

KEY RISKS AND MITIGATIONS

UEM Sunrise operates in a dynamic and constantly changing business environment, which presents a variety of risks that may have a material impact on the Company's ability to create value and achieve its strategic objectives. To manage these risks effectively, we have identified the principal risks that may most likely affect our operations and financial performance, and have developed strategies to mitigate or manage these risks.

KEY RISK NO. 1

GLOBAL PANDEMIC RISK

DEFINITION

The global pandemic risk has led to movement restrictions, supply chain disruptions, reduced demand for certain products/services, and increased uncertainty in the business environment, resulting in financial losses for many companies.

Stakeholders



Material Matters

M1

M2

IMPACT ON VALUE

- Fewer buyers or renters in real estate due to movement restrictions.
- Delays in building, inspection, and permission processes on real estate.

MITIGATION MEASURES

- Establish Business Continuity Plans (BCP) and COVID-19 Control Plans that aim to reduce business impacts.
- Proactively monitor COVID-19 severity and review necessary control approaches.
- Provide regular email and intranet updates for employees.

OUTLOOK

Short-Term

The short-term outlook for global pandemics is characterised by ongoing waves and the emergence of new variants, resulting in continued economic disruption. With widespread vaccination, the pandemic is gradually becoming more manageable. However, the situation remains unpredictable, and businesses must remain vigilant and flexible in their strategies to adapt to the evolving landscape.

Medium to Long-Term

The risk of pandemics is expected to increase in the longer term due to factors such as climate change, urbanisation, and globalisation, which increase the likelihood of new diseases emerging and spreading rapidly. Therefore, the Group will continuously strengthen our risk management strategies to mitigate the impact of future pandemics on our operations and stakeholders.

KEY RISK NO. 2

COMPETITION RISK

DEFINITION

The Group competes with other property developers in terms of land acquisition, access to critical talent, raw materials, labour, property types, and pricing. This risk is compounded by market or systemic risks, as the majority of the Company's revenue is derived from the property development sector.

Stakeholders



Material Matters

M2

M12

M3

IMPACT ON VALUE

- Increased rivalry for investments leading to funding issues.
- High land prices make it challenging to find appealing locations.
- Reduced sales whereby inventory increases and revenue decreases.

MITIGATION MEASURES

- Set strategic plans and detailed budgets to identify objectives, targets, and resources and evaluate performance.

OUTLOOK

Short-Term

Malaysia's real estate market will remain challenging due to an oversupply of residential properties, stricter lending regulations, and a weakened economy. The COVID-19 pandemic has also impacted the global property market, which may increase market volatility in Malaysia. Businesses operating in the real estate sector must remain vigilant and adopt effective risk management strategies to navigate the challenging market conditions.

Medium to Long-Term

Malaysia's housing market is expected to recover from its current status with the implementation of tax breaks and affordable housing programmes, while population growth and urbanisation are also expected to drive demand. These factors are anticipated to have a positive impact on the property market in the near future.

KEY RISK NO. 3

PEOPLE RISK

DEFINITION

To succeed in the business environment of the Fourth Industrial Revolution (IR 4.0), companies require a growth-oriented workforce with appropriate bench strength and strong leadership. UEM Sunrise aims to upskill its personnel continually, ensuring it has the talent needed to face future challenges and implement effective succession planning.

Stakeholders



Material Matters



IMPACT ON VALUE

- Project delays, reduced productivity and development quality due to loss of talent.
- Lack of skilled labour availability or employee retention.
- Higher personnel costs due to changes in Employment Act and tighter talent supply.

MITIGATION MEASURES

- Enhance KPI monitoring and assessment in the Performance Management Framework.
- Implement structured leadership and talent programmes to develop emerging leaders, high-potential individuals, and current leaders.
- Organise talent management and succession planning discussions to address developmental gaps for higher worker productivity.

OUTLOOK

Short-Term

The pandemic has impacted the Malaysian economy, resulting in job losses and potentially reducing the skilled workforce available to UEM Sunrise. This may lead to challenges in hiring and retaining talent. Additionally, remote work conditions may present difficulties in managing and retaining employees.

Medium to Long-Term

The growth of urbanisation in Malaysia and the consequent increase in housing demand may attract skilled employees to the property development industry. This could make it easier for UEM Sunrise to hire and retain talent. Government policies like affordable housing may also boost skilled labour in the long term as concerns of not being able to own a home is alleviated by the supply of affordable houses.

KEY RISK NO. 4

REGULATORY & CORRUPTION RISK

DEFINITION

The Group manages regulatory and corruption risks by complying with relevant laws and regulations, such as the Malaysian Anti-Corruption Commission (MACC) Act 2009. It prioritises stakeholder accountability, transparency, and ethics in all processes and activities.

Stakeholders



Material Matters



IMPACT ON VALUE

- Corporate liabilities that impact our bottom line.
- Reputational damage or loss of public confidence due to poor governance.
- Financial losses from fines, penalties and reduction in share price.

MITIGATION MEASURES

- Conduct a Gap Analysis Exercise on Adequate Procedures.
- Continuously improve associated anti-corruption policies and procedures.
- Organise Integrity Day and conduct various integrity and anti-corruption awareness initiatives, including monthly newsletters, talks and training sessions as well as Integrity Month initiatives.
- Appoint CHIEF Integrity Advocates (CIA) and establish the CIA programme to improve ethics and integrity.
- Deliver regular email and intranet updates to employees.

OUTLOOK

Short-Term

The Group aims to mitigate regulatory and corruption risk by conducting a comprehensive corruption risk assessment, evaluating and certifying their Anti-Bribery Management System (ABMS), and enhancing their policies and procedures in accordance with the Adequate Procedures standards. This ensures compliance with the National Anti-Corruption Plan and increases their competitiveness for government contracts.

Medium to Long-Term

In order to mitigate Regulatory and Corruption risk, the Group aims to promote integrity and ethical behaviour by implementing anti-corruption procedures and awareness campaigns for the Board of Directors, employees, and stakeholders. This includes evaluating and enhancing corruption policies and processes in accordance with Adequate Procedures.

KEY RISKS AND MITIGATIONS

KEY RISK NO. 5

FINANCIAL RISK

DEFINITION

The Group faces financial risks such as credit, liquidity, and cash flow concerns. Inability to maintain credit ratings, meet funding obligations, and manage business and earnings risks may lead to unacceptable losses and harm financial management and operations.

Stakeholders



Material Matters

M2 M12

IMPACT ON VALUE

- Delays in land transactions could affect revenue and profit recognition.
- Financial constraints prevent landbank development and construction progress billings.
- Lawsuits by creditors or tax authorities affect profitability.
- Borrowing money would cost more as interest rates rise and affect profitability.
- Changes in tax legislation or finance restrictions might make it harder to secure project funding.

MITIGATION MEASURES

- Implement GDV launch plans and off-load non-strategic lands as well as non-core assets to generate value and boost liquidity.
- Monitor and disclose financial risks to optimise liquidity.
- Monetise inventory.
- Increase digital marketing and help clients secure financing.
- Monitor and contact debtors to guarantee timely payments.
- Monitor financial covenants and borrowing repayment maturity profiles.

OUTLOOK

Short-Term

The pandemic has increased financial market uncertainty, making funding acquisition more difficult. Bank Negara Malaysia's decision to raise the OPR by 25 basis points to 2.75% in November 2022 has also increased interest rates, which may lead to difficulty in obtaining loans. However, government policies that encourage property development, such as affordable housing, may boost demand for properties and aid in securing funding in the short term.

Medium to Long-Term

Malaysia's property market could improve as the economy recovers from the pandemic. Government initiatives to boost the property sector may also increase demand and funding opportunities. However, fluctuating interest rates could impact long-term business prospects, potentially affecting property sales and profitability.

KEY RISK NO. 6

OPERATIONAL RISK

DEFINITION

The Group's outsourced project development tasks pose a risk as third-party failures could disrupt operations. Effective internal processes and systems are crucial for delivering quality products and controlling costs and time. The Company also acknowledges and mitigates risks associated with the evolving IT and digital landscape.

Stakeholders



Material Matters

M2 M3 M4 M5 M6 M7 M9
M10 M11 M13 M15 M16 M17

IMPACT ON VALUE

- Delays in projects, higher expenses and lower product quality due to supplier issues.
- Cyberattacks or system failures might interrupt business and cost money.
- Ineffective internal procedures and systems can delay projects, raise expenses, and lower profitability.

MITIGATION MEASURES

- Improve processes and project management by embedding technology and digitisation.
- Benchmark Management System and SOPs ISO 9001:2015 and other applicable standards and best practises.
- Identity Access Management, End Point Protection and Unified Threat Management at the end user and gateway levels to safeguard against security threats.

OUTLOOK

Short-Term

The Group may face supply chain disruptions and delays from third-party contractors and suppliers, resulting in higher costs and delayed project completion. Market volatility and virus-prevention measures may also disrupt internal processes, systems, and remote working, causing inefficiencies and delays.

Medium to Long-Term

The Group faces the risk of third-party non-performance, potentially delaying projects, and lowering product quality. Additionally, adopting new technologies to keep up with the digital world may pose significant risks that need to be evaluated and addressed.

OUR STRATEGY

As a responsible organisation, we are cognisant that our main objective is to provide sustainable value to all our stakeholders. To meet such expectations, we have adopted and deployed the UEM Sunrise three-phased Strategic Turnaround Plan i.e. **Triage, Stabilise and Sustain (TSS)**, which intends to accelerate our transformation into a formidable balanced real estate player over the next five years and beyond.



The Strategic Turnaround Plan consists of clear objectives and a set of action plans that would transform UEM Sunrise to become a more resilient and sustainable business entity in the future.

Triage

Triage is the initial phase whereby gaps in key business fundamentals are identified and addressed. The desired outcome is to ensure UEM Sunrise immediately return to profitability. This is to be achieved by revitalising our launch pipeline and delivering products that are tailored towards our customers' needs and aspirations. In order for us to consistently deliver value to our customers, we have also identified areas where greater efficiency can be obtained.

2022-2023

Stabilise

In **Stabilise**, we shall carry through the momentum from **Triage** including enhancing our launch pipeline and expanding our product offerings beyond just residential and commercial real estate. This would pave a more sustainable growth trajectory for the business. Digitalisation and innovation would be the key enablers for further efficiency in our operations. Above all, our People strategy shall reinforce our culture, values and talent management, hence, making UEM Sunrise the employer of choice.

2024-2025

Sustain

Sustain will be focusing on realising our aspiration to become a balanced real estate player. UEM Sunrise's portfolio shall be significantly diversified – potentially venturing into investment management as well as offering real estate related services. We shall also have a more prominent geographic presence, both domestically and internationally. Sustainability shall be the key differentiating element for us to compete and stay relevant in the future.

2026 and Beyond

STRATEGIC PERFORMANCE REVIEW

STRENGTHEN CORE REVENUE STREAM

What It Means

Focusing on property development – strengthening its position as the main source of revenue stream core revenue stream.

Our Approach

Enhancing our project launch readiness, ensuring steady project pipeline.

What We Did

- Review master plans to optimise land use to generate the required returns on investment.
- Acquire new lands in strategic areas to reinforce future pipelines.
- Off-load non-strategic lands and divest non-core assets.
- Emphasise on securing authority approvals prior to launch.

Link to

Capitals



Material Matters



Stakeholders



Value Created for the Business

- Market confidence following a profit after tax and non-controlling interests of RM80.5 million for the financial year ended 31 December 2022 (FY2022) after two years of losses due to COVID-19 and various containment measures.

Value Created for the Stakeholders

Shareholders & Investors:

- Long-term value and returns for the interest of shareholders and investors. Declared a single-tier tax-exempt dividend of 0.5 sen per ordinary share for FY2022 of RM25.3 million to be paid on 22 May 2023.
- Higher organisation growth potential as new land acquisitions at strategic locations demonstrate our commitment towards building pipelines and reinforcing product launches for long-term sustainability.

Customers:

- Increased product value with enhanced masterplans.
- Better living environment for stakeholders in terms of amenities, connectivity, open space and others.

Outlook

Our 2023 focus is to achieve our GDV target of RM2.5 billion and sales target of RM1.5 billion. We will accelerate development programs, execute planned pipelines, streamline product branding, and implement innovative product features. We also plan to launch two products in the second quarter of 2023: The MINH in Mont'Kiara under the CLUB Edition series and The Connaught One in Cheras under the RISE Series.

Additionally, we aim to improve profitability through a stronger core revenue stream and drive operational excellence across the organisation and supply chain. We will achieve balance sheet improvements primarily through divesting non-core assets and selling non-strategic land sales, monetising existing inventories, realigning JV portfolios with corporate objectives, and paring down borrowings.

The value creation exercise during **Triage** would help build our capabilities and readiness to pursue strategic initiatives in the later phase of **Stabilise** (2024-2025). This includes strategic land acquisition, industrial play, international expansion, and digital enablement. These initiatives are key growth drivers as we enter the **Sustain** phase (2026 and beyond).

MANAGE RISK

—○ What It Means

Assessment of potential threats and identification of action plans to mitigate industry challenges and facilitate operations.

—○ Our Approach

- Review, monitor and enhance operational processes.
- Monitor sales funnel, inventory levels, development plans and ensure the execution of the identified key deliverables to maintain adequate cash flow requirements and adequate buffers of liquidity throughout the year.

—○ What We Did

- Set up new divisions for operational excellence:
 - The Development division reviewed masterplans and drove product innovation;
 - The Commercial division drove commercial real estate, strategic land management, consolidated land management activities, optimised assets, and managed JVs;
 - The Sustainability division drove the sustainability agenda, steered process improvement, and managed quality; and
 - The Liaison & Land Management division improved engagement with authorities.
- Off-load non-strategic landbanks to focus on core activities and land banking for future pipelines, and identified selected non-core assets for potential divestment.
- Improved cost structure through strategic procurement initiatives such as bulk purchases and Vendors Partnership Programme.
- Drove pipeline building by reviewing existing master plans to optimise land use.

—○ Link to

Capitals



Material Matters



Stakeholders



—○ Value Created for the Business

- Increased productivity, a higher focus on core business, and cost savings.
- Steady project pipelines.
- Clarity of land use planning.

—○ Value Created for the Stakeholders

Shareholders & Investors:

- Deliver sustained growth and long-term value and returns for the interest of shareholders and investors.
- Higher organisation growth potential by streamlining operations, divesting non-core assets, and improving cost structures.

Employees:

- Better-defined roles and responsibilities for employees, allowing them to contribute more effectively to the Company's growth.
- Create more opportunities for employees to grow and develop their careers.

Customers:

- Deliver increased value to customers through sustainable and eco-friendly buildings, as well as greater transparency and accountability of operations.

—○ Outlook

UEM Sunrise will continuously strengthen its project management capabilities via review, monitoring and enhancement of operational processes and embedding the use of technology and digitisation to improve overall efficiency.

Integrated Management Systems and Standard Operating Procedures are benchmarked against ISO 9001:2015, as well as other applicable standards and best practices, to ensure the quality of the products and services offered.

STRATEGIC PERFORMANCE REVIEW

OFFER CLEAR VALUE PROPOSITIONS

What It Means

Creating attractive products and services according to the needs of various market segments, which indirectly demonstrates UEM Sunrise's strength and competencies in offering diverse products to respective buyers and individuals.

Our Approach

- Strengthen product portfolio to respond to market needs and future-proof products to cater to changes brought on by the pandemic and other shifts in the immediate to long term.
- Enhanced the functions of the current Customer Experience team to lead customer-centricity initiatives, curate positive and personalised experiences, and nurture long-term relationships at every touchpoint during the customer journey.
- Implement the Trésor loyalty programme with rewards, privileges, and enriching experiences, focusing on an end-to-end customer journey.

What We Did

- Customise unique selling propositions for each product, catering to the needs of each target market. For example, products in Mont'Kiara are premium (except for Kiara Kasih) with a tinge of luxury, while products in Kiara Bay are for the mid-market or attainable segment, although still with unique selling propositions.
- Introduced the Happy+ product series featuring five categories for homebuyers with varying lifestyles and life-stage needs, delivering a more streamlined customer experience and implementing innovative product features into future products.
- Improved ESG score for the FTSE4Good Bursa Malaysia Index since its inception in 2014, achieving a score of 3.5 out of 5.0 and maintaining an ESG highest Grading Band of 4.
- Conducted masterplan reviews considering the market and highest best-use studies.
- Collaborated with like-minded partners to provide an enriched customer experience, such as the MOU with PETRONAS' wholly owned subsidiaries, PGTS and Gentari, to explore opportunities for collaboration in driving green energy, and the vendors partnership programme with the likes of Electrolux Malaysia Sdn. Bhd., Cement Industries of Malaysia Berhad, Signature Cabinet Sdn. Bhd. and Aurum Precast Sdn. Bhd.

Link to

Capitals



Material Matters



Stakeholders



Value Created for the Business

- UEM Sunrise's products have unique selling propositions and are of good quality, giving the buyers satisfaction to select their desired homes and enjoy the quality.
- Almost all products have good take-up rates, with inventory reduced by 49% compared to the financial year ended 31 December 2021, facilitating the Company's sales performance.
- 1,051 properties were completed due to rapid construction progress in 2022, benefiting buyers eager to move in post-COVID-19.
- Sales and rapid construction progress contribute to revenue and profitability.
- Enhanced development plans improve land use efficiency and margin improvements.
- The Happy+ product series have clear target market profiles.

Value Created for the Stakeholders

Customers:

- Clear product segmentation for easier selection of desired properties.
- Enjoy personalised experiences and customer journeys.

Community:

- Experience living in a safe and sustainable neighbourhood.

Employees:

- Benefit from a clear marketing strategy, with visibility on potential product launches, providing clear direction on managing buyers' expectations.

Outlook

We will continue enhancing our product offering, ensuring products are able to cater to market demand. Our Happy+ product series represents five product branding to cater to all market segments. It is easier for buyers to associate themselves with the properties they prefer. Our value proposition is also an assurance of quality services and products. It represents our philosophies, including embracing ESG principles and incorporating sustainability into our product development and delivery.

ASSET PORTFOLIO REPRIORITISATION

—○ What It Means

After a thorough review of our asset portfolio, we are taking the conscious decision to reprioritise our development programme, including monetising some assets within the portfolio i.e. to be divested for other opportunistic purposes.

—○ Our Approach

- Identify and prioritise strategic lands for development to further enhance our pipeline.
- Off-loading of non-strategic assets. This comprises lands which are least prioritised for development i.e. non-contiguous and low potential returns; and divestment of selected non-core assets.
- Proceeds from this off-loading exercise are then utilised to acquire potential strategic lands for development as well as pare down debt.

—○ What We Did

- Sell the industrial plots in phase 3 of SiLC and recognised RM173.7 million (33 industrial plots) for FY2022 and sell non-strategic lands in Mersing, Johor and Seputeh, Kuala Lumpur, as well as a few pocket lands amounting to RM133.4 million also in FY2022.
- Continue to identify non-strategic lands and non-core assets for sale and divestment, respectively.

—○ Link to

Capitals



Material Matters



Stakeholders



—○ Value Created for the Business

- Contributed 21% towards the Company's total revenue for FY2022.
- Transparent land banking portfolio rebalancing strategy as the Company actively increases its exposure in the Central region for a more sustainable product pipeline – gives a clear message to the public and investment community on the steps UEM Sunrise is taking to ensure long-term growth and sustainability.
- Allow for cost reduction as there is now lesser asset holding cost, manpower cost and operation cost; improving profitability.
- Proceeds received allow for the paring down of debt and new land acquisition; the Company does not have to take on more loans to acquire new landbanks – potential improvements in borrowing position.

—○ Value Created for the Stakeholders

Shareholders & Investors

Improvement in cash flows following the monetisation initiatives is an indication that our liquid assets are increasing enabling us to consider paring down borrowings, reinvesting in the business, paying dividends, paying expenses and providing buffers against future financial challenges. This is a positive sign for the stakeholders.

—○ Outlook

Regardless of the monetisation initiatives, we strive to strengthen our core businesses and property development activities whilst focusing on operational excellence for our business to grow. Our operational and commercial excellence initiatives are not just about bottom-line efficiencies and productivity; it is also about top-line growth. We plan to continue to develop a robust strategy to reinforce pipelines and grow our retail, including exploring complementary retail to support our monetisation strategy.

STRATEGIC PERFORMANCE REVIEW

EMBED SUSTAINABILITY

—○ What It Means

Embracing and aligning organisation practices with corporate strategy to reduce negative impacts on environmental, social and governance resulting from the operations.

—○ Our Approach

Constantly driven by these pillars: Economic, Environmental, Social and Governance and the goal to minimise the risks associated with climate change, support the communities in which we operate and protect people and the planet while creating stakeholder value. The Company monitors ESG metrics as best as it can so that its performance can be tracked over time.

—○ What We Did

- Create a more holistic sustainability agenda with the establishment of the Company's Sustainability Policy and the Sustainability Blueprint. The Board approved the latter in March 2022 and aims to integrate the principles of sustainability throughout the Company.
- Alignment of the Company's ESG metrics with the UN SDG and obtain the ESG metric's final approval for the materiality assessment for further operational sustainability target setting, chartering our journey towards complying with Bursa Malaysia's enhanced SRF whilst exploring the recommendations of the TCFD.
- Promote human rights and avoid exploitation of child labour.
- Increased acceptance of eco-friendly designs to build a low-carbon future by 2030 and achieve Carbon Neutrality by 2050, as aspired by the Malaysian Government.
- Created high-quality products and services that aligned with the brand promise.

—○ Value Created for the Business

- Develop a sustainability-conscious workforce whose beliefs and aspirations will ensure that the objectives of the Sustainability Blueprint are complied with and taken seriously.
- Develop long-term relationships with ESG investors, financing partners and funders.
- Protect society and the planet from pollution and degradation.
- Increase public confidence and trust due to transparent communication.

—○ Value Created for the Stakeholders

Employees:

- Offered flexible working arrangements.
- Provided a safe working environment to our employees.

Community:

- Created a platform for conscientious people to connect and live sustainably.
- Increased asset value and investment for property buyers.

—○ Outlook

We are committed to combatting climate change by incorporating sustainable design principles in our townships and residential and commercial developments to further reduce carbon emissions during construction and operations. Thus, our commitment is attached to keeping global warming to no more than 1.5° Celsius – as per the Paris Agreement – with targets to reduce carbon emissions by 2030 and achieve Carbon Neutrality by 2050. To ensure the agenda is embedded into the products thoroughly, we aim to develop the SDDG as a reference to design sustainable products with lower carbon footprint whilst creating positive social impacts with high-value creations.

—○ Link to

Capitals



Material Matters



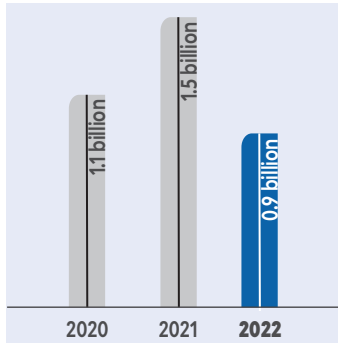
Stakeholders



KEY PERFORMANCE INDICATORS

FINANCIAL KPIS

Sales Performance



Unit: RM

Objective:

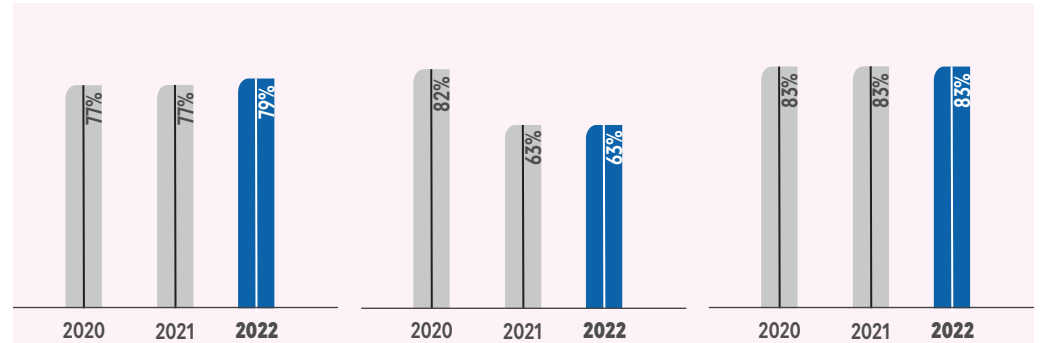
To monitor and quantify annual sales achievement for improvements in revenue and profitability.

2023 Target:

RM1.5 billion

NON-FINANCIAL KPIS

Customer Management



Customer Satisfaction Score (CSS) based on the Annual Customer Satisfaction Survey

Service Level Agreement performance for defects management

Quality Assessment System in Construction (QLASSIC)

Objective:

To deliver quality and sustainable homes and ensure the safety and satisfaction of our customers while enhancing customer journey, building lasting relationships, delivering value, and earning their trust and loyalty.

2023 Target:

80%

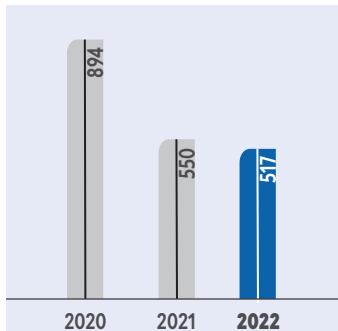
2023 Target:

80%

2023 Target:

85%

GDV Launched



Unit: RM million

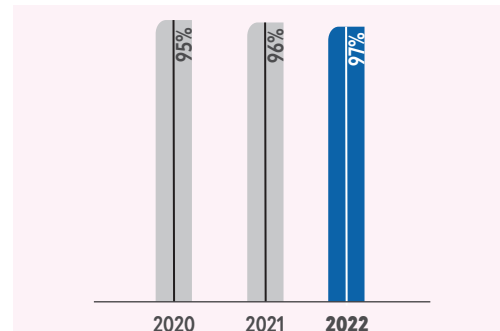
Objective:

To create sales which will later translate into revenue upon the execution of the relevant definitive agreements between UEM Sunrise and the customers. The size of the annual GDV launched is important for the Company's long term sustainable growth.

2023 Target:

RM2.5 billion

Health and Safety



Safety and Health Assessment System in Construction (SHASSIC)

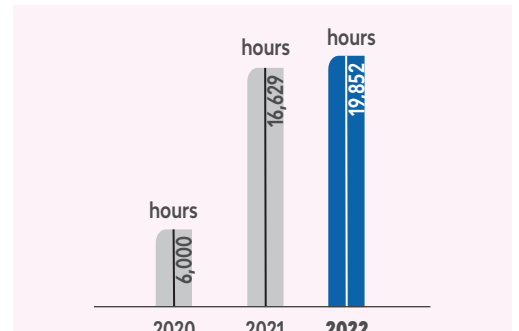
Objective:

To strive to provide safe working conditions for our employees and ultimately developing a high-performing workforce

2023 Target:

95%

Employee Management



Total hours of training for all employees in a year

Objective:

To uphold inclusivity and diversity within our workforce to ensure that comprehensive learning and development are available to all by implementing fair opportunities and the values of CHIEF.

2023 Target:

20,000 hours

A vibrant photograph of a park ecosystem. In the foreground, a calm pond reflects the surrounding greenery. Two grey herons are perched on a fallen branch that extends into the water. In the middle ground, a grassy path runs horizontally across the frame, where two people are riding bicycles. The background is a dense forest of tall trees with various shades of green, including some with bright orange-red foliage. The sky is overcast with grey clouds. Overlaid on the lower half of the image are several thin, curved lines in shades of pink, blue, and green, creating a sense of movement and design.

RESTORING THE NATURAL

Ecosystem



UEM Sunrise is committed to mitigating any adverse effects caused by our developments, which is why reinvigorating the natural ecology is a vital area of focus in our sustainability agenda

FINANCIAL REVIEW

by **CHIEF
FINANCIAL
OFFICER**

Siew Chee Seng | Chief Financial Officer

Our focus on strengthening UEM Sunrise's fundamentals in response to the COVID-19 operating environment has materialised as planned. Towards the end of 2021, we introduced a three-phased Strategic Turnaround Plan, focusing on the initiatives identified under **Triage**, which has resulted in a rebound in our financial performance after two years of losses.

UEM Sunrise returned to profitability for the year under review, supported mainly by stronger property development activities, the sale of non-strategic and pocket lands, and the recognition of the sale of 33 industrial plots in phase 3, SiLC, among others. The Group's revenue for the year under review increased by 24% compared to the revenue for the financial year ended 31 December 2021 (FY2021), while gross profit doubled in contrast to FY2021. Together with the drop of approximately 27% in the Group's operating expenses and the improvements in the performance of our joint ventures and associates, the Group recorded a profit after tax and non-controlling interests of RM80.5 million, compared to a loss of RM213.1 million in FY2021. Our balance sheet remains resilient, with cash balances of RM1.03 billion as of 31 December 2022, while our net gearing remains manageable at 0.48x.

These achievements are a testament to the effectiveness of the initiatives taken under **Triage**. The strategy has helped us return to profitability, ultimately positioning ourselves towards long-term sustainable growth. The outcomes reflect our unwavering commitment to enhancing shareholders' value and delivering high-quality products and services to our customers. We remain dedicated to executing our strategic plan and pursuing growth opportunities while maintaining the financial discipline required and risk management practices to ensure long-term success.

REVENUE AND EARNINGS: OUR TURNAROUND IN FY2022

In FY2022, we recognised a total revenue of RM1,473.4 million, with the property development segment contributing 72% of the total revenue. Residensi Solaris Parq in Dutamas led the way, followed by Serene Heights, Residensi AVA in Kiara Bay, Residensi Astrea in Mont'Kiara, and Senadi Hills in Iskandar Puteri, to name a few. The accelerated speed of our development's construction progress was made possible after the lifting of the containment measures as the country entered the endemic phase of COVID-19. Works resumed on-site, operating at a faster pace to make up for the loss of progress during the pandemic period. For our projects in Melbourne, the removal of the containment measures in the state of Victoria, Australia, also made it easier for us to push for the settlement of our projects in Melbourne. We fully settled and handed over 22 residential units in Conservatory to respective buyers, contributing 4% towards the Group's total revenue.

Land sales revenue for the year under review was RM307.1 million, a 41% increase from the amount recorded in FY2021. This included recognising the sale of industrial plots in SiLC of RM173.7 million and non-strategic lands in Seputeh, Kuala Lumpur, and Mersing, Johor, as well as other smaller pocket lands in Iskandar Puteri, totalling RM133.4 million.

It should be noted that even if we excluded the land sales revenue, the Group's property development revenue for FY2022 was higher by 21% compared to the property development revenue in FY2021.

The property investment, facilities management and other segments also recorded a 19% growth compared to its performance in FY2021. The principal contributor to this segment came from our retail assets and car park operations following the improvements in our retail and rental income. Customers have returned to retail premises. In 2022, our retail assets enjoyed an increase in footfall as well as better occupancy rates after the dismal performance during the pandemic. As of the end of March 2023, Anjung in Iskandar Puteri, Arcoris in Mont'Kiara, and Publika in Dutamas attained occupancy rates of 85%, 93%, and 86%, respectively.



The strategy has helped us return to profitability, ultimately positioning ourselves towards long-term sustainable growth. The outcomes reflect our unwavering commitment to enhancing shareholders' value and delivering high-quality products and services to our customers.



24%

REVENUE

RM1,473.4

million

2021: RM1,184.5 million



138%

PROFIT/(LOSS) AFTER TAX & NON CONTROLLING INTERESTS

RM80.5

million

2021: (RM213.1 million)



95%

GROSS PROFIT

RM431.2

million

2021: RM221.0 million

FINANCIAL REVIEW BY CHIEF FINANCIAL OFFICER

Operating expenses were lower during the year under review due to lower selling and distribution expenses as we only launched approximately RM517.0 million worth of projects to the market in 2022. Other factors which contributed to the drop in operating expenses are lower general and administrative costs, lower employees' costs due to the lower headcount in 2022 and cost savings efforts of several identified projects. The Group also recorded a minimal provision of impairment for assets and inventories, unlike the impairments, which amounted to RM88.1 million, including the write-down of RM29.2 million in inventories in FY2021. These costs were absent in FY2022.

The Group recorded a favourable share of results from joint ventures and associates, registering positive gains of RM28.0 million in FY2022 compared to RM13.0 million in FY2021. Among the contributing elements to the gains included the improved performances of our joint venture companies, particularly Horizon Hills Development Sdn. Bhd., the developer of Horizon Hills, Nusajaya Tech Park Sdn. Bhd. (NTPSB), the developer of Nusajaya Tech Park; both developments in Iskandar Puteri, and Sunrise MCL Land Sdn. Bhd., the developer of Forest Heights, a residential township development in Seremban, Negeri Sembilan.

KEY DRIVERS OF PERFORMANCE: RECALIBRATING OUR FOCUS

The success of our financial performance in FY2022 can be attributed to several key drivers, with the steadfast execution of the **Triage** phase of our strategic turnaround plan being at the forefront.

01

Off-load Non-Strategic Lands and Divest Non-Core Assets: Allowed us to streamline our portfolio and focus on core activities.

02

'Suture the Bleed': Focused on property development activities, off-loading non-strategic lands, terminating non-essential commitments and improving project cost savings, among others.

03

Expedite Development: Launched approximately RM517.0 million worth of projects with an additional pipeline of RM2.5 billion set for launch in 2023 to reinforce pipelines for the creation of future revenue and long-term sustainable growth.

04

Accelerate Acquisition Plans: Expand portfolio and actively seek opportunities to acquire new landbank for the creation of new pipelines as a means to increase revenue and improve profitability in the long run.

STRONG BALANCE SHEET: PAVING THE WAY FOR GROWTH

Our balance sheet remained resilient, with total cash and cash equivalents of RM1.03 billion as of 31 December 2022. This is an improvement from our position at the end of December 2021 of RM853.0 million, reflecting an improved liquidity position. This gives us an opportunity to assess potential investment opportunities and navigate market challenges. Total borrowings remained manageable, although they increased slightly by 2% to RM4.3 billion in FY2022 compared to RM4.2 billion in FY2021. This increase was mainly due to funding for our construction activities, in addition to commitments relating to the acquisition of new landbank and others.

As our focus under **Triage** is on strengthening fundamentals, our goal is to balance the Group's level of borrowings simultaneously with our business operations so that, as an organisation, we can obtain the optimum outcome regarding our gearing level and performance growth.

Our net gearing level declined slightly to 0.48x as of 31 December 2022, from 0.50x on 31 December 2021. We anticipate gearing to increase slightly this year before reducing in the next one to two years as we settle our project loans for developments which are nearing completion and approach the **Stabilise** phase. We aim to complete and deliver our Kiara Kasih in Mont'Kiara, a few of the Verna series in Serene Heights, phases in Senadi Hills, and the Aspira series in Gerbang Nusajaya this year. Our prudent financial management and ability to manage a healthy balance between borrowing and spending are a testament to the Company's financial stability.

Our efforts in inventory management have been successful, as reflected in the 49% reduction of our inventory level in FY2022, from RM396.9 million to RM203.0 million; the lowest in the past seven years. We will continue to enforce effective measures and undertake vigorous inventory monetisation exercises to manage our level of inventory since more projects are expected to be completed this year.

Our operating cash flows have also improved tremendously in tandem with the improvements in the projects' construction progress. We also received proceeds from the sale of non-strategic lands and pocket lands, and higher rental collection from our retail assets, among others.

For FY2022, the net cash generated from our operating activities was RM382.9 million, in contrast to the negative operating cash flow of RM43.4 million in FY2021. We did not acquire any new landbank in 2022 after allowing the acquisition of the 6.4-acre land in Jalan Sultan Yahya Petra to lapse on the grounds of unfulfilled conditions precedent at the expiry of the conditional period. The deal was signed in August 2022. The monies allocated for the land can be utilised for other means. As we are still in this second stage of **Triage**, we will continue to monetise selected non-strategic and pocket lands and commence our plans to divest non-core assets this year.

SALES & NEW PRODUCT LAUNCHES: MAKING STRIDES IN DEVELOPMENT

Our sales for 2022 were RM923.7 million, a 38% drop compared to RM1,485.5 million in 2021. This is mainly attributable to fewer product launches in 2022. 15% of the total sales were from new product launches, such as the new phases in Serene Heights, Aspira Gardens, and Senadi Hills, while 46% of the sales were from completed properties, in particular Estuari Gardens, Symphony Hills, Teega, and Residensi Solaris Parq. The remaining 39% were from ongoing developments, namely Residensi Allevia, Residensi AVA, Senadi Hills, and Residensi Astrea, to name a few.

To reinforce our pipelines, we launched projects with a GDV of RM517.0 million during the year. Delays in securing authorities' approval affected our planned launch schedule for The MINH and The Connaught One, which were originally planned for launch in 2022. The pending finalisation of the development plans for our site in Collingwood, Melbourne, has also hindered our intention to launch our project there in 2022. These projects are now slated to be launched in the first half of this year, in addition to new phases of current ongoing projects, such as Serene Heights, Senadi Hills, and Aspira LakeHomes. We plan to launch developments with a GDV of RM2.5 billion this year and are setting a sales target of RM1.5 billion to leverage the volume of the products to be launched.

MOVING FORWARD: A PROMISING OUTLOOK

We will continue to have a steady stream of revenue and cash flows in the coming periods. It is worth noting that more than half of our ongoing developments, which are currently at various stages of construction progress, have an average take-up rate to date exceeding 80%, indicating a potential steady stream of revenue in the immediate future.

Our performance this year will also be supported by land sale transactions entered into during the previous years. This includes the sale of the remaining lands we own in Tapah, Perak of 1,777 acres which we are selling to Tapah Land Development Sdn. Bhd. for a total consideration of RM75.5 million and the sale of 67.7 acres identified as plot B, in Nusajaya Tech Park, Iskandar Puteri to NTPSB for a total consideration of RM85.6 million. Both transactions were entered into in December 2022 and are expected to become unconditional in the current year, contributing towards this year's profitability and cashflows. Phase 2 of the lands that we are selling to NTPSB measures at 166.8 acres. It has a total consideration of RM203.6 million and the revenue will be recognised upon fulfilment of all conditions precedent to the agreement.

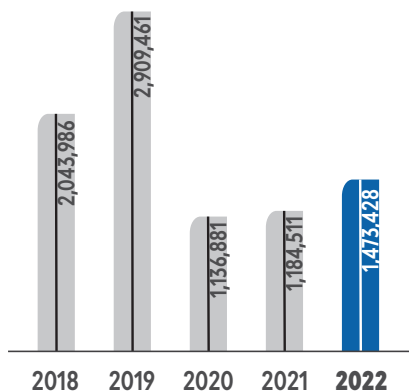
Our unbilled sales of RM1.8 billion as of 31 December 2022 indicate our expected future revenue stream, which is anticipated to be substantially recognised over the next 18 to 36 months, depending on the billings and projects' construction progress. This adds to our earnings visibility and underscores our strong financial footing. Overall, our strong balance sheet and strategic initiatives are positioning the Company for long-term sustainability and growth.

We are also excited at the prospect of introducing our products based on the Happy+ product series, which we launched in February 2023. Engagements with different market segments based on our product series allow us to collaborate and leverage to enrich customer experience and facilitate them in owning our properties. We are kickstarting the series by launching The MINH as the first launch under the CLUB Edition product series, while The Connaught One will be under the RISE series.

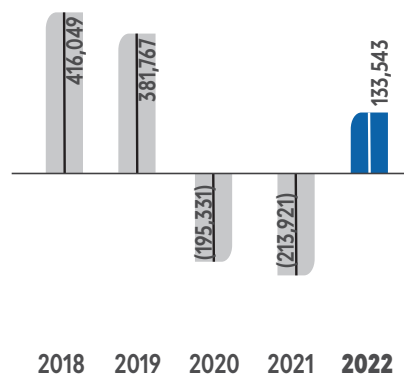
Through our efforts to diversify our revenue streams, optimise our landbank, and expand our development pipeline, we are confident that we will continue to achieve robust financial performance. In addition, our ongoing efforts to promote sustainable development practices across our operations are aligned with our commitment to building communities that are not only thriving but also environmentally and socially responsible. We firmly believe that by putting our stakeholders first and investing in sustainable development, we can create long-term value for all parties involved.

FIVE-YEAR FINANCIAL HIGHLIGHTS

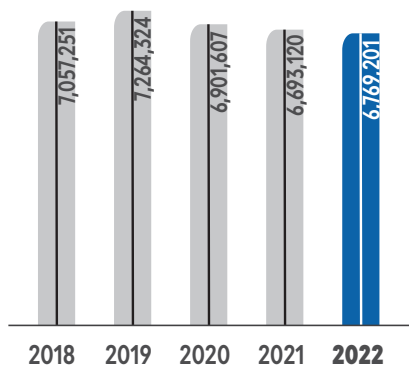
Revenue (RM'000)



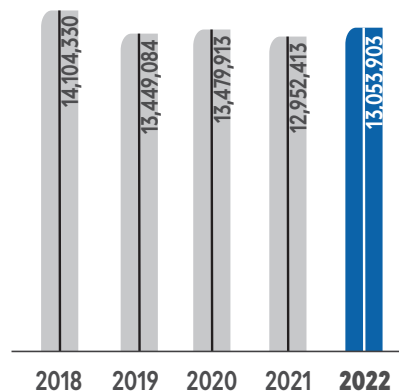
Profit/(Loss) before Income Tax and Zakat (RM'000)



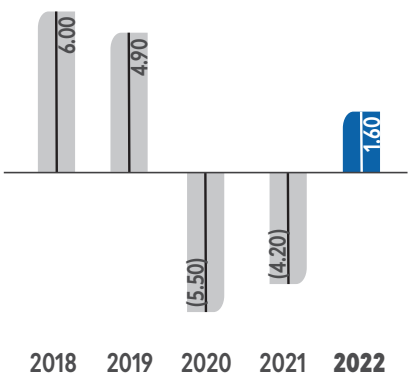
Shareholders' Equity (RM'000)



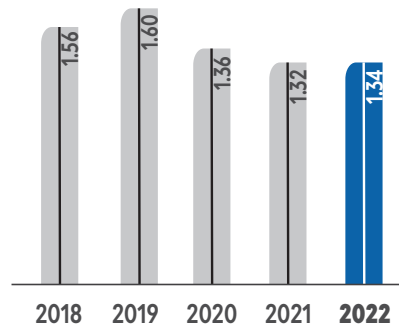
Total Assets (RM'000)



(Loss)/Earning per share (sen)



Net Assets per share (RM)



FIVE-YEAR GROUP PERFORMANCE

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER

In RM'000	2022	2021	2020	2019	2018
Revenue	1,473,428	1,184,511	1,136,881	2,909,461	2,043,986
Cost of sales	(1,042,246)	(963,483)	(838,105)	(2,103,636)	(1,302,726)
Operating expenses	(247,286)	(340,748)	(372,729)	(402,030)	(339,652)
Operating profit/(loss)	183,896	(119,720)	(73,953)	403,795	401,608
Other income	65,126	37,530	76,150	75,598	74,347
Finance costs	(143,470)	(144,712)	(132,850)	(117,509)	(100,966)
Share of net results of associates & joint ventures	27,991	12,981	(64,678)	19,883	41,060
Profit/(loss) before income tax and zakat	133,543	(213,921)	(195,331)	381,767	416,049
Profit/(loss) attributable to owners of the parent	80,539	(213,047)	(277,284)	221,597	279,998
Shareholders' equity	6,769,201	6,693,120	6,901,607	7,264,324	7,057,251
Earnings per share (sen)	1.6	(4.2)	(5.5)	4.9	6.0
Return on equity	1.2%	-3.1%	-4.0%	3.1%	4.0%

FIVE-YEAR FINANCIAL REVIEW OF THE GROUP

AS AT 31 DECEMBER

In RM'000	2022	2021	2020	2019	2018
TOTAL ASSETS					
Property, plant and equipment and investment properties	1,209,105	1,252,419	1,319,957	1,330,196	1,174,255
Land held for property development and property development costs	6,137,158	6,283,488	6,790,979	6,484,009	6,526,850
Interests in associates, joint ventures & others	1,781,176	1,748,701	1,697,559	1,522,078	1,605,770
Inventories	305,101	456,887	580,532	948,947	1,293,609
Receivables	1,669,003	1,446,291	1,127,448	1,198,200	1,516,919
Goodwill	621,409	621,409	621,409	621,409	621,409
Deferred tax asset	283,003	290,191	255,760	286,799	286,917
Deposits, cash and bank balances	1,025,551	853,027	1,086,269	1,057,446	1,078,601
Asset held for sale	22,397	–	–	–	–
Total assets	13,053,903	12,952,413	13,479,913	13,449,084	14,104,330
TOTAL EQUITY AND LIABILITIES					
Share capital	4,960,276	4,960,276	4,960,276	5,110,276	5,110,276
Merger relief reserves	34,330	34,330	34,330	34,330	34,330
Other reserves	78,340	82,798	78,238	13,671	64,216
Retained profits	1,696,255	1,615,716	1,828,763	2,106,047	1,848,429
Non-controlling interests	104,467	102,931	468,974	468,332	363,722
Total equity	6,873,668	6,796,051	7,370,581	7,732,656	7,420,973
Borrowings	4,315,248	4,213,970	4,113,823	3,416,955	4,683,501
Income tax liabilities	15,769	3,981	19,008	71,760	48,880
Payables	1,328,633	1,379,581	1,446,130	1,579,015	1,182,508
Provisions and others	520,585	558,830	530,371	648,698	768,468
Total equity and liabilities	13,053,903	12,952,413	13,479,913	13,449,084	14,104,330
Net asset per share attributable to owners of the parent (RM)	1.34	1.32	1.36	1.60	1.56

GROUP QUARTERLY PERFORMANCE

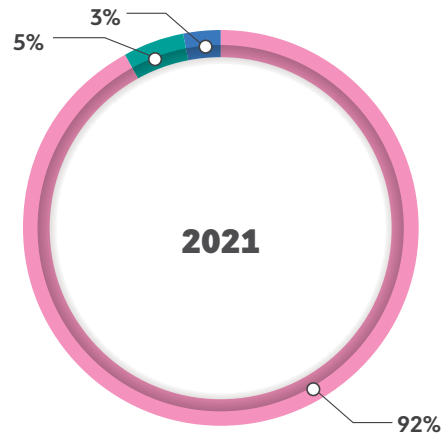
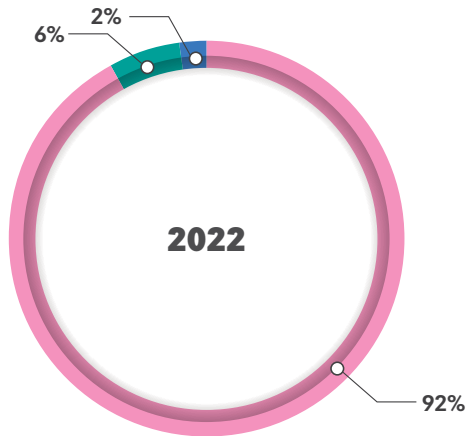
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER

In RM'000	First Quarter 31/03/2022	Second Quarter 30/06/2022	Third Quarter 30/09/2022	Fourth Quarter 31/12/2022	Year Ended 31/12/2022
Revenue	416,451	365,000	355,759	336,218	1,473,428
Cost of sales	(317,587)	(250,630)	(261,150)	(212,879)	(1,042,246)
Operating expenses	(59,652)	(70,560)	(50,311)	(66,763)	(247,286)
Operating profit	39,212	43,810	44,298	56,576	183,896
Other income	20,072	13,949	11,831	19,274	65,126
Finance costs	(34,936)	(35,615)	(36,326)	(36,593)	(143,470)
Share of net results of associates & joint ventures	11,431	10,091	5,421	1,048	27,991
Profit before income tax	35,779	32,235	25,224	40,305	133,543
Profit attributable to owners of the parent	19,020	20,701	20,354	20,464	80,539
Shareholders' equity	6,916,172	6,742,189	6,752,327	6,769,201	6,769,201
Earnings per share (sen)	0.4	0.4	0.4	0.4	1.6
Return on equity*	1.1%	1.2%	1.2%	1.2%	1.2%

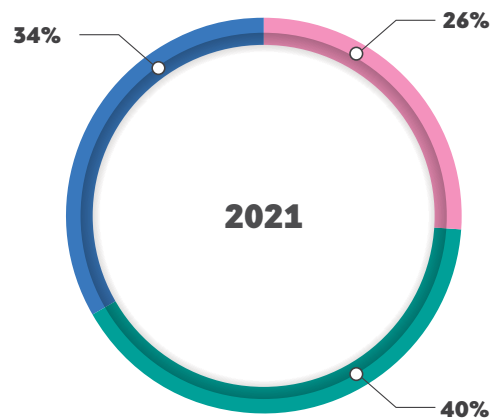
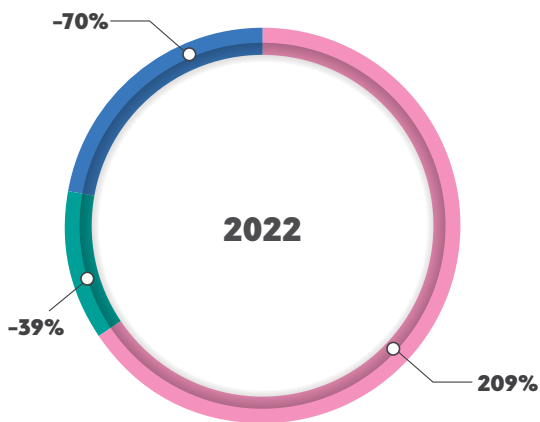
* annualised

SEGMENTAL ANALYSIS

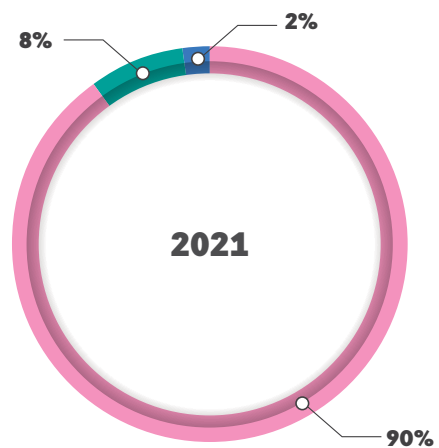
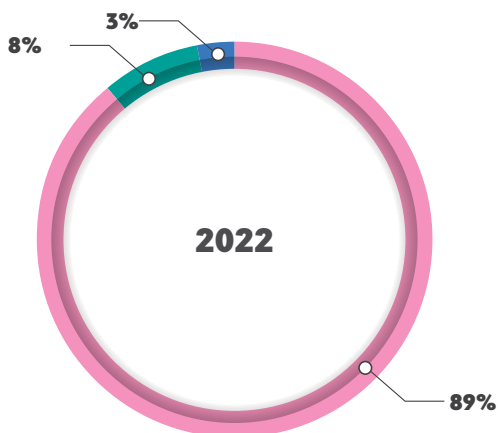
AS AT 31 DECEMBER 2022



Total revenue



Profit/(loss) for the year



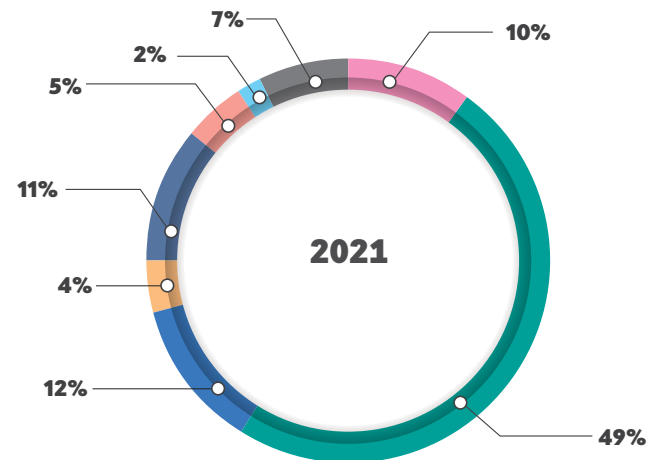
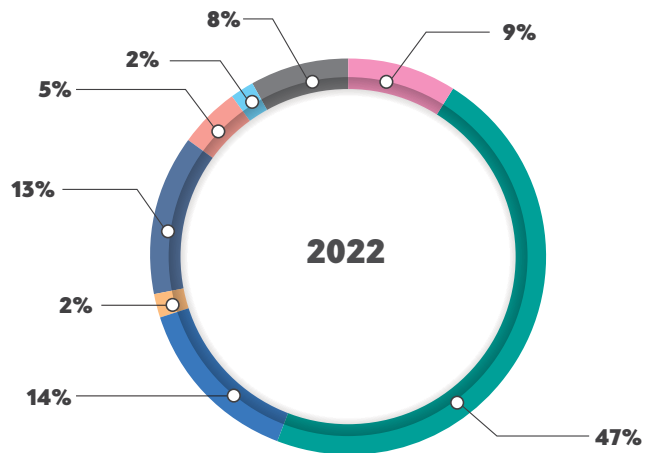
Total assets

● Property Development

● Property Investment and Hotel Operation

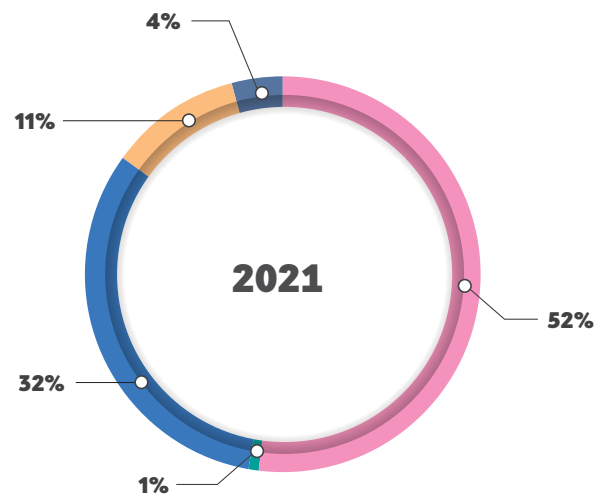
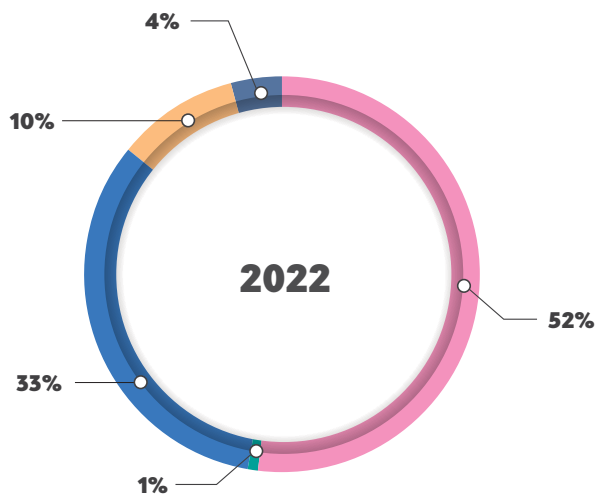
● Others

SIMPLIFIED GROUP STATEMENTS OF FINANCIAL POSITION



- Land held for property development and property development costs
- Inventories
- Goodwill
- Deposits, cash and bank balances
- Interests in associates, joint ventures & others
- Receivables
- Deferred tax asset
- Property, plant and equipment and investment properties

Total Assets

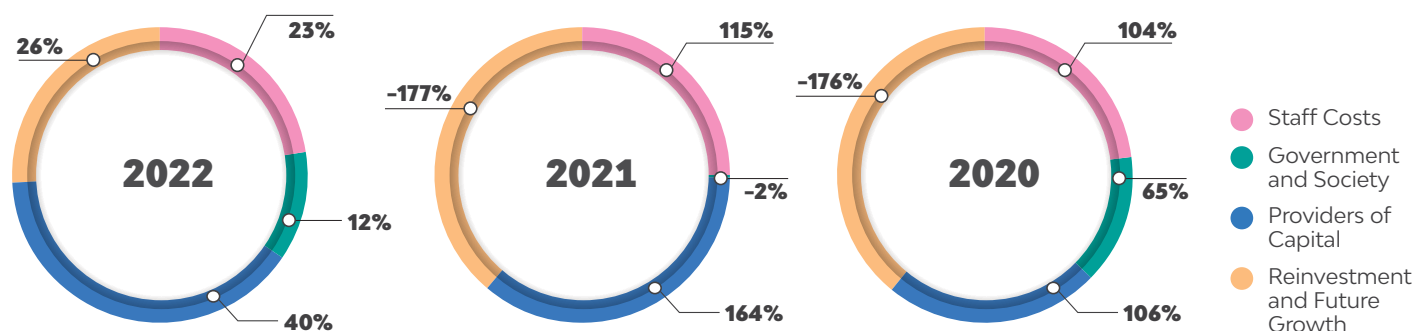


- Shareholders' equity
- Non-controlling interests
- Borrowings
- Payables
- Provisions and others

Total Equity And Liabilities

STATEMENT OF VALUE ADDED

	2022 RM'000	2021 RM'000	2020 RM'000
VALUE ADDED:			
Revenue	1,473,428	1,184,511	1,136,881
Purchase of goods and services	(1,139,958)	(1,146,967)	(1,023,240)
Value added by the Group	333,470	37,544	113,641
Other income	65,126	37,530	76,150
Share of result of associates	4,043	11,154	(7,628)
Share of result of joint ventures	23,948	1,827	(57,050)
Total value added available for distribution	426,587	88,055	125,113
DISTRIBUTION:			
To employees			
– salaries and other staff costs	97,190	100,955	130,632
To government			
– income tax	51,479	(1,796)	80,305
– zakat	–	–	1,080
To provider of capital			
– finance cost	143,470	144,712	132,850
Retained for future reinvestment & growth			
– depreciation & amortisation	52,384	56,309	56,962
– retained profits	80,539	(213,047)	(277,284)
– minority interest	1,525	922	568
Total distributed	426,587	88,055	125,113
RECONCILIATION			
Profit for the year	82,064	(212,125)	(276,716)
Add: Depreciation & amortisation	52,384	56,309	56,962
Finance costs	143,470	144,712	132,850
Staff cost	97,190	100,955	130,632
Income tax	51,479	(1,796)	80,305
Zakat	–	–	1,080
Total value added	426,587	88,055	125,113



FINANCIAL CALENDAR



Consolidated results for the financial year ended 31 December 2021.

 **23 February 2022**

Announcement of Notice of 14th AGM.

 **28 April 2022**

Issuance of Integrated Report for the financial year ended 2021.

 **29 April 2022**

First quarter consolidated results for the financial period ended 31 March 2022.

 **25 May 2022**

14th AGM held virtually.

 **23 June 2022**

Second quarter consolidated results for the financial period ended 30 June 2022.

 **24 August 2022**

Third quarter consolidated results for the financial period ended 30 September 2022.

 **23 November 2022**

INVESTOR INFORMATION

UEM Sunrise stands firm in our values, which is putting our stakeholders at the centre of our purpose. We remained fully committed to disseminate transparent and consistent information with clarity, equal access, accuracy, timeliness and comprehensiveness on continuous updates with regard to the Company's business operations, financial performance, key development progress, strategic direction and future plans. We custom-made our engagement strategic plans to meet key stakeholders' value expectations. Throughout the year, we actively engaged with investment communities and other stakeholders regularly in line with the recommendation of the Malaysian Code on Corporate Governance and other relevant regulatory bodies. This enabled us to better understand the stakeholders' changing needs and allow them to make informed investment decisions, resulting in the forging of strong relationships, maintaining the trust of the local and international investment communities in UEM Sunrise.

As our focus on ESG grows, we are committed to creating and preserving sustained values for all our stakeholders through our integrated strategy. It is also increasingly crucial to engage with stakeholders to ensure that they understand our objectives, goals and expectations, enabling them to make informed decisions.

The Investor Relations (IR) team is an integral part of UEM Sunrise's corporate governance initiatives. Our IR team supports the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) in their engagement efforts to cultivate a strong relationship with shareholders, investors and other stakeholders. We pride ourselves in consistently maintaining a direct and open communication with our stakeholders and keep the market informed of all information which may have or could be expected to have a material impact on the value of UEM Sunrise's securities.

The modes of communication used by the IR team are set out below:

14th Annual General Meeting

Primary engagement platform for the Board and shareholders. It provided an avenue for shareholders to seek clarification and gain a deeper understanding of the Company's financial performance and strategies.



Engagement Date

23 June 2022



Audience

862 shareholders and proxies



Meeting type

Virtual

Analyst Briefing

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



Engagement Date

Q4 2021 – 23 February 2022
Q1 2022 – 25 May 2022
Q2 2022 – 24 August 2022
Q3 2022 – 23 November 2022



Audience

Analysts and Fund Managers



Meeting type

Virtual

Briefings are also held to clarify issues relating to a public disclosure. An example of this was the virtual briefing held after the announcement of the acquisition of the land in Jalan Sultan Yahya Petra in Kuala Lumpur on 5 August 2022 (the day after the disclosure). The purpose was to explain the rationale of the acquisition and provide further clarity.

Investment Community Engagement

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



Engagement Date

Throughout the year



Audience

Analysts and Fund Managers



Meeting type

Physical or virtual meeting

Other Communication Channels

As means to also disseminate relevant information on the Company to stakeholder and the public, UEM Sunrise uses the following communication channels to reach out to targeted groups more effectively and efficiently.



Website

uemsunrise.com/corporate/investor-relations



Email

ir@uemsunrise.com

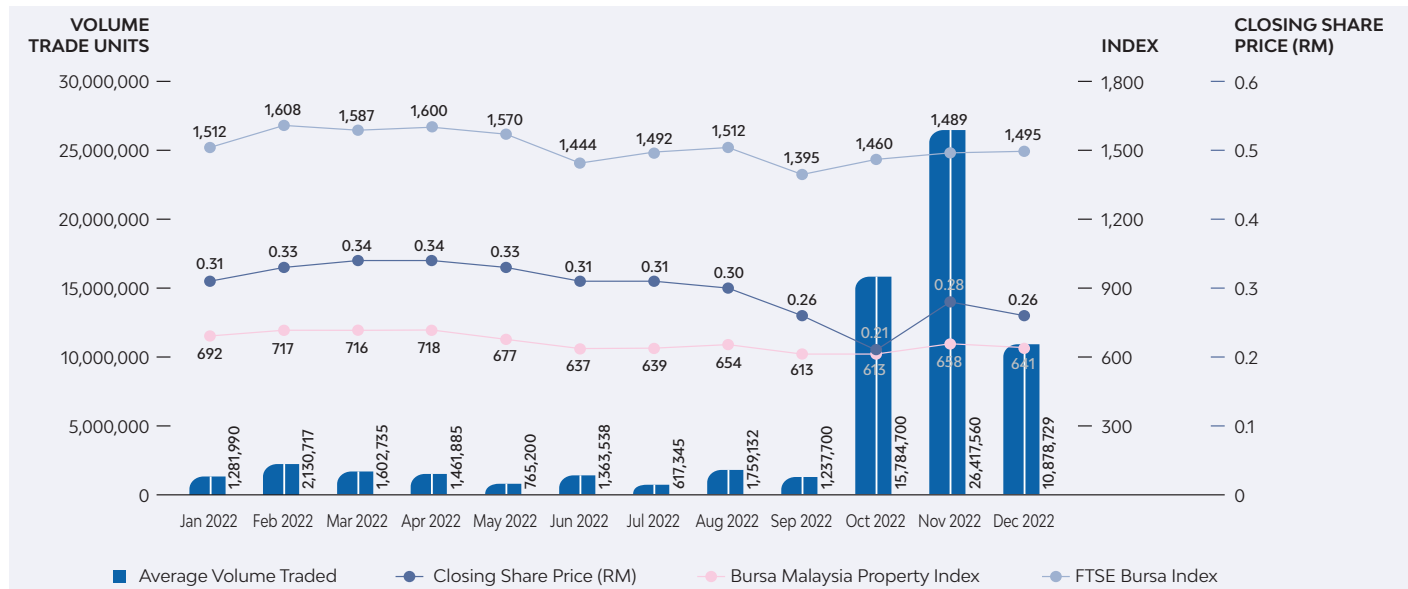


Social Media

LinkedIn: UEM Sunrise Berhad
Instagram: uem_sunrise
Facebook: UEM Sunrise
Twitter: UEMSUNRISE_MY

SHARE PRICE PERFORMANCE

UEM Sunrise Share Price Movement and Monthly Volume Traded



FY2022							
Month	Highest Share Price for the Month (RM)	Lowest Share Price for the Month (RM)	Average Share Price for the Month (RM)	¹ Closing Share Price (RM)	Monthly Average Volume Traded	¹ FTSE Bursa Index	¹ Bursa Malaysia Property Index
Jan 2022	0.35	0.31	0.33	0.31	1,281,990	1,512	692
Feb 2022	0.37	0.32	0.33	0.33	2,130,717	1,608	717
Mar 2022	0.35	0.30	0.32	0.34	1,602,735	1,587	716
Apr 2022	0.36	0.33	0.35	0.34	1,461,885	1,600	718
May 2022	0.34	0.32	0.33	0.33	765,200	1,570	677
Jun 2022	0.35	0.31	0.32	0.31	1,363,538	1,444	637
Jul 2022	0.31	0.30	0.30	0.31	617,345	1,492	639
Aug 2022	0.32	0.30	0.31	0.30	1,759,132	1,512	654
Sep 2022	0.30	0.26	0.28	0.26	1,237,700	1,395	613
Oct 2022	0.27	0.19	0.22	0.21	15,784,700	1,460	613
Nov 2022	0.30	0.19	0.22	0.28	26,417,560	1,489	658
Dec 2022	0.29	0.25	0.26	0.26	10,878,729	1,495	641

¹ Data is at the end of each respective month

UEM SUNRISE'S COVERAGE

1. AmInvestment Bank Berhad
2. CGS-CIMB Securities Sdn. Bhd.
3. Hong Leong Investment Bank Berhad
4. Maybank Investment Bank Berhad
5. MIDF Amanah Investment Bank Berhad
6. Public Investment Bank Berhad
7. RHB Research Institute Sdn. Bhd.
8. UOB Kay Hian Securities (Malaysia) Sdn. Bhd.





DELIVERING DREAM

Homes



BUSINESS REVIEW



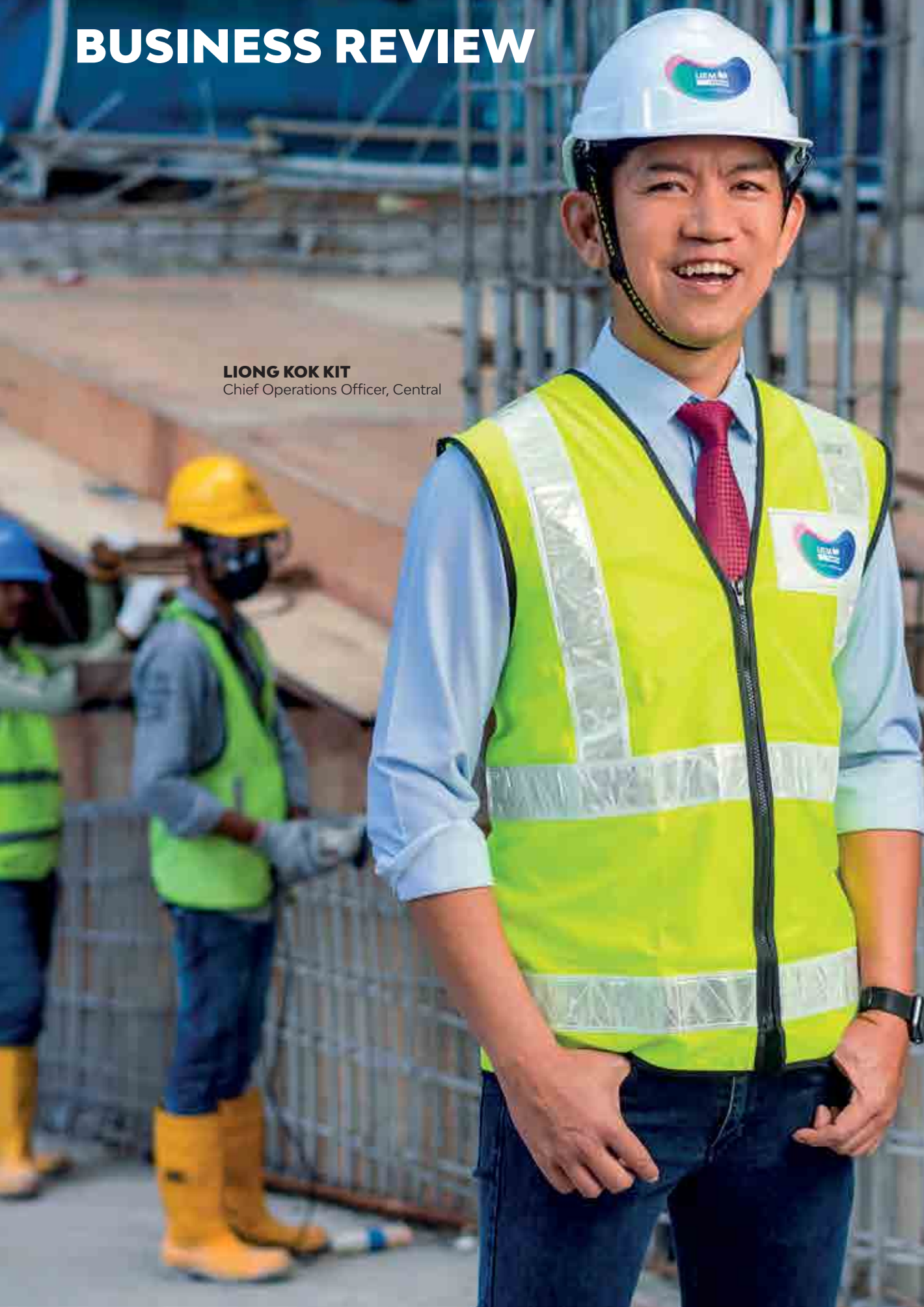
SANIMAN MD APANDI
Chief Operations Officer, Southern



LIONG KOK KIT
Chief Operations Officer, Central

BUSINESS REVIEW

LIONG KOK KIT
Chief Operations Officer, Central



Central Region

UEM Sunrise is known for its award-winning and upmarket residential, commercial and mixed-use developments in the Central region. Our presence is spread across Mont'Kiara, Semenyih, Shah Alam, Cyberjaya, Kuala Lumpur, Seri Kembangan, and Seremban. Our developments at each location offer their own unique selling propositions. It is with this competence that we are able to develop the Happy+ product series that appeal to everyone at their different stages of life with designs that are premised upon a thorough and well-researched understanding of the various market segments' needs and desires.

Our focus in Central is primarily residential development. Mont'Kiara products are usually high-rise premium while those in Kuala Lumpur, the likes of Kiara Bay in Kepong and KAIA Heights in Equine Park, Seri Kembangan, are high-rise mid-market. We would expect to see more of such products when we launch The Connaught One in Cheras in the second quarter of 2023. Developments in Serene Heights, Semenyih are mainly landed mid-market residences, while Symphony Hills in Cyberjaya is a combination of premium landed homes and high-rises. Radia Bukit Jelutong, Shah Alam is a mixed integrated development whereas Forest Heights, Seremban is a residential township development featuring mainly landed mid-market residences. Both Radia Bukit Jelutong and Forest Heights are joint venture developments.

We have also built commercial and retail offerings to support community living within our developments. Among these is our creative retail space known as Publika Shopping Gallery in Solaris Dutamas, neighbouring Mont'Kiara as well as a four-star extended stay hotel, Hyatt House Kuala Lumpur Mont'Kiara. We also developed and own Arcoris in Mont'Kiara located adjacent to the hotel as well as Mercu Summer Suites, an integrated business venue with retail outlets on the lower floor, at the intersection of Jalan Sultan Ismail and Jalan Ampang in Kuala Lumpur.

As of February 2023, our remaining landbank in the Central region is 623.7 acres representing 7.3% of our total landbank. This includes land for projects planned under joint ventures, future developments, and phases of ongoing developments yet to launch. The pipeline GDV for the land is estimated at RM29.9 billion. This includes future phases of Serene Heights, Kiara Bay, balance development lands in Mont'Kiara and Segambut, and the potential development of Section 13, Petaling Jaya.

BUSINESS REVIEW

CENTRAL REGION PROJECTS

RESIDENSI SOLARIS PARQ | DUTAMAS



LAUNCHED GDV

RM781.9
MILLION

PROGRESS

- Blocks A and B **completed**

TAKE-UP RATE AS OF TO DATE **100%**

Residensi Solaris Parq | Dutamas is the first phase of Solaris Parq, an integrated mixed development on a sprawling 18.8 acres freehold land that bears semblance to the highly sought-after Solaris Dutamas. Residensi Solaris Parq has two 41-storey towers housing a total of 576 units (288 units in each tower). It was completed and handed over in stages to buyers starting from end December 2022. The remaining phases of Solaris Parq has an estimated GDV of RM1,655.8 million from the total estimated GDV of RM2,437.7 million. The development comprises residential, retail, and office spaces that are integrated with a 2-acre park. We are studying to improve the components of the remaining phases of Solaris Parq for a higher GDV. The estimated GDV disclosed herein is subject to change.

RESIDENSI ASTREA | MONT'KIARA

LAUNCHED GDV

RM324.9
MILLION

PROGRESS

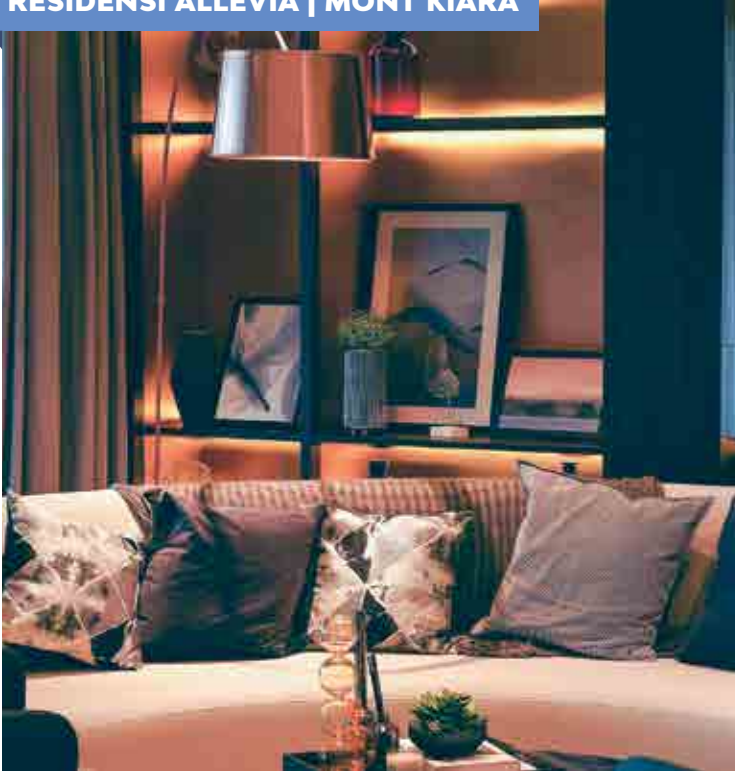
- Expected Completion: **2024**

TAKE-UP RATE AS OF TO DATE **96%**

Residensi Astrea | Mont'Kiara, a 36-storey condominium development situated on a 2.4-acre land along Jalan Kiara 5 in Mont'Kiara. With a total GDV of RM324.9 million, the development houses 240 units and is endowed with facilities such as sun lounges, saltwater infinity pool, Jacuzzi, and BBQ pavilion. Others include a garden, water feature, maze garden, pavilion, koi pond and residents' lounge.



RESIDENSI ALLEVIA | MONT'KIARA



LAUNCHED GDV

RM545.8
MILLION

PROGRESS

• Expected Completion: **2025**

TAKE-UP RATE AS OF TO DATE **69%**

Resensi Allevia | Mont'Kiara is a residential high-rise with a hotel-like concept on a 2.9-acre land in Mont'Kiara. The development boasts 294 units and a total GDV of RM545.8 million. With a dedicated access via Jalan Kiara 4 and accessible by four developments, Resensi Allevia offers an elevated living experience and privacy that is second to none. It is also within walking distance to amenities such as international schools and commercial hubs.

KONDOMINIUM KIARA KASIH | SEGAMPUT

LAUNCHED GDV

RM215.7
MILLION

PROGRESS

• Expected Completion: **2023**

TAKE-UP RATE
AS OF TO DATE **100%**



Kondominium Kiara Kasih | Segambut is a 40-storey attainable housing development. With a total GDV of RM215.7 million, the development is a RUMAWIP scheme (now known as Resensi Wilayah) and sits on a 2.1-acre land. It has 719 residential units and is priced at RM300,000 per unit; equivalent to RM353 psf. The development has a swimming pool, outdoor gym, BBQ area, and aroma garden.

BUSINESS REVIEW

CENTRAL REGION PROJECTS

SERENE HEIGHTS | SEMENYIH



Serene Heights | Semenyih is a mixed residential development sprawling across a vast 448-acre land that features bungalows, terraces, apartments, shop lots as well as public amenities. The estimated total GDV of the development is RM3,682.0 million. To date, RM980.2 million has been launched to the market featuring 1,291 units.

LAUNCHED GDV

RM980.2
MILLION

TAKE-UP RATE AS OF TO DATE

97%

REMAINING GDV

RM2,701.8
MILLION

PROGRESS

- Earlier launched phases **completed**
- Expected Completion: **2030**

LAUNCHED GDV

RM1,263.2
MILLION

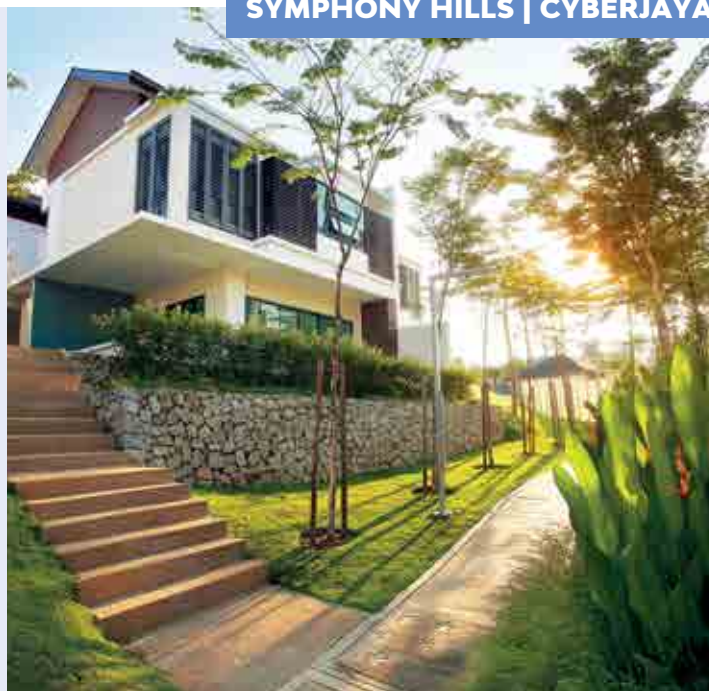
PROGRESS

- Earlier launched phases **completed**
- Expected Completion: **2025**

TAKE-UP RATE AS OF TO DATE **98%**

Symphony Hills | Cyberjaya is a high-end residential development on a 98-acre land in Cyberjaya. With a total GDV of approximately RM1,263.2 million, the development features 2,500 mixed strata and landed residential units.

SYMPHONY HILLS | CYBERJAYA



RESIDENSI AVA | KEPONG

LAUNCHED GDV

RM655.1
MILLION

PROGRESS

• Expected Completion: **2024**

TAKE-UP AS OF TO DATE **98%**

Residensi AVA | Kepong is a 41-storey service apartment consisting of 870 units in two towers. It has a total GDV of RM655.1 million and is the first development launched in Kiara Bay, a new integrated development on a 4.4-acre land next to the Kepong Metropolitan Park. The development offers a wide range of facilities, including a garden, Al-Fresco, retail units, leisure pod, surau, reading room, nursery, games rooms, multi-purpose hall, outdoor fitness spots, playground, kids' play pool, BBQ area, pool island, dining hall, landscape terrace, sun deck, a 50-metre infinity edge lap pool, meditation, taichi and yoga decks, gymnasium, sauna and half basketball court.



KAIA HEIGHTS | EQUINE PARK

LAUNCHED GDV

RM674.0
MILLION

PROGRESS

• Expected Completion: **2026**

TAKE-UP RATE AS OF TO DATE **38%**



KAIA Heights | Equine Park is a hilltop condominium residence in Equine Park, located along Jalan Equine 9, Taman Equine in Seri Kembangan. The development is the first and only of its kind in the area, standing as the tallest landmark, occupying 19.2 acres of land. It is a low-density development with a total of 924 units, and an estimated total GDV of RM674.0 million. The development encompasses a six-acre nature reserve and eight-acre landscape and facilities, including a multi-sports area.

BUSINESS REVIEW

CENTRAL REGION PROJECTS

RADIA | BUKIT JELUTONG



Radia | Bukit Jelutong is a 50:50 joint venture project with Sunrise Development Sdn. Bhd. It is built on 20.9 acres of land and has a total GDV of RM2.0 billion. Radia boasts a unique hand fan-shaped design inspired by a fusion of Mediterranean and Asian themes. The mixed development comprises serviced apartments, retail shops, and strata offices, with a total of 1,060 units consisting of 640 residential units, 238 office units, and 182 retail units. The total gross floor area is about 295,335 square meters (3.2 million square feet).

LAUNCHED GDV

RM990.2
MILLION

TAKE-UP RATE AS OF TO DATE

86%

REMAINING GDV

RM1,017.8
MILLION

PROGRESS

• Expected Completion: **2030**

FOREST HEIGHTS | SEREMBAN



Forest Heights | Seremban is a joint venture project with MCL Land Ltd. of Hong Kong. It is situated on a 488-acre land in Seremban, Negeri Sembilan. The township comprises single-storey and double-storey link houses, bungalows, and retail shop offices, with a total of 2,859 units and a total GDV of RM2,017.0 million. 1,448 units have been launched to date valued at RM677.5 million.

LAUNCHED GDV

RM677.5
MILLION

TAKE-UP RATE AS OF
TO DATE

96%

REMAINING GDV

RM1,339.5
MILLION

PROGRESS

• Expected Completion: **2030**



Residensi Solaris Parq, Dutamas

OUTLOOK

We are gearing up for an exciting year ahead with a focus on expanding our presence and portfolio in the Central region. Despite the challenges brought about by the pandemic and the impediment associated with the online applications for the advertising permit and developer's licence in addition to other relevant approvals, we remain committed to creating stronger pipelines and strengthening future revenue streams.

Among the projects we have lined up for launches this year in Central is the unveiling of the much awaited The MINH in Mont'Kiara. Valued at a total estimated GDV of RM947.0 million, The MINH features 496 residential units with built-up sizes ranging between 149 square meters (1,607 square feet) to 279 square meters (3,010 square feet). It is the first development to be launched under the Happy+ product series branding. Designated as a 'CLUB Edition by UEM Sunrise' product, The MINH is a harmonious combination of French Colonial design and the traditions of vernacular design in Vietnam. It is located next to Bukit Kiara Hills. The MINH offers a balance of outdoor and indoor living integrating new norm features with ESG characteristics, which are embedded into its development design. It comes with resort-style facilities, including a private lift lobby, express ramp to multi-level parking, EV charger bay and an

automated waste collection system. We target to launch The MINH in the second quarter of 2023.

The next launch in Central is the introduction of The Connaught One in Taman Connaught, Cheras. The RM743.0 million GDV project will be directly connected to the Cheras-Kajang Highway, Jalan Cheras with a short drive to the Middle Ring Road 2. It is near the Taman Connaught MRT station of the MRT Kajang Line and will be our first mixed transit-oriented development. It is our second Happy+ product series, under the 'RISE series by UEM Sunrise'. With built-up sizes between the ranges of 42 square meters (452 square feet) to its biggest 118 square meters (1,270 square feet), we are planning to infuse all 1,334 residences and 15 retail units, flexible and attainable living as part of the proposal to future-proof our products. We anticipate to launch the project towards the end of the second quarter of 2023.

We will also launch a new high-rise residential development in Kiara Bay and more landed homes in Serene Heights.

We continue to actively seek strategically located new landbanks in the Central region with quick turnaround features.

BUSINESS REVIEW



SANIMAN MD APANDI
Chief Operations Officer, Southern

Southern Region

We are the master developer of Iskandar Puteri, one of the five flagship zones of Iskandar Malaysia in the Southern region. As the master developer and largest landowner in Johor, we are in a strong position to cater to various market segments, offering a variety of products to meet market demand, subject to the planned growth trajectory for Iskandar Puteri, which transpired from the Iskandar Puteri development master plan. We also have a development in Desaru, Johor; The Maris, currently owned together with our JV partner, Desaru North Course Berhad, a subsidiary of Destination Resorts and Hotels Sdn. Bhd. (formerly known as Themed Attractions Resorts & Hotels Sdn. Bhd.). The 228-acre development has a total estimated GDV of RM2.0 billion. Precinct 1; a GDV of RM53.0 million, comprises 66 cluster houses. We also have a presence in Kulai through our collaboration with KLK Land Sdn. Bhd., a subsidiary of Kuala Lumpur Kepong Berhad for the development of a 2,500-acre land, currently pending development.

In recent years, we have been focusing on mid-market and attainable landed homes, which appear to be the current appetite of the population in the Southern region. We have also master planned key development projects including Puteri Harbour, Afiat Healthpark, SiLC, and the latest addition to the list of our master planned projects in Iskandar Puteri; Gerbang Nusajaya.

Gerbang Nusajaya is a 4,551-acre development designed as a hub for economic activity featuring residential, industrial and commercial developments. As a master developer for Gerbang Nusajaya, we are developing the area into a sustainable and well-connected township supported by regional connectivity due to its close proximity to Singapore, via Tuas and the Senai International Airport by means of the Second Link Expressway. We are currently completing the construction of the Gerbang Nusajaya Interchange tentatively targeted in May 2023, opening it to the public in the third quarter of this year. The interchange will connect directly to the Second Link Expressway making connectivity effortless for the population of Gerbang Nusajaya.

We also own numerous commercial and retail properties in Iskandar Puteri specifically the retail strip Marina Walk in Puteri Harbour, commercial neighbourhood Anjung within the East Ledang development, and F&B and leisure retail centre Mall of Medini next to the LEGOLAND Malaysia Resort jointly owned with Iskandar Investment Berhad.

As of February 2023, our remaining landbank in the Southern region is 7,877.3 acres representing 92.3% of our total landbank. This includes land for projects planned under joint ventures, future developments, and phases of ongoing developments yet to launch. The pipeline GDV for the land is estimated at RM75.1 billion. This includes future developments of Gerbang Nusajaya, Puteri Harbour, Senadi Hills, joint venture projects yet to launch and remaining phases of ongoing developments yet to launch to the market.

BUSINESS REVIEW

SOUTHERN REGION PROJECTS

ALMAS & TEEGA | PUTERI HARBOUR



Almas

LAUNCHED GDV

RM581.4
MILLION

TAKE-UP AS OF TO
DATE

88%

REMAINING GDV

RM1,385.5
MILLION

PROGRESS

- Almas Phase 1 **completed**
- Almas Expected Completion: **2030**

Teega

LAUNCHED GDV

RM1,314.1
MILLION

TAKE-UP RATE AS OF
TO DATE

100%

Almas & Teega | Puteri Harbour, where Almas is a residential mixed development on a 12.2-acre land featuring residences, suites, offices and retail boulevard components. Phase 1 comprising a 34-storey residential block; Almas Suites of 544 units, 20-storey office towers and 44 retail units, have all been launched and completed. Phase 2 consists of two blocks of residential towers has yet to be launched. Almas has a total GDV of RM2.0 billion. Excluding components which have been delivered, we still have a remaining GDV of RM1.4 billion in Almas. Teega, on the other hand, is a three-tower residential development with minimal commercial, retail and office suites. The RM1.4 billion GDV development with 1,343 residential units in total was completed and delivered in 2017.

ASPIRA LAKEHOMES, ASPIRA GARDENS, ASPIRA PARKHOMES, AND ASPIRA SQUARE | GERBANG NUSAJAYA, ISKANDAR PUTERI

Aspira LakeHomes, Aspira Gardens, Aspira ParkHomes, and Aspira Square | Gerbang Nusajaya, Iskandar Puteri are our Aspira-themed houses. They form part of our sustainable residential development in Gerbang Nusajaya, featuring design features aimed at reducing the carbon footprint of individuals in a single home. Aspira Gardens, one of our Aspira-themed residential development, features 'solar ready' houses with solar street lighting, rainwater harvesting for the semi-detached houses, low Volatile Organic Compounds (VOC) paints, and water-saving sanitary fittings. The houses also come with an Integrated Smart and Secure System, a built-in security system that minimises or eliminates crime within the neighbourhood. Aspira Square is Gerbang Nusajaya's first commercial development featuring 59 units of two to three-storey shop offices and completed in 2021.

LAUNCHED GDV

RM263.6
MILLION

TAKE-UP RATE AS OF
TO DATE

99%

REMAINING GDV

RM223.3
MILLION

PROGRESS

- Earlier launched phases **completed**
- Expected Completion: **2028**

Aspira LakeHomes, Gerbang Nusajaya



LAUNCHED GDV

RM306.6
MILLION

TAKE-UP RATE AS OF TO DATE **97%**

PROGRESS

- Phase 1 **completed**
- Expected Completion: **2023**

Aspira ParkHomes, Gerbang Nusajaya



LAUNCHED GDV

RM107.9
MILLION

TAKE-UP RATE AS OF TO DATE **100%**

PROGRESS

- Expected Completion: **2025**

Aspira Gardens, Gerbang Nusajaya



BUSINESS REVIEW

SOUTHERN REGION PROJECTS

SENADI HILLS | ISKANDAR PUTERI



Senadi Hills | Iskandar Puteri is a multi-generational living residential located 2 km away from LEGOLAND Malaysia Resort. Its design and concept are friendly to the elderly and less-abled and the enclave has wheelchair-friendly spaces. Only Phase 1A and Phase 1B totalling 116 units were launched; a combined GDV of RM172.4 million. Vacant possession of the former was in 2022, while the latter was early this year. Excluding its commercial component; Senadi Square, Senadi Hills have a remaining GDV of RM199.0 million to launch.

LAUNCHED GDV

RM203.3
MILLION

TAKE-UP RATE AS OF
TO DATE

99%

REMAINING GDV

RM199.0
MILLION

PROGRESS

- Phase 1A and 1B **completed**

LAUNCHED GDV

RM651.8
MILLION

TAKE-UP RATE AS OF
TO DATE

99%

REMAINING GDV

RM3,850.6
MILLION

PROGRESS

- Phase 1 **completed**
- Expected Completion: **2045**

Estuari Gardens | Iskandar Puteri is an eco-living concept that pursues the interface between land and water – enabling customers to live in harmony with nature. Situated on 47.7 acres of land in Puteri Harbour, Estuari Gardens registers a total of 350 units with a GDV of RM651.8 million. It is a secured, guarded and exclusive residential haven with built-ups ranging from 251 square meters (2,708 square feet) to 464 square meters (4,990 square feet).

ESTUARI GARDENS | ISKANDAR PUTERI



EAST LEDANG | ISKANDAR PUTERI

LAUNCHED GDV

RM1,661.5
MILLION

TAKE-UP RATE AS OF
TO DATE

97%

REMAINING GDV

RM1,683.7
MILLION

PROGRESS

- Earlier launched phases **completed**
- Expected Completion: **2035**

East Ledang | Iskandar Puteri is a luxurious residential development that spans over 348 acres with a total GDV of RM3.3 billion. The development is themed around gardens, and has 31 beautifully landscaped gardens with a lake and wetlands. The development comprises of link duplexes, twin villas, townhouses, bungalows, high-rise apartments, a clubhouse, and a retail centre.



NUSA IDAMAN | ISKANDAR PUTERI

LAUNCHED GDV

RM946.4
MILLION

TAKE-UP RATE AS AT
TO-DATE

100%

REMAINING GDV

RM223.4
MILLION

PROGRESS

- Earlier launched phases **completed**
- Expected Completion: **2031**

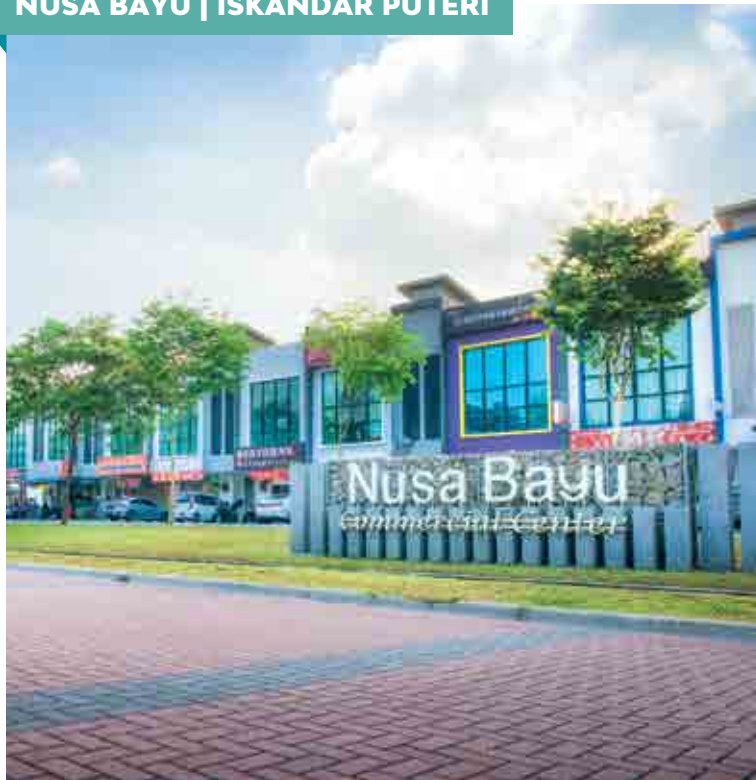
Nusa Idaman | Iskandar Puteri is a residential development that caters to the medium to medium-high income group. Sprawled across about 251 acres with a total GDV of approximately RM1.2 billion, this development offers a range of residential components to suit different lifestyles and preferences. It includes double-storey terraces, semi-detached homes, bungalows, and high-rise condominiums. With a variety of retail outlets nearby, the development offers convenience and accessibility to residents.



BUSINESS REVIEW

SOUTHERN REGION PROJECTS

NUSA BAYU | ISKANDAR PUTERI



Nusa Bayu | Iskandar Puteri is a residential development for first-time homebuyers on a 258-acre land with a total GDV of RM1.2 billion. It is designed to cater to the community's needs and offers access to primary and secondary schools, a mosque, a community centre, and shopping facilities. It also has recreational facilities, including a 3.7-acre football field, 550-metre jogging path, and a 7.5-acre lake.

LAUNCHED GDV

RM750.9
MILLION

TAKE-UP RATE AS OF
TO DATE

100%

REMAINING GDV

RM447.4
MILLION

PROGRESS

- Earlier launched phases **completed**
- Expected Completion: **2031**

68° Avenue | Iskandar Puteri is a contemporary development that presents spacious 2-storey and 3-storey shop-lots/shop-offices which feature a scenic central courtyard designed for community activities and a comfortable common space for both tenants and visitors. Surrounded by greenery and pocket garden spaces, the development epitomises harmony between nature and business activities. The development has been completed and delivered in 2021.

LAUNCHED GDV

RM167.7
MILLION

TAKE-UP RATE AS OF
TO DATE

96%

68° AVENUE | ISKANDAR PUTERI



HORIZON HILLS | ISKANDAR PUTERI

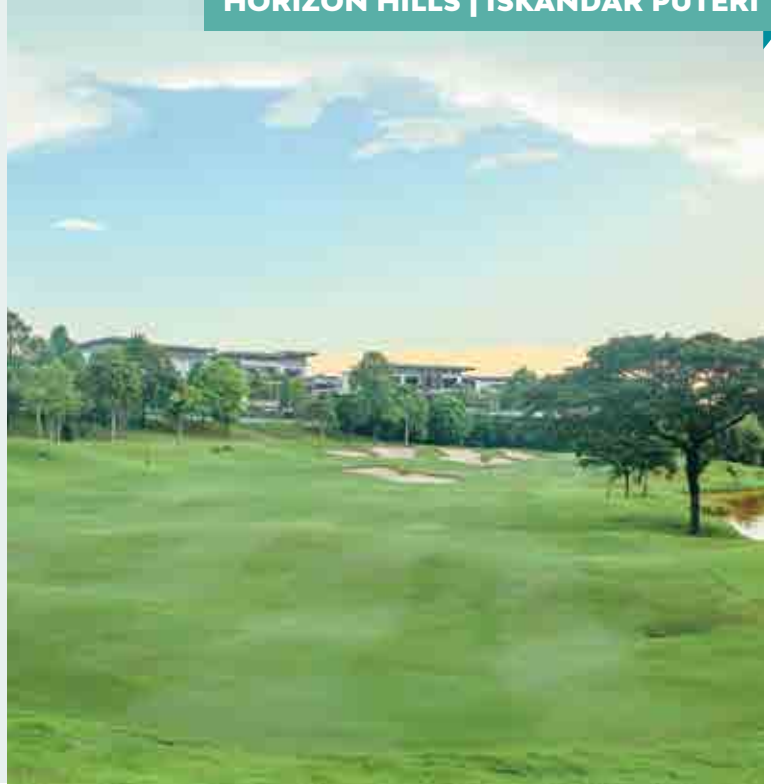
Horizon Hills | Iskandar Puteri is more than just a township development – it is a lifestyle. Built in collaboration with Gamuda Land, it boasts an 18-hole par 72 designer golf course that is sure to impress golf enthusiasts. The development features a range of residential properties, including double-storey terraces, semi-detached homes, bungalows, shophouses, and a luxurious clubhouse.

LAUNCHED GDV
RM5,520.3
MILLION

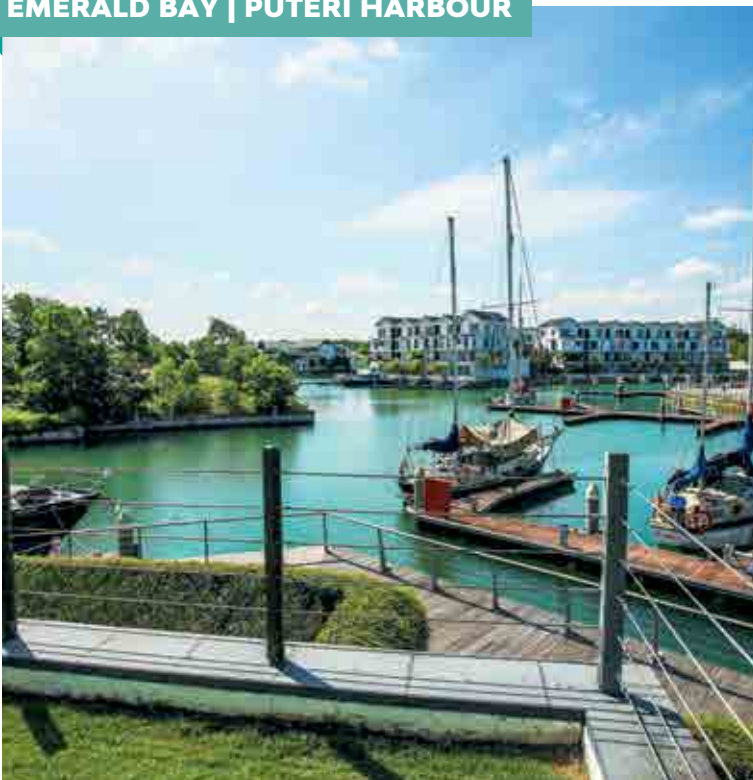
TAKE-UP RATE AS OF
TO DATE
96%

REMAINING GDV
RM1,563.7
MILLION

PROGRESS
• Expected Completion:
2030



EMERALD BAY | PUTERI HARBOUR



Emerald Bay | Puteri Harbour is the epitome of luxury waterfront living. A 40:60 joint venture with BRDB Developments Sdn Bhd (formerly known as Bandar Raya Developments Berhad), this development offers an exclusive selection of waterfront canal homes that provide stunning views of the surrounding area.

LAUNCHED GDV
RM413.4
MILLION

TAKE-UP RATE AS OF
TO DATE
88%

REMAINING GDV
RM3,246.6
MILLION

PROGRESS
• Expected Completion:
2032

BUSINESS REVIEW

The Maris | Desaru is a true gem in the heart of a tropical paradise. Jointly-owned with Desaru North Course Berhad, this project is the first residential phase in Desaru Coast, an idyllic getaway destination overlooking the South China Sea. Other components in Desaru Coast include luxury hotels, a water park, and a conference centre.

LAUNCHED GDV

RM52.6
MILLION

TAKE-UP RATE AS OF
TO DATE

100%

REMAINING GDV

RM1,852.4
MILLION

PROGRESS

• Expected Completion:
2030



THE MARIS | DESARU

OUTLOOK

Based on the data by NAPIC, property market activity recorded growth in 2022. A substantial number of new properties were launched to the market, with Johor coming in as the third highest state after Selangor and Kuala Lumpur. Residential overhang numbers have also reduced by 24.7% and 19.2% in terms of volume and value, respectively, nation-wide. Although Johor recorded the highest numbers in the country, the overhang volume and value have reduced by 14.2% and 13.5%, respectively.

As a master developer and landowner for major developments in Iskandar Puteri, we fully understand the market sentiment and the buyers' preferences when it comes to selecting the properties of their choice in the Southern region. Buyers in Southern prefer landed mid-market and attainable properties. We have temporarily ceased the launches of high-rise developments unless they are attainable products, the last being Denai Nusantara launched in January 2016. Denai Nusantara is sold out and delivered to our buyers in January 2019.

For 2023, we plan to launch a few series of new landed residential properties in Senadi Hills and Aspira LakeHomes, as well as introduce a new development codenamed Res 7 in Gerbang Nusajaya. All these are mainly double-storey homes. We also realise that with sustainability becoming increasingly important for all stakeholders, it is imperative for UEM Sunrise to ensure that our aspirations under the Sustainability Blueprint are entrenched in all our masterplans, products and design for all components across all levels of society. This will elevate the quality of life for our stakeholders in the Southern region.

Driving happiness for our buyers through our brand is central to our revenue and business performance. We will continue to work closely with our contractors, suppliers, and other stakeholders to maintain a transparent and cost-effective business or project development process, upholding the principles of integrity. We look forward to continue building on our successes and driving growth in the Southern region in the coming year.



International

UEM Sunrise's international property development portfolio is an exciting and dynamic part of our business. Despite the challenging economic environment in 2022, the Australian property market has remained resilient throughout COVID-19. As economists predict that the market will continue to stabilise throughout 2023 and 2024, we are optimistic on our future development pipeline in Australia.



BUSINESS REVIEW

AURORA MELBOURNE CENTRAL | MELBOURNE



Aurora Melbourne Central | Melbourne

is located at the intersection of La Trobe Street and Swanston Street in Melbourne CBD. Spread across 0.8 acres, the development has 959 residential apartments, 252 serviced apartments, 3,848 square meters (41,420 square feet) of strata office spaces, and 2,123 square meters (22,852 square feet) of signature retail areas on the Ground Floor and Lower Ground valued at a GDV of RM2.2 billion. Part of the Lower Ground Floor is leased to Paddle Battle as the anchor tenant. The first and second phases (or separable portions) of Aurora Melbourne Central were completed and handed over in 2018. The final phase was completed and delivered towards the end of 2019.

INTERNATIONAL PROJECTS

Our projects in Melbourne, Australia meet and exceed the sustainability rating targets required by local authorities as part of the planning permit process. We take sustainability seriously, and our developments are designed to be practical and cost-effective while benefiting the long-term operations of the building and the well-being of residents. Our features include bike park areas, end-of-trip facilities, energy-efficient fittings, and high thermal-performance facade glass systems.

In early 2022, we signed up with Paddle Battle, which is interested in leasing up to 1,680 square meters (18,083 square feet) of our retail area on the Lower Ground Floor of Aurora Melbourne Central. Paddle Battle is one of the brands owned by Home of Hospitality, with head offices in Texas, Australia and Victoria, Australia; a group of experts in the hospitality industry specialising in restaurants, bars and cafes. It is a table tennis social club complemented by a luxury dining experience, making it the first eatertainment of its kind in Australia. With sophisticated food, beverage, and entertainment offerings, the experience is designed to suit social occasions as well as corporate events. Paddle Battle is expected to be operational in the second half of 2023.

As of February 2023, our remaining landbank in Australia is the 1.3-acre land at 21-53 Hoddle Street, Collingwood in Melbourne. It is planned for a mixed-use development, featuring approximately 80% residential and 20% commercial components. The proposed development has a total estimated GDV of AUD250.0 million.

CONSERVATORY | MELBOURNE

Conservatory | Melbourne is a landmark development located at Mackenzie Street between the northern fringe of Melbourne CBD and Carlton Gardens. Spread over approximately 0.5 acres of land, this RM1.0 billion GDV development boasts 446 residential apartments, 300 square meters (3,229 square feet) of signature retail spaces, and 123 podium car parking spaces. With a grand ground-level pedestrian entry and lobby, Conservatory is set to become a highly sought-after address for those looking to experience the best of Melbourne's vibrant lifestyle. Conservatory was completed and handed over towards the end of 2018.



OUTLOOK

UEM Sunrise is always on the lookout for new and exciting development opportunities, not just in Melbourne, but also in other major cities like Sydney and Perth. We are considering both small boutique projects for quick turnaround and medium to large-scale developments for long-term planning. Our campaign to launch the development in Collingwood is currently in the due diligence stage with a potential investor. We target a successful partnership and expect the same accomplishments as our other two projects in Melbourne.

We are also excited to partner with Bourne Local to bring the Collingwood Artisan Market to Melburnians. This unique event celebrates the Collingwood community and supports local businesses. Bourne Local's remarkable markets have showcased the best of Victorian businesses, making them the ideal partner to activate our Collingwood site. While we are always exploring new opportunities, we are also mindful of making informed decisions that align with our business goals and values.

UEM Sunrise remains committed to delivering exceptional developments that enrich communities, enhance lifestyles, and exceed expectations. We look forward to continuing to build strong partnerships and making a positive impact in the places where we operate.



Sustainability



CHIEF Faisal manages various educational and collaborative environmental programmes in SIREH Park, a green lung for the community in Iskandar Puteri, Johor, together with CHIEF Syaza and CHIEF Ailing who is a member of the Board of Directors for the Malaysia Network of the United Nations Global Compact (UNGC), representing both Malaysia and Brunei

SUSTAINABILITY STATEMENT

At UEM Sunrise, sustainability is an integral part of our core values that inspires us to make responsible and efficient choices in all our operations. Our unwavering commitment to sustainability is evident in our comprehensive solutions spanning across Products, Environment, and Community. We firmly believe that by working together, we can unlock a brighter and better tomorrow for all.

Preserving the natural biodiversity is an important part of our sustainability agenda



ECONOMIC

Indirect Economic Impact

- 1,051 units completed and issued
- 6 projects completed
- 17 PINTAR schools adopted

Regulatory Compliance

- Zero non-compliances for anti-competitive behaviour, anti-trust, and monopoly practices

Anti-Corruption

- Zero cases of corruption and bribery

ENVIRONMENTAL

Building a Low-Carbon Future by 2030

- 6,959 tCO₂e for Scope 1, 2 and 3
- 16.63 tCO₂e avoided from recycling programmes

SOCIAL

Health & Safety

- Zero cases of health and safety at head offices, including Loss Time Injury Frequency (LTIF) and Total Recordable Case Frequency
- 95% in Safety Performance Score using SHASSIC

Employee Management

- 19,852 training hours of training delivered
- 20 hours of training on average per employee
- 19.6% employee turnover rate

Customer Management

- 79% in Customer Satisfaction Score (CSS)
- 63% in Service Level Agreement (SLA)
- 83.2% in Product Quality Score using QLASSIC
- Zero breaches in cybersecurity or data loss

SUSTAINABILITY BLUEPRINT 1.0

At the heart of our sustainability strategy lies the Sustainability Blueprint, a comprehensive document outlining our corporate goals and plans for achieving sustainability across our operations. One key area of focus within this blueprint is enhancing the sustainability of our design processes. To achieve this, we are developing the SDDG – a framework that will integrate sustainability considerations into every design decision we make.

Our designers, engineers, and other professionals will use the SDDG as a reference guide to ensure that our designs are not just beautiful and functional, but also environmentally and socially responsible. With a focus on topics like resource efficiency, waste reduction, biodiversity, and social equity, our SDDG will be an essential tool in driving positive change within our corporation and contributing to the broader sustainability movement.

As a critical KPI or target for our corporation, the development and implementation of the SDDG is one of the most important measures of our success in achieving our sustainability goals. Approval of the SDDG by our Board of Directors is an essential step in demonstrating our commitment to sustainability and ensuring that our design processes align with our overall sustainability strategy.

By embedding sustainability principles into our design processes, we can create more resilient, efficient, and equitable products, services, and infrastructure that benefit not just our business and stakeholders, but the planet as a whole.



Liveability



Digital Public Services

- Online **city services**, with enhanced cybersecurity.
- Real-time data for **transparent** decision-making.

Work, Live, Play Models

- Communities **embracing mixed-use** real estate agile infrastructure.
- **Burgeoning** local economy with key services.
- **Increase outdoor focus** with space for leisure activities near office and residential areas.



Affordability



Inclusive City

- **Increase** affordable housing.
- **Equitable access** to key services, healthcare, digital and so forth.

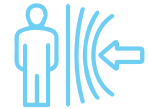


Sustainability



Urban Sustainability

- **Green mobility** & public transport.
- **Open green spaces** & vertical farms.
- Net **zero carbon** ecosystem.
 - > Sustainable built environment.
 - > Renewable energy source integration.
 - > Circular business modes.







Resilience



Resilient Infrastructure & Operations

- **Climate-smart** infrastructure resilient to extreme weather changes.
- **Real-time data tracking** & surveillance of city operations.

SUSTAINABILITY STATEMENT

KEY SUSTAINABILITY PILLARS	STAKEHOLDERS	WHAT IT MEANS	OUR COMMITMENT
	<ul style="list-style-type: none"> • Customers and Tenants • Employees • Local Communities • Government Agencies/ Authorities 	Providing a liveable city space with healthy, high-quality and human-centered smart spaces that enhance well-being, productivity and human experience.	Providing buildings and liveable places that create and enhance living experiences, and enable residents and communities to thrive.
	<ul style="list-style-type: none"> • Customers and Tenants • Service Providers • Banks, Rating Agencies, Sukuk Holders • Government Agencies/ Authorities 	Providing inclusive and accessible quality spaces to all to minimise the effects of inequality.	Ensuring financial access such as affordable rents or fair down payment requirements, and providing appropriate asset standards such as sufficient spaces as well as convenient locations with access to basic services including education and healthcare.
	<ul style="list-style-type: none"> • Government Agencies/ Authorities • Business partners • Customers and Tenants • Investors, Shareholders, Analysts • Sukuk Holders 	Decarbonising spaces through a life cycle strategy and strategic alliances to achieve Carbon Neutrality by 2050. In the coming years, possibly beyond 2025, we expect to do Life Cycle Analysis (LCA) in our product design.	Integrating sustainability practices into our business activities and products such as retrofitting old buildings with energy-saving fittings to lower energy consumption, prioritising renovation or repurposing of buildings instead of demolition, and embedding sustainability in design, construction and operation and maintenance.
	<ul style="list-style-type: none"> • Government Agencies/ Authorities • Investors, Shareholders, Analysts • Banks, Rating Agencies, Sukuk Holders • Media • Local Communities • Customers and Tenants 	Developing buildings and spaces that are resilient and adaptable to change in form and function with minimal intervention needed to the existing structure.	Ensuring all developments, including cities and buildings, are future-proofed and resilient against various risks such as climate and health crises.

In support of our Sustainability Blueprint, we also have the UEM Sunrise's Sustainability Sukuk Framework. This Sustainability Sukuk Framework is established to set out clear and transparent guidelines for issuances of the ASEAN Sustainability Sustainable and Responsible Investment (SRI) Sukuk Murabahah under UEM Sunrise's Islamic commercial papers programme and Islamic medium-term notes programme, both with a combined aggregate limit of up to RM4.0 billion in nominal value, based on the Shariah principle of Murabahah (via Tawarruq arrangement).

In line with our commitment to embracing and supporting the UN SDG, the framework has been designed to be aligned in accordance with several guidelines and framework including the ASEAN Green Bond Standards issued by the ASEAN Capital

Markets Forum (ACMF), ASEAN Sustainability Bond Standards issued by the ACMF and others.

The eligibility criteria of our Sukuk includes:

- Green Buildings
- Energy Efficiency and Renewable Energy
- Affordable Housing
- Pollution Prevention and Control
- Sustainable Water and Wastewater Management
- Socioeconomic Advancement and Empowerment Source

For more information on our Sustainability Sukuk Framework, please see:

<https://uems.irplc.com/investor-relations/re-revamp/corporate-governance/pdf/Policies/Sustainability-Sukuk-Framework.pdf>

SUSTAINABILITY COMMITMENT: BUILDING A LOW-CARBON FUTURE

We recognise the importance of taking action to address climate change and reduce our carbon footprint. With this in mind, we have set our sights on achieving Carbon Neutrality 2050, with a clear plan to kickstart our journey by building a low-carbon future by 2030. This is in line with the Government of Malaysia's aspiration of achieving net zero emissions by 2050 as well as the Paris Agreement of limiting global temperature rise to 1.5° Celsius.

Achieving Carbon Neutrality 2050 requires a concerted effort, which is why we have set an interim goal of reaching Ambition Zero 2040. This goal reflects our commitment to continuously improving our sustainability practices and achieve a zero-carbon future. We believe that by taking proactive steps towards reducing our carbon emissions, we can make a positive impact on the environment and contribute to a sustainable future for all.

Progress in 2022

- Climate Risk Analysis:**







Our team has been assigned to identify and quantify climate Value-at-Risk (VaR) based on worst-case scenarios as part of our annual risk analysis. This enables us to implement appropriate measures to reduce and adapt to these risks.

- Internal Carbon Pricing:**

We are exploring the adoption of the Internal Carbon Pricing framework to manage potential transitional risks from climate-related issues. This mechanism helps our business divisions understand their exposure to external carbon pricing schemes and guides our investment decisions. It puts a value on our greenhouse gas (GHG) emissions in a way that drives positive change. These findings and criteria will be applied in the selection process for new properties to be developed.

CONTRIBUTING TO THE UN SDG

We align our sustainability efforts to the UN SDG by incorporating them into our business strategy, operations and projects.

UN SDG	Material Matters	Contributed by UEM Sunrise
	 Ethical Business Practices, Local Community, Human Rights, Employee Management	<ul style="list-style-type: none"> Support local communities through volunteering, donations to local charities, and supporting small businesses. UEM Sunrise donated RM5,000 to an orphanage and organised a Hari Raya celebration for the children. UEM Sunrise donated a total amount of RM20,150 worth of essential goods during the Enhanced Movement Control Order (EMCO).
	 Local Community, Human Rights	<ul style="list-style-type: none"> Collaboration with Foodpanda by making food available for purchase at a discounted price, where it can provide more affordable options for people who may not have access to nutritious food. This programme could potentially reduce food insecurity and help to achieve the Zero Hunger goal.
	 Local Community, Human Rights, Employee Management	<ul style="list-style-type: none"> The UEM Sunrise CHIEF Wellness helps employees in achieving the healthiest and best-self through digital health coaching and support by a multidisciplinary team of professional coaches and counsellors by Naluri. In addition, UEM Sunrise promotes mental health wellness through series of talks and online learning. UEM Sunrise strives to provide safe working conditions for our employees. Safety campaigns are consistently carried out for all employees, such as safety workplace inspection, emergency drills, first aid training to first aider and safety awareness workshops and training including On-the-Job Training (OJT) to improve employees competency and safe practices.

SUSTAINABILITY STATEMENT

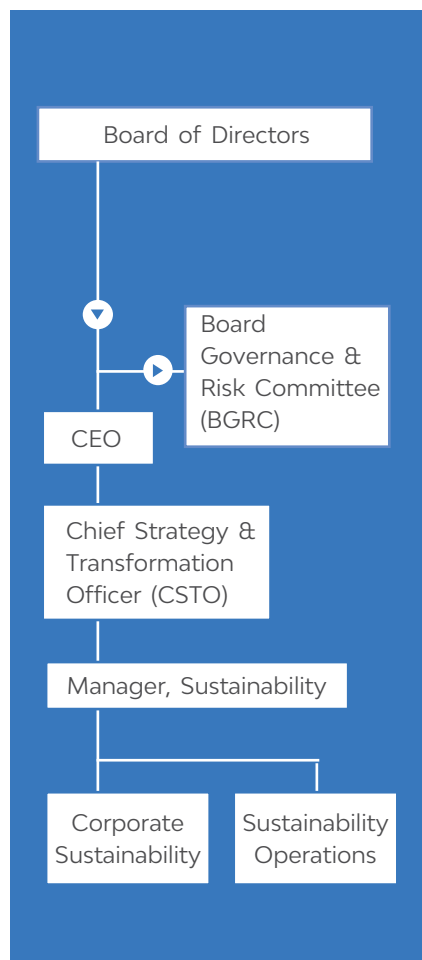
UN SDG	Material Matters	Contributed by UEM Sunrise
	 Local Community, Human Rights, Employee Management	<ul style="list-style-type: none"> Joined the PINTAR School adoption programme. Launched the BukuHub community library project in partnership with the Ministry of Housing and Local Government (KPKT). Supported the University of Nottingham Business Management Programme.
	 Ethical Business Practices, Local Community, Human Rights, Employee Management	<ul style="list-style-type: none"> Implemented a Diversity, Equity & Inclusion Policy. Promoted gender equality by advocating for women's rights, challenging gender stereotypes, and supporting female-led businesses.
	 Homebuyers, Economic Performance, Employee Management, Market Presence, Indirect Economic Impact, Procurement Practices, Supply Chain Management	<ul style="list-style-type: none"> Implementation of water-efficient practices in building design, construction, and operation, such as installing low-flow toilets and showerheads, water-efficient irrigation systems, and drought-resistant landscaping.
	 Homebuyers, Economic Performance, Employee Management, Market Presence, Indirect Economic Impact, Procurement Practices, Supply Chain Management	<ul style="list-style-type: none"> Buildings designed with energy-efficient features such as insulation, high-performance windows, and energy-efficient lighting and appliances. This can reduce the amount of energy needed to operate buildings and make them more affordable to maintain. Obtained green building certification such as GreenRE/GBI to ensure that the buildings meet strict energy efficiency and sustainability standards.
	 Economic Performance, Employee Management, Market Presence, Indirect Economic Impact, Procurement Practices, Supply Chain Management	<ul style="list-style-type: none"> Established a Code of Conduct for Business Partners. Implemented QLASSIC assessment to ensure high-quality products are delivered. Employees and contractors are treated decently and have adequate working conditions including providing safe and healthy workplaces, paying fair salaries, and providing opportunity for professional growth and career advancement. Investing in new development projects which can create jobs and generate economic activity in the communities where the projects are located.
	 Economic Performance, Employee Management, Market Presence, Indirect Economic Impact, Procurement Practices, Supply Chain Management	<ul style="list-style-type: none"> Adoption of sustainable building practices, including using energy-efficient materials and designs, reducing waste, and promoting renewable energy. Implemented a Diversity, Equity & Inclusion Policy. Established a Code of Conduct for business partners.

UN SDG	Material Matters	Contributed by UEM Sunrise
	 <p>Economic Performance, Employee Management, Market Presence, Indirect Economic Impact, Procurement Practices, Supply Chain Management</p>	<ul style="list-style-type: none"> Built affordable housing like Kiara Kasih/Denai Nusantara, UEM Sunrise provides a safe and comfortable place to live for individuals and families who might otherwise be priced out of the market.
	 <p>Climate Change, Waste, Supply Chain Management, Materials, Water and Effluents, Procurement Practices, Local Communities</p>	<ul style="list-style-type: none"> Implemented our Sustainability Blueprint. Executed our GHG reduction, water, and waste management programmes.
	 <p>Climate Change, Waste, Supply Chain Management, Materials, Water and Effluents, Procurement Practices, Health and Safety</p>	<ul style="list-style-type: none"> Use of sustainable products made from sustainable or recycled materials that are free from harmful chemicals. Encouraging employees to adopt sustainable practices, such as turning off lights when not in use, which can help to reduce energy consumption.
	 <p>Climate Change, Waste, Supply Chain Management, Materials, Water and Effluents, Procurement Practices</p>	<ul style="list-style-type: none"> Reduced carbon footprint by reducing fuel and electricity use at office buildings and project sites. Took action on climate change by implementing renewable energy, water conservation, and waste reduction plans.
	 <p>Biodiversity, Climate Change, Waste, Water and Effluents</p>	<ul style="list-style-type: none"> Using materials that are sustainably sourced, reducing water and energy consumption, and using environmentally friendly construction practices like DfMA. Water filtration minimises the impact on marine ecosystems. Reduced waste by implementing recycling, reducing the amount of waste that ends up in the ocean.
	 <p>Biodiversity, Climate Change</p>	<ul style="list-style-type: none"> Allocated green areas in development and plant trees according to local authorities' requirements. Supported tree planting activities at SIREH Park.
	 <p>Ethical Business Practices, Local Community, Human Rights, Employee Management</p>	<ul style="list-style-type: none"> Collaborated with NGOs to raise awareness and funds for biodiversity matters. Advocated for peace by supporting organisations that promote peace and non-violence and speaking out against violence and conflict.
	 <p>Climate Change, Waste, Supply Chain Management, Materials, Water and Effluents, Procurement Practices, Health and Safety</p>	<ul style="list-style-type: none"> In September 2022, UEM Sunrise entered into two partnerships; with PGTS and Gentari for collaborations relating to sustainability, renewable and green energy and carbon emission solutions, among others; aligned with the objectives under the Sustainability Blueprint that will drive the ambition towards reducing our GHG emissions and achieving net zero carbon emissions by 2050.

SUSTAINABILITY GOVERNANCE

GOVERNANCE STRUCTURE

We have established a robust sustainability governance structure to ensure effective development and implementation of sustainability decisions. The structure adopts a top-down approach with strong leadership oversight.



Roles & Responsibilities

- **Board of Directors:**
 - Provides guidance on the overall sustainability strategy and operationalisation.
 - Regularly updated on the company's sustainability initiatives via the Quarterly Management Report tabled at board meetings.
- **BGRC:**
 - Offers a multitude of perspectives and adds value to ensure sustainability strategies are holistic and resilient.
- **CEO:**
 - Informed about the latest updates on sustainability initiatives implemented company-wide.

Furnished with the latest updates on sustainability initiatives such as the Sustainability blueprint syndication progress and the establishment of a Sustainability communication plan, to be conveyed to the Board.

- **Sustainability Department:**
 - Led by Manager of Sustainability.
 - Orchestrates high-level sustainability strategies.
 - Sets corporate ESG goals and establishes a pathway towards achieving them.
 - Engages with key stakeholders to achieve the net-zero target.
 - Regularly reports progress to CSTO, CEO, C-Suites, BGRC, and Board.

Improvements Made to Our Sustainability Governance in 2022:

1. UEM Sunrise Sustainability Policy:

We established the UEM Sunrise Sustainability Policy to further institutionalise ESG within the company. It aims to reduce risks associated with climate change while creating value for stakeholders. The policy is geared towards supporting the communities where the company operates and protecting the environment.

UEM Sunrise's Sustainability Policy is available on the Company's website:

<https://uems.irplc.com/investor-relations/re-revamp/corporate-governance/pdf/Policies/Sustainability-Policy.pdf>

2. ESG Performance Incentives:

We incorporated ESG material management into the KPIs of senior management, tying them to their remuneration. This means top executives' compensation is connected to climate change and ESG performance, such as their management of sustainability risks and opportunities.

The KPIs are matched with UEM Sunrise's Sustainability 2030 Goals and Targets and will be cascaded to employees, tracked, and reported annually.

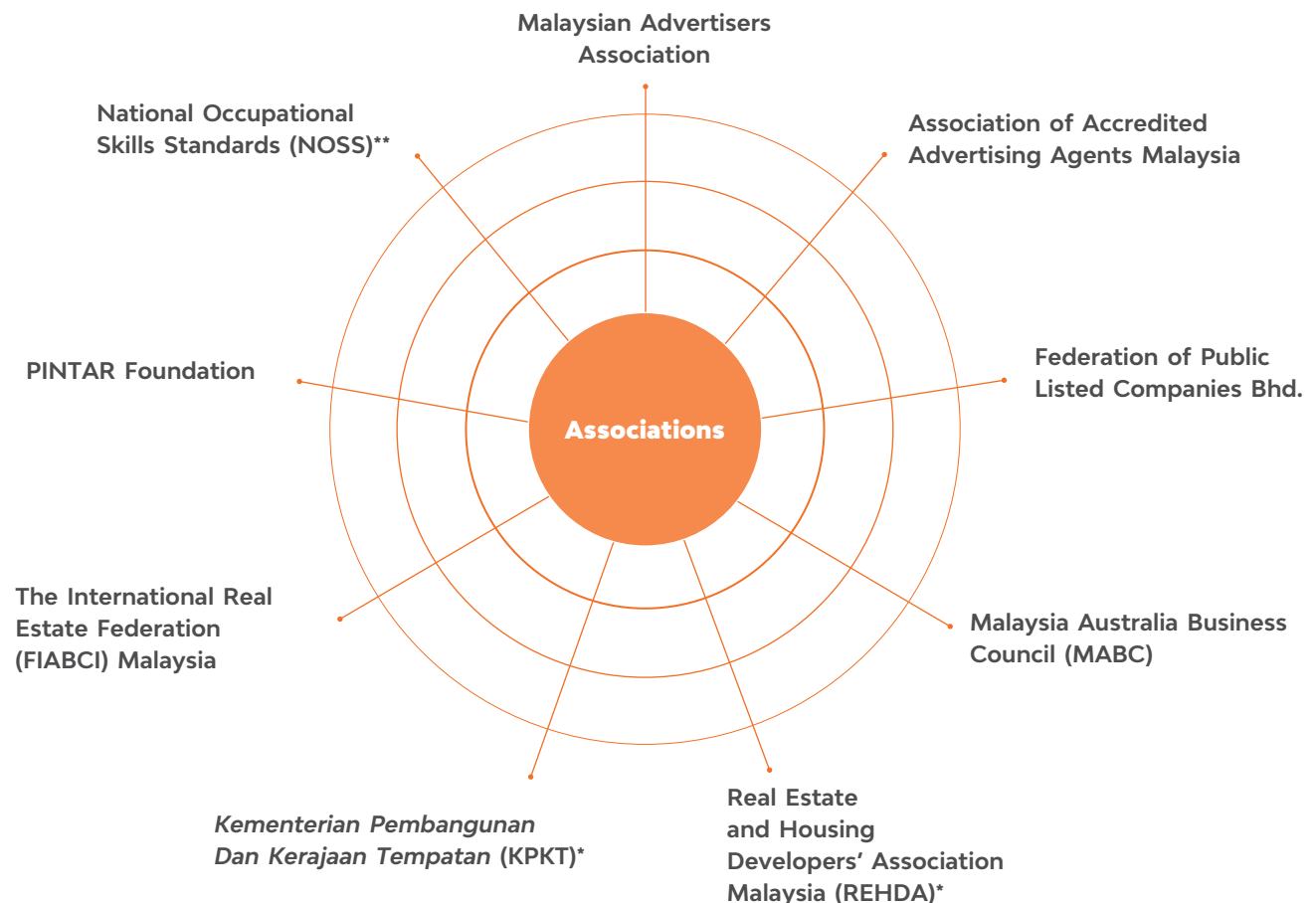
3. Sustainability Syndications:

In 2022, we held a series of syndications with internal stakeholders from various business units. The goal was to raise staff awareness of sustainability and ESG understanding.

The programme covered a variety of topics, including the UN SDG, environmental implications of business activities, Sustainability Blueprint, and creating sustainability targets for specific company functions.

MEMBERSHIP AND ASSOCIATIONS

We actively participate in various memberships and associations to ensure we stay at the forefront of sustainable practices and make meaningful contributions towards a more sustainable future.



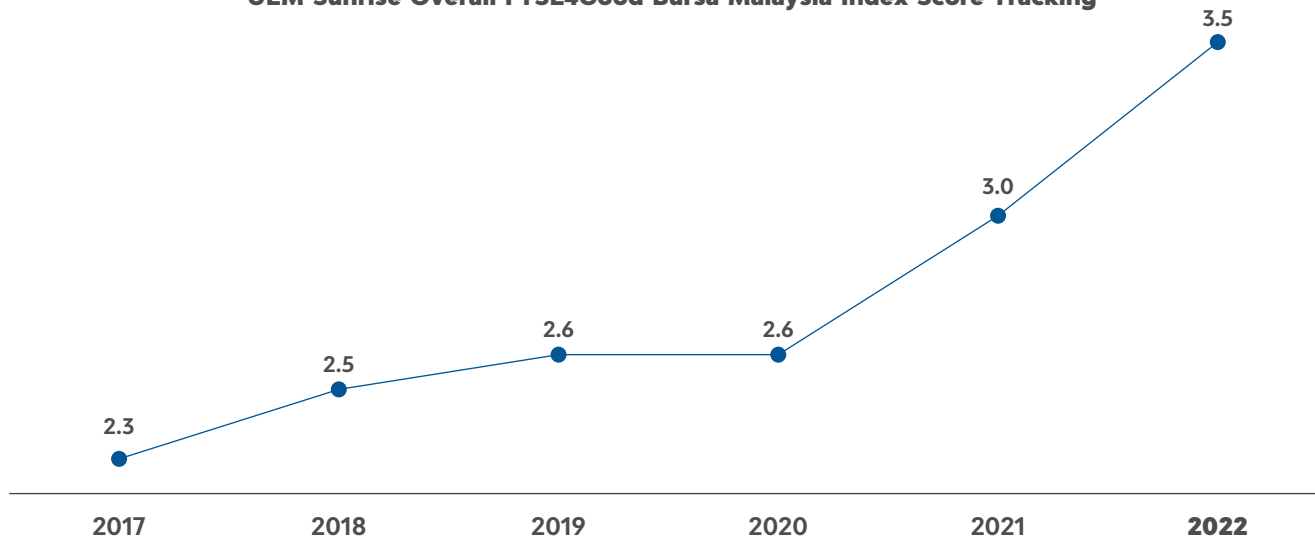
* CEO appointed as a committee member

** A task force member in reviewing Occupational Skills Standards

SUSTAINABILITY RISK MANAGEMENT

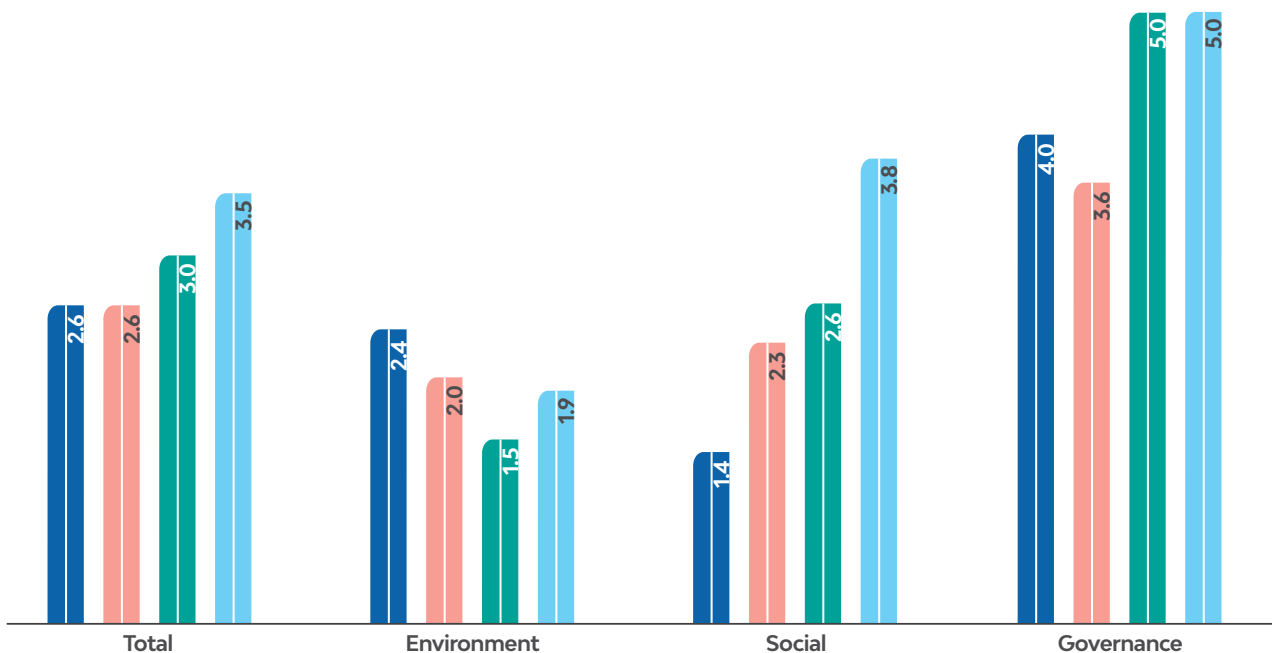
We are proud to announce that UEM Sunrise has improved its total ESG score from 3.0 in 2021 to 3.5 in 2022 in the FTSE4Good Bursa Malaysia Index. This achievement reflects our effective ESG risk management and commitment to sustainability.

UEM Sunrise Overall FTSE4Good Bursa Malaysia Index Score Tracking



UEM Sunrise FTSE4Good Bursa Malaysia Index ESG Pillar Score

● 2019 ● 2020 ● 2021 ● 2022



ECONOMIC IMPACT



Our CSR efforts include actively engaging with our communities through educational empowerment to improve their well-beings

Our commitment to sustainability extends beyond just environmental and social impact. We understand that our operations have an economic impact as well, and we take that responsibility seriously. As a leading property developer, we play a key role in contributing to the growth and development of the local economy, and we strive to do so in a way that is sustainable and responsible. By incorporating economic sustainability into our agenda, we are able to create long-term value not only for our business but for the communities in which we operate.

CONTRIBUTING TO THE NATION

Related Material Matters: M2 M8 M12 M14

As a property developer, UEM Sunrise's success in generating economic growth and maintaining a strong market presence is essential for our sustainability agenda and our role in contributing to the development of the nation. Our economic performance directly affects our ability to deliver quality projects that meet the needs of our stakeholders while driving growth in the communities we serve. We also invest in local communities that can benefit both property developers and the people in many ways. When we choose to develop a new area, our operations have the ability to boost socio-economic values in the surrounding community. Through our indirect economic impact, we also create job opportunities and drive economic activity, both of which are critical to building a prosperous and sustainable future for Malaysia. As we continue to grow and expand, we remain committed to achieving our sustainability goals and contributing to the broader mission.

Our Progress in 2022

Throughout the year, we implemented various programmes and initiatives that aim to empower communities and contribute to local economic development. These include:

- PINTAR - Improving Education for Underperforming Schools**
 PINTAR is a joint social responsibility initiative led by Khazanah, aimed at motivating and encouraging the success of students from underperforming schools through education. UEM Sunrise supports this initiative and actively participates in it, by providing resources and volunteer support to the schools involved in the programme. Through this initiative, we aim to create equal opportunities for all students to receive a quality education, regardless of their socio-economic background. Since 2008, we have supported the PINTAR school adoption programme and implemented the Foundation's four core modules in conducting our programmes.

2021	2022
16	17

Number of schools adopted under PINTAR

ECONOMIC IMPACT



Our CHIEFs are enthusiastic to create a positive impact through volunteerism

- **Donation to Flood Victims**

UEM Sunrise donated RM25,000 to support flood victims. This contribution was made in response to the floods that occurred in various parts of Malaysia, which caused significant damage to properties and displaced many individuals. The donation was intended to help those affected by the floods by providing financial support to assist them in rebuilding their lives.

- **Hari Raya Celebration with Orphanage**

UEM Sunrise donated RM5,000 to an orphanage and organised a Hari Raya celebration for the children. This initiative was aimed at spreading joy and happiness to the less fortunate during the festive season. The donation and celebration aimed to create a positive impact on the lives of the children and to encourage others to support similar initiatives.

- **Supporting Affordable Housing Initiative**

UEM Sunrise has supported the Johor State Government's Public Private Partnership (PPP) initiatives for affordable housing. The partnership is aimed at providing affordable housing to the public, particularly to those who are from low to medium-income groups. Through this partnership, UEM Sunrise contributes to the government's efforts to increase the supply of affordable housing and improve the living standards of the people.

- **Vendors Partnership Programme**

UEM Sunrise has implemented a Vendors Partnership Programme that forms a closer cooperation between the company and local companies. This partnership aims to identify business opportunities that lead to cost-saving benefits and a shared aspiration towards ESG goals. Through this programme, UEM Sunrise aims to support local companies and promote sustainable practices within the industry.

- **BukuHub**

UEM Sunrise has launched a community library project called BukuHub since 2019. This initiative aims to provide access to reading materials to the local community, particularly to those who may not have the resources to purchase books. The library also serves as a community hub, providing a space for people to gather, interact, and learn.

Our latest BukuHub launch was at the Forest Heights Property Gallery in Seremban in November 2022.

Through our efforts, we were able to reach 63,663 beneficiaries and distributed shared value to all our stakeholders.

Contribution to Communities		2020	2021	2022
Total Contribution to Social Programmes (RM)		445,000	194,674	167,596
Number of NGOs supported		11	9	5

Note: We will continuously track and report the number of beneficiaries reached through our community programmes from 2022 onwards to strengthen accountability and transparency.

Economic Value Distributed to:		2020 RM'000	2021 RM'000	2022 RM'000
Suppliers: Operating Costs		1,023,240	1,146,967	1,139,958
Employees: Salaries and Benefits		130,632	100,955	97,190
Lenders: Payments to Lenders		132,850	144,712	143,470
Payments to Governments		81,385	(1,796)	51,479
TOTAL		1,368,107	1,390,838	1,432,097

Indirect Economic Impact		2020	2021	2022
Number of units completed and issued with vacant possession		469	431	1,051
Number of projects completed		3	5	6
Take-up rate for Aspira products in Gerbang Nusajaya (%)		71	88	94
Take-up rate for Serene Heights (%)		98	95	97
Take-up rate for Residensi AVA (%)		25	91	98

ECONOMIC IMPACT

Volunteer Hours

#	Programme		Programme Date	Programme Duration	Total Volunteers	Total Hours for each volunteer	Total Volunteer Hours (each programme)
1	Distributions of #CaringsMyHappy Kit to PINTAR Schools (Central)		25 January 2022	9:00 am-1:00 pm	4	4	16
2	SPM Wishing Wall @SMK Kiaramas		2 March 2022	1:00 pm-3:00 pm	4	2	8
3	UEM Sunrise x DBKL KL Car Free Morning (KLFCM) Happy Space @Lot 149		6 March 2022	6:00 am-9:00 am	8	4	32
4	Offical Activation of Happy Space @Lot 149 in Conjunction with International Day of Happiness		20 March 2022	6:00 am-9:00 am	26	3	78
5	Distributions of #CaringsMyHappy Kit to PINTAR Schools (Southern)		28 & 29 March 2022	9:00 am-5:00 pm	4	16	64
6	Distribution of Iftar Packages for Ramadan & Hari Raya Programmes 2022 @Maahad Tahfiz Al-Quran Dan Rumah Anak Anak Yatim Al Sagaff		21 April 2022	5:30 pm-6:30 pm	3	1	3
7	Distribution of Iftar Packages for Ramadan & Hari Raya Programmes 2022 @Baitul Ulfah Centre Pusat Kebajikan, Pendidikan & Tahfiz		26 April 2022	5:30 pm-6:30 pm	3	1	3
8	Handover of Go The Distance Fund Chief Edition: Donation for Charity Homes @Pertubuhan Kebajikan Rumah Warga Emas Gemilang, Kepong		21 July 2022	2:00 pm-4:00 pm	6	2	12
9	Inspiring Malaysia Live Art Painting Volunteer		27 August 2022	10:00 am-12:00 pm	15	2	30
10	MBSJ Car Free Day		4 September 2022	7:00 am-9:00 pm	13	2	26
11	Handover of Go The Distance Fund_ Chief Edition: Donation for Charity Homes @Pertubuhan Kebajikan Amal Warga Emas Sejati KL & Selangor, Kepong		12 September 2022	3:30 pm-4:30 pm	4	1	4
12	UEM Sunrise CSR CAT Walk with MYCAT		6-8 September 2022	8:00 am-6:00 pm	20	30	600
13	Handover of Skateboard Contribution to Desa Temuan Community, Damansara Perdana		25 September 2022	2:00 pm-4:00 pm	10	2	20
14	Flood Relief: Distribution of Essential Items to The Maris homeowners in Desaru Coast		21 December 2022	2:00 pm-6:00 pm	11	4	44
TOTAL VOLUNTEER HOURS							940

RESPONSIBLE SUPPLY CHAIN

Related Material Matters:



We have a duty to ensure that our supply chain practices align with our sustainability agenda. We believe that responsible supply chain management is essential for sustainable business growth and for creating a positive impact on the communities in which we operate. One of our key priorities is to focus on local suppliers. We believe that by working with local suppliers, we can contribute to the growth of the local economy and support the development of the communities in which we operate. Our approach to responsible supply chain management is guided by our ESG priorities.

We also prioritise suppliers that share our commitment to sustainability. We evaluate potential suppliers including but not limited to their environmental impact, labour practices, and commitment to social responsibility. They are encouraged to adopt sustainable business practices. We provide them with training and support to help them develop their sustainability initiatives. By working collaboratively with our suppliers, we can create a more sustainable and responsible supply chain.

Our Progress in 2022

- Protecting Our Suppliers – Our Policy Commitments**
 As part of our commitment to ensure ethical, legal, and socially-responsible practices throughout our value chain, we have established a Code of Conduct for Business Partners and the UEM Sunrise Procurement Policy to protect the rights of our suppliers. Our policies set the standard for ethical behaviour, and we are proud to work with suppliers who share our values.
- Building Strong Partnerships – Our Vendors Partnership Programme**
 We believe that strong partnerships are the key to success. Through our Vendors Partnership Programme, we collaborate with local companies to create a mutually beneficial relationship. We leverage our strengths and expertise to explore new marketing and branding opportunities, develop innovative products and services, and identify cost-saving benefits. We work closely with our partners to ensure that we are aligned with our goals and that we are making the most of our collaboration. Our Vendors Partnership Programme is more than just a business arrangement – it is an opportunity for us and our partners to build something greater than ourselves.



We signed a MoU with nine local companies to strengthen, promote and develop a mutually beneficial relationship and cooperation

ECONOMIC IMPACT

• Quality and Safety Above All – Our Commitment to Selecting the Best Vendors

Quality and safety are the cornerstones of our business. This is why we carry out rigorous QHSE (Quality, Health, Safety, and Environment) assessments to ensure that our vendors meet our high standards for performance. By doing so, we can be confident that the final products we produce are of the highest quality and meet the strictest health, safety, and environmental standards.

Our QHSE assessment process is comprehensive and covers everything from supplier performance to product quality, safety, and environment. We work closely with our vendors to identify areas for improvement and provide them with the support they need to achieve our high standards.

		2020	2021	2022
Total Number of Suppliers	▶	5,199	5,677	6,086
Percentage of Suppliers from Local Companies (%)	▶	95	99.7	95
Total Contribution to Suppliers (RM)	▶	424,886,258	604,695,199	364,753,045
Proportion of Spending on Local Suppliers (%)	▶	99	99	99
Percentage of Suppliers that were screened using Environmental Criteria (%)	▶	60	60	60
Percentage of Suppliers that were screened using Social Criteria (%)	▶	100	100	100

STRONG ETHICS AND GOVERNANCE

Related Material Matters:



Ethical business practices are essential for building a strong and sustainable business. We are committed to operating our business in an ethical manner and adhering to all relevant laws and regulations. We recognise the damaging effects of corruption and other unethical business practices on our stakeholders, including our employees, customers, shareholders, and the wider community. Therefore, we have put in place robust anti-corruption measures to ensure that our business operations are free from any form of corrupt behaviour.

To protect our Company and stakeholders against unethical practices, we are committed to ensuring that our people, processes, and operations comply with all applicable policies and laws, including the Malaysian Anti-Corruption Commission Act 2009. Our Integrity, Governance, Risk & Compliance Department (IGRC) has established a Group Risk Management Framework that

outlines our objectives, responsibilities, and accountabilities. This framework guides our policies and processes for managing risk and ensures that we can achieve our strategic objectives. We also have a zero-tolerance policy towards all forms of corruption. We are committed to conducting our business with the utmost integrity and will not tolerate any behaviour that violates our commitment to ethical and legal business practices.

In addition to our commitment to compliance and integrity, we are also committed to ensuring full compliance with economic, environmental, and social regulations, regardless of the sector of our business operations. We recognise that our business has an impact on the communities and environment in which we operate, and we are committed to operating in a way that minimises this impact and maximises the benefits to our stakeholders.

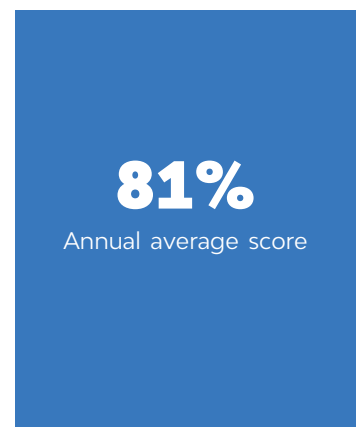
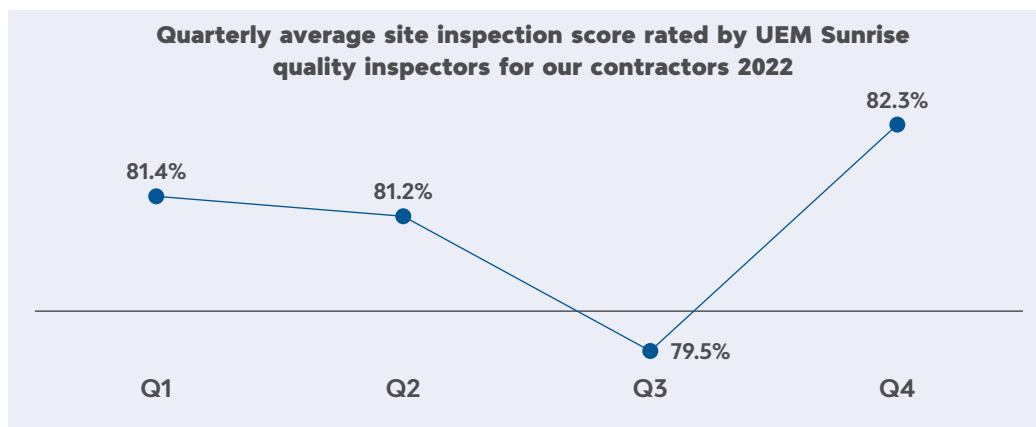
Our Progress in 2022

In 2022, we have taken the following steps to strengthen our ethics and integrity:

- Signed the Corruption-Free Pledge with Malaysian Anti-Corruption Commission (MACC)**
 We have taken a strong stance against corruption by signing the Corruption-Free Pledge with the MACC. By doing so, we are publicly committing to upholding the highest standards of integrity in all its business dealings.
- Gap Analysis Exercise on Adequate Procedures of Anti-Corruption to Close the Gap**
 To ensure that our anti-corruption procedures are effective, we embarked on an in-depth Gap Analysis Exercise. This exercise is designed to identify any weaknesses or gaps in our anti-corruption procedures and to develop appropriate measures to close these gaps.
- Awareness of Ethics and Integrity**
 We recognise that promoting ethical business practices requires ongoing education and awareness-raising efforts. Therefore, we conduct monthly newsletters, talks, and training sessions on topics related to ethics, compliance, and anti-corruption. Additionally, we organise Integrity Month initiatives to promote awareness of the importance of ethical business practices among its employees and stakeholders. These efforts ensure our employees are equipped with the knowledge and skills necessary to conduct business in an ethical and responsible manner.

- Active Engagements with the Government**
 Ethical business practices require a collaborative effort. With this in mind, we engage with relevant ministries, regulators, and authorities to promote best practices in anti-corruption and compliance. By working with these stakeholders, we stay up-to-date on the latest developments in anti-corruption and compliance regulations and ensure that our own policies and procedures are aligned with these standards.
 - Accreditation of Workers**
 Conducting our operations with good governance is essential for our success. To ensure that we continue to deliver high-quality products, we ensure that all of our site supervisors and skilled workers are accredited by the Construction Industry Development Board (CIDB).

 This accreditation process ensures that our workers have the necessary skills and knowledge to perform their jobs to the highest standards. To ensure compliance with this initiative, we have established a quarterly quality inspection process, which is conducted by our UEM Sunrise Quality inspectors.
- During these inspections, we evaluate the quality of work being performed on our sites, identify areas for improvement, and ensure that our workers are meeting the necessary standards and requirements. By doing so, we can maintain our commitment to quality and good governance in all of our operations.

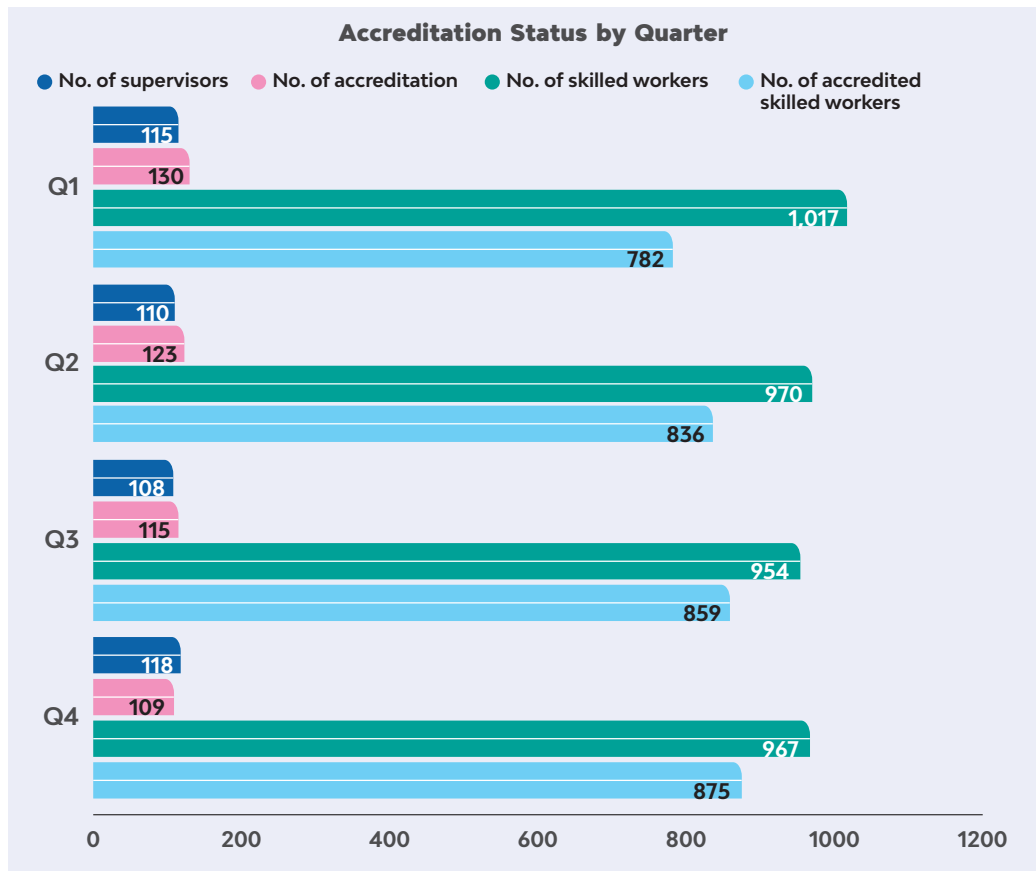




CHIEF Nuraishah strives to care and maintain positive experiences with our customers as a dedicated Customer Experience team member



ECONOMIC IMPACT



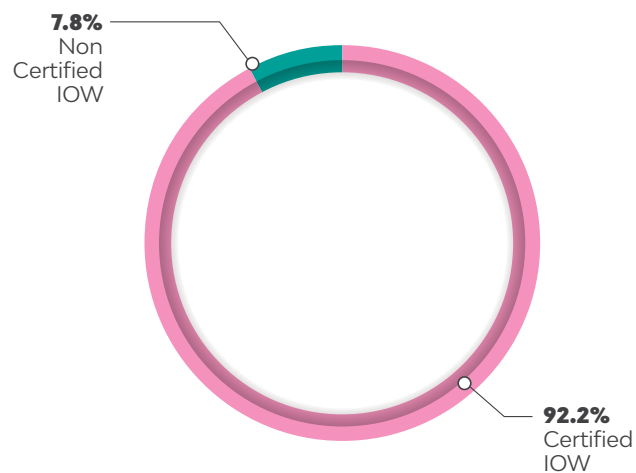
Accreditation
For Skill Worker

86%

Accreditation
For Supervisor

91%

Percentage of Certified Inspector of Works (IOW) 2022



• Overall Performance

		2020	2021	2022
Number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	▶	0	0	0
Number of whistleblowing cases	▶	15	9	9
Number of confirmed corruption incidents and actions taken	▶	0	0	0

ENVIRONMENTAL IMPACT



Our HSE policies are practised and monitored in all our development sites.

At the forefront of sustainable property development, our dedication to preserving the environment remains steadfast. Given the nature of our business, we understand the potential impact our operations may have on the natural environment. Therefore, we prioritise safe, efficient, and environmentally-conscious practices. We strive to minimise any negative environmental effects by embracing sustainable techniques, ensuring that we operate in a manner that is both socially and environmentally responsible.

CLIMATE ACTION

Related Material Matters:



In today's business landscape, achieving climate-related targets has become a top priority for companies worldwide. With global warming showing no signs of abating, it is imperative that we factor in the impacts of climate change when planning our business operations. As property developers, we must also ensure that our stakeholders are shielded from the risks associated with extreme weather events, such as floods and rising sea levels. Failure to take proactive steps to mitigate climate risks could have serious consequences for our customers in the near future. Therefore, it is crucial that we maintain a high level of social accountability and transparency in our efforts to reduce our carbon footprint and energy consumption.

As part of our journey towards building a sustainable world, we are committed to transitioning to a low-carbon future by 2030, with efforts underway to align all business processes to achieving the goal. We have identified a set of actions that we intend to take in order to achieve our GHG reduction targets within the targeted timeframe. These measures specifically target the main sources of our GHG emissions, including Scope 3 emissions where applicable. This includes integrating climate-related risk management into the company-wide risk scorecard. We are also in the process of aligning our disclosures to the Taskforce on Climate-Related Financial Disclosures (TCFD) to improve our approach, oversight and transparency on climate change risks.

ENVIRONMENTAL IMPACT

We also incorporate climate change risks and opportunities into our business and decision-making through the following:

- Mitigation**
We reduce our carbon footprint by implementing sustainable building practices, such as using energy-efficient materials, installing solar panels, and improving insulation. We also promote alternative modes of transportation, such as cycling and public transit, to reduce GHG emissions.
 - New products**
We develop new products and services that address climate change, such as green building certifications, energy-efficient appliances, and sustainable landscaping services. These products help us differentiate ourselves from competitors and appeal to customers who are interested in sustainable living.
 - Research & Development (R&D)**
We invest in research and development to identify new ways to mitigate climate change risks and capitalise on opportunities. For example, we research new building materials that are more resistant to extreme weather events or develop new technology that improves energy efficiency.
- Risk assessment**
We conduct a risk assessment exercise to identify how climate change may affect our operations and properties. This assessment can help us develop strategies to mitigate these risks, such as relocating properties that are at risk of flooding or developing emergency response plans for extreme weather events.
 - Stakeholder engagement**
We continuously engage with stakeholders, such as investors, customers, and community members, to understand their perspectives on climate change and incorporate their feedback into our strategy. This engagement can help us build support for our sustainability initiatives and identify new opportunities to collaborate with stakeholders.

Our approach to Climate Change continues to be anchored by our four pillars of the Sustainability Blueprint:

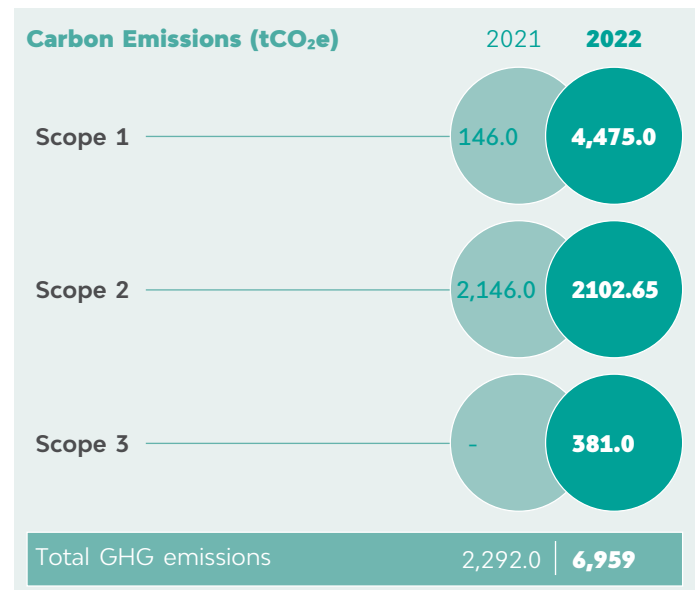
LIVEABILITY	SUSTAINABILITY	AFFORDABILITY	RESILIENCE
Combining factors to contribute to quality life such as developing sustainable buildings and communities, focusing on human-centric and inclusive designs, and providing social, community and recreational facilities.	Accelerating climate actions and reducing the carbon emitted throughout the life cycles of assets, which starts from developing to operating and decommissioning a building.	Providing residents, tenants as well as the wider community with fair access to quality spaces to live in and to operate businesses.	Ensuring assets can withstand shocks and are able to adapt changing consumer demand throughout their life cycle.

Our Progress in 2022

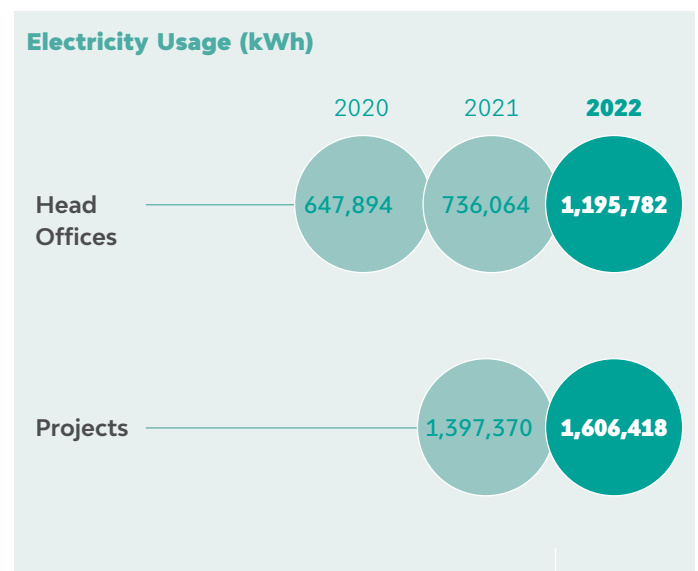
- Efficient Equipment Maintenance for Corporate Offices**
 We periodically maintain all equipment, including HVAC, to ensure efficient performance and prevent costly repairs. We also consider higher energy-efficient equipment for replacement and assess the condition and efficiency of all equipment during our annual IMS-ISO audit.
- Reducing the Footprint of Employees**
 We understand that travelling for work can be a major contributor to carbon emissions. That's why we have implemented a hybrid working policy that allows employees to work remotely and reduce unnecessary travel. By embracing technology, we can create a smarter and more sustainable planet.

 We also remind employees regularly to turn off their electronic devices when not in use to conserve energy. Employees are also encouraged to carpool to the office. By sharing rides, we can reduce the number of vehicles on the road and contribute to a greener future.
- Optimising Fuel and Electricity Use at Project Sites**
 We work closely with our contractors to ensure efficient fuel and electricity use at project sites. Routine maintenance is performed to maximise equipment efficiency, and we install insulation on roofs to reduce the load on the HVAC system and maintain lower temperatures.
- MoU for Low Carbon and Nature-Based Solutions: Collaboration for a Greener Tomorrow**
 We have two Memoranda of Understanding with PGTS and GENTARI to explore low carbon and nature-based solutions. Together, we will explore smart green energy solutions, renewable energy, circular economy, as well as sustainable technical and technology solutions.
- Monthly Data Collection and Analysis**
 We collect and analyse data every month to track our progress and identify areas where we can improve. This helps us stay accountable and transparent in our sustainability efforts.
- Overall GHG Performance**
 We continue to disclose our GHG emissions based on the data collected from across our organisation. Our emissions calculations are based on the Greenhouse Gas (GHG) Protocol established by the World Business Council for Sustainable Development (WBCSD) and World Research Institute (WRI).

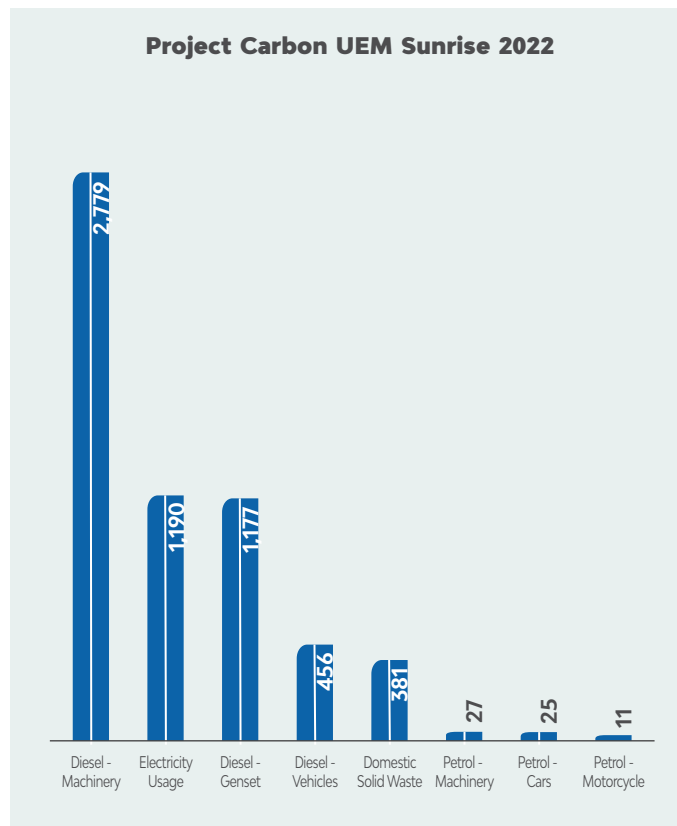
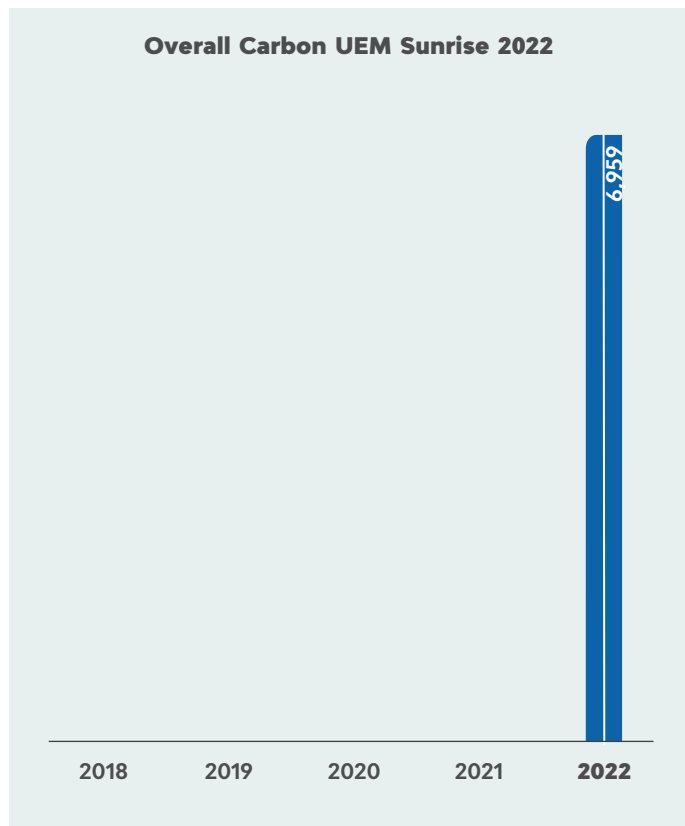
Starting this year, we extended Scope 3 GHG from our waste disposal data. We are committed towards expanding Scope 3 further as part of our disclosure improvements.



Note: Scope 3 emissions were only measured starting in 2022 generated from domestic waste.



ENVIRONMENTAL IMPACT



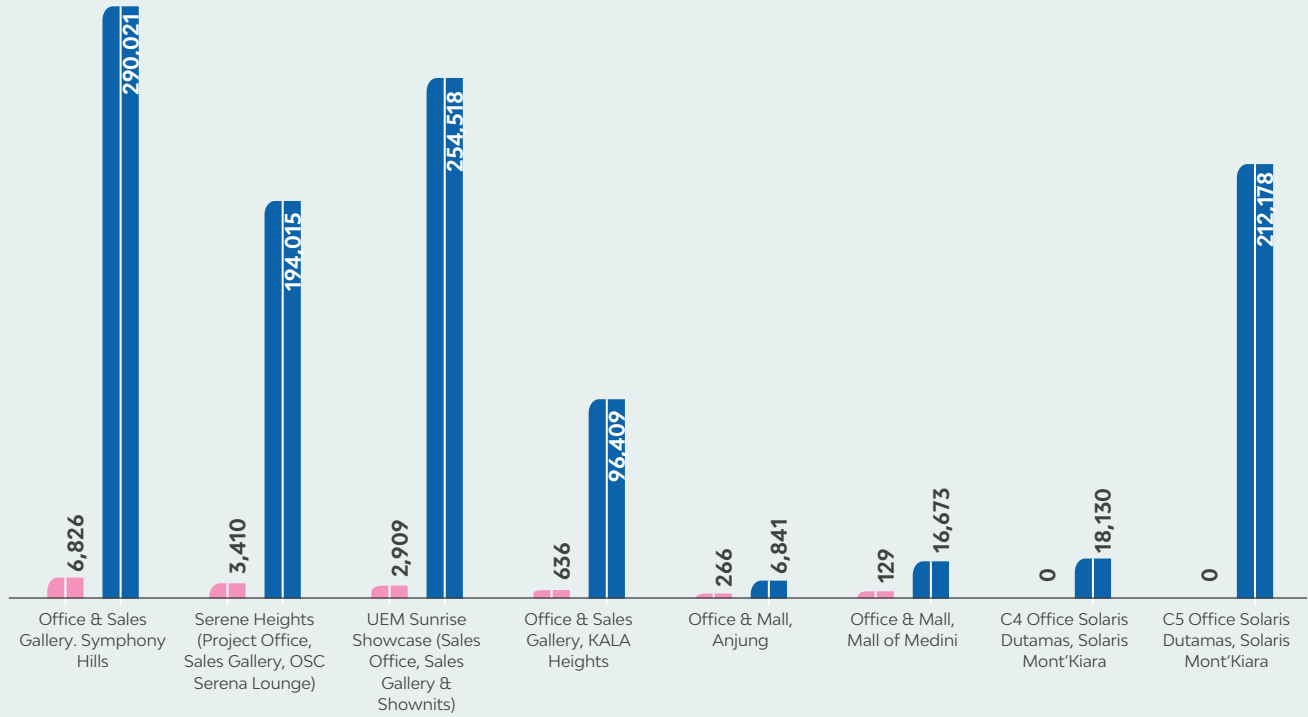
Item		2020	2021	2022
NEW: Emissions Avoided from Green Initiatives (tCO ₂ e)	▶	–	–	16.63 (from domestic waste recycling)
Air Emissions Intensity (tonnes of pollutants)	▶	–	–	–
Hazardous Waste Generated (tonnes)	▶	–	0.200	0.316
Non-Hazardous Waste Generated (tonnes)	▶	–	405.100	9,345.22
NEW: Recycling Total (tonnes)	▶	–	–	146.167
Potable Water Consumption (m ³)	▶	5,600 (office only)	768,044	1,264,534
NEW: Non-Potable Water Consumption (m ³)	▶	–	–	30,011.4
Energy Generation (GJ)	▶	–	36,803*	92,385

***Restatement:** We have taken steps to reduce our energy consumption, reviewed our calculation methodology to ensure that the data we disclose aligns with the international framework. As a result of this review, we have also adjusted our energy data, measured in gigajoules (GJ), for the year 2021 to accurately reflect our energy performance.

We will continue to use this updated calculation methodology in our future reporting years to ensure that our energy data remains consistent and reliable. This is important for tracking our progress and ensuring that we continue to make strides in reducing our energy consumption.

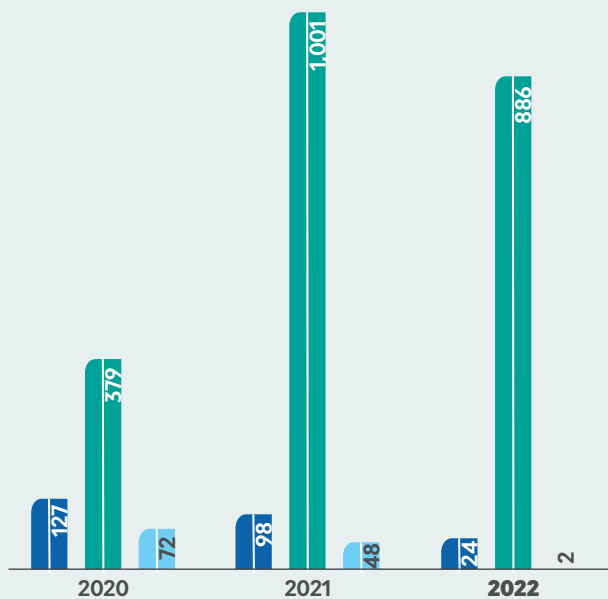
Office Utilities UEM Sunrise 2022

● Sum of POTABLE WATER USAGE
 ● Sum of ELECTRICITY USAGE



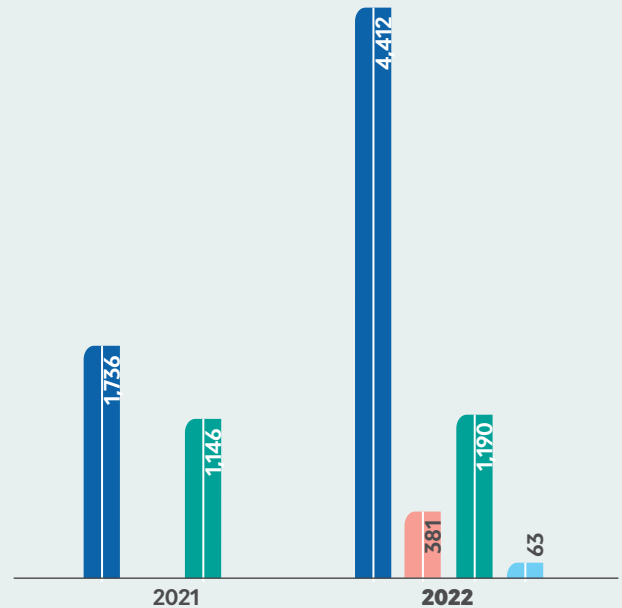
Sum of tCO2-e by Office

● Diesel
 ● Electricity
 ● Petrol

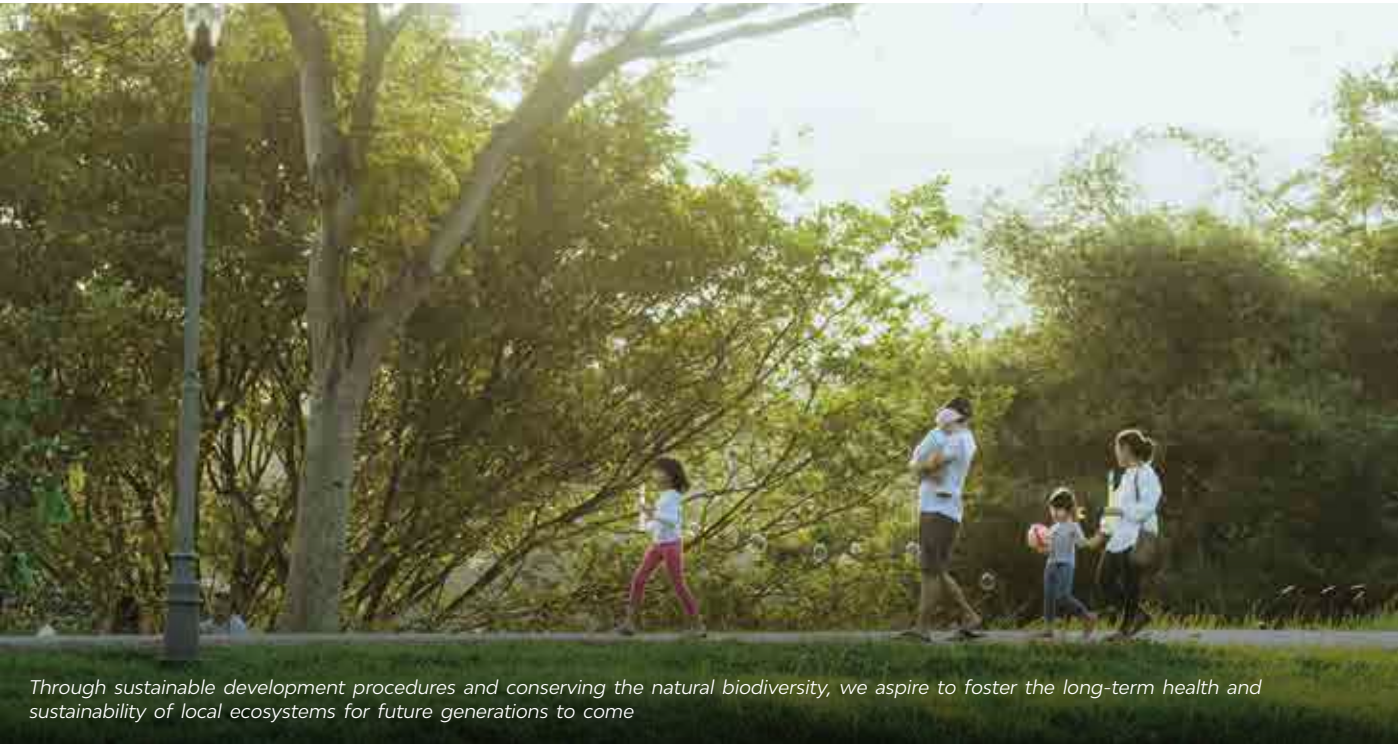
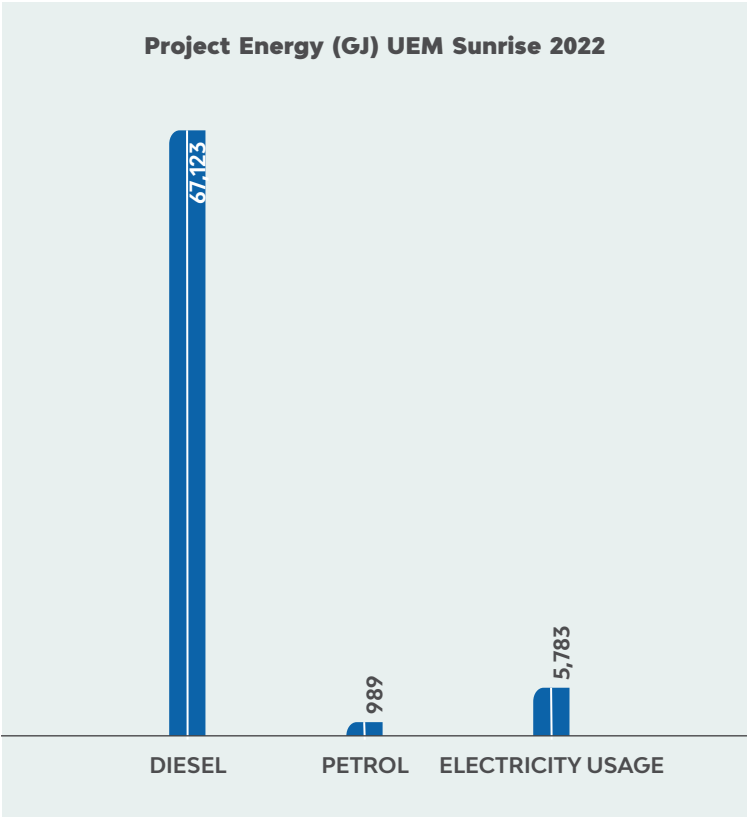
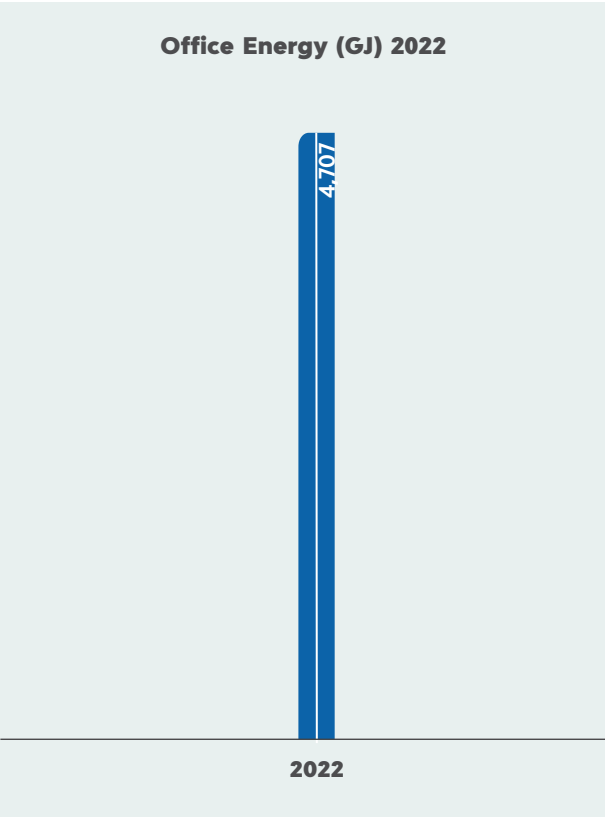


Sum of tCO2-e by Project

● Diesel
 ● Domestic Solid Waste
 ● Electricity
 ● Petrol



ENVIRONMENTAL IMPACT



Through sustainable development procedures and conserving the natural biodiversity, we aspire to foster the long-term health and sustainability of local ecosystems for future generations to come

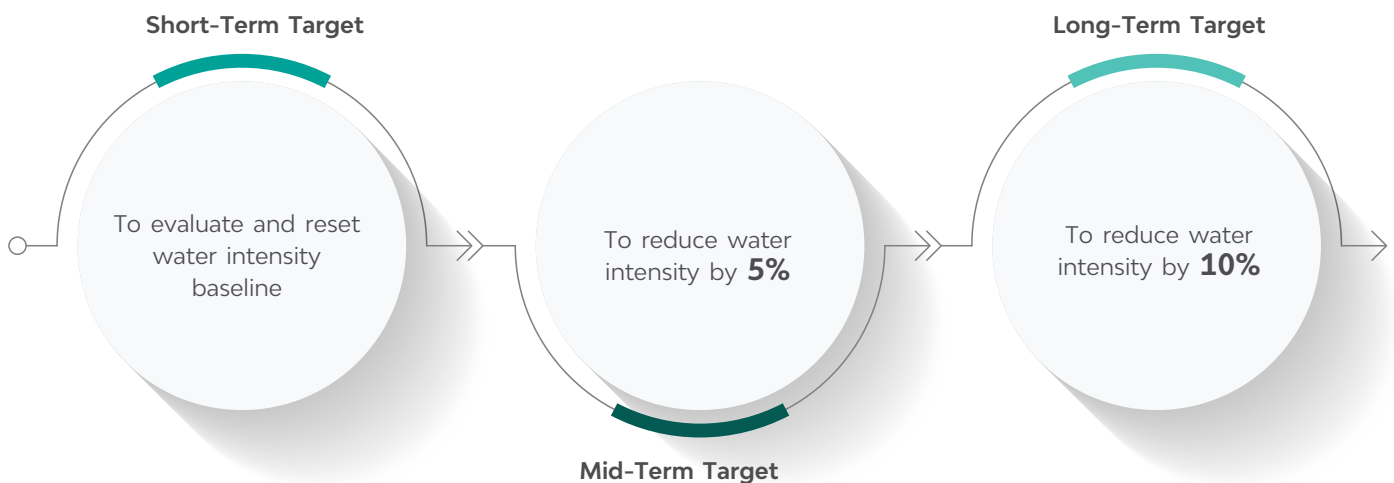
ENVIRONMENTAL STEWARDSHIP

Related Material Matters:



We recognise that our operations can have a significant impact on the planet, and that is why we are committed to adopting sustainable practices. Our approach involves minimising the negative impact of our operations on the environment and preserving natural resources for future generations. Our employees and relevant stakeholders are guided by the Group's Sustainability Policy, with 100% of our operations managed according to the ISO 14001 Environmental Management System since 2012.

We are also dedicated to responsible water management, recognising the importance of conserving and protecting our water sources. By implementing efficient water management practices, we not only reduce our water consumption but also minimise the amount of wastewater we generate. This approach is not only environmentally responsible but also financially beneficial, helping us to reduce operating costs. To accelerate our transition towards a low-carbon portfolio through efficient water consumption, we have established short, medium and long-term targets for our water usage.



Biodiversity is another key area of focus in our sustainability agenda. We understand the impact that our developments can affect local ecosystems and are committed to mitigating any adverse effects. Through sustainable land use and development practices and preserving natural habitats, we aim to promote the long-term health and sustainability of local ecosystems.

Additionally, we place significant importance on waste management. We recognise the environmental impact of improper waste disposal and are committed to reducing waste generation, increasing recycling, and minimising our negative impact. We are currently working on setting waste-reduction targets for the Group, which will be shared in 2023.

We are in the process of establishing a Life Cycle Assessment (LCA) system to further improve the environmental footprint of our products and services moving forward. Furthermore, we have set a target to ensure 100% of our high-end buildings and premium products are green certified, particularly Green Building Index (GBI) and GreenRE certifications.

Our environmental data, including climate data, undergoes an internal verification process by our internal audit (IA) team that follows international assurance standards. Starting in 2023, we will get our data independently verified to improve the credibility and accountability of our impact on the environment.

ENVIRONMENTAL IMPACT

Our Progress in 2022

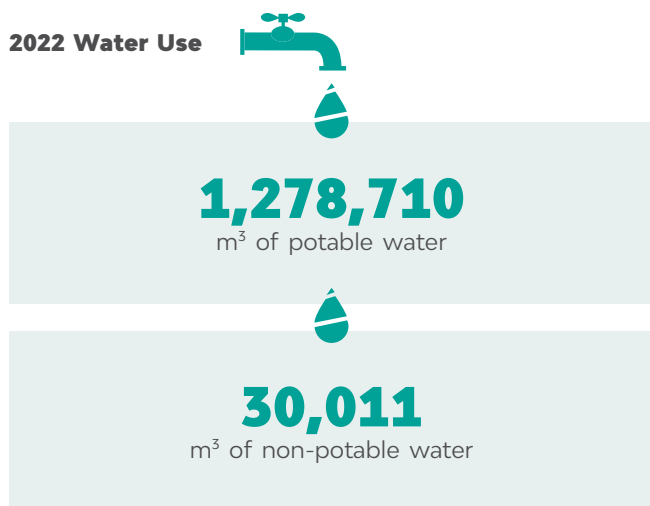
• Water Management

We are committed to preserving water resources and their ecological system by developing man-made lakes in two of our developments – Serene Heights in Semenyih and Aspira LakeHomes in Gerbang Nusajaya, Johor to preserve the hydrological cycle, ecological demands, and water quality.

While 100% of our operations are not in water-stressed areas, we are committed to conserving water use across all our operations. Our water is sourced from potable and non-potable water resources. To ensure efficient water consumption, we continuously monitor the monthly water consumption of our contractors, including both potable and non-potable water. Our contractors have implemented water reduction initiatives to reduce potable water dependency, avoid water wastages, and manage non-potable water for suitable usage.

This year, we extended our disclosure to non-potable water. Initiatives included the use of recycled water for outdoor washing, dust control measures, and irrigation. We also monitor and track the Group's water consumption by recording and keeping all water bills for seven years. Finally, we carry out pipe preventive maintenance and repair pipe/meter leaks.

In 2022, we recorded zero incidents of non-compliances with water quality/quantity permits, standards and regulations.



We ensure that water flowing from our development sites is not contaminated by collecting water samples from the discharge points and monitoring their TSS levels

• Water Discharge

Our project sites keep track of their total suspended solids (TSS) on a monthly basis through an external consultant to prevent water pollution. TSS can be caused by soil erosion, runoff, or discharges from project sites. While some streams naturally have significant quantities of suspended particles, a sudden increase in turbidity in a previously clear body of water is a cause for concern since some of our projects are near natural water resources.

We recognise that excessive suspended silt can degrade water quality for aquatic and human life, obstruct navigation, and raise flooding risks.

We aim to ensure that our TSS levels are within the permissible limit of 50mg/l or 150mg/l. All our effluents and wastewater are treated by Indah Water Konsortium (IWK) and disposed of in compliance with the National Water Services Commission (SPAN) and the requirements of other relevant local authorities.

There were no instances of non-compliance with water quality or quantity permits, rules, or regulations.

• Biodiversity

We actively promote biodiversity preservation, with its involvement in the SIREH Park project, where we target to plant 25,000 trees to help sequester 300,000 kg of carbon dioxide per year. We also planted 1,738 trees in SIREH Park, and has collaborated with government agencies, NGOs and corporations in tree-planting activities. Furthermore, we organise green awareness programmes, such as a 'Grow a Tree' programme, to promote biodiversity awareness. We also promote green spaces in urban areas and have planted 316 trees in Kiara Bay development in 2022.

• Environmental Monitoring

To ensure we protect the well-being and quality of life of nearby communities, we conduct regular environmental monitoring assessments surrounding our operations. We ensure the levels of air quality, water, noise and vibrations are within the safe limits as stipulated by the Department of Environment.

Air Quality Monitoring 2022

PROJECT	REQUIREMENT	Min (µg/m ³)	Max (µg/m ³)
Residensi Allevia (MBW)	PM10, 100 µg/m ³	22.0	57.0
Aspira Gardens	PM10, 100 µg m ³	37.0	47.0
		40.0	53.0
Aspira ParkHomes	PM10, 100 µg/m ³	42.0	55.0
		45.0	55.0
KAIA Heights Phase 1 – MBW	PM10, 100 µg/m ³	26.0	37.0
KAIA Heights Phase 2 – Piling works	PM10, 100 µg/m ³	1.3	46.4
		18.9	45.3
Kondominium Kiara Kasih	PM10, 100 µg/m ³	65.0	68.0
KMSG Grocer	PM10, 100 µg/m ³	0.0	70.0
		27.0	38.0
LFC Road Work	PM10, 100 µg m ³	41.0	63.0
		44.0	65.0
The MINH	PM10, 100 µg/m ³	39.0	40.0
The MINH Substructure	PM10, 100 µg/m ³	0.0	14.3
Residensi Astrea – MBW	PM10, 100 µg/m ³	24.0	33.0
Residensi Astrea	PM10, 100 µg/m ³	21.0	43.0
Residensi AVA – MBW	PM10, 100 µg/m ³	13.0	59.0
Residensi Solaris Parq (Plot A)	PM10, 100 µg/m ³	30.0	44.0
Senadi Hills P1A	PM10, 100 µg m ³	5.0	27.0
Senadi Hills P1B	PM10, 100 µg m ³	6.0	39.0
Senadi Square	PM10, 100 µg m ³	6.0	39.0
Serene Heights – Earthwork 2.1	PM10, 100 µg/m ³	0.0	32.0
Serene Heights – P1E Verna	PM10, 100 µg/m ³	21.0	59.0
Serene Heights – P1F Verna Park Terrace	PM10, 100 µg/m ³	21.0	54.0
Serene Heights – P1G (Frishia)	PM10, 100 µg/m ³	21.0	32.0
Serene Heights – P1H1 & P1H2 Verna Lake Villa	PM10, 100 µg/m ³	10.0	74.0
Serene Heights – P1J1 Verna Garden & P1J2 Verna Twin Villa	PM10, 100 µg/m ³	21.0	46.0

ENVIRONMENTAL IMPACT

Total Suspended Solid Monitoring 2022

PROJECT	REQUIREMENT	Min (mg/l)	Max (mg/l)
Residensi Allevia (MBW)	50 mg/l	14.0	35.0
		4.0	106.0
Aspira Gardens	150 mg/l	3.0	65.0
		3.0	80.0
	50 mg/l	5.0	58.0
		6.0	97.0
Aspira ParkHomes	150 mg/l	10.0	216.0
	50mg/l	5.0	19.0
KAIA Heights Phase 1 – MBW	50 mg/l	11.0	550.0
		26.0	2,148.0
KAIA Heights Phase 2 – Piling works	50 mg/l	17.0	45.0
		6.0	164.0
		8.0	124.0
Kondominium Kiara Kasih	50 mg/l	18.0	47.0
KMSG Grocer	50 mg/l	30.0	50.0
		0.0	105.0
	150 mg/l	3.0	26.0
		4.0	30.0
		3.0	30.0
	50 mg/l		34.0
			24.0
		4.0	29.0
			34.0
			10.0
LFC Road Work	50 mg/l	6.0	136.0
			14.0
		9.0	38.0
The MINH	50 mg/l	24.0	27.0
The MINH Substructure	50 mg/l	0.0	24.0
Residensi Astrea	50 mg/l	2.0	50.0
Residensi Astrea	50 mg/l	7.0	10.0
		8.0	32.0

Noise Monitoring 2022

PROJECT	REQUIREMENT	Min (dB)	Max (dB)
Residensi Allevia – MBW	60 db (A)	54.1	77.9
	60 db (A)	52.8	77.9
Aspira Gardens	60 dB (A)	47.1	53.8
	60 dB (A)	46.6	51.9
Aspira ParkHomes	60 dB (A)	51.9	56.7
	60 dB (A)	52.7	56.9
KAIA Heights Phase 1 – MBW	60 db (A)	53.1	60.0
	60 db (A)	65.0	65.0
KAIA Heights Phase 2 – Piling works	60 db (A)	18.9	72.3
Kondominium Kiara Kasih	60 db (A)	60.5	61.4
	60 db (A)	51.2	51.4
KMSG Grocer	60 db (A)	0.0	70.0
LFC Road Work	60 dB (A)	43.5	48.9
	60 dB (A)	52.0	58.2
	60 dB (A)	58.4	59.8
The MINH	60 db (A)	60.8	66.7
	60 db (A)	50.3	54.4
The MINH Substructure	60 db (A)	58.6	60.7
Residensi Astrea (MK27) – MBW	60 db (A)	56.2	60.8
Residensi Astrea (MK27) – MBW	60 db (A)	46.2	52.4

Vibration Monitoring 2022

PROJECT	REQUIREMENT	Min (dB)	Max (dB)
Residensi Allevia – MBW	15mm/s	0.4	4.4
Residensi Astrea – MBW	15mm/s	0.0	16.5
The MINH Substructure	15mm/s	0.7	4.3

Commitment to Minimising Environmental Impact

UEM Sunrise is a responsible developer that takes the impact of its projects on surrounding communities seriously. As part of our commitment to sustainability and social responsibility, we conduct regular air and noise monitoring as well as vibration monitoring to ensure that our projects do not have a negative impact on the surrounding environment.

By monitoring air quality, we can ensure that the air surrounding our projects is free from harmful pollutants and that our construction activities do not generate excessive dust. We also monitor noise levels to ensure that the noise generated by our construction activities is within acceptable limits and does not cause a disturbance to the surrounding community.

Additionally, we conduct vibration monitoring to ensure that any vibrations generated by our construction activities are not strong enough to cause damage to nearby structures or cause discomfort to people in the surrounding area.

By conducting these monitoring activities, we can ensure that our projects are developed in a way that is respectful of the surrounding community and minimises any negative impact on the environment.

ENVIRONMENTAL IMPACT

• CAT Walk

Besides preserving our green spaces, UEM Sunrise is also involved in wildlife protection, particularly through its collaboration with the Malaysian Conservation Alliance for Tigers (MYCAT) Foundation. MYCAT is an alliance of NGOs and the Department of Wildlife and National Parks Peninsular Malaysia, which serves as a platform for communication and collaboration, with an emphasis on sharing information, resources, and working together on the conservation of tigers, their habitats, and prey species.

In September 2022, UEM Sunrise employees took part in a three-day, two-night Citizen Action for Tigers (CAT Walk) programme in collaboration with MYCAT in Merapoh, Pahang. Led by MYCAT representatives and local Bateq guides, the CAT Walk initiative allowed participants to be directly involved in protecting the Sungai Yu wildlife corridor against poachers and illegal activities. The participants gained valuable insights about the endangered Malayan tigers, who face frequent threats from poaching, habitat destruction, and illicit trade. There are just an estimated 150 Malayan tigers left in the wild.

Apart from patrolling the Sungai Yu wildlife corridor, participants also took part in tree-planting activities as part of MYCAT's reforestation efforts to rewild the Sungai Yu Eco-Viaduct, which connects the Malayan tiger's habitual landscapes of Taman Negara and Titiwangsa Range. This programme was the culmination of the company's efforts throughout 2022 in raising public awareness about the declining population of Malayan tigers, in tandem with the year of the Tiger.



• Promoting Green Developments: SIREH Park

SIREH Park, located in Iskandar Puteri, Johor, is not just a natural heritage park but also a conservation hub that promotes biodiversity. As part of UEM Sunrise's efforts to preserve the nation's biodiversity, the company has been actively involved in working alongside the 343-hectare park and contributed significantly to its greenery. Our goal is to plant 25,000 trees in the park, which will aid in the annual sequestration of approximately 300,000 kg of carbon dioxide.

In 2022, UEM Sunrise and various governmental agencies, NGOs and corporations alike planted 1,738 trees in SIREH Park. More than



Our CHIEF Munirah participating in MYCAT's CAT Walk programme

half of these trees were listed under the International Union for Conservation of Nature's (IUCN) Red List native species, such as "Kelat Kayu" (*Lepisanthes rubiginosum*), "Timah-Timah" (*Ilex cymosa*), "Penang sloe" (*Kopsia arborea*), "Bertih Paya" (*Paratorcarpus* sp.), "Kembang Semangkuk" (*Scaphium linearicarpum*) and "Kasai" (*Pometia pinnata*).

In November 2022, UEM Sunrise organised a 'Grow a Tree' programme in collaboration with SIREH Park. This event saw 120 employees, members of its loyalty programme (the Trésorians), and residents from UEM Sunrise's development projects in the Southern region, including East Ledang, Teega, Bayu Angkasa, Nusa Idaman, The Maris Desaru, Estuari, Senadi Hills, and Serimbun, all taking part in the programme.

Apart from planting trees, participants also took part in jungle trekking, green craft activities, and trivia quizzes to promote biodiversity awareness. This green initiative is part of UEM Sunrise's efforts to appreciate the natural beauty of the local forest and foster environmental values within the community by empowering them, knowing that their actions in preserving nature make a difference for a healthier future.

• Overall Performance

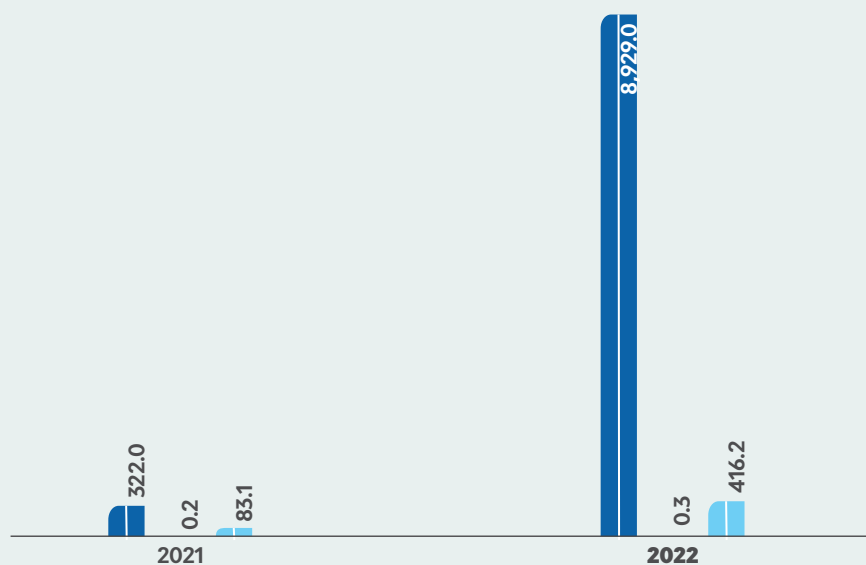
		2020	2021	2022
Potable water consumption (m ³)	▶	5,600	768,044	1,278,710
Non-potable water consumption (m ³)	▶	–	–	30,011.4
Water consumption (m ³) at:				
Head offices	▶	5,604	5,379	14,176
Projects		–	762,665	1,264,534
Waste generated (tonnes)				
Solid waste		–	83.1	416.22
Construction waste	▶	–	322.0	8,929
Scheduled waste		–	0.2	0.3
Total		–	405.3	9,345.54
Non-Recycled Waste (tonnes)	▶	–	0.2	0.3
Emissions avoided from domestic waste recycling (tCO ₂ e)	▶	–	–	16.63
Total fines and monetary penalties related to environmental non-compliance (RM)	▶	–	0	0

*Note: We only began tracking our waste consumption in 2021.

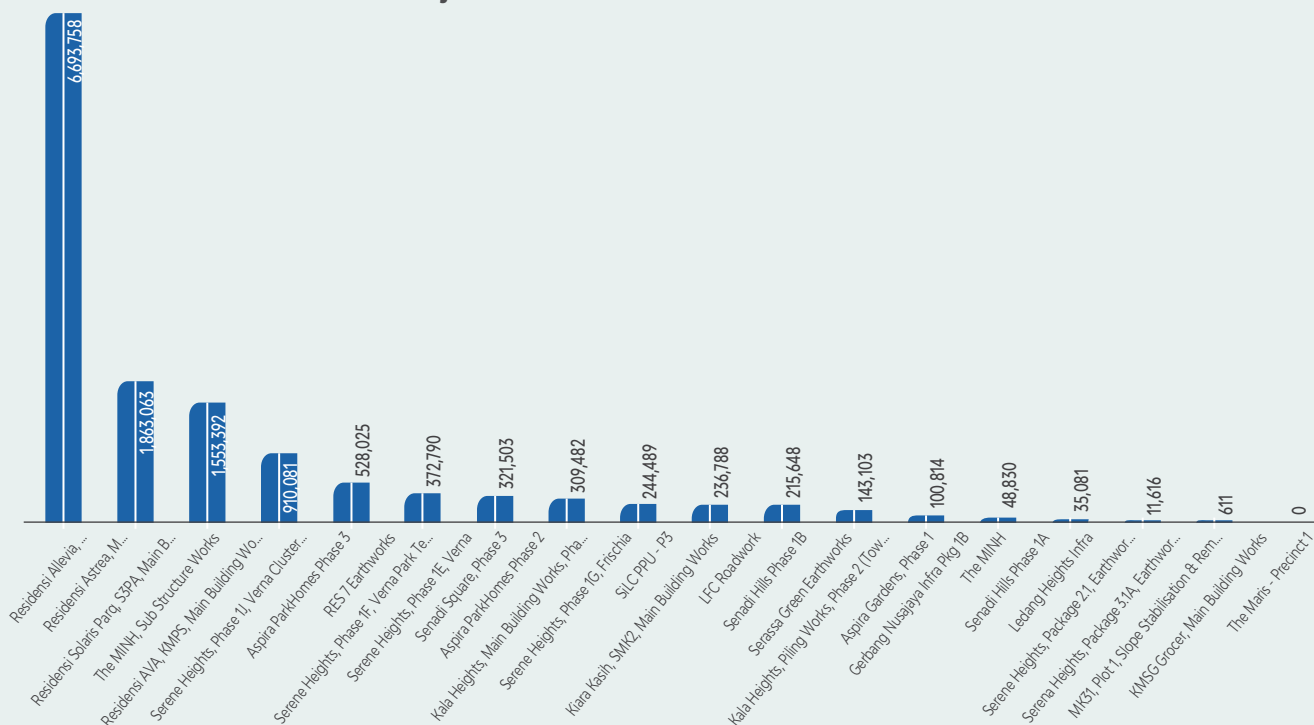
ENVIRONMENTAL IMPACT

Waste Management By Tonnes

● Construction Waste ● Schedule Waste ● Solid Waste



Project Utilities & Waste UEM Sunrise 2022



SOCIAL IMPACT



The team rolled up their sleeves and planted trees to support MYCAT's reforestation efforts, directly contributing to re-wilding the Sungai Yu Eco-Viaduct, which connects the Malayan tiger's habitual landscapes of Taman Negara and Banjaran Titiwangsa

We believe that building better communities is not just about constructing buildings and infrastructure. It is also about creating spaces and initiatives that promote community growth, development, and well-being. As a sustainable property developer, we are committed to not only meeting the needs of our customers but also contributing positively to the communities in which we operate.



COMMUNITY ENGAGEMENT AND SUSTAINABLE PRACTICES

The 68 Avenue project in Johor has had a significant social impact on the local community of Gelang Patah. One of the most notable effects has been the creation of job opportunities for the people in the area. This has not only helped to boost the local economy but has also provided much-needed employment opportunities for many individuals and families. Through our project, we have been able to support the livelihoods of local workers and contribute to the development of the community.

In addition to job creation, we have also focused on building strong relationships with the surrounding communities. Our team has established a partnership with a local school, which has enabled us to create a harmonious relationship with the students, teachers, and staff. Through various initiatives and programmes, we have been able to contribute to the school's growth and development, and in turn, fostered a strong sense of community and cooperation.

At the same time, our commitment to social impact extends beyond the local community. We recognise the need to address the challenges faced by senior citizens, and our product design, such as Aspira LakeHomes, has been developed to cater to the unique needs of this demographic. By creating a living space that is both comfortable and functional for senior citizens, we hope to improve their quality of life and enable them to lead a fulfilling lifestyle.

SOCIAL IMPACT

Finally, we are also mindful of the impact our projects may have on the natural environment. That is why we participated in MYCAT's CAT Walk programme, which aims to support the conservation of tigers living in the jungle. Through this initiative, we are able to contribute to the preservation of wildlife and help protect the natural environment for generations to come.

Overall, our commitment to social impact has been a core part of our approach to business. By focusing on the needs of the local community, seniors, and the natural environment, we have been able to create a positive impact that extends far beyond our projects. We believe that through our continued efforts, we can help build a brighter future for all.

WORKPLACE WELL-BEING

Related Material Matters:



Our employees are our most valuable asset, and we are committed to creating a safe, supportive, and inclusive workplace for all. We believe that a company's success is dependent on the well-being and satisfaction of its employees. Therefore, we strive to ensure that our employees are treated fairly, with respect and dignity, and that their human rights are protected.

We understand that our employees come from diverse backgrounds and cultures, and we value their unique experiences and perspectives. To support their growth and development, we provide training and development opportunities that enable them to acquire new skills and knowledge. We also offer a range of benefits, such as health and wellness programmes, flexible work arrangements, and work-life balance initiatives, that support their well-being.

Additionally, we are committed to upholding human rights throughout our operations, supply chains, and business relationships. We have a zero-tolerance policy for any form of discrimination, harassment, or forced labour, and we strive to ensure that all our business partners and suppliers share our values and commitments. Our supply chain partners are expected to follow the same standards, with a tender briefing delivered to all potential contractors to adhere to Act 446 on labour accommodation standards. Additionally, we have established a project Risk & Opportunities Assessment Register (ROAR) in identifying all project-related risks including labour issues/child labour.

Our Code of Conduct, revised and approved by the Board in 2019 and 2022, sets out our commitment to ethical behaviour in the workplace and when working with external stakeholders. We also have a Whistleblowing Policy in place, which enables our employees to report any improper conduct or wrongdoing within the Group. We reviewed and updated the Policy and Procedures in 2022, ensuring that individuals can raise concerns in confidence and without fear of reprisal.

Governance on Workers' Rights

Human Resources

Focus areas

- Working conditions
- Working hours wages
- Living wage benefits
- Leave breaks
- PDPA
- Grievance mechanisms

Business activities

Head office

Participants

- UEM Sunrise Chief People Officer
- UEM Sunrise Human Resources personnel

Construction sites

- Contractors' Human Resources Managers
- Contractors' Human Resources personnel

Health and Safety

Focus areas

- Workplace health and safety Health & Safety training Personal Protective Equipment (PPE)
- Access to medical services
- Occupational illnesses
- Night work
- Working conditions at construction sites

Business activities

Head office
Construction sites

Participants

- UEM Sunrise Health Safety, and Environment (HSE) Manager, HSE Officers,
- UEM Sunrise HSE Committees

Security Arrangements

Focus areas

- The security situation and management procedures at UEM Sunrise sites
- Security guards' security training
- Recruitment process

Business activities

Head office
Construction sites

Participants

- Security Manager and Officers
- Contractors
- Security guards

Business Integrity

Focus areas

- Processes on bribery and corruption
- Bribery and Corruption
- Complicity
- Lobbying

Business activities

Head office

Participants

- Legal Counsel
- Corporate and External Affairs Manager

Community Impacts

Focus areas

- Community engagement
- Access to water Environmental impacts

Business activities

Construction sites

Participants

- UEM Sunrise Project Managers
- UEM Sunrise Customer Experience Manager
- UEM Sunrise Development Manager

Procurement (goods and services)

Focus areas

- Procurement of goods and services by UEM Sunrise (including contractual arrangements, working conditions, health and safety, security and community impacts)

Business activities

Head office

Participants

- UEM Sunrise Procurement Manager

Construction sites

- Suppliers' workers

SOCIAL IMPACT

Sourcing of Raw Materials

Focus areas

- Working hours
- Living wage
- Non-discrimination
- Grievance mechanisms
- Child labour
- Forced labour
- Health and safety

Business activities

Head office
Construction sites

Participants

- Procurement Officer
- Contractor
- Workers
- Local communities

Product quality and marketing practices

Focus areas

- Products safety and quality product marketing and advertising
- Use of social media for marketing purposes

Business activities

Head office
Construction sites

Participants

- UEM Sunrise Chief Marketing Officer
- UEM Sunrise Chief Operations Officer/Project Team Leader
- UEM Sunrise HSE Officer
- UEM Sunrise HSE Committees
- UEM Sunrise Marketing Manager

Our Progress in 2022

• Regular Knowledge-Sharing and Learning Opportunities for Employees

To ensure that our employees are equipped with the latest knowledge and skills, we conduct regular knowledge-sharing sessions, engagement and feedback sessions with top management. We also provide digital learning platforms that enables our employees to access training materials and upskill themselves.

• Equal Pay for Men and Women

We believe in promoting equality in the workplace, and one of the ways we demonstrate this is by ensuring that the ratio of basic salary for both men and women is 1:1. This is a reflection of our commitment to promoting fairness and gender equality in the workplace.

• Employee Engagement for Talent Retention and Job Satisfaction

We value our employees and strive to create a healthy and engaging work environment. Through our Voice of CHIEFs employee engagement survey, CHIEF Wellness Programme, CHIEF Chats, and other initiatives, we aim to promote wellness, mental health, career management, recognition, and financial management.

• Fair Remuneration & Competitive Benefits for Employees

Our employees receive fair remuneration and equal benefits, and we adhere to all relevant local laws in terms of benefits, remuneration packages, working hours, overtime, minimum wage, and allowances. We also offer sabbatical leave for our employees to pursue their studies, take time off for their families or improve their psychological health and well-being.

• Future-proofing Employees with Training Programmes

At UEM Sunrise, we are committed to investing in the growth and development of our employees. We provide various training programmes such as 360 debriefs, coaching programmes, safety awareness workshops, and on-the-job training, among others. Our corporate finance programme for talents and executive coaching for our CEO is a testament to our dedication to developing our people's potential.

Additionally, our organisation will implement the behaviour-based safety (BBS) programme. The programme aims to reduce workplace accidents and injuries by encouraging employees to identify and report unsafe behaviours, thereby preventing potential hazards.



• UEM Sunrise's Diversity, Equity & Inclusion Policy

We are proud to have established our Diversity, Equity & Inclusion Policy in March 2022. This policy fosters diversity, equity, and inclusion in the workplace by promoting a culture that respects and appreciates differences, advocates equality, and encourages individuals to grow and develop to reach their full potential. We believe that a diverse and inclusive workplace is not only the right thing to do, but it also drives innovation, creativity, and business success.

• Overall Performance

Employee Engagement & Satisfaction

		2021	2022
Cores Value Engagement Score (CVES)		73	74
Employee Turnover Rate (%)		19	19.6
Salaries & Benefits (RM)		100,955	97,190
Board Members Attendance Rate (%)		100	99.8
Loss Time Injury Frequency Rate (LTIFR)		0	0
Total Recordable Case Frequency (per million manhours)		0	0
Health and Safety Incidents		0	0

Employee Diversity

		2020	2021	2022
Board of Directors (%)				
Female		40	33	33
Male		60	67	67
Employee Breakdown by Gender (pax)				
Female		575	551	460
Male		579	531	395
Employee Breakdown by Employee Category (pax)				
Non-Management		338	301	191
Management		720	687	570
Senior Management		96	94	94

SOCIAL IMPACT

EMPLOYEE SAFETY

Related Material Matters:



Health & Safety is a material issue for UEM Sunrise. We recognise that our employees are our most valuable assets, and their well-being is crucial to our success. By prioritising health and safety, we protect our employees and their loved ones, ensuring they return home safely every day. This not only benefits our employees but also contributes to maintaining productivity and performance, as employees who feel safe and cared for are more likely to be engaged and motivated in their work.

Moreover, a strong health and safety culture builds a positive reputation as a caring and responsible employer. Our commitment to health and safety is evident in our policies and procedures, which are regularly reviewed and updated to ensure they are in line with the latest industry standards and best practices. Since 2012, we have incorporated a Quality, Health, Safety and Environmental (QHSE) Management System across all business operations, certified with ISO 45001: 2018 Occupational Safety and Health Management System. This ensures that all our activities are conducted in a safe and responsible manner, protecting both our employees and the environment. Additionally, 100% of our sites have obtained OHSAS 18001: International Occupational Health and Safety Management Standard certification.

Regular communication is critical to maintaining a strong HSE programme. Our monthly HSE committee meetings bring together key stakeholders, including project management teams, contractors, and consultants, to discuss ongoing HSE efforts, identify areas for improvement, and share best practices. To ensure that we are continuously improving our HSE program, we also conduct quarterly assessments to evaluate our progress and identify opportunities for improvement. These assessments help us stay focused on our goals and make progress towards achieving them.

Furthermore, our focus on health and safety extends beyond our employees to our stakeholders, including customers, contractors, and suppliers. We ensure that our developments are safe and meet regulatory requirements, and we communicate clearly with our stakeholders on health and safety matters. All employees and workers are also expected to undergo a medical check up to ensure they are fit and healthy to handle the job, and avoid potential health risks from arising. We aim to foster a culture of safety, where everyone takes responsibility for their own safety and that of others, creating a safe and healthy environment for all.

Our Progress in 2022

- **SHASSIC: Ensuring Safety in Construction**

Construction sites can be hazardous places, which is why we take safety seriously. We carry out Safety and Health Assessment System in Construction (SHASSIC) before and during all our ongoing projects. This comprehensive assessment helps us identify potential risks and implement appropriate measures to mitigate them.

- **Safety Training and Workshops: Raising Awareness**

Raising awareness is crucial in promoting a safe working environment. This is why we conduct regular safety campaigns and safety awareness workshops to educate our employees on best practices and potential risks. We invest in internal training programmes to ensure that our employees have the skills and knowledge they need to work safely and effectively. By involving our employees in these activities, we encourage them to take ownership of their safety and well-being. In 2022, total safety-related training hours to our employees is 2,897 Hours.

- **First Aid and AED Training: Prepared for Emergencies**

Accidents can happen anytime, anywhere. That's why we provide first aid training to all our employees, ensuring they are equipped with the necessary skills to respond in an emergency. Additionally, we have placed automated external defibrillators (AED) at our premises, providing quick access to life-saving equipment in case of a cardiac emergency.

- **CIDB Green Card: Certifying Safety Competence**

All our site personnel are required to obtain a valid CIDB Green Card, which covers occupational-related accidents. This card certifies that they have the necessary knowledge and skills to work safely on construction sites, ensuring that we maintain high standards of safety across all our projects.

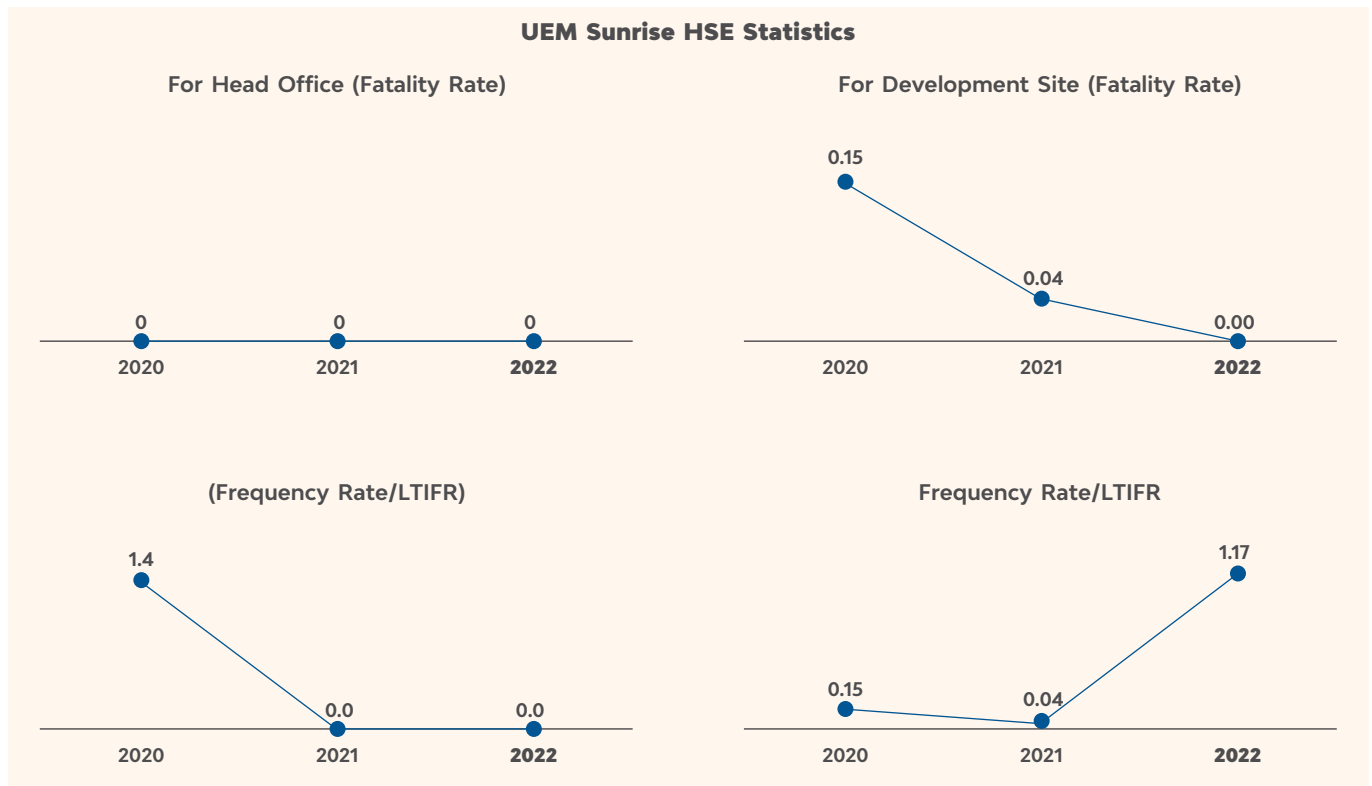
- **Compliance and Enhancement: Our Continuous Commitment**

We are committed to continuously enhancing our health and safety measures. Our Corporate HSE Committee ensures that we comply with all relevant regulations and legislation, while our Emergency Preparedness and Response plan ensures we are prepared to respond to any emergency situation. By continually improving our processes and organisational structure, we maintain our reputation as a caring employer and a responsible corporate citizen.

• HSE Pre-Qualifying Assessments for Contractors and Suppliers

Our contractors and suppliers play an important role in our overall HSE programme. We conduct HSE pre-qualifying assessments to ensure that they share our commitment to HSE excellence and have the necessary policies and procedures in place to work safely and effectively, ensuring a safe and successful outcome for all involved.

• Overall Performance



Particular	2020	2021	2022
Number of fatalities	0	0	0
Annual average number of employees	1,511	1,163	934
Number of accidents	1	0	0
Total man-hours worked	2,430,872	2,456,256	2,332,096

Particular	2020	2021	2022
Number of fatalities	3	1	0
Annual average number of employees	20,614	27,521	28,813
Number of accidents	6	2	2
Total man-hours worked	4,136,392	5,724,368	5,976,048

Particular	2020	2021	2022
SHASSIC Score	97.3%	95.9%	95.2%

SOCIAL IMPACT

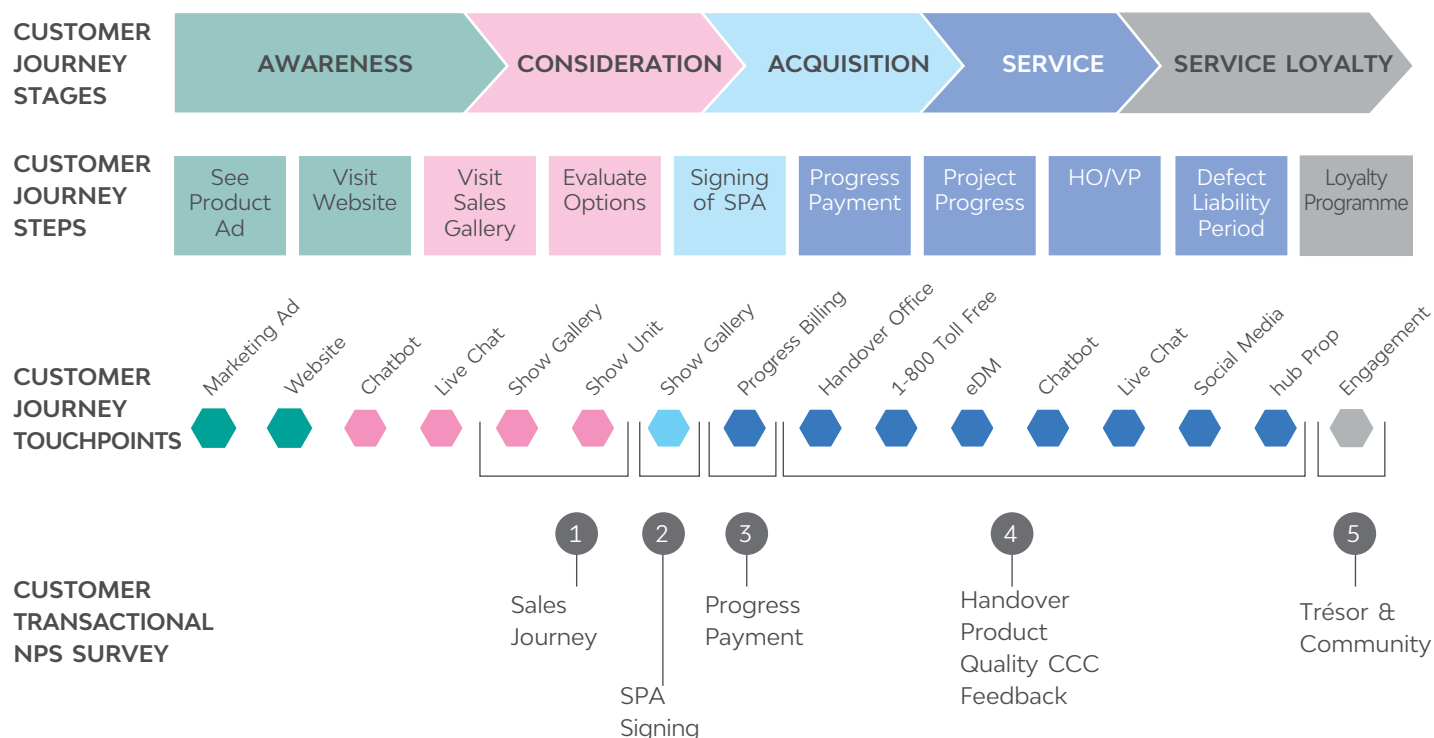
CUSTOMER EXPERIENCE

Related Material Matters:



Effective customer management is an integral part of UEM Sunrise's sustainability agenda as it allows us to build and maintain long-term relationships with our customers, leading to better sustainable growth in our business. By focusing on customer satisfaction, data management, and engagement, we can ensure that our customers are happy with our services and are more likely to return to us for future projects.

We leverage data management tools to analyse customer data, track their preferences, and tailor our offerings to their needs. This helps us to provide personalised services and recommendations that enhance the customer experience. In addition to data management, we regularly engage with our customers through various channels such as social media, emails, and newsletters. This way, we can keep them informed about our latest developments and address any concerns they may have in a timely manner.



We have strong processes and procedures to effectively strengthen our customer management approach. Our operations team is responsible for ensuring that any defects identified during the Defects Liability Period (DLP) are promptly and properly addressed. This means working closely with contractors and suppliers to identify the root causes of any defects, developing and implementing effective remediation plans, and ensuring that all work is carried out to a high standard. By addressing defects in a timely and effective manner, we are able to deliver high-quality products to our customers and maintain a strong reputation for excellence.

Similarly, our development team is committed to continuously improving our products and processes based on lessons learnt from past projects. This means analysing data and feedback from customers, contractors, and other stakeholders to identify areas for improvement, and incorporating those insights into future product design and development.

By prioritising customer experience, we can maintain productivity and performance, build a positive reputation as a caring and responsive developer, and ultimately achieve sustainable growth in our business.

Our Progress in 2022

- Engagement Made Easy: Multiple Platforms to Hear from Our Stakeholders**
 We believe in the power of feedback, which is why we created several engagement platforms for our stakeholders to voice their opinions. From social media to email, we make it easy for our customers, partners, and investors to provide feedback and help us improve.
- A Better Online Experience: Mobile Apps and User-Friendly Website**
 At UEM Sunrise, we know that a seamless online experience is essential for customer satisfaction. That's why we have recently revamped our website to be more user-friendly and have developed mobile apps to enhance our customers' experience. With these tools, we aim to make it easier for customers to find information, engage with us, and have a smoother journey from browsing to purchase.
- Perfectly Polished: Pre-delivery Inspection**
 We conduct thorough pre-delivery inspections for all units before they are handed over to our customers. This ensures that any defects or issues are identified and rectified prior to Vacant Possession, minimising the risk of delays or complications down the line. Our pre-delivery inspections are designed to ensure that every unit we deliver meets our high standards of quality.
- Beyond Satisfaction: Proactive Customer Engagement**
 Proactive customer engagement is key to building strong relationships and delivering exceptional customer experiences. This means reaching out to customers at various touchpoints throughout their journey with us, from initial enquiries to post-purchase follow-ups. Our customer experience team is dedicated to ensuring that all customer enquiries and concerns are addressed in a timely and effective manner, and that our customers feel heard and valued throughout their experience with us.
- Real-time Customer Feedback**
 We continuously improve our products and services. To this end, we implemented real-time feedback mechanisms at various touchpoints throughout the customer journey, allowing us to gather valuable insights and make data-driven decisions. This feedback is analysed and acted upon by our product development and customer service teams, who are committed to delivering products and experiences that exceed customer expectations.
- Intensifying the Loyalty Programme**
 We have recently intensified our loyalty programme rewards and benefits. This programme offers exclusive benefits and discounts to customers who have purchased multiple units from us or referred friends and family to our products. By incentivising loyalty, we are able to build stronger relationships with our customers and create a community of brand advocates who are passionate about our products and services.
- Lessons Learnt: Improving Future Products**
 We conduct detailed analyses of lessons learnt from past projects to inform our future product design and development. This means analysing data and feedback from customers, contractors, and other stakeholders to identify areas for improvement, and incorporating those insights into future product design and development.

SOCIAL IMPACT

• Leveraging Digital Solutions for Greater Efficiency

To further improve our internal processes, we introduced ProTracker in 2022, a cutting-edge software that has drastically improved our processing time. Before ProTracker, compiling and generating reports was a laborious manual process that took up to 12 hours to complete. Now, we can get the job done in just one hour, freeing up time and resources for other critical tasks.

In addition, we implemented ProSus, an innovative data tracking tool that has reduced the time it takes to compile data by 50%, from weeks to a fraction of that. With these advanced digital solutions, we are able to streamline our operations and provide faster, more efficient service to our customers.

Apart from ProSus and ProTracker, OMP (Online Management Paper) was launched in May 2021. It helped to accelerate our approval speed by 26% in 2022.

		2021	2022
ProTracker (PT) (Manual vs PT)	▶	N/A	12x faster reporting
ProSus (PS) (Manual vs PS)	▶	N/A	2x faster data collection
The average time taken to approve complex papers (OMP)	▶	19 days	14 days (26% Faster)
The average time taken to approve simple papers (OMP)	▶	1-2 days	1 day

• Overall Performance

Customer Engagement		2022
Customer Satisfaction	▶	79% ▲ 2%
Net Promoter Score	▶	+30 ▲ 5
Customer Effort Score	▶	69% ▼ 2%

Digital Customer Experience		2021	2022
Investments in Digital Initiatives (RM)	▶	RM11.4 million (OPEX)	RM10.1 million (OPEX)
Total sales from our digital platform	▶	51%	23%
Number of online reservations via MHub	▶	445	1,526
Customer Data Platform Campaign targeting CDP vs non-CDP scorecard:			
a) Lower Cost Per Lead	▶	N/A	a) 10% savings
b) Higher Click Through Rate			b) 22%
c) Higher Click to Lead Rate			c) 32%
Chatbot visitor	▶	N/A	2,792

PROTECTING DATA PRIVACY

Related Material Matters:



Protecting the privacy and security of our customers' data is essential to UEM Sunrise's sustainability agenda and overall approach. We understand that data breaches can have serious consequences for our customers and our business. By prioritising data privacy and cybersecurity, we can build trust with our customers and protect our reputation as a responsible and trustworthy company. In addition to the reputational benefits, there are also legal and regulatory requirements that we must comply with to ensure the protection of our customers' data. Failure to comply with these requirements can result in significant fines and legal action, which can harm our business and put our customers' data at risk.

At UEM Sunrise, ensuring the data privacy of our customers and employees is fundamental to our sustainable development. We exceed regulatory requirements to protect data privacy, mitigating risks that could impact our reputation, finances, and legal standing. By safeguarding data protection and privacy, we maintain customers' trust

and enhance their satisfaction. We comply with the Personal Data Protection Act 2010 (PDPA) and ensure that our data privacy and protection policy is communicated to all our departments, subsidiaries, vendors, and business partners.

Additionally, regular audit exercises are conducted internally and externally to assess and identify compliances on both technical and commercial aspects. Any findings or improvements are carefully assessed to ensure their effectiveness in protecting data privacy. Additionally, we use various security systems, such as Identity Access Management System, End Point Protection System, and Unified Threat Management, to protect our IT infrastructure from unauthorised access and security threats at both end-user and gateway levels. Our corporate IT perimeters are supported by an ISO/IEC 27001 Information Security Management Certified Operation Centre provider, which offers 24/7 proactive network and security monitoring, detection, advisory, and remedial operations.

Our Progress in 2022

- **Bulletproof Compliance: Our Ongoing Audit Exercises**

Regularly conducting both internal and external audits, we identify and assess compliance on both technical and commercial aspects, ensuring that we are consistently upholding the highest standards of security and privacy.

- **Robust IT Security: Our Protection Systems**

Our IT infrastructure is safeguarded using advanced security systems such as Identity Access Management and Unified Threat Management, ensuring that our systems and data remain secure from unauthorised access and threats.

- **Strengthening Cybersecurity Measures: Introducing a Cybersecurity Awareness Programme**

To further strengthen our cybersecurity measures, we have recently introduced a Cybersecurity Awareness Programme for the entire organisation. The programme is designed to provide our employees with a comprehensive understanding of cybersecurity, including the latest threats and vulnerabilities, as well as best practices for safeguarding sensitive data and information. By educating our employees, we can ensure that they are equipped with the knowledge and skills necessary to identify and prevent potential cyberattacks.

- **Overall Performance**

There were no breaches or substantiated complaints concerning cybersecurity or data privacy until 2022. We are determined to continue being vigilant and committed to upholding robust data protection measures to mitigate any potential cyberthreats.

		2021	2022
Email Phishing Protection Compliance		80%	93%
Cybersecurity E-Learning Take Up Rate		45%	85%