019 campaign





A Denai Nusantara is the Company's way of giving back to society by offering easier home ownership

Priced at RM150,000, each unit is 1,000 sq. ft. with three bedrooms and two toilets, comprising five 12-storey blocks with ample facilities offered.



We are also developing Rumah Mampu Biaya Johor (RMBJ) in Gerbang Nusajaya, Iskandar Puteri, Johor. This development will consist of 4,868 terraced houses and apartments, as well as commercial units, and will be well-equipped with a wide range of community facilities.

# CREATING ECONOMIC VALUE

#### **EMBRACING TRANSIT ORIENTED DEVELOPMENT**

As part of delivering products that fulfil our E.V.E approach, we embrace the concept of transit oriented development (TOD) to meet the demands of urban populations.

TOD is defined as high intensity and mixed-use walkable developments within walking distance (400 metres/10 minutes) from a public transportation hub. By encouraging public transportation ridership and the use of public open spaces, TOD promotes active mobility and improves community health, while creating sustainable communities and economies. The Third National Physical Plan (RFN3) encourages TOD as a development strategy to optimise land use and land readiness to maximise usage of transit infrastructure.

Our developments, Aspira LakeHomes, Aspira ParkHomes and Aspira Gardens in Gerbang Nusajaya, were built to fully leverage the transport connectivity surrounding the area. These developments will have direct road interchange into the Second Link Highway and is located close to the Tuas Checkpoint in Singapore. The proposed Iskandar Puteri High-Speed Rail station, part of the KL-Singapore High-Speed Rail (HSR), is also planned for development in the area as a TOD and public transportation hub. Our developments are designed to be liveable, with a vibrant and competitive environment, with nearby schools and lowdensity commercial and lifestyle hubs to attract investments and talent.

#### **DEVELOPING THE INDUSTRY SUPPLY CHAIN**

At UEM Sunrise, we recognise that working with local suppliers and supporting local businesses are key to creating economic value for the Malaysian economy and building capability in local communities. Our standard procurement practice is to primarily source locally.

Throughout our years in operation, the Group has developed an ecosystem of supply chain partners who support our business, constantly expanding the supply chain to accommodate new players in the industry. A wide range of factors are considered when selecting the best suppliers, contractors and business partners such as value for money, quality, reliability and service.



Hyatt House Kuala Lumpur, Mont'Kiara offers a home-like hospitality which encourages guests to live like residents

Our appointment of contractors and suppliers are guided by stringent procurement policies and procedures and evaluated on their financial performance and production capacities.

We choose partners that can provide the best possible value and deliver products that meet the specified quality and other requirements on time. New and existing suppliers are screened according to social and environmental criteria, with additional points awarded to suppliers with environmental accreditation such as ISO 14001.

Our vendors are subjected to rigorous yearly assessments on quality, compliance, adherence to regulators' guidelines, defects management, and safety, among others. Our Vendors' Accreditation Practice implemented in 2019 classifies vendors with a score above 70% as preferred contractors or consultants.

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# CREATING ECONOMIC VALUE



We also ensure our supply chain partners are responsible for managing the environmental, social and economic impacts of their activities, including encouraging good governance practices throughout the project lifecycle. We include human rights clauses in significant investment agreements and contracts to ensure our supply chain partners are socially responsible when doing business with us.

UEM Sunrise seeks to be a thought leader in the real estate and property development industry. We hold corporate membership in organisations such as the International Real Estate Federation (FIABCI), as well as company representation in the Real Estate and Housing Developers' Association (REHDA), among others.

#### Mandatory Social and Environmental Expectations Placed on Supply Chain Partners

Safe work permit	All contractors working on life-critical and high-risk activities must show a valid Permit to Work (PTW) pass.
Employment of foreign workers	The employment of foreign workers by contractors must comply with the requirements of Immigration Act 1963 (Amendment 2002). Only legal workers are permitted to work.
Provision of a temporary rest area	Contractors are expected to provide workers with temporary rest area.
Healthy living quarters	Contractors are expected to provide necessary temporary drainage within and around their workers' living quarters and conduct a rodent and pest control programme.
Ensuring the welfare of workers while at work	<ul> <li>Contractors must ensure the health and welfare of all their workers while at work, including provision of:</li> <li>Transportation to and from work areas;</li> <li>Information, training and supervision; and</li> <li>A work environment with adequate welfare facilities.</li> </ul>
Respecting workers' rights	Business partners must comply to any laws and statutory requirements, and authority rules and regulation, as per the Code of Conduct for Business Partners. This includes all applicable labour, employment, and human rights legislation including minimum wage, minimum age for employment and maximum working hours.
Providing a safe workplace	<ul> <li>Business partners must provide their employees with a healthy and safe workplace and comply with all applicable health and safety laws, regulations and standards including all statutory requirements and acts under the:</li> <li>Occupational Safety and Health Act and Regulations 1994 (OSHA);</li> <li>Factory and Machinery Act 1967 (FMA);</li> <li>Construction Industry Development Board (CIDB); and</li> <li>Guidelines on First-Aid Facilities in the Workplace.</li> </ul>
Discrimination and harsh behaviour	Business partners must comply to any laws and statutory requirements, and authority rules and regulation, as per the Code of Conduct for Business Partners. This includes no tolerance towards inhumane treatment of business partners' employees, child labour or any form of discrimination, including that based on gender.
Environmental obligations	<ul> <li>All business partners must ensure that:</li> <li>Minimal levels of pollution are generated;</li> <li>Resources such as raw materials, energy and water are consumed efficiently; and</li> <li>Environmental conservation is practised and biodiversity preserved.</li> </ul>

# CREATING ECONOMIC VALUE

UEM Sunrise aims to compete fairly in the marketplace, upholding a competitive market, as it encourages efficiency, innovation and entrepreneurship.

#### **COMMITMENT TO INTEGRITY**

At UEM Sunrise, we are committed to the highest standard of integrity, upholding a zero stand against corruption including bribery and fraud, and maintaining a high standard of accountability in our business operations. We communicate this in our Integrity & Anti-Corruption Plan (IACP), Code of Conduct (CoC) and Code of Conduct for Business Partners (CoC BP). Employees are reminded of our anti-corruption policies and procedures through various training and engagement sessions held throughout the year.

We expect our supply chain partners to embrace a similar approach to integrity, compelling them to accept our Code of Conduct for Business Partners (CoC BP) and sign our Declaration of Integrity Form. Our Procurement Policy requires all goods and services to be procured in a fair, transparent, competitive and timely manner, complying with all applicable legislation to meet the Group's business objectives.

#### The 8 Principles of UEM Sunrise's Code of Conduct for Business Partners

Compliance with Laws	Act with Integrity
Maintain Accountability	Avoid Conflict of Interest
Maintain Confidentiality	Provide a Safe Working Environment
Maintain a Healthy Work Culture	Prohibit Any Form of Gift/Business Courtesy

The Board Governance & Risk Committee (BGRC) and the Whistleblowing Committee (WBC) have responsibility for overseeing policies and procedures relating to corruption, bribery and abuse of authority. We adhere to all anti-bribery and anti-corruption laws as mandated by the authorities. To increase awareness on the need to curb corruption, we have embarked on various initiatives including training and engagements with the Malaysian Anti-Corruption Commission (MACC).

To ensure transparency in our business conduct, we have implemented a Whistleblowing Policy to provide a safe channel for our employees and third parties employed or engaged by us, to disclose improper conduct within UEM Sunrise. Provided that the disclosure is made in good faith, whistleblowers are protected against any detrimental action or unfair treatment.

Our operations and supply chain partners (100%) are also subject to corruption and bribery risk assessments and periodic integrity screening, which evaluates potential cases of questionable and undesired practices.

#### **Corruption Cases by Year**

#### 2018

**4 Cases** were flagged, escalated and reviewed, resulting in termination and dismissal of contractors 2019 No known incident of corruption

# CREATING ECONOMIC VALUE

In the past, we have terminated contracts because of corruption violations. In 2019, we recorded no known incidence of corruption.

Employees found to have been involved in corruption are subject to disciplinary action, though there have been no major cases reported that resulted in termination. In parallel, we have not been imposed with any fines or penalties by any authorities in 2019 or in recent years.

Employees are required to comply with competition law and adhere to the Competition Act 2010. In all business transactions, employees must strictly observe the prohibition of anti-competitive agreements, marketsharing and abuse of a dominant position, or of substantial market power, as breaches of competition law will not be tolerated. In 2019, there were no reported incidents of anti-competitive behaviour and no reported violations of anti-trust and monopoly legislation where the Group was a participant.



Upon completion, Kondominium Kiara Kasih will offer connected and well-planned community living facilities for various family-oriented needs



 International students from University of Nottingham Malaysia on a study tour at Serene Heights, Bangi

#### **LOCAL HIRING**

At UEM Sunrise, we commonly grant preference to locals when hiring, as the majority of our operations are in Malaysia. We source for talent through various channels including employee referrals, network connections, industrial references, digital platforms (e.g., LinkedIn and Jobstreet) and executive search. As of 31 December 2019, 100% of our employees are Malaysians.

#### **Tackling Youth Unemployment**

Malaysia's overall unemployment was 3.3% in 2019. Although still within the Organisation for Economic Co-operation and Development (OECD) 1990 guidelines, there is a shortfall in skills required by industries. Young people, aged between 15 and 24 years, experience higher unemployment rates, partly due to the transition from studying to the workplace, and a lack of working experience and skills.

In our commitment to being a good corporate citizen and addressing this issue, at UEM Sunrise, we offer internships and graduate trainee programmes to fresh graduates who are seeking to explore and gain industry experience.

# Operating As An ENVIRONMENTALLY RESPONSIBLE BRAND

# At UEM Sunrise, we seek to operate as a responsible brand towards all our stakeholders while upholding environmental responsibility by protecting the natural environment.

We do this by incorporating environmental considerations in our project lifecycle and adopting sustainability features in our products. We are also concerned with biodiversity conservation of our surroundings, the efficient management of our resources, as well as how we respond to climate change.

#### **ENVIRONMENTAL CONSIDERATIONS IN THE PROJECT LIFE CYCLE**

At every stage of the building life cycle, such as land acquisition, construction, operation and management, our stakeholders' interests and building design are key factors for consideration. From the inception of our development projects, we actively work with various parties, such as architectural planning and design teams, contractors, tenants and our community, taking into consideration their concerns and inputs regarding sustainability. Environmental concerns, in particular, are incorporated into our design elements so as to reduce water consumption, conserve electricity, and reduce raw material consumption by reusing building materials whenever possible.

We are pleased to report that there have been no incidents of non-compliance concerning the health and safety impact of our products during this reporting period.

#### We reduce environmental impact throughout the life cycle of our buildings

#### **Land acquisition**

- > Connectivity within and between communities is considered during land acquisition, to ensure project sites have convenient access to neighbourhood amenities and public transportation.
- > No land acquisition of forest reserves.

#### **Planning and design**

> Effective planning and design during the early stages of project development can help reduce environmental impact, saving resources in the long term and creating a conducive environment for local communities.

#### Procurement

> Environmental, social and health concerns have been incorporated into the procurement process, and is outlined in the procurement manual, to provide clear instructions for employees, consultants, suppliers and contractors.

#### Construction

> A systematic monitoring system has been established to measure dust, noise, construction waste, wastewater discharge and effluents, as well as banning of single use plastics. This helps minimise and control the potential impact that construction activities have on the environment and nearby communities.

#### **Transportation**

- Contractors are required to adopt measures to minimise traffic disruption, congestion and incidents during construction by:
  - Providing proper signs for temporary traffic arrangement;
  - · Notifying nearby communities of the construction schedule;
  - · Developing safety instructions for transport on site;
  - · Formulating emergency procedures for traffic incidents; and
  - Minimising noise disturbances.

#### **Operation and maintenance**

> The facilities and performance of buildings are monitored through various control measures in collaboration with tenants. Examples includes establishing a waste recycling system, using degradable plastic bags, banning plastics and promoting efficient use of resources.

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# OPERATING AS AN ENVIRONMENTALLY RESPONSIBLE BRAND

#### **Environmental Impact Assessment**

When required by authorities, we conduct an Environmental Impact Assessment (EIA) on our projects to identify environmental risks and opportunities. The EIA contains measures to be taken in the areas of soil erosion, water quality, biodiversity, air quality, noise and connectivity. It also contains sustainable resources that must be submitted to the Department of Environment for projects that fall under the Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 2015. We have completed EIAs for the Gerbang Nusajaya township, The Maris @ Desaru, Estuari and Residential South in the Southern region, and EIAs are in progress for our recently launched projects in the Central region.

#### SUSTAINABILITY FEATURES IN OUR PRODUCTS

To us, an exciting product is one that improves our customers' quality of life, minimises our environmental footprint and promotes efficiency. We keep this in mind when delivering our products, ensuring that it reflects UEM Sunrise as a responsible brand.

#### Aurora Melbourne Central, our mixed-use development, combining apartments, offices and retail outlets, has the largest number of bicycle spaces among all recent developments in the City of Melbourne. The total of 784 bicycle spaces is double the number of car park spaces and seeks to encourage tenants, residents and visitors to Aurora to use more sustainable modes of transport. The development also has showers and changing rooms for people who cycle to the building.

#### THE AND AGE February 22, 2020

#### More bike parking than car parking spaces were added in the City of Melbourne last year

The data shows that the 86-storey Aurora Melbourne Central skyscraper, with its 784 bike spaces, has more bike parking available than any other development completed over the past five years.



Director of international business at developer UEM Sunise Ong Chee Wei at Aurora Melbourne Central's 700-plus capacity bale locker. sancus socurism The mixed-use development, which combines apartments, offices and retail outlets, has twice as many bike spaces as car spaces, along with showers and changing rooms for people who cycle to the building.





- Wide and tree-shaded boulevard
- 25 acres of lush green zone featuring winding waterway, jogging and bicycletracks
- Cross ventilation within units
- Waste areas located at open/ naturally ventilated areas
- LED lighting for common area and car park
- North-south building orientation
- Gated development

#### Residensi Sefina

- Common corridors are naturally ventilated
- Regenerative lifts
- Rainwater harvesting for landscape irrigation
- Water-efficient fittings
- Naturally ventilated car park
  LED lighting for common area and car park

# OPERATING AS AN ENVIRONMENTALLY RESPONSIBLE BRAND

#### **Aspira LakeHomes**



- Jogging track
- · Water-sensitive designs to protect wildlife habitat
- Pedestrian and bicycle-friendly designs
- Gated development

#### **Aspira Gardens**



- · North-south building orientation
- Cross-ventilation development
- Solar panel ready homes
- Water-saving wares and fittings
- Crime Prevention Through Environment Design (CPTED)
- Recycling Centre
- 5G-ready connectivity
- · Low volatile organic compound (VOC) paints

#### **Kiara Bay**



\* Planned sustainability features

- **Urban farming** dedicated plot of land to allow community to practise planting and harvesting their own crops
- Wetland Walk conservation of lake as key feature of Kiara Bay landscape
- **Bioswale system** reduced use of electricity for landscape irrigation

#### Estuari Greens (Phase 2 & 3)

- Shuttle bus service to ferry passengers within Kiara Bay and to/ from MRT stations
- Linear park with shaded walkways and bicycle paths
- EV charging stations installed in strategic spots



\* Planned sustainability features

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- · Rainwater harvesting system in bathrooms for use in flushing of toilets
- EV charging station located at multi-purpose hall
- Mini forest green lung with dedicated space for leisure activities
- Jogging track with view of greenery along Estuari Central Park
- Solar panel ready homes roofs designed to accommodate solar panel installation

# OPERATING AS AN ENVIRONMENTALLY RESPONSIBLE BRAND



#### **BIODIVERSITY CONSERVATION**

A key component in the development of UEM Sunrise townships is the conservation of the natural habitat of the area, by protecting biodiversity and preserving the surrounding landscape. Prior to the commencement of our developments, we conduct biodiversity studies as part of the Environmental Impact Assessments (EIA) to ascertain mitigation measures to avoid biodiversity loss.

In addition, green public spaces are set aside in our townships, best illustrated by our 343-acre SIREH Park in Iskandar Puteri. Managed under the Nusajaya Natural Heritage Trust, the park is named after the Malay word for betel leaf and is an acronym for Sustainable, Initiatives, Recreational, Educational, Haven (SIREH). UEM Sunrise provided seed funding and developed SIREH Park with the intention of conservation, documentation and promotion of the plants that have grown in the area for hundreds of years. At its vast size, SIREH Park is divided into four zones, each with unique features.



#### **4 Zones in Sireh Park**

#### **Tropical Floral Park**

Featuring a garden landscape, open-ground and event spaces

#### Lake Park

Recreational and relaxation space centred around an existing lake, providing venues for camping, cycling and water-related activities

#### **Forest Park**

Designed for passive outdoor recreational and educational activities, and featuring an arboretum park

#### **Legacy Forest**

A highly bio-diversified forest area for scientific study and conservation, created through reforestation and enrichment planting of world-wide tropical species In Kiara Bay, our recently launched 72.7 acres masterplan development, we seek to leverage the natural landscape of the adjacent Kepong Metropolitan Park. As we transform one of Kuala Lumpur's earliest townships into an eco-living destination, we will embrace the lake and park as part of the masterplan. Offering a waterfront elevated city living experience with our high-rise developments, Kiara Bay will capitalise on the lakefront as a key feature and promote green outdoor spaces.

# OPERATING AS AN ENVIRONMENTALLY RESPONSIBLE BRAND

#### **MANAGEMENT OF RESOURCES**

In our business of developing land, we have implemented policies and systems, together with our supply chain partners, to ensure that pollution and resource use is managed throughout the entire project lifecycle.

#### **Pollution Management**

We ensure that all roads in project sites including access roads linking public roads must be paved before earthwork commences. Vehicles transporting earth and other construction materials must also be adequately covered with a tarpaulin or canvas to minimise airborne dust. In addition, contractors are reminded that open burning of rubbish or construction waste on the project site is prohibited, as it pollutes the surrounding air and the fire may spread. A fine of RM5,000 is imposed for infringements as outlined in the UEM Sunrise Code of Conduct.

To minimise the impact of construction and operational activities on water quality, we regularly monitor discharge at UEM Sunrise project sites. Sources of water pollution on building sites include diesel, oil, paint, solvents, cleaners, other harmful chemicals, construction debris and dirt. We measure the Total Suspended Solids (TSS) monthly to ensure that it does not exceed the allowed parameters of the National Water Quality Standard of Malaysia (NWQS).



#### **Materials Selection**

As a key strategy towards achieving sustainable construction, during the earlier stages of the design process, our designers, architects and other consultants, ensure selection of materials with minimal environmental footprint. This is done using a life cycle assessment, which considers all phases of the process life cycle, to perceive the holistic environmental impacts of materials. Our contractors are also requested to submit a sample of building materials to our consultants. At UEM Sunrise, only building materials that have been approved by the consultant can be used in projects.

#### **Energy Management**

Businesses and communities increasingly face risks and opportunities from climate change. At UEM Sunrise, we address climate change with the most practical approach, using a two-pronged strategy to reduce energy consumption and carbon footprint in our properties. This involves implementing energy efficiency measures during the early stages of a project life cycle and managing the energy consumption of buildings.

In our developments, we employ passive designs to minimise residents' need for mechanical ventilation or energy for thermal comfort. All our future developments will incorporate smart energy features, starting with Kiara Bay, which will have sustainability elements embedded from the first day of development.

# OPERATING AS AN ENVIRONMENTALLY RESPONSIBLE BRAND

#### **Sustainable Features by UEM Sunrise**

	RAIN WATER HARVESTING	640 (March 1997)	
EV charging stations	Recycle bins	Low VOC materials	
Solar-powered street lighting	Playgrounds made from recycled items	Cycling paths and bicycle parking bays	
Solar panel ready homes*	Urban farming	Shaded pedestrian walkways	
Rainwater harvesting	Transplanting of trees	Water-efficient fittings	
Landscape composting bins	* Only applicable to landed properties, subject to quota approval by Sustainable Energy Development Authority (SEDA); currently capped at 500 units annually.		

In addition, we continuously explore new technical innovations for energy conservation and efficiency improvement to decarbonise our operations and supply chains. We implement various energy-saving measures to optimise our energy performance and reduce carbon emissions, and we constantly review our procedures and practices to improve effectiveness.



At Aspira LakeHomes, water-sensitive designs protect the wildlife habitat as residents and nature coexist in harmony

#### Sustainable Gerbang Nusajaya Township

Gerbang Nusajaya is the flagship UEM Sunrise sustainable township. Throughout, we incorporate green and sustainable building solutions, including the use of solar photovoltaic array system in homes and solar-powered street lighting systems.

The energy management system in this township uses generated solar energy in the most efficient way possible, by switching individual consumers' loads on or off automatically, according to currently available power. This helps residents increase their self-consumption rate and draw much less energy from the national grid, allowing considerable savings despite rising electricity prices and reducing feed-in tariffs. Aspira Gardens in Gerbang Nusajaya will be the first housing development to use Fronius Primo inverters, following UEM Sunrise's collaboration with Ditrolic Solar.

#### **Promoting Low Carbon Living**

In line with the Low Carbon Cities Framework (LCCF), initiated in 2009 under the National Green Technology Policy (NGTP), we continue to introduce sustainable features in UEM Sunrise developments to reduce carbon emissions. We promote connectivity and convenience by building pedestrian walkways and cycling paths to encourage active mobility. We also provide designated charging bays for Electric Vehicles (EVs) in selected locations. We recognise that by powering transportation with electricity instead of fossil fuels, we can help combat climate change. Driving EVs can cut fossil fuel emissions in half, or completely when renewable energy is used.

# OPERATING AS AN ENVIRONMENTALLY RESPONSIBLE BRAND

#### **Electricity Usage (kWh)**

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In 2018, our energy usage reduced by almost 10% to 881,846 kWh from 976,061 kWh in 2017. However, it rose slightly to 945,596 kWh in 2019.

To manage our energy usage, we installed air conditioner timers in UEM Sunrise office spaces, beginning with 45 units in our Johor office, at Imperia Tower in Iskandar Puteri. We observed a significant reduction in our energy consumption and have begun sourcing for the installation of air conditioner timers at our headquarters in Solaris Dutamas, Kuala Lumpur.

At present, general reminders are placed at all electrical appliance switches to encourage staff to switch off the lights and air conditioners when not in use.

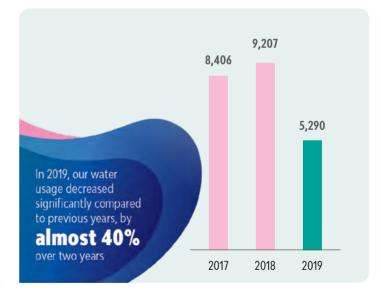
#### Water Management

We also promote sustainable water management as effective management of water consumption and water discharge is key to reducing the Group's environmental impact. As a standard, our products feature water-efficient fittings to optimise water flow efficiency for household use. In addition, most of our developments have rainwater harvesting systems in place to optimise water usage for the maintenance of softscape. Upon completion of our projects, management of water supply and discharge is handed over to the respective local authorities.

#### **UEM Sunrise Water-Saving Initiatives**

Embun Residences, The Maris @ Desaru	<ul> <li>Rainwater harvesting system for irrigation</li> <li>Dual flush toilets</li> <li>Low flow taps on water basins</li> </ul>
Completed project retrofits	<ul><li>Smart controllers</li><li>Low flow sprinkler heads</li></ul>
Landed developments such as Estuari Greens and Aspira Gardens	Rainwater harvesting systems for irrigation and flushing of toilets
Commercial properties in Solaris Dutamas and Puteri Harbour District	<ul><li>Auto-close water taps</li><li>District cooling system</li></ul>

#### Water Usage (m<sup>3</sup>)



We recognise that the importance of managing water usage in ensuring sustainable business operations at UEM Sunrise. Currently, we place reminders across our offices, at pantries, toilets and prayer rooms, to remind our staff to be prudent when using water. To further optimise water usage, we seek to identify and implement other water-saving initiatives in our project sites as well.

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# OPERATING AS AN ENVIRONMENTALLY RESPONSIBLE BRAND

#### **Waste and Effluents**

We are committed to effective waste management to mitigate impact on the environment and to also lower our operating costs. At UEM Sunrise, we have developed a waste management strategy to help us manage and derive benefits from the waste we generate. Additionally, employees and contractors are provided with guidelines on minimising waste generation and ensuring the proper handling of construction, domestic and scheduled waste.

#### **UEM Sunrise's Waste Management Strategy**

# **Designed for Less**

We incorporate waste separation and collection facilities in our developments to make it easier for tenants to recycle their waste.

#### **Built with Less**

We encourage our contractors to minimise the use of wood in construction, recycle waste and employ a reusable formwork system made of aluminium or steel. Our contractors are required to disclose how much waste they generate and how they dispose their waste.

#### **Disposing of Less**

We educate our tenants to segregate all their recyclables, going beyond regulatory requirements in cultivating a recycling culture in our developments.

#### **TYPE OF WASTE**

#### **Construction waste**

Construction waste such as used safety netting, crushed concrete, reinforcement bars and metalwork are recycled for future construction use. Premix from demolished car parks is removed and reused to build temporary construction access.

#### Scheduled waste

Contaminated sand and soil, spent lubricating, hydraulic and mineral oil, and contaminated containers and drums are the main types of scheduled waste generated.

#### **Domestic waste**

Waste that is generated as a result of the ordinary day-to-day use of a domestic premise.

#### **METHOD OF DISPOSAL**

During construction, contractors are required to dispose of their waste in their own approved landfill areas. Following the project completion, all debris and waste must be transported from the site to their approved landfills.

Construction waste is segregated and recycled as much as possible to reduce the cost of procuring raw materials, conserve natural resources and minimise the volume of waste destined for the landfill. The Group expects all contractors to provide coloured recycle bins at sites.

The collection, storage and disposal of scheduled wastes from construction are undertaken in accordance with the requirements of the Environmental Quality (Scheduled Waste) Regulations 2005. The movement of scheduled waste is monitored at the point of generation through its transportation to the licensed recycling or disposal site. Dedicated storage areas have been allocated by contractors for the temporary storage of these waste before they are collected by the licensed contractors.

Municipal solid waste and garden waste generated by a project would typically be collected by the local authority and disposed of at a solid waste disposal site. All municipal solid waste is separated at source before being collected.

Office recyclable wastes are segregated at centralised recycling bins before being donated or forwarded to responsible waste collectors each month.

# OPERATING AS AN ENVIRONMENTALLY RESPONSIBLE BRAND

# At UEM Sunrise, we put in place the zero-discharge concept in the treatment and disposal of domestic wastewater generated.

No direct water discharge is allowed. Effluents are treated to reduce their organic load before the treated sewage is discharged safely into the nearest public main drain. In addition, we perform water quality models on nearby lakes and rivers to determine the impact of discharging sewage. Under a zero-discharge scenario, treated sewage receives additional treatment to ensure it poses no threat to public health.

Effluents discharged from our projects comply with World Health Organization (WHO) guidelines on acceptable water quality levels for irrigation and water quality guidelines in Standard A of the Environmental Quality (Sewage) Regulations, 2009 and the Interim National Water Quality Standard for Malaysian rivers.

#### **Noise and Vibration**

Initiatives are in place to ensure that noise generated during construction is within the acceptable limits set by the Department of Environment (DOE) as stipulated in the Guidelines for the Siting and Zoning of Industries (Revised 1994). We also regulate working hours to ensure that no heavyduty activities are undertaken at night. Our contractors are mandated to provide construction workers with protective equipment, especially for those with excessive exposure to noise, as required by Environmental Quality (Motor Vehicle Noise) Regulations, 1987.

LOCATION	PERIOD	BOUNDARY NOISE LIMIT (LEG PERIOD)
Site Boundary	All	65
Industrial/Buffer zone	Daytime (0700 to 2200)	70
	Night-time (2200 to 0700)	60

We are pleased to report that noise at our construction sites are within the Guidelines for Environment Noise Limits and Control published by the Department of Environment.

#### Baseline and noise monitoring results for all projects

SITES	TIME	AVERAGE NOISE LIMIT (DB(A))	PERMISSIBLE NOISE LIMIT (DB(A))
Estuari	Daytime	54.5	60
	Nighttime	46.6	50
Puteri Harbour Phase 2	Daytime	55.5	60
	Nighttime	43.8	50
Desaru Homes	Daytime	57	65

#### **CLIMATE CHANGE MANAGEMENT**

At UEM Sunrise, we diligently manage our environmental footprint throughout our business operations and recognise the importance of climate change and environmental conservation as potential risks and opportunities to the business.

Our climate change strategy and engagement with employees and contractors are formulated at senior leadership level, and includes adaptation, research into renewable energy and a complete climate change risk assessment. Progress reports and proposals on energy management, climate change and pollution reduction, supported by financial indicators and Return on Investment (ROI) calculations, are tabled at Board meetings. On an industry level, we work with industry peers and regulators through shaping public policy and regulations to collectively mitigate the impact of climate change.

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## OPERATING AS AN ENVIRONMENTALLY RESPONSIBLE BRAND

As we recognise that most of our carbon footprint is caused during the construction stage of project development, we ensure that we work with supply chain partners who share the same principles. We determine this by taking into consideration social and environmental criteria in our screening of new suppliers. On a day-to-day basis, we are mindful of energy use, encourage carpooling, reduce work travel and are conscious when consuming electricity in the office.

The Group uses the internationally-recognised Greenhouse Gas (GHG) Protocol established by the World Business Council for Sustainable Development (WBCSD) and World Research Institute (WRI). Our emissions accounting is based on the GHG Protocol classification of direct and indirect emissions.

EMISSIONS SCOPE	CATEGORY	INDICATORS MEASURED
Scope 1	Direct GHG Emissions	Company-owned vehicles
Scope 2	Indirect GHG Emissions	Electricity
Scope 3	Other Indirect GHG Emissions	Air travel

## **Scope 1: Direct GHG Emissions**

At UEM Sunrise, we have taken measures to reduce direct carbon emissions, which include promoting use of the greener Diesel Euro 5 and encourage carpooling using company vehicles to attend meetings or site visits. From the end of 2019, we also replaced our shuttle bus service between Publika and KL Sentral for staff, with multi-purpose vehicles (MPV), to manage our carbon emissions.

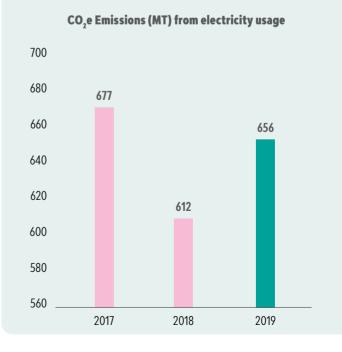
We report GHG emissions from all company-owned vehicles, based on volume of fuel consumption, which we derive from the total cost of purchase of fuel. Volume of  $CO_2$  emissions from the consumption



of fuel is calculated using the emission factor published by the IPCC Guidelines for National GHG Inventories.

## Scope 2: Indirect GHG Emissions

We report GHG emissions resulting from electricity consumption from selected UEM Sunrise office premises, comprising Imperia Tower and Cahaya Jauhar Sdn Bhd in Iskandar Puteri in the Southern Region, and Solaris Dutamas, Kuala Lumpur in the Central Region. Volume of CO<sub>2</sub> emissions from the use of electricity was calculated using the emission factor published by the Malaysian Green Technology Corporation (MGTC) for the Peninsular Grid.



## OPERATING AS AN ENVIRONMENTALLY RESPONSIBLE BRAND

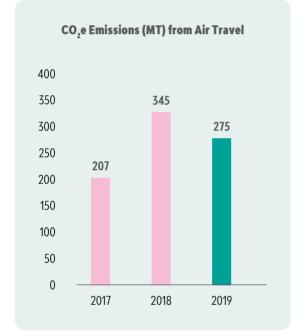
## **Scope 3: Other Indirect GHG Emissions**

We report GHG emissions resulting from all short and long-haul flights taken by UEM Sunrise staff, measured from point-to-point including the number of employees on board, distance and flight class. Estimations for  $CO_2$ emissions from air travel are calculated using online tools from the World Resource Institute (WRI) Greenhouse Gas Protocol.

#### **AWARENESS & COMPLIANCE**

We recognise the importance of advocacy and leading by example in promoting green practices on a day-to-day basis among our customers, employees and community.

At UEM Sunrise sales galleries and across all customer touchpoints, we have discontinued the use of bottled drinking water, with water dispensers installed at these locations. Our sales and customer events have also avoided using single-use plastic. Recently, we commissioned reusable food containers, collapsible coffee tumblers, stainless steel cutlery and canvas bags for UEM Sunrise merchandise.



Our emissions from air travel declined by 20% in 2019 from the previous year. This can be attributed to the completion of some of our international projects, hence a reduction in long-haul flights, and limiting the frequency of air travel by staff (to Johor Bahru and abroad).



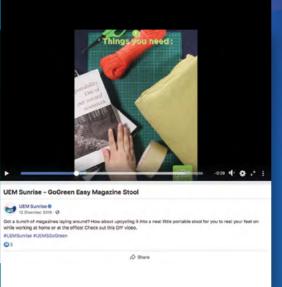
In our offices, we have implemented various initiatives to encourage eco-friendly business practices. We are strict in being paperless, with no print material distributed during training and meetings, and use electronic tablets during our Board Meetings. We extensively use our cloud platform of choice to store and share documents and use an online platform for our evaluations and assessments. We also place 'call to action' posters on every floor to encourage efficient use of resources, particularly energy, water and paper.

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## OPERATING AS AN ENVIRONMENTALLY RESPONSIBLE BRAND

## We ran a 'Go Green' campaign across UEM Sunrise social media channels

to advocate fun eco-friendly lifestyle practices among our community. We shared upcycling ideas, propagating the creative reuse of unused products and discarded materials.



We also introduced a third pillar to our corporate social responsibility (CSR) strategy, environmental conservation, and conducted our first programme, Plogging Day @ Kepong Metropolitan Park. The concept of plogging combines exercise and environmental activism by jogging while collecting litter. During this first programme, over 100 volunteers including students from SMK Kiaramas, one of our PINTAR adopted schools, jogged around the park with plastic bags to store the collected litter.



 The Company's CSR heroes, titanSquad, are all smiles after a day of plogging at Kepong Metropolitan Park in Kuala Lumpur As a responsible property developer, owner and manager, we at UEM Sunrise are committed to encouraging environmental responsibility in the business operations of our supply chain partners.

We aspire to build and manage properties for optimal environmental efficiency and set strict environmental compliance rules and guidelines to be followed by our partners. The main environmental acts and regulations which apply to our nature of work include the following:

- Act 172 Town & Country Planning 1976
- CIDB Act 1994
- Earthwork By-law 1996
- Environmental Quality Act 1974
- Environmental Quality (Sewage) Regulations 2009
- Environmental Quality (Scheduled Wastes) Regulations 2005
- Electricity Supply Act 1990
- EQ (Clean Air) Regulations 2014
- EQ (Prescribed Activities (EIA) Order 1987
- Factory and Machineries Act 1967
- Local Government Act 1976
- Occupational Safety and Health 1994
- Pesticides (Highly Toxic Pesticides) Regulations 1996
- Pesticide (Pest Control Operator) Rules 2004
- Planning Guidelines for Environmental Limits and Controls 2007
- Recommended Malaysian Air Quality Guideline 1988
- Street, Drainage and Building Act 1974 (Act 133)

There were no major non-compliance incidents nor penalties issued for environmental violations during this reporting period.

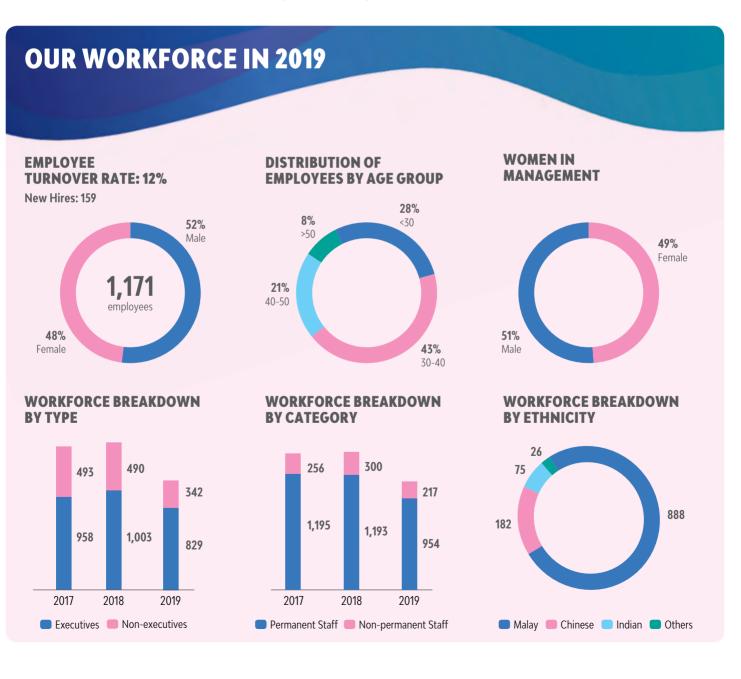


## **OUR PEOPLE & HIGH-GROWTH CULTURE**

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## At UEM Sunrise, we commit to being a good corporate citizen to our employees, customers and the wider community.

In achieving our business objectives, we believe that the diversity of our workforce is a key advantage. This quality promotes creative thinking and innovation in our endeavours to ensure our business viability and sustainability.



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## COMMITTING TO CORPORATE CITIZENSHIP

## **Employe e Turnover Rates**

	2017	2018	2019
Employee Turnover Rates (%)	11	10	12
By gender			
Female	56	56	56
Male	71	59	58
By age Group			
<30	44	44	41
30-40	58	46	48
40-50	15	19	17
>50	10	6	8

The Group considers human rights as a key management issue when conducting business. We believe that equal opportunities must be provided to all employees with regards to hiring, pay rates, training and development, promotions and other terms of employment.

Discrimination includes any distinction, exclusion or preference made based on race, gender, colour, sexual orientation, disabilities, nationality, religion, political opinion, national extraction, social origin or age. Any acts of discrimination or harassment when dealing with employees, customers and/or suppliers are not tolerated. Offenders are subject to severe disciplinary action including the possible termination of employment. We are pleased to report that there were no known incidents of discrimination during this reporting period.

We adhere to all applicable employment and human rights regulations where our operations are based. Our human rights policy is summarised in the UEM Sunrise Code of Conduct, which applies to all employees, including our security personnel. Suppliers are also expected to follow our high standards. We conduct reviews and an impact assessment to ensure all suppliers, contractors and subcontractors comply with human rights standards. These standards include provision for the ethical handling of actual or apparent conflicts of interest between personal and professional relationships in the workplace. To prevent violations of workers' rights, we conduct risk assessments of labour issues at all existing and new operations.

#### UEM Sunrise's human rights practices include:

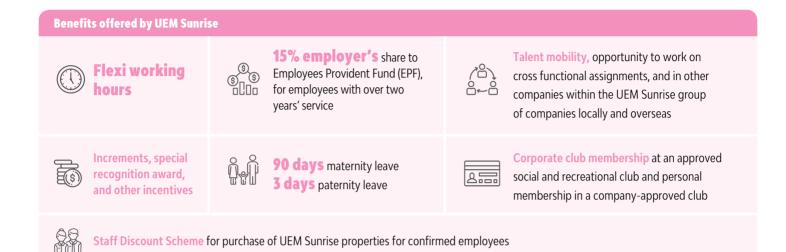
- Complying with local law and supporting freedom of association and the rights of workers and employees to bargain collectively, however, none of our employees to date belong to a union (0%);
- Complying with the Children and Young Persons (Employment) Act 1966;
- > Reducing excessive working hours; and
- > Complying and going beyond the minimum wage requirements.

We continue to work closely with industry peers through collaborations and participating in workshops to address human rights challenges faced by the property and construction industry. We are pleased to report that there have been no reported incidents or risks of child, forced or compulsory labour. There were also no violations of human rights involving the rights of indigenous people at any time in the Group's history of operations.

At UEM Sunrise, we recognise that the right people, with the right skills and the right mindsets, are key towards achieving our New Operating Model. In 2019, we underwent an internal restructuring to transform UEM Sunrise into a dynamic organisation, with a view to strengthening market presence and our customer base, in addition to reducing cost and improving operational efficiencies. This involved redefining roles and mapping the right talent with the right capabilities, while cultivating a high-growth culture. We ensure employees stay motivated through recognition of their performance, wellbeing and personal by providing professional growth, and a positive work environment.

Our remuneration packages are benchmarked against the P50 in the property market industry. Our benefits offered to employees is designed to support their physical, emotional, financial and environmental wellness, as well as retirement readiness. This ensures they are enticing to both attract and retain our talent. The ratio of standard entry-level wage and basic salary of male to female employees is 1:1. In our commitment to the fair treatment of employees, any operational changes are accompanied with an appropriate notice period of between one to three months, with adherence to legal information and consultation requirements.

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At UEM Sunrise, we foster a learning culture by regularly upskilling and equipping our employees with the relevant skills and tools to realise their potential and achieve their professional and personal aspirations. This includes digital learning, face-to-face coaching and both external and internal workshops on technical, business and leadership aspects. Through these channels, our employees were enabled to undertake a total of 9,917 training hours in 2019. Our ongoing succession planning also prepares high potential talents for critical roles to manage talent retention and recruitment risk.

## **UEM SUNRISE LEARNING AND DEVELOPMENT PROGRAMMES**

#### **Leadership & Talent Development**

 Empower management to demonstrate exemplary leadership capabilities.

#### **UEMS-Nottingham Business Management Programme**

> Equip key talents with theoretical and practical knowledge on 5 main subject areas: strategic management, accounting and finance, entrepreneurship and innovation, change management and leadership, and marketing.

#### **Core/Functional/Technical Development Programmes**

> Upgrading employees' competencies to perform effectively in a specific job, role or function, e.g., UEMS Sales Academy, a structured learning module to develop the salesforce in four key areas of building fundamentals, enhancing core knowledge, developing and mastering expertise.

#### **Knowledge Sharing**

> An open session conducted by employees who have completed training, to cultivate a knowledge continuity culture within the organisation.

#### **OSH/QASHE Training**

 Specialised training in areas of Quality, Safety, Health and Environment, including on-and off-the-job training.

#### **Digital Learning Programme**

In 2019, UEM Sunrise conducted trials with digital learning platforms, LinkedIn Learning and Udemy for Business, to supplement traditional learning channels.

## COMMITTING TO CORPORATE CITIZENSHIP

The retirement age for all employees is guided by the Minimum Retirement Age Act 2012. We provide transition assistance and outplacement support for retiring and departing employees. This involves equipping them with the necessary tools, strategies and pragmatic support to reshape their lives and balance their work and leisure more effectively. In November 2019, we organised a two-day Career Transition Workshop for employees preparing for the next stage in their careers. The workshop targeted job seekers, those preparing for early retirement or venturing into entrepreneurship.

Our robust performance management system is based on a balanced scorecard approach, where Key Performance Indicators (KPIs) and targets

are set at the beginning of each year, consistent with the Group's business strategy and objectives. The KPIs in the Corporate Scorecard, which measures overall performance, are aligned and cascaded down to the Managing Director/Chief Executive Officer, senior leadership team and all employees.

We conduct appraisal evaluations for all confirmed employees (100%) through final year reviews and a calibration process. The process is performed by the Performance Management & Rewards Team, with input from line managers and the management panel.

#### **Corporate BIM Strategy Day**



On 11 September 2019, UEM Sunrise organised a BIM Strategy Day attended by over 300 professionals from the local architecture, engineering and construction (AEC) industry, including fellow developers, consultants and contractors.Guest speakers included experts from AECOM, Chin Hin Group, IJM Construction, RSP Architects, Sunway Construction and Veritas Architects.

Implementation of BIM in the Malaysian construction industry is still in its infancy. However, the government is making it mandatory for all submissions, by 2021.

A key part of talent management at UEM Sunrise is regular engagement, connecting talents and successors with the senior leadership team. This is done through activities such as a quarterly townhall led by the Managing Director/Chief Executive Officer, emails, internal newsletters and the Titans portal, mentoring sessions and sessions with leaders.

We recently introduced our CHIEF brand values of Caring, Honest, Involved, Enthusiastic and Fun-loving, conceptualised through a bottom-up approach, to instil the norm of creating excitement and bringing value to everything we do. We also unveiled a new tagline, "Find Your Happy", to embody a mindset of helping our customers and all our stakeholders in their journey to happiness. CHIEF represents UEM Sunrise's efforts to design, create and curate spaces for our customers, partners and stakeholders so that they can prosper, grow and find happiness.

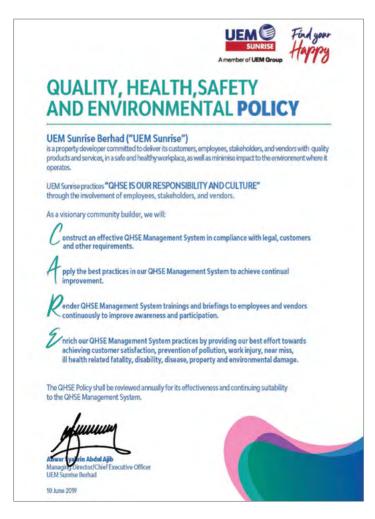
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#### **COMMITMENT TO SAFETY**

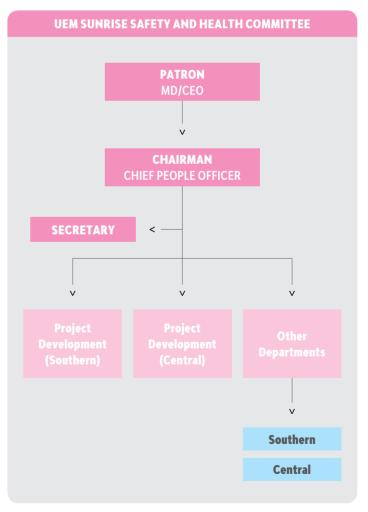
UEM Sunrise is committed to the highest safety standards, ensuring optimal, safe and healthy working conditions and accident-free workplaces for employees and contractors.

In 2019, we introduced a new Quality, Health, Safety & Environmental (QHSE) Policy to fit the UEM Sunrise purpose and context while supporting our strategic direction.

This Policy applies to all workers, contractors, subcontractors and all persons present at our premises.



Our Safety and Health Committee, comprising representatives from the management and employees, guides the implementation and effectiveness of the Group's health and safety practices. The committee is responsible for investigating, discussing and responding to health and safety concerns raised by employees; identifying health and safety hazards at the workplace and recommending corrective action; educating on safety risks; proposing effective health and safety programmes; and performing regular site safety inspections. The Committee is headed by a Patron and comprises a Chairman, a Secretary, and representatives from departments and office sites in UEM Sunrise.



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## COMMITTING TO CORPORATE CITIZENSHIP

We set targets for Quality, Safety, Health and Environment (QSHE) aspects in our projects, which are monitored regularly to record performance and identify areas of improvements. We also conduct periodic Health, Safety and Environment (HSE) inspections and audits at all project sites to verify the effectiveness of safety and health systems and compliance with ISO 14001:2015 (which covers 30% of our operations) and OHSAS 18001:2007 standards (which covers 70% of our operations). The findings are reported to the Board Governance and Risk Committee (BGRC) for further deliberation.

## Quality, Safety, Health and Environment (QSHE) Performance

OBJECTIVES	STATUS	PROGRESS
Reduce health, safety and environment non-compliance at project sites		73%
Improve awareness of good health, safety and environment practices		15 campaigns
Lost Time Injury (LTI) at project sites		1 LTI recorded at project sites
Improve the water quality discharged from project sites' silt traps with Total Suspended Solids not exceeding 50mg/l	•	Puteri Harbour (1 failed/34 samplings) – 3% East Ledang (14 failed/48 samplings) – 29% SiLC (4 failed/33 samplings) – 12% Gerbang Nusajaya (28 failed/157 samplings) – 18% Serene Heights (2 failed/10 samplings) – 20% Kiara Kasih (4 samplings) – Achieved Astrea (3 samplings) – Achieved Solaris 3 (2 samplings) – Achieved
Achieve 85% SHASSIC score	•	Average 88% Serimbun 2A: 76% (4 stars) Serimbun 2B: 88% (5 stars) Kiara Kasih: 79% (4 stars) Serene Heights Package 15 (2) – 90% (5 stars) Serene Heights Package 1B (1) – 97% (5 stars) Serene Heights Package 1D (1) – 91% (5 stars) Astrea – 95% (5 stars)
Zero fatalities		0 fatalities
100% PPE compliance		100% PPE compliance
50% reduction in Notices of Prohibition ("NOP") and Notice of Improvement ("NOI") from the relevant authorities	•	The number of notices received reduced by 72% from 11 in 2018 to 3 in 2019

At UEM Sunrise, we have established a demerit system for QHSE non-compliance, applicable to all building and infrastructure projects. Demerit points received depend on the severity of the infringement. Serious offences may include receiving a Notice of Prohibition (NOP) or Notice of Improvement (NOI) from the authorities, or a below 70% score in the SHASSIC and/or QLASSIC assessment.

## In 2019, there were zero fatalities and one Lost Time Injury recorded at project sites.

To increase workplace safety standards among our employees, we introduced UCUX, 'You See You Act!'. We conduct safety initiatives such as fire drills, briefings and training. On a national level, project teams from 14 UEM Sunrise developments participated in the Workplace Accident-Free Week (WAFEW) aimed at raising awareness on a preventive accident culture in the workplace, organised by the Department of Occupational Safety and Health (DOSH). Our employees also signed the National Occupational Safety and Health Policy as part of the Occupational Safety and Health Plan 2016-2020, launched by the government in April 2019.

## **UEM Sunrise Safety Statistics**

SAFETY INDICATOR	2017	2018	2019
Number of minor injuries	12	6	5
Number of lost time injuries	0	1	1
Number of property damage	0	0	1
Number of fatal accidents	0	0	0
Total days of project operations	365	365	365
Man-hours worked without Lost Time Incident (LTI)	7,524,816	4,062,544	3,635,840
Total man-hours worked without Lost Time Incident (LTI)	19,775,776	23,838,320*	3,943,792

\*Up until 26 Nov 2018 - data was reset to zero following a reported accident

#### **PRODUCT QUALITY**

Our E.V.E approach to creating and delivering our products ensures they are produced to the highest quality for our customers. Towards achieving our objective, UEM Sunrise implements a comprehensive quality control system and adheres to the Quality Assessment System in Construction (QLASSIC) devised by the Construction Industry Development Board (CIDB). QLASSIC assures workmanship quality of a building's construction, based on the Construction Industry Standard (CIS7:2014).

## **QLASSIC Scores in 2019**

REGION	DEVELOPMENT	PHASE	UNITS	HOUSE TYPE	QLASSIC SCORE
Central	Sefina	n/a	245	High-rise	75
Central	Serene Heights	Camellia	162	Double-storey terrace, landed	76
	Almãs	Phase 1B	544	High-rise	80
Southern	Aspira LakeHomes	Phase 1	113	- Double storouterrase landed	83
		Phase 2	99	<ul> <li>Double-storey terrace, landed</li> </ul>	72

Our target is to obtain QLASSIC scores of 75 and above for mid-range developments, and 77 and above for high-end projects. We met our target for all developments audited during the year. We were especially pleased with the scores for Almãs and Aspira LakeHomes which far exceeded our target.

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In 2019, there were no incidences of non-compliance with laws and regulations concerning our products, services and operations, and no major incidents of non-compliance with regulations or internal voluntary codes, concerning the impacts on business operations.

UEM Sunrise has a dedicated team for Quality Assurance, Safety, Health and Environment (QASHE). The team monitors technical findings and defects inspection to ensure our projects are developed and delivered in accordance with contract specifications and internal guidelines. It is also responsible for compliance with all legal and other requirements for occupational safety, health and environmental management. In addition, there is a penalty system in place for all incidences of quality nonconformance.

The QASHE team has developed and implemented an Integrated Management System (IMS) for all processes to improve the overall Quality, Heath, Safety & Environmental management while meeting customers' satisfaction and international standards. The IMS is based on ISO 9001:2015, OHSAS 18001:2007, ISO 14001:2015, MS 1722:2011 and ISO/IEC20000-1:2011 standards.

The Group's commitment to delivering high-quality products includes prompt and stringent defects management, which targets the immediate closure of any legitimate defects issues raised within 30 days as stated in the Service Level Agreement (SLA). In 2019, 89.8% of defects lodged met the SLA, an improvement from 78.4% in 2018.

#### **CUSTOMER SATISFACTION**

Customer satisfaction is critical to the sustainability of our business and we take pride in the loyalty of our customer relationships.

We also conduct an annual Customer Satisfaction Survey to gauge our customers' overall satisfaction with our products and service. In 2019, we received an overall score of 75%, which covered corporate reputation, product quality & offerings, and overall customer experience.

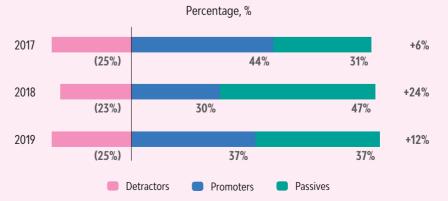


Since we began conducting Net Promoter Score (NPS) measurements in 2017, we have received positive scores, which indicates the willingness of our customers to recommend UEM Sunrise. Recognising the importance to our business, our customer excellence scores are embedded in the corporate scorecard.

#### Definition:

- Promoters: person gave a score of >8 out of 10
- Passives: person gave a score betwwen 7-8 out of 10
- Detractors: person gave a score of <7 out of 10

## NPS COMPARISON



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# Our Customer Experience (CX) team was set up to spearhead customer centricity initiatives at UEM Sunrise, to foster positive experiences at every touchpoint in the customer journey.

To deliver exceptional customer service, our Customer Contact Centre recently expanded its capacity and capability to provide additional services, such as handover appointments, and to manage customers more efficiently. We implemented additional lines, from 4 to 10, and new operating hours from 5 to 7 days (excluding public holidays). We also maintain our customer care email and accounts across multiple social media platforms, including Facebook, Instagram, Twitter, LinkedIn and YouTube. In addition, we have established five One Stop Centres (OSCs) at our development areas, in Mont'Kiara, Serene Heights Bangi, Symphony Hills, Puteri Harbour and Gerbang Nusajaya. enabling customers to engage with our staff on a walk-in basis.

In June 2019, we rolled out our hUb mobile app at 'The Future of Living by UEM Sunrise' event. hUb is our digital customer self-service channel, for users to lodge defect reports, as well as obtain selected services and information,

including latest launches, information on properties and our Trésor Loyalty Programme. It is a key milestone in the UEM Sunrise digital transformation journey, allowing registered users to experience a more immersive and improved end-to-end customer journey. Since its launch, hUb has received over 2,215 downloads.

In addition to hUb, UEM Sunrise has embarked on a 'Go Digital' initiative involving various collaborations with external partners, to enhance the convenience of customers, including Grab, Virtareal, HOMEWORKS, Salesforce, Loanplus, InneoNusa, Jom Parking and SOCAR. Anticipating customers' evolving needs helps improve the efficiency and quality of dealing with them through research, improvements in sales processes and investment in technology.

AVAILABLE COMMUNICATION CHANNELS FOR CUSTOMERS AND THE PUBLIC											
<ul> <li>1800 888 008 toll-free line for domestic calls or +603 2711 8008</li> <li>for international calls, available seven days a week (excluding public holidays)</li> </ul>	Walk-in to One Stop Centre										
Customer Care email: customercare@uemsunrise.com	Social Media:										
UEM Sunrise hUb mobile app	🗅 🗗 🖬 🔽 🞯 🕒										

To reward our most loyal customers, we at UEM Sunrise have introduced the Trésor loyalty programme. Our Trésorians are offered exclusive benefits and privileges, such as discounts on purchases and invitations to special events.

# Granted automatically at point SPA signed Lifelong membership

Diamond >RM8mil

Topaz RM1-3mil

- **Ruby** RM3-8mil
- 💎 Jade RM300k-1mil
- \* first two names stated in SPA

- BENEFITS
- > Property Purchase Rebate



- > Trésor Prime Referral Scheme (TPR) Up to 1%
- > Merchant Discount Offers
- \* based on respective tier & development offers

## 

- Invitation to a range of lifestyle event & engagement initiatives
- Invitation to property private previews

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## **COMMITTING TO CORPORATE CITIZENSHIP**

The Group respects customers' right to privacy for their personal data and fully adheres to the Personal Data Protection Act 2010 (PDPA). We issue a PDPA notice to all customers to obtain their consent before using their data for commercial transactions. This notice informs customers of how UEM Sunrise collects, stores and handles their personal information in accordance with the PDPA and other Malaysian regulations. Throughout our years of operation, we have not received any complaints concerning breach of customer privacy and loss of customer data.

#### **Responsible Marketing**

UEM Sunrise supports responsible advertising and marketing practices of our products, adhering to Ministry of Housing and Local Government guidelines. Our marketing material and advertisements include our pricing, incentives

## **UEM SUNRISE CIVIC ENGAGEMENT ACTIVITIES**

**Common spaces** \*non-exhaustive

and rebates, tenure or expiry date of the land, completion date, and units available for each type. In the past, there have been no incidents of noncompliance concerning our marketing communications and the provision of information for our projects.

#### **PLACEMAKING & CIVIC ENGAGEMENT**

True to our vision of building communities of the future, we at UEM Sunrise are committed to placemaking activities and civic engagement initiatives, going beyond property development. We pursue this in our residential and commercial developments through conducive common spaces, value-added services, regular engagements with residents, community activities and public events.



Mall of Medini's close proximity to theme parks and attractions in Iskandar Puteri make it a hive of retail, lifestyle and entertainment activities for families, tourists and students

Value-added services	Shuttle bus service in Mont'Kiara and Iskandar Puteri (discontinued in 2020 considering the availability of alternative transport modes, e.g. ride-hailing and MRT feeder bus)
Regular engagements	Customer and community engagement, through Trésor Loyalty Programme and Fun Zone Community Centre, such as festive celebrations, educational programmes and leisure activities within the neighbourhood
Community activities	<ul> <li>Strong by Zumba every Wednesday</li> <li>Publika Sessions</li> <li>Wheelie Sundays</li> </ul>

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#### **UEM SUNRISE CIVIC ENGAGEMENT ACTIVITIES**

#### **Public events**

- CNY/ Raya/ Christmas
- Halloween
- Street Circus
- MAPfest
- Bon Odori
- Publika Jazz
- Iskarnival Eko (30 Nov-1 Dec 2019)
  - Attracted approximately 65,000 visitors to promote environmental consciousness
  - Activities included live performances, outdoor activities, workshops, visual arts, bazaars and street circus acts
  - Featured local talents and artisans

We are vigilant of public security and invest in auxiliary police and security guards to ensure that our residents, tenants, customers and members of the public feel safe on our premises. Our auxiliary police officers are trained to create safe and secure environments and the unit is part of our approach to reinforce security at all current and future townships, developments and assets. In 2019, we employed 98 auxiliary police officers in the Central and Southern regions.

The Group collaborates with external stakeholders on crime prevention efforts such as the Royal Malaysian Police (PDRM), Immigration Department, Royal Malaysia Customs Department, Ministry of Home Affairs, Fire and Rescue Department of Malaysia (JBPM), resident associations (RAs) and condominium joint management bodies/committees (JMB/JMC). Periodically, we conduct community programmes and work with security consultants to ensure that the best technologies are adopted to improve our security measures.

## **CONTRIBUTION TO WIDER SOCIETY**

Our community outreach is a key part of our commitment to corporate citizenship, in particular our contribution to the wider society. For this, we adopt three pillars in our corporate social responsibility (CSR) strategy: education enhancement, community engagement and environmental conservation (as covered in the *Operating as an Environmentally Responsible Brand* section). We recognise that volunteering can improve our corporate citizenship, teamwork and brand image. Employee volunteerism is given due recognition by embedding it in individual performance scorecards. UEM Sunrise also has a volunteer team, known as the titanSquad.

## C Q EDUCATION ENHANCEMENT



#### **#BUKUHUB**

BukuHub is a UEM Sunrise flagship initiative, set up by the titanSquad. Comprising mini-libraries and reading areas in public spaces, the objective is to improve access to books to inculcate the reading habit. Our first BukuHub was launched in February 2019 at PPR Uda Utama, Johor Bahru, as part of the Group's role in supporting the National Community Policy. Throughout the year, we organised a book collection drive in Publika, BukuDrive, which collected over 10,000 books. In 2019, we launched 11 BukuHubs across the Central and Southern regions, in selected sales galleries, shopping malls, schools and affordable housing.





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## **Q EDUCATION ENHANCEMENT**

11 BukuHubs Launched in 2019							
0	O	O	·····O	O	O		
PPR Uda Utama	The Maris @ Desaru	Imperia Showcase	Kg Simpang Arang, Gelang Patah	SMK Medini	Publika		
0	·····O	O	O	O			
Avenue K	Serene Heights Sales Gallery	SK Putrajaya Presint 19(1)	SK Kiaramas	Darul Aitam, Tapah			



Sunday 06:00 PM

## **#PINTAR SCHOOL ADOPTION PROGRAMME**

Through PINTAR Foundation's School Adoption Programme, UEM Sunrise has adopted 21 underperforming schools across the Central and Southern regions. Through this programme, we seek to improve educational outcomes for underserved students, by implementing PINTAR's four core modules: team building programmes, educational support programmes, capability and capacity building, and reducing vulnerabilities and social issues. Over the years, 14 out of 21 of our adopted schools have been upgraded from a Band 5 to a Band 2 or 1 ranking.

In 2019, we organised programmes such as an examination seminar, motivational talks, tuition and examination clinics in our adopted schools. We have also rolled out a Highly Immersive Programme (HIP) in several of these schools, involving an English speech and drama club workshop programme designed and run by Enfiniti Academy. HIP is certified by the Ministry of Education and is aimed at instilling confidence in students to speak and express themselves in English. The programme has proven its impact through significant improvements in student attendance, academic performance, social skills, creativity and communication in English.

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On 25 June 2019, Ariz Ramli (Caprice) delivered a talk, Re-Engineering Your Mindset, to students from SMK Medini, SMK Gelang Patah, SMK Kompleks Sultan Abu Bakar, SMK Taman Nusa Jaya and SMK Tanjung Adang.





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## 🐔 🔍 COMMUNITY ENGAGEMENT



#### **#THE SPARTAN RACE 2019**

UEM Sunrise once again partnered with Spartan Malaysia to host the most renowned obstacle race in the region. Held in Gerbang Nusajaya in Iskandar Puteri, the race featured Super, Beast and Ultra categories. We also sponsored 20 children of employees for the Spartan Kids Race.



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#KIDS FOR KIDS INTER-SCHOOL ENTREPRENEURIAL PROGRAMME

This initiative, driven by Change Your World Malaysia, aims to develop entrepreneurial abilities in children in public and international schools. It comprises three stages: KIDVENTURE, KIDNOVATOR and KIDEXPRESS. As the main sponsor, UEM Sunrise also supported the banquet finale, KIDSPRESENT.



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#### #DELIVERY OF SEKOLAH RENDAH AGAMA (SRA) IN KAMPUNG BATU TIGA, BANGI, SELANGOR

This initiative, driven by Change Your World Malaysia, aims to develop entrepreneurial abilities in children in public and international schools. It comprises three stages: KIDVENTURE, KIDNOVATOR and KIDEXPRESS. As the main sponsor, UEM Sunrise also supported the banquet finale, KIDSPRESENT.



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## COMMITTING TO CORPORATE CITIZENSHIP

## **#GOTONG-ROYONG PERDANA AND SPECIAL KIDS OPEN DAY**

We organised a Gotong-Royong Perdana during the Special Kids Open Day on 16 March 2019 at SMK Kiaramas, Kuala Lumpur Selangor. 32 titanSquad volunteers worked with 200 children with special needs. Activities included pizza baking and other crafts to improve their motor skills, while being exposed to academic and entrepreneurial learning in an interactive environment. Parents and teachers also participated in washing cars, painting classrooms and planting 150 trees.

Comment





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## #STUDY TOUR FOR INTERNATIONAL STUDENTS FROM THE UNIVERSITY OF NOTTINGHAM MALAYSIA

This initiative, driven by Change Your World Malaysia, aims to develop entrepreneurial abilities in children in public and international schools. It comprises three stages: KIDVENTURE, KIDNOVATOR and KIDEXPRESS. As the main sponsor, UEM Sunrise also supported the banquet finale, KIDSPRESENT.



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Comment

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UEM SUNRISE Sunday 06:00 PM

## **#STUDY TOUR FOR YAYASAN KHAZANAH SCHOLARS**

UEM Sunrise hosted a study tour for 70 students from Yayasan Khazanah on 11 July 2019 at our sales gallery in Puteri Harbour. The study tour provided scholars with continuous learning activities and industry exposure.





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## Moving Forward

We hope that the disclosures within this report showcase UEM Sunrise's commitment to creating economic value, operating as an environmentally responsible brand, and upholding commitment to corporate citizenship. To keep up with the pace of our industry and the goals towards achieving sustainable development, we constantly realign our corporate strategy to ensure sustainable practices in our business operations and across our supply chain. We are committed to delivering sustainable value to all our stakeholders over the long run.

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#### **ANNUAL REPORT GRI 100: ORGANISATIONAL PROFILE** SUSTAINABILITY REPORT 102-1 Corporate Profile, Page 5 Name of the organization Corporate Profile, Page 3 102-2 Management Discussion & Analysis, Page 20-45 Activities, brands, products, and services 102-3 Corporate Information, Page 142 Location of headquarters About This Report, Page 2 102-4 Management Discussion & Analysis, Page 38-41 Location of operations 102-5 Directors' Report, Page 120 Ownership and legal form 102-6 Central (Kuala Lumpur, Selangor, and Negeri Sembilan) Markets served Southern (Johor) International (Australia, Singapore, and South Africa) 102-7 Value Creation Model, Page 52-53 Scale of the organization 102-8 Value Creation Model, Page 52-53 Information on employees and other workers Committing to Corporate Citizenship, Page 38-39 102-9 Creating Economic Value, Page 22-25 Supply chain 102-10 Committing to Corporate Citizenship, Page 39 Significant changes to the organization and its supply chain 102-11 Managing Sustainability, Page 14 Precautionary Principle or approach 102-12 Committing to Corporate Citizenship, Page 47-51 External initiatives 102-13 Creating Economic Value, Page 23 Membership of associations 102-14 Chairman's Letter to Shareholders, Page 12-15 A Message from MD/CEO, Page 4-7 Statement from senior decision-maker Value Creation Model, Page 52-53 102-15 A Message from MD/CEO, Page 4-7 Key impacts, risks, and opportunities 102-16 Values, Page a2 Values, principles, standards, and norms of behaviour 102-17 Creating Economic Value, Page 24 Mechanisms for advice and concerns about ethics 102-18 Managing Sustainability, Page 10 Governance structure 102-19 Managing Sustainability, Page 10 Delegating authority 102-20 Managing Sustainability, Page 10

Executive-level responsibility for economic, environmental, and social topics

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## GRI CONTENT INDEX

## **GRI 100: ORGANISATIONAL PROFILE**

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ANNUAL REPORT

SUSTAINABILITY REPORT

DISCLOSURE	PA	GE NUMBER(S) AND/OR URL(S)	OMISSION
102-21 Consulting stakeholders on economic, environmental, and social topics		Managing Sustainability, Page 11-13	
102-22 Composition of the highest governance body and its committees		Strong Governance to Ensure Strategic Progress, Page 72-83	
102-23 Chair of the highest governance body		Corporate Governance Overview Statement, Page 88-89	
102-24 Nominating and selecting the highest governance body		Corporate Governance Overview Statement, Page 88-89	
102-25 Conflicts of interest		Details relating to our Board Charter, www.uemsunrise.com/corporate/investor-relations/corporate- governance	
102-26 Role of highest governance body in setting purpose, values, and strategy		Corporate Governance Overview Statement, Page 88-89	
102-27 Collective knowledge of highest governance body		Strong Governance to Ensure Strategic Progress, Page 72-83	
102-28 Evaluating the highest governance body's performance		Corporate Governance Overview Statement, Page 94	
102-29 Identifying and managing economic, environmental, and social impacts	•	Managing Sustainability, Page 10	
102-30 Effectiveness of risk management processes		Statement on Internal Control & Risk Management, Page 108-111	
102-31 Review of economic, environmental, and social topics		Managing Sustainability, Page 14-16	
102-32 Highest governance body's role in sustainability reporting		Managing Sustainability, Page 10	
102-33 Communicating critical concerns		Managing Sustainability, Page 11-13	
102-34 Nature and total number of critical concerns		Managing Sustainability, Page 11-13	
102-35 Remuneration policies		Corporate Governance Overview Statement, Page 96-97	
102-36 Process for determining remuneration		Corporate Governance Overview Statement, Page 96-97	
102-37 Stakeholders' involvement in remuneration		Corporate Governance Overview Statement, Page 96-97	
102-38 Annual total compensation ratio		Data not disclosed.	
102-39 Percentage increase in annual total compensation ratio		Data not disclosed.	
102-40 List of stakeholder groups		Managing Sustainability, Page 11-13	
102-41 Collective bargaining agreements	•	Committing to Corporate Citizenship, Page 39	

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102-42 Identifying and selecting stakeholders		Managing Sustainability, Page 11-13
102-43 Approach to stakeholder engagement		Managing Sustainability, Page 11-13
102-44 Key topics and concerns raised		Managing Sustainability, Page 11-13
102-45 Entities included in the consolidated financial statements		Notes to The Financial Statement, Page 256-265
102-46 Defining report content and topic boundaries		About This Report, Page 2
102-47 List of material topics		Managing Sustainability, Page 16-18
102-48 Restatements of information		Not applicable Not applicable
102-49 Changes in reporting		Managing Sustainability, Page 14
102-50 Reporting period		About This Report, Page 2
102-51 Date of most recent report		About This Report, Page 2
102-52 Reporting cycle		About This Report, Page 2
102-53 Contact point for questions regarding the report		About This Report, Page 2
102-54 Claims of reporting in accordance with the GRI Standards		About This Report, Page 2
102-55 GRI content index		GRI Content Index, Page 53-58
102-56 External assurance		This Report has not undergone any external verification process. We hope to have our future reports to be audited by a third-party assurance provider.

## **GRI 200: ECONOMIC**

DISC	DISCLOSURE		GE NUMBER(S) AND/OR URL(S) OMISSION
201:	Economic Performance 201-1 Direct economic value generated and distributed 201-3 Defined benefit plan obligations and other retirement plans 201-4 Financial assistance received from government		Corporate Profile, Page 4 Committing to Corporate Citizenship, Page 40-41 UEM Sunrise does not receive any financial assistance from the Government
202:	Market Presence 202-1 Ratios of standard entry level wage by gender compared to local minimum wage		Committing to Corporate Citizenship, Page 39

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GRI	200: ECONOMIC		ANNUAL	REPORT 🗾	SUSTAINABILITY REPORT
DISC	CLOSURE	PAGE NUMBER(S)	ND/OR URL(S)		OMISSION
203:	Indirect Economic Impacts         203-1       Infrastructure investments and services supported         203-2       Significant indirect economic impacts		mic Value, Page 19-20 mic Value, Page 21-22		
204:	Procurement Practices 204-1 Proportion of spending on local suppliers	Creating Econo	mic Value, Page 22		
205:	<ul> <li>Anti-corruption</li> <li>205-1 Operations assessed for risks related to corruption</li> <li>205-2 Communication and training about anti-corruption policies and procedures</li> <li>205-3 Confirmed incidents of corruption and actions taken</li> </ul>	Creating Econo	mic Value, Page 24 mic Value, Page 24 mic Value, Page 25		
206:	Anti-competitive Behavior 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Creating Econo	mic Value, Page 25		

## **GRI 300: ENVIRONMENTAL**

DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)	OMISSION
<ul> <li>302: Energy</li> <li>302-1 Energy consumption within the organization</li> <li>302-2 Energy consumption outside of the organization</li> <li>302-4 Reduction of energy consumption</li> </ul>	<ul> <li>Operating as an Environmentally Responsible Brand, Page 32</li> <li>Operating as an Environmentally Responsible Brand, Page 32, 35, 36</li> <li>Operating as an Environmentally Responsible Brand, Page 32</li> </ul>	
<ul> <li>303: Water</li> <li>303-1 Water withdrawal by source</li> <li>303-2 Water sources significantly affected by withdrawal of water</li> </ul>	<ul> <li>Operating as an Environmentally Responsible Brand, Page 32</li> <li>Operating as an Environmentally Responsible Brand, Page 32</li> </ul>	
304: Biodiversity 304-2 Significant impacts of activities, products and services on biodiversity	Operating as an Environmentally Responsible Brand, Page 29	
<ul> <li>305: Emissions</li> <li>305-1 Direct (Scope 1) GHG emissions</li> <li>305-2 Energy indirect (Scope 2) GHG emissions</li> <li>305-3 Other indirect (Scope 3) GHG emissions</li> <li>305-5 Reduction of GHG emissions</li> </ul>	<ul> <li>Operating as an Environmentally Responsible Brand, Page 35</li> <li>Operating as an Environmentally Responsible Brand, Page 35</li> <li>Operating as an Environmentally Responsible Brand, Page 36</li> <li>Operating as an Environmentally Responsible Brand, Page 35</li> </ul>	
<ul> <li>306: Effluents and Waste</li> <li>306-1 Water discharge by quality and destination</li> <li>306-2 Waste by type and disposal method</li> <li>306-5 Water bodies affected by water discharges and/or run of</li> </ul>	<ul> <li>Operating as an Environmentally Responsible Brand, Page 30, 32</li> <li>Operating as an Environmentally Responsible Brand, Page 33</li> <li>Operating as an Environmentally Responsible Brand, Page 34</li> </ul>	
307: Environmental Compliance 307-1 Non-compliance with environmental laws and regulations	Creating Economic Value, Page 25	
<ul> <li>308: Supplier Environmental Assessment</li> <li>308-1 New suppliers that were screened using environmental criteria</li> <li>308-2 Negative environmental impacts in the supply chain and actions taken</li> </ul>	<ul><li>Creating Economic Value, Page 22</li><li>Operating as an Environmentally Responsible Brand, Page 26</li></ul>	

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GRI 400: SOCIAL	ANNUAL REPORT 🗾 SUSTAINABILITY REPORT
DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S) OMISSION
401: Employment         401-1       New employee hires and employee turnover         401-2       Benefits provided to full-time employees         that are not provided to temporary or       part-time employees         401-3       Parental leave	Committing to Corporate Citizenship, Page 38-39 Committing to Corporate Citizenship, Page 40 Committing to Corporate Citizenship, Page 40
401-5 Patental leave	Committing to corporate Citizenship, Page 40
402-1 Minimum notice periods regarding operational changes	Committing to Corporate Citizenship, Page 39
403: Occupational Health and Safety 403-1 Workers representation in formal joint management–worker health and safety committees	Committing to Corporate Citizenship, Page 42-45
403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Committing to Corporate Citizenship, Page 42-45
403-4 Worker participation, consultation, and communication on occupational health and safety	Committing to Corporate Citizenship, Page 42-45
403-5 Worker training on occupational health and safety	Committing to Corporate Citizenship, Page 42-45
403-8 Workers covered by an occupational health	Committing to Corporate Citizenship, Page 42-45
and safety management system 403-9 Work-related injuries	Committing to Corporate Citizenship, Page 42-45
404: Training and Education 404-1 Average hours of training per year per employee	Committing to Corporate Citizenship, Page 40
404-2 Programs for upgrading employee skills and transition assistance programs	Committing to Corporate Citizenship, Page 41
<ul> <li>405: Diversity and Equal Opportunity</li> <li>405-1 Diversity of governance bodies and employees</li> <li>405-2 Ratio of basic salary and remuneration of</li> </ul>	<ul> <li>Committing to Corporate Citizenship, Page 38</li> <li>Committing to Corporate Citizenship, Page 39</li> </ul>
women to men	Committing to Corporate Citizenship, Fage 57
406: Non-discrimination 406-1 Incidents of discrimination and corrective actions taken	Committing to Corporate Citizenship, Page 39
<ul> <li>407: Freedom of Association and Collective Bargaining</li> <li>407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk</li> </ul>	Committing to Corporate Citizenship, Page 39
408: Child Labor 408-1 Operations and suppliers at significant risk for incidents of child labor	Committing to Corporate Citizenship, Page 39
409: Forced or Compulsory Labor 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Committing to Corporate Citizenship, Page 39

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410: Security 410-1		•	Committing to Corporate Citizenship, Page 39, 48		
411: Rights of 411-1	Indigenous Peoples Incidents of violations involving rights of indigenous peoples	•	Committing to Corporate Citizenship, Page 39		
412-1 412-2	Rights Assessment Operations that have been subject to human rights reviews or impact assessments Employee training on human rights policies or procedures Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	•	Committing to Corporate Citizenship, Page 39 Committing to Corporate Citizenship, Page 39 Creating Economic Value, Page 23		
413: Local Cor 413-1 413-2	mmunities Operations with local community engagement, impact assessments, and development programs	•	Committing to Corporate Citizenship, Page 48-49 Operating as an Environmentally Responsible Brand, Page 26		
414-1	Social Assessment New suppliers that were screened using social criteria Negative social impacts in the supply chain and actions taken	•	Creating Economic Value, Page 22 Creating Economic Value, Page 23		
415: Public Po	olicy				
416-1	rr Health Safety Assessment of the health and safety impacts of product and service categories Incidents of non-compliance concerning the health and safety impacts of products and services	•	Committing to Corporate Citizenship, Page 42-45 Committing to Corporate Citizenship, Page 42-45		
417: Marketin 417-1 417-2 417-3	g and Labeling Requirements for product and service information and labeling Incidents of non-compliance concerning product and service information and labeling Incidents of non-compliance concerning marketing communications	•	Committing to Corporate Citizenship, Page 47 Committing to Corporate Citizenship, Page 47 Committing to Corporate Citizenship, Page 47		
418: Custome 418-1	er Privacy	•	Committing to Corporate Citizenship, Page 47		
419: Socioeco 419-1	nomic Compliance Non-compliance with laws and regulations in the social and economic area	•	Committing to Corporate Citizenship, Page 45-46		

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