

MADE SUSTAINABLE

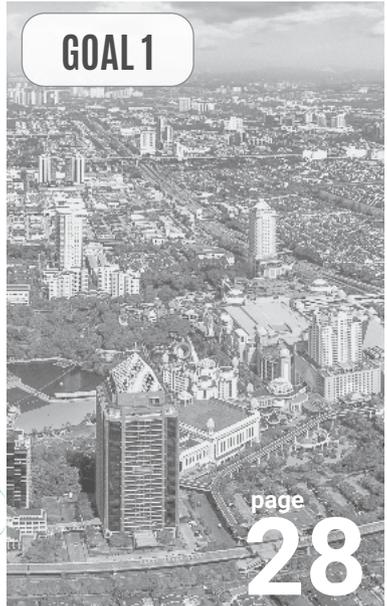
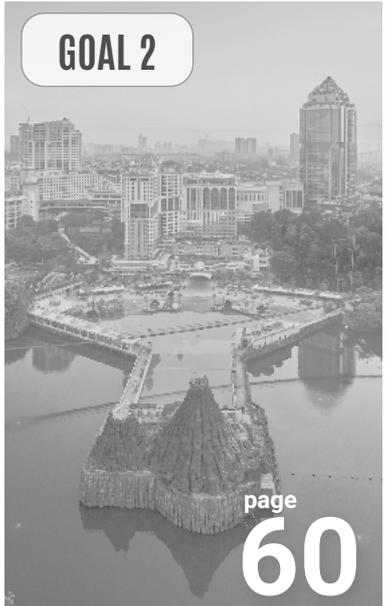
Sustainability Report 2022

[Back To Content](#)

INSIDE THIS REPORT

[Keyword Search](#)

[Go To Page](#)

<p>GOAL 1</p>  <p>page 28</p>	<p>GOAL 2</p>  <p>page 60</p>	<p>GOAL 3</p>  <p>page 66</p>	<p>GOAL 4</p>  <p>page 82</p>	<p>GOAL 5</p>  <p>page 94</p>
<p>TRANSFORMING OUR PORTFOLIOS TO LOW-CARBON SUSTAINABLE CITIES</p>	<p>ADVOCATING A RESPONSIBLE VALUE CHAIN</p>	<p>DEVELOPING A SAFE, EQUAL AND DIGNIFIED WORKFORCE</p>	<p>INVESTING IN COMMUNITY INCLUSIVITY</p>	<p>RESPECTING ETHICAL PRINCIPLES</p>

INTRODUCTION

[Previous Page](#)

- 1 About This Report
- 2 About Sunway

SUSTAINABILITY AS DRIVEN BY OUR LEADERS

- 4 Joint Leaders' Statement
- 8 2022 Key Highlights
- 9 Sustainability Governance

PRIORITISING MATERIAL ISSUES

- 10 Materiality Assessment
- 12 Value Creation Model
- 14 Stakeholder Engagement
- 22 Sustainability Scorecard
- 26 Sustainable Finance

APPENDICES

- 97 Membership in Associations
- 98 Key Performance Indicators
- 113 GRI Content Index
- 117 Glossary
- 118 External Assurance Report
- 120 Reducing the Environmental Impact of this Report

DISCLAIMER

The statements, data and information provided in this Report have been prepared to the best of our ability in ensuring completeness, accuracy and reliability. We shall not be liable for any errors or omissions that may remain and any loss or inconvenience incurred as a result of reliance on information provided in this Report.

REFERENCE

-  Refers readers to more information online.
-  Refers readers to other related parts in the Reports.

[Go To Page](#)

This interactive PDF allows you to access information easily, search for a specific item or navigate between pages, sections and links.



Go To Chapter

ABOUT THIS REPORT

GRI 2-3, 2-5

GRI Index

Sunway Berhad's ("Sunway" or "the Group") annual Sustainability Report ("this Report") encompasses our sustainability efforts and highlights the Group's Environmental, Social and Governance (ESG) performance in 2022. It describes the sustainability initiatives we have executed in our business and operations for the interest and benefit of our stakeholders and the environment to propel our business. This Report includes details on the significant risks and opportunities that impacted our business operations, including ESG and economic challenges, in the year under review. Underlying our sustainability journey are our strategies, a robust framework and initiatives that enable us to achieve the Group's sustainability goals and targets. In short, this Report captures the progress, achievements and challenges of our sustainability journey in 2022.

REPORTING SCOPE AND BOUNDARIES

Sunway is one of Southeast Asia's leading conglomerates listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") and is headquartered in Selangor, Malaysia. The scope of this Report covers only Sunway's operations in Malaysia, which contribute to 85% of revenue to the Group. This Report also includes comparative historical data wherever applicable. Relevant targets and key performance indicators have been established, tracked and disclosed to the best of our ability within this Report.

The contents of this Report have been reviewed and approved by our Board of Directors and the Board Sustainability Committee, who have ensured its contents are relevant to our business and our material issues. We have endeavoured to be transparent in the disclosures, goals and key performance indicators in this Report.

REPORTING PERIOD AND CYCLE

The reporting period of the Report is from 1 January to 31 December 2022, unless stated otherwise. Our Sustainability Reports are issued on an annual basis and our last Sustainability Report was published in April 2022.

EXTERNAL ASSURANCE

This Report has been externally assured by SIRIM QAS International Sdn Bhd, which has verified that the policies, initiatives and data disclosed here are accurate and acceptable.

Please refer to page 118 for the independent assurance statement.



MADE SUSTAINABLE

At Sunway, we are 'Made Sustainable'. This essence is captured in this year's cover with our iconic sustainable development, The Banjaran Hotspots Retreat, Malaysia's first luxury natural hot springs wellness resort. Nestled within Sunway City Ipoh, Perak, where biodiversity conservation and preservation of the natural environment is our core focus, The Banjaran is cradled by 260-million-year-old Paleozoic limestone hills, geothermal hot springs, natural caves and lush rainforests. It is the embodiment of harmonious coexistence between humankind and nature, proving that people and planet are a community with a shared future. The concept of protecting the ecology and the environment while developing the economy is demonstrated throughout our sustainable developments and townships nationwide. We will continue to advance the sustainable development agenda through our full embrace of the 17 Sustainable Development Goals adopted by the United Nations in 2015 on our journey to build sustainable communities.

GUIDELINES AND STANDARDS

We ensure that the production of this Report conforms to the highest reporting standards and best industry practices. This Report has been prepared in accordance with:

Global goals

- UN Sustainable Development Goals (UN-SDGs)
- Science-Based Targets initiative (SBTi)
- Intergovernmental Panel on Climate Change (IPCC)
- Planetary Health

Reporting frameworks

- Bursa Malaysia Main Market Listing Requirements
- Malaysian Code on Corporate Governance (MCCG) of Securities Commission Malaysia
- Sustainable and Responsible Investment (SRI) of Securities Commission Malaysia
- Global Reporting Initiative (GRI) Standards
- International Integrated Reporting Council (IIRC)
- Sustainability Accounting Standards Board (SASB)
- Value Reporting Foundation
- Task Force on Climate-related Financial Disclosures (TCFD)
- World Economic Forum International Business Council (WEF-IBC)

Rating tools

- FTSE Russell ESG Ratings
- MSCI ESG Ratings
- S&P Global ESG Ratings

PROGRESSIVE STATEMENTS

Our Report contains progressive statements in relation to the Group's objectives, strategies, plans and future initiatives that are interconnected with Sunway's business, financial and non-financial performance. These statements include words and phrases like 'expects', 'targets', 'intends', 'anticipates', 'believes', 'estimates', 'may', 'plans', 'projects', 'should', 'would' and 'will'. These statements should not be interpreted as a guarantee of future operating or financial performance, as they may bring about potential risks or unforeseen repercussions to the Group. Issues that might cause actual results to vary materially from those in the progressive statements include global, national and regional economic and social conditions or matters that have not been reviewed or reported on by the Group's auditors.

FEEDBACK

We welcome feedback, suggestions and comments to help us improve our sustainability practices, reporting and overall performance. Kindly submit your feedback to:



Jacqueline Wong Yin Teng

Group Sustainability, Sunway Berhad, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia



EMAIL:

sustainability@sunway.com.my

Next Page



INSIDE THIS REPORT

<p>GOAL 1</p> <p>page 28</p>	<p>GOAL 2</p> <p>page 60</p>	<p>GOAL 3</p> <p>page 66</p>	<p>GOAL 4</p> <p>page 82</p>	<p>GOAL 5</p> <p>page 94</p>
<p>TRANSFORMING OUR PORTFOLIOS TO LOW-CARBON SUSTAINABLE CITIES</p>	<p>ADVOCATING A RESPONSIBLE VALUE CHAIN</p>	<p>DEVELOPING A SAFE, EQUAL AND DIGNIFIED WORKFORCE</p>	<p>INVESTING IN COMMUNITY INCLUSIVITY</p>	<p>RESPECTING ETHICAL PRINCIPLES</p>

INTRODUCTION

- 1 About This Report
- 2 About Sunway

SUSTAINABILITY AS DRIVEN BY OUR LEADERS

- 4 Joint Leaders' Statement
- 8 2022 Key Highlights
- 9 Sustainability Governance

PRIORITISING MATERIAL ISSUES

- 10 Materiality Assessment
- 12 Value Creation Model
- 14 Stakeholder Engagement
- 22 Sustainability Scorecard
- 26 Sustainable Finance

APPENDICES

- 97 Membership in Associations
- 98 Key Performance Indicators
- 113 GRI Content Index
- 117 Glossary
- 118 External Assurance Report
- 120 Reducing the Environmental Impact of this Report

DISCLAIMER

The statements, data and information provided in this Report have been prepared to the best of our ability in ensuring completeness, accuracy and reliability. We shall not be liable for any errors or omissions that may remain and any loss or inconvenience incurred as a result of reliance on information provided in this Report.

REFERENCE

- Refers readers to more information online.
- Refers readers to other related parts in the Reports.

ABOUT THIS REPORT

GRI 2-3, 2-5

Sunway Berhad's ("Sunway" or "the Group") annual Sustainability Report ("this Report") encompasses our sustainability efforts and highlights the Group's Environmental, Social and Governance (ESG) performance in 2022. It describes the sustainability initiatives we have executed in our business and operations for the interest and benefit of our stakeholders and the environment to propel our business. This Report includes details on the significant risks and opportunities that impacted our business operations, including ESG and economic challenges, in the year under review. Underlying our sustainability journey are our strategies, a robust framework and initiatives that enable us to achieve the Group's sustainability goals and targets. In short, this Report captures the progress, achievements and challenges of our sustainability journey in 2022.

REPORTING SCOPE AND BOUNDARIES

Sunway is one of Southeast Asia's leading conglomerates listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") and is headquartered in Selangor, Malaysia. The scope of this Report covers only Sunway's operations in Malaysia, which contribute to 85% of revenue to the Group. This Report also includes comparative historical data wherever applicable. Relevant targets and key performance indicators have been established, tracked and disclosed to the best of our ability within this Report.

The contents of this Report have been reviewed and approved by our Board of Directors and the Board Sustainability Committee, who have ensured its contents are relevant to our business and our material issues. We have endeavoured to be transparent in the disclosures, goals and key performance indicators in this Report.

REPORTING PERIOD AND CYCLE

The reporting period of the Report is from 1 January to 31 December 2022, unless stated otherwise. Our Sustainability Reports are issued on an annual basis and our last Sustainability Report was published in April 2022.

EXTERNAL ASSURANCE

This Report has been externally assured by SIRIM QAS International Sdn Bhd, which has verified that the policies, initiatives and data disclosed here are accurate and acceptable.

 Please refer to page 118 for the independent assurance statement.



MADE SUSTAINABLE

At Sunway, we are 'Made Sustainable'. This essence is captured in this year's cover with our iconic sustainable development, The Banjaran Hotspots Retreat, Malaysia's first luxury natural hot springs wellness resort. Nestled within Sunway City Ipoh, Perak, where biodiversity conservation and preservation of the natural environment is our core focus, The Banjaran is cradled by 260-million-year-old Paleozoic limestone hills, geothermal hot springs, natural caves and lush rainforests. It is the embodiment of harmonious coexistence between humankind and nature, proving that people and planet are a community with a shared future. The concept of protecting the ecology and the environment while developing the economy is demonstrated throughout our sustainable developments and townships nationwide. We will continue to advance the sustainable development agenda through our full embrace of the 17 Sustainable Development Goals adopted by the United Nations in 2015 on our journey to build sustainable communities.

GUIDELINES AND STANDARDS

We ensure that the production of this Report conforms to the highest reporting standards and best industry practices. This Report has been prepared in accordance with:

Global goals

- UN Sustainable Development Goals (UN-SDGs)
- Science-Based Targets initiative (SBTi)
- Intergovernmental Panel on Climate Change (IPCC)
- Planetary Health

Reporting frameworks

- Bursa Malaysia Main Market Listing Requirements
- Malaysian Code on Corporate Governance (MCCG) of Securities Commission Malaysia
- Sustainable and Responsible Investment (SRI) of Securities Commission Malaysia
- Global Reporting Initiative (GRI) Standards
- International Integrated Reporting Council (IIRC)
- Sustainability Accounting Standards Board (SASB)
- Value Reporting Foundation
- Task Force on Climate-related Financial Disclosures (TCFD)
- World Economic Forum International Business Council (WEF-IBC)

Rating tools

- FTSE Russell ESG Ratings
- MSCI ESG Ratings
- S&P Global ESG Ratings

PROGRESSIVE STATEMENTS

Our Report contains progressive statements in relation to the Group's objectives, strategies, plans and future initiatives that are interconnected with Sunway's business, financial and non-financial performance. These statements include words and phrases like 'expects', 'targets', 'intends', 'anticipates', 'believes', 'estimates', 'may', 'plans', 'projects', 'should', 'would' and 'will'. These statements should not be interpreted as a guarantee of future operating or financial performance, as they may bring about potential risks or unforeseen repercussions to the Group. Issues that might cause actual results to vary materially from those in the progressive statements include global, national and regional economic and social conditions or matters that have not been reviewed or reported on by the Group's auditors.



FEEDBACK

We welcome feedback, suggestions and comments to help us improve our sustainability practices, reporting and overall performance. Kindly submit your feedback to:



Jacqueline Wong Yin Teng

Group Sustainability, Sunway Berhad, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia



EMAIL:

sustainability@sunway.com.my



ABOUT SUNWAY

GRI 2-1, 2-2, 2-6, 203-1

Sunway Berhad (“Sunway” or “the Group”) is one of Southeast Asia’s leading conglomerates and the parent company of the Sunway Group of companies, with diverse businesses in more than 50 locations worldwide. Supported by 11,388 employees, Sunway Berhad’s market capitalisation was RM7.9 billion as of 31 December 2022 and the Group is recognised as one of the top 100 companies listed on Bursa Malaysia Securities Berhad.

The very birth of Sunway Group in 1974 was founded on the concept of sustainable development. Based in Sunway City Kuala Lumpur, Malaysia, the Group has developed a diverse portfolio encompassing property development, property investment and REIT, building materials, trading and manufacturing, leisure, construction, hospitality, healthcare and quarry, among others. The Group owns approximately RM11.8 billion in assets under the management of its property investment and REIT divisions and has provided over 33,000 residential and commercial units to the communities in its integrated developments throughout Malaysia, as well as in stand-alone developments in China, Australia and Singapore.



Sunway owns two public-listed companies – Sunway Construction Group Berhad and Sunway REIT. The Group has 54.6% ownership of Sunway Construction Group Berhad, one of the most prominent construction companies in Malaysia, and owns 40.9% of Sunway REIT, the second-largest REIT in Malaysia. Together with Sunway Group, the market capitalisation for these companies, including Sunway Berhad, was over RM14.9 billion as of 31 December 2022.

Sunway’s leisure and hospitality divisions include 12 hotels and resorts comprising more than 3,700 guestrooms, suites and villas in Malaysia, Cambodia and Vietnam. Sunway also owns and operates two multiple-award-winning theme parks in Malaysia, namely Sunway Lagoon Theme Park in Sunway City Kuala Lumpur and Sunway Lost World of Tambun in Sunway City Ipoh, Perak which collectively span over 120 acres and offer more than 100 exciting attractions.

Sunway pledges its commitment to achieving the 17 UN-SDGs by 2030 and ensures all business divisions are aligned with its Environmental, Social and Governance (ESG) targets to generate long-term value creation and create a sustainable future for all.

CORE BUSINESS

- | | | | |
|---------------------------------|-----------------------------|---------------------------|----------------------------------|
| Property Investment/REIT | Property Development | Building Materials | Trading and Manufacturing |
| Leisure | Construction | Hospitality | Healthcare |
| Quarry | Others | | |

CORPORATE CORE VALUES

INTEGRITY
We not only do the right things but do things right. We conduct ourselves in an honest, professional and ethical manner at all times.

HUMILITY
We believe in being humble, polite and respectful. It is about displaying empathy and demonstrating daily that we care and listen. It reminds us that no matter how much we think that we know, we still have a lot to learn.

EXCELLENCE
We are committed to the pursuit of excellence and delivering high-quality products and services in the sectors we are involved in.





UNITED KINGDOM

CHINA

INDIA

VIETNAM

THAILAND

CAMBODIA

MALAYSIA (HQ)

PHILIPPINES

SINGAPORE

INDONESIA

AUSTRALIA

VISION
To be Asia's model corporation in sustainable development; innovating to enrich lives for a better tomorrow.

- MISSION**
- Empowering our people to deliver enhanced value to all stakeholders
 - Embracing sustainability in our business processes and decisions
 - Attracting and nurturing a talented and progressive workforce for the digital era

>50
LOCATIONS WORLDWIDE

11,388
EMPLOYEES UNDER SUNWAY BERHAD





JOINT LEADERS' STATEMENT

GRI 2-22



Tan Sri Dato' Seri Dr. Jeffrey Cheah AO
Founder and Chairman
Sunway Berhad

Tan Sri Dato' (Dr.) Chew Chee Kin
President
Sunway Berhad

DEAR VALUED STAKEHOLDERS,

We live in a time of extreme uncertainty. While it appears that Malaysia and the world are winning the battle against COVID-19, the virus continues to pose a threat. Tensions between the U.S. and China have escalated, while the war in Ukraine has disrupted global supply chains.

Inflationary pressure may be cooling off but the already widened income inequality is reversing decades of hard-earned progress. The rise in the cost of living threatens to tip tens of millions into poverty and misery. The rapid advance of technology is changing and disrupting every aspect of our lives.

And above all looms climate change, which poses a threat to the very survival of humanity. Our planet, our home, is burning up, literally. Clearly, implementing the sustainability agenda is no longer just an option, but an urgent imperative.



JOINT LEADERS' STATEMENT

DOING WELL BY DOING GOOD

To create a safe and just space for humankind without breaching the ecological ceiling, we subscribe to the Doughnut Economics model – a conceptual framework that prioritises people and shifts the focus to quality of life, with economic growth being a means towards those ends.

“Today, we have economies that need to grow, whether or not they make us thrive. What we need are economies that make us thrive, whether or not they grow.”

Professor Kate Raworth, 'Doughnut Economics'

Everything that we do now is about the future generations and that means acting as responsible stewards of the planet. What we are doing at Sunway is strongly based on the principle that we can all do well by doing good.

Our embrace of the sustainability agenda is summed up in our vision statement, which is 'To be Asia's model corporation in sustainable development, innovating to enrich lives for a better tomorrow'.

This is why Sunway has fully embraced the 17 UN Sustainable Development Goals, or UN-SDGs, adopted by the United Nations in 2015. The UN-SDGs chart a holistic and comprehensive roadmap towards a sustainable future.

We have also integrated our UN-SDGs with clear, compelling Environmental, Social and Governance (ESG) targets as part of our corporate strategy and social responsibility in driving the Group's long-term success and commitment to nation-building. However, to transform the UN-SDGs from being mere aspirations to genuine action requires measurable tools.

ESG AND THE SUSTAINABILITY AGENDA

ESG is now fast becoming a new metric which includes non-financial factors to measure progress and growth. It shifts the focus from an obsession with quantitative growth to a more measured assessment of qualitative progress.

However, it is important to emphasise that ESG is only a means to an end. We should never lose sight of the fact that sustainable development is the overarching goal that we should all pursue and promote.

At Sunway, we view ESG as a data-driven mechanism and a tool to help manage and mitigate risks. ESG is also a framework that demonstrates transparency and accountability among all stakeholders.

To help us with implementing ESG metrics, we rely on experts in the field such as the Asia headquarters of the United Nations Sustainable Development Solutions Network, or UN-SDSN, and the Jeffrey Sachs Center on Sustainable Development, both of which are housed at Sunway University.

In 2022, Sunway managed to maintain an MSCI

ESG Rating of A

and achieved its highest FTSE Russell ESG Rating since being rated in 2016, cementing our position in the

top 25%

by ESG Ratings among PLCs in FBM Emas.



NAVIGATING STAKEHOLDER PRIORITIES

To determine what matters most to our stakeholders, materiality assessments are conducted to identify, refine and assess potential ESG issues that could affect our business. This strategic business tool allows us to view business risks and opportunities through a sustainability lens.

We are aligning our materiality issues with identified global megatrends to manage, stay ahead and remain competitive. By examining the interconnectivity of risk drivers, which are most central and impact the ability of our business to withstand, recover and adapt, Sunway is on the right track to capitalise on and leverage opportunities arising from these global megatrends.

Prioritised Material Issues

- Brand and reputation
- Capital allocation strategy (Build-Own-Operate (BOO) business model)
- Company's financial performance
- Climate action
- Employee well-being
- Innovation and technology
- Group standards and operating procedures

JOINT LEADERS' STATEMENT

We believe that ESG and issues of sustainability strongly interrelate with a comprehensive business strategy; as such, Sunway continuously transforms its business strategy with a multi-capital and multi-value perspective in focus. This enables a holistic business approach that creates financial and non-financial values for the Group.

In a dynamic operating landscape, the Group continues to advance our journey of digital transformation, accelerating digitalisation initiatives as well as adoption of technological innovations throughout our flagship township Sunway City Kuala Lumpur and across our townships nationwide.

Sunway has implemented a host of initiatives, from Robotic Cognitive Automation and Big Data to Data Analytics, Data Governance and Federated Learning, across our business divisions with the aim of evolving into a digitally and data-driven conglomerate. We also aim to create compact, digitalised and transit-oriented cities that are smart and sustainable – leveraging innovation and technology.

We have launched the

Sunway Super App, the first-of-its-kind one-stop lifestyle Super App in Malaysia. The Super App creates insuperable value for our users by connecting them to myriad products and services offered by Sunway's robust and extensive ecosystem, comprising our business divisions as well as more than 1,500 retailers and business partners.



This is indeed a significant milestone for Sunway on our continuous journey of digital transformation. It has always been part of the Group's digital transformation roadmap to consolidate and provide a digital platform to serve a wider market segment, leveraging technology solutions.

VALUE CREATION

At Sunway, we have chosen a holistic approach in value creation which combines our financial and non-financial performance and considers the impact on the Group and our stakeholders in the short, medium and long term.

This multi-capital approach matters to the Group as it enables us to keep abreast with the macro-operating environment and helps us carve more precise and sustainable business strategies that address risks, ensure efficient capital usage and enable sustainable environmental and social performance.

Embracing this approach also presents a platform for Sunway to explore new opportunities, reinforce our business model and place the Group on a growth path while advantageously creating long-term positive impacts for our stakeholders and future generations.

OUR COMMITMENT TO SUSTAINABILITY

Since the very birth of Sunway Group, we have consciously and consistently taken measures to reduce our carbon footprint in Sunway City Kuala Lumpur, Malaysia's first fully integrated green township.

Focus on reduction of carbon emissions

We set about rehabilitating the 800-acre site and restoring a complete ecosystem, turning the area into a wonderland. This included transplanting more than 30,000 trees that led to some 150 species of flora and fauna within the city. The city has its own public transport system; the BRT-Sunway Line uses

electric buses running on specially designed elevated bus lanes, which link to the national railway system and the international airport. Covered elevated walkways also connect the city, providing an alternative and healthy means of getting around that reduces its carbon footprint. In all our manufacturing companies, energy saving continues to be our number one priority. We aspire to optimise the firing process of our clay pipe production time by 40 to 50%, which will save energy, carbon emissions and cost.

Sunway also continues to leverage solar energy in our efforts to reduce carbon emissions across our business divisions. We now use solar energy across all our educational institutions and retail malls, gradually reducing our dependency on non-renewable energy resources such as fossil fuels. Sunway plans to source at least 40% of its electricity from renewable sources by 2030, the same year it hopes to reduce carbon emissions by half.

In 2021, we took our commitment to sustainability one step further by implementing measures to achieve net zero carbon emissions by 2050. Sunway introduced a carbon-pricing framework in our businesses to push this agenda. From 2022 to 2024, the price will be set at RM15 per tonne of CO₂e emitted above a pre-defined threshold level. This carbon price will be recalibrated progressively in subsequent years. Our respective business divisions will work towards their own decarbonisation targets, and those that fail to meet these targets will be penalised by having an amount deducted from their bonus pool.

We are the first corporation in Malaysia, and among the first in Asia, to implement such a robust carbon-reduction strategy in conducting our business. This is also a reflection of our firm belief that sustainability and profitability can go hand in hand. The immediate result of implementing Internal Carbon Pricing is that respective divisions are now more aware of the standards set by the industries for energy-efficient operations. This has resulted in regular evaluations of each divisional operations to ensure optimal operational efficiency. Carbon pricing has become a powerful change incentive to innovate to more effective and sustainable methods as a result of the targets becoming stricter.

WE ARE ALL IN THIS TOGETHER

OUR BUSINESS PARTNERS

In line with our aspiration to build a sustainable future, Sunway has pledged to achieve net zero carbon emissions by 2050. And this is in line with the Malaysian government's commitment of being carbon-neutral by 2050 as outlined in the 12th Malaysia Plan.

Sunway continuously strives to achieve decarbonisation according to Scope 1, 2 and 3, benchmarked against best emissions reporting practices. We have implemented progressive adoption of LED lights at our properties and installed rooftop solar panels on our buildings, whenever possible. Moving beyond the reduction of Scope 1 and 2 emissions, we have implemented the Green Lease Partnership Programme for all our REIT tenants.

The programme encourages best international practices in sustainability and drives sustainable solutions through behavioural change. It is Sunway's latest initiative to promote and engage with its stakeholders to reduce Scope 3 emissions.

We are proud to share that we are the first in Malaysia to introduce a green lease programme through our REIT arm. We strongly believe that building a sustainable future requires the commitment of all elements of society and we are pleased to have business partners on board with the programme.

OUR PEOPLE

At Sunway, the health, safety and well-being of our people is at the core of our organisation. We strongly believe that managing occupational health, safety and environment (OHSE) is an integral part of managing the well-being of our people.

Our goal is to further improve our current talent management structure in order to achieve full potential in terms of attracting, developing and retaining our staff strength of more than

11,000
employees

across 50 locations worldwide



We remain committed to cultivating a generative safety culture where safety becomes second nature. We are determined to push the safety culture forward as a genuine culture that extends throughout Sunway's entire ecosystem. After all, safety is a collective responsibility.

Sunway will continue to emphasise and promote the value of lifelong learning by providing learning and development opportunities. Our goal is to further improve our current talent management structure in order to achieve full potential in terms of attracting, developing and retaining our staff strength of more than 11,000 employees across 50 locations worldwide.

We remain the top pick among graduates and Sunway was recognised among the top 25 overall winners in the 'Most Preferred Graduate Employers to Work For in 2023'.

OUR COMMUNITY

If our country is to live up to its claims of being a caring society, it is essential that we help our fellow Malaysians who are struggling to survive in a world of darkness and misery.

Sunway's CSR commitment is to try and leave no one behind. That is why most of our CSR projects are focused on helping the marginalised and often forgotten segments of society. Our belief that no one should be left behind is one of the fundamental reasons why Sunway is deeply committed to advancing the sustainable development agenda.

In 2022, Sunway established a long-term partnership with the Malaysian AIDS Foundation (MAF) to improve healthcare access for underprivileged communities living with HIV in Sabah and Sarawak. The MAF-Sunway HOPE Borneo Project will see support worth RM 1 million per year over the span of five years from Sunway to help end the AIDS epidemic. Sunway and MAF also raised more than RM 2.6 million at the 2022 Red Ribbon Gala, which is the highest amount ever collected in the 13-year history of MAF's signature fundraising gala.

GOING FORWARD

Sunway remains committed to advancing the UN-SDGs. We have embraced the principles of sustainability across our decision-making processes and business practices and will continue to focus on the 'Three P' bottom-line of People, Planet, Prosperity by taking into account the interests of all stakeholders.

As we journey towards building a more progressive, sustainable and inclusive future for all, we hope that more Malaysian brands will come forward to make a lasting change for the betterment of our nation and the planet at large.

Sunway recognises that realising the UN-SDGs is not the responsibility of governments alone. It requires the commitment of every element of society – the private sector, academia, civil society and, of course, every single individual.

We are all in this together.



2022 KEY HIGHLIGHTS

Putra Brand of the Year

(Sunway Group)

Putra Brand Personality of the Year

(Tan Sri Dato' Seri Dr. Jeffrey Cheah AO)
at the Putra Brand Awards 2022

Company of the Year Award

and **Long-Standing Excellence
in Sustainability Award** at the
Sustainability & CSR Malaysia Awards 2022

Launched

Sunway Super App,

the first-of-its-kind one-stop lifestyle
Super App in Malaysia

Implemented
Malaysia's first

**Internal Carbon
Pricing** framework at
RM15/tonne CO₂e

Sunway and Malaysian AIDS
Foundation raised more than

RM2.6 million
at the 2022 Red
Ribbon Gala

First in Malaysia to implement

**Green Lease Partnership
Programme**
through Sunway REIT

Established

**Sustainable
Events
Management
Policy**

Established

**Green
Township
Policy**

Established the **United Nations
Sustainable Development Solutions
Network (SDSN) Asia Headquarters**

in Sunway City Kuala Lumpur, one of three global
centres in the world, alongside New York City and
Paris

**Long-Term Achiever
Award** and **Silver Award**

in Industrial Products and Services
at The Edge ESG Awards 2022

40%

women's
representation
on our Board of
Directors

Top 25

among overall
winners in the Most
Preferred Graduate
Employers to Work
For in 2023

Top 10%

percentile of the Industry
Classification Benchmark
(Real Estate) Supersector
assessed by FTSE Russell

Top 25%

by ESG Ratings
among PLCs in
FBM Emas

9,743 MWh

of renewable
energy generated
across our
properties

Zero

fatality
rate

Maintained MSCI
**ESG Rating
of A**

Zero

reported cases
of cybersecurity
breaches



SUSTAINABILITY GOVERNANCE

GRI 2-9, 2-12, 2-13, 2-14, 2-17, 2-18

Strong sustainability governance enables us to integrate effective sustainability initiatives, set targets, improve our reporting, enhance relations with stakeholders and ensure accountability across the organisation. At Sunway, sustainability is anchored on a top-down approach and led by a Board Sustainability Committee (BSC) consisting of four Directors from the Group's Board of Directors.

Since 2021, we have integrated sustainability elements into our Senior Management's performance assessments and key performance indicators (KPIs), which are linked to remuneration. Their KPIs include ESG targets that aim to improve energy intensity, increase electricity generation from renewable energy sources, increase waste diverted from landfills and improve occupational health and safety (OHS) practices and employee learning and development hours, as well as ESG rating scores.

SUSTAINABILITY GOVERNANCE STRUCTURE

BOARD OF DIRECTORS

The Board has a duty to provide direction to the Company and its subsidiaries, and it is responsible for providing the impetus to achieve the Company's goals and objectives. The Board is also responsible for the development and evaluation of the strategy, direction, core values and corporate governance and for overseeing the management of the Group. This is to ensure that the business operates with integrity and fully complies with all the applicable laws, rules and regulations.

BOARD SUSTAINABILITY COMMITTEE (BSC)



**Tan Sri Dato' (Dr.)
Chew Chee Kin**

**Datuk Tong
Poh Keow**

**Sarena Cheah Yeap
Tih, S.M.S.**

**Dr. Philip
Yeo Liat Kok**

The BSC's role is to review, supervise and make recommendations to the Board on the approval of the Group's sustainability strategy and key issues, ESG targets and performance, progress and scorecard. The BSC meets at least twice a year to discuss and review Sunway's sustainability progress.



THE JEFFREY SACHS CENTER ON SUSTAINABLE DEVELOPMENT (JSC)

The Jeffrey Sachs Center on Sustainable Development (JSC) at Sunway University acts as an advisor to the BSC, supporting its recommendations with academic research.

SUNWAY GROUP SUSTAINABILITY DEPARTMENT (GS)

The Group Sustainability Department (GS) supports the BSC in making informed decisions on embedding the sustainability strategy in the business operations. Apart from supervising sustainability reporting, the GS manages materiality assessments and monitors sustainability trends and sustainability risks and opportunities, as well as stakeholder engagement.

MANAGEMENT SUSTAINABILITY COMMITTEE (MSC) ACROSS ALL BUSINESS DIVISIONS & GROUP FUNCTIONS

The Management Sustainability Committee (MSC) ensures that the Group's sustainability strategy and direction are cascaded from the BSC to all business divisions and their employees. Comprising Business Division Heads, the MSC also serves as a platform for discussing issues and gathering feedback.



MATERIALITY ASSESSMENT

GRI 3-1, 3-2, 3-3

Determining key sustainability issues that are material to our business is pertinent to our journey of value creation. We review and assess our material issues on an annual basis to ensure that we identify and meet stakeholder needs, in addition to mitigating risks and identifying opportunities. Conducting a materiality assessment also allows us to align our material issues and priorities with current trends, global developments and industry peers. We conduct a thorough materiality survey involving internal and external stakeholders annually to better understand our position and our ESG impacts on our stakeholders.

A IDENTIFICATION OF MATERIAL ISSUES

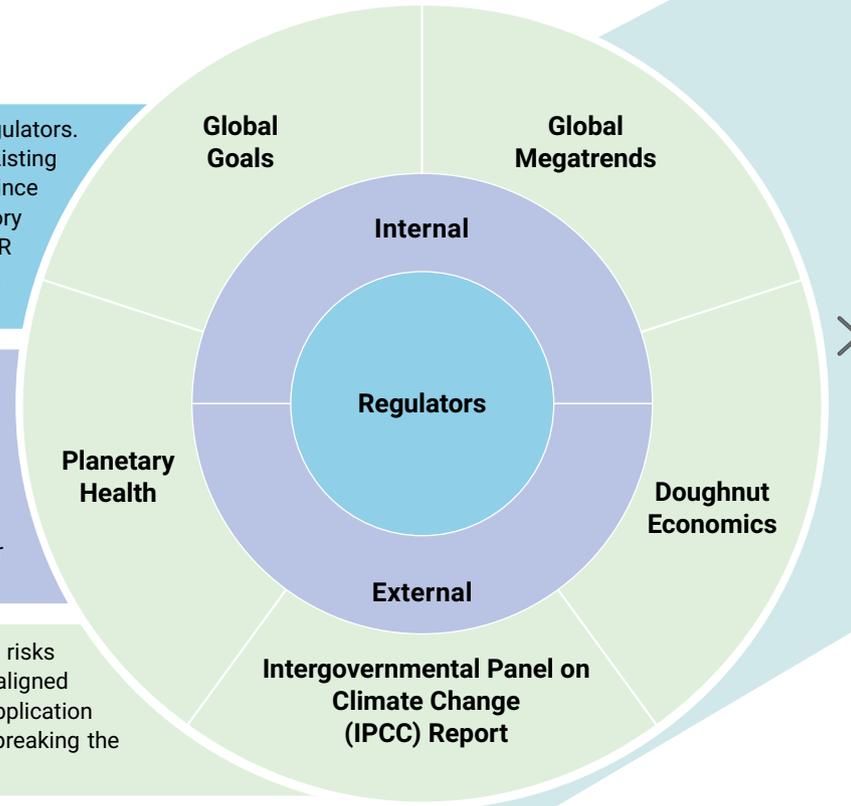
REGULATORS Our first step in deciding material issues is to ensure that we comply with the requirements of local regulators. Since 2015, Bursa Malaysia has, under the Main Market Listing Requirements (MMLR) and Ace Market Listing Requirements, required all public listed companies in Malaysia to publish a sustainability statement. Since 2015, Sunway Berhad has published its Sustainability Reports annually to meet the mandatory regulatory rule. In September 2022, Bursa Malaysia enhanced the sustainability reporting requirements in the MMLR to elevate the sustainability practices and disclosures of listed issuers. The enhancement included a list of 11 common sustainability matters and several sector-specific sustainability matters.

RISKS We considered the risks to our Company, which consisted of internal and external risks. ESG risks were identified and incorporated into Sunway Berhad’s internal risk focus areas. The focus areas included external, financial, regulatory and compliance, value chain, people, corporate governance and infrastructure.

We also referred to major sustainability indices and rating and ranking tools such as FTSE Russell, MSCI and S&P CSA, among others, to understand exposure to sector-specific risks that were common to our industry classification.

GLOBAL MEGATRENDS We observed global megatrends or issues that had yet to be considered and analysed the global risks associated with these issues that could have direct or indirect impact on our Company. From here, we aligned our responses to support the achievement of global agenda such as the 17 UN-SDGs by considering the application of the Doughnut Economics Model Framework to provide a safe and just space for humanity without breaking the ecological ceiling.

STAKEHOLDER ENGAGEMENT Finally, we conducted an online survey with our stakeholders to gauge the material issues that should be prioritised based on the resources available to us.



MATERIALITY ASSESSMENT

B LIST OF MATERIAL ISSUES

In 2022, we conducted a fresh materiality assessment with 14 material issues addressing economic, environmental, social and governance issues to better reflect our management approach.

<p>ECONOMIC</p> <ol style="list-style-type: none"> 1. Macroeconomic issues 2. Company's financial performance 3. Responsible and sustainable financing 4. Capital allocation strategy (Build-Own-Operate (BOO) business model) 5. Brand and reputation 	<p>ENVIRONMENTAL</p> <ol style="list-style-type: none"> 6. Climate action 7. Protection of biodiversity and ecology 8. Pollution management
<p>SOCIAL</p> <ol style="list-style-type: none"> 9. Value chain improvement 10. Employee well-being 11. Human rights 12. Community investment 	<p>GOVERNANCE</p> <ol style="list-style-type: none"> 13. Group standards and operating procedures 14. Innovation and technology

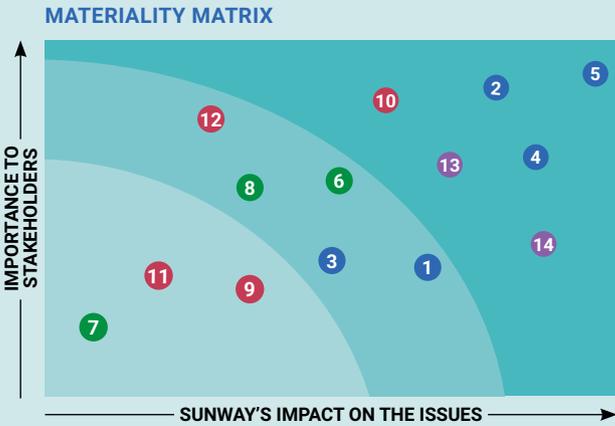
C STAKEHOLDER ENGAGEMENT

We engaged with our stakeholder groups via an online survey to identify and gauge the material issues that should be prioritised based on the resources available to us. We received more than 1,100 responses from the survey conducted.

<p>Internal</p>		
Board of Directors	Employees	Sunway Senior Management / Business Division Heads
<p>External</p>		
Customers	Media & NGOs	Suppliers / Vendors
Government Agencies / Regulators / Local Authorities	Investors / Financiers / Analysts	

D ONLINE SURVEY

The survey results showed stakeholders' perceptions of the relative importance and impact of these issues on Sunway, as well as Sunway's impact on these issues. Their responses were collated and plotted based on the stakeholders' influence and impact according to the Board of Directors and Senior Management / business division heads, where the prioritised issues were located in the outermost section.



E PRIORITISATION OF MATERIAL ISSUES

- Brand and reputation
- Capital allocation strategy (Build-Own-Operate business model)
- Company's financial performance
- Climate action
- Employee well-being
- Innovation and technology
- Group standards and operating procedures

The results of the materiality assessment revealed six material issues that were most significant to stakeholders based on their impact on Sunway and Sunway's impact on the issues. As part of

our commitment towards Net Zero by 2050, we included Climate Action as the seventh prioritised material issue. These seven material issues reflect how we are shifting away from a solely profit-driven business strategy toward a multi-capital, multi-value perspective. This is supported by our knowledge that ESG can and has already affected financial performance.

Our Build-Own-Operate business model gives us a distinctive competitive edge. It enables us to harness the diverse commercial and operational synergies across our business divisions, and we are constantly conducting research and development to improve the model through Innovation and Technology, a material issue that is pertinent to our sustainable growth in a dynamic operating landscape. We have accelerated the adoption of technology and digitalisation in our aim to become a data-driven organisation. By leveraging innovation and technology, we seek to create integrated, digitalised and transit-oriented cities that are smart and sustainable.

We will continue to invest in the training and development of our people in technical and soft skills to further improve our talent management. In this context, job satisfaction is vital for talent retention and employee well-being. We aim to achieve the full potential of our talent management in terms of hiring, retaining and developing our employees.

Overall, our materiality assessment's findings have informed the management's resource allocation, which guides our ability to create long-term value for our business and our stakeholders. Every prioritised material matter is intrinsically linked with our decision-making and risk management as it influences the inputs and outputs for each capital, as illustrated in our value creation model.

F ENDORSEMENT

The results of the materiality assessment were approved and endorsed by the Board of Directors.



VALUE CREATION MODEL

GRI 2-22

In a world with finite resources, the Group allocates its resources to optimise value creation (i.e. innovating, producing and delivering products and services to the market) and value appropriation (measured by return on capital employed) by strategic prioritisations and trade-offs. While the primary purpose of every business is to maximise profit, value creation is fundamental to support a profitable and sustainable business.

The value of the business is defined by our stakeholders, such as our community, customers, investors, suppliers and employees. The Group strives to optimise value and returns for stakeholders by taking a long-term view of value creation practices and implications.

Value creation is a set of behaviours and practices that lead to superior results in an organisation. By identifying the value that our Company aims to create and the corresponding trade-offs, we will continue to identify existing ineffective practices/shortcomings and implement improvements, action and optimise activities to maximise output and minimise operational costs to create cost advantages in the market.

For more information on the capitals, please refer to Sunway Berhad's Integrated Annual Report 2022.

* New hires include internal transfers.

STRATEGY

Exploring mergers and acquisitions opportunities and overseas expansion

Improving cost management and enhancing operational efficiency

Talent management and development

Optimising innovation and technologies to accelerate growth

Maximising value and synergy from the Sunway brand and increased harnessing of business and operational synergy

Increased focus on sustainability and smart cities

Advancing sustainability

CAPITAL

Financial



Manufactured



Natural



Human



Social and Relationship



Intellectual



INPUTS

Beginning of FY2022:

- Shareholders' Funds: **RM12.0 billion**
- Cash and cash equivalents: **RM2.8 billion**
- Total assets: **RM25.1 billion**

- 4 integrated townships: Sunway City Kuala Lumpur, Sunway City Ipoh, Sunway City Iskandar Puteri and Sunway Velocity

- Assets under management with a total net lettable area of approximately **12.5 million** square feet, in excess of **RM11.8 billion** from the Property Investment and REIT divisions

- Industrial factories and machinery
- Remaining landbank: **3,292 acres**
- Diversified business sectors

- Energy and water efficiency projects to minimise wastage
- Responsible water and waste management practices to minimise pollution
- Energy consumption from renewable sources: **9,743 MWh**
- Volume of water recycled and treated at our water treatment plant: **>1.38 million m³**

- Total employees: **11,388 employees**
- Total new hires*: **4,511 employees**
- Average learning hours per employee: **40.2 hours**

- Regular engagement with our stakeholders
- Commitment to working with ethical suppliers
- **>RM6.29 million** in community investment

- Group data consolidation using predictive analytics to identify customer needs
- Multi-cloud infrastructure
- Strong commitment to cybersecurity and data protection

VISION

To be Asia's model corporation in sustainable development; innovating to enrich lives for a better tomorrow

MISSION

- Empowering Our People to deliver enhanced value to all stakeholders
- Embracing Sustainability in our business processes and decisions
- Attracting and Nurturing a talented and progressive workforce for the digital era

CORE VALUES

- INTEGRITY
- HUMILITY
- EXCELLENCE

OUR BUSINESS STRENGTHS

- Strong leadership
- Proven expertise and track record
- Good marketplace practices and corporate governance
- Diversified and integrated business Group
- International presence
- Strong recurring income
- Strong asset and financial base
- Highly experienced professional talent
- Sustainability at the core

BUILD AND MANAGE BUILD, OWN, OPERATE



REVENUE MODEL:

Recurring Income

Yield optimisation through creation of space and asset enhancement initiatives. Management of assets to drive operational yield for hospitality, leisure, retail, commercial, healthcare and industrial components, with potential for future REIT injection.



BUILD TO SELL



REVENUE MODEL:

One-off sales of assets and recurring income from selected assets retained by the Group to support a sustainable community/township

Maximisation of land value through strategic landbanking, master planning and development to balance growth, cash flow and management of inventory.

VALUE CREATION MODEL

BUILD FOR OTHERS



REVENUE MODEL:

Project Management and Construction Income

- Integrated design and construction services contracts, i.e. roads, bridges, rails, etc., for external customers.
- Providing construction support for the Property Development division and undertaking design and build of Group's investment properties.



STRATEGICALLY SUPPORTED BY ADJACENT BUSINESSES



REVENUE MODEL:

Sales to Group Divisions and External Customers

Provision of raw materials, machinery, equipment and technical knowledge and undertaking R&D in support of infrastructure development.



OUTPUTS



- Revenue (from continuing operations): **RM5.2 billion**
- Profit before tax (from continuing operations): **RM920.1 million**



- Gross Development Value: **RM58.9 billion**
- Property sales: **RM2.0 billion**
- Acquired prime leasehold land in FY2022 with a land size of **5.5 acres** and potential GDV of approximately **RM1.2 billion**



- Avoided **7,810** tonnes of CO₂e
- All our buildings have implemented water crisis SOPs
- Diverted **4%** of waste from landfills



- Employee retention rate: **78.2%**



- Zero confirmed cases of non-compliance among our suppliers
- Total beneficiaries from our community enrichment initiatives: **>85,860**



- Achieved good customer satisfaction scores
- Sunway Digital Hub is certified with the ISO 27001:2013 international standard and is focused on the Information Security Management System

OUTCOMES

- Long-term sustainable value to shareholders
- Profitability and business growth
- Continuous enrichment of existing townships and developing townships
- Delivered goods such as building materials and properties
- Contributed to the service industry
- Contributed to national economic development
- Mitigated negative environmental impacts through responsible resource management
- Catalysed the shift towards decarbonisation
- Attracted and retained talented and diverse workforce
- High-performing workforce and delivery excellence
- Job creation
- Green and responsible procurement
- Enriched and empowered underprivileged communities, especially the B40 group
- Contributed to the nation's efforts in navigating challenges from the pandemic
- Accelerated digitalisation
- Provided quality customer experience
- Enhanced efficiency of workflow and business applications
- Established a resilient modus operandi that can withstand crises

TRADEOFFS

There are opportunity costs where trade-offs are required. We allocated financial capital to other non-financial capitals to produce balanced outcomes in non-financial capitals that create multiplier effects in both extrinsic and intrinsic value to our stakeholders. In 2022, we continued to invest in an environment where our employees can thrive without neglecting their welfare, to improve workforce retention and productivity. We also financed our employees' learning and development needs to further develop the Company's intellectual capital in order to deliver excellence in our products and services. As a result of our investment in clean technology such as solar panels and a water treatment plant, we are also one step closer to responsible resource management and waste reduction.



STAKEHOLDER ENGAGEMENT

GRI 2-29, 3-3

RESPONDING TO STAKEHOLDERS' PRIORITIES AND CONCERNS

Legend: Board of Directors Sunway Senior Management / Business Division Heads Employees Customers Media & NGOs Investors / Financiers / Analysts Suppliers / Vendors Government Agencies / Regulators / Local Authorities

ECONOMIC

The global economic recovery from the recession caused by responses to the COVID-19 pandemic continues but is slowing. Inflation has accelerated in many countries as a result of pandemic-related disruptions to supply chains combined with resurgent consumer demand and higher commodity prices. This will dampen consumer sentiment—which has been fundamental for recovery—and will increase risks from central bank interest rate rises. In advanced and developing economies alike, higher prices and more expensive debt will impact lower-income households. Moreover, sovereign debt has spiked because of the pandemic. Debt overhangs will make it more difficult for countries to deal with the economic impacts of COVID-19 and finance a socially just, net zero transition.

Global Outlook	Material Issues	Risks, Stakeholder Priorities and Concerns	Our Responses Addressed in This Report	GRI Standards	UN-SDGs
Global megatrends: <ul style="list-style-type: none"> Shifting economic power Globalisation Industrial Revolution 4.0 Digitalisation Global issues: <ul style="list-style-type: none"> Recession Economic crisis Financial crisis Supply chain disruption 	Company's economic performance	Risks: <ul style="list-style-type: none"> Economic uncertainties Political uncertainties Competition Supply chain disruptions Stakeholder Priorities and Concerns: <ul style="list-style-type: none"> Impact of global megatrends on business and financial performance Ability to identify opportunities and mitigate risks as a result of global megatrends 	<ul style="list-style-type: none"> Implementing strategies to enhance business and financial resilience through innovation and technology. Incorporating global megatrends into business planning. Timely and transparent dissemination of financial performance. Active investor relations activities to engage with the investment community. <p> Please refer to Sunway Berhad's Integrated Annual Report 2022 for more information.</p>	201	
	Macroeconomic issues	Risks: <ul style="list-style-type: none"> Economic uncertainties Supply chain management Public perception Compliance with regulations Unemployment Stakeholder Priorities and Concerns: <ul style="list-style-type: none"> Impact of macroeconomic factors such as economic growth and inflation affect business and financial performance Impact of inflation on financing costs Risk of policy and regulatory changes causing adverse impacts on the business Impact of macroeconomic factors on job security 	<ul style="list-style-type: none"> Implementing strategies to enhance business and financial resilience through innovation and technology. Monitoring and mitigation of risks that may adversely affect business operations and financial performance. Implementing prudent cost management and proactive capital management. Upholding good corporate governance and ensuring adherence to all applicable laws and regulations (pg. 95 - 96). Developing and upskilling employees' capabilities to improve productivity (pg. 70 - 71). <p> Please refer to Sunway Berhad's Integrated Annual Report 2022 for more information.</p>	202 203	

STAKEHOLDER ENGAGEMENT



Legend:

- Board of Directors
- Sunway Senior Management / Business Division Heads
- Employees
- Customers
- Media & NGOs
- Investors / Financiers / Analysts
- Suppliers / Vendors
- Government Agencies / Regulators / Local Authorities

Global Outlook	Material Issues	Risks, Stakeholder Priorities and Concerns	Our Responses Addressed in This Report	GRI Standards	UN-SDGs
<p>Global megatrends:</p> <ul style="list-style-type: none"> Shifting economic power Globalisation Industrial Revolution 4.0 Digitalisation <p>Global issues:</p> <ul style="list-style-type: none"> Recession Economic crisis Financial crisis Supply chain disruption 	Responsible and sustainable financing	<p>Risks:</p> <ul style="list-style-type: none"> Environmental-related costs Business ethics <p>Stakeholder Priorities and Concerns:</p> <ul style="list-style-type: none"> Refinancing risk High cost of debt 	<ul style="list-style-type: none"> Sustainability-linked bond, sustainability sukuk and collaboration with financial institutions (pg. 26 - 27). Diversifying sources of debt. Optimising cost of debt. <p> Please refer to Sunway Berhad's Integrated Annual Report 2022 for more information.</p>	-	
	Capital allocation strategy (Build-Own-Operate business model)	<p>Risks:</p> <ul style="list-style-type: none"> Economic uncertainties Globalisation Competition Public perception Asset and liability management Climate action failure Human environmental damage Natural resource crises Products and services Labour issues <p>Stakeholder Priorities and Concerns:</p> <ul style="list-style-type: none"> Business model that is future-proof and sustainable Business model that creates value for stakeholders Contribution to community enrichment and nation-building 	<ul style="list-style-type: none"> Developing strategies that strengthen business model resilience. Active investor relations activities to communicate Sunway's business model to the investment community. Monitoring and mitigating risks that may weaken business model resilience. <p> Please refer to Sunway Berhad's Integrated Annual Report 2022 for more information.</p>	-	
	Brand and reputation	<p>Risks:</p> <ul style="list-style-type: none"> Public perception Business ethics Human rights <p>Stakeholder Priorities and Concerns:</p> <ul style="list-style-type: none"> The brand value is preserved Ethical practices Trusted brand 	<ul style="list-style-type: none"> Ensuring high product and service quality (pg. 91 - 93). Upholding good corporate governance and business ethics (pg. 95 - 96). Ensuring compliance with all laws and regulations (pg. 95 - 96). Leading in sustainability stewardship (pg. 22 - 23). <p> Please refer to Sunway Berhad's Integrated Annual Report 2022 for more information.</p>	-	





STAKEHOLDER ENGAGEMENT

RESPONDING TO STAKEHOLDERS' PRIORITIES AND CONCERNS

- Legend:**
- Board of Directors
 - Sunway Senior Management / Business Division Heads
 - Employees
 - Customers
 - Media & NGOs
 - Investors / Financiers / Analysts
 - Suppliers / Vendors
 - Government Agencies / Regulators / Local Authorities

ENVIRONMENTAL

The health of humans and our planet is interconnected, and this is acknowledged by the Rockefeller Foundation-Lancet Commission on Planetary Health. The wealth of our civilisation depends on the proper management of our natural resources and ensuring that our natural systems continue to thrive. However, our natural systems are degrading at an unprecedented rate and posing a severe threat to human health and life on earth. If we fail to take active measures to slow climate change and continue activities that have negative impacts on the environment, we will face extreme weather conditions, biodiversity loss and natural resource crises. These consequences will present significant risks to our livelihoods and businesses. Hence, we persist in our efforts to ensure responsible business practices to improve our resource management, minimise waste and eradicate pollution.

Global Outlook	2030 Goals	Material Issues	Risks, Stakeholder Priorities and Concerns	Our Responses Addressed in This Report	GRI Standards	UN-SDGs
<p>Global megatrends: Rapid urbanisation</p> <p>Global issues: Planetary health: The planet cannot wait</p>	<p>Goal 1: Transforming Our Portfolios to Low-Carbon Sustainable Cities</p>	<p>Climate action</p> <ul style="list-style-type: none"> Physical impacts of climate change Energy management Water management 	<p>Risks:</p> <ul style="list-style-type: none"> Climate action failure Extreme weather Human environmental damage Natural resource crises <p>Stakeholder Priorities and Concerns:</p> <ul style="list-style-type: none"> Timely and transparent dissemination of information about Sunway's business operations and their impacts on the environment Physical and transition risks of climate change Planning ahead with risk mitigation and contingency measures and the ability to quickly adapt to fast-moving trends Increasing focus on transit-oriented developments and integrated developments Growing concerns about improving efficiency of energy and water consumption Investments in newer, cleaner and more efficient technologies 	<ul style="list-style-type: none"> Prepared Climate Report in line with the recommendations of TCFD (pg. 29 - 37). Ensuring environmental impact is disclosed in a comprehensive and transparent manner in the Sustainability Report (pg. 49). Strengthening our climate action to mitigate climate risks by establishing an Internal Carbon Pricing framework (pg. 29 and 35). Bolstering our risk management by conducting a Value at Risk (VaR) assessment on the Group's properties' risk exposure to climate change (pg. 31 - 33). Supporting the government's climate ambition to achieve net zero carbon emissions by 2050 (pg. 29). Implementing energy and water-saving initiatives to reduce energy and water consumption and lower the Group's environmental impacts (pg. 49 and 52). Investing in sustainable water supply systems, including a water treatment plant and rainwater harvesting systems, to reduce dependency on municipal water supply (pg. 52). Investing in renewable energy to reduce the Group's GHG emissions and carbon footprint (pg. 49). 	<p>302 305</p>	



STAKEHOLDER ENGAGEMENT



Legend:

-  Board of Directors
-  Sunway Senior Management / Business Division Heads
-  Employees
-  Customers
-  Media & NGOs
-  Investors / Financiers / Analysts
-  Suppliers / Vendors
-  Government Agencies / Regulators / Local Authorities

Global Outlook	2030 Goals	Material Issues	Risks, Stakeholder Priorities and Concerns	Our Responses Addressed in This Report	GRI Standards	UN-SDGs
<p>Global megatrends: Rapid urbanisation</p> <p>Global issues: Planetary health: The planet cannot wait</p>	<p>Goal 1: Transforming Our Portfolios to Low-Carbon Sustainable Cities</p>	<p>Protection of biodiversity and ecology</p>	<p>Risks:</p> <ul style="list-style-type: none"> Biodiversity loss Natural resource crises <p>Stakeholder Priorities and Concerns:</p> <ul style="list-style-type: none"> Timely and transparent dissemination of information about Sunway's business operations and their impacts on the natural habitat and biodiversity 	<ul style="list-style-type: none"> Establishing a Biodiversity Policy to guide the Group in integrating biodiversity considerations into its business activities and decision-making processes (pg. 48). Established Green Building Policy to guide us in producing sustainable designs and managing our resources effectively, while minimising the impact of our operations on the surrounding communities and the environment (pg. 47). Established Green Township Policy that ensures the diverse needs of the community are met, while minimising the developments' impacts on the environment and society by regenerating the areas surrounding the built environment (pg. 46). Striving to build integrated developments that contribute to urban revitalisation and urban brownfield redevelopment (pg. 48). 	304	    
		<p>Pollution management</p> <ul style="list-style-type: none"> Waste management Effluents, air emissions and noise monitoring 	<p>Risks:</p> <ul style="list-style-type: none"> Human environmental damage Natural resource crises <p>Stakeholder Priorities and Concerns:</p> <ul style="list-style-type: none"> Environmental pollution due to improper waste/effluents management planning, which is hazardous to public health 	<ul style="list-style-type: none"> Applying a waste management hierarchy to prevent, reduce and minimise waste (pg. 55 - 58). Managing effluents, air emissions and noise pollution at relevant sites (pg. 59). Established Sustainable Events Management Policy to help event organisers plan and deliver successful events that minimise negative impacts on the environment and foster positive community relations wherever possible (pg. 96). 	303 306	      





STAKEHOLDER ENGAGEMENT

RESPONDING TO STAKEHOLDERS' PRIORITIES AND CONCERNS

- Legend:**
- Board of Directors
 - Sunway Senior Management / Business Division Heads
 - Employees
 - Customers
 - Media & NGOs
 - Investors / Financiers / Analysts
 - Suppliers / Vendors
 - Government Agencies / Regulators / Local Authorities

SOCIAL

COVID-19 has brought about major disruptions in labour markets for almost three years. However, many advanced economies have bounced back with numerous job opportunities. That said, the workforce has not returned to pre-pandemic levels. The emergence of a younger workforce due to an ageing population and significant human rights movements in recent years is driving social change in society's behaviour, cultural norms and attitudes relating to the workplace. If the issue of worker shortages continues to persist amid abundant job openings, the situation could have adverse impacts on growth, inequality and inflation.

To this end, we are committed to promoting the well-being of our employees by prioritising a safe, inclusive, diverse and respectful workplace to secure our talent pipeline. In time to come, we are also prepared to adapt to changes within our organisation as workplaces continue to evolve. We will continue with our efforts in nation-building to support the communities in areas where we operate through various community enrichment projects and relief efforts to help the people around us.

Global Outlook	2030 Goals	Material Issues	Risks, Stakeholder Priorities and Concerns	Our Responses Addressed in This Report	GRI Standards	UN-SDGs
Global megatrends: Demographic & social change Global issues: <ul style="list-style-type: none"> • Workforce trends • Health and well-being • Future of work 	Goal 2: Advocating a Responsible Value Chain	Value chain improvement • Resource management	Risks: • Natural resource crises Stakeholder Priorities and Concerns: • Supply chain disruptions due to material scarcity • Changes in consumer behaviour and preference 	<ul style="list-style-type: none"> • Established a Sustainable Procurement Policy that serves as a communication and improvement tool for a responsible and sustainable procurement process (pg. 61). • Having in place a Supplier Code of Conduct to ensure that our suppliers comply with all the applicable laws, rules, codes and regulations (pg. 61). • Implementing digitalisation and embarking on decarbonisation across our supply chain (pg. 62 - 65). 	204 301 308	
		Value chain improvement • Social	Risks: • Labour issues • Products and services Stakeholder Priorities and Concerns: • Labour standards and practices • Human rights violations • Freedom of association • Customer satisfaction 	<ul style="list-style-type: none"> • Established a Sustainable Procurement Policy that serves as a communication and improvement tool for a responsible and sustainable procurement process (pg. 61). • Having in place a Supplier Code of Conduct to ensure that our suppliers comply with all the applicable laws, rules, codes and regulations (pg. 61). • Ensuring suppliers and vendors are committed to respecting human rights as set out in the UN Guiding Principles on Business and Human Rights and UN Global Compact (UNGC) Principles. We also recognise the International Labour Organization's (ILO) eight fundamental Conventions (pg. 67). • Maintaining a good customer satisfaction score (pg. 91 - 93). 	414 417 418	

STAKEHOLDER ENGAGEMENT



Legend:



Board of Directors



Sunway Senior Management / Business Division Heads



Employees



Customers



Media & NGOs



Investors / Financiers / Analysts



Suppliers / Vendors



Government Agencies / Regulators / Local Authorities

Global Outlook	2030 Goals	Material Issues	Risks, Stakeholder Priorities and Concerns	Our Responses Addressed in This Report	GRI Standards	UN-SDGs
<p>Global megatrends: Demographic & social change</p> <p>Global issues:</p> <ul style="list-style-type: none"> • Workforce trends • Health and well-being • Future of work 	<p>Goal 3: Developing a Safe, Equal and Dignified Workforce</p>	<p>Employee well-being</p> <ul style="list-style-type: none"> • Employee engagement • Learning and development • Occupational Health & Safety 	<p>Risks:</p> <ul style="list-style-type: none"> • Livelihood crises • Mental health deterioration <p>Stakeholder Priorities and Concerns:</p> <ul style="list-style-type: none"> • Work-life balance • Remuneration • Career development and progression • Fair and safe workplace • Compliance with laws and regulations 	<ul style="list-style-type: none"> • Establishing family-friendly policies and providing better-than-industry-average benefits (pg. 69). • Providing work-life balance programmes and, health and wellness activities (pg. 69). • Having in place My Performance Focus Areas to assess employees' performance. 100% of employees received career development reviews in 2022 (pg. 71). • Investing in the learning and development of employees to ensure delivery excellence to maintain high customer satisfaction scores. In 2022, the average training hours for each employee was 40.2 hours (pg. 71 - 72). • Having in place Occupational Health, Safety and Environment (OHSE) Policy and establishing a five-year OHSE Strategy to provide safe and healthy work environment (pg. 73). 	<p>403</p> <p>404</p>	
		Human rights	<p>Risks:</p> <ul style="list-style-type: none"> • Livelihood crises <p>Stakeholder Priorities and Concerns:</p> <ul style="list-style-type: none"> • Fair and non-discriminative work environment • Social inclusion • Compliance with laws and regulations 	<ul style="list-style-type: none"> • Upholding zero tolerance for discrimination against race, religion, gender, age, disability and nationality (pg. 72). • Established Diversity and Inclusion Policy that emphasises our commitment to creating a culture that values and respects differences (pg. 72). 	<p>401</p> <p>402</p> <p>405</p> <p>406</p> <p>407</p> <p>408</p> <p>409</p> <p>410</p> <p>411</p> <p>416</p>	
		<p>Goal 4: Investing in Community Inclusivity</p>	<p>Community investment</p>	<p>Risks:</p> <ul style="list-style-type: none"> • Social cohesion erosion • Livelihood crises <p>Stakeholder Priorities and Concerns:</p> <ul style="list-style-type: none"> • Corporate social responsibility activities 	<ul style="list-style-type: none"> • Continuously enriching and empowering the local communities in which we operate through #SunwayforGood corporate social responsibility (CSR) initiatives. Invested more than RM6.29 million in community inclusivity programmes in 2022 (pg. 83). 	<p>413</p>





STAKEHOLDER ENGAGEMENT

RESPONDING TO STAKEHOLDERS' PRIORITIES AND CONCERNS

Legend: Board of Directors Sunway Senior Management / Business Division Heads Employees Customers Media & NGOs Investors / Financiers / Analysts Suppliers / Vendors Government Agencies / Regulators / Local Authorities

GOVERNANCE

Corporate governance encompasses environmental awareness, ethical conduct, corporate strategy, compensation and risk management. Sunway Berhad strives to practise good corporate governance to maintain transparency in its records and procedures to appeal to shareholders and stakeholders. This includes establishing clear rules and controls, providing guidance to leadership and aligning the interests of shareholders, Directors, management and our employees to build trust with our investors, the community and public officials. The 2022 Corruption Perceptions Index (CPI) showed a lack of effort in combatting corruption worldwide, and this has pushed us to step up our efforts. Corruption can cause irreversible damage to a business as it affects the public's trust and leads to loss of business resources and opportunities, weakened development, increased crime and reputational damage.

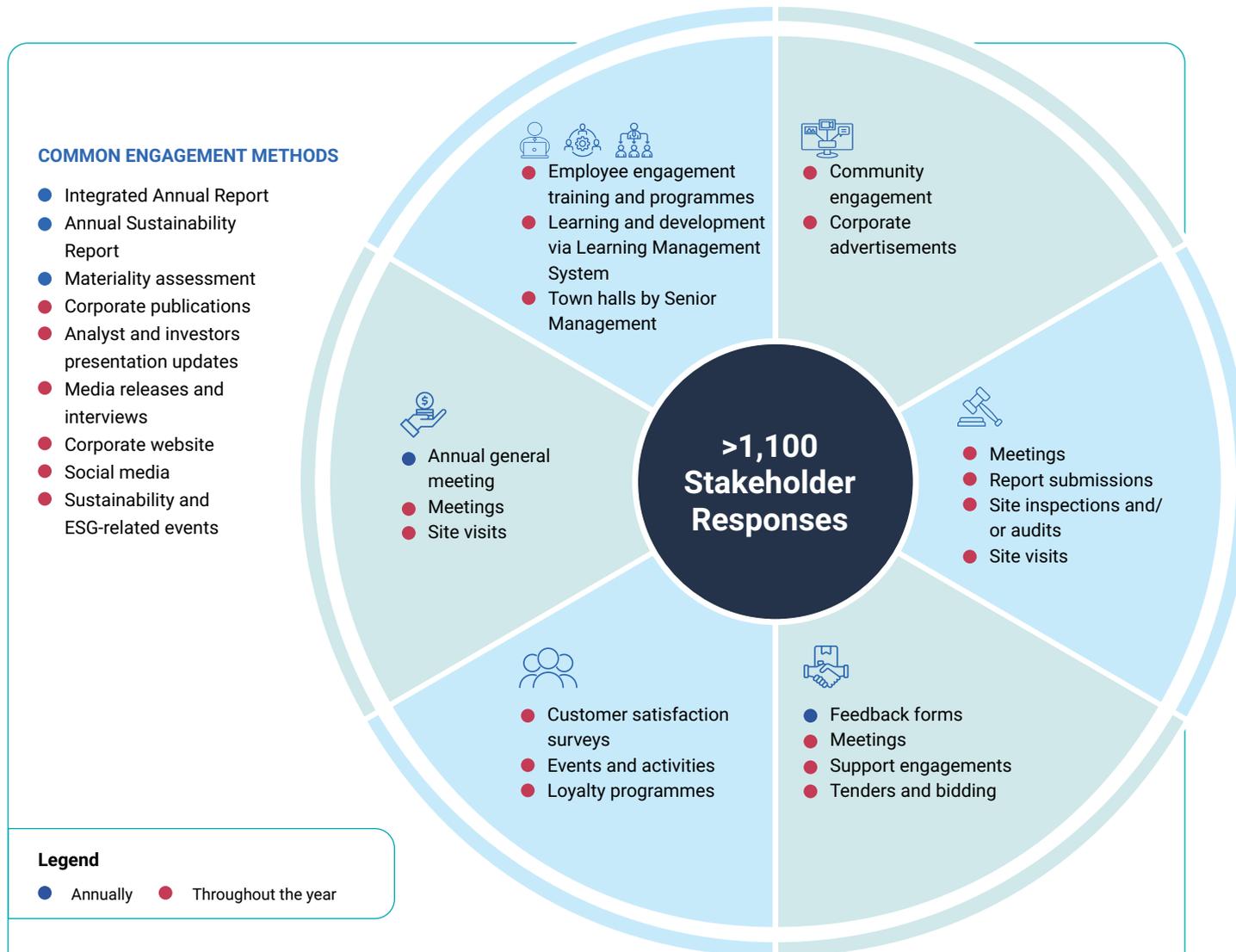
Aside from that, new technologies have immense potential for resolving and accelerating megatrends, including enabling solutions to climate change and population issues. While machines are capable of learning faster than humans, not all individuals or businesses have access to technology. This will lead to digital inequality. Furthermore, vulnerabilities in our cybersecurity will result in breaches in the privacy of both customers and employees. While it is important to invest in digital solutions to drive long-term growth, we must prioritise strong governance and ethical practices to mitigate risks in our business and to safeguard the privacy of our stakeholders.

Global Outlook	2030 Goals	Material Issues	Risks, Stakeholder Priorities and Concerns	Our Responses Addressed in This Report	GRI Standards	UN-SDGs
Global megatrends: <ul style="list-style-type: none"> Emerging Environmental, Social and Governance (ESG) mandate in corporate governance Technological breakthroughs Global issues: <ul style="list-style-type: none"> Increased ESG regulations Connectivity blind spots 	Goal 5: Respecting Ethical Principles	Group standards and operating procedures	Risks: <ul style="list-style-type: none"> Delisting Insolvency Bureaucratic obstacles Discouraging private sector development Stakeholder Priorities and Concerns: <ul style="list-style-type: none"> Implementation of policies and requirements of relevant agencies or professional bodies Professional and transparent 	<ul style="list-style-type: none"> Upholding good corporate governance by having in place robust policies (pg. 95 - 96). 	205 206	
		Innovation and technology	Risks: <ul style="list-style-type: none"> Digital power concentration Cybersecurity failure Digital inequality Stakeholder Priorities and Concerns: <ul style="list-style-type: none"> Implementation of policies and strengthening of data protection system 	<ul style="list-style-type: none"> Ensuring updated and robust IT security systems to mitigate cyberattacks and protect data privacy (pg. 96) Ensuring products are produced in accordance with safety standards (pg. 91). 	-	

Please refer to the Corporate Governance Overview Statement in Sunway Berhad's Integrated Annual Report 2022 for more information.

STAKEHOLDER ENGAGEMENT

We define stakeholders as parties who are impacted by our organisation’s business decisions and activities, and as groups whose actions and decisions will influence our business growth. Stakeholders are also those with a vested interest in our corporation. We maintain regular engagement with our stakeholders, enabling us to identify and align their key priorities and concerns with organisational business practices and strategies. We have mapped our stakeholders’ concerns and our responses against our sustainability material issues, which has allowed us to identify any associated risks and opportunities arising from these concerns.



SUNWAY CORPORATE DAY

In our effort to connect and interact with our stakeholders, we organised a Sunway Corporate Day in November 2022 at Sunway City Kuala Lumpur for our investors and analysts. The half-day tour provided a glimpse of Sunway’s sustainability progress towards achieving Net Zero Carbon Emissions by 2050. Our stakeholders were given the opportunity to explore Sunway City Kuala Lumpur and experience transit-oriented development firsthand through Malaysia’s first dedicated and elevated Bus Rapid Transit (BRT) system while appreciating our nature-integrated city.

We also showcased our food composting machines which have been installed in Sunway Resort Hotel and Sunway Pyramid Mall since 2019. The composting initiative is made efficient through educational efforts to train tenants and staff in separating food waste. In addition, our stakeholders visited the Sunway XFarms’ urban farm at Sunway Pyramid Mall where pesticide-free crops are produced. The urban farm serves as a supply point for Sunway’s hotels to procure vegetables. This reduces the distance travelled to procure vegetables for our hotels, saving us time and costs as well as minimising our carbon footprint.

The key outcomes of the tour enabled investors and analysts to:

Witness and experience sustainable developments and initiatives implemented in Sunway City Kuala Lumpur

Understand the Group’s sustainability journey and goals in achieving Net Zero Carbon Emissions by 2050



SUSTAINABILITY SCORECARD

GRI 2-22

ALIGNED WITH

GLOBAL GOALS



REPORTING FRAMEWORKS



RATING TOOLS



1 NO POVERTY

Sunway teamed up with external partners, including NGOs, to sponsor close to **RM101,000** to support the needs of communities impacted by flood disasters.

2 ZERO HUNGER

Invested more than **RM550,000** through the Sunway Food Bank and Rise Against Hunger meal packing initiative.

3 GOOD HEALTH AND WELL-BEING

Provided sponsorship of more than **RM2.5 million** and organised a fundraising event to support the needs of cancer patients.

4 QUALITY EDUCATION

Set up **15 libraries** at schools and orphanages with B40 students through Sunway READ programme.

5 GENDER EQUALITY

40% of our Board of Directors in 2022 were women.

6 CLEAN WATER AND SANITATION

In 2022, we consumed more than **1.38 million m³** of water from the water treatment plant in Sunway City Kuala Lumpur. This was equivalent to **more than 540** Olympic-sized swimming pools.

7 AFFORDABLE AND CLEAN ENERGY

The total energy generated from our solar assets in 2022 was equivalent to powering up **1,343** homes for one year.

8 DECENT WORK AND ECONOMIC GROWTH

Sunway provided employment to **more than 11,000** people in 2022 (4,511 new hires in 2022).

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

More than **100** students and staff participated in the Make-It-Challenge, an annual collaborative challenge to solve challenges revolving around the 17 UN-SDGs and Planetary Health.

10 REDUCED INEQUALITIES

Sponsored **RM12,900** to support para-athletes who competed in Majlis Sukan Negara (MSN) National Badminton Tournament and SUKMA XX MSN 2022.

SUSTAINABILITY SCORECARD



11 SUSTAINABLE CITIES AND COMMUNITIES



2 of our townships, Sunway City Kuala Lumpur and Sunway City Iskandar Puteri, have been green-certified by the Green Building Index (GBI).

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



We managed to divert **4%** of our waste from landfills in 2022.

13 CLIMATE ACTION



31,117 tonnes of CO₂e were avoided since 2015.

Sunway aims to achieve Net Zero Carbon Emissions by 2050.

14 LIFE BELOW WATER



Sunway Lagoon Theme Park spent **RM340,000** to conduct research on its lake and install the 'Clean-Flo' system to reverse the degradation and eutrophication process of the lake.

15 LIFE ON LAND



Sunway City Kuala Lumpur provides a habitat for a total of **31,179** native plants and **142,291** adaptive plants.

The city is also home to **22** species of birds and **12** species of reptiles and amphibians.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



We have installed more than **10,000 CCTVs** in our townships in Malaysia and projects overseas, on top of employing about **1,082** auxiliary and plainclothes policemen and security guards.

17 PARTNERSHIPS FOR THE GOALS



Established the **United Nations Sustainable Development Solutions Network (UN-SDSN) Asia Headquarters** at Sunway City Kuala Lumpur, one of only three such global centres in the world, alongside New York City and Paris.

SUSTAINABILITY AWARDS AND RECOGNITIONS



Sunway City:
Diamond Recognition
in Zone Category - MBSJ Low
Carbon Cities 2030 Challenge

National Annual Corporate Report Awards 2022

- Best Sustainability Reporting – **Silver**

Australasian Reporting Awards 2022

- Sustainability Reporting Awards – **Gold**

The Edge ESG Awards 2022

- Long-term achiever
- Best-performing company by Bursa Sector Classification (Industrial Products & Services) – **Silver**

Sustainability & CSR Malaysia Awards 2022

- Company of the Year Award
- Long-Standing Excellence in Sustainability Award

Malaysia's Best Managed Companies 2022 – Deloitte

- Sunway Group

Green Accord Initiative Award (GAIA) 2021/2022

- Green Townships: Sunway City Iskandar Puteri
- Characterising model green commercial & individual buildings: Sunway GRID

Majlis SIRIM Industri 2022

- Corporate Sustainability Reporting (ESG Verification)

MSOSH Occupational Safety and Health Awards 2022

- Sunway Pyramid Mall – **Gold Class 1**
- Sunway Velocity Mall – **Silver**
- Sunway Putra Mall – **Silver**
- Sunway Giza Mall – **Silver**
- Sunway Carnival Mall – **Bronze**



SUSTAINABILITY SCORECARD

Our Sustainability Scorecard helps us to track our performance against our goals and targets. In 2021, we started to integrate sustainability elements into the Senior Management’s performance evaluations and key performance indicators (KPIs), which are linked to remuneration. We continued to link the remuneration for senior executives to ESG performance in 2022, such as their management of Sunway’s climate change performance and material sustainability risks and opportunities.

Legend: Progress Tracking

● ○ ○ Progressing with delays, to review current approach ○ ● ○ Progressing but slightly behind targets, to increase efforts ○ ○ ● Progressing well and on track to achieving targets by 2030

GOAL 1: TRANSFORMING OUR PORTFOLIOS TO LOW-CARBON SUSTAINABLE CITIES



For more information on Sunway's Goal 1 performance, please refer to pages 29 - 59.

2030 Targets	2022 Performance	Description
Building Energy Intensity (BEI) / Energy Use Intensity (EUI) should stay below the annual targets set for the respective business divisions starting from 2022. <i>(The business divisions should continue to stay below the BEI / EUI targets which will reduce by 3.5% to 4% on a y-o-y basis up to 2030 to align with the IPCC target of 45% reduction in carbon emissions by 2030)</i>	○ ○ ● 2022 performance (pg. 51) 2023 energy intensity targets (pg. 36)	The overall average Building Energy Intensity (BEI)/ Energy Use Intensity (EUI) across all business divisions (that were measured) did not exceed the respective targets set in 2022.
At least 40% of electricity from renewable energy sources by 2030. <i>(5% locally generated, 35% purchased from green sources / solar farms)</i>	○ ○ ● 9,743 MWh (3%) of solar energy was locally generated through solar PV panels installed at our properties	There was an increment from 8,940 MWh in 2021 to 9,743 MWh in 2022 due to the installation of new solar PV panels in Menara Sunway, Sunway Carnival Mall, Sunway Resort Hotel and Sunway Giza Mall.
40% waste diverted from landfills by 2030	● ○ ○ 4% of waste diverted from landfills	In 2022, we diverted 4% of waste from landfills, which was an increase of 0.1% in diverted waste from 2021. Our disposed waste in 2022 increased by 37% from the previous year as business operations returned to normal, post-MCO levels. The amount of diverted waste also increased by 42%, consisting of waste recycling and recovery initiatives.
To achieve a reduction of 10% in overall water intensity target for managed assets by 2030 (baseline year: 2015)	● ○ ○ The overall water intensity for managed assets increased by 2% from baseline	The increase in water use intensity was attributed to higher water consumption as businesses returned to normal, post-pandemic levels. There was also an increasing reliance on non-municipal water in 2022 and we will continue to increase such usage moving forward.
To reduce the Group's reliance on municipal water supply by up to 50% through investment in alternative supplies and sources, thereby enhancing water security, by 2030	○ ○ ● 30% of water supply from non-municipal sources	Municipal: 3,200,549 m ³ (70%) Non-municipal: 1,398,323 m ³ (30%) Total: 4,598,871 m ³ (100%)
To achieve at least five days of uninterrupted water supply from the onset of a water disruption event via a combination of onsite reserves and/or secured offsite supplies for all properties located within KL/Selangor by 2030	○ ● ○ Four out of 14 of non-Sunway City Kuala Lumpur properties located within KL/Selangor can sustain themselves for at least five days during the onset of a water disruption event	There are a total of 32 properties located within KL/Selangor assessed for the duration they can sustain themselves during the onset of a water disruption event. 18 of these properties are located in Sunway City Kuala Lumpur and are secure as they are piped to our Water Treatment Plant. We are looking to strengthen water security for the remaining 14 properties.
All industrial property sites to be ISO 14001:2015 (Environmental Management Systems)-certified by 2030	○ ○ ● Six out of six Building Materials sites are ISO 14001:2015 (Environmental Management Systems)-certified and maintained their certification	Sunway Paving Solutions: 4 sites Sunway Spun Pile: 1 site Sunway VCP: 1 site
All ongoing construction sites are ISO 14001:2015 (Environmental Management Systems)-compliant	○ ○ ● 23 ongoing construction sites are ISO 14001:2015 (Environmental Management Systems)-compliant and maintained their certification	We continuously monitor the environmental performance of the ongoing construction sites.

SUSTAINABILITY SCORECARD

GOAL 2: ADVOCATING A RESPONSIBLE VALUE CHAIN



For more information on Sunway's Goal 2 performance, please refer to pages 61 - 65.

2030 Targets	2022 Performance	Description
To review and initiate disclosures of Scope 3 emissions where relevant and applicable	<input type="radio"/> <input type="radio"/> <input type="radio"/> Four out of 15 Scope 3 emissions categories have been disclosed <ul style="list-style-type: none"> Waste from operations Business travel Downstream leased assets Employee commuting 	Relevance of remaining Scope 3 emissions categories is being reviewed.
All suppliers to disclose in accordance with ESG standards and framework where relevant and applicable	<input type="radio"/> <input type="radio"/> <input type="radio"/> In progress	All new suppliers completed the Supplier Risk Assessment form in 2022 and the internal supplier risk management process is being reviewed for enhancement.

GOAL 3: DEVELOPING A SAFE, EQUAL AND DIGNIFIED WORKFORCE



For more information on Sunway's Goal 3 performance, please refer to pages 67 - 81.

2030 Targets	2022 Performance	Description
To not be higher than the first quadrant of the DOSH national fatality rate by 2030 <i>(1.46 fatality rate for every 100,000 workers)</i>	<input type="radio"/> <input type="radio"/> <input checked="" type="radio"/> Zero fatality rate for every 100,000 workers	In 2022, the fatality rate was zero for every 100,000 workers. We will ensure the continuity of best OHSE practices across all sites.
To reduce the occupational accident rate to 0.95 for every 1,000 workers, which is within quadrant 1 of the DOSH national accident rate, by 2030	<input type="radio"/> <input type="radio"/> <input checked="" type="radio"/> Reduced occupational accident rate to 2.34 for every 1,000 workers	Our interim target for the occupational accident rate was 2.43 for 2022. We achieved this target through a combination of proactive OHSE audits and training programmes for our OHSE practitioners, aimed at encouraging them to report potential hazards at job sites to prevent incidents.
All business divisions (where relevant and applicable) to be ISO 45001:2018-certified and achieve OHS culture - Level 4 and above by 2030	<input type="radio"/> <input type="radio"/> <input type="radio"/> <ul style="list-style-type: none"> 6% of business divisions (where relevant and applicable) to be ISO 45001:2018-certified All sites (100%) achieved 'Good' in compliance 33% of sites achieved Platinum in Best Practice ranking 	Our interim target was for 10% of the business divisions to obtain ISO 45001 certification by 2022. The relevant business divisions which have yet to be certified are in the midst of obtaining their certifications.
36 learning and development (L&D) hours per employee (EG1 and above)	<input type="radio"/> <input type="radio"/> <input checked="" type="radio"/> 40.2 L&D hours per employee	Average L&D hours per employee increased compared to 2021.

GOAL 4: INVESTING IN COMMUNITY INCLUSIVITY



For more information on Sunway's Goal 4 performance, please refer to pages 83 - 93.

2030 Targets	2022 Performance	Description
To reach out and support over two million beneficiaries from 2015 to 2030	<input type="radio"/> <input type="radio"/> <input type="radio"/> 1,054,328 beneficiaries impacted from 2015 to 2022	More than 85,860 beneficiaries in 2022.

GOAL 5: RESPECTING ETHICAL PRINCIPLES



For more information on Sunway's Goal 5 performance, please refer to pages 95 - 96.

2030 Targets	2022 Performance	Description
To achieve and/or maintain MSCI ESG Rating of A and above by 2030	<input type="radio"/> <input type="radio"/> <input checked="" type="radio"/> Maintained MSCI ESG Rating of A	Sunway Berhad has maintained rating of A since 2021.
To maintain top 25% ESG rating among PLCs in FBM Emas	<input type="radio"/> <input type="radio"/> <input checked="" type="radio"/> Maintained top 25% ESG rating among PLCs in FBM Emas	Sunway Berhad has also climbed to the top 10% from 15% in 2021 of the Industry Classification Benchmark (ICB) Supersector (Real Estate).

SUSTAINABLE FINANCE

Sustainable finance incorporates ESG principles into business decisions and investment strategies, covering issues from climate change to labour practices. It enables corporations to conduct their businesses in a more responsible manner, giving due consideration to the ESG issues that can affect a business organisation as well as its stakeholders when obtaining financing for growth or expansion.

Over the past three years, there has been a significant increase in the volume of sustainable debt issuance, with Malaysia recording a 306% increase in 2021 to RM8.425 billion from 2020. In 2022, the amount increased further to RM10.64 billion as of 31 October 2022.¹

In the year under review, Sunway Berhad continued to expand the range of sustainable financing facilities it utilises through the launch of two sustainability sukuk, acquiring sustainability-linked financing and collaborations with financial institutions to offer preferential rates to customers for our green-certified properties.

¹ Sustainable finance on uptrend
(<https://www.thestar.com.my/business/business-news/2022/10/31/sustainable-finance-on-uptrend>)



SUSTAINABILITY-LINKED LOAN



COLLABORATIONS WITH FINANCIAL INSTITUTIONS



SUSTAINABILITY SUKUK



SUSTAINABILITY-LINKED LOAN

Sunway Berhad, via Sunway Treasury, secured a three-year sustainability-linked loan from Sumitomo Mitsui Banking Corporation Malaysia. This sustainability-linked loan will be used for funding general corporate purposes. The sustainability performance targets set for this loan include Building Energy Intensity (BEI) reduction and increasing renewable energy generation.

Sunway Treasury also collaborated with CIMB Bank Berhad on its first-of-its-kind in Malaysia Sustainability-Linked Treasury Programme. The programme encompasses treasury solutions such as recurring flow transactions like imports and exports, as well as episodic balance sheet hedging. To receive a sustainability-linked rebate, we have committed to achieving pre-agreed sustainability performance targets which have been customised to our business profile and will be subject to stringent independent third-party verification.



COLLABORATIONS WITH FINANCIAL INSTITUTIONS

To ensure that the broader community is able to participate in our sustainability journey, Sunway Property has inked memorandums of understanding with Public Bank Berhad and Standard Chartered Bank Malaysia to promote sustainable development projects. Customers who purchase our green-certified properties are entitled to apply for special sustainable financing from the banks, which includes preferential end-financing pricing and fast lane approval. In addition to that, purchasers can apply for a separate financing option from the bank to purchase eco-friendly and energy-efficient appliances, fixtures and fittings to further enhance the sustainability elements of their properties.



SUSTAINABILITY SUKUK

Sunway Berhad, via our wholly owned subsidiary, Sunway South Quay Sdn Bhd, launched a perpetual sukuk wakalah programme that is aligned with a range of sustainability-linked and responsible investment guidelines, frameworks, standards and principles. This programme allows sukuk wakalah to be issued from time to time for up to a total value of RM2 billion.

Similarly, Sunway Healthcare Treasury Sdn Bhd launched a sukuk wakalah programme of up to RM5 billion in nominal value with Securities Commission Malaysia (SC).

Both of the programmes are governed by their respective sustainable finance frameworks and finance projects that support the UN-SDGs. Both frameworks have been assigned a 'Gold' Assessment by Malaysian Ratings Corporation (MARC) after determining that the use of proceeds would contribute to significant social and environmental benefits.

The frameworks are aligned with the core components of the:

- Green Bond Principles (GBP) and Social Bond Principles (SBP) of the International Capital Markets Association (ICMA)
- ASEAN Green Bond Standards (GBS) and ASEAN Social Bond Standards (SBS) of the ASEAN Capital Markets Forum (ACMF)
- Green Loan Principles (GLP) and Social Loan Principles (SLP) of the Loan Market Association (LMA)
- Securities Commission Malaysia's Sustainable and Responsible Investment (SRI) Sukuk Framework.



Sunway Healthcare Treasury Sdn Bhd



Through the sukuk, access to healthcare and the latest medical technologies will be greatly improved once the projects are operational in various locations in the country. Equipped with state-of-art new technology, each hospital will be well connected and be part of the existing Sunway townships, which are supported by other infrastructure such as public transport, educational institutions and retail outlets. All the new hospitals will also be green-certified buildings.

The use of proceeds will be channelled to the ongoing construction of Sunway Medical Centre in Sunway City Kuala Lumpur, and medical centres in Seberang Jaya, Kota Damansara and Ipoh and future hospitals in Kota Bharu, Iskandar Puteri and Paya Terubong. The proceeds will also be used for the acquisition of strategic hospitals and healthcare facilities.

Sunway South Quay Sdn Bhd



The Sunway South Quay Square project is located within Sunway City Kuala Lumpur and is designed to deliver a quality urban waterfront environment within the township and surrounding developments. The development of Sunway South Quay Square comprises two blocks of office towers, a retail mall and a university campus.

Sunway South Quay Square is a transit-oriented development that provides multiple low-carbon mobility options, including direct access to the elevated bus rapid transit (BRT) line. It is served by a free shuttle bus service within Sunway City Kuala Lumpur and connected to the elevated canopy walkways to allow easy accessibility to all major buildings within the township.

Sustainability Sukuk Impact Summary - Sunway South Quay Square project

No.	Description of eligible project	Location	Type of utilisation (New project / Refinancing)	Status of eligible project	Green certification	Amount allocated to eligible project (RM million)
1	Sunway South Quay Square - Office Tower 2	Sunway City Kuala Lumpur	New project	Under construction	LEED - Gold	100
2	Sunway South Quay Square - University Campus	Sunway City Kuala Lumpur	New project	Under construction	GreenRE - Gold (Target)	29

TOTAL AMOUNT ALLOCATED TO ELIGIBLE PROJECTS RM 129 million

Sustainability Impacts

Energy efficiency

- LED lighting and motion sensor control lighting
- Energy-efficient lifts and escalators
- Renewable energy
- Centralised chiller plants - District Cooling System

Environmental practices

- Sustainable products - Green Tag-certified/ Eco Label
- Sustainable practices during construction and occupancy stage
- Accessibility and connectivity to facilities and public transport

Water efficiency

- Low-flow sanitary fittings
- Rainwater harvesting system for irrigation
- Water usage and leak detection monitoring system

Indoor environmental quality

- Low-VOC paint for interior walls and ceilings
- Air filtration media provisions for AHUs



Green buildings

Energy efficiency

Renewable energy

Access to essential and latest technology in healthcare services

The proceeds will be used to finance the following eligible categories

Green buildings

Renewable energy

Socioeconomic advancement and empowerment

Aligned with UN-SDGs





GOAL

1

TRANSFORMING OUR PORTFOLIOS TO LOW-CARBON SUSTAINABLE CITIES

CAPITAL

- Manufactured
- Intellectual
- Natural

MATERIAL ISSUES

- Climate action
- Protection of biodiversity and ecology
- Pollution management

ACTIVITIES

- Decarbonisation initiatives
- Transit-oriented development
- Energy and water-efficiency projects
- Responsible water and waste management practices

VALUE CREATED

- Efficient resource management
- Efficient energy and water management
- Reduced waste to landfills
- Well-connected communities



Transformation 3: Energy Decarbonisation and Sustainable Industry
 Transformation 4: Sustainable Food, Land, Water and Oceans
 Transformation 5: Sustainable Cities and Communities

Sunway is committed to adapting to climate change and transforming its townships to low-carbon cities to build a sustainable future for all. Leveraging technology and innovation, the Group aims to develop smart sustainable cities that are compact, digitalised and transit-oriented, with minimised resources to connect communities.





CLIMATE REPORT: NET ZERO BY 2050

GRI 201-2, 305-1, 305-2, 305-3



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

As the impacts of climate change continue to worsen globally, the need for urgent climate action is greater than ever. Climate scientists have warned that the effects of global warming caused by human activities will be irreversible if no immediate actions are taken to slow down global temperature rise.¹

In Malaysia, parts of the country have been increasingly inundated with flash floods whenever there is incessant rain. In 2021, flash floods due to 'once-in-a-hundred-years rain' affected several states for days and killed 55 people between December 2021 and January 2022.² As of 21 December 2022, Malaysia has recorded 108 flooded areas.³

At Sunway, we have been taking urgent action to mitigate climate change risks. We are committed to achieving our Net Zero Carbon Emissions by 2050 ambition to limit global temperature rise to 1.5°C, in line with the Paris Agreement and Malaysia's agenda of reaching net zero carbon emissions by 2050. We aim to reduce our residual emissions by 2030 by focusing on Scope 1 and Scope 2 emissions. By 2050, we will reduce our Scope 3 emissions by engaging with stakeholders and taking appropriate measures such as implementing green leases for tenants and practising green procurement with suppliers to reduce embodied carbon.

In 2021, we publicly expressed our official support for the Task Force on Climate-related Financial Disclosures (TCFD) and published our first climate report. We appointed the Jeffrey Sachs Center on Sustainable Development (JSC) to quantify our climate Value at Risk (VaR) based on the worst-case scenario as part of our analysis of risk. The VaR analysis assessed the potential financial losses on the Group's property assets and recommended mitigation measures based on the assumption that the worst material physical risks, such as increased rainfall intensity and floods in Malaysia, would occur as a result of climate change.

The worst-case scenario is as described in the Intergovernmental Panel on Climate Change (IPCC) Assessment Report 6 published in August 2021. In the worst-case scenario, global annual carbon emissions will rise higher than 120 gigatonnes per year by 2100 and the median global temperature will increase by 4.4°C over pre-industrial levels, higher than the 2°C scenario.

In 2022, we introduced an Internal Carbon Pricing framework for our business divisions by putting a monetary value on carbon emissions to guide their business decisions and investment strategies in our effort to reach our 2030 and 2050 targets. This was also a form of transitional risks mitigation.

We continue to step up our climate action and submitted our first reports on climate change and water security to the CDP to uncover risks and opportunities and track and benchmark progress. The CDP reporting framework is fully aligned with the TCFD recommendations.

¹ Some climate change impacts already irreversible, with greater risks to come: IPCC (<https://www.spglobal.com/commodityinsights/en/market-insights/latest-news/electric-power/022822-some-climate-change-impacts-already-irreversible-with-greater-risks-to-come-ippc>)

² Floods: 55 fatalities from December 2021 to January 2022 (<https://www.thestar.com.my/news/nation/2022/03/08/floods-55-fatalities-from-december-2021-to-january-2022>)

³ Malaysia: Floods and Landslides - Dec 2022 (<https://reliefweb.int/disaster/fl-2022-000379-mys>)

Sunway remains committed to its Net Zero Carbon Emissions by 2050 journey, pushing forward with its sustainability agenda to accelerate the decarbonisation of its assets. The year under review saw the Group continuously minimising energy and water consumption and reducing waste to cut carbon emissions through tangible measures. The Group's efforts are guided by various robust green policies, which aim to integrate sustainability practices into Sunway's management and operations to positively impact the planet.

CLIMATE REPORT: NET ZERO BY 2050

Sunway aims to achieve Net Zero Carbon Emissions by 2050 and has prepared this Climate Report in line with the recommendations of TCFD: Governance, Strategy, Risk Management, Metrics and Targets.

GOVERNANCE

Sustainability at Sunway is governed by the Group's Board Sustainability Committee (BSC) through a top-down approach. The BSC has oversight of the Group's sustainability strategies and issues, including climate-related risks and opportunities and key ESG targets and performance, as well as progress and scorecard. Comprising four Directors from the Group's Board of Directors, the BSC meets at least twice a year and is continuously supported by the Group's Sustainability Department and the Jeffrey Sachs Center on Sustainable Development (JSC). The Group aims to embed sustainability in its business operations and value chain to mitigate risks and identify opportunities, ensuring long-term sustainable growth.

 For more information on Sustainability Governance, please refer to page 9.

Sustainability is integrated into our management and daily operations, in line with the recommendations of Bursa Malaysia Securities Berhad's Listing Requirements and the Malaysian Code on Corporate Governance (MCCG) requirements.

Practice 4.1

Each of our business divisions is required to allocate resources for sustainability initiatives to be incorporated into their annual business plans to achieve the 2030 Sustainability Goals and Targets, as well as Net Zero Carbon Emissions by 2050.

Practice 4.2

The Group's sustainability strategies, priorities and targets, as well as performance against these targets, are communicated to its stakeholders via various platforms and channels on a regular basis. The platforms and channels of communication include our annual Integrated Report and Sustainability Report, analyst and investor updates, media releases and interviews and employee engagements such as town hall meetings and training, as well as development programmes, among others.

Practice 4.3

The Group Sustainability Department ensures that the Group is kept updated with and understands sustainability and ESG-related issues relevant to the Company and its businesses, including climate-related risks and opportunities, as well as the rapidly evolving regulatory requirements. Further to that, the Board is supported by the JSC, which serves as the advisory panel to the BSC. The JSC is responsible for enabling the Group to mitigate sustainability risks and identify opportunities, as well as ensuring that the Group's sustainability strategy remains up to date. In 2021, the JSC was appointed to conduct a Value at Risk (VaR) assessment on the Company's properties and reviewed the assessment in 2022. The Group also continuously ensures capacity building for its Board members by providing sustainability and ESG-related training.

Practice 4.4

In 2022, the Company continued integrating sustainability into Senior Management's performance evaluations and key performance indicators (KPIs), which are linked to remuneration. This means linking senior executives' remuneration to ESG performance, including climate change matters. The KPIs

are aligned with the Sunway Sustainability 2030 Goals and Targets and have been made part of the performance review of the Group's President, Tan Sri Dato' (Dr.) Chew Chee Kin, and Executive Director, Sarena Cheah Yean Tih. The KPIs are also cascaded to employees within the organisation, tracked and reported annually.

Practice 4.5

The Company has set up a Sustainability Department since 2017 to provide dedicated focus on sustainability matters. This Department is led by Ms Jacqueline Wong Yin Teng (Senior Manager, Group Sustainability), who reports to Mr Ong Pang Yen (Executive Director of Chairman's Office). The Department is largely in charge of coordinating communications of the Group's sustainability direction and initiatives between the Board of Directors and the business divisions and monitoring the Group's sustainability performance to ensure that the BSC, Management Sustainability Committee (MSC) and business divisions' KPIs are achieved. Beyond that, the Department updates the BSC and MSC on developments in the ESG space and explores opportunities for the adoption of relevant and current ESG developments by Sunway Berhad.

 Please refer to Sunway Berhad's Corporate Governance Report 2022 for more information.

RISK MANAGEMENT

VALUE AT RISK (VaR)

A climate Value at Risk (VaR) assessment was carried out on the Group's 74 properties by the JSC in 2021 and reviewed in 2022. The objective was to evaluate Sunway's risk exposure to climate change. The levels of VaR were categorised by the JSC as follows:

Vulnerable to physical risks due to sea-level rise or higher rain intensity **AND** Vulnerable to large potential damage physical risks (i.e. max. historical annual damages cost ratio ≥ 5% or max. RM annual historical losses ≥ RM5 mil)

Vulnerable to physical risks due to sea-level rise or higher rain intensity **AND NOT** Vulnerable to large potential damage physical risks (i.e. max. historical annual damages cost ratio < 5% or max. RM annual historical losses < RM5 mil)

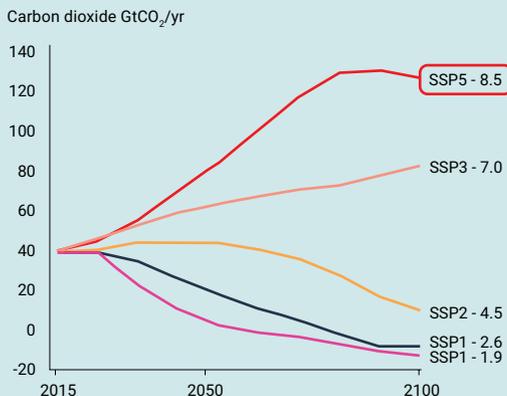
Low vulnerability to physical risks due to sea-level rise or higher rain intensity



Intergovernmental Panel on Climate Change Assessment Report 6 (IPCC AR6) Working Group I describes five scenarios, of which the worst-case scenario, SSP5 - 8.5, was used in this climate VaR assessment.

Each scenario is labelled to identify both the emissions level and the so-called Shared Socio-economic Pathway (SSP). The SSPs are based on five narratives describing broad socioeconomic trends that could shape the future of society.

- SSP1: Sustainability – Taking the Green Road (Low challenges to mitigation and adaptation)
- SSP2: Middle of the Road (Medium challenges to mitigation and adaptation)
- SSP3: Regional Rivalry – A Rocky Road (High challenges to mitigation and adaptation)
- SSP4: Inequality – A Road Divided (Low challenges to mitigation, high challenges to adaptation)
- SSP5: Fossil-fuelled Development – Taking the Highway (High challenges to mitigation, low challenges to adaptation)



Scenario	Near term, 2021-2040		Mid-term, 2041-2060		Long term, 2081-2100	
	Best estimate (°C)	Very likely range (°C)	Best estimate (°C)	Very likely range (°C)	Best estimate (°C)	Very likely range (°C)
SSP1 - 1.9	1.5	1.2 to 1.7	1.6	1.2 to 2.0	1.4	1.0 to 1.8
SSP1 - 2.6	1.5	1.2 to 1.8	1.7	1.3 to 2.2	1.8	1.3 to 2.4
SSP2 - 4.5	1.5	1.2 to 1.8	2.0	1.6 to 2.5	2.7	2.1 to 3.5
SSP3 - 7.0	1.5	1.2 to 1.8	2.1	1.7 to 2.6	3.6	2.8 to 4.6
SSP5 - 8.5	1.6	1.3 to 1.9	2.4	1.9 to 3.0	4.4	3.3 to 5.7

Source: IPCC AR6 Working Group I, Assessment Report 6 Interactive Index, 2021.

In the worst-case scenario (SSP5 - 8.5), sea-level rise in S.E. Asia to increase by 0.4 m to 1.1 m between 2081 and 2100¹

Period	Scenario	Median (metres)	P25 P75	P10 P90	P5 P95
Short term (2021-2040)	SSP5 - 8.5	0.1	0.1 0.1	0.0 0.2	0.0 0.2
Mid-term (2041-2060)	SSP5 - 8.5	0.3	0.2 0.3	0.1 0.4	0.1 0.4
Long term (2081-2100)	SSP5 - 8.5	0.7	0.5 0.9	0.4 1.0	0.4 1.1

In the worst-case scenario (SSP5 - 8.5), maximum one-day precipitation in S.E. Asia to increase by 6.7% to 46.6% between 2081 and 2100¹

Period	Scenario	Median (%)	P25 P75	P10 P90	P5 P95
Short term (2021-2040)	SSP5 - 8.5	4.2	2.1 7.1	1.2 8.0	0.1 8.9
Mid-term (2041-2060)	SSP5 - 8.5	9.0	4.5 13.9	2.6 17.5	1.8 20.3
Long term (2081-2100)	SSP5 - 8.5	22.3	9.7 35.5	7.2 45.2	6.7 46.6

Source: IPCC AR6 Working Group I Interactive Index using Coupled Model Intercomparison Project Phase 6 (CMIP 6), 2021.

Note:
¹ Forecasted maximum one-day precipitation between 2018 and 2100 is taken for discussion as properties are assumed to have a working lifespan of around 100 years.

The VaR assessment was conducted based on the worst-case scenario as described by the IPCC Assessment Report 6 published in August 2021, which estimated that the sea-level rise in Southeast Asia will increase between 0.4 m and 1.1 m in the long term (2081-2100), and that maximum one-day precipitation will increase between 6.7% and 46.6% within the same period.



CLIMATE REPORT: NET ZERO BY 2050

RISK MANAGEMENT (CONTINUED)

The potential financial implications of climate-related physical risks and transition risks for Sunway over the short-, medium- and long-term were discussed in the assessment by the JSC. Nine out of 13 Sunway business divisions were divided into groups that best fit their climate risk characteristics. Two groups were created, one for the 'Build' business model and the other for the 'Own and Operate' business model, which helped to provide greater commonality when discussing the risks.

Sunway Berhad's **'Build'** business divisions are exposed to similar risks in the property and construction production supply chain¹



Sunway Berhad's **'Own and Operate'** business divisions are exposed to similar risks in owning and operating property assets to serve consumers



TRANSITION RISKS

Refer to changes that an organisation is expected to face and navigate as society transitions to a low-carbon economy.

Comprise four risks under the TCFD framework

- Policy and legal risk
- Technology risk
- Market risk
- Reputation risk

Potential Transition Risks for Sunway

Type of Transition Risk	'Build' business divisions		'Own and Operate' business divisions	
	Potential Financial Risks	Potential Financial Opportunities	Potential Financial Risks	Potential Financial Opportunities
Policy and Legal Medium term (6-10 years) to Long term (>11 years) ²	<ul style="list-style-type: none"> • Regulations mandating green products and services (green buildings, green construction products and services) will increase production costs • Carbon tax will increase operating costs of high-carbon emission assets • Exposure to litigation 	<ul style="list-style-type: none"> • Increased demand for green products and services due to government mandate 	<ul style="list-style-type: none"> • Carbon tax will increase operating costs of high-carbon emission assets • Exposure to litigation 	<ul style="list-style-type: none"> • Cost savings from operating efficient green buildings (reduced electricity usage, reduced water usage)
Technology Short term (1-5 years) to Long term (>11 years) ³	<ul style="list-style-type: none"> • R&D costs to develop green products and services (green buildings, green construction products and services) • Costs to adopt low-emission technologies (hydrogen-powered heavy machinery, carbon capture and storage) • Costs of holding impaired technology assets (fossil fuel-powered heavy machinery) 	<ul style="list-style-type: none"> • Build intellectual capital in green technology, which can be a competitive advantage 	<ul style="list-style-type: none"> • Not material 	<ul style="list-style-type: none"> • Technology to retrofit more efficient systems (reduced electricity usage, reduced water usage) • Recycling technologies (rainwater harvesting, recycling waste material)
Market Short term (1-5 years) to Long term (>11 years) ⁴	<ul style="list-style-type: none"> • Increasing consumer preferences for green products and services (green buildings, green construction products and services) • Increasing cost of raw materials to produce green products and services • More volatile fossil fuel prices as energy system transitions away from fossil fuels 	<ul style="list-style-type: none"> • Be a market leader in providing green products and services 	<ul style="list-style-type: none"> • Increasing consumer preferences for green property assets • Increasing cost to own or lease green property assets 	<ul style="list-style-type: none"> • Be a market leader in providing experiences in green property assets (green leases with tenants)
Reputation Short term (1-5 years) to Long term (>11 years) ⁴	<ul style="list-style-type: none"> • Increasing consumer preferences for companies that have green reputations • Increasing stakeholder concerns about climate change (difficulty in securing government approvals, difficulty in accessing financing, increasing shareholder activism for climate action) 	<ul style="list-style-type: none"> • Be a brand leader in providing green products and services 	<ul style="list-style-type: none"> • Increasing consumer preferences for companies that have green reputations • Increasing stakeholder concerns about climate change (difficulty in securing government approvals, difficulty in accessing financing, increasing shareholder activism for climate action) 	<ul style="list-style-type: none"> • Be a brand leader in providing experiences in green property assets

Notes:

¹ Business divisions along the property and construction production supply chain are expected to be more sensitive to production and technology-related climate risks relative to operating-type business divisions.
² In Malaysia, mandatory regulations on green buildings and green construction products are not likely in the short term.
³ Climate transition technology applicable to the construction supply chain ranges from mature technology that is currently commercially available (e.g. LED lights, solar panels) to commercial technologies in the medium term (e.g. hydrogen-powered heavy machinery) to commercial technologies in the long term (e.g. carbon capture and storage).
⁴ We take the view that in Malaysia, consumers and stakeholders in society (e.g. the government, investors, NGOs) already have preferences for green products and services; however, this is still at a nascent stage and not yet comprehensively embraced.

PHYSICAL RISKS

Refer to risks of climate events physically damaging the properties in Sunway's portfolio.

- The two types of material physical risks in Malaysia are:
 - Sea-level rise: Leads to more coastal and riverine floods.
 - Increased rainfall intensity: Leads to more flash floods, water seepage into buildings and landslides.

Potential Physical Risks for Sunway

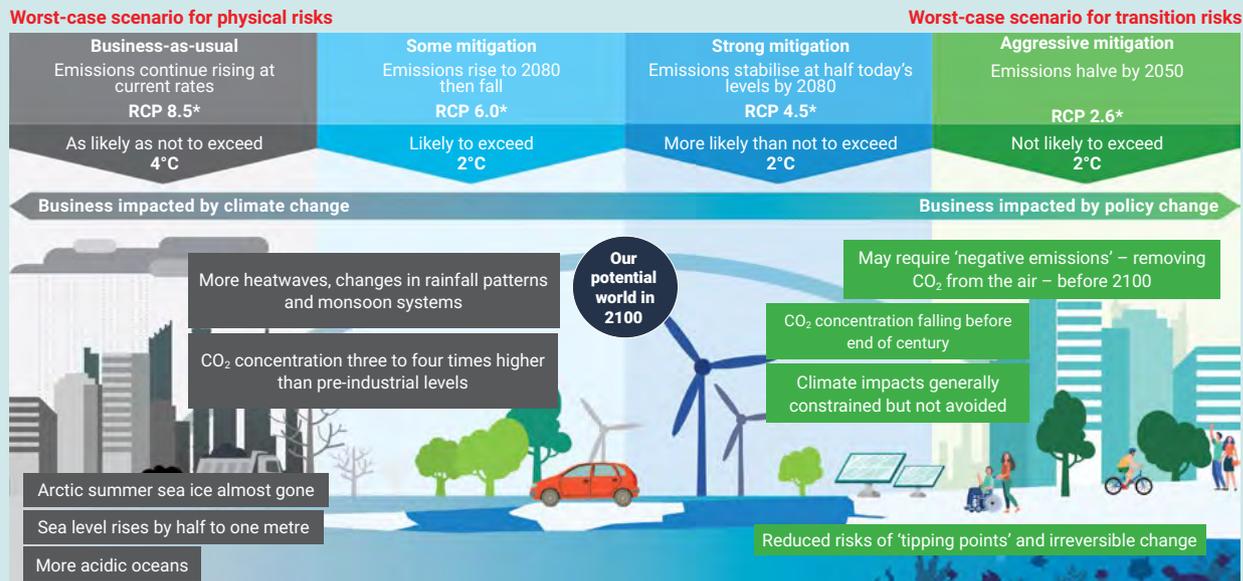
Type of Physical Risk	'Build' business divisions		'Own and Operate' business divisions	
	Potential Financial Risks	Potential Financial Opportunities	Potential Financial Risks	Potential Financial Opportunities
Acute Short term (1-5 years) to Long term (>11 years) ¹	<ul style="list-style-type: none"> • Increasing frequency of extreme weather events (floods, heavy rain, landslides) • Disruption of the production schedule • Higher cost of repairs • Higher insurance premiums 	<ul style="list-style-type: none"> • Design and develop properties and materials that are resistant to the expected increase in frequency of acute extreme weather events 	<ul style="list-style-type: none"> • Increasing frequency of extreme weather events (floods, heavy rain, landslides) • Disruption of the provision of services dependent on the property asset, thus loss of revenue • Higher cost of repairs • Higher insurance premiums 	<ul style="list-style-type: none"> • Acquire or lease properties that have low or adequately mitigated risks of acute extreme weather events
Chronic Long term (>11 years)	<ul style="list-style-type: none"> • Higher mean temperatures • No risk as existing chiller technology can operate even if Southeast Asian temperature increases by 3.5°C in the worst-case scenario • Higher sea levels • Higher development cost of coastal properties (higher floor elevation, seawater-resistant foundation) 	<ul style="list-style-type: none"> • Design and develop properties and materials that are resistant to the expected increase in chronic weather effects 	<ul style="list-style-type: none"> • Higher mean temperatures • Higher operating cost of running chillers for longer hours • Higher sea levels • Increasing frequency of flood damage if building is not designed to cope with sea-level rise (buffer above king tide) 	<ul style="list-style-type: none"> • Acquire or lease properties that have low or adequately mitigated risks of chronic weather effects

Note:
¹ Severe floods and landslides have historically been observed to affect Sunway's portfolio of property and production assets; however, they are not frequent. Moving forward, climate change will cause the frequency of these acute extreme weather events to increase.

The following infographic illustrates the potential climate change outcomes in four different scenarios and determines which risks would most affect an organisation.

Physical risks to an organisation are most apparent in the Business-as-usual (4°C warming) scenario as climates change significantly, whereas transition risks are most material in the 2°C or less warming scenario, driven by stakeholder demands to speed up the transition to a low-carbon economy.

In the Business-as-usual (4°C) scenario, the firm is highly impacted by physical risks; in the Aggressive mitigation (2°C or less) scenario, the firm is highly impacted by transition risks.



Source: IPCC (2013) Climate Change Action, Trends and Implications for Business, IPCC 5th Assessment Report.
 * The four RCP (Representative Concentration Pathway) scenarios each predict carbon emissions and resultant warming.

Conclusion

The VaR study has demonstrated that, overall, Sunway's property portfolio is not at a high level of risk in the context of worst-case climate change scenarios. Out of 74 properties assessed, 60 had a low VaR score. Seven properties had a medium VaR score due to their proximity to coasts or rivers, while the remaining seven properties had a medium VaR as they had previously experienced material climate-related damage. The Group will therefore continue to monitor all our properties to protect them against material climate-related physical risks (floods, increased rainfall intensity and landslides) and to put appropriate mitigation measures in place.



CLIMATE REPORT: NET ZERO BY 2050



CLIMATE CHANGE AND FLOOD RISK ASSESSMENT GUIDANCE FOR NEW LAND ACQUISITION SITES

While the VaR exercise has enabled us to identify potential financial implications of climate-related physical risks and transition risks for our existing properties, the Group, in particular Sunway Property, is looking into implementing a climate change and flood risk assessment guidance for new land acquisition sites to mitigate climate change risks. Natural disasters such as floods and landslides have severe adverse effects on development projects in terms of costs and long-term value creation. The guidance involves the use of several criteria to assess the risks of a site in relation to climate change and flood risks. Should a site fail any criteria and thus be deemed risky, further studies and engagements will be carried out to estimate the adaptation costs needed to fully mitigate these risks. This exercise is expected to improve the long-term value creation of the sites and therefore improve the expected return on investment projection for new land acquisitions.

The list of criteria to be considered by the management team in assessing climate change and flood risks for new land acquisition sites includes the following:

Type of Potential Acquisition	Criteria to Be Considered Risky
Sites close to the coast (≤3 km from the coast)	Lowest site level is ≤5 m from king tide observed in the past three years
Sites close to rivers or lakes (≤1 km)	Historical flood events have been reported OR location is in a topographic depression as indicated by JSC topography map
Sites with slopes	Site has slopes with gradient degrees exceeding 25° or visible signs of slope modification
Sites with natural forest or wetlands	High biodiversity value (confirmed habitat and presence of protected or endangered species), primary forests (no recorded prior history of human clearing in past 100 years) or seaward-facing wetlands

Sunway will strive to further improve our understanding of potential climate-related risks and opportunities, while investing resources into mitigating material risks, which will help to strengthen our business position as a provider of high-quality green and sustainable products and services.

STRATEGY

SUNWAY'S NET ZERO CARBON EMISSIONS BY 2050 ROADMAP

ON TRACK TOWARDS ACHIEVING 2030 TARGETS

We have set future value goals and 2030 targets to transform our portfolios to low-carbon sustainable cities.

Strategic Framework:

-  Decarbonisation
-  Resource management
-  Pollution management

ACCELERATING DECARBONISATION

Sunway is focused on intensifying efforts to reduce residual emissions up to 2030 and beyond by improving efficiency and switching to cleaner energy. In 2021, we established an Internal Carbon Pricing framework to start preparing for the potential transition risks from climate-related issues at RM15 per tonne of CO₂e emitted above a threshold level. This is a mechanism/decision-making tool that can help our business divisions to understand their exposure to external carbon pricing schemes, guide their decisions and investments and put a value on their greenhouse gas (GHG) emissions in a way that drives positive change in their business. In 2022, we continued to monitor the potential financial exposure of our business divisions based on the Internal Carbon Pricing framework.

Our managed assets and industrial sites should continue to stay below the targets set, which will reduce by 3.5% to 4%, respectively, on an annual basis up to 2030 to align with the IPCC target of 45% reduction in carbon emissions by 2030.

Implementation:

 **Internal Carbon Pricing**

- Emissions avoidance (Energy efficiency improvement)
- Energy substitution (Renewable energy)

 **Engaging with stakeholders to reduce Scope 3 emissions**

- Upstream - Suppliers (Sustainable procurement & supply chain practices)
- Downstream - Tenants (Green leases)

 For more information on the Group's energy consumption and GHG emissions, please refer to pages 36-37 and 49-51.

GETTING TO NET ZERO

To achieve net zero carbon emissions by 2050, we plan to focus on carbon offset technology and have invested in a research centre for carbon dioxide capture and utilisation.

Implementation:

-  Carbon storage and capture
-  Investment in large-scale renewable energy

Global temperature is estimated to reach between 4.0°C and 5.0°C without any mitigation efforts.

Global warming is limited to 1.5°C with mitigation efforts, in line with the Paris Agreement goal.



METRICS AND TARGETS

Measuring and reporting on carbon emissions from direct and indirect sources enable us to manage our carbon footprint and accelerate our journey towards achieving net zero emissions by 2050.



While we continue to report our carbon emissions according to Scope 1, 2 and 3 based on best emissions reporting practices, we have mainly been focusing on reducing Scope 1 and 2 carbon emissions, where we have direct operational control. In 2022, we stepped up our efforts to reduce our Scope 3 carbon emissions and started looking into embodied carbon. We are also working with tenants and encouraging them to cut energy consumption to lower their carbon emissions.

In 2022, we recorded higher GHG emissions for Scope 1, 2 and 3 due to back-to-office working arrangements and full business operations.

 For more information on environmental performance data, please refer to pages 98 - 105.

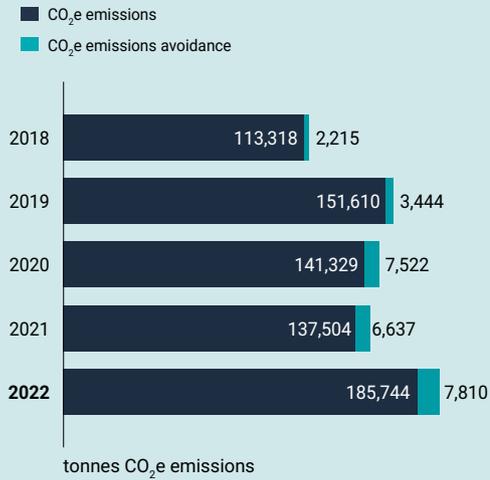
Our data for emissions generated was obtained using the relevant emission factors from the Department for Environment, Food & Rural Affairs (DEFRA), United Kingdom and Malaysian Green Technology and Climate Change Centre. Our carbon footprint was calculated in accordance with the World Business Council for Sustainable Development and World Resources Institute's (WBCSD/WRI) GHG Protocol, a corporate accounting and reporting standard. The protocol is currently deemed best practice for corporate or organisational emissions reporting.

In 2022, we embarked on gathering carbon emissions data for employees' commutes to work. The initiative was part of our effort to measure and track our Scope 3 GHG emissions, in line with Bursa's enhanced sustainability requirements. The JSC assisted in deriving the average traveling distance per employee based on a sample dataset. We are progressively expanding the dataset to achieve a more accurate result for employee commuting emissions.

ENERGY INTENSITY TARGETS IN 2023

No.	Business Division	Unit	2022 Performance	2022 Target	2023 Target	2030 Target	
1	Office	kWh/m ² /year	121	150	144	108	
2	Retail	kWh/m ² /year	254	350	336	252	
3	Hospitality	kWh/m ² /year	217	290	278	209	
4	Healthcare	kWh/m ² /year	298	342	328	247	
5	Education	kWh/m ² /year	125	314	301	227	
6	Student Residence	kWh/m ² /year	74	96	92	69	
7	Leisure	kWh/person/year	8.9	7.7	7.4	5.6	
8	Building Materials	Sunway Paving Solutions	tonnes CO ₂ e/'000 m ² /year	0.025	0.035	0.033	0.026
		Sunway Spun Pile	tonnes CO ₂ e/tonnes/year	0.64	0.72	0.70	0.54
		Sunway VCP	tonnes CO ₂ e/tonnes/year	6.59	7.64	7.37	5.74
9	Quarry	tonnes CO ₂ e/tonnes/year	0.085	0.0071	0.0069	0.0053	

TOTAL CO₂e EMISSIONS AND CO₂e EMISSIONS AVOIDANCE

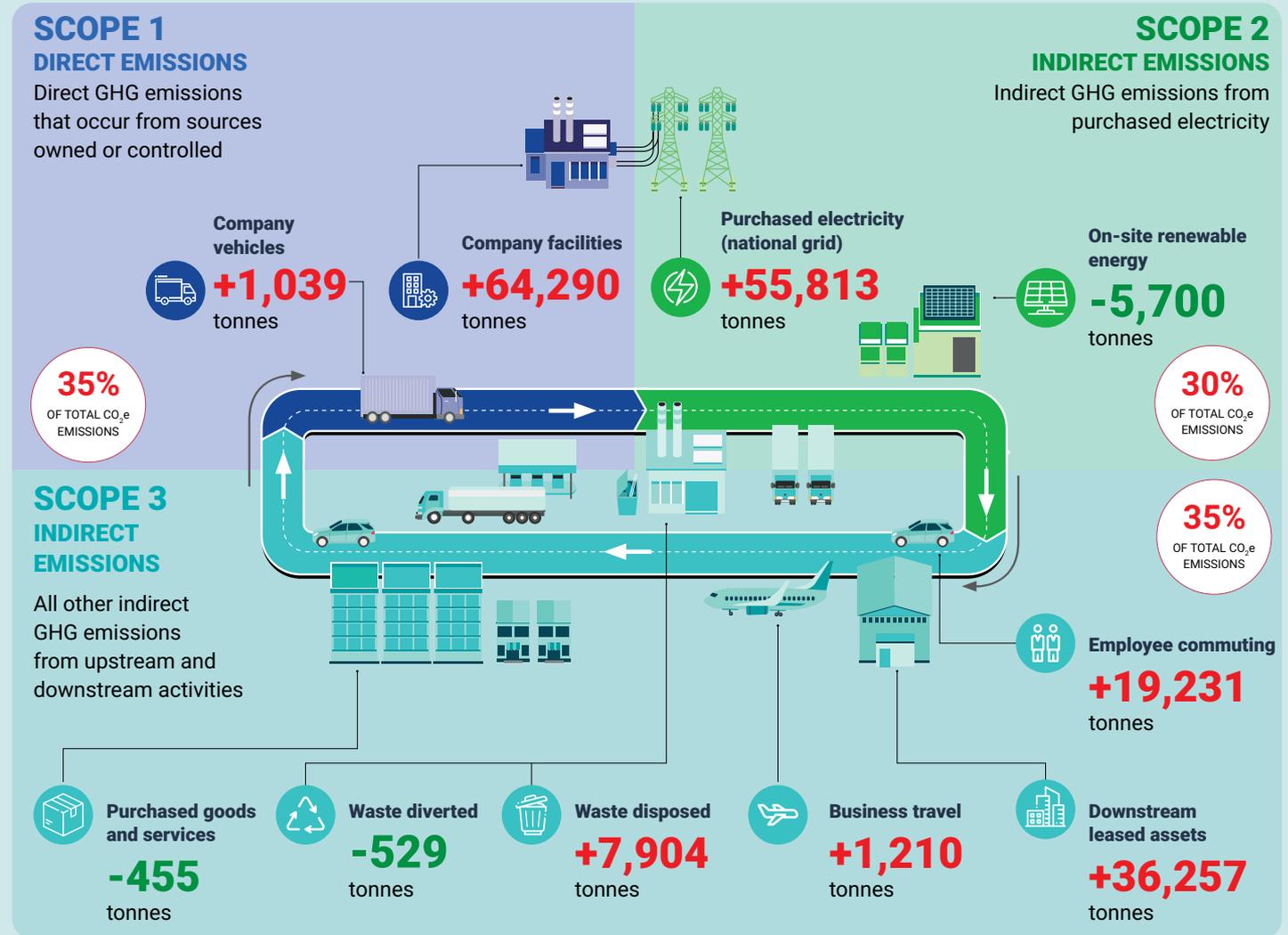


- Notes:**
1. CO₂e refers to carbon dioxide equivalent.
 2. CO₂e emissions avoidance includes avoidance through solar energy projects, waste diversion, sustainable purchased goods and carbon sequestered through tree-planting projects.
 3. One tree absorbs approximately 21 kg of carbon dioxide.



**Carbon sequestered from
53,624 trees planted in
Sunway townships
-1,126
tonnes of CO₂e emissions**

TOTAL CO₂e EMISSIONS AND CO₂e EMISSIONS AVOIDANCE IN 2022 (SCOPE 1, 2 AND 3)



Note: The emissions reporting boundary for Scope 1, 2 and 3 is disclosed based on operational control for Sunway Berhad.

+ : CO₂e emissions
- : CO₂e emissions avoidance

IMPACT STORY**HOW SUNWAY IS TACKLING THE NET ZERO GAME**

Contributed by:
Nadhirah Zakarya
Senior Executive
Group Sustainability
Sunway Berhad



Please scan the QR code to read more about How Sunway is Tackling the Net Zero Game.

While cities are known for displacing nature, Sunway City Kuala Lumpur has been designed to conserve it. Greenscapes and bluescapes comprise 40% of the land, housing about 30,000 trees within its boundaries. Over the years, we have planted an additional 10,000 to 25,000 trees in other Sunway developments throughout Malaysia. Collectively, these green lungs form a valuable carbon sink that sequesters atmospheric carbon dioxide while delivering natural cooling properties.



Research by the Jeffrey Sachs Center on Sustainable Development at Sunway University has shown that tree shade can have a remarkable cooling effect of up to 15°C depending on latitude. Additionally, evapotranspiration – the absorption of water by roots and release into the air through leaves – helps to bring down the ambient temperature. The research found that even a tiny tree no taller than four metres can provide the equivalent cooling capacity of two small air-conditioning units.

To optimise this conducive atmosphere, thermal-comfort features are embedded within pavements surrounding Sunway City Kuala Lumpur. Unbeknownst to many, managing the solar reflectance of paved surfaces can make a massive difference in tackling urban heat. In 2018, Sunway Paving Solutions introduced NeuPave, an award-winning paver, as part of the solution.

Compared to asphalt, NeuPave's concrete material has been shown to radiate notably less heat, by 10% to 15%. It has a high Solar Reflectance Index, too. That is to say, NeuPave resists solar heat more effectively and remains cooler when exposed to the sun. Additionally, its water-permeable design allows water to pass through to the soil beneath, significantly lowering the risk of flooding and erosion.



15-minute
city model – an urban planning concept

MOVING TOWARDS NET ZERO

Sunway City Kuala Lumpur is advancing the '15-minute city' model – an urban planning concept that advocates hyper-proximity where people can easily navigate all essential services and business premises within a 15-minute walk or bike ride.

The township's Sustainable Intelligent Transport Ecosystem (SITE) comprises seven Bus Rapid Transit (BRT) stations, 4.3 kilometres of elevated canopy walkways, integrated car parks and smart parking.



4.3
kilometres of elevated canopy walkways, integrated car parks and smart parking

As the pioneering city in Malaysia to launch BRT services, featuring specially-designed elevated lanes and a fleet of buses powered by electricity, its seamless connectivity encourages more non-vehicular traffic.

HOW SUNWAY IS TACKLING THE NET ZERO GAME

An assessment by Monash University Malaysia showed even more impressive statistics. At the SunU-Monash BRT station, usage of elevated canopy walkways was estimated to have reduced more than 76,440 kg of CO₂ per year, corresponding to the same environmental impact as planting some 3,640 adult trees annually, or the equivalent of powering up nearly nine homes for one year.

The assessment also showed that the second stretch of the canopy walk from Sunway University to Sunway Pyramid avoided up to 144,648 kg of CO₂, the equivalent of planting 6,888 trees.

A simulation of 'a city without BRT and elevated canopy walkways' found that eliminating these transit elements was estimated to place 1,000 additional cars on the street every hour, translating to an 18% increase in car traffic. Although this percentage increment may seem minor at first glance, car diversions will cause heavy congestion across the city, leading to greater travel time and ultimately, an increase in CO₂ by 40%.

This potentially doubles the emission of CO₂ to up to 100 kg per hour, causing a major setback to any city's green efforts.

IGNITING THE POWER OF RENEWABLES

Taking effect in 2022, the Green Building Policy looks at the micro level – mandating all new buildings in our townships nationwide completed in 2025 onwards to be green-certified. On a macro level, the Green Township Policy reinforces that commitment by requiring all new townships developed from 2025 onwards to meet green certification standards as well.

To date, 37 properties and two townships across Sunway developments nationwide have met the necessary green code.

In addition, Sunway aims to harvest 40% of its electricity from renewable sources by 2030.

Sunway City Kuala Lumpur alone generated 3,210 MWh of renewable energy in 2022, enough to power some 443 homes per year. In addition, the Group generated close to 10 GWh of renewable energy in 2022, enough to power over 1,343 homes for a year. We anticipate a trajectory of green growth in the years to come as this transition continues.

A behavioural study conducted by Sunway in partnership with Monash University Malaysia and the Institute for Global Strategy and Competitiveness at Sunway University found that:

Walking now ranks among the top three most popular modes of commute in Sunway City Kuala Lumpur.



From left to right: Dr. Lim Mei Kuan, Prof. Teh Pei Lee, Dr. Susilawati, Prof. Tan Chee Pin, Prof. Santha Vaithilingam, Dr. Chiew Yeong Shiong.





IMPACT STORY



WATER SECURITY FOR BUSINESS CONTINUITY



Contributed by:
Claudia Cheah
Senior Executive
Group Sustainability
Sunway Berhad



Please scan the QR code to read more about Water Security for Business Continuity.

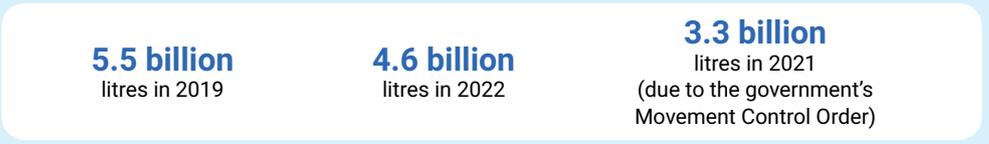
Water security, which is defined by the United Nations as the population's capacity to safeguard sustainable access to adequate quantities of acceptable quality water, is critical for many reasons. If water continues to be consumed at its current unsustainable rate, the World Wildlife Fund (WWF) estimates that by 2025, two-thirds of the world's population may face water shortages.

CREATING SUSTAINABLE WATER SUPPLY

Sunway recognises that a consistent water supply is necessary for its businesses to operate efficiently, especially for the Group's managed properties and industrial sites that are water-intensive.

A critical component in safeguarding water security at Sunway is via its water treatment plant at Sunway South Quay Lake, which can supply up to 8.5 million litres of water daily – enough to provide drinking water for 51,500 people.

By treating and recycling lake water to produce potable drinking water, the water treatment plant is playing an essential role in reducing Sunway's reliance on municipal water supply by 30%. This is important, given Sunway's total water consumption:



Currently, all Sunway's managed properties in Sunway City Kuala Lumpur are piped to the water treatment plant, ensuring a continuous water supply even during a water cut.

WATER SECURITY FOR BUSINESS CONTINUITY

PROMOTING SMARTER, MORE EFFICIENT USE OF WATER

In times of water disruptions, Sunway Malls immediately decreases the number of operating toilets, switches off the pressure pumps to reduce flushing volume and reduces air conditioning capacity to lower the water consumption of the cooling towers. Water-intensive activities at the malls such as cleaning loading bays and air-conditioning equipment servicing are rescheduled to a later date.

To conserve water among end-users, Sunway's properties are equipped with water-saving fittings such as sensor taps and new faucets.

Meanwhile, rainwater harvesting systems installed at some of Sunway's managed properties reduce dependency on potable water for non-essential usage such as cleaning outdoor areas, landscape maintenance and flushing toilets.

STRENGTHENING WATER SECURITY EFFORTS

All Sunway-managed properties are required to have a Water Crisis Standard Operating Procedure (SOP), which details the emergency response process flow during a water disruption. The SOP also records vital information such as the capacity of tanks and how long the water supply would last during a disruption.

With the development of the SOP, Sunway was able to conduct a scenario analysis to further develop a more detailed and robust action plan that would ensure heightened water security among Sunway properties in the Klang Valley. This scenario analysis found that in the unlikely event that the water treatment plant in Sunway City Kuala Lumpur breaks down during a municipal water disruption, there are seven properties within the township that can continue operating during water supply disruptions for one to four days. As for non-Sunway City Kuala Lumpur properties in the Klang Valley, a water tanker with a capacity to store 15,000 litres of water is on standby to be deployed during a municipal water disruption to provide water security.

The priority for water tanker deployment is then determined based on how long each property can sustain itself during a water cut. Currently, out of 14 non-Sunway City Kuala Lumpur-managed assets in the Klang Valley, four can last less than a day, three assets can hold out for one to two days and another seven can last beyond two days. Ultimately, Sunway aims to achieve at least five days of uninterrupted water supply from the onset of a water disruption event by 2030.

Moving forward, Sunway's water targets are to reduce overall water intensity of managed properties by 10% by 2030, to reduce reliance on municipal water supply by up to 50% through investment in alternative supplies and sources and to achieve five days of uninterrupted water supply from the onset of a water disruption event for all its properties located within Kuala Lumpur and Selangor by 2030.



The Sunway South Quay and Sunway Lagoon lakes both serve as water catchment areas for Sunway City Kuala Lumpur, receiving between

230 million to 2 billion
litres of water a year



IMPACT STORY

WASTE MANAGEMENT: A TRASH TO TREASURE APPROACH



Contributed by:
Jacqueline Wong
Senior Manager
Group Sustainability
Sunway Berhad

Amid all the rhetoric surrounding Environmental, Social and Governance (ESG), one area is often glossed over – waste management.

At Sunway, we are committed to intensifying our Group-wide ESG efforts towards achieving sustainable development. Integrated and concerted waste treatment is at the core of our ESG agenda, with a fail-safe six-tier waste management hierarchy prioritising waste prevention across the Sunway ecosystem in place.

OUR SUSTAINABLE WINNING WAYS

As a conglomerate with a host of vibrant businesses spanning diverse industries, we are cognisant of the waste generated from our day-to-day operations. As such, we actively push for the implementation of a responsible value chain among both our communities and stakeholders, and extending to our suppliers and vendors.

Harnessing circular economy solutions, each category of waste generated from our daily operations is meticulously analysed, ensuring maximum utilisation and minimal wastage from our precious resources.

1. Solid waste

Waste generated by our commercial and institutional divisions is either properly separated at source, upcycled or, recycled, or refurbished for infrastructure works, where possible.

Besides deploying recycling stations across all properties owned and managed by us to inculcate a habit of recycling among our communities, our Group-wide digitalisation efforts drive down paper usage, in tandem with our corporate aspirations of cultivating a circular economy model from the ground up.

As the recycling landscape evolves rapidly around the globe, our internal waste segregation practices similarly pick up momentum, involving all facets of our daily operations as well as the communities we serve. Towards this end, Sunway Carnival Mall in Penang houses a Recycling Buy-Back Centre for shoppers and tenants to drop off recyclables with ease.

Understanding that 'prevention is better than cure', high user traffic business divisions such as Sunway Malls and Leisure actively discourage the use of plastic in their premises. Similarly, Sunway University's #TheLastStraw campaign, as well as the yearly 'GreenThink!', 'Scrap-the-Styro' and 'Pay for Your Plastic Bag' campaigns, help nurture responsible future leaders who are sustainability-forward. Sunway Hotels also started deploying reusable and refillable amenities in phases, replacing a whopping 680,000 units of single-use plastic in 2022 alone.

2. Food waste

Food wastage is a prevalent challenge globally, with Malaysia alone producing an estimated 17,000 tonnes of food waste per day.

Driven by the aims of reducing food wastage and feeding the needy, the Sunway-Kechara Soup Kitchen partnership has evolved from excess food collection during festive occasions to a regular basis, feeding thousands of underprivileged individuals and rechanneling more than 16,730 kilogrammes of excess food since the formation of the partnership in 2017.

In the same vein, food composting machines introduced at Sunway Pyramid Mall, Sunway Resort Hotel and Sunway University continue to decompose food waste since 2019, and a record 52,064 kilogrammes of food waste collected was processed into 8,548 kilogrammes of natural compost in 2022. We are also exploring the use of black soldier flies for our food waste treatment.

[Waste Not, Want Not \(https://www.sunway.com.my/stories/waste-not-want-not/\)](https://www.sunway.com.my/stories/waste-not-want-not/)



WASTE MANAGEMENT: A TRASH TO TREASURE APPROACH

3. Used cooking oil

Irresponsible cooking oil disposal down the kitchen sink leads to clogged drains which if left unchecked, pollutes water sources and threatens marine biodiversity.

Targeting used cooking oil disposal is the Sunway-FatHopes Energy collaboration, which features monthly used cooking oil (UCO) collection from our community and township residents, with the 2022 campaign successfully rescuing more than 14,660 kilogrammes of UCO from our sewer pipes to be converted into biofuels.

[Letting Light Lead the Way \(https://www.sunway.com.my/stories/letting-light-lead-the-way/\)](https://www.sunway.com.my/stories/letting-light-lead-the-way/)



Successfully rescued more than
14,660
kilogrammes of
UCO from our
sewer pipes to be
converted
into biofuels



Successfully diverted
724 tonnes
of waste from landfills

**4. Scheduled waste**

All waste material devoid of recovery potential will be discarded lawfully and ethically.

Any waste that possesses hazardous traits which may potentially harm public health and the environment is managed by licensed vendors, from storage up to incineration, in compliance with the Environment Quality Act 1974.

PAINTING A HOLISTIC VIEW

Evidently, waste management is beyond mere cogs in our ESG wheel. In fact, our efforts are producing increasingly encouraging results – as seen in our 2022 environmental performance where we successfully diverted 724 tonnes of waste materials from landfills.

Understanding the rising importance of resource management, awareness programmes have similarly begun shifting into high gear across our key businesses. For instance, Sunway Malls took the liberty of educating tenants and shoppers nationwide about sustainable waste management through the 'Together for Good' campaign in 2022 – augmenting the 2030 Agenda for Sustainable Development which serves as a global blueprint for a low-carbon future.

Our sustainable winning ways are here to stay, reflecting the Group's commitment to preventing and reducing waste, and by extension, addressing climate change.



Please scan the QR code to read more about Waste Management: A Trash to Treasure Approach.

Echoing our Group founder and chairman Tan Sri Dr. Jeffrey Cheah, 'Advancing the Sustainable Development Goals is not the sole responsibility of the governments alone. It requires the commitment of all sectors of society – the private sector, academia, civil society and every individual. We are all in this together'.



SUNWAY CITIES' PORTFOLIO

GRI 203-1, 203-2, 304-1, 304-2, 304-3

INDIRECT ECONOMIC EFFECTS: Attracting multinational corporations and various tenants to set up offices | Indirect benefits through job creation | Vibrant community



SUNWAY CITY KUALA LUMPUR

Inception date

1986

Size

800 acres

Classification

Brownfield



LOW-CARBON TOWNSHIP

PEDESTRIAN INFRASTRUCTURE

- 100% walkable with elevated walkways and underground connectivity

LOW-CARBON EMISSION VEHICLE SUPPORT

- Electric vehicle parking bays are provided at Sunway Pyramid Mall, Sunway Pinnacle and Sunway Medical Centre

40%

Greenscapes & bluescapes

142,291

Adaptive plants

31,179

Native plants

22

Bird species

TOWNSHIP AWARDS / RECOGNITIONS

- Diamond recognition from the Subang Jaya City Council (MBSJ) at the 2021 Low Carbon City Awards
- Top 10 Green Buildings of the Decade Awards at the Malaysia Green Building Council's (MGBC) 10th Anniversary in 2019
- Malaysia Institute of Planners Low Carbon City Award in 2017
- Top Smart City Initiative (Asia Pacific) under the Smart Buildings category at the IDC Smart City Asia Pacific Awards (SCAPA) in 2017
- Best township with 'The Five Elements Development' Award at the StarProperty.my Awards in 2016
- Malaysia's first Green Building Index (GBI)-certified township; achieved Silver rating in 2012

COMPACT & INTEGRATED DEVELOPMENT



RESIDENTIAL



COMMERCIAL



RETAIL



HEALTHCARE



EDUCATION



HOSPITALITY



LEISURE



TRANSIT-ORIENTED DEVELOPMENT

- Free WiFi throughout the township
- Convenient access (within 0.5 km) to public transportation, including Sunway City Kuala Lumpur shuttle bus and Bus Rapid Transit (BRT) - Sunway Line (RM123 million investment by Sunway)
- MyRapid Park 'N' Ride parking facility (Kompleks BRT Sunway)

SAFE CITY CONCEPT



More than 10,000 CCTVs



14 patrol cars



4 tourist police officers



No-smoking zones



Integrated with Crime Prevention Through Environmental Design (CPTED)



Close to 900 auxiliary and plainclothes policeman and security guards



New escalators were installed with additional brakes, in accordance with British Standard EN 115. Regular inspections are conducted on all escalators and travelators



SUNWAY CITY IPOH

Inception date

1995

Size

1,346 acres

Classification

Greenfield



SUNWAY CITY ISKANDAR PUTERI

Inception date

2012

Size

1,800 acres

Classification

Greenfield



PEDESTRIAN INFRASTRUCTURE

- 100% walkable

55%

Greenscapes & bluescapes¹

20-ACRE

Sunway Organic Farm²

¹ Preserved in the form of natural mountains, lakes, geothermal hot springs and landscaped buffer zones next to hills

² Types of fruits & vegetables: Durian, Rambutan, Lady's Fingers, Kangkong, Corn, Choy Sum, Cucumber, Purple Spinach

TOWNSHIP AWARDS / RECOGNITIONS

- Editor's Choice Award: Malaysia's Outstanding Sustainable Resort 2020 at The EdgeProp Malaysia's Best Managed and Sustainable Property Awards 2020 (The Banjaran Hot Springs Retreat)
- World Gold Winner in the Resort Category at the FIABCI Prix d'Excellence Award 2015 (Lost World of Tambun)
- The Edge-PAM Green Excellence Award 2014
- FIABCI Malaysia Property Award in 2014 (Lost World of Tambun)
- Mayor's Landscape Award by the Mayor of Ipoh in 2013
- FIABCI World Prix d'Excellence Award in 2012 under the Resort Development Category (The Banjaran Hot Springs Retreat)
- FIABCI Malaysia Property Award for the Best Master Plan township in 2010



RESIDENTIAL



COMMERCIAL



RETAIL
(Future Development)



LEISURE



HEALTHCARE
(Future Development)



EDUCATION



HOSPITALITY



TRANSIT-ORIENTED DEVELOPMENT



510 CCTVs



No-smoking zones



Integrated with Crime Prevention Through Environmental Design (CPTED)



Auxiliary police



Patrol cars

PEDESTRIAN INFRASTRUCTURE

- 100% walkable

40%

Greenscapes & bluescapes

78

Tree species

43

Mangrove plant species

30

Bird species

TOWNSHIP AWARDS / RECOGNITIONS

- The Earth Conscious Award at the StarProperty Awards 2021
- Special Awards for Sustainable Development Goals and Best Green Product & Technology at the Malaysia Green Building Council's Leadership in Sustainability Awards in 2020
- Green Building Index (GBI)-certified township; achieved Silver rating in 2019
- Green Accord Initiative Award (GAIA) 2021/2022 for green townships (Sunway City Iskandar Puteri) and characterising model green commercial & industrial buildings (Sunway GRID)



RESIDENTIAL



COMMERCIAL



RETAIL



LEISURE



HEALTHCARE
(Future Development)



EDUCATION



HOSPITALITY



TRANSIT-ORIENTED DEVELOPMENT



88 CCTVs



No-smoking zones



3 patrol cars
2 motorbikes
4 bicycles



Auxiliary police



New escalators were installed with additional brakes, in accordance with British Standard EN 115. Regular inspections are conducted on all escalators and travelators



Integrated with Crime Prevention Through Environmental Design (CPTED)

ADAPTING TO CLIMATE CHANGE

GRI 203-1, 203-2, 304-1, 304-2, 304-3

Climate change refers to long-term shifts in temperatures and weather patterns¹ and it is currently the most pressing issue facing humanity. Referred to as 'the global emergency' by the United Nations, climate change has been accelerated by global warming, which is mainly contributed by human activities such as burning fossil fuels and deforestation.

At Sunway Berhad, we have been stepping up our climate action to adapt to climate change. Embedding climate-related risks in our corporate strategy and business management, ensuring that climate-related risks and issues are governed by the Board and intensifying efforts to reduce carbon emissions across our operations are among some of the key initiatives taken. Going forward, we aim to reduce the carbon emissions of our supply chain, which will involve consolidated effort and commitment from our suppliers, vendors and tenants, to achieve net zero carbon emissions by 2050.

¹ What Is Climate Change?
(<https://www.un.org/en/climatechange/what-is-climate-change>)

The Policy ensures that the diverse needs of the community are met, while minimising the developments' impacts on the environment and society by regenerating the areas surrounding the built environment. It outlines the elements of a green township:

Social Cohesion and Community Planning

Provision of inclusive facilities within walking distance, robust security system, facilities for the disabled and an extensive range of facilities to support the communities' educational, social and economic needs.

Biodiversity Conservation

Optimising land use, conserving green areas, reducing impact on the environment, protecting natural hydrological systems and water bodies and reducing water pollutants.

Energy Efficiency and Water Management

Utilisation of renewable energy, energy-efficient technologies and efficient management of water and energy usage in buildings and facilities.

Building and Resources

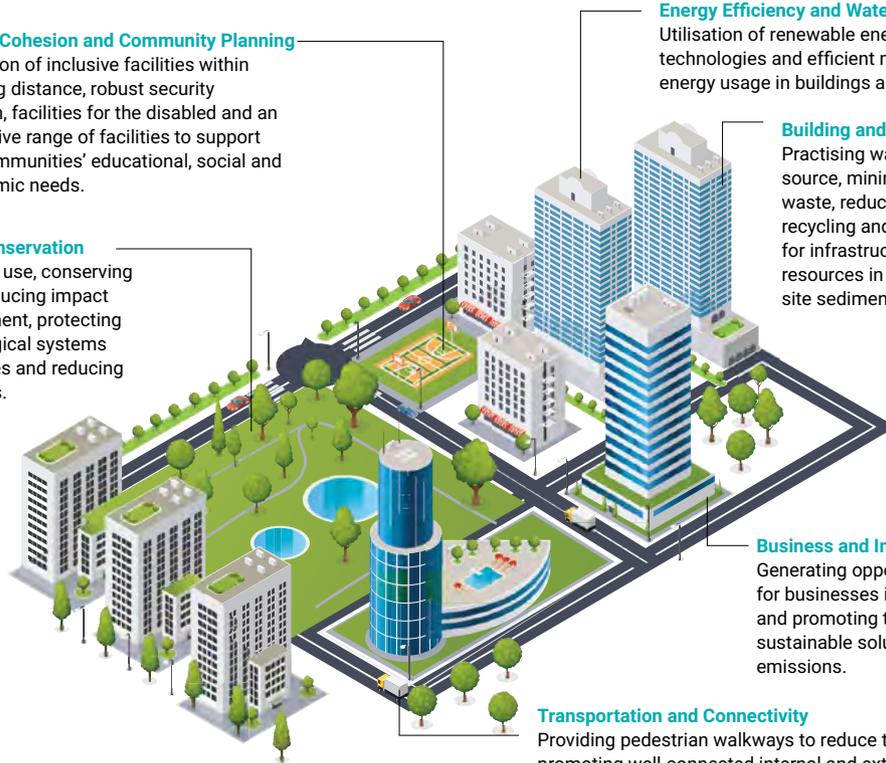
Practising waste separation at source, minimising construction waste, reducing material usage by recycling and refurbishing materials for infrastructure works, conserving resources in construction and reducing site sedimentation and pollution.

Business and Innovation

Generating opportunities and collaborations for businesses in the public-private sector and promoting the use of innovative and sustainable solutions to reduce carbon emissions.

Transportation and Connectivity

Providing pedestrian walkways to reduce the use of vehicles and promoting well-connected internal and external roads and linkages, as well as sustainable public transportation facilities.



GREEN TOWNSHIP POLICY

Sunway focuses on the rehabilitation of the natural environment within its townships by conserving the natural ecosystem and improving the health of the local communities. In 2022, Sunway developed a Green Township Policy that outlines the key requirements that are essential to the development of green townships. The Group identifies a green township as a development that is well planned and designed to promote the protection of the natural environment and incorporate innovative solutions to optimise the use of natural resources, as well as promoting the connectivity of the community within and outside the township. The Group is committed to ensuring that all its new townships developed from 2025 onwards will be green-certified, and that the green certification of existing townships will be reviewed and monitored.

[Sunway Berhad Green Township Policy](https://www.sunway.com.my/wp-content/uploads/2023/04/Sunway-Berhad-Green-Township-Policy.pdf)
(<https://www.sunway.com.my/wp-content/uploads/2023/04/Sunway-Berhad-Green-Township-Policy.pdf>)

The Policy will guide the Group in embedding green township elements in all its activities and businesses using two main principles of conduct:

- Integrating sustainable practices into development, operations and management which begins during the conceptualisation process and extends to the design, construction, operation and maintenance of buildings and infrastructure.
- Designing and producing a built environment that facilitates healthy lifestyles and emphasises the well-being of the community.

GREEN BUILDING POLICY

Sunway is guided by its Green Building Policy, which has been established and implemented since 2022. We are committed to ensuring all new buildings from 2025 onwards are green-certified, in our effort to be at the forefront of sustainable development projects. The Policy will guide us in producing sustainable designs and managing our resources effectively, while minimising the impact of our operations on the surrounding communities and the environment. We will continue to integrate sustainable practices into our development, operations and management of our townships and buildings. As of 2022, 37 of our buildings and two of our townships have attained green certification.

[Sunway Berhad Green Building Policy \(https://www.sunway.com.my/wp-content/uploads/2022/04/Sunway-Berhad-Green-Building-Policy-4Apr2022.pdf\)](https://www.sunway.com.my/wp-content/uploads/2022/04/Sunway-Berhad-Green-Building-Policy-4Apr2022.pdf)

Certified Green Townships and Buildings

CENTRAL

Type	Property	Green Certification
Township	Sunway City Kuala Lumpur	GBI - Silver (Provisional Cert)
	Sunway Nexis - SOHO	GreenMark - Gold (Provisional Cert)
Residential (Built)	Sunway Rymba Hills	GreenMark - Gold (Provisional Cert)
	Sunway SPK 3 Harmoni	GreenMark - Gold
	Sunway Palazzio	GreenMark - Gold
	Sunway GEOLake Residence	GreenRE - Gold
	Sunway Flora, Bukit Jalil	GreenRE - Platinum (Provisional Cert)
	Sunway Velocity Two - Plot A (Tower A & B)	GreenRE - Gold (Provisional Cert)
	Sunway Velocity Two - Plot B (Tower C & D)	GreenRE - Gold (Provisional Cert)
Residential (New or Upcoming)	Sunway Avila, Wangsa Maju	GreenRE - Gold (Provisional Cert)
	Sunway Serene	GreenRE - Gold (Provisional Cert)
	Sunway Belfield	GreenRE - Platinum (Provisional Cert)
	Sunway D'Hill	GreenRE - Gold (Provisional Cert)
	Sunway Alishan	GreenRE - Gold (Provisional Cert)
	Sunway Artessa, Wangsa Maju	GreenRE - Gold (Provisional Cert)
	Sunway Jernih Residence, Kajang	GreenRE - Bronze (Provisional Cert)
	Sunway Geo Tower	GreenRE - Bronze (Provisional Cert)
	Sunway Vivaldi - Clubhouse	GreenMark - Certified (Provisional Cert)
	Sunway Lagoon Hotel (previously known as Sunway Clio Hotel) (Sunway Pyramid Phase 3)	GreenMark - Gold (Provisional Cert)
Non-Residential (Existing)		GBI - Certified (Design Assessment)
	Sunway Pinnacle	GBI - Certified (CVA Cert)
	Sunway Visio Tower	GreenMark - Gold
	Sunway Resort Hotel (Renovation)	GreenRE - Silver
	Sunway International School @ USJ1	GreenRE - Gold
Non-Residential (New or Upcoming)	Sunway Velocity TWO - Corporate Office	GreenRE - Platinum (Provisional Cert)
	Sunway South Quay Square - Office Tower 1	GreenRE - Platinum (Provisional Cert)
	Sunway South Quay Square - Office Tower 2	LEED - Gold
	Sunway Medical Centre Velocity (Phase 2)	LEED - Gold
	Sunway Medical Centre Velocity (Phase 2)	GreenRE - Silver (Provisional Cert)

SOUTHERN

Type	Property	Green Certification
Township	Sunway City Iskandar Puteri	GBI - Silver (Provisional Cert)
Residential (New or Upcoming)	Sunway GRID Residence	GreenRE - Gold (Provisional Cert)
	Sunway Lenang Heights	GreenRE - Silver (Provisional Cert)
Non-Residential (Existing)	Sunway Citrine Hub	GreenRE - Bronze (Provisional Cert)
	Sunway Southern Region Office	GBI - Certified (CVA Cert)
Non-Residential (New or Upcoming)	Sunway Grid Hub	GreenRE - Silver (Provisional Cert)
	SJK (C) Cheah Fah	GreenRE - Silver (Provisional Cert)

NORTHERN

Type	Property	Green Certification
Residential (Built)	Sunway MontBleu (Ipoh)	GreenMark - Gold (Provisional Cert)
	Sunway Onsen Suites	GreenRE - Gold (Provisional Cert)
Residential (New or Upcoming)	Sunway Dora	GreenRE - Gold (Provisional Cert)
	Sunway Property @ Anson Road	GreenRE - Bronze (Provisional Cert)
Non-Residential (Existing)	Sunway Property @ Anson Road	GBI - Gold (Provisional Cert)
	Sunway Carnival Mall (Expansion)	GreenMark - Gold Plus (Provisional Cert)
	Sunway Carnival Mall (Expansion)	GreenRE - Gold (Provisional Cert)

Note: CVA refers to Completion and Verification Assessment.

ADAPTING TO CLIMATE CHANGE

AN URBAN REGENERATION: INTEGRATED DEVELOPMENT AT SUNWAY VELOCITY

Sunway Velocity & Sunway Velocity TWO



In our pursuit to create a sustainable future, we strive to build integrated developments that contribute to the urban regeneration of a community. Urban regeneration refers to the revitalisation of underutilised assets and redistribution of opportunities to increase urban prosperity and quality of life.¹

Sunway Velocity is an award-winning development and an integrated development consisting of the mall, four-star Sunway Velocity Hotel, Sunway Medical Centre Velocity, retail shops, offices and residences. As the largest integrated development project located in Jalan Peel, Cheras, the project has contributed to the urban regeneration of the area by becoming a haven for shopping and leisure.

Built by Sunway Group and managed by Sunway Velocity Mall Sdn Bhd, the development has drawn public interest due to its vibrant appearance, transforming what used to be a squatter area lined with car workshops and small businesses. The mall officially opened its doors to the public in 2016 and welcomes over 1.3 million visitors per month. The development boasts one million sq. ft. of net lettable area, seven levels within the mall, five precincts and 4,800 parking bays.

The Management of Sunway Velocity Mall is supported by a competent team, which is guided by Sunway Malls' Centre of Excellence and Sunway Property & Facility Management teams. Meanwhile, plans are underway for Sunway Velocity TWO to be built over the next 10 years, on an 8.4-acre plot of land across from the mall, with an estimated gross development value of RM2 billion. This new development will include the construction of four residential towers, as well as office blocks and retail units at the podium level.

¹ Urban Regeneration
(<https://unhabitat.org/topic/urban-regeneration>)

PROTECTION OF BIODIVERSITY AND ECOLOGY

As a conglomerate with operations in diverse industries, our businesses rely heavily on energy, water and other natural resources. We acknowledge that this generates both short- and long-term impacts that are detrimental to our health and our environment. As such, we need to efficiently manage our ecological impact to accelerate our transformation to a low-carbon future. We are guided by the Group's Biodiversity Policy, and we remain committed to conserving and preserving our biodiversity and natural ecosystems to mitigate and minimise the health and environmental risks of the local communities in which we operate. Moving forward, we will continue to implement impactful policies that will help to preserve biodiversity and reduce environmental pollution.

BIODIVERSITY POLICY

Sunway Berhad defines biodiversity as a combination of elements related to the conservation and sustainable use of biologically diverse ecosystems and habitats that significantly contribute to the health and social well-being of the public. To minimise the impact of our business on wildlife and their habitats, the Group is aware of its responsibility to address biodiversity-related challenges for the benefit of its stakeholders, employees and the community. The Group aims to be a catalyst for other developments in the region in reducing the overall impact of the built environment on surrounding areas, with a focus on preserving, conserving, restoring and rehabilitating the natural environment.

The Group's commitment to preserving the environment is guided by its Biodiversity Policy. The policy, which underlines the main principles of conduct for biodiversity management, encompasses regulatory compliance, the principles of mitigation hierarchy (avoid, minimise, rehabilitate) and the commitment to preserving natural water bodies. These goals are achieved by conducting regular ecological assessments at the pre-development stage, followed by review and management of biodiversity-related risks and opportunities to mitigate any impact caused by the Group's operations and activities.

The Group will continue to explore strategic collaborations to increase awareness on the importance of improving planetary health. In 2021, the Sunway Centre for Planetary Health was introduced to address the causes and consequences of human health and environmental change in Malaysia. It also serves as a platform for knowledge-sharing on planetary health, academic discourse and education, and for collaborating with stakeholders to cultivate long-term systemic change.

Sunway Berhad Biodiversity Policy
(<https://www.sunway.com.my/wp-content/uploads/2023/01/Sunway-Berhad-Biodiversity-Policy-4Jan2023.pdf>)

Accessibility:

- Connected to three MRT and two LRT stations
- Accessible from major highways

Malaysia Digital Status:

Both Sunway Velocity and Sunway Velocity TWO have obtained Malaysia Digital Status (formerly known as MSC status), securing their positioning as the first cyber city in Cheras, Kuala Lumpur.

Award-Winning Recognition:

Won The EdgeProp Malaysia's Best Managed & Sustainable Property Award 2021 (Gold, Below 10 Years – Retail Category).



MANAGING OUR ENVIRONMENTAL IMPACT

GRI 2-4, 302-1, 302-2, 302-3, 302-4, 302-5, 303-1, 303-2, 303-3, 303-4, 303-5, 305-4, 305-5, 306-1, 306-2, 306-3, 306-4, 306-5

Managing the environmental impacts of our operations and business activities is vital for us to continue to create value for stakeholders and protect the planet for our future generations. We strive to mitigate and minimise adverse environmental impacts by implementing green initiatives and embedding best sustainable practices in our daily operations. This includes increasing investment in clean technology as one of our core strategies to increase the shift towards renewable energy use, ensuring efficient energy and water consumption, reducing wastage, practising proper pollution management and adopting the circular economy approach.

EFFICIENT ENERGY CONSUMPTION

Minimising energy consumption is one of the most crucial efforts in decarbonising our portfolios. We strive to ensure efficient energy consumption and management in all our operations across our business segments to lower our carbon footprint. We aim for our business divisions to stay below the energy intensity targets, which will reduce by 3.5% to 4% on an annual basis up to 2030 to align with the IPCC target of 45% reduction in carbon emissions by 2030.

Our purchased electricity contributed to both our Scope 2 and 3 emissions, as the usage also comes from our retail and office business segment tenants' electricity use. To ensure we consume energy efficiently, we have a group of engineers who diligently monitor our energy consumption. Additionally, we engage with our stakeholders such as employees and tenants to increase awareness on efficient energy consumption.

ENERGY CONSERVATION

Awareness programmes

In line with #SunwayLightsOut, our operations took part in the annual Earth Hour initiative by turning off the facade lighting of their buildings to mark Sunway's commitment to combatting climate change. The Office division also used the opportunity to raise awareness on climate change and energy conservation by organising an Earth Hour online quiz for its tenants.

Adjusting daily operational needs

Several of our hotels reduced the duration of pre-cooling down of rooms and halls before meetings and events and controlled the temperature of hot water in hotel rooms. Meanwhile, our office and retail properties adjusted their chiller set points, depending on the condition, while maintaining the parameters within an acceptable range. Our offices also minimised the operational hours of car park lighting to conserve energy.

ENERGY EFFICIENCY

We continue to implement energy-efficient initiatives by:

- Replacing old bulbs with LED lighting
- Replacing old electrical appliances
- Installing or replacing large appliances/ systems such as chillers
- Installing motion sensors
- Applying Building Energy Management Systems (BEMS)
- Utilising smart meter systems.

RENEWABLE ENERGY

Switching to renewable energy is a tangible step that will effectively cut our carbon emissions and accelerate our journey towards net zero carbon emissions. Since 2018, we have been actively installing solar photovoltaic (PV) panels on the rooftops of our buildings and as of December 2022, we have generated 9,743 MWh of clean energy.

In 2022, we installed solar PV panels in four more buildings, namely Menara Sunway, Sunway Carnival Mall, Sunway Resort Hotel and Sunway Giza Mall.

Year	Installed Capacity (kWp)	Renewable Energy Generation	
		MWh	%
2019	5,536	2,513 MWh	1%
2020	7,092	7,408 MWh	3%
2021	7,897	8,940 MWh	3%
2022	9,384	9,743 MWh	3%

In 2022,
5,700
tonnes CO₂e
emissions avoided

LOW-CARBON ENERGY ALTERNATIVES

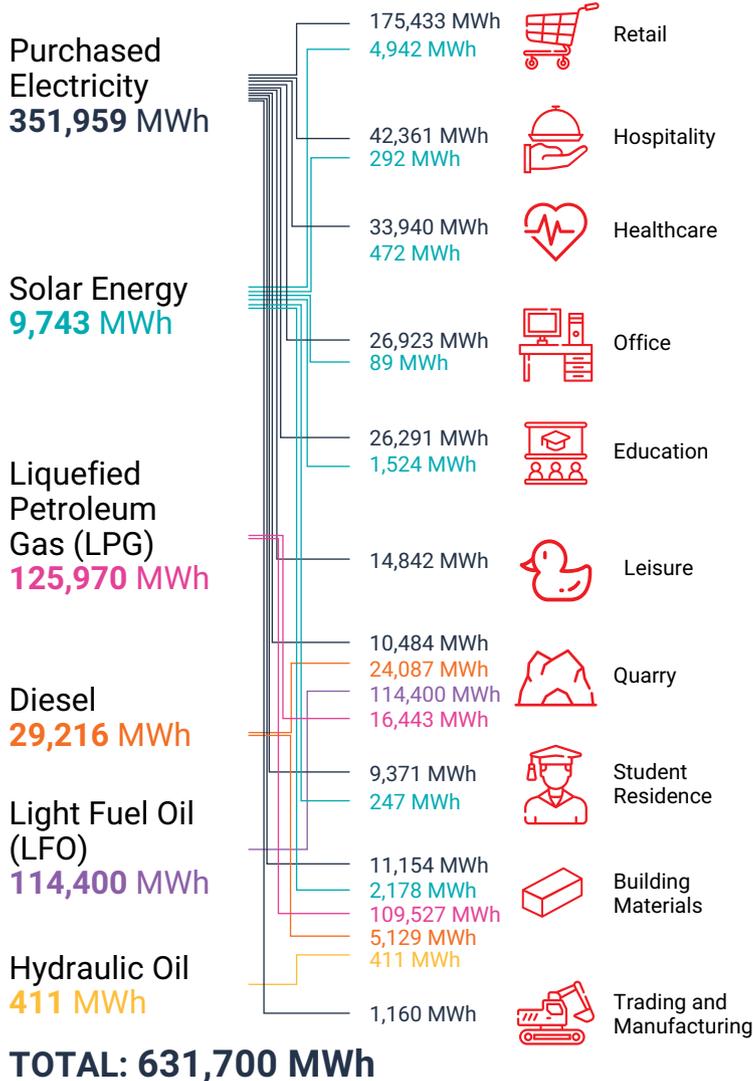
Some of our operations that are energy-intensive have taken a proactive approach by using fuel which has lower carbon emissions, including Liquefied Petroleum Gas (LPG). For instance, the Building Materials division uses LPG at Sunway VCP sites for kiln burning while the Quarry division switched from using Light Fuel Oil (LFO) to LPG, which is used to heat aggregates.

MANAGING OUR ENVIRONMENTAL IMPACT

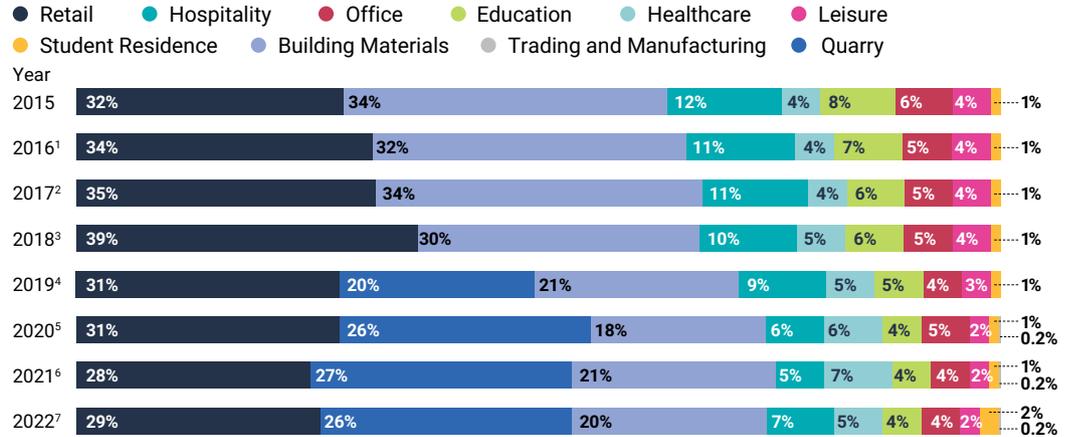
ENERGY CONSUMPTION

In the year under review, our energy consumption increased by 32% to 631,700 MWh compared to 2021 due to full operations and back-to-office working arrangements amid the transition to the endemic phase.

TOTAL ENERGY CONSUMPTION (MWh) BY BUSINESS DIVISION IN 2022



TOTAL ENERGY CONSUMPTION (%) BY BUSINESS DIVISION



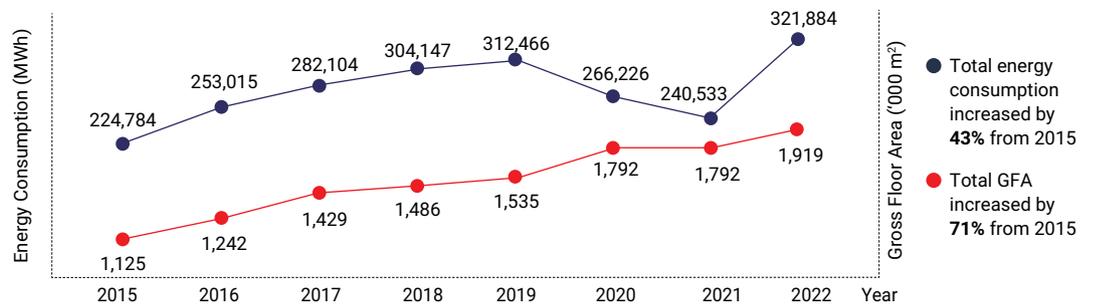
- ¹ New properties added: Sunway Lagoon Hotel, Sunway Giza Mall.
- ² New properties added: Sunway Velocity Mall, Sunway Velocity Hotel, Sunway Geo Tower, Sunway Iskandar International School, Sunway Spun Pile.
- ³ New properties added: Sunway Clio Retail, Sunway Medical Residence.
- ⁴ New properties added: Sunway Medical Centre Velocity, Sunway Citrine Retail, Sunway University Apartment.
- ⁵ New business division added: Quarry.
- ⁶ New properties added: Sunway Big Box Retail Park, Sunway University Residence.
- ⁷ New business division added: Trading and Manufacturing.

Note: Energy consumption includes electricity and fuel consumption (excluding Company vehicles). Figures stated may not add up due to rounding of decimals.

MANAGED ASSETS*:

TOTAL ENERGY CONSUMPTION (MWh) VS TOTAL GROSS FLOOR AREA ('000 m²)

Despite an increase in total Gross Floor Area from 2015 to 2022, the Group's overall energy consumption did not increase as much.



* Managed assets comprise assets from the Office, Retail, Hospitality, Education, Healthcare and Student Residence divisions.

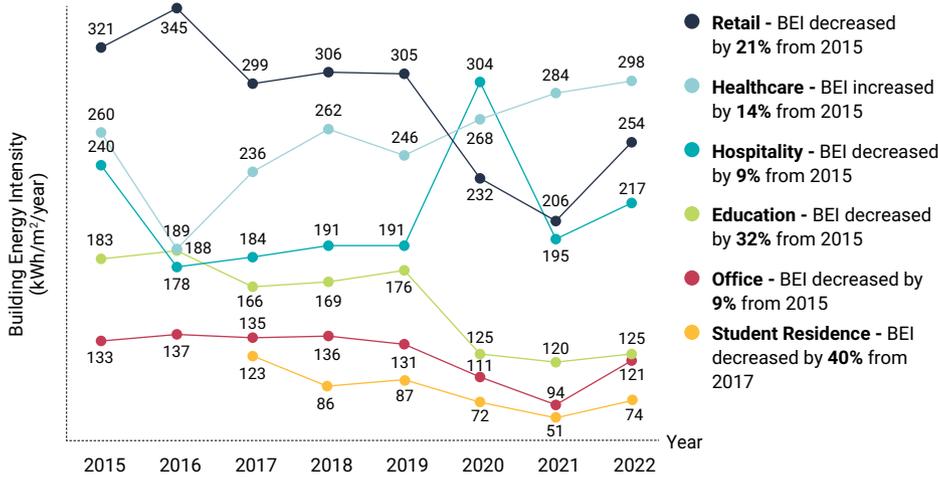
Note: Energy consumption includes electricity and fuel consumption (excluding Company vehicles). Figures stated may not add up due to rounding of decimals.

MANAGING OUR ENVIRONMENTAL IMPACT

MANAGED ASSETS:

BUILDING ENERGY INTENSITY¹ (kWh/m²/year)

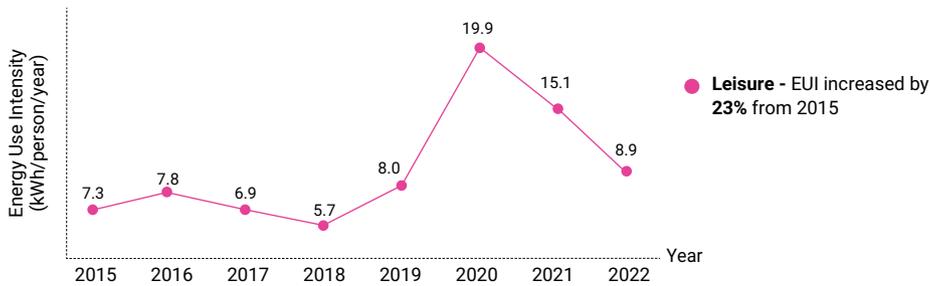
From 2015 to 2022, the Building Energy Intensity for our managed assets, except for healthcare, decreased due to improvements in energy efficiency.



MANAGED ASSETS:

ENERGY USE INTENSITY (kWh/PERSON/YEAR)

The increase in Energy Use Intensity from 2015 to 2022 for Leisure can be attributed to an increase in major concerts and events held at the theme parks. The need to consume the same amount of energy to operate the theme park rides remained, despite the fact that the number of visitors in 2022 was still slowly increasing following the pandemic period.



¹ The data for Building Energy Intensity for seven years has been restated due to the application of a different formula.

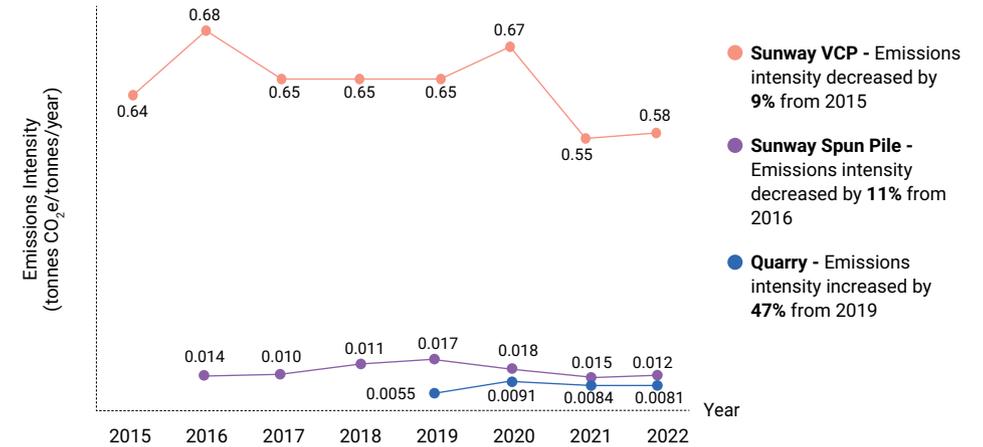
² The Energy Use Intensity data for seven years has been restated due to the application of a different formula.

Note: Figures stated may not add up due to rounding of decimals.

INDUSTRIAL SITES:

SCOPE 1 AND 2 EMISSIONS INTENSITY² (tonnes CO₂e/tonnes/year)

The decrease in Energy Use Intensity for Sunway VCP and Sunway Spun Pile can be attributed to improved optimisation of energy use for production output.

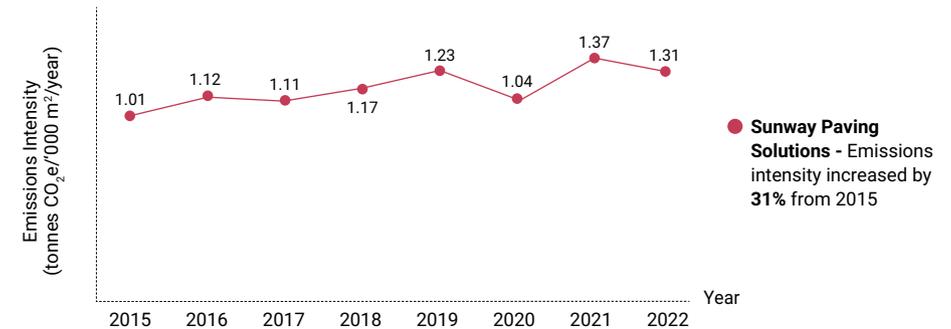


Note: Scope 1 emissions refer to Company facilities.

INDUSTRIAL SITES:

SCOPE 1 AND 2 EMISSIONS INTENSITY (tonnes CO₂e/000 m²/year)

The increase in Energy Use Intensity for Sunway Paving Solutions can be attributed to customer product requirements which involved frequent changes in energy consumption.



Note: Scope 1 emissions refer to Company facilities.



MANAGING OUR ENVIRONMENTAL IMPACT

ENSURING WATER SECURITY

Water is crucial in our diverse business operations, especially in the hospitality and retail business divisions. Any water disruption will interrupt our business operations and affect our productivity, eventually impacting tenant and customer satisfaction. Recognising the significance of water in our operations, we have put in place robust measures and guidelines to ensure water security. These include a water management policy, water standard operating procedures for all business divisions, water-saving initiatives and alternative water resources.

We also continue to monitor and minimise water consumption in our operations to reduce our environmental footprint. We conserve water through reducing, recycling and reusing water resources. Our operations are not in water stress areas, as our properties are not located in water stress countries. Our buildings in Sunway City Kuala Lumpur withdraw water from the nearby lakes, which are treated by the water treatment plant to produce potable drinking water. During water shortages and disruptions the Klang Valley between 2019 and 2022, there was minimal impact on our properties due to water security measures that have been put in place to ensure business continuity with minimum disruptions.



WATER MANAGEMENT POLICY

Our approach to mitigating water disruptions and managing water usage is guided by the Group's Water Management Policy. The Policy affirms that the Group is committed to:

- ✔ Reviewing and addressing water-related risks and opportunities regularly
- ✔ Ensuring regulatory compliance across all buildings and operation sites
- ✔ Ensuring effluents discharged at buildings and operation sites are within permissible limits
- ✔ Ensuring every Standard Operating Procedure is in place to address water crises in every business division
- ✔ Ensuring water-efficient fittings at all buildings and operation sites to optimise water consumption.

[Sunway Berhad Water Management Policy \(https://www.sunway.com.my/wp-content/uploads/2021/12/Sunway-Berhad-Water-Management-Policy-211015.pdf\)](https://www.sunway.com.my/wp-content/uploads/2021/12/Sunway-Berhad-Water-Management-Policy-211015.pdf)

WATER MANAGEMENT PLAN

WATER-SAVING INITIATIVES

We acknowledge that the ability to reduce the Group's water consumption requires a collective effort by all business operations. Our business divisions adopt a proactive approach in minimising their water usage through various initiatives. These include installing water-efficient fixtures such as motion-sensor taps and waterless urinals, checking and monitoring leakages in pipes and taps and educating shoppers, hotel guests and employees about water conservation.

WATER CRISIS SOP

All Sunway properties have established a water crisis SOP to manage the issue of water disruption effectively and in an orderly manner. The SOP covers emergency planning to address water disruptions that occur during business operation hours.

ALTERNATIVE WATER SOURCES

Apart from municipal potable water, we consume water from alternative water sources, including:

- Lake water
- Rainwater
- Groundwater.

WATER TREATMENT

Since 2019, Sunway City Kuala Lumpur has been optimising its own water treatment plant to supply water to its various business and residential communities. The city's lake serves as a water catchment area for surface run-off.

To prevent floods in the surrounding areas, excess water is released into the river when the water reaches maximum capacity. Instead of pumping the water out, our water treatment plant facility converts the water to potable water quality and channels it into our buildings for use as an alternate water source. This has helped to reduce reliance on municipal water supply while also acting as backup water supply during a water shortage crisis. This further supports the Group's target to:

- Reduce reliance on municipal water supply by up to 50% through investment in alternative supplies and sources, thereby enhancing water security, by 2030.
- Achieve at least five days of uninterrupted water supply via a combination of onsite and/or secured offsite storage in the event of water disruptions for all properties located within KL/Selangor by 2030.

In 2022, our properties consumed 1,382,828 m³ of water from the water treatment plant, 46% more than 2021.

RAINWATER HARVESTING AND GROUNDWATER EXTRACTION

Rainwater harvesting refers to collecting and storing rainwater instead of letting it flow into the drains. Rainwater is a useful natural resource for us to reduce municipal water consumption and to carry out non-essential activities such as cleaning outdoor areas, maintaining landscapes and flushing toilets. In 2022, we harvested and consumed 8,096 m³ of rainwater.

In Sunway Lagoon Theme Park, the groundwater source from the old tiger cage is used for cleaning common walkways and watering the landscape.

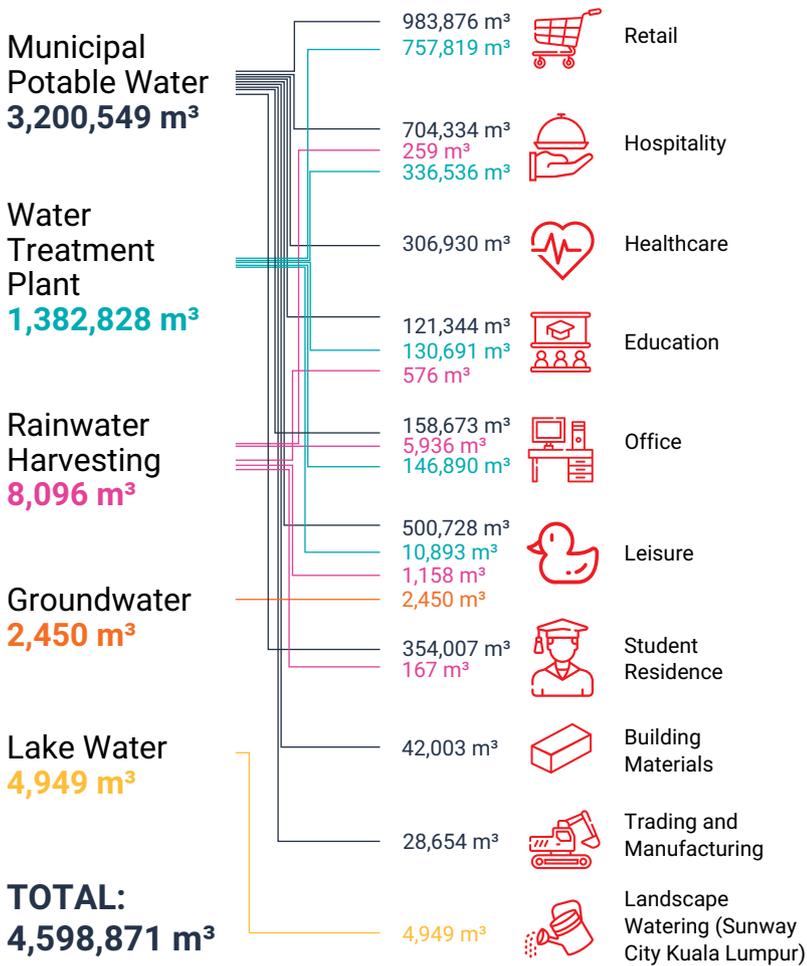
The total rainwater and groundwater used is calculated based on an estimation basis.



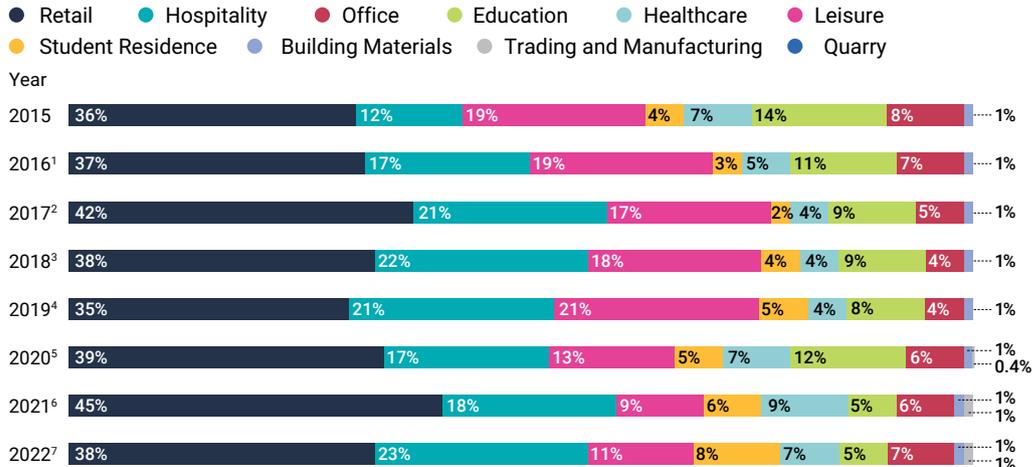
WATER CONSUMPTION

Our water resources are primarily from the municipal water supply. We also withdraw water from other sources to reduce reliance on municipal potable water and to reduce potable water wastage. In 2022, our water consumption increased by 39% compared to 2021 to 4,598,871 m³ due to post-pandemic adjustments to full operations and back-to-office working arrangements.

TOTAL WATER CONSUMPTION (m³) BY BUSINESS DIVISION IN 2022



TOTAL WATER CONSUMPTION (%) BY BUSINESS DIVISION



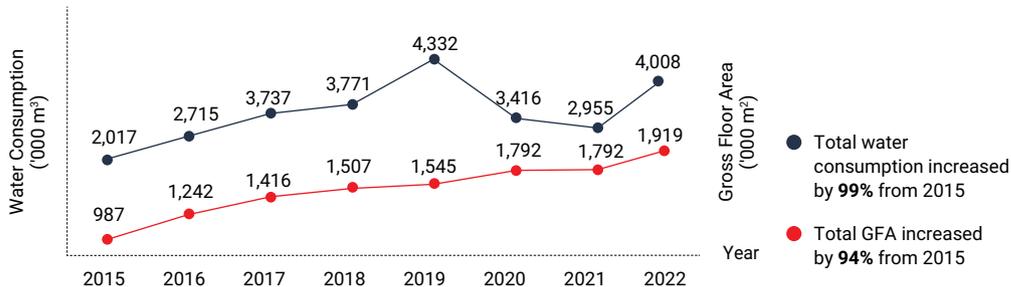
¹ New properties added: Sunway Giza Mall, Sunway Resort Hotel, Sunway Pyramid Hotel, Sunway Lagoon Hotel.
² New properties added: Sunway Velocity Mall, Sunway Clio Retail, Sunway Iskandar International School.
³ New properties added: Sunway Geo Tower, Sunway Medical Residence, Sunway University Residence.
⁴ New properties added: Sunway Medical Centre Velocity, Sunway Citrine Retail, Sunway Spun Pile.
⁵ New business division added: Trading and Manufacturing.
⁶ New properties added: Sunway Big Box Retail Park.
⁷ New properties added: Sunway University Apartment, V Office (V01), Sunway Visio (V04).
⁸ New properties added: Sunway Big Box Hotel

Note: Ongoing construction sites are excluded. Figures stated may not add up due to rounding of decimals.

MANAGED ASSETS*:

TOTAL WATER CONSUMPTION ('000 m³) VS TOTAL GROSS FLOOR AREA ('000 m²)

Our water consumption in 2022 has steadily returned to 2019 post-pandemic levels. The overall increase in water consumption from 2015 to 2022 was due to an increase in our managed assets. Going forward, we will continue with our water conservation initiatives to reduce water consumption and minimise our environmental impact.



* Managed Assets include the Office, Retail, Hospitality, Education, Healthcare and Student Residence divisions.

Note: Figures stated may not add up due to rounding of decimals.

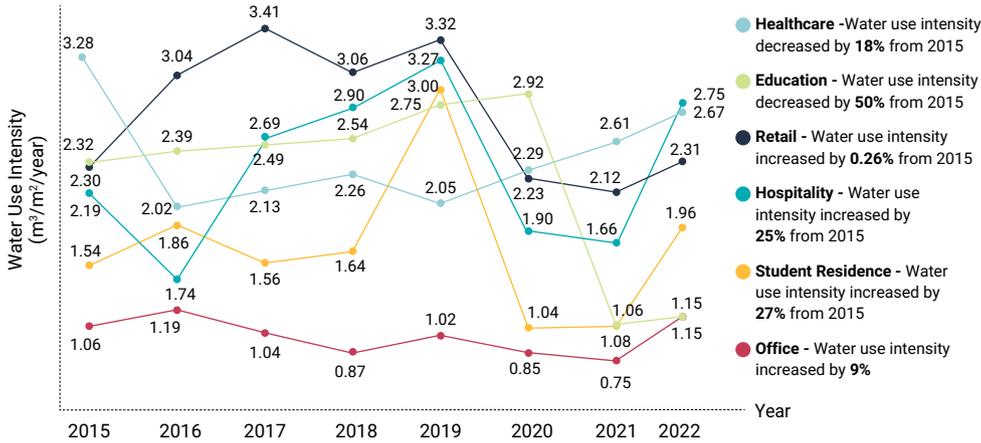


MANAGING OUR ENVIRONMENTAL IMPACT

MANAGED ASSETS:

WATER USE INTENSITY¹ (m³/m²/year)

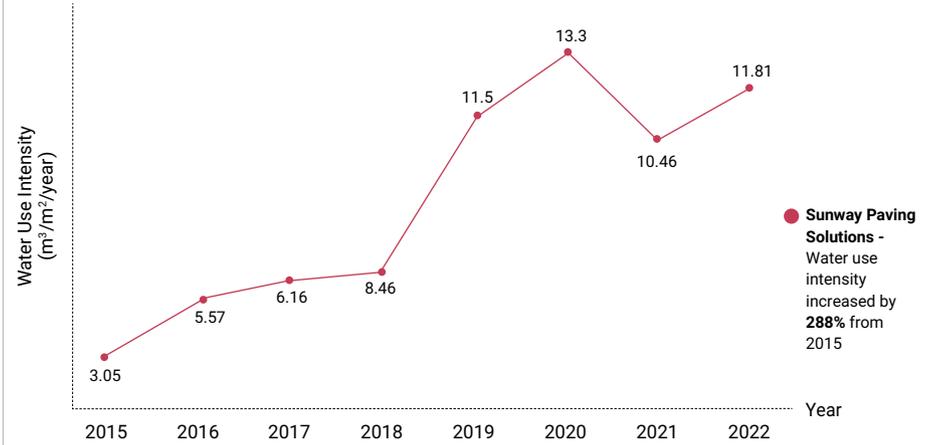
From 2015 to 2022, the water use intensity for our managed assets except for Healthcare and Education increased due to increasing water consumption demands.



INDUSTRIAL SITES:

WATER USE INTENSITY² (m³/m²/year)

The spike in water use intensity from 2015 for Sunway Paving Solutions was caused by the production of new types of pavers which required higher water consumption.



MANAGED ASSETS:

WATER USE INTENSITY (m³/person/year)

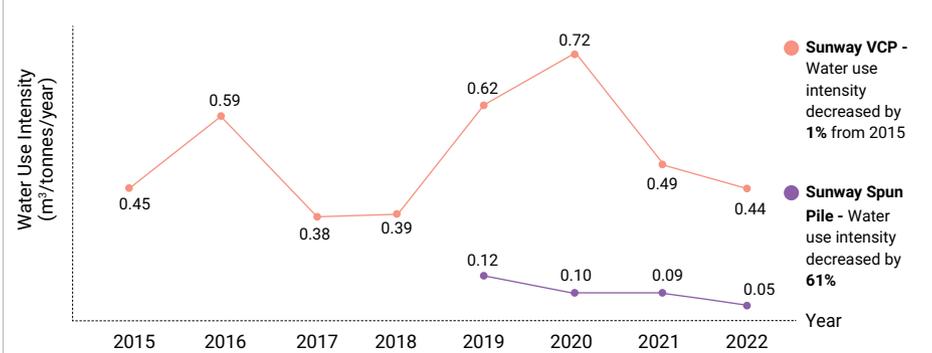
The increase in water use intensity from 2015 to 2022 for Leisure can be attributed to the need for the theme parks to continue using the same amount of water in order to operate their water rides, despite not fully recovering to pre-pandemic visitor counts.



INDUSTRIAL SITES:

WATER USE INTENSITY (m³/tonnes/year)

The reduction in water use intensity for Sunway VCP and Sunway Spun Pile was due to fewer instances of start-stop production. This type of production, which uses more water to clean the equipment, was optimised after the MCO as production returned to normal.



¹ The data for water use intensity for seven years has been restated to include overall water sources.

² The Energy Use Intensity data for seven years has been restated due to the application of a different formula.

Note: Figures stated may not add up due to rounding of decimals.



MANAGING OUR ENVIRONMENTAL IMPACT

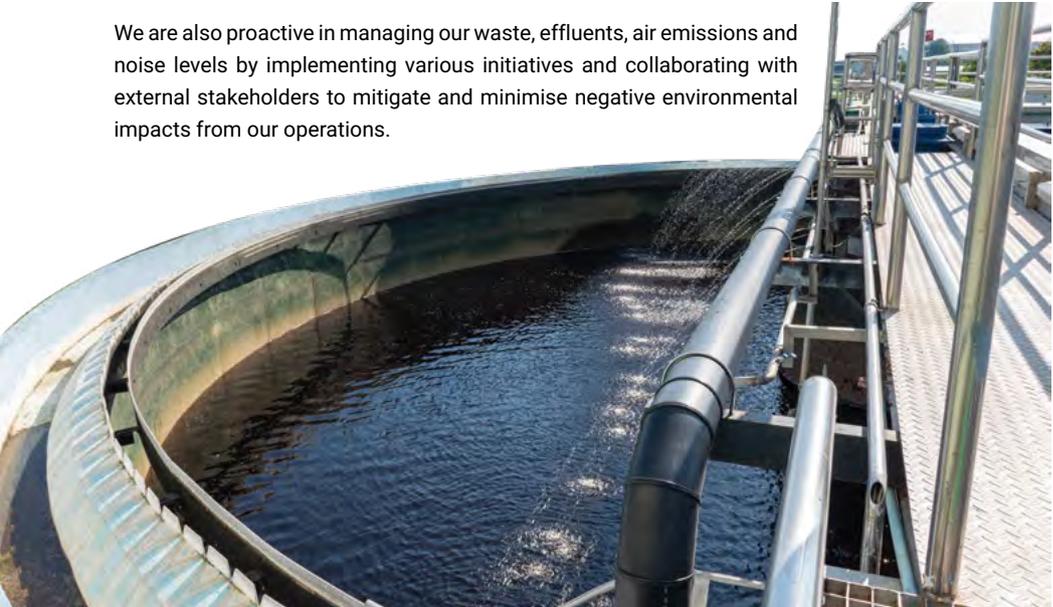
POLLUTION MANAGEMENT

As a leading conglomerate with diverse businesses, we are aware of the importance of pollution management in all our operations. Any negative environmental impact from our operations will affect the health of the local communities in which we operate and impact the natural resources surrounding our operations. This could also expose us to reputational, legal and financial risks, and even affect our licence to operate.

Pollution management is one of our priorities in all our operations, as we seek to create long-lasting positive impacts on the communities and build a sustainable future for all. We ensure strict compliance with the Group's policies and all the relevant environmental laws and regulatory requirements. We comply with:

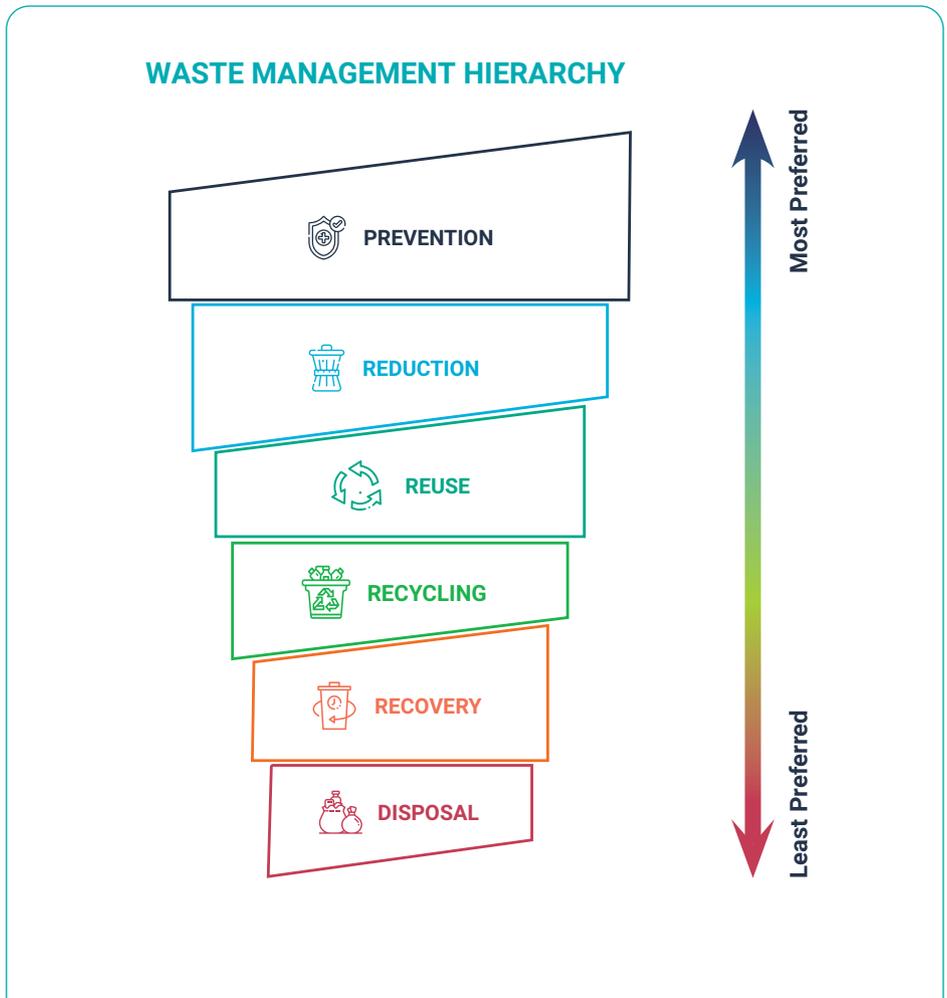
Solid Waste and Public Cleansing Management Act 2007	Environmental Quality Act 1974
Factories and Machinery Act 1967	All other relevant legislation and regulations

We are also proactive in managing our waste, effluents, air emissions and noise levels by implementing various initiatives and collaborating with external stakeholders to mitigate and minimise negative environmental impacts from our operations.



SOLID WASTE MANAGEMENT

Managing our waste effectively is vital in minimising our negative impacts on the environment. We are committed to ensuring the storage, collection, transportation, treatment and disposal of waste is carried out efficiently, without polluting the environment. We will continue to take effective measures to prevent excessive waste generation and to divert our waste from landfills. We remain guided by a six-tier waste management hierarchy, which enables us to manage waste and protect our environment.



MANAGING OUR ENVIRONMENTAL IMPACT

CIRCULAR ECONOMY



PREVENTION

The first step towards our waste management process is to prioritise waste prevention through avoiding or minimising the purchase of materials for single-use purposes. If unavoidable, we advise our suppliers to propose sustainable alternatives such as materials that are made of paper instead of plastic, where possible.

REDUCTION

We reduce waste by minimising single-use items, especially plastic, due to its non-biodegradable nature. In 2022, our Hospitality division began eliminating the use of single-use plastics and amenities in phases by providing reusable and refillable amenities. The initiative included replacing:

- Plastic bottles in guestrooms with glass bottles
- Disposable plastic laundry bags with rattan baskets
- Single-use bath amenities such as shampoos, shower gels and conditioners with refillable amenities.

The initiative resulted in the removal of 680,000 pieces of single-use plastic in 2022. Additionally, Sunway Medical Centre Kuala Lumpur initiated their own effort to utilise biodegradable semi-soluble laundry bags.

We also reduced the usage of paper towels in our offices, namely Sunway Tower and Sunway Putra Tower, by discontinuing the provision of disposable hand paper towels and encouraging employees to use the hand dryers that were installed in the common toilets in 2022. The initiative eliminated the consumption of over 1,300 kg of paper towels.

Building material waste is minimised at our construction project sites through the use of 7D Virtual Design Construction (VDC) and the System Formwork and Industrialised Building System (IBS) to improve project efficiency. The VDC identifies gaps during pre-construction to allow adjustments of material types and layouts for real-time cost analysis.

MANAGING OUR ENVIRONMENTAL IMPACT



REUSE

We embed the practice of reusing materials to reduce waste generation across all our business divisions. For materials and resources that we cannot reuse, we find alternative ways to repurpose them to fully maximise the use of waste materials. Through our efforts, we believe that waste can be given a second chance prior to its final disposal.

For example, all our business divisions reuse their festive decorations and furniture, while our Office and Retail divisions collect old fabric to be sent to Kloth Cares, which donates and resells fabric garments that are in good condition. On the other hand, the Trading and Manufacturing business division managed to save over RM1,900 by fixing and reusing broken wooden pallets at their warehouses.

RECYCLING

Recycling remains the most common practice in our waste management and it involves segregating waste in all our malls, offices and hotels to educate employees, hotel guests, mall tenants and shoppers.

In September 2022, Sunway Resort Hotel and Subang Jaya City Council staff picked up over 70 kg of rubbish and recyclables around the hotels to mark World Cleanup Day.

In the Hospitality division, Sunway Resort Hotel and Sunway Pyramid Hotel, through the Nespresso Capsule Recycling initiative, recycled used capsules from guest rooms. In conjunction with World Recycle Day, Sunway Hotel Georgetown and Sunway Hotel Seberang Jaya organised a campaign to raise awareness on recycling among their employees and collected 17 kg of recyclables from the employees. Sunway Hotel Seberang Jaya also donated more than 400 kg of used fabrics to the Penang Cheshire Home to be made into handicrafts. Our Hospitality division continued to recycle old soap bars through the #SunwaySoapful initiative to benefit prisoners and charitable organisations.

The Office division continued to collect e-waste from its tenants and employees. A Recycling Buy-Back Centre is available for shoppers and tenants to drop off recyclables in Sunway Carnival Mall.



RECOVERY

Our efforts in waste recovery include collecting, treating and converting waste materials into usable products or energy sources to reduce discarding waste or sending them to landfills or incinerators. Our goal is to reduce our contribution to landfill waste, conserve our resources and reduce environmental pollution.

Surplus food

Sunway City Kuala Lumpur Hotels has been donating surplus food through Sunway's #ZEROFOODWASTAGE initiative to the Kechara Soup Kitchen Society since 2017 to feed the homeless and urban poor in Malaysia. The hotels also collaborate with What-A-Waste to distribute surplus food to the communities nearby.



Waste to Energy

The Hospitality division diverted used cooking oil (UCO) collected from daily cooking and operations by partnering with FatHopes Energy, which converts the oil into biofuels. To encourage participation from the Sunway community and residents, our Office and Hospitality divisions organised a monthly UCO recycling campaign for the community and residents to donate their UCO to Fathopes Energy in exchange for cash via a points collection system through the Sunway Super App. These campaigns collected more than 14,660 kg of UCO in 2022, which helped to minimise damage to the sewer system and contamination to the environment.



Compost

Sunway Pyramid Mall and Sunway Resort Hotel utilise food composting machines to turn food waste into compost. The initiative was expanded to Sunway University and College in 2022. The compost generated was distributed among local communities and sold to a local landscaping company.



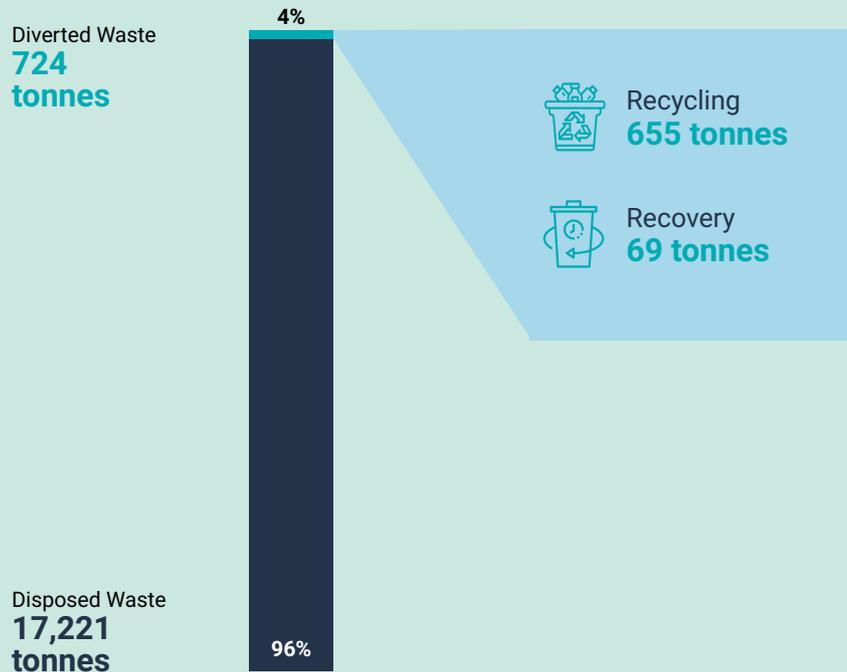


MANAGING OUR ENVIRONMENTAL IMPACT

DISPOSAL

Our waste is disposed of only after we have exhausted all forms of reusing, recycling and recovery. We ensure that our waste disposal is conducted responsibly, in accordance with local laws and regulations by our appointed waste contractors. Our scheduled waste is managed by licensed contractors and treated in compliance with the Environment Quality (Scheduled Wastes) Regulations 2002.

In 2022, we diverted 4% of waste from landfills, which was an increase of 0.1% in diverted waste from 2021. Our disposed waste in 2022 increased by 37% from the previous year as business operations returned to normal, post-MCO. The amount of diverted waste also increased by 42% (215 tonnes) from 2021, consisting of waste recycling and recovery initiatives. Going forward, we will continue to employ the waste management hierarchy to divert more waste from landfills.

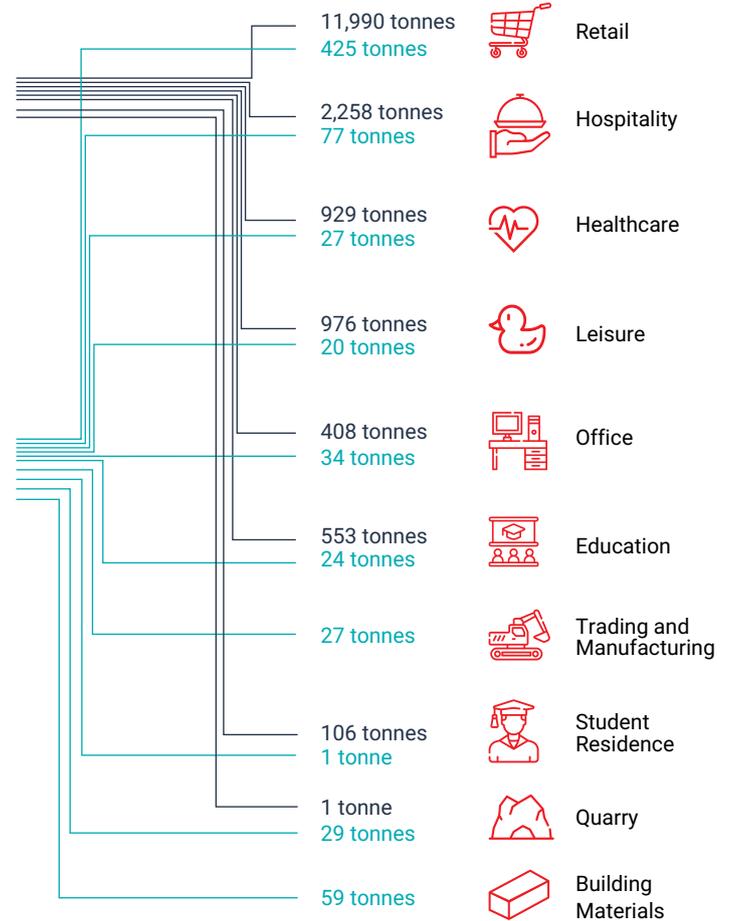


TOTAL WASTE GENERATED BY BUSINESS DIVISION (TONNES) IN 2022

Disposed Waste
17,221 tonnes

Diverted Waste
724 tonnes

TOTAL WASTE:
17,944 tonnes



 **Scheduled waste***
822 tonnes

* Scheduled waste includes hazardous waste, clinical waste, chemical substances, etc.

Note: Figures stated may not add up due to rounding of decimals.

POLLUTION CONTROLS (SEDIMENT, EFFLUENTS, AIR EMISSIONS AND NOISE)

Our Property Development, Quarry and Building Materials business divisions have higher risks of impacting the environment due to the nature of their operations. As such, they take proactive measures to monitor and control the quality of their effluents, air emissions and noise levels. Sediment, effluents, air emissions and noise quality monitoring are conducted quarterly (or more frequently at some sites), and immediate actions are taken to rectify any situations that could lead to incidents of non-compliance. All complaints received are recorded while details of investigations and corrective actions are documented.

	Business Divisions		
	 Property Development	 Quarry	 Building Materials
Sediment	Implement Erosion Sediment Control Plan to: <ul style="list-style-type: none"> Adhere to local regulatory requirements including: <ul style="list-style-type: none"> Regular monitoring and inspection of suspended solids at all sites. Ensure water discharged from sites flow to onsite drains which are channelled to silt traps or filters before being released to discharge points. Prevent potential trapped sediment and chemical spillage by setting up bunds, spill traps and sediment tanks at sites. Prevent sediment run-off by protecting exposed slopes with roofs or plastic covers. 	<ul style="list-style-type: none"> Prevent groundwater and surface water from coming into contact with mine faces. Redirect storm water around quarry operations. Minimises earthwork operations during heavy rain. Implement hydroseeding for erosion control. 	<ul style="list-style-type: none"> Not relevant.
Effluents	<ul style="list-style-type: none"> Not relevant. 	<ul style="list-style-type: none"> Adhere to local regulatory requirements including: <ul style="list-style-type: none"> Regular monitoring and inspection of effluent discharge at all sites. Providing effluent monitoring report to the Department of Environment (DOE) according to Environmental Quality (Industrial Effluent) Regulations. Treat wastewater before discharge to prevent pollution. 	<ul style="list-style-type: none"> Adhere to local regulatory requirements including: <ul style="list-style-type: none"> Regular monitoring and inspection of effluent discharge at all sites. Providing effluent monitoring report to the Department of Environment (DOE) according to the Environmental Quality (Industrial Effluent) Regulations. Use filter membranes to control and maintain effluent discharge within the permissible limits.
Air Emissions	<ul style="list-style-type: none"> Adhere to local regulatory requirements including: <ul style="list-style-type: none"> Regular monitoring and inspection of air ambient characteristics at all sites. Install wash troughs for vehicles to prevent dust pollution. Carry out water browsing to minimise dust particles from construction activities. 	<ul style="list-style-type: none"> Adhere to local regulatory requirements including: <ul style="list-style-type: none"> Regular monitoring and inspection of air ambient characteristics at all sites. Providing air monitoring report to the Department of Environment (DOE) according to the Malaysia Ambient Air Quality Standard. No open burning permitted at all sites. Enforce speed limit and place speed warning signs at sites. Place load covers for lorries to minimise dust particles pollution. 	<ul style="list-style-type: none"> Adhere to local regulatory requirements including: <ul style="list-style-type: none"> Regular monitoring and inspection of air ambient characteristics at all sites. Providing air monitoring report to the Department of Environment (DOE) according to the Malaysia Ambient Air Quality Standard. Regular scheduled maintenance routine for air filters. Regular inspection of the material transfer process to ensure filters are working to prevent dust leakage.
Noise Pollution	<ul style="list-style-type: none"> Adhere to local regulatory requirements including: <ul style="list-style-type: none"> Regular monitoring and inspection of noise limits at all sites. Operating within the permitted operational hours. Control movement of vehicles (speed limits) to minimise noise pollution. 	<ul style="list-style-type: none"> Adhere to local regulatory requirements including: <ul style="list-style-type: none"> Regular monitoring and inspection of noise limits at all sites. Providing noise monitoring report to the Department of Environment (DOE) according to environmental noise limits and control guidelines. Install silencers on equipment and screen houses. 	<ul style="list-style-type: none"> Adhere to local regulatory requirements including: <ul style="list-style-type: none"> Regular monitoring and inspection of noise limits at all sites. Providing noise monitoring report to the Department of Environment (DOE) according to environmental noise limits and control guidelines. Install insulators and containment compartments for machinery.



GOAL 2 ADVOCATING A RESPONSIBLE VALUE CHAIN

CAPITAL

Social and Relationship

Natural

MATERIAL ISSUES

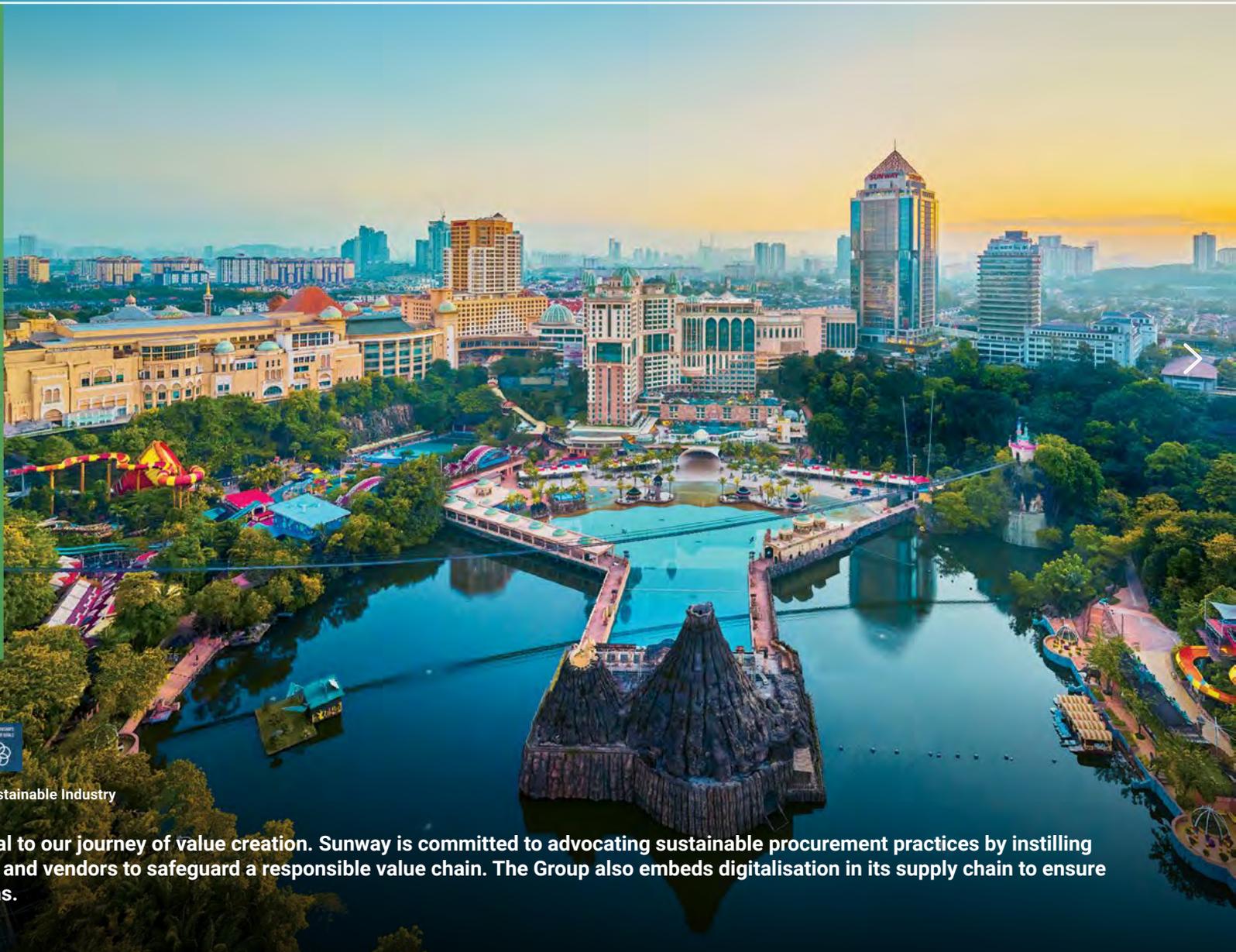
- Value chain improvement

ACTIVITIES

- Supplier Code of Conduct
- Sustainable procurement policy
- Supplier environmental and social risk assessment
- Supplier risk management
- Sustainable materials
- Green lease partnership programme

VALUE CREATED

- Sustainable value chain
- Collaboration with stakeholders
- Minimal negative environmental and social impacts



Transformation 6: Energy Decarbonisation and Sustainable Industry

A sustainable supply chain is integral to our journey of value creation. Sunway is committed to advocating sustainable procurement practices by instilling ESG awareness among its suppliers and vendors to safeguard a responsible value chain. The Group also embeds digitalisation in its supply chain to ensure smooth and efficient daily operations.



EMBEDDING SUSTAINABILITY IN OUR SUPPLY CHAIN

GRI 2-6, 2-16, 204-1, 301-1, 301-2, 301-3, 308-1, 308-2, 407-1, 408-1, 414-1, 414-2

Ensuring a responsible value chain will enable us to better create value and generate more positive impacts for our community. It will also mitigate and minimise the adverse social and environmental effects of our supply chain. Through Goal 2, we aim to reduce Scope 3 GHG emissions from our value chain by working closely with our suppliers and tenants and minimising supply chain disruptions through supplier risk management.

SUPPLIER CODE OF CONDUCT

We are guided by Sunway's Supplier Code of Conduct in ensuring that our suppliers comply with all the applicable laws, rules, codes and regulations of the areas they are operating in, including those pertaining to the environment, occupational health and safety, as well as labour practices. This is to ensure that Sunway does not commit any violations regarding discrimination, safety practices, child labour, forced or compulsory labour and compensation. Our supplier's own vendors are also required to comply with the same laws and regulations and ensure that their practices are aligned with the best practices set by their industry.

The code of conduct enables us to protect our reputation against risks or incidents that may occur at the suppliers' premises. In addition, it allows us to set expectations, provide guidance, promote transparency, ensure accountability and foster ethical practices to ensure that our suppliers respect the rights of everyone they engage with.

SUSTAINABLE PROCUREMENT POLICY

Sunway Group's Sustainable Procurement Policy is drafted to set clear guidelines on the Company's expectations of our suppliers in terms of their environmental and social impacts. The supplier selection process favours suppliers that adopt sustainability practices in their organisation. In accordance with the policy, they are also advised to make a declaration if they are aware that their products consist of hazardous components and/or materials. Starting in 2023, suppliers will need to acknowledge that they have read the policy during the supplier registration process.

SUPPLIER RISK MANAGEMENT

The purpose of supplier risk assessment is to review any potential E&S risks associated with the business activities of our suppliers. Suppliers are requested to provide information related to environmental management systems and workplace standards as part of the evaluation criteria prior to supplier selection. Starting in 2022, we started to look into the categorisation of suppliers based on critical and non-critical status. Critical suppliers are those who are important because of their role and function in business operations, as well as the high volume of business transactions they handle. Non-critical suppliers perform non-vital tasks, are contracted in low volume and are easier to substitute.

In 2022

- **100%** of new suppliers completed the supplier environmental and social risk assessment
- **100%** of new suppliers were found to have no negative environmental or social impacts and no further action was required
- **100%** of new suppliers, to our knowledge, were identified as not having committed any non-compliances in the areas assessed, including freedom of association, collective bargaining, child labour and forced or compulsory labour



In the year under review, we spent 93% of our procurement budget on local suppliers for all Sunway business divisions' operations in Malaysia.

EMBEDDING SUSTAINABILITY IN OUR SUPPLY CHAIN

DIGITALISING OUR VALUE CHAIN

SUPPLIERS

e-Procurement

Sunway established an e-procurement system in 2016 that enables all procurement approvals and documents, ranging from purchase requisitions (PR) to purchase orders (PO) and goods received, to be processed electronically. The system also has e-catalogues for Sunway users to purchase items and allows for pre-negotiated pricing, which reduces the time needed for users to source for frequently purchased items and enables business divisions to share the benefits of volume purchases.



e-Invoicing

In November 2015, Sunway transformed the manual process of supplier paper invoice handling into an automated and paperless accounts payable (AP) process solution. We have conducted supplier e-invoice onboarding workshops to share knowledge on digital invoicing and the benefits of digitalisation for suppliers as well as for our organisation. Further enhancement and revolutionary change was introduced in January 2019 when Robotics Process Automation was embedded in the automated AP process and we now have a fully automated AP solution that integrates with Sunway's enterprise resource planning (ERP) systems, enabling straightforward supplier invoicing and payment processing.

e-Applications

Our organisation went paperless by moving our conventional filing system from storerooms to online platforms. This not only cut down on rented space, but also increased productivity through seamless file retrieval systems. e-Applications in place to manage our employees' needs include:

- ePayslip System
- eLeave System
- eTicketing System
- eBenefits-in-Kind
- eEmployee Referral Programme (eERP)
- eHealth Screening Programme (eHSP)
- eStaff Confirmation (eSC)
- eStaff Requisition (eSR)
- eTuition Fee Discount (eTuitionFee)
- eClaim System

OPERATIONS

Collaboration Tools

The implementation of Office 365 has enabled Sunway employees to work collaboratively and virtually. Tools such as Microsoft Teams, SharePoint and Outlook help Sunway employees to stay connected, enhance productivity and innovate. Additionally, the utilisation of such digital spaces reduces the need for printing, thus cutting down on wastage and environmental pollution.

Sunway XFarms

An urban agricultural initiative that uses soil-less smart farming systems to grow fresh produce that is pesticide-free. The fresh produce is packed in sustainable packaging and grown in decentralised urban farms equipped with smart Internet of Things (IoT) and proprietary precision farming technologies. XFarms' mission is to scale and operate sustainable farms that are close to consumers to reduce carbon footprint, food wastage and loss of nutrition due to complex food logistics. We have expanded the urban farms to Sunway Pyramid Mall and Sunway Tower.

In 2022



1,122,960
food miles saved
(equivalent to 1,807,229 km)



>25,000
plastics
prevented



>22,000 kg
vegetables
grown without pesticides

Every year,

1.6 million

sheets of paper are saved in our Trading and Manufacturing division by producing Business Intelligence (BI) reports as an alternative to printed paper.



Self Check-in Kiosk

Sunway Hotel Seberang Jaya, Sunway Hotel Georgetown and Sunway Big Box Hotel introduced self check-in kiosks, allowing swift check-ins and check-outs to be performed without the usual queues at the reception counters. The kiosks also support e-payment, which is in line with the hospitality group's vision of becoming a technology-enabled hospitality provider.

Internet of Toilet

Developed with the IoT system to improve users' comfort and convenience, the system reduces downtime by notifying cleaners about issues requiring urgent attention (e.g. faulty equipment, cleanliness and materials replenishment).

CUSTOMERS

Sunway Smart Parking System

The launch of the Sunway Smart Parking System in 2019 provides a cashless and ticketless parking experience within Sunway's premises in Sunway City Kuala Lumpur.

Customers are provided with various digital payment options to pay their parking tickets. These include mobile payment, the Sunway Super App, Touch 'n Go card or cash/card payment at Licence Plate Recognition (LPR) autopay stations.

In 2022, a total of **6.8 million** pieces of parking tickets were avoided.



Sunway eMall

Launched in October 2021, Sunway eMall is an amalgamation of seven malls that serves as a compact and comprehensive digital platform. It allows customers to enjoy seamless online shopping at all the malls and consolidate their shopping in a single delivery transaction. Other services include choice of delivery or in-store pickup and Sunway Super App integration.

The platform also consolidates shipping to reduce packaging waste and carbon emissions used for courier delivery and offers in-store collection to reduce the packaging materials used for delivery.



Sunway Property

Virtual showroom

Allows prospective buyers and customers to view units through virtual tours (3D modelling), which include aerial views of the project sites, 360° views of the development and virtual tours of the facilities. This enables our salespersons and agents to better engage with customers and improve their online presentations during videoconferencing when promoting projects to buyers from overseas or other states. This has continued to be implemented for our ongoing projects.

Automation of customer billing and payment

Introduced automation of customer billing and payment processes which includes:

- e-Progress Billing
- e-Official Receipt (OR)
- e-Payment Reminder
- e-Statement of Account.

Sunway Medical Centre Velocity

Launched an e-Commerce platform to promote health screening packages. This platform provides convenience to consumers with its Buy Now, Screen Later option. Users who have purchased the packages will also be given an online appointment link for ease in making appointments.

More than 2,700 health screening packages were sold in 2022, amounting to total sales of approximately **RM1.8 million.**



Sunway Property

Ultimate Framework

A platform to consolidate all cost and revenues of a development throughout the typical development stage with real-time reporting. This allows cost accuracy, productivity and efficiency with an improved capability for data-based decision-making.

Autodesk Construction Cloud (ACC)

As the world has moved on to cloud collaborative tools with mobile accessibility, we have worked with Autodesk to embark on ACC. It enables cloud collaboration with stakeholders involved in project management with comprehensive quality, safety and document control. With a solid digital roadmap and agile implementation plan, we envision executing construction projects with less paper, fewer communication issues and higher productivity.

Sunway e-Connect

Introduced the digitalisation of the loan documentation process via Sunway e-Connect. These enhancements allow value creation with improvements made to optimise internal and external processes, improving operational efficiency and staff engagement, with reduced chances of human error and missing documentation. This is done while enhancing customer experience with reduced turnover time.

eHousing Development Account (eHDA)

Digitalisation of HDA withdrawals via eHDA – a collaboration with HSBC for the Sunway Belfield development. By using eHDA, all paper submissions are replaced by uploading supporting documents to HSBCnet, which reduces the standard HDA manual paper-based withdrawal process.



EMBEDDING SUSTAINABILITY IN OUR SUPPLY CHAIN

DECARBONISING THROUGH SUSTAINABLE SUPPLY CHAIN

UPSTREAM - SUPPLIERS

EMBODIED CARBON EMISSIONS

Going forward, Sunway is looking into managing embodied carbon emissions by fully disclosing Scope 3 emissions where relevant and applicable.

For now, operational carbon is slightly more than embodied carbon. However, as a building gets more energy-efficient, and the energy used to run it gets more green, operational carbon will drop drastically in future. What is left standing would be embodied carbon.

In 2022, the European Council introduced a Carbon Border Adjustment Mechanism which provides a precursor to what is to come and how embodied carbon will be used for tax purposes.¹ In future, products may have to carry information and details on how much CO₂ has been emitted in the process. This information may be scrutinised by authorities and consumers who may impose a tax on the product or simply reject the product. Hence, Sunway is taking steps to move beyond Net Zero operational carbon, where we will look into working with our suppliers to measure and declare the environmental impacts of our products.

¹ CBAM: What you need to know about the new EU decarbonization incentive (<https://www.weforum.org/agenda/2022/12/cbam-the-new-eu-decarbonization-incentive-and-what-you-need-to-know/>)

PURCHASE OF ECO-LABEL PRODUCTS

Sunway Malls' most notable effort is its commitment to providing toilet paper from FSC-managed forests and FSC-certified mills, which helps to safeguard the sustainable cycle of responsible harvesting and replanting to maintain the ecology of the forests.

In 2022, more than
173 million
sheets of paper purchased
were FSC-certified.



OPERATIONS

SUSTAINABLE CONSTRUCTION MATERIALS

In our journey towards constructing sustainable and green developments, buildings and townships, we integrate sustainable construction materials into our developments. Sustainable buildings are the future of construction, as they have minimal environmental impact and lower cost of building operations. We use alternative materials that are environmentally friendly, such as recyclable raw materials, which also reduce the carbon footprint of material sourcing and ensure the durability of the materials.

The sustainable construction materials we have applied across our construction and building projects include Autoclaved Aerated Concrete, a lightweight, precast foam concrete building material suitable for producing bricks and panels. The material reduces up to 30% of industrial waste, 50% of GHG emissions and over 60% of integrated energy on the surface of bricks. Other certified green building products have also been selected when choosing materials and fittings for a development. These include waterproofing, skim coating, timber flooring and the materials used for the ceiling, tiles, paints, pavers, etc. The usage of these materials varies with the different developments. We also use products with low volatile organic compounds to minimise the amount of toxins, gases and chemicals released into the environment, such as those found in paint, cleaning supplies, pesticides, building materials and adhesives.

SUSTAINABLE PRODUCTS

Our Building Materials division incorporates an innovative range of eco-label products that meet eco-friendly label requirements including SIRIM ECO 023:2016 and SIRIM ECO 033:2019. All our building materials comply with the standards of MS1380, MS1314 and MS1601.

Additionally, our building materials' operational sites are ISO 9001 and ISO 14001-certified, ensuring our products, services and systems are excellent in quality, safe and efficient. Our eco-friendly products include Environmental Pavers, which are recognised among Malaysia's MyHIJAU green-certified products and have attained Singapore's Green Label certificate. Another green product is NeuPave, a water-permeable paver that reduces flooding promotes groundwater recharge and prevents the erosion of soil.



Sustainable Purchasing of Goods





DOWNSTREAM - TENANTS

TOP MATERIALS USED IN 2022

 **Property Development**



Reinforced Bars
2,793,658 MT
Concrete
221,133 MT
Formwork
831 MT

 **Building Materials**



Quarry dust
67,754 tonnes
Coarse sand
61,529 tonnes
Chipping
48,502 tonnes

 **Quarry**



Aggregates
1,158,587 MT
Bitumen
88,084 MT
Forta fibre
1,140 tonnes

GREEN LEASE PARTNERSHIP PROGRAMME

Moving beyond reduction of Scope 1 and 2 emissions, which are generally within the control of an organisation, the implementation of the Green Lease Partnership Programme is the latest initiative to engage with stakeholders and promote the reduction of Scope 3 emissions. Scope 3 emissions are the result of activities not controlled by the organisation but by organisations in its value chain such as suppliers or customers.

The retail malls and offices within our Property Investment / REIT division, as well as the Hospitality division, have participated in this programme. The programme aims to encourage best international practices in sustainability and drive sustainable solutions through behavioural change, while boosting Malaysia's commitment to net zero carbon emissions by 2050. Other benefits for Sunway include a reduction in the building's overall management cost, added value as green buildings and increased appeal for ESG-oriented investors. Thus, it is crucial to the success of our net zero journey that we recruit and partner with our tenants to collaborate and find ways to reduce our environmental footprint and promote responsible resource management.

In 2022, the programme garnered the participation of



100% hotel master lessees
21% retail and office tenants

The tenants have signed a memorandum of understanding (MoU) and are committed to working closely with us to improve building energy efficiency, water-saving measures and diversion of waste from landfill towards a circular economy. We target to have 100% tenant participation, with more than 1,300 tenants on board the Green Lease Partnership Programme by 2030.

GOAL 3 DEVELOPING A SAFE, EQUAL AND DIGNIFIED WORKFORCE

CAPITAL



Human



Social and Relationship

MATERIAL ISSUES

- Human Rights Policy
- Employee well-being

ACTIVITIES

- Human Rights Policy
- Employee well-being programmes
- Family-friendly policies
- Employee learning & development
- Employee health & safety

VALUE CREATED

- Diverse and talented workforce
- High-performing workforce
- Safe and conducive working environment



Transformation 1: Education, Gender and Inequality
Transformation 2: Health, Well-being, and Demography

Our people are the driving force behind our operations, as they reflect the Group's identity and they bring us closer to our vision and goals. We prioritise our workforce by ensuring a safe, inclusive work culture and investing in the skills, well-being, needs and capabilities of our talents to ensure long-term productivity and growth. We are also committed to improving the safety and well-being of our partners, vendors and communities in which we operate.



EMPLOYEE ENGAGEMENT

GRI 2-7, 2-16, 2-21, 2-25, 2-26, 2-30, 202-2, 401-1, 401-2, 401-3, 402-1, 404-1, 404-2, 404-3, 405-1, 406-1, 407-1, 408-1, 409-1, 410-1, 411-1

Employee engagement plays a vital role in allowing the Group to identify and meet the needs of employees to ensure job satisfaction and retain our best talents. We continuously strive to engage with our employees to ensure that our actions align with their needs and expectations. By integrating these considerations into our decision-making processes and practices, we strive to create sustainable value for our employees.

PROTECTING HUMAN RIGHTS

Sunway strives to safeguard the rights of each employee as we believe our talents deserve to be treated with the utmost dignity, respect and fairness. We are committed to prioritising health and safety in the workplace, the right to decent work, freedom of association, equal opportunity and protection against discrimination. We continue to uphold human rights across our operations through our Human Rights Policy and our Supplier Code of Conduct.

We also commit to the protection of human rights through our implementation of the UN Global Compact (UNGC) Principles since 2012 as well as complying with the UN Guiding Principles on Business and Human Rights. Aside from that, we have adopted the International Labour Organization's (ILO) eight fundamental conventions which advocate social justice, such as the conventions recognising freedom of association and the right to collective bargaining and the conventions against child labour, forced labour and discrimination at work. We do not abide by any form of child labour or forced labour, and we fully comply with all the anti-child labour laws in countries we operate in.

Sunway employees are expected to read, understand and fully comply with the Group's Code of Conduct and Business Ethics Policy to ensure they conduct themselves with the highest standards of professionalism and work ethics.



HUMAN RIGHTS POLICY

Sunway established a Human Rights Policy in 2021, which is based on the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights. The policy details our commitment to human rights, the implementation of our policy, the process for reporting grievances and includes our pledge towards the following:

- ✓ Ensuring Equal Opportunities
- ✓ Respecting Freedom of Association
- ✓ Eliminating Any Form of Abuse or Harassment
- ✓ Improving Health and Safety Measures
- ✓ Abolishing Forced/Compulsory Labour
- ✓ Defending the Rights of Children.

[Sunway Berhad Human Rights Policy](https://www.sunway.com.my/wp-content/uploads/2022/05/Sunway-Human-Rights-Policy.pdf)
(<https://www.sunway.com.my/wp-content/uploads/2022/05/Sunway-Human-Rights-Policy.pdf>)



In 2022, **9%** of our security personnel underwent human rights training, which included workers' welfare.

GRIEVANCE MECHANISM

Our grievance mechanism provides a clear and transparent way to address grievances related to the recruitment process or to resolve any issues of concern in the workplace. We have an Employee Grievance Procedure to enable employees to raise and address any concerns, problems or complaints they may have so we can resolve any issues promptly, fairly and in the interests of everyone involved.

Employees and external stakeholders are free to raise any concerns or complaints with regards to inappropriate behaviour, misconduct relating to fraud, corrupt practices and more over our whistleblowing hotline that provides a confidential mechanism. Any concerns or complaints can be directed to our Head of the Internal Audit Department or emailed to whistleblowing@sunway.com.my.

In 2022, there were **zero** reports received through our whistleblowing channel.



There were **zero** confirmed incident of violations involving the human rights of indigenous people* in the year under review.



* According to World Bank, indigenous people are distinct social and cultural groups that share collective ancestral ties to the lands and natural resources where they live, occupy or from which they have been displaced.



EMPLOYEE ENGAGEMENT

RESPECTING FREEDOM OF ASSOCIATION

We allow our employees the freedom to join and form trade unions or organisations of their own choosing to protect their right to unionise, debate, collectively bargain or protest in pursuit of common goals. We believe that allowing our employees freedom of association and collective bargaining promotes the peaceful, inclusive and democratic participation of representative workers and employers' organisations. We continue to be guided by Malaysia's Employment Act 1955 and other relevant labour laws in ensuring our employees the freedom to select representatives of their choice.

Our Group's representatives continue to meet with the respective workers' unions every three years to assess and update their collective agreements. Any negotiations and discussions are to be carried out within a notice period of three months, if permissible. For operational changes that may affect employees, decisions will be made individually.

In 2022, four of our companies maintained collective bargaining agreements.

Company	Name of Union	% of Employees Covered
Sunway VCP	Non-Metallic Mineral Products Manufacturing Employees' Union	32%
	Sunway Lagoon Club	Club Employees Union Peninsular Malaysia
Sunway Biz Hotel	National Union of Hotels, Bar & Restaurant Workers	84%
Sunway Hotel Seberang Jaya	Peninsular Malaysia	81%

CARING FOR THE WELL-BEING OF OUR PEOPLE

Sunway Berhad is committed to ensure our employees' well-being by creating a culture that promotes physical, mental and social well-being. We offer a range of health and wellness programmes, including regular health check-ups, fitness classes and mental health support services. We also provide opportunities for learning and development to enhance the skills and knowledge of our employees, as well as flexible working arrangements to promote work-life balance. We recognise the importance of creating a safe and inclusive work environment, where employees are valued and respected, and their well-being is a top priority. By prioritising employee well-being, Sunway Berhad aims to enhance productivity and create a positive and supportive workplace culture.

Caring for the well-being of our employees is vital as it cultivates a positive working environment, reduces stress, enhances employee satisfaction and engagement and helps our employees to thrive at work. We believe that a happy and healthy workforce is the key to the productivity, success and growth of our organisation.

In 2022, we organised initiatives to support our employees in returning to work in the office as Malaysia entered the endemic phase. We continued to emphasise the importance of health and well-being among our employees through several programmes, including health activities and talks on health issues. The following are some of the initiatives organised by Sunway's Human Resources (HR) team:

HEALTH AND WELL-BEING INITIATIVES

Employee Assistance Programme (EAP)

- A programme that provides mental health support to employees to help them manage stress, health issues and financial problems or other personal concerns.
- Offers a 24/7 hotline that ensures full confidentiality of employees.
- Includes the support of professional help from registered and qualified clinical psychologists, health psychologists and counsellors from The Mind who provide therapy and counselling. All the clinicians are registered with either the Counselling Board of Malaysia, or the Malaysian Society of Clinical Psychologists.

Health Talks

- Monthly talks were organised by Group Human Resources, featuring Sunway Medical Centre doctors and external speakers providing talks on various health issues to create awareness and educate employees on prevention, diagnosis and treatment of common illnesses.

Sunway Virtual Challenge

- An annual event to cultivate healthy competition among those in our business divisions.
- Aimed at encouraging fitness and health as participants are required to clock in steps within a set time frame.
- Rewards were given to those who fulfilled their targeted steps.
- In 2022, more than 3,200 employees took part in this challenge. The participants logged more than 326 million steps.

EMPLOYEE BENEFITS

We continue to offer a good benefits package to make employees feel appreciated and to reward them for their hard work and dedication. We introduced Flexible Working Arrangement to allow working mothers to tend to their family obligations without affecting their terms of employment. The benefit enables working mothers to choose different start and end times as long as they meet the working hours specified in their employment letter.

Our benefits also provide support to our employees' family, health and financial future, which also helps us to retain and attract our talents. The following lists benefits provided to full-time employees:

FAMILY-FRIENDLY POLICIES

- Childcare Subsidy**
- Sunway partially subsidises tuition fees for employees' children who attend R.E.A.L. Kids Sunway, The Parenthood and Sunway Little Sunshine.
 - This subsidy is applicable for up to two children per family for a maximum of RM200 per month per child.
 - Childcare subsidies of up to RM2,400 are exempted.

- Leave(s)**
- Annual Leave
 - Emergency Leave
 - No-pay Leave
 - Maternity Leave
 - Extendable Maternity Leave
 - Medical/Hospitalisation Leave
 - Prolonged Illness Leave
 - Parental/Childcare Leave
 - Special Leave (e.g. compassionate leave, marriage leave, paternity leave, etc.).

- Supporting Working Mothers**
- We provide designated car parks and security escorts to ensure the safety of expectant mothers.
 - Mother's rooms are provided to accommodate working mothers.
 - Mother's rooms are available at:
 - Menara Sunway
 - Sunway Malls
 - Sunway Medical Centre
 - Sunway University.

WORK + LIFE INTEGRATION

- Employee Health Screening**
- Employee health screenings are available at the Group function level as well as in selected business divisions.

Confirmed executives of Sunway Group with a minimum of six months of service may undergo the Health Screening Programme as follows:

- Below 40 years of age: Once every two years.
- 40 years of age and above: Once a year.

The Health Screening Programme is also extended to all confirmed non-executives of Sunway Group with a minimum of six months of service and aged 40 years and above. They may undergo the Health Screening Programme once a year and will be eligible to apply for a subsequent health screening one year from the date of their last health screening.

- Kelab Sosial Sunway (KSS)**
- A social club that organises various activities for employees such as:
- Blood Donation Drives
 - CSR Activities
 - Donation Drives
 - Health Talks
 - Sports and Recreational Activities
 - Online competitions
 - Domestic and overseas holiday trips.

- Staff Discounts**
- As a co-investor in our integrated communities, we manage our assets within them.
 - We encourage Sunway employees to be part of the communities they serve and live, learn, work and play in a healthy, safe and well-connected environment.
 - Live: includes discounts on property purchases.
 - Learn: includes discounts on selected educational programmes across our learning institutions.
 - Play: discounts on theme park tickets, hotel room rates and food & beverage (F&B).
 - Health: includes discounts on Sunway healthcare services.



EMPLOYEE ENGAGEMENT

CULTIVATING LEADERS FOR THE FUTURE

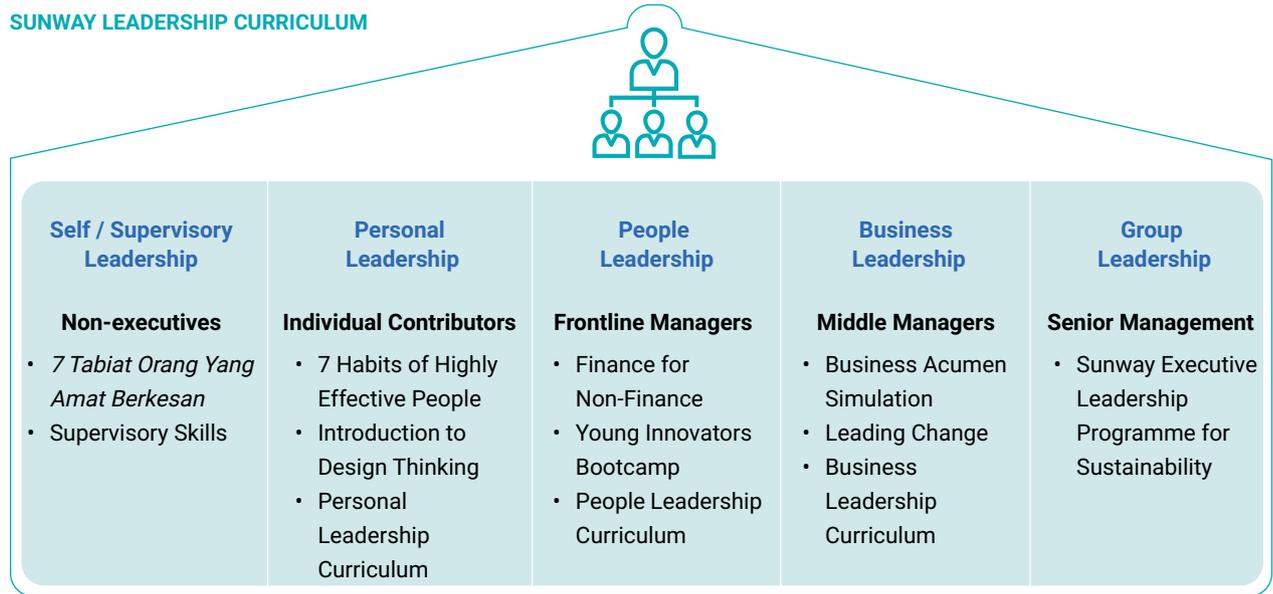
Learning is a lifelong journey, and we are committed to the upskilling and development of our employees to enable them to move forward in their careers. We provide our employees with the necessary skills and capabilities to drive their performance and increase productivity to cultivate a workforce that is adaptable and agile. We strive to maintain our competitive edge in the ever-changing business landscape and to do this, we need to expand our employees' skill sets. We make every effort to cultivate a generation of forward-thinking, motivated employees to ensure they stay relevant, which will improve our performance and growth.

In 2022, we invested over RM3 million in learning and development programmes for our employees across Sunway, guided by our Leadership Development Framework. The focus areas provide the impetus to leadership, ranging from individual leadership to team leadership and ultimately, business leadership.

LEADERSHIP DEVELOPMENT FRAMEWORK

Sunway introduced the Sunway Leadership Competencies and Talent Programmes, which saw more than 200 Sunway talents across the Group alongside their mentors, Human Resources leads from respective business divisions and Senior Management gather at Sunway University to recognise our best and brightest – Sunway's future leaders – as we welcomed the Group's refreshed leadership competencies and tailored development journeys.

SUNWAY LEADERSHIP CURRICULUM



In 2023, Sunway signed a memorandum of understanding with Sunway Education Group to cultivate resilient leaders as well as boost our talents' personal and professional growth through the Sunway Executive Development Programme for Sustainable Leadership. This programme will prepare our rising executives for the future of work in the age of disruption.

We also organised learning and development programmes to improve abilities and enhance skill sets of employees through soft skills programmes, talent development programmes and various functional and technical training programmes.

SUSTAINABILITY AND ESG TRAINING PROGRAMMES

We educate our employees on sustainability to increase their awareness of the importance of ESG, including the 17 UN-SDGs, the environmental impacts of our business activities, Occupational Health and Safety and ESG-related aspects.

We have incorporated the topic of sustainability into the Sunway Corporate Orientation Programme for Employees,

which aims to provide new employees with an overview of Sunway’s business, our values and our sustainability efforts.

Our Group Human Resources also launched the Sunway SDG Heroes Project, a 17-week learning initiative to encourage Sunway employees to learn about the latest UN-SDG developments and the best practices to support the UN-SDGs.

FUNCTIONAL AND TECHNICAL TRAINING PROGRAMMES

We continued to enhance the capabilities of our employees through continuous core functional and technical training programmes. Some of the programmes were related to standard operating procedures (SOPs) while others were function-specific training according to individual roles and job specifications.

It is also mandatory for all employees to attend annual training on Group corporate policies, where they are assessed at the end of each policy’s training session to ensure that they understand and will adhere to all the policies.

Core Functional and Technical Training Programmes

- Customer Service Training
- Functional Specific Training
- ISO/Quality Assurance
- Microsoft Training
- Safety & Health Training
- Standard Operating Procedure (SOP)

Compulsory Annual Training on Mandatory Policies

- Anti-Bribery & Corruption Policy
- Conflict of Interest Policy
- Code of Conduct and Business Ethics
- Human Rights Policy
- Information Security @ Work
- Personal Data Protection Policy
- Sunway e-Policy

Average Training Hours

Per Employee*

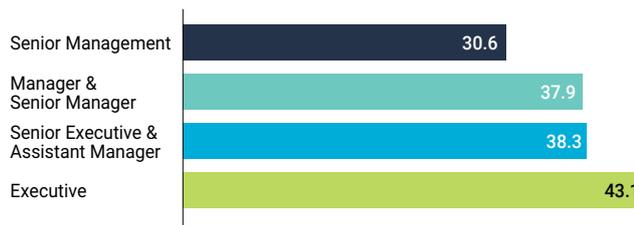
 **40.2**

By Gender*

 Male **44.3**  Female **33.6**

* excludes Non-executives.

By Employee Category



TALENT MANAGEMENT

Sunway strives to attract, develop, motivate and retain high-performing employees to build a sustainable competitive advantage and drive performance through integrated people management practices. We continue to track the progress of our pool of talents and ensure they continuously develop and improve their skills and capabilities. We retain and attract the best talents in the industry through:

- Yearly evaluation of salary structure according to industry practices
- Ensuring our total remuneration remains competitive, measured against market performance
- Striking a balance between performance bonuses, increments and benefits in our performance management strategy.

The performance of our employees is benchmarked through Sunway’s My Performance Focus Areas, which include one-to-one sessions between managers and employees and enable employees to give feedback throughout the year. My Performance Focus Areas also provide managers with a better understanding of employees’ career goals and enable employees to regularly conduct self-evaluation assessments prior to their assessments by supervisors, business division heads and the President. In 2022, 100% of our employees received regular performance career development reviews.



EMPLOYEE ENGAGEMENT

EMBRACING DIVERSITY

Sunway strives to create an inclusive environment that accepts every individual's differences to enable our employees to help the Company reach its full potential. By accepting differences, we gain different perspectives and ideas, accelerate problem-solving and increase employee engagement and retention – enhancing our reputation and developing a better understanding of our customers.

Our Group's Diversity and Inclusion Policy emphasises our commitment to creating a culture that values and respects differences. We do not condone any form of discrimination against race, religion, gender, age, disability and nationality and we are free from any form of harassment, as outlined in Sunway's Code of Conduct and Business Ethics Policy. We ensure that our employees are offered equal opportunities and we will continue to promote diversity in the workplace. In 2022, there were zero cases of discrimination reported.

UPHOLDING WOMEN IN LEADERSHIP

We continue to empower women in our workforce and enable women in roles of leadership as they have significant positive impacts, including providing motivation and leadership and nurturing teamwork. In 2022, we continued to uphold women in leadership and fulfilled the requirement of having more than 30% female Directors on our Board as required by the Malaysian Code on Corporate Governance.

Sunway continues to prioritise local talents and in 2022, **94%** of our Senior Management were locals

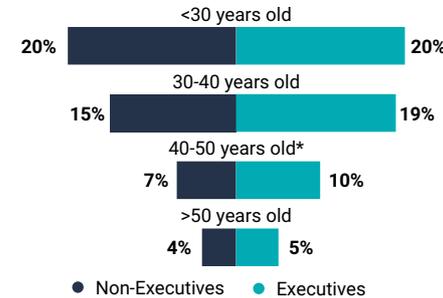
BOARD DIVERSITY (GENDER AND AGE GROUP)



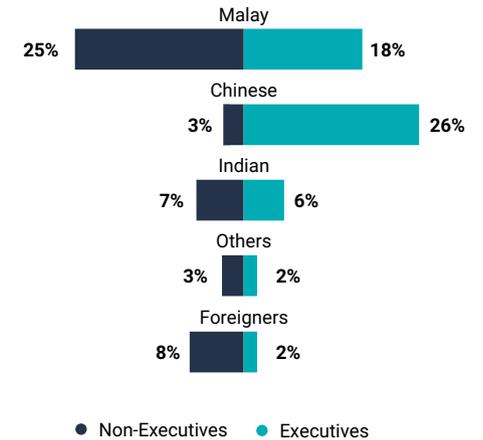
EMPLOYEE DIVERSITY (GENDER)



EMPLOYEE DIVERSITY (AGE GROUP)



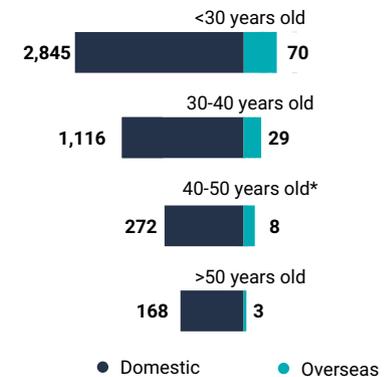
EMPLOYEE DIVERSITY (ETHNICITY)



TOTAL NUMBER OF NEW EMPLOYEE HIRES (GENDER AND REGION)



TOTAL NUMBER OF NEW EMPLOYEE HIRES (REGION AND AGE GROUP)



TOTAL TURNOVER RATE

21.8%

TOTAL CEO COMPENSATION (ANNUAL) TO TOTAL MEDIAN COMPENSATION (ANNUAL)

112:1

TOTAL CEO COMPENSATION (ANNUAL)

RM6,876,387

ANNUAL MEAN PAY
RM92,243

ANNUAL MEDIAN PAY
RM61,571

ANNUAL LOWEST TOTAL PAY
RM19,826

ANNUAL HIGHEST TOTAL PAY
RM3,276,511

* The age category of 40-50 includes employees between the ages of 40.1 and 50.

Note: Sunway's employee data is derived from both domestic and overseas operations. Domestic/local talent refers to Malaysian.

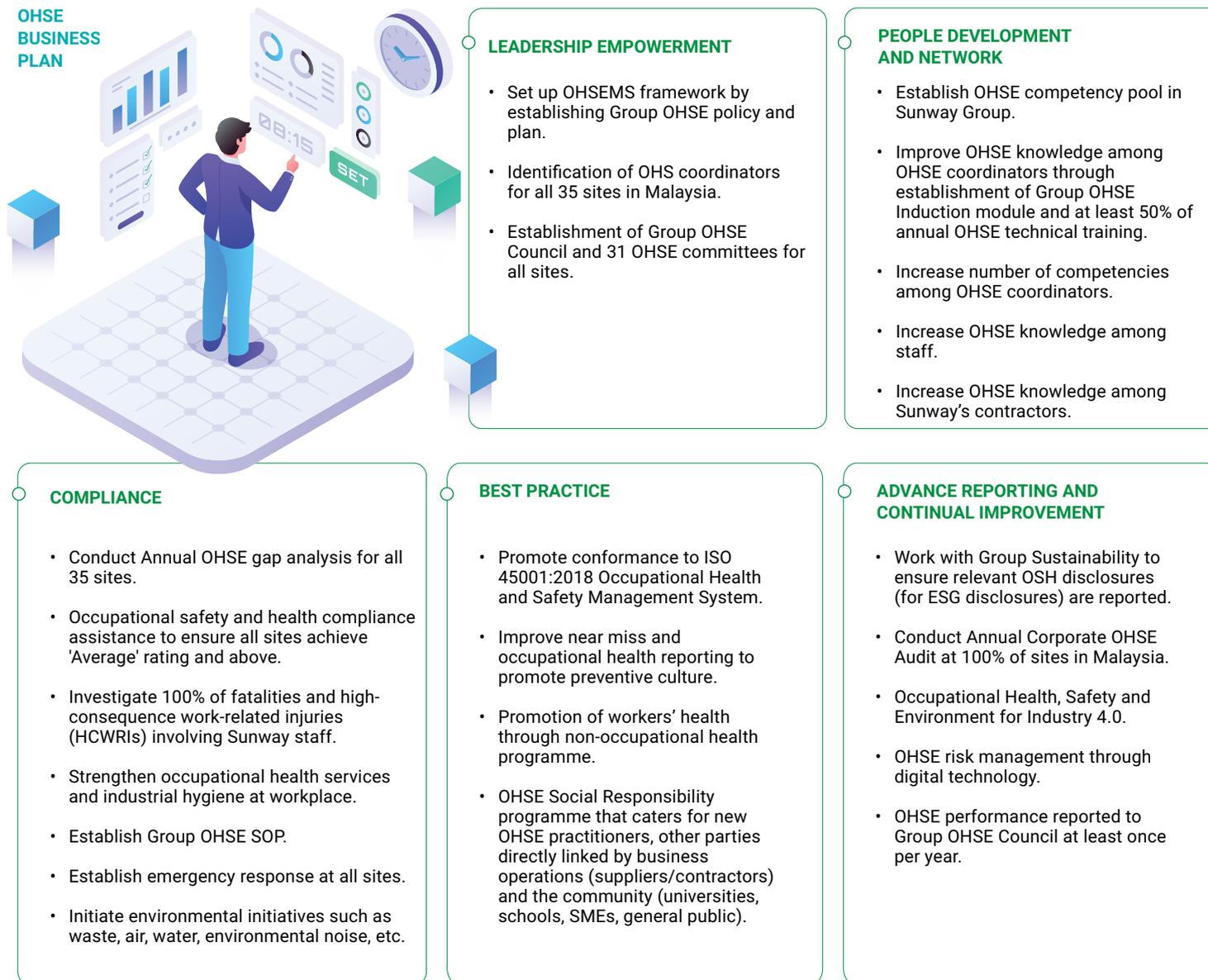
PROTECTING THE HEALTH AND SAFETY OF OUR PEOPLE

GRI 2-7, 2-8, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10

COMMITMENT TO HEALTH AND SAFETY

Our commitment to ensuring the health and safety of our employees across our business operations enables them to be more efficient and productive, bringing us closer to our goals for sustainable development.

Sunway's Occupational Health, Safety and Environment (OHSE) Policy, which was revised on 30 March 2022, emphasises our commitment to providing a safe and healthy work environment and ensuring that we prioritise the safety of our stakeholders. Going forward, we aim to achieve best practices in all our sites within 10 years and reach level 5 (generative) safety culture. This will be supported by our five-year strategic OHSE plan 2021 to 2025, which is based on the Occupational Safety and Health Master Plan 2021-2025 to align with national goals. There are five strategic initiatives with 24 programmes in place:





IMPACT STORY

WHEN SAFETY BECOMES SECOND NATURE



Contributed by:
Nurul Syuhada Abdullah
Manager, Group Occupational Health, Safety and Environment Sunway Berhad

At Sunway, we have introduced a range of systemic changes in our governance structure on occupational health and safety, evolving in alignment with national goals. In 2021, this journey culminated in a significant milestone when we first announced a Group OHSE Policy. Guided by the Occupational Safety and Health Act (OSHA) 1994, the policy outlines the roles and responsibilities of every staff across all levels, as well as to establish international best practices as the foundation of our safety culture. The impact is twofold: not only do we foster a seamless coordination and multifaceted implementation of an optimised OHSE framework, the streamlining of internal processes between diverse businesses leverages collective expertise whilst mitigating information silos.



A NATURAL TRANSFORMATION OF OUR OHSE CULTURE

Our Group OHSE has devoted substantial resources to educating, engaging with and empowering our workforce on relevant topics, such as the Emergency Response Plan, Electrical Safety, Risk Assessment and Indoor Air Quality, as well as OHSE Inspections and Auditing.

Educational events take many forms throughout the year to ensure that all key messages infiltrate the organisation. Effective communication and coordination have helped our people thrive physically and mentally, and made health and safety actionable and scalable throughout the organisation.

But perhaps the most powerful move that has accelerated the natural progression of our OHSE culture is on-ground action. Coordinators have been appointed across all Sunway business sites to facilitate our health and safety initiatives onsite, addressing any risks and issues affecting their operations. This effectively bridges the gap between our leadership's strategic priorities and implementation on the ground.

As our OHSE efforts intensified, our employees quickly caught up and even took the lead in deepening the conversation about OHSE. No longer an isolated endeavour of Group OHSE but a model for a cooperative approach, the maturity of Sunway's OHSE framework is evident and increasingly robust. This grants us grounded optimism as we strive towards the next frontier – proactive or even generative safety culture – by 2030.





WHEN SAFETY BECOMES SECOND NATURE

PROPELLING SAFETY TO NEW HEIGHTS

Aligned with the National Targets on Leading and Lagging Indicators set in the National Occupational Safety and Health Master Plan 2021-2025 (OSHMP25) outlined by the Malaysian Department of Occupational Safety and Health (DOSH), one of our corporate resolutions is to rise within the first quadrant of both occupational fatalities and accident rates in Malaysia. Last year, we took a vital step towards our goal by incorporating an internal auditing system to identify key performance indicators and trace our progress – in adherence to the ISO 45001:2018 Occupational Health and Safety Management System (OHSMS) standard. On top of implementing the concept of the Plan-Do-Check-Act (PDCA) cycle as an integral part of the whole system to ensure the efficiency and continuous improvement of the organisation's safety and health management, regular assessments against specific metrics that are salient to us inform our strategies, actions and disclosures.

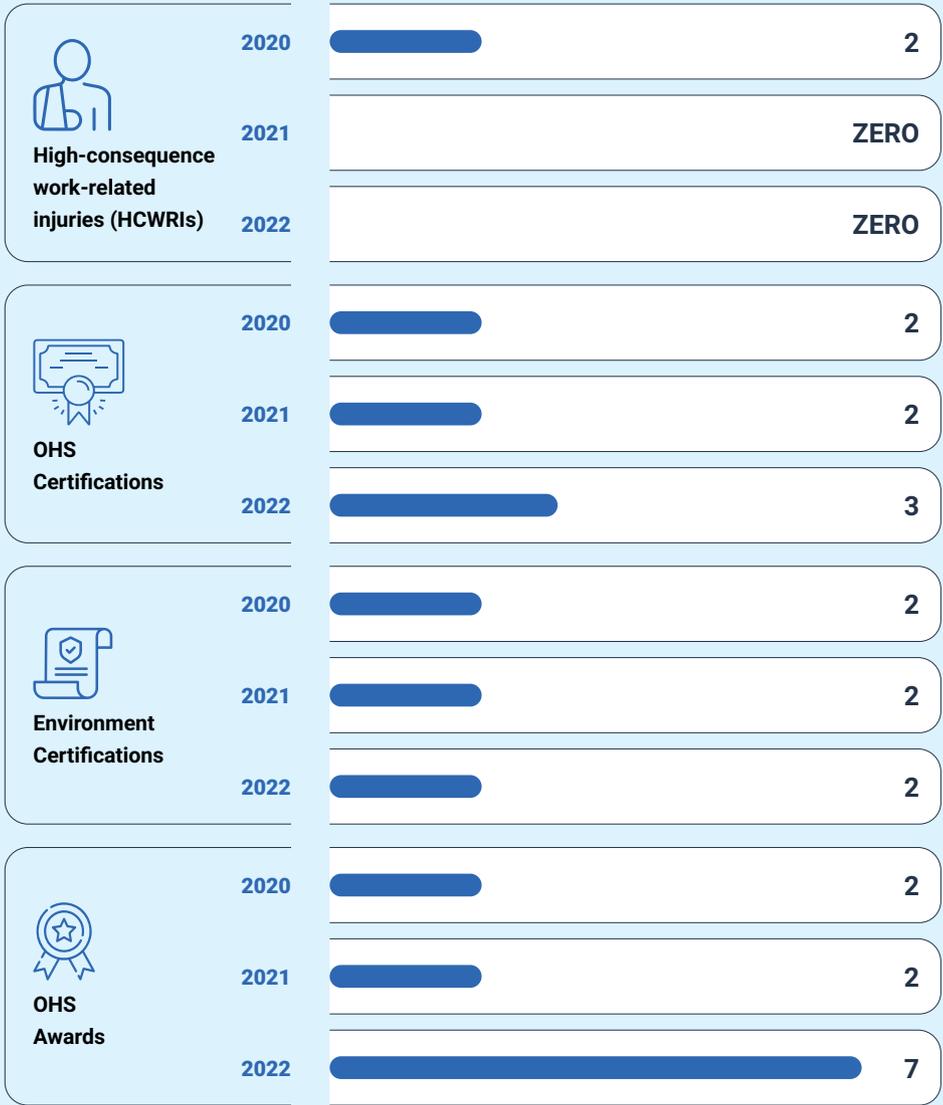
This is all part of our blueprint to power the move to a more transparent and trustworthy OHSE ecosystem and deliver measurable impact. And we are proud that our safety culture has been seen and acknowledged. Sunway Malls, among others, recently received multiple awards at the Malaysian Society for Occupational Safety and Health (MSOSH) Award Year 2022 – the first mall group in Malaysia to receive such recognitions upon first entry.

	2020	2021	2022
No. of OHSE practitioners	19	87	110, of whom seven are equipped with dual competencies, i.e. OSH and Environment
Number of sites audited (out of 33 sites in total)	11	16	33 out of 33



Please scan the QR code to read more about When Safety Becomes Second Nature.

NOTABLE ACHIEVEMENTS



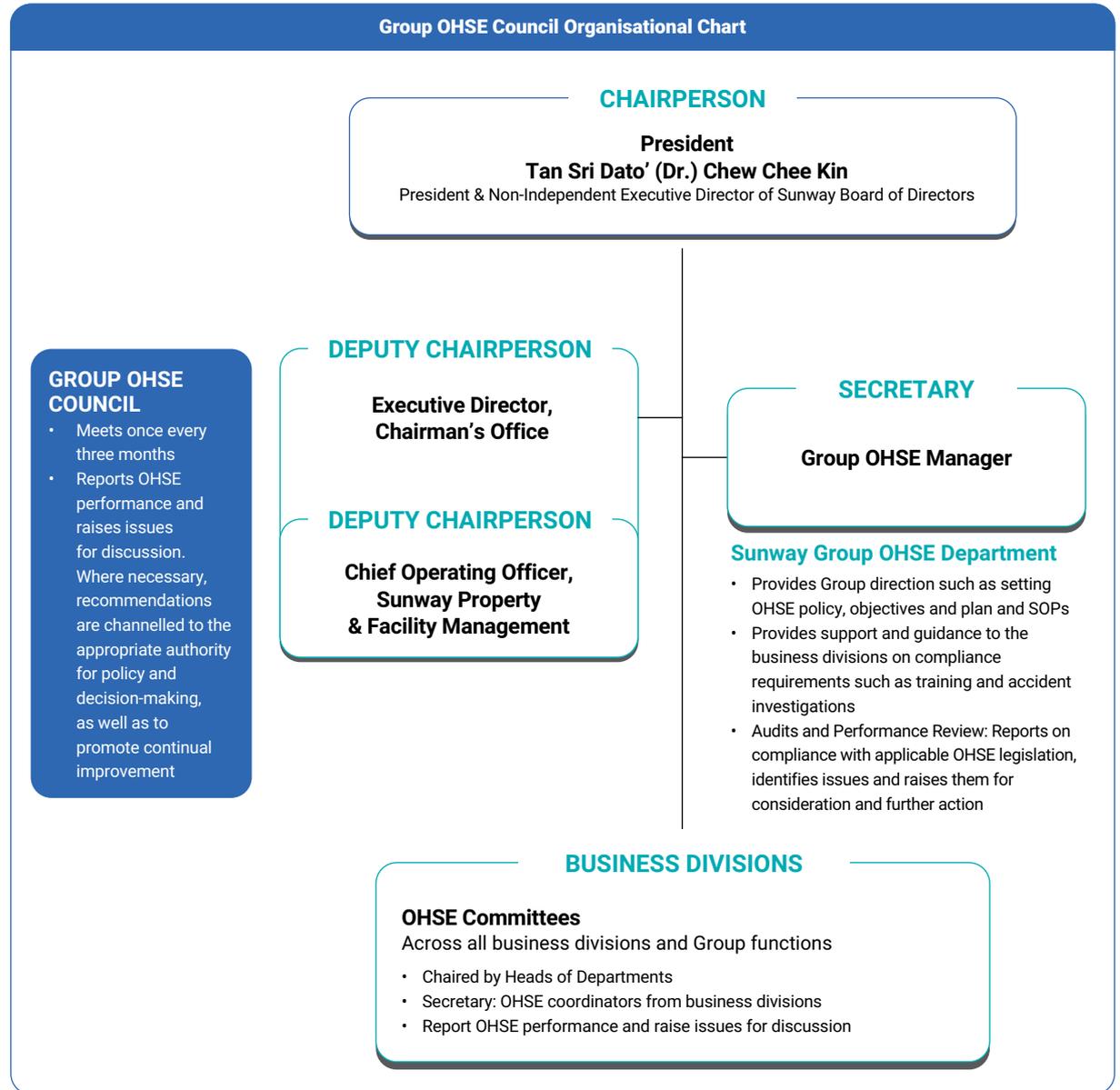


PROTECTING THE HEALTH AND SAFETY OF OUR PEOPLE

STRONG GOVERNANCE IN OHSE MANAGEMENT

Sunway Berhad focuses on protecting employees from injuries, accidents and exposure to harmful substances. To manage and mitigate risks across our business sites and to ensure improvements in our safety practices, 33 of our operational sites have put in place OHSE management, as required by the law. The Board holds ultimate responsibility for OHSE matters in the Group, including setting the Group's OHSE direction, objectives and targets, besides providing overall support to all business divisions. All OHSE matters are led by the Group OHSE Council, which is chaired by Sunway Berhad's President, Tan Sri Dato' (Dr.) Chew Chee Kin, and meets every three months. The Chairman, who is also part of the Board Sustainability Committee, makes the final decision in all OHSE matters that are discussed at Group and business division levels.

Across our 33 operational sites, 27 are required by the Occupational Safety and Health (Safety and Health Committee) Regulations 1996 to have OHS Committees and have formed their respective committees. Chaired by the respective department's senior management, each OHSE Committee has representatives from the employer and the employees. The OHSE Committee meetings convene once every three months and serve as an avenue for employees to contribute to the development, implementation and review of the OHSEMS. The OHSE Committee allows other employees who are not representatives to attend the meetings should they need to raise an OHSE-related matter. The minutes of each meeting are shared with all business units to ensure all employees are aware and kept informed of the latest developments in OHSE matters within the Group and the industry.



OHSE COMMITTEE RESPONSIBILITIES



- Develop OHSE rules and Safe System of Work
- Review the effectiveness of OHSE programmes
- Incident studies, corrective and preventive actions
- Review OHSE Policy
- Investigation of any accident
- Inspection of place of work
- Corrective and preventive actions (CAPA) in response to HSE reports
- Investigation of any complaint
- Resolution of complaint

In 2022, the OHSE Committee members attended various training sessions on OHSE matters, covering more than 15 topics, which included Hazard Identification, Risk Assessment and Risk Control, effective OHSE Committee at the Workplace, basic firefighter, first aid and cardiopulmonary resuscitation (CPR), among others.



BOLSTERING OUR SAFETY AND HEALTH THROUGH OHSE TRAINING

During the reporting period, we organised a comprehensive range of OHS Induction training sessions to educate employees on the procedure of reporting hazards and incidents. Employees were also encouraged to take the initiative to report all hazards and incidents they come across to the Management to reduce and eliminate further risks.

In 2022, we provided training sessions that covered 62 general and specialised safety topics from beginner to intermediate and advanced levels. All the training programmes were led by experts on a myriad of topics such as management systems, occupational safety, induction and awareness, occupational health, environment and industrial hygiene. In total, 2,293 Sunway employees were inducted and 7,868 employees received training on various topics, which were held in English and Malay for the benefit of non-executive employees.

To ensure the efficiency of OHSE throughout our operations, we identified gaps that needed to be filled to reinforce our OHSE. We

determined this based on our employees' job scope, operational needs and legal requirements, as well as on findings from audits and observations, risk assessments, incidences and surveys. The efficacy of our training is measured by the number of accidents that occur during the year, accreditation audits, OHSE observation data, pre- and post-training assessments, continuous monitoring and evaluation of staff competencies after receiving training. Apart from that, we continue to conduct yearly drills to assess the OHSE knowledge of our employees and to remind them of the importance of embedding all they have learned in their day-to-day operations at work.

In 2022, we also extended the training programme to our Group OHSE Auditors to support us in the process of Group OHSE Corporate Audit 2022. Trainers and auditors who participated were compensated for their time and effort through a reward system. This was a follow-up to the successful OHSE Competency Pool initiative implemented in 2021 to identify potential OHSE trainers within the Group to enable knowledge-sharing across all business divisions. The initiative has benefitted our employees, trainers and Sunway as a whole.



PROTECTING THE HEALTH AND SAFETY OF OUR PEOPLE

HEALTH, SAFETY AND ENVIRONMENT STANDARDS

Sunway's OHSE Management System (OHSEMS) safeguards 100% of its workers and ensures that it adheres to important regulations, including the Occupational Safety and Health Act (OSHA 1994), Factories and Machineries Act (FMA 1967) and Environmental Quality Act (EQA 1974). In 2022, the Building Materials division became the second operational site in the Group to attain ISO 45001:2018. The first operational site to achieve the international standard was Sunway Lagoon Theme Park.

Workers*
100%
(23,934)

Percentage of
workers covered by
OHSMS &
internally audited
100%
(23,934)

Percentage of
workers covered
by OHSMS
100%
(23,934)

Percentage of
workers covered by
OHSMS & externally
audited
99.78%
(23,882)

* Includes employees, contractors and business partners and excludes part-timers and interns since they are hired on an ad hoc basis.
Note: This data is compiled based on internal and certification audit procedures.

To ensure full compliance with all the relevant laws and regulations of local and international governmental agencies, we conduct internal and external audits regularly to assess compliance. This year, we initiated the Group OHSE Corporate Audit, which encompassed all Sunway employees, contractors and tenants. Cross internal audits were conducted by Group OHSE Auditors skilled in Occupational Safety and Health, as well as certified Lead Auditors for ISO 45001:2018 OHSMS, to ensure all Sunway sites complied with OSHA 1994 and the Global Reporting Initiative (GRI) Standard's 403: Occupational Health and Safety 2018 sustainability reporting indicators. Meanwhile, Sunway Lagoon Theme Park and the Building Materials division were required to conform to the ISO 45001:2018 to enhance their overall occupational health and safety performance.

Sunway also undergoes third-party (external) audits conducted by local entities. These include regulatory bodies for compliance audits, the Malaysian Society for Occupational Safety and Health (MSOSH) for award audits and international certification bodies such as the Malaysian Society for Quality in Health (MSQH) and the Australian Council on Healthcare Standards (ACHS) for certification, which cover 99.78% of our employees. In 2022, 87.88% of our sites were assessed by regulators for the renewal of our Certificate of Fitness, Fire and Electrical Certificate, Halal status and legal compliance audit.

We will continue to ensure OHSE remains at the forefront of our business with the implementation of an internal OHSE dashboard that is updated on a quarterly basis, highlighting Sunway's progress and performance across all segments.

PROTECTING THE HEALTH AND SAFETY OF OUR PEOPLE

OHSE PROFESSIONALS IN SUNWAY

We employ a 'Plan-Do-Check-Act' (PDCA) approach in our OHSEMS to inculcate a culture of keeping the workplace safe among our employees and contractors' workers. All OHSE accountabilities, as well as roles and responsibilities of Management, are communicated clearly to all employees and workers via their delegation letters or job description. To ensure the OHSE team is equipped with strong competencies across the wide-ranging OHSE matters, we provide professional training in the various areas of OHSE. In 2022, the number of our employees trained as professionals increased to 1,660 from 503 in 2021. They were trained in 33 OHSE areas such as safety and health officer, occupational health and safety coordinators, food safety, fire, search and rescue, occupational health doctor and forklift and scaffolder operation, among others. Further to that, we have put in place a robust internal OHSE dashboard that provides an overview of the Group's latest OHSE performance against key indicators such as injury rates and number of incidents, which is updated every three months. Our overall OHSE achievement increased from 78.1% in 2021 to 90.22% in 2022.

MITIGATING OPERATIONAL THREATS: RISK IDENTIFICATION AND ASSESSMENT

Enforcing a reliable risk identification and assessment process is critical as it enables us to manage our operational risks effectively. We continue to actively identify and assess risks, threats and safety issues by ensuring our business divisions conduct a risk assessment prior to the commencement of routine and non-routine activities, in compliance with the OHSEMS. This includes identifying measures to minimise and avoid risks and establishing mitigation measures that need to be applied according to the hierarchy of controls.

Assessments are carried out by employees who have been trained and certified by a Safety & Health Officer (SHO), or by Group OHSE trainers or members of the Safety and Health Committee. Each assessment requires the approval of the OHSE Committee Chairman and is reviewed annually or once in three years to determine if there are any changes that have affected the risk involved (legal requirements, activities, equipment, incident occurrence, etc.). In 2022, 33 sites (100%) conducted a risk assessment.

Our employees trained as professionals increased to

1,660
(503 in 2021)



33 sites

(100%)
conducted a risk assessment



Our health and safety requirements are also extended to all

third-party
contractors



We use various tools such as accident statistics, site inspections, quarterly assessments, and employee feedback to conduct Hazard Identification, Risk Assessment and Determining Control (HIRADC), which aims to identify work-related hazards that can potentially lead to high-consequence injuries and/or ill health. In the year under review, the types of hazards identified to have caused or contributed to reportable lost time injuries (LTI) were slips, trips and falls, caught in between objects, hit by moving and falling object and vehicle incidents, including rollovers. The necessary measures that were taken to prevent and mitigate future similar incidents included establishing SOPs and holding safety briefings and specialised training to ensure that all risks were properly identified and that precautions were taken before any work was carried out.

HEALTH AND SAFETY FOR SUPPLIERS AND CONTRACTORS

All suppliers engaged by Sunway are required to comply with our Sustainable Procurement Policy and Supplier Code of Conduct. We ensure that they comply with all the applicable laws, codes and regulations in the areas where they operate. Moving forward, we are looking into including a clause in the SOP of our procurement process to ensure non-workers comply with our OHS rules to mitigate any risks that may arise from our activities and business dealings.

Our health and safety requirements are also extended to all third-party contractors providing services at our workplace. Health and safety requirements are communicated to all contractors whose work is within our operational sites. They are expected to conduct a risk assessment prior to commencing any work or activity to identify potential risks and implement the necessary mitigation measures to remove or reduce the risk. Contractors are supervised closely through the use of work permits and inspections by safety and security staff at the respective sites.

OCCUPATIONAL AND NON-OCCUPATIONAL HEALTH SERVICES

We remain committed to safeguarding the health and well-being of employees across Sunway by ensuring that they are mentally and physically fit to perform at work. We provide both occupational health services and non-occupational health/medical services to address major non-work-related health risks. Our HR team plays a major role in organising and facilitating various services and programmes to raise awareness and address issues such as mental health and well-being. We encourage participation by communicating the services and programmes to our employees through email blasts and the HR portal.

PROTECTING THE HEALTH AND SAFETY OF OUR PEOPLE

Health Services Provided to Employees

Occupational Health Services

- Clinical services
- Emergency Response & Disaster Management by Crisis Management Response & Recovery (CMRR) OHS Experts
- Health assessment and medical health surveillance for staff working with chemicals
- Health insurance
- Investigation of occupational poisoning/disease
- Pre- and post-employment medical examination
- Return-to-Work programme

Non-Occupational Health/Medical Services

Programmes to improve well-being such as:

- Ensuring healthy food in cafeteria
- Fitness programme
- Health awareness programme
- Health Screening Programme
- Health services for substance abuse (drugs and alcohol)
- Provision of gym
- Stress Reduction Programme
- Vaccinations for COVID-19

Our employees are also routinely evaluated by professionals who provide important services, such as an Infection Control Nurse (ICN), Occupational Health Doctor (OHD), OHSE Manager, Fire, Life and Safety Officer and First Aider. We ensure the privacy of all our workers who use these health services, as all personal information is managed by authorised staff who are trained to follow legal requirements. The issue of confidentiality is also highlighted during OHSE training to ensure all staff information remains secure and is not mishandled.

In 2022, Sunway started to position itself as the future leader of the OHSE for Social Responsibility Programme, as curriculum panel reviewer for the Bachelor in Environmental Health & Safety (Hons) degree at Universiti Teknologi Mara (UiTM).

BEST REPORTING PRACTICES

Sunway has implemented a well-defined incident reporting process across its operations, enabling employees to report hazards and incidents easily.

INCIDENT REPORTING AND INVESTIGATION PROCESS

01

Employee reports hazard and/or incident through E-log system or through their safety coordinator

02

An experienced safety person investigates the claim. A root cause analysis is conducted in consultation with Operations, HR and Safety & Health Committee members

03

Safety and Health Committee members recommend risk mitigation methods that are equivalent to a hierarchy of controls for the identified hazard

04

Preventive and corrective actions are taken

05

Report is presented to the Management at the Group OHSE Council and Management review meeting

06

Report is also presented to DOSH as commitment to compliance with incident reporting

Our Whistleblowing Policy protects the identity of whistleblowers and emphasises that all reports remain private and confidential. Workers are allowed to remove themselves from any work situation with potential risks or hazards that may cause injury or ill health.

PROTECTING THE HEALTH AND SAFETY OF OUR PEOPLE



SAFETY AND HEALTH PERFORMANCE

Sunway strives to improve the safety and health performance of its operations to protect employees and stakeholders from incidents and risks across our divisions.

There were no reports of fatalities or high-consequence work-related injuries within the reporting period. However, there were 36 recorded incidences of lost time injury (LTI) that resulted in 131 days lost in productive work time for employees and 3 LTIs involving contractors. We took corrective measures to prevent recurrences by installing a safety chain at the pipe carriage, improving engineering control, implementing additional administrative controls such as pre-inspection of equipment and machinery, organising toolbox talks before commencing work and providing staff with awareness briefings to minimise work-related injuries.

There were also 48 recordable work-related injuries sustained by employees due to slips, trips, missteps and needle pricks. Sunway took measures based on the hierarchy of controls to prevent such incidents from recurring by installing handrails, administrative controls and providing adequate lines and lighting at high-frequency accident areas such as stairs. We continued to remind employees of the importance of embedding SOPs for risk management and conducted specialised training on slips, trips and missteps.

During the year, there were two reports of close calls or near misses. We continued to empower our employees to report near misses as this will allow us to implement preventive measures and prevent accidents. Going forward, we will provide a consolidated platform to enable members of the public, our employees and contractors to report OHSE issues.

IN 2022, WE ACHIEVED:



- ZERO** high-consequence work-related injuries
- ZERO** cases of work-related ill health

Number of Hours Worked:



Employees	Non-Employees
12.01	17.64
million	million

∨

Rates were calculated based on

1,000,000

hours worked.





GOAL 4 INVESTING IN COMMUNITY INCLUSIVITY

CAPITAL

- Social and relationship
- Financial

MATERIAL ISSUES

- Community investment

ACTIVITIES

- Employee volunteerism
- Disaster relief programmes
- Awareness programmes
- Diverse cultural celebrations

VALUE CREATED

- Empowered and inclusive communities
- Contribution to nation-building



Transformation 1: Education, Gender and Inequality
 Transformation 2: Health, Well-being and Demography
 Transformation 6: Digital Revolution for Sustainable Development

Corporate social responsibility is part of our DNA. We are committed to uplifting the livelihoods of the marginalised and the underprivileged through empowering programmes that will create long-lasting positive impacts. Investing in community inclusivity will enable us to build trust and relationships with the communities surrounding us. We are focused on building a community that thrives by implementing impactful #SunwayforGood initiatives.





GIVING BACK TO SOCIETY

GRI 203-1, 203-2, 413-1, 413-2

In 2022, Sunway Berhad contributed more than

RM6.29 million

in Community Inclusivity, including:



Collaborating with non-profit organisations to improve livelihoods through donations amounting to more than

RM2.3 million



Impacting more than

85,860 beneficiaries



Dedicating

3,977 man-hours

to volunteerism by Sunway employees

In ensuring no one is left behind, Sunway's community initiatives are guided by the three pillars of #SunwayforGood to ensure a comprehensive approach in giving back to society:



HEALTHCARE



EDUCATION



COMMUNITY ENRICHMENT



EMPLOYEE VOLUNTEERISM

We believe in encouraging our employees to volunteer in our community initiatives as their efforts will increase the level of satisfaction in their jobs, increase morale, improve employee engagement, hiring and retention and strengthen our branding. Volunteerism is also key to strengthening relationships at work and gives our employees a sense of belonging, identity and purpose.

Over the years, our employees have been enthusiastic about lending a hand to communities, supporting the Group's purpose of reaching out to the underprivileged and marginalised through volunteerism, and continued to do so in 2022. Our volunteers participated in #SunwayforGood, fulfilled their duties as members of Kelab Sosial Sunway and also supported several of the initiatives organised across the Group.

IMPACT STORY



Instead, Sunway has adopted a more values-based development model that is explicitly designed to drive greater Return on Value (ROV) for nature and all stakeholders in the ecosystem. The ROV characterises the value gained by all stakeholders from volunteerism, and continued to do so in 2022. Science, Technology, Innovation and Economy (STIE) framework outlined under the 12th Malaysia Plan (2021-2025) and knowledge-based systems that are aligned with global best practices. High ROV will translate into better return on investment (ROI) for all the development initiatives undertaken by Sunway.

The concept of ROV encompasses the following dimensions:

- Economic - wealth creation
- Societal development and transformation
- Empowerment of local communities
- Environmental and planetary health considerations
- ROV's tangible and intangible impacts can be clearly specified outcomes that can be measured
- Nurturing next-generation creative talent
- Creating new knowledge and innovations
- Building strong and sustainable partnerships and networks
- Global and regional branding and positioning

RETURN ON VALUE (ROV) FROM SUNWAY CORPORATE SOCIAL RESPONSIBILITY PROGRAMMES



Contributed by:
Professor Mahendhiran Sanggaran Nair,
Pro Vice-Chancellor
(Research Engagement and Impact)
Sunway University

Sunway's Value-Based Development Philosophy is founded on the belief that sustainable development can only occur if there is a deeper understanding of the symbiotic relationship between mankind, the economy and nature. The traditional economic development model that prioritises maximising profits/returns for corporate shareholders is no longer sustainable.

To obtain higher value from natural resources within the ecosystem, Sunway proposes to incorporate the '8Rs' values into all its sustainable development initiatives. These are summarised as:

8Rs



Respect for human rights, animal rights, biodiversity and the health of the planet



Rethinking the use of ecosystem resources, especially scarce resources



Reducing human activities that adversely affect the quality of the environment



Reusing scarce resources in multiple and creative ways to ensure the long-term sustainability of the resources



Promoting **recycling** of waste to reduce contamination of the local ecosystem and creating new markets for waste products

Adopting practices that promote the



restoration



repurposing



revitalisation

of natural resources and biodiversity of the local ecosystems

By incorporating these 8R-values into all sustainable development initiatives, Sunway Group demonstrates its commitment to the agenda aligned with the United Nations Sustainable Development Goals (UN-SDGs). Sunway's CSR initiatives contribute positively to several of the UN-SDGs related to quality education, decent work and economic growth, reduction in inequalities and zero hunger.

RETURN ON VALUE (ROV) FROM SUNWAY CORPORATE SOCIAL RESPONSIBILITY PROGRAMMES

One of Sunway's flagship CSR initiatives is its partnership with the Malaysian AIDS Foundation (MAF) to address socioeconomic barriers to HIV treatment, prevention and care services in Sarawak and Sabah. The MAF-Sunway HOPE Borneo Project provides services to low-income chronic disease patients and HIV community members by providing travel subsidies for treatment in local hospitals and clinics, halfway home boarding facilities, HIV treatment referral and support services and peer support sessions. The partnership with MAF promotes social and political empowerment of low-income chronic disease patients and HIV community members.

Sunway has also partnered with the Selangor Youth Community (SAY) to benefit over 190,000 beneficiaries. SAY ASPIRE, the business development programme for export-ready entrepreneurs, has generated more than RM8.5 million in revenue and created market access to five countries for its participating start-ups. Meanwhile, SAY LEAD, a programme for differently abled entrepreneurs, achieved the highest average increase in revenue, of 182%, for the entrepreneurs at the end of the programme. SAY LEAD has since been expanded to other states. Both SAY LEAD and SAY ASPIRE are now part of the inaugural Selangor Entrepreneurship League that was launched in 2021. The strong partnership and collaboration between SAY and Sunway indeed promote economic empowerment for the next generation of business leaders and entrepreneurs, including growing new business opportunities.

Sunway has collaborated with the international hunger relief agency Rise Against Hunger since 2014 to conduct the Meal Pack-a-thon series. Sunway has packed 1.27 million meals to date and has pledged to pack two million meals for underserved communities nationwide in the lead-up to its 50th anniversary in 2024. The initiative positively impacts the ROV's economic,

social and environmental dimensions. It creates economic value by supporting the livelihoods of local communities through the distribution of packed meals. It promotes social and political empowerment by creating awareness of hunger relief issues and promoting volunteerism. Additionally, the initiative promotes environmental sustainability by advocating for responsible consumption and production practices.

As part of the #SunwayforGood long-term initiative to make quality education accessible, Sunway has embarked on an ICT Literacy Aid Programme called Titian Digital. The programme focuses on digital learning, where students are taught the basics of information technology and programming skills. More than 200 students from a primary school in Ipoh, Perak have benefitted from this initiative. This programme contributes to economic and social empowerment for our nation's future generations.

Sunway's CSR initiatives have contributed positively to the various targeted stakeholders. Future Sunway CSR programmes should incorporate the STIE ecosystem and ROV approach across the full value chain of the CSR programmes – from the design phase to measuring the efficacy and impact of the programmes. This will enable the programmes to derive greater ROV from the following perspectives: nurturing next-generation creative talents among the targeted community and community programme leaders; designing and developing innovative solutions, strategies and policies to enrich the lives of vulnerable communities; developing deep and extensive knowledge networks across multiple value chains to create greater value for all stakeholders in the ecosystem; contributing positively to societal development and transformation; and branding and positioning the Sunway CSR initiatives as global best practices for other CSR initiatives in Malaysia and across the globe.



While I am a firm believer of 'teaching a man how to fish, instead of giving him a fish', I also believe that there is a distinct difference between charity and philanthropy.

Charity essentially is about giving a handout to those affected by circumstances. It is an immediate relief, but only provides a short-term solution.

Philanthropy, however, is more about giving a hand up to allow people, and even nations, to realise their full potential, even if it takes a longer time.

Tan Sri Dato' Seri Dr. Jeffrey Cheah AO
 Founder and Chairman
 Sunway Berhad



GIVING BACK TO SOCIETY

 **HEALTHCARE**

Health and well-being continue to be a key priority for Sunway and we place a very high value on contributing to the betterment of the communities around us.



Supporting the Needs of Cancer Patients

Established a Cancer Support Fund to support cancer patients.

RM2,500,000

Sponsorship of Para-athletes

Supported para-athletes who competed in Majlis Sukan Negara's (MSN) National Badminton Tournament and SUKMA XX MSN 2022.

RM12,900

Malaysian AIDS Foundation (MAF) Red Ribbon Gala Dinner

Fundraising event for B40 patients living with HIV.

RM600,000

Community Engagement on Healthcare Services

Sunway Medical Centre Velocity executed a community engagement initiative to raise awareness and market its services.

RM88,000

Donation to Malaysian Red Crescent

Donated First Aid Kits to assist flood victims in Johor.

200 Units

Prasarana BRT Run 2022

Provided sponsorship for the run.

RM80,000

Health Advisory Events

Sunway Medical Centre Velocity and Sunway Multicare Pharmacy provided consultations and free health checks for over 2,700 people.

Autism 2022: Autism Through My Eyes

Sunway Putra Mall has taken on the role of advocate to create awareness on autism spectrum disorder (ASD) by being the first mall in Malaysia to incorporate autism-friendly features and elements.

BLOOD DONATION INITIATIVES

In a Group-wide initiative, Sunway organised several initiatives, including our annual World Blood Donor Day, to create awareness on the need to support and contribute towards the National Blood Bank. We collaborated with Pusat Darah Negara, Jabatan Kesihatan Negeri Selangor, HTAR Blood Bank Unit and many other external NGOs to provide opportunities to the public to contribute blood that might help save lives.

In total, our blood donation initiatives amassed **over 900 bags of blood**





EDUCATION

Our advocacy for empowering society through education has continued through a variety of sustainable initiatives aimed at nurturing future generations.



Sunway-Oxbridge Essay Competition 2022

To promote English proficiency, Sunway continued this ongoing effort, which saw the participation of more than 2,400 students.

>RM200,000

Contribution to Perdana Leadership Foundation

The contribution was for the upkeep and maintenance of the library and the purchase of new/ updated materials for the library.

RM30,000

Sunway READ (Reading Enhances Aspiration & Drive)

Sunway READ set up 15 libraries at schools and orphanages with B40 students.

RM150,000

Donation to SJK(T) Kampung Simee, Ipoh, Perak

Purchased materials for students to attend the Information and Communications Technology (ICT) Literacy Programme, benefitting over 200 students from B40 families.

RM14,200



Children's Educational Programme with Explorer Ranger

Enabled 42 children from BRDB Rotary Children's Residence to experience the Explorer Ranger wildlife programme at Sunway Lagoon.

>RM22,000

GIVING BACK TO SOCIETY

**COMMUNITY ENRICHMENT**

Sunway owes much of its accomplishments to the communities within and beyond its townships. In return, we strive to meet the communities' needs as much as we can. In 2022, we executed the following initiatives:

Sponsorship for Kawasan Rukun Tetangga PJS 9, Petaling Jaya

Sponsored the installation of solar lights and equipment for Skim Rondaan Sukarela and provided fruit trees for planting in the PJS 9 Kebun Komuniti.

RM10,000

Treasure Hunt for Sunway Medical Centre Velocity's 3rd Anniversary

- Organised Treasure Hunt to support the National Kidney Foundation
- Approximately **1,700** dialysis patients received subsidised treatments in 29 dialysis centres nationwide.

Sunway Seeding Inspiration via Leadership & Knowledge (SILK)

Sunway XFarms organised an initiative to encourage homes to grow their own hydroponic vegetables.

>RM9,900

Sponsorship of Event Space for United Nations High Commissioner for Refugees (UNHCR) and UNICEF

Provided event space at Sunway Pyramid to UNHCR and UNICEF to support their causes.

RM56,500

Sunway Meal Pack-a-Thon

Packed 270,000 highly nutritious dehydrated meals with Rise Against Hunger to feed the extreme poor communities, Orang Asli communities, orphans and senior citizens and also the citizens in Sri Lanka affected by the economic downturn in the country.

RM279,800

RIGHT WHERE WE ARE NEEDED

Providing Flood Relief to Affected Communities

In 2022, Sunway stepped up to support the needs of communities impacted by flood disasters, as many were displaced and lost their homes and possessions. In the spirit of #SunwayforGood, the Group continued to uphold its responsibility to society by extending assistance to those most affected.

Supplied Hygiene Kits to B40 Families

In partnership with the Malaysian Red Crescent Society, the Group provided 1,000 sets of hygiene kits to affected families.

RM89,000

Flood Relief in Penang

In partnership with Pertubuhan Kebajikan Tabung Makanan Mutiara Pulau Pinang, the Group provided groceries to 250 families affected by the floods in Penang.

>RM11,900

FESTIVE DELIGHTS FOR THE UNDERSERVED COMMUNITIES

While festivities can be the most joyous of occasions, they pose a challenge to underserved communities in terms of expense. This is where we made a significant contribution, enabling less fortunate communities to enjoy these momentous festive occasions.

CHINESE NEW YEAR

Chinese New Year Cheer

Contributed back-to-school essentials, CNY meals and cash donations to children from 14 orphanages in Perak, Johor, Penang and the Klang Valley.

RM62,300



DEEPAVALI

Deepavali Cheer

Spread festive cheer to orphans from six homes with meals, a movie, books and groceries.

>RM60,000

Deepavali Goodie Bag Sponsorship

Sunway Property sponsored items for children during the Deepavali Cheer event at Sunway City Iskandar Puteri.

RM2,700



RAMADAN AND HARI RAYA

Raya Cheer

Distributed *bubur lambuk*, Buka Puasa meals and Raya meals to B40 communities, the homeless and orphans. We also distributed groceries to B40 communities and to People Living with HIV via the MAF.

RM289,500

Sponsorship to Masjid Al-Husna for Buka Puasa Meals

Sponsored Buka Puasa meals and charity giveaways for the surrounding B40 communities.

RM2,500



CHRISTMAS

Gifting for a Good Cause

Sunway Resort Hotel purchased handmade Christmas ornaments from Batik Boutique to be sold, with the proceeds channelled to Rumah Hope.

RM3,300



GIVING BACK TO SOCIETY

SUNWAY FOOD BANK INITIATIVE

Hunger knows no bounds. As such, we have made the Sunway Food Bank a key pillar under the umbrella of the Sunway Food Aid programme. The Sunway Food Bank is the country's largest food bank drive and is one of Sunway's primary responses to national food insecurity. The implementation of the Sunway Food Bank utilises a two-pronged approach: in addition to our role as a donor, we also provide opportunities to the public to contribute towards this shared food sustainability mission. Donations collected are then channelled through a network of food-access organisations who ensure urban poor individuals can gain equitable access to nutritious food.

**Contribution of Groceries worth RM100 each**

Contributed groceries to B40 communities in Kuala Lumpur, Selangor, Perak, Penang and Johor.

RM201,200**Donation of Groceries to Families in PPR Flats**

Provided groceries worth approximately RM60 each to 400 families living in PPR Sungai Bonus, Seri Semarak, Air Panas and Desa Rejang.

RM25,000**Sunway Food Bank Collaboration with Malaysian Red Crescent Society, Perak**

Sponsored dry groceries worth RM100 each for 200 B40 families in Perak and dry groceries worth RM1,000 each for eight orphanages.

RM26,400**Sunway Food Bank Deepavali Initiative**

Sponsored meals and dry groceries for over 350 B40 families in Johor and Wangsa Maju.

RM44,000



CONDUCTING BUSINESS RESPONSIBLY

GRI 416-1, 416-2, 417-1

PRODUCT QUALITY AND SAFETY

Sunway continues to prioritise its product quality and safety in delivering excellence and world-class products and services. Providing products with uncompromised quality will build trust and retain customer loyalty, in addition to propelling our brand and reputation as a market leader.

In our Property Development division, we have in place a Sunway Quality Merit System (SQMS) to assess the quality of our product workmanship at our ongoing construction projects. The SQMS is an internal assessment conducted based on the sampling of active trades during the construction of the main building works of a project. Our aim is to achieve 80% and above in the assessment for every project, which requires close monitoring and control of the quality of work for structure, architecture and M&E installation throughout a project. Stringent internal controls have resulted in the delivery of projects with good quality. This has resulted in an average Quality Assessment System in Construction (QLASSIC) score of 84.43 for completed projects assessed in 2022. The assessment is independent and measures and evaluates the quality of workmanship of building projects based on the Construction Industry Standard (CIS) 7 by CIDB.

As for our Quarry division, we utilise Quality Assurance and Quality Control (QA/QC) reporting, a web-based tool for laboratory users to enter and prepare test reports. The reports are accessible online, while the captured data is used for plant quality and operator performance analysis.

ESTABLISHING CUSTOMER SATISFACTION

In ensuring customer satisfaction, we leverage innovation and technology to provide best customer experiences and increase brand trust. This will enable us to cement our position as a market leader and maintain the strong relationships we have built with our customers, hotel guests, property tenants and mall patrons.



In our Property Development division, we shift towards digitalisation to provide a better customer experience. There are four main channels of communication with our customers, comprising:



Web portal and mobile application (MySunwayProperty)



Toll-free line



Sunway Property's social media pages



WhatsApp for Business

The MySunwayProperty web portal enables customers to view recent and new projects and the construction progress of their developments, manage their properties by scheduling key collection appointments, view and download useful property documents, submit defects and view property billing information, as well as enjoying various rewards and promotions.

This has since been developed into a mobile application to improve convenience and make it more user-friendly. The mobile application and web portal are also used to facilitate the Net Promoter Score (NPS) survey during vacant possession and nine months after vacant possession. Besides customer experience, feedback on product quality and design can also be obtained through the app.

* Customer satisfaction score based on sales gallery visits as well as upon and after vacant possession.



CONDUCTING BUSINESS RESPONSIBLY



RETAIL



57%
Customer Satisfaction

With the reopening of all business sectors and the transitioning to endemicity in 2022, Sunway Malls began collecting data to understand new customer sentiments via a Customer Satisfaction Survey. The purpose was to identify customer sentiments that may have changed during the two years of sporadic movement control order phases. The data collected from the survey will set a new benchmark for the Retail division, as businesses recover from the pandemic to adapt to the post-pandemic new normal.



OFFICE

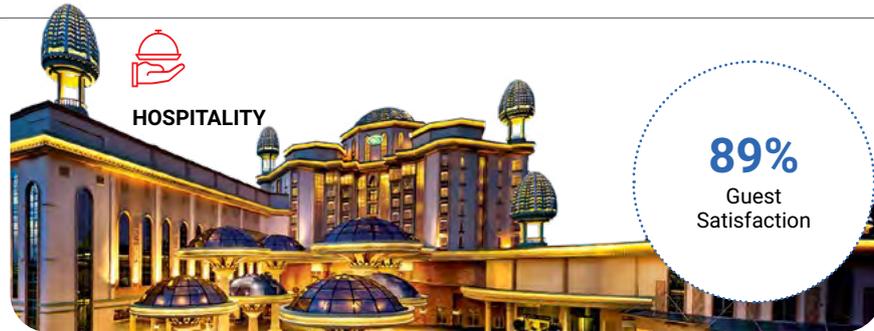


99%
Tenant Satisfaction

During the COVID-19 pandemic, we consistently provided strong support to our office tenants to enable them to stay resilient amid the various challenges and disruptions. We were able to systematically track all service requests submitted by our building tenants through the e-Service request software to ensure that we attended to all the requests on a timely basis. Our efficiency was catalysed by the Sunway Property Management App, which was introduced in 2017 and enables tenants to submit service requests seamlessly.



HOSPITALITY



89%
Guest Satisfaction

Our hotels continued to gather customer feedback and measure customer satisfaction via feedback forms, TripAdvisor reviews and the Global Review Index. Our hotels ranked Top 10, according to the hotel locations, by the TripAdvisor.¹ Meanwhile, the hotels that used the Global Review Index achieved an average score of 89%.²

Notes:

- ¹ The hotels which used TripAdvisor were Sunway Lagoon Hotel (previously known as Sunway Clio Hotel), Sunway Pyramid Hotel, Sunway Resort Hotel and Sunway Big Box Hotel.
- ² The hotels which used the Global Review Index were Sunway Putra Hotel, Sunway Velocity Hotel, The Banjaran Hotspring Retreat, Sunway Hotel Georgetown and Sunway Hotel Seberang Jaya.



HEALTHCARE



89%
Customer Satisfaction Index

Our Healthcare division's customer service department has established a Feedback Management System that manages feedback from all patients and visitors. The system ensures that customer service staff respond to patients and visitors and implement action plans to address all the comments received.

The customer service department used CEMPIA from March to December 2022, a feedback management software system that tracks all the responses. Feedback is also gathered via Google Review, which is managed and monitored by the corporate communications department, and via the customer service email and WhatsApp, both of which are available on the corporate website and managed by the customer service department.



BUILDING MATERIALS

Our Building Materials division (Sunway Paving Solutions) has established an internal minimum standard scoring system to measure customer satisfaction in six areas. The score ranges from 1 to 5, with 1 being the lowest rating and 5 being the best rating. In 2022, Sunway Paving Solutions' customer satisfaction scores for its two main product categories exceeded the internal benchmarks set, as follows:

	Pavers	Eurotiles	Benchmark
1. Services and Support			
Criteria 1: Accessibility and contactability	4.62	4.36	3.50
Criteria 2: Follow-up action	4.53	4.12	3.50
Criteria 3: Response to complaints	4.44	4.24	3.50
2. Design Proposal			
Criteria 1: Meeting the deadline (10 working days)	4.27	4.23	3.50
Criteria 2: Meeting the design expectations (Quality of work and creativity)	4.35	4.15	3.50
3. Delivery Services			
Criteria 1: On-time delivery. For own collection – time taken for loading	4.32	4.23	3.50
Criteria 2: Drivers' attitude and cooperation	4.19	4.15	3.50
4. Packaging			
Criteria 1: Ease of handing	4.37	4.24	3.50
Criteria 2: Stability	4.20	4.15	3.50
Criteria 3: Protection of packaging	4.23	4.15	3.50
5. Product			
Criteria 1: Aesthetic appearance	4.45	4.35	3.50
Criteria 2: Consistency of quality	4.29	4.12	3.50
Criteria 3: Colour of product	4.28	4.19	3.50
Criteria 4: Dimension tolerance	4.22	4.10	3.50
6. Value for Price			
Criteria 1: As compared to direct competitors	3.94	3.92	3.50
Criteria 2: As compared to indirect competitors	3.97	3.95	3.50



GOAL 5 RESPECTING ETHICAL PRINCIPLES

CAPITAL

- Social and Relationship
- Intellectual

MATERIAL ISSUES

- Group standard operating procedures
- Innovation and technology

ACTIVITIES

- Code of conduct and business ethics
- Whistleblowing procedure
- Board policies
- Corporate policies
- Sustainability policies
- Risk management
- Cybersecurity and data governance

VALUE CREATED

- Strong governance
- Ethical business conduct
- Data integrity



Transformation 6: Digital Revolution for Sustainable Development

Sunway holds true to its core value of Integrity and goes beyond compliance and regulations in all its business dealings to drive good corporate governance within the Group. We are committed to strong governance to uphold peace, justice and strong institutions.



EMBEDDING STRONG GOVERNANCE IN OUR CULTURE

GRI 2-19, 2-23, 2-24 2-27, 205-1, 205-2, 205-3, 406-1, 418-1

In all that we do, we demonstrate utmost respect for ethical principles, which form the foundation of our organisation. Ethics and integrity are part of our core values and embedded in our DNA. Our commitment to good governance is reflected in the Group's high ESG scores in high-quality, globally recognised and established ESG indices. These ratings do not only reflect our commitment to sustainability, but also serve as a data-driven tool for reflection and self-appraisal. In 2022, Sunway's FTSE Russell ESG Rating climbed to the top 10% from 15% in 2021 on the Industry Classification Benchmark (ICB) Supersector (Real Estate) and maintained an 'A' in the MSCI ESG Rating.

ESTABLISHING GOOD GOVERNANCE

As a good corporate citizen, Sunway remains committed to complying with all the applicable laws and regulations relevant to its business activities. We have in place robust Group standards and operating procedures to uphold ethical business practices in our day-to-day tasks. A lack of standard operating procedures may expose the Group to financial, legal and operating risks and affect the growth of the business in the long term.

We are guided by the Group's Code of Conduct and Business Ethics in ensuring that the highest standard of ethics and good governance are entrenched across the Group. Our employees are constantly reminded of the Group's Code of Conduct and Business Ethics and are expected to comply with the policy in their day-to-day operations, corporate relationships and business dealings. Sunway's Code of Conduct and Business Ethics Policy outlines the standards and practices of sustainability, health and safety and measures against corruption, bribery and discrimination, as well as compliance with internal controls and procedures.

ANTI-BRIBERY, CORRUPTION AND FRAUD

The Group maintains a set of effective systems to counter bribery, corruption and fraud according to the Code of Conduct, as well as robust corporate policies pertaining to bribery, corruption, money laundering and whistleblowing.

We have zero tolerance for all forms of bribery and corruption as detailed in the Anti-Bribery and Corruption (ABC) Policy. The ABC Policy is communicated to our Senior Management and employees via various platforms, training sessions, induction programmes and our corporate website. Training on the ABC Policy is also provided Group-wide via online learning to make sure our employees have complete understanding of the various forms of bribery and compliance with anti-bribery and anti-corruption laws, to inculcate a culture of integrity across Sunway. In the year under review, 100% of employees received information and attended training on the ABC Policy. Further to that, the Board, which oversees the ABC Policy, has established an Anti-Bribery and Corruption Task Force to ensure anti-bribery and corruption policies and procedures are properly implemented to reinforce and protect our business against all forms of corruption and bribery.

Since 2020, our business units have been submitting a bribery and corruption risk assessment report on a quarterly basis to Group Internal Audit (GIAD). In addition, GIAD has implemented an ongoing bribery and corruption risk assessment since 2021 for all business divisions and functional departments.

Sunway employees are expected to uphold the highest standard of business ethics and to conduct themselves professionally with integrity in carrying out their individual roles at work to mitigate any legal risks, fines or penalties that will negatively impact our business. The GIAD is responsible for reporting and handling all cases of alleged fraud according to its fraud response plan and procedure to prevent fraud.

There were
zero
reported cases of bribery,
corruption and fraud in
the year under review.
No employees were
disciplined or
dismissed due to
non-compliance
with the ABC
Policy



EMBEDDING STRONG GOVERNANCE IN OUR CULTURE

Board Policies

- Remuneration Policy for Directors and Senior Management
- External Auditors Policy
- Fit and Proper Policy
- Policy on Selection and Assessment of Members of the Board of Directors and Board Composition
- Economic Sanctions Compliance Policy

Corporate Policies

- Anti-Bribery and Corruption (ABC) Policy
- Anti-Money Laundering Policy
- Diversity and Inclusion Policy
- Whistleblowing Policy & Procedure

Sustainability Policies

- Group Sustainability Policy
- Group Occupational Health, Safety and Environment Policy
- Human Rights Policy
- Sustainable Procurement Policy
- Water Management Policy
- Green Building Policy
- Biodiversity Policy
- Green Township Policy **NEW**
- Sustainable Events Management Policy **NEW**

 Our Policies
(<https://www.sunway.com.my/investor-relations/corporate-governance/>)

RISK MANAGEMENT

We continue to safeguard our people and our organisation from any unexpected risks that might lead to financial loss, or potentially impact our business and reputation. A reliable and resilient risk management plan enables us to identify and minimise risks, save costs and strengthen our Company's reputation.

To this end, Sunway has established a resilient risk management framework that is benchmarked against the ISO31000:2018 Risk Management Guidelines. Our risk management framework integrates Enterprise Risk Management (ERM) into key business activities, initiatives and processes to identify and mitigate risks that may impact our organisation and stakeholders.

Our Group-wide approach to non-compliance procedures enables us to examine and follow up on any identified non-compliance and provides us with detailed reports on the number of confirmed claims or incidents of non-compliance. We also continuously keep the Board and our employees updated on the Group's goals, targets and policies through our corporate website, training sessions and induction programmes.

In 2022, there were two incidents of non-compliance related to environmental and social laws and/or regulations. The incidents were associated with lost time injury and mosquito larvae breeding. The fines, which amounted to RM26,000, have been paid and we have taken corrective measures to address these incidents. Going forward, we will continue to improve our OHSE practices to maintain the safety and well-being of our stakeholders.

 For more information on Enterprise Risk Management, please refer to Sunway Berhad's Integrated Annual Report 2022.

SAFEGUARDING CYBERSECURITY AND DATA PROTECTION

Innovation and technology are key to remaining relevant in our competitive industries, as we strive to meet rapidly evolving demands. They give us a competitive edge and allow us to stay at the forefront of sustainable development. As such, we leverage digitalisation, which plays a pivotal role in enhancing our business operations and meeting customer needs. Apart from improving our performance, it also enables enhanced data collection, accelerates productivity, lowers operational costs and enables us to adopt and adapt to rapidly evolving market demands. However, while digitalisation serves our purpose, it also exposes us to cyber risks, which we have acknowledged by implementing robust mitigation measures.

Sunway fully complies with the Personal Data Protection Act 2010 as per the Sunway Compliance Manual to ensure that our data and system are protected. We continue to ensure that implementation and risk management are carried out effectively to monitor our cybersecurity, as well as to identify potential gaps in our system.

Sunway's cybersecurity controls are managed by Sunway Digital Hub, overseen by the Group Chief Information Officer (CIO) who is a member of the PIKOM CIO Chapter and PIKOM Cybersecurity User Group. On the other hand, the Group Chief Information Security Officer (CISO) has a duty to inform the Board about the Group's latest cybersecurity implementations and strategies.

Sunway Digital Hub is certified with ISO 27001:2013, an international standard for Information Security Management System

(ISMS), demonstrating Sunway's commitment to maintaining security across its business. The international standard provides a framework of policies and procedures that determine legal, physical and technical controls in Sunway's information risk management.

To ensure the Group's information security is effective, Sunway Group Cybersecurity conducts regular assessments and phishing simulations and an annual disaster recovery simulation test to examine the efficacy of every single step in the disaster recovery plan. Further to that, Sunway Digital Hub is audited both internally and by an external third party, as required by ISO 27001:2013, to ensure that the system is progressing according to its plan and objectives.

Beyond that, we strive to inculcate a culture of awareness on cyber risk and data protection by educating our employees about cyber threats and disseminating information on data protection and privacy through monthly newsletters. Employees are also given training via the online learning platform. Employees can report cybersecurity-related incidents directly to Group Cybersecurity.

There were **zero** reported cases of cybersecurity breaches in the year under review





MEMBERSHIP IN ASSOCIATIONS

GRI 2-28

Sunway's affiliations with various credible and prestigious associations reflect its commitment to good corporate governance, in line with Principles of Governance, one of the pillars of the World Economic Forum's International Business Council.

PRINCIPLES OF GOVERNANCE

INDUSTRY	ORGANISATION	SUNWAY'S REPRESENTATION
Corporate Governance/ Leadership	Climate Governance Malaysia	Sunway Berhad
	Malaysian Employers Federation (MEF)	Sunway Berhad
	Sustainable Development Solutions Network Malaysia	
	Malaysian Crime Prevention Foundation – Selangor Chapter (MCPF Selangor)	Tan Sri Dr. Jeffrey Cheah, Chairman
	Jeffrey Cheah Foundation	Tan Sri Dr. Jeffrey Cheah, Founder and Trustee
Property Development	Real Estate and Housing Developers' Association (REHDA)	Dato' Jeffrey Ng Tiong Lip, Patron
		Ms Sarena Cheah, National Council Member
		Mr Chong Sau Min, Committee Member, REHDA Wilayah Persekutuan, Kuala Lumpur
		Mr Fong Choon Fuoi, Committee Member, REHDA Penang Branch
Construction	Construction Industry Development Board	Sunway Construction
	National Institute of Occupational Safety and Health	Sunway Construction
	Human Resource Development Corporation	Sunway Construction
	Master Builders Association Malaysia	Mr Richard Wong, Vice President, and Chairman, MBAM International Affairs Committee Mr Steven Shee, Deputy Chairman, MBAM Contract and Practices Committee
REIT	Climate Governance Malaysia	Sunway REIT
	Asia Pacific Real Assets (APREA)	Sunway REIT
Retail	Malaysia Shopping Malls Association	Mr Chan Hoi Choy, Honorary Advisor
		Ms Phang Sau Lian, Vice President 1
		Mr Michael Poh, Committee Member (Social)
Trading and Manufacturing	Malaysia Automobile Association (MAA)	
	Persatuan Insurans Am Malaysia (PIAM)	Dongfeng Commercial Vehicle (M) Sdn Bhd
	Kementerian Kewangan Malaysia	
	Material Resources and Exhibition Committee of MBAM	Sunway Marketing Malaysia, Building Materials Division Mr Tony Foo Yoon Seong, Committee Member
Quarry	Malaysian Institute of Accountants	
	Chartered Institute of Management Accountants (CIMA)	Mr Lee Chuan Seng
	Malaysia Quarries Association (MQA)	Mr Lee Chuan Seng, Treasurer
	Malaysia Quarries Association – Selangor/Kuala Lumpur Branch	Mr Lee Chuan Seng, Vice Chairman

INDUSTRY	ORGANISATION	SUNWAY'S REPRESENTATION
Hospitality	Malaysia Association of Hotels (MAH)	Sunway Big Box Hotel, Sunway Hotel Georgetown, Sunway Hotel Seberang Jaya, Sunway Lagoon Hotel, Sunway Putra Hotel, Sunway Pyramid Hotel, Sunway Resort Hotel, Sunway Velocity Hotel, The Banjaran Hotsprings Retreat
		Ms Nurul Ain Binti Mohamed Tahir, EXCO - Committee
	Association of Hotel Employers (AHE)	Sunway Resort Hotel, Ordinary Member
	Pacific Asia Travel Association (PATA) – Malaysia Chapter	Sunway Hotel Georgetown, Sunway Hotel Seberang Jaya
Leisure	Malaysian Dutch Business Council (MDBC)	Sunway Hotel Georgetown, Sunway Hotel Seberang Jaya
	Malaysian Association of Hotel Owners (MAHO)	Adrian Cheah, Ordinary Member
	Malaysian Association of Amusement Theme Parks and Family Attractions (MAATFA)	Mr Magendran Marimuthu, Vice President
	International Association of Amusement Parks and Attractions (IAAPA)	Sunway Lost World of Tambun, Member
Healthcare	Malaysian Association of Zoological Parks and Aquaria (MAZPA)	
	American Malaysian Chamber of Commerce (AMCHAM)	
	British Malaysian Chamber of Commerce (BMCC)	Sunway Medical Centre, Sunway City Kuala Lumpur
	Malaysia Australia Business Council (MABC)	
	Association of Private Hospitals, Malaysia (APHM)	
	Association of Private Hospitals, Malaysia (APHM)	Sunway Medical Centre Velocity
	Malaysia Healthcare Tourism Council	
	Malaysian German Chamber of Commerce & Industry (MGCC)	
	Malaysia China Chamber of Commerce (MCCC)	
	China Enterprise Chamber of Commerce in Malaysia (CECCM)	Sunway Healthcare Group - International Business Development
Eurocham Malaysia		
Building Materials	Malaysia New Zealand Chamber of Commerce (MNZCC)	
	Malaysian Society for Quality in Health	Ms Sithi Maimunah bt Sickandar
	Association for Private Hospitals	Mr Derrick Chan Kum Keong
	American Concrete Institute (ACI) – Malaysian Chapter	Mr Arreshvina Naranayan, Member Mr Calvin Ooi, Member
	Road Engineering Association of Malaysia (REAM)	Member
	International Road Federation (IRF)	Sunway Paving Solutions Sdn Bhd
	Federation of Malaysian Manufacturers Ceramic Industry Group (MCIg)	Mr Joseph Lim

KEY PERFORMANCE INDICATORS

GRI 2-4

Sunway aligns its sustainability performance data with three pillars of World Economic Forum's International Business Council: Principles of Governance, Planet and People. The accuracy of data within this section has been reviewed by SIRIM QAS International Sdn Bhd.

PLANET

Indicator	Unit of Measurement	2018	2019	2020	2021	2022
Emissions*						
i. GHG Emissions						
Scope 1						
Company Facilities	tonnes CO ₂ e	26,432	51,690	48,388	51,215	64,290
	tonnes CO ₂	26,386	51,549	48,180	50,990	64,541
	tonnes CH ₄	18	52	46	53	68
	tonnes N ₂ O	28	90	163	171	194
Company Vehicles	tonnes CO ₂ e	35	36	3,617	2,550	1,039
	tonnes CO ₂	35	36	3,567	2,511	1,030
	tonnes CH ₄	0.1	0.1	0.9	0.5	0.4
	tonnes N ₂ O	0.1	0.1	49	38	9
Scope 1 Subtotal	tonnes CO₂e	26,467	51,726	52,005	53,765	65,329
	tonnes CO₂	26,421	51,585	51,747	53,501	65,571
	tonnes CH₄	18	52	47	53	68
	tonnes N₂O	28	90	212	210	203
Scope 2						
Purchased Electricity	tonnes CO ₂ e	40,093	49,457	43,859	42,307	55,813
	tonnes CO ₂	40,093	49,457	43,859	42,307	55,813
Scope 2 Subtotal	tonnes CO₂e	40,093	49,457	43,859	42,307	55,813
	tonnes CO₂	40,093	49,457	43,859	42,307	55,813
Scope 3						
Business Travel	tonnes CO ₂ e	6,701	2,572	3,121	2,071	1,210
	tonnes CO ₂	5,348	2,075	2,448	1,612	1,168
	tonnes CH ₄	6	2	4	3	2
	tonnes N ₂ O	28	14	6	4	7
Waste Generation	tonnes CO ₂ e	1,506	8,637	5,622	5,767	7,904
Downstream Leased Assets	tonnes CO ₂ e	38,550	39,218	36,722	33,594	36,257
	tonnes CO ₂	38,550	39,218	36,722	33,594	36,257
Employee Commuting	tonnes CO ₂ e	-	-	-	-	19,231
Scope 3 Subtotal	tonnes CO₂e	46,758	50,427	45,465	41,432	64,603
	tonnes CO₂	43,898	41,293	39,170	35,207	37,425
	tonnes CH₄	6	2	4	3	2
	tonnes N₂O	28	14	6	4	7
Total GHG Emissions (Scope 1 and 2)	tonnes CO₂e	66,560	101,183	95,864	96,072	121,142
	tonnes CO₂	66,514	101,042	95,606	95,808	121,384
	tonnes CH₄	18	52	47	53	68
	tonnes N₂O	28	90	212	210	203
Total GHG Emissions (Scope 1, 2 and 3)	tonnes CO₂e	113,318	151,610	141,329	137,504	185,744
	tonnes CO₂	110,412	142,335	134,776	131,015	158,809
	tonnes CH₄	24	53	51	56	71
	tonnes N₂O	56	104	218	213	210

Notes:

- * refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.
- indicates the data is not available.
- Figures stated may not add up due to rounding of decimals.
- The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.
- The Scope 2 data for purchased electricity from 2019 to 2021 and the Scope 3 data for waste generated in 2021 have been restated due to improvement in the data collection.

KEY PERFORMANCE INDICATORS

PLANET

Indicator	Unit of Measurement	2018	2019	2020	2021	2022	
Emissions*							
ii. GHG Emissions Avoidance							
Scope 2							
Renewable Energy	tonnes CO ₂ e	0	1,470	4,334	5,230	5,700	
	tonnes CO ₂	0	1,470	4,334	5,230	5,700	
Scope 2 Subtotal	tonnes CO₂e	0	1,470	4,334	5,230	5,700	
	tonnes CO₂	0	1,470	4,334	5,230	5,700	
Scope 3							
Waste Diversion	tonnes CO ₂ e	401	518	409	334	529	
Purchased Goods and Services	tonnes CO ₂ e	1,444	1,039	2,330	610	455	
Scope 3 Subtotal	tonnes CO₂e	1,845	1,557	2,739	944	984	
Carbon Sequestration							
Number of Trees Planted in Sunway City	number of trees	17,616	19,868	21,385	22,067	53,624	
Total GHG Emissions Sequestration from Trees Planted	tonnes CO₂e	370	417	449	463	1,126	
Total GHG Emissions Avoidance	tonnes CO₂e	2,215	3,444	7,522	6,637	7,810	
Energy*							
i. Purchased Electricity Consumption							
Retail	MWh	176,832	174,355	146,669	131,218	175,433	
Hospitality		47,626	49,459	31,360	25,298	42,361	
Office		24,488	24,740	24,231	20,861	26,923	
Education		27,823	27,971	20,203	18,611	26,291	
Healthcare		22,358	28,438	30,809	32,475	33,940	
Leisure		17,141	17,329	9,933	7,604	14,842	
Student Residence		5,019	6,297	6,885	5,131	9,371	
Building Materials		11,100	9,473	9,231	8,618	11,154	
Trading and Manufacturing		-	-	999	1,092	1,160	
Quarry		-	9,976	8,686	9,304	10,484	
Ongoing Construction Sites		-	-	2,320	2,634	4,942	
Total Purchased Electricity Consumption (Excluding Ongoing Construction Sites)			332,387	348,038	289,006	260,211	351,959
Total Purchased Electricity Consumption			332,387	348,038	291,326	262,845	356,901
ii. Renewable Energy Consumption – Solar Energy							
Retail	MWh	0	141	4,841	4,807	4,942	
Hospitality		0	0	0	0	292	
Office		0	0	0	0	89	
Education		0	937	964	1,547	1,524	
Healthcare		0	86	198	376	472	
Student Residence		0	42	67	209	247	
Building Materials		0	1,307	1,338	2,001	2,178	
Total Renewable Energy Consumption – Solar Energy			0	2,513	7,408	8,940	9,743

Notes:

1. ** refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.
2. '-' indicates the data is not available.
3. Figures stated may not add up due to rounding of decimals.
4. The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.
5. The data for the number of trees planted from 2018 to 2021 have been restated due to improvement in the data collection.
6. The data for purchased electricity for Building Materials (2019 to 2021) and Healthcare (2021) have been restated due to improvement in the data collection.

KEY PERFORMANCE INDICATORS

PLANET

Indicator	Unit of Measurement	2018	2019	2020	2021	2022	
Energy*							
iii. Total Electricity Consumption							
Retail	MWh	176,832	174,495	151,510	136,024	180,375	
Hospitality		47,626	49,459	31,360	25,298	42,654	
Office		24,488	24,740	24,231	20,861	27,012	
Education		27,823	28,908	21,166	20,158	27,814	
Healthcare		22,358	28,525	31,007	32,851	34,411	
Leisure		17,141	17,329	9,933	7,604	14,842	
Student Residence		5,019	6,339	6,952	5,340	9,618	
Building Materials		11,100	10,780	10,569	10,619	13,332	
Trading and Manufacturing		-	-	999	1,092	1,160	
Quarry		-	9,976	8,686	9,304	10,484	
Ongoing Construction Sites		-	-	2,320	2,634	4,942	
Total Electricity Consumption (Excluding Ongoing Construction Sites)			332,387	350,551	296,413	269,152	361,702
Total Electricity Consumption			332,387	350,551	298,734	271,785	366,645
% of Renewable Energy from Overall Electricity Consumption	%	-	1%	2%	3%	3%	
iv. Fuel Consumption							
Diesel							
Building Materials	MWh	4,261	1,872	1,910	3,095	5,129	
Quarry		-	-	24,944	24,806	24,087	
Total Diesel Consumption		4,261	1,872	26,853	27,900	29,216	
Light Fuel Oil (LFO)							
Quarry	MWh	-	105,358	94,745	95,338	114,400	
Total Light Fuel Oil (LFO) Consumption		-	105,358	94,745	95,338	114,400	
Liquefied Petroleum Gas (LPG)							
Building Materials	MWh	119,153	106,623	74,257	86,114	109,527	
Quarry		-	-	-	626	16,443	
Total Liquefied Petroleum Gas (LPG) Consumption		119,153	106,623	74,257	86,739	125,970	
Hydraulic Oil							
Building Materials	MWh	388	272	214	196	411	
Total Hydraulic Oil Consumption		388	272	214	196	411	
v. Total Energy Consumption							
Retail	MWh	176,832	174,495	151,510	136,024	180,375	
Hospitality		47,626	49,459	31,360	25,298	42,654	
Office		24,488	24,740	24,231	20,861	27,012	
Education		27,823	28,908	21,166	20,158	27,814	
Healthcare		22,358	28,525	31,007	32,851	34,411	
Leisure		17,141	17,329	9,933	7,604	14,842	
Student Residence		5,019	6,339	6,952	5,340	9,618	
Building Materials		134,901	119,547	86,950	100,023	128,398	
Trading and Manufacturing		-	-	999	1,092	1,160	

Notes:

- * refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.
- '-' indicates the data is not available.
- Figures stated may not add up due to rounding of decimals.
- The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.
- The data for diesel and hydraulic oil consumption for Building Materials (2018 to 2021) have been restated due to improvement in the data collection.

KEY PERFORMANCE INDICATORS

PLANET

Indicator	Unit of Measurement	2018	2019	2020	2021	2022
Energy*						
v. Total Energy Consumption						
Quarry	MWh	-	115,334	128,375	130,073	165,415
Ongoing Construction Sites		-	-	2,320	2,634	4,942
Total Energy Consumption (Excluding Ongoing Construction Sites)		456,189	564,676	492,483	479,325	631,700
Total Energy Consumption		456,189	564,676	494,804	481,959	636,642
Water*						
i. Municipal Water						
Retail	m ³	1,763,393	1,943,257	1,256,489	902,170	983,876
Hospitality		1,012,524	1,161,976	624,750	460,157	704,334
Office		173,996	212,427	161,911	108,008	158,673
Education		408,895	444,230	434,399	106,051	121,344
Healthcare		190,057	234,954	258,746	299,196	306,930
Leisure		836,231	1,144,497	494,581	275,029	500,728
Student Residence		167,974	299,562	142,762	131,420	354,007
Building Materials		32,635	46,048	39,544	34,059	42,003
Trading and Manufacturing		-	-	16,907	32,841	28,654
Ongoing Construction Sites		-	-	68,996	123,567	200,160
Total Municipal Water (Excluding Ongoing Construction Sites)	4,585,705	5,486,951	3,430,089	2,348,931	3,200,549	
Total Municipal Water	4,585,705	5,486,951	3,499,085	2,472,498	3,400,709	
ii. Water Treatment Plant						
Retail	m ³	9,971	13,581	311,031	587,602	757,819
Hospitality		23,840	9,351	57,065	132,797	336,536
Office		18,269	11,821	63,827	89,169	146,890
Education		1,036	124	49,594	73,517	130,691
Healthcare		597	0	4,387	0	0
Leisure		48	417	7,239	7,661	10,893
Student Residence		0	0	45,563	59,247	0
Total Water Treatment Plant	53,761	35,294	538,706	949,993	1,382,828	
iii. Rainwater Harvesting						
Retail	m ³	0	0	2,100	0	0
Hospitality		0	0	24	255	259
Office		605	1,098	3,004	4,913	5,936
Education		0	0	817	132	576
Leisure		0	0	1,791	441	1,158
Student Residence		0	0	0	0	167
Total Rainwater Harvesting	605	1,098	7,736	5,741	8,096	

Notes:

- * refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.
- '-' indicates the data is not available.
- Figures stated may not add up due to rounding of decimals.
- The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.
- The data for municipal water consumption for Building Materials (2018 to 2021) have been restated due to improvement in the data collection.

KEY PERFORMANCE INDICATORS

PLANET

Indicator	Unit of Measurement	2018	2019	2020	2021	2022
Water*						
iv. Groundwater						
Leisure	m ³	0	0	2,419	2,448	2,450
Total Groundwater		0	0	2,419	2,448	2,450
v. Lake Water						
Sunway City Kuala Lumpur	m ³	-	-	12,800	5,166	4,949
Total Lake Water		-	-	12,800	5,166	4,949
vi. Total Water Consumption						
Retail	m ³	1,773,364	1,956,838	1,569,620	1,489,773	1,741,695
Hospitality		1,036,364	1,171,327	681,839	593,209	1,041,129
Office		192,870	225,346	228,742	202,091	311,499
Education		409,931	444,354	484,810	179,700	252,611
Healthcare		190,654	234,954	263,133	299,196	306,930
Leisure		836,279	1,144,914	506,030	285,579	515,229
Student Residence		167,974	299,562	188,325	190,667	354,174
Building Materials		32,635	46,048	39,544	34,059	42,003
Trading and Manufacturing		-	-	16,907	32,841	28,654
Sunway City Kuala Lumpur		-	-	12,800	5,166	4,949
Ongoing Construction Sites		-	-	68,996	123,567	200,160
Total Water Consumption (Excluding Ongoing Construction Sites)		4,640,071	5,523,343	3,991,750	3,312,279	4,598,871
Total Water Consumption		4,640,071	5,523,343	4,060,746	3,435,846	4,799,031
Waste*						
i. Disposed Waste						
Retail	tonnes	8,282	8,654	7,223	7,530	11,990
Hospitality		2,098	2,472	2,263	1,432	2,258
Office		833	1,050	494	1,463	408
Education		295	356	150	284	553
Healthcare		1,028	1,006	1,164	1,149	929
Leisure		2,439	200	950	488	976
Student Residence		0	0	0	0	107
Building Materials		19	17	3	217	0
Quarry		0	0	0	0	1
Ongoing Construction Sites		0	0	3,781	7,822	4,785
Total Disposed Waste (Excluding Ongoing Construction Sites)		14,994	13,756	12,247	12,563	17,221
Total Disposed Waste		14,994	13,756	16,028	20,386	22,006

Notes:

- * refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.
- '-' indicates the data is not available.
- Figures stated may not add up due to rounding of decimals.
- The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.
- The data for municipal water consumption for Building Materials (2018 to 2021) have been restated due to improvement in the data collection.

KEY PERFORMANCE INDICATORS

PLANET

Indicator	Unit of Measurement	2018	2019	2020	2021	2022	
Waste*							
ii. Diverted Waste							
Retail	tonnes	317	426	322	272	425	
Hospitality		100	90	139	37	77	
Office		24	12	13	27	34	
Education		20	27	14	13	24	
Healthcare		5	5	17	25	27	
Leisure		8	16	16	11	20	
Student Residence		0	1	1	1	1	
Building Materials		2	0	0	66	59	
Trading and Manufacturing		16	43	9	46	27	
Quarry		0	0	0	10	29	
Ongoing Construction Sites		0	0	0	308	286	
Total Diverted Waste (Excluding Ongoing Construction Sites)			493	619	532	509	724
Total Diverted Waste			493	619	532	817	1,010
iii. Total Waste							
Retail	tonnes	8,599	9,080	7,545	7,802	12,415	
Hospitality		2,199	2,562	2,403	1,469	2,335	
Office		857	1,062	507	1,490	442	
Education		314	383	164	297	577	
Healthcare		1,033	1,011	1,181	1,175	957	
Leisure		2,448	216	967	499	996	
Student Residence		0	1	1	1	106	
Building Materials		21	17	3	283	59	
Trading and Manufacturing		16	43	9	46	27	
Quarry		0	0	0	10	30	
Ongoing Construction Sites		0	0	3,781	8,130	5,071	
Total Waste (Excluding Ongoing Construction Sites)			15,487	14,375	12,779	13,072	17,944
Total Waste			15,487	14,375	16,560	21,202	23,015
% of Waste Diverted from Landfills		%	3.2%	4.3%	4.2%	3.9%	4.0%
iii. Scheduled Waste							
Education	tonnes	26	20	14	10	22	
Healthcare		262	335	437	661	762	
Building Materials		8	6	11	6	19	
Trading and Manufacturing		0	0	0	5	0	
Quarry		0	0	1	11	19	
Total Scheduled Waste		297	361	463	693	822	

Notes:

- * refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.
- Figures stated may not add up due to rounding of decimals.
- The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.
- The data for waste diverted for Hospitality and Education in 2021 have been restated due to improvement in the data collection.

KEY PERFORMANCE INDICATORS

PLANET

Parameter	Unit of Measurement	Compliance Limit	2022		
			Min	Max	Average
i. Effluents					
Building Materials					
Sunway Paving Solutions and Sunway Spun Pile					
pH	-	5.5–9.0	6.4	8.0	7.2
Biochemical Oxygen Demand (BOD)	mg/l	20–50	5	23	13
Chemical Oxygen Demand (COD)		80–200	17	102	42
Sunway VCP					
pH	-	5.5–9.0	7.6	8.0	7.8
Biochemical Oxygen Demand (BOD)	mg/l	50	10	30	18
Chemical Oxygen Demand (COD)		200	22	81	45
Quarry					
pH	-	6.0–9.0	5.2	7.5	6.4
Biochemical Oxygen Demand (BOD)	mg/l	20–50	1	5	2
Chemical Oxygen Demand (COD)		80–200	1	16	6
Total Suspended Solids (TSS)		50–100	2	200 ^o	28
Oil and Grease		1–10	<5	<1	<3
Ongoing Construction Sites					
Total Suspended Solids (TSS) of Water	mg/l	100–150	4	303 [#]	32
Total Suspended Solids (TSS) of Silt Trap		50–100	2	348 [#]	26
ii. Air Emissions					
Building Materials					
Sunway Paving Solutions and Sunway Spun Pile					
Particulate Matter – PM10	µg/m ³	100	19	29	23
Particulate Matter – PM2.5		35	12	20	15
Sulfur Dioxide (SO ₂)		250	16	21	19
Nitrogen Dioxide (NO ₂)		280	4	45	18
Carbon Monoxide (CO)		10,000	2	9	5
Ozone (O ₃)		100	15	20	17
Sunway VCP					
Particulate Matter – PM10	µg/m ³	100	43	47	45
Particulate Matter – PM2.5		35	24	27	26
Sulfur Dioxide (SO ₂)		80	Not detected		
Nitrogen Dioxide (NO ₂)		70			
Carbon Monoxide (CO)		30,000			
Ozone (O ₃)		180			

Notes:

- * refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.
- The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.
- # Corrective action was taken and the TSS remained within the compliance limit for subsequent months.
- ^o Maximum limit exceeded at one site due to heavy rainfall affecting the TSS value.

KEY PERFORMANCE INDICATORS

PLANET

Parameter	Unit of Measurement	Compliance Limit	2022		
			Min	Max	Average
ii. Air Emissions					
Sunway VCP					
Dust	mg/m ³	150	20	35	27
NMVOG (Halogenated Hydrocarbons)		20	2	3	3
NMVOG (Non-halogenated Hydrocarbons)		50	3	12	5
Carbon Monoxide (CO)		1,000	10	21	17
Quarry					
Particulate Matter	mg/m ³	50–100	24	49	38
Ambient Air	µg/m ³	260	17	247	60
Ongoing Construction Sites					
Total Suspended Particles (TSP)	µg/m ³	260	10	170	44
iii. Noise Monitoring					
Building Materials					
Sunway Paving Solutions and Sunway Spun Pile					
Boundary Noise	dB	Day time = 75	58	71	66
		Night time = 75	49	74	56
Sunway VCP					
Boundary Noise	dB	Day time = 75	54	68	64
		Night time = 75	47	57	53
Quarry					
Boundary Noise	dB	Day time = 65	37	65	57
		Night time = 55	39	54	47
Ongoing Construction Sites					
Boundary Noise	dB	Day time = 60–90	39	85	64
		Night time = 50–85	32	79	56

Notes:

- * refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.
- The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.

KEY PERFORMANCE INDICATORS

PEOPLE

Indicator	2020		2021		2022		
	Number	%	Number	%	Number	%	
i. Board Diversity*							
Gender*							
Male	7	70%	7	70%	6	60%	
Female	3	30%	3	30%	4	40%	
Total	10	100%	10	100%	10	100%	
Age Group*							
40–50 years old	1	10%	1	10%	1	10%	
>50 years old	9	90%	9	90%	9	90%	
Total	10	100%	10	100%	10	100%	
Ethnicity							
Malay	2	20%	2	20%	2	20%	
Chinese	6	60%	6	60%	6	60%	
Others	2	20%	2	20%	2	20%	
Total	10	100%	10	100%	10	100%	
ii. Employee Count							
Total employees	10,111	-	10,889	-	11,388	-	
iii. Employee Attrition							
Total attrition	1,447	14.3%	1,724	15.8%	2,477	21.8%	
iv. Employee Retention							
Total retention	-	85.7%	-	84.2%	-	78.2%	
v. Employee Diversity*							
Gender*							
Executives	Male	2,085	21%	2,190	20%	2,370	21%
	Female	3,103	31%	3,396	31%	3,820	34%
Non-executives	Male	3,445	34%	3,350	31%	3,497	31%
	Female	1,478	15%	1,953	18%	1,701	15%
Total	10,111	100%	10,889	100%	11,388	100%	
Age Group*							
Executives	Below 30 years old	1,681	17%	1,732	16%	2,308	20%
	Between 30 to 40 years old	1,901	19%	2,107	19%	2,177	19%
	Between 40 to 50 years old	1,047	10%	1,116	10%	1,112	10%
	More than 50 years old	559	6%	631	6%	593	5%
Non-executives	Below 30 years old	1,896	19%	2,169	20%	2,243	20%
	Between 30 to 40 years old	1,667	16%	1,655	15%	1,696	15%
	Between 40 to 50 years old	854	8%	886	8%	791	7%
	More than 50 years old	506	5%	593	5%	468	4%
TOTAL	10,111	100%	10,889	100%	11,388	100%	

Notes:

1. * refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.
2. '-' indicates the data is not available.
3. Figures stated may not add up due to rounding of decimals.

KEY PERFORMANCE INDICATORS

PEOPLE

Indicator	2020		2021		2022		
	Number	%	Number	%	Number	%	
v. Employee Diversity							
Ethnicity							
Executives	Malay	1,630	16%	1,749	16%	2,076	18%
	Chinese	2,521	25%	2,786	26%	2,989	26%
	Indian	631	6%	659	6%	695	6%
	Other races	214	2%	185	2%	215	2%
	Foreigner	192	2%	207	2%	215	2%
Non-executives	Malay	2,572	25%	2,672	25%	2,795	25%
	Chinese	290	3%	588	5%	286	3%
	Indian	776	8%	801	7%	833	7%
	Other races	385	4%	418	4%	361	3%
	Foreigner	900	9%	824	8%	923	8%
Total	10,111	100%	10,889	100%	11,388	100%	
Years of Service							
Executives	Less than 1 year	499	5%	675	6%	1,729	15%
	Between 1 to 5 years	2,353	23%	2,624	22%	2,292	20%
	Between 5 to 10 years	1,160	11%	1,070	9%	997	9%
	Between 10 to 15 years	553	5%	564	5%	524	5%
	Between 15 to 20 years	263	3%	276	2%	288	3%
	More than 20 years	360	4%	377	3%	360	3%
Non-executives	Less than 1 year	428	4%	621	7%	1,739	15%
	Between 1 to 5 years	2,365	23%	2,543	27%	1,598	14%
	Between 5 to 10 years	1,084	11%	1,033	9%	870	8%
	Between 10 to 15 years	484	5%	525	4%	449	4%
	Between 15 to 20 years	320	3%	322	3%	297	3%
	More than 20 years	242	2%	259	2%	245	2%
Total	10,111	100%	10,889	100%	11,388	100%	
vi. New Hires							
Total new hires	1,230	12%	1,868	17%	4,511	40%	
Gender							
Male	634	52%	805	43%	2,295	51%	
Female	596	48%	1,063	57%	2,216	49%	
Total	1,230	100%	1,868	100%	4,511	100%	
Age Group							
Below 30 years old	734	60%	1,257	67%	2,915	65%	
Between 30 to 40 years old	308	25%	429	23%	1,145	25%	
Between 40 to 50 years old	114	9%	112	6%	280	6%	
More than 50 years old	74	6%	70	4%	171	4%	
Total	1,230	100%	1,868	100%	4,511	100%	
Ethnicity							
Malay	482	39%	808	43%	2,042	45%	
Chinese	376	31%	696	37%	1,063	24%	
Indian	173	14%	219	12%	594	13%	
Other races	199	16%	145	8%	812	18%	
Total	1,230	100%	1,868	100%	4,511	100%	

Notes:

- * refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.
- ⌋ indicates the data is not available.
- Figures stated may not add up to rounding of decimals.
- The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.

KEY PERFORMANCE INDICATORS

PEOPLE

Indicator	2020		2021		2022		
	Number	%	Number	%	Number	%	
vi. New Hires							
Employee Category							
EG 9 and above (Senior Management)	18	1%	20	1%	37	1%	
EG 5-8 (Manager & Senior Manager)	76	6%	123	7%	224	5%	
EG 3-4 (Senior Executive & Assistant Manager)	182	15%	217	12%	508	11%	
EG 1-2 (Executive)	358	29%	670	36%	1,317	29%	
NE (Non-Executive)	596	48%	838	45%	2,425	54%	
Total	1,230	100%	1,868	100%	4,511	100%	
Region							
Domestic	Male	570	46%	772	41%	2,217	49%
	Female	571	46%	1,050	56%	2,184	48%
Overseas	Male	64	5%	33	2%	78	2%
	Female	25	2%	13	1%	32	1%
Total		1,230	100%	1,868	100%	4,511	100%
Domestic	Below 30 years old	692	56%	1,232	66%	2,845	63%
	Between 30 to 40 years old	282	23%	415	22%	1,116	25%
	Between 40 to 50 years old	102	8%	109	6%	272	6%
	More than 50 years old	65	5%	66	4%	168	4%
Overseas	Below 30 years old	42	3%	25	1%	70	2%
	Between 30 to 40 years old	26	2%	14	1%	29	1%
	Between 40 to 50 years old	12	1%	3	0%	8	0%
	More than 50 years old	9	1%	4	0%	3	0%
Total		1,230	100%	1,868	100%	4,511	100%
vii. Employment Status*							
Gender							
Permanent	Male	4,491	44%	4,467	41%	5,489	48%
	Female	4,439	44%	4,581	42%	5,286	46%
Contract	Male	1,039	10%	1,073	10%	378	3%
	Female	142	1%	768	7%	235	2%
Total		10,111	100%	10,889	100%	11,388	100%
Part-time/Non-guaranteed hours	Male	70	16%	558	64%	1,091	64%
	Female	356	84%	317	36%	615	36%
Total		426	100%	875	100%	1,706	100%
Full-time	Male	5,530	55%	5,540	51%	5,867	52%
	Female	4,581	45%	5,349	49%	5,521	48%
Total		10,111	100%	10,889	100%	11,388	100%

Notes:

1. '*' refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.

2. '-' indicates the data is not available.

3. Figures stated may not add up to rounding of decimals.

4. The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.

KEY PERFORMANCE INDICATORS

PEOPLE

Indicator	2020		2021		2022		
	Number	%	Number	%	Number	%	
vii. Employment Status*							
Region							
Permanent	Domestic	8,631	85%	8,733	80%	10,526	92%
	Overseas	299	3%	315	3%	249	2%
Contract	Domestic	1,103	11%	1,653	15%	539	5%
	Overseas	78	1%	188	2%	74	1%
Total		10,111	100%	10,889	100%	11,388	100%
Part-time/Non-guaranteed hours	Domestic	426	100%	875	100%	1,706	100%
	Overseas	0	0%	0	0%	0	0%
Total		426	100%	875	100%	1,706	100%
Full-time	Domestic	9,734	96%	10,386	95%	11,065	97%
	Overseas	377	4%	503	5%	323	3%
Total		10,111	100%	10,889	100%	11,388	100%
viii. Employee Turnover*							
Total turnover		-	14.3%	-	15.8%	-	21.8%
Gender							
Male		777	54%	842	49%	1,176	47%
Female		670	46%	882	51%	1,301	53%
Total		1,447	100%	1,724	100%	2,477	100%
Age Group							
Below 30 years old		733	51%	909	53%	1,405	57%
Between 30 to 40 years old		447	31%	587	34%	721	29%
Between 40 to 50 years old		160	11%	161	9%	249	10%
More than 50 years old		107	7%	67	4%	102	4%
Total		1,447	100%	1,724	100%	2,477	100%
Ethnicity							
Malay		605	42%	831	48%	1,119	45%
Chinese		384	27%	513	30%	657	27%
Indian		226	16%	227	13%	323	13%
Other races		232	16%	153	9%	378	15%
Total		1,447	100%	1,724	100%	2,477	100%
Employee Category*							
EG 9 and above (Senior Management)		21	1%	13	1%	18	1%
EG 5-8 (Manager & Senior Manager)		104	7%	99	6%	148	6%
EG 3-4 (Senior Executive & Assistant Manager)		156	11%	240	14%	345	14%
EG 1-2 (Executive)		456	32%	551	32%	715	29%
NE (Non-Executive)		710	49%	821	48%	1,251	51%
Total		1,447	100%	1,724	100%	2,477	100%

Notes:

- * refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.
- indicates the data is not available.
- Figures stated may not add up to rounding of decimals.
- The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.

KEY PERFORMANCE INDICATORS

PEOPLE

Indicator	2020		2021		2022	
	Number	%	Number	%	Number	%
ix. Women/Minority Groups						
Women in junior management (EG4 & EG5) positions, i.e. first level of management (% of total junior management positions)	524	55%	526	53%	594	55%
Women in STEM-related positions (% of total STEM positions)	2,123	49%	2,704	56%	2,561	57%
Total number of ethnic minority employees	599	6%	826	7%	576	5%
x. Others						
Proportion of senior management (EG9 & above) hired from local community	-	94%	-	96%	-	94%
Percentage of global staff with a disability	7	0.07%	7	0.06%	7	0.06%
Basic salary ratio of women to men	Excluding foreign workers	0.88 : 1	0.9 : 1		0.91 : 1	
	Including foreign workers	0.97 : 1	1 : 1		1.03 : 1	
Average years employed by the company	Male	6.2	-	5.5	-	5.0
	Female	7.2	-	6.9	-	6.2
xi. Learning and Development*						
Average training hours per executive	20.2	-	33.0	-	40.2	-
Average Training Hours by Gender						
Male	-	-	17.5	-	33.6	-
Female	-	-	27.6	-	44.3	-
Average Training Hours – Employee Category*						
EG 9 and above (Senior Management)	19.8	-	36.0	-	30.6	-
EG 5-8 (Manager & Senior Manager)	17.3	-	31.5	-	37.9	-
EG 3-4 (Senior Executive & Assistant Manager)	19.9	-	30.0	-	38.3	-
EG 1-2 (Executive)	21.5	-	32.5	-	43.1	-
Average Training Hours – Ethnicity						
Malay	-	-	-	-	37.5	-
Chinese	-	-	-	-	43.7	-
Indian	-	-	-	-	36.2	-
Other races	-	-	-	-	37.1	-
Learning and Development Cost (RM)						
Total expenditure	-	-	-	-	3,078,360	-
Average amount spent per employee	-	-	-	-	511.8	-
Average Amount Spent per Employee – Gender						
Male	-	-	-	-	581.5	-
Female	-	-	-	-	469.4	-
Average Amount Spent per Employee – Age Group						
Below 30 years old	-	-	-	-	445.3	-
Between 30 to 40 years old	-	-	-	-	555.7	-
Between 40 to 50 years old	-	-	-	-	698.6	-
More than 50 years old	-	-	-	-	242.2	-

Notes:

1. ** refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.
2. '-' indicates the data is not available.
3. Figures stated may not add up to rounding of decimals.
4. The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.

KEY PERFORMANCE INDICATORS

PEOPLE

Indicator	2020		2021		2022	
	Number	%	Number	%	Number	%
xi. Learning and Development*						
Average Amount Spent per Employee – Ethnicity						
Malay	-	-	-	-	352.7	-
Chinese	-	-	-	-	657.5	-
Indian	-	-	-	-	296.0	-
Other races	-	-	-	-	772.1	-
Average Amount Spent per Employee – Employee Category						
EG 9 and above (Senior Management)	-	-	-	-	1,031.0	-
EG 5-8 (Manager & Senior Manager)	-	-	-	-	787.6	-
EG 3-4 (Senior Executive & Assistant Manager)	-	-	-	-	469.0	-
EG 1-2 (Executive)	-	-	-	-	397.3	-
Completion of Performance Review – Gender						
Male	-	100%	-	100%	-	100%
Female	-	100%	-	100%	-	100%
Completion of Performance Review – Employee Category						
Managers	-	100%	-	100%	-	100%
Executives	-	100%	-	100%	-	100%
Non executives	-	100%	-	100%	-	100%
xiii. Family-friendly Leaves						
Parental/childcare leave	Number of leave applications	807	-	1,050	-	1,788
	Number of days applied	1,374	-	1,089	-	1,959
Maternity leave	Number of leave applications	229	-	249	-	167
	Number of days applied	13,619	-	8,589	-	9,553
Paternity leave	Number of leave applications	219	-	136	-	156
	Number of days applied	640	-	376	-	446

Notes:

1. '-' indicates the data is not available.
2. Figures stated may not add up due to rounding of decimals.
3. The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.

KEY PERFORMANCE INDICATORS

PEOPLE

Indicator	2020		2021		2022	
	Number	Rate	Number	Rate	Number	Rate
xiv. Work-related Injuries*						
Employees						
Hours worked	13,917,109	N/A	9,966,848	N/A	12,014,601	N/A
Fatalities*	0	0	1	0.1	0	0
High-consequence work-related injuries	1	0.09	0	0	0	0
Lost time injury*	-	-	18	1.81	36	3.00
Recordable work-related injuries	85	6.79	38	3.81	48	4.00
Non-Employees						
Hours worked	39,123,799	N/A	33,311,138	N/A	17,642,823	N/A
Fatalities	5	0.13	0	0	0	0
High-consequence work-related injuries	1	0.03	0	0	0	0
Lost time injury	-	-	1	0.03	3	0.17
Recordable work-related injuries	13	0.40	3	0.09	8	0.45
xv. Work-related Ill Health						
Employees						
Number of fatalities	0	0	0	0	0	0
Number of recordable work-related injuries	0	0	0	0	0	0
Main types of work-related ill health	N/A	N/A	N/A	N/A	N/A	N/A
Non-Employees						
Number of fatalities	0	0	0	0	0	0
Number of recordable work-related injuries	3	0	0	0	0	0
Main types of work-related ill health	Vibration	N/A	N/A	N/A	N/A	N/A

Notes:

1. "*" refers to Bursa Malaysia Common and/or Sector-specific Sustainability Matters.
2. "-" refers to data not available.
3. The rates are calculated based on 1,000,000 hours worked.
4. Non-employees excludes part-timers and interns since they are hired on an ad-hoc basis.
5. Work-related hazards that pose a risk of ill health are identified using HIRADC assessment and incident statistics, chemical health risk assessments (CHRA), chemical exposure monitoring, medical records and stakeholder feedback.
6. The performance of LTI is measured against the industry benchmark by Safe Work Australia.

GRI CONTENT INDEX

Sunway Berhad has reported in accordance with the GRI Standards for the period from 1 January 2022 to 31 December 2022.

GRI Standard	Disclosure Number	Disclosure Title	Bursa Malaysia	F4GBM ESG Themes	UN-SDGs	SASB	UNGC	Page reference and reasons for omissions, if applicable	Externally Assured
GENERAL DISCLOSURES									
The organization and its reporting practices									
	2-1	Organizational details						2-3	N/A
	2-2	Entities included in the organization's sustainability reporting						2	N/A
	2-3	Reporting period, frequency and contact point	-	-	-	-	-	1	Yes
	2-4	Restatements of information						49, 51, 54, 98-103	Yes
	2-5	External assurance						1, 118-119	Yes
Activities and workers									
	2-6	Activities, value chain and other business relationships	Labour Practices & Standards	Labour Standards	5, 8	-	Principle 6	2-3, 61	Yes
	2-7	Employees						67, 73, 106-112	Yes
	2-8	Workers who are not employees						73, 112	Yes
Governance									
	2-9	Governance structure and composition						9	Yes
	2-10	Nomination and selection of the highest governance body						N/A	N/A
	2-11	Chair of the highest governance body						N/A	N/A
	2-12	Role of the highest governance body in overseeing the management of impacts						9	Yes
	2-13	Delegation of responsibility for managing impacts						9	Yes
	2-14	Role of the highest governance body in sustainability reporting						9	Yes
	2-15	Conflicts of interest	-	Corporate Governance	5, 16	-	-	N/A	N/A
	2-16	Communication of critical concerns						61, 67	Yes
	2-17	Collective knowledge of the highest governance body						9	Yes
	2-18	Evaluation of the performance of the highest governance body						9	Yes
	2-19	Remuneration policies						96	Yes
	2-20	Process to determine remuneration						N/A	N/A
	2-21	Annual total compensation ratio						72	Yes
Strategy, policies and practices									
	2-22	Statement on sustainable development strategy						4-8, 12-13, 22-25	Yes
	2-23	Policy commitments						96	Yes
	2-24	Embedding policy commitments						96	Yes
	2-25	Processes to remediate negative impacts	Anti-Corruption	Anti-Corruption, Human Rights & Community, Risk Management	16	-	Principle 1, 2, 10	67	Yes
	2-26	Mechanisms for seeking advice and raising concerns						67	Yes
	2-27	Compliance with laws and regulations						95-96	Yes
	2-28	Membership associations						97	Yes
Stakeholder engagement									
	2-29	Approach to stakeholder engagement	Labour Practices & Standards	Labour Standards	16	-		14	Yes
	2-30	Collective bargaining agreements			8	-	Principle 3	67-68	Yes
MATERIAL TOPICS									
	3-1	Process to determine material topics	-	-	-	-	-	10	Yes
	3-2	List of material topics						11	Yes

GRI 2: General Disclosures 2021

GRI 3: Material Topics 2021

GRI CONTENT INDEX

ESG Pillar	GRI Standard	Disclosure Number	Disclosure Title	Bursa Malaysia	F4GBM ESG Themes	UN-SDGs	SASB	UNGC	Page reference and reasons for omissions, if applicable	Externally Assured	
ECONOMIC	Company's economic performance										
	GRI 3: Material Topics 2021	3-3	Management of material topics							14	Yes
	GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed							N/A	N/A
		201-2	Financial implications and other risks and opportunities due							29	Yes
		201-3	Defined benefit plan obligations and other retirement plans	-	-	1, 3, 5, 8, 9, 10, 17	-	-	Information unavailable. Steps are being taken to include the information in the next Report.	N/A	N/A
		201-4	Financial assistance received from government							N/A	N/A
	Macroeconomic issues										
	GRI 3: Material Topics 2021	3-3	Management of material topics							14	Yes
	GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage				1, 3, 5, 8, 9, 10, 17	-	-	Information unavailable. Steps are being taken to include the information in the next Report.	N/A
		202-2	Proportion of senior management hired from the local community							72	Yes
	GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported							2, 44-48, 83	Yes
		203-2	Significant indirect economic impacts							44-48, 83	Yes
	Responsible and sustainable financing										
	GRI 3: Material Topics 2021	3-3	Management of material topics							15, 26	Yes
	Capital allocation strategy (Build-Own-Operate business model)										
GRI 3: Material Topics 2021	3-3	Management of material topics							15	Yes	
Brand and reputation											
GRI 3: Material Topics 2021	3-3	Management of material topics							15	Yes	
ENVIRONMENTAL	Climate action										
	GRI 3: Material Topics 2021	3-3	Management of material topics							16, 29, 46, 49	Yes
	GRI 302: Energy 2016	302-1	Energy consumption within the organization		Energy Management	Climate Change	7, 12, 13	IF-RE-130a.2 IF-RE-130a.3	Principle 7, 8, 9	49-50, 99-101	Yes
		302-2	Energy consumption outside of the organization					-		49-50, 99-101	Yes
		302-3	Energy intensity					-		51	Yes
		302-4	Reduction of energy consumption					IF-RE-130a.5		51	Yes
		302-5	Reductions in energy requirements of products and services					-		51	Yes
	GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions		Emissions Management	Climate Change, Pollution & Resources	3, 12, 13, 14	-	Principle 7, 8, 9	36-37, 98-99	Yes
		305-2	Energy indirect (Scope 2) GHG emissions							36-37, 98-99	Yes
		305-3	Other indirect (Scope 3) GHG emissions							36-37, 98-99	Yes
		305-4	GHG emissions intensity							36-37, 98-99	Yes
		305-5	Reduction of GHG emission							36-37, 98-99	Yes
		305-6	Emissions of ozone-depleting substances (ODS)							Information unavailable. Steps are being taken to include the information in the next Report.	N/A
		305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions							Information unavailable. Steps are being taken to include the information in the next Report.	N/A
	Protection of biodiversity and ecology										
GRI 3: Material Topics 2021	3-3	Management of material topics							17, 48	Yes	
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside			Biodiversity	13, 14, 15		Principle 7, 8, 9	44-48	Yes	
	304-2	Significant impacts of activities, products, and services					44-48		Yes		
	304-3	Habitats protected or restored					44-48		Yes		
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations					Sunway does not operate in these areas.		N/A		

Note:

* Sector-specific Matters for Industrial Products and Services Sector

GRI CONTENT INDEX

ESG Pillar	GRI Standard	Disclosure Number	Disclosure Title	Bursa Malaysia	F4GBM ESG Themes	UN-SDGs	SASB	UNGC	Page reference and reasons for omissions, if applicable	Externally Assured
ENVIRONMENTAL	Pollution management									
	GRI 3: Material Topics 2021	3-3	Management of material topics	-	-	-	-	-	17, 49, 55	Yes
	GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Water	Pollution & Resources, Water Security	6, 12	IF-RE-140a.4	Principle 7, 8, 9	52-54	Yes
		303-2	Management of water discharge-related impacts						59, 104-105	Yes
		303-3	Water withdrawal						52-54	Yes
		303-4	Water discharge						59, 104-105	Yes
		303-5	Water consumption						52-54	Yes
	GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Waste Management	Effluents*	-	-	-	55-58	Yes
		306-2	Management of significant waste-related impacts						55-58	Yes
		306-3	Waste generated						55-58, 102-103	Yes
		306-4	Waste diverted from disposal						55-58, 102-103	Yes
		306-5	Waste diverted to disposal						55-58, 102-103	Yes
	SOCIAL	Employee well-being								
GRI 3: Material Topics 2021		3-3	Management of material topics	-	-	-	-	-	19, 67, 73	Yes
GRI 403: Occupational Health and Safety 2018		403-1	Occupational health and safety management system	Health & Safety	Health & Safety	3, 8	-	-	73	Yes
		403-2	Hazard identification, risk assessment, and incident investigation						79	Yes
		403-3	Occupational health services						79	Yes
		403-4	Worker participation, consultation, and communication on occupational health and safety						76	Yes
		403-5	Worker training on occupational health and safety						77	Yes
		403-6	Promotion of worker health						79-80	Yes
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships						79	Yes
		403-8	Workers covered by an occupational health and safety management system						78	Yes
		403-9	Work-related injuries						80-81, 112	Yes
		403-10	Work-related ill health						80-81, 112	Yes
GRI 404: Training and Education 2016		404-1	Average hours of training per year per employee	Labour Practices & Standards	Labour Standards	4, 5, 8	-	-	71, 110-111	Yes
		404-2	Programs for upgrading employee skills and transition assistance programs						70-71	Yes
		404-3	Percentage of employees receiving regular performance and career development reviews						71, 111	Yes
Human rights										
GRI 3: Material Topics 2021		3-3	Management of material topics	-	-	-	-	-	19, 67	Yes
GRI 401: Employment 2016		401-1	New employee hires and employee turnover	Labour Practices & Standards	Labour Standards	5, 8	-	-	72, 106-109	Yes
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employee						68-69	Yes
		401-3	Parental leave						69, 111	Yes
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes						68	Yes	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Labour Practices & Standards	Labour Standards, Corporate Governance	5, 10	-	-	72, 106-111	Yes	
	405-2	Ratio of basic salary and remuneration of women to men						72, 110	Yes	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken						72	Yes	

Note:

* Sector-specific Matters for Industrial Products and Services Sector

GRI CONTENT INDEX

ESG Pillar	GRI Standard	Disclosure Number	Disclosure Title	Bursa Malaysia	F4GBM ESG Themes	UN-SDGs	SASB	UNGC	Page reference and reasons for omissions, if applicable	Externally Assured	
SOCIAL	GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Community/ Society	Human Rights & Community	10	-	Principle 1, 2, 3, 4, 5, 6	67-68	Yes	
	GRI 408: Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labor						67	Yes	
	GRI 409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor						67	Yes	
	GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures						67	Yes	
	GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples						67	Yes	
	GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Health & Safety	Health & Safety	3, 8	-	-	91	Yes	
		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services						91	Yes	
	Community investment										
	GRI 3: Material Topics 2021	3-3	Management of material topics	-	-	-	-	-	-	19, 83	Yes
	GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Community/ Society	Human Rights & Community	11	-	-	-	83	Yes
		413-2	Operations with significant actual and potential negative impacts on local communities							83	Yes
	Value chain improvement										
	GRI 3: Material Topics 2021	3-3	Management of material topics	-	-	-	-	-	-	18, 61, 91	Yes
	GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Supply Chain Management	Supply Chain (Environmental), Supply Chain (Social)	8, 11, 12, 16	-	-	Principle 7, 8, 9	61	Yes
	GRI 301: Materials 2016	301-1	Materials used by weight or volume	Materials*						65	Yes
		301-2	Recycled input materials used	65						Yes	
		301-3	Reclaimed products and their packaging materials	65						Yes	
	GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Supply Chain (Environmental) /Supplier Environmental Assessment*						61	Yes
		308-2	Negative environmental impacts in the supply chain and actions taken	61	Yes						
	GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Supply Chain Management	Supply Chain (Social)	8, 11, 12, 16	-	-	Principle 7, 8, 9	61	Yes
414-2		Negative social impacts in the supply chain and actions taken	91	Yes							
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	Supply Chain (Social) /Supplier Social Assessment*	Risk Management	12, 16	-	-	-	Information unavailable. Steps are being taken to include the information in the next Report.	N/A	
	417-2	Incidents of non-compliance concerning product and service information and labeling								N/A	
	417-3	Incidents of non-compliance concerning marketing communications								N/A	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Security	-	16	-	-	-	96	Yes	
Group standards and operating procedures											
GOVERNANCE	GRI 3: Material Topics 2021	3-3	Management of material topics	Anti-Corruption	Anti-Corruption	16	-	Principle 10	20, 95	Yes	
		205-1	Operations assessed for risks related to corruption						95-96	Yes	
		205-2	Communication and training about anti-corruption policies and procedures						95-96	Yes	
		205-3	Confirmed incidents of corruption and actions taken						95-96	Yes	
		206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices (Business code of conduct)						N/A	N/A	
Innovation and technology											
GRI 3: Material Topics 2021	3-3	Management of material topics	-	-	-	-	-	-	20	Yes	

Note:

* Sector-specific Matters for Industrial Products and Services Sector

GLOSSARY

ABC	Anti-Bribery & Corruption
ACC	Autodesk Construction Cloud
ACI	American Concrete Institute
AHE	Association of Hotel Employers
AMCHAM	American Malaysian Chamber of Commerce
AP	Accounts Payable
APHM	Association of Private Hospitals Malaysia
APREA	Asia Pacific Real Assets
ASD	Autism Spectrum Disorder
BEI	Building Energy Intensity
BMCC	British Malaysian Chamber of Commerce
BOD	Biochemical Oxygen Demand
BOO	Build-Own-Operate
BRT	Bus Rapid Transit
BSC	Board Sustainability Committee
CECCM	China Enterprise Chamber of Commerce in Malaysia
CEMPIA	Customers Experience Management Platforms for Insights and Actions
CIDB	Construction Industry Development Board
CIMA	Chartered Institute of Management Accountants
CIO	Chief Information Officer
CIS	Construction Industry Standard
CISO	Chief Information Security Officer
CMIP 6	Coupled Model Intercomparison Project Phase 6
CMRR	Crisis Management Response & Recovery
CO	Carbon Monoxide
CO ₂	Carbon Dioxide
CO ₂ e	Carbon Dioxide Equivalent
COD	Chemical Oxygen Demand
CPI	Corruption Perceptions Index
CPR	Cardio Pulmonary Resuscitation
CSR	Corporate Social Responsibility
DEFRA	Department for Environment, Food and Rural Affairs
DOSH	Department of Occupational Safety and Health
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ESG	Environmental, Social and Governance
EUI	Energy Use Intensity
FMA	Factories and Machineries Act
FSC	Forest Stewardship Council
GAIA	Green Accord Initiative Award
GBI	Green Building Index
GBP	Green Bond Principles
GBS	Green Bond Standards
GHG	Greenhouse Gases
GLP	Green Loan Principles
GRI	Global Reporting Initiative
GS	Group Sustainability Department
HCWRIs	High Consequence Work-related Injuries
HIRADC	Hazard Identification, Risk Assessment and Determining Controls
HR	Human Resources
IAAPA	International Association of Amusement Parks and Attractions

IBS	Industrialised Building System
ICB	Industry Classification Benchmark
ICMA	International Capital Markets Association
ICN	Infection Control Nurse
ICT	Information and Communications Technology
IIRC	International Integrated Reporting Council
ILO	International Labour Organization
IPCC	Intergovernmental Panel on Climate Change
IRF	International Road Federation
ISMS	Information Security Management System
JSC	Jeffrey Sachs Center on Sustainable Development
KPI	Key Performance Indicator
L&D	Learning and Development
LED	Light-Emitting Diode
LFO	Light Fuel Oil
LMA	Loan Market Association
LPG	Liquefied Petroleum Gas
LPR	Licence Plate Recognition
LRT	Light Rail Transit
LTI	Lost Time Injury
MAA	Malaysia Automobile Association
MAATFA	Malaysian Association of Amusement Theme Parks and Family Attractions
MAF	Malaysian AIDS Foundation
MAH	Malaysia Association of Hotels
MAHO	Malaysian Association of Hotel Owners
MARC	Malaysian Ratings Corporation
MAZPA	Malaysian Association of Zoological Parks and Aquaria
MCCC	Malaysia China Chamber of Commerce
MCCG	Malaysian Code on Corporate Governance
MCIG	Federation of Malaysian Manufacturers Ceramic Industry Group
MCO	Movement Control Order
MCPF	Malaysian Crime Prevention Foundation
MDBC	Malaysian Dutch Business Council
MEF	Malaysian Employers Federation
MGCC	Malaysian German Chamber of Commerce & Industry
MMLR	Main Market Listing Requirements
MNZCC	Malaysia New Zealand Chamber of Commerce
MOU	Memorandum of Understanding
MQA	Malaysia Quarries Association
MRT	Mass Rapid Transit
MSC	Management Sustainability Committee
MSOSH	Malaysian Society for Occupational Safety and Health
MSQH	Malaysian Society for Quality in Health
NGOs	Non-Governmental Organisations
NMVOG	Non-Methane Volatile Organic Compounds
NO ₂	Nitrogen Dioxide
NPS	Net Promoter Score
OHD	Occupational Health Doctor
OHS	Occupational Health and Safety
OHSE	Occupational Health, Safety and Environment
OHSEMS	Occupational Health, Safety and Environment Management System

OHSMS	Occupational Health and Safety Management System
OSHA	Occupational Safety and Health Act
PATA	Pacific Asia Travel Association
PDCA	Plan-Do-Check-Act
PEFC	Programme for the Endorsement of Forest Certification
PIAM	Persatuan Insurans Am Malaysia
PLCs	Public Listed Companies
PM	Particulate Matter
PO	Purchase Orders
PV	Photovoltaic
QA/QC	Quality Assurance and Quality Control
QLASSIC	Quality Assessment System in Construction
RCP	Representative Concentration Pathway
REAM	Road Engineering Association of Malaysia
REHDA	Real Estate and Housing Developers' Association
REIT	Real Estate Investment Trust
ROI	Return on Investment
ROV	Return on Value
SASB	Sustainability Accounting Standards Board
SAY	Selangor Youth Community
SBP	Social Bond Principles
SBTi	Science-Based Targets initiative
SC	Securities Commission Malaysia
SCAPA	Smart City Asia Pacific Awards
SHO	Safety & Health Officer
SILK	Seeding Inspiration via Leadership & Knowledge
SITE	Sustainable Intelligent Transport Ecosystem
SLP	Social Loan Principles
SMEs	Small and Medium-sized Enterprises
SO ₂	Sulfur Dioxide
SOP	Standard Operating Procedure
SQMS	Sunway Quality Merit System
SRI	Sustainable and Responsible Investment
STIE	Science, Technology, Innovation, and Entrepreneurship
TCFD	Task Force on Climate-related Financial Disclosures
TSP	Total Suspended Particles
TSS	Total Suspended Solids
UCO	Used Cooking Oil
UN-SDGs	UN Sustainable Development Goals
UNGC	UN Global Compact
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UN-SDSN	United Nations Sustainable Development Solutions Network
VaR	Value at Risk
VCP	Vitrified Clay Pipe
VDC	Virtual Design Construction
VOC	Volatile Organic Compounds
WBCSD	World Business Council for Sustainable Development
WEF-IBC	World Economic Forum International Business Council
WRI	World Resources Institute
WWF	World Wildlife Fund



EXTERNAL ASSURANCE REPORT

GRI 2-5



SIRIM QAS INTERNATIONAL SDN BHD INDEPENDENT ASSURANCE STATEMENT

To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by Sunway Berhad to perform an independent verification and provide assurance of Sunway Berhad Sustainability Report 2022. The main objective of the verification process is to provide assurance to Sunway Berhad and its stakeholders on the accuracy and reliability of the information as presented in this report. The verification by SIRIM QAS International applied to all sustainability performance information (subject matter) within the assurance scope which is included in Sunway Berhad Sustainability Report 2022.

The management of Sunway Berhad was responsible for the preparation of the Sustainability Report. The objectivity and impartiality of this report is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the Sunway Berhad Sustainability Report and Integrated Annual Report 2022.

The assurance engagement was designed to provide limited assurance in reference to International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance activity evaluates the adequacy of Sunway Berhad Sustainability Report and its overall presentation against respective framework such as UN-SDGs, GRI Standards requirement, TCFD, CDP, SASB, and other relevant frameworks. The assurance process involves verification of applicable subject matter. Details provided in Appendix 1 of this statement.

The verification was carried out by SIRIM QAS International in March 2023, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources; internal and external documentation which are made available during the conduct of assessment.
- Verification of data presented in the Sustainability Report includes a detailed review of the sampled data.
- Interviewing key personnel responsible for collating information and writing various parts of the report in order to substantiate the veracity of the claims.

Focus in 2022

Sunway Berhad continued focusing their journey in significant areas with sustainable issues identified as material in view of the global megatrends and risks. In recognizing possible shifts in stakeholders' priorities that may have taken place over the past two years, Sunway Berhad has identified 14 material issues in their materiality assessment this year, addressing the economic, environmental, social and governance concerns. Focusing on seven prioritized material matters to better reflect Sunway Berhad's management approach and overall business strategy enables a holistic business approach that creates beneficial value to the company.

Economic

Sunway Berhad believes that ESG and issues of sustainability strongly interrelate with a comprehensive business strategy, as Sunway Berhad continuously transforms its business strategy with a multi-capital and multi-values perspective in focus. This enables Sunway Berhad to adopt a holistic business approach that creates financial and non-financial values for the Group.

Environmental

Sunway Berhad's GHG emissions reporting and quantification process was carried out internally and its documentation is in accordance with the requirements of the Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard with the use of several publicly available emissions standards and tools with specific assumptions and estimations aptly recorded and maintained. As guided by directive made by Bursa Malaysia, Sunway Berhad has incorporated the emission for employee commuting into their Scope 3 for Other Indirect GHG Emissions into the reporting boundary. Apart from the existing emission avoidance activities, Sunway Berhad continued implementing its internal carbon pricing framework throughout business divisions, a proactive action to further curb the overall emissions generated by company activity. Taking effect this year, the Green Building Policy looks at the micro-level, mandating all new buildings in Sunway Berhad townships nationwide to be green certified from 2025 onwards. While on a macro-level, the Green Township Policy reinforces that commitment by requiring all new townships developed from 2025 onwards to meet green certification standards as well. Sunway Berhad strives to mitigate and minimize adverse environmental impacts by implementing green initiatives and embedding best sustainable practices in their daily operations. This includes increasing investment in clean technology as one of their core strategies to increase renewable energy consumption, ensure efficient water and energy consumption, reduce waste and practice circular economy. Sunway Berhad also aims to reduce emissions through their value chain by working closely with their suppliers and tenants and to minimize supply chain disruptions through supplier risk management.

Social

All relevant employee-related data was collated to be in conformance with applicable frameworks complied by Sunway Berhad, including data and elements reported in occupational health and safety indicators. While cementing their extensive reputation in offering excellent products and services, Sunway Berhad actively work towards enhancing the lives of others through three key pillars of education, healthcare, and community enrichment through their various CSR initiatives.

Governance

Sunway Berhad's sustainability governance is led by the Board Sustainability Committee, established in 2020. The Board Sustainability Committee reviews, supervises and makes recommendations to the Board for approval in the areas of sustainability strategy and issue, key environment, social and governance targets and performance and scorecard.

Since 2021, Sunway Berhad has integrated sustainability elements into Senior Management performance evaluations and Key Performance Indicators (KPIs), which are linked to remuneration. This included linking the remuneration for senior executives to ESG performance, such as their management of Sunway Berhad's climate change performance and material sustainability risks and opportunities. Diverse policies developed and have been made available to staff and accessible to public through Sunway Berhad's website.

Sunway Berhad has maintained the control of Sustainability Reporting process through an internal procedure with a group of competent personnel to manage their overall sustainability data collections and compilations on the environmental, social and governance data. In 2022, the process of data collection and reporting is further enhanced with the involvement of the internal audit team conducting an internal audit review on selected subject matters.

Limitation

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of other information reported in Sunway Berhad's Integrated Annual Report 2022.
- The corporate office of Sunway Berhad Group Sustainability Department, at Menara Sunway, Subang Jaya, was visited as part of this assurance engagement. The verification process did not include physical inspections of any of Sunway Berhad's operations and assets; and,
- The verification team did not verify any contractor or third-party data.

Conclusion

SIRIM QAS International, a Conformity Assessment Body in Malaysia, is accredited to both ISO 17021-1:2015 and ISO 17065:2012 covering all our operational activities. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. During the verification process, issues were raised, and clarifications were sought from the management of Sunway Berhad relating to the accuracy of some of the information contained in the report. In response to the raised findings, the Sustainability Report was subsequently reviewed and revised by Sunway Berhad. It is confirmed that changes that have been incorporated into the final version of the report have satisfactorily addressed all issues. Based on the scope of the assessment process and evidence obtained, the following represents SIRIM QAS International's opinion:

- The level of data accuracy included in Sunway Berhad Sustainability Report 2022 is fairly stated;
- The level of disclosure of the specific sustainability performance information presented in the report was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report;
- The Sustainability Report provides a reasonable and balanced presentation of the sustainability performance of Sunway Berhad.

List of Assessors.

- | | | | |
|----|-------------------------|---|-------------|
| 1) | Ms. Aernida Abdul Kadir | : | Team Leader |
| 2) | Ms. Kamini Sooriamorthy | : | Team Member |
| 3) | Ms. Farhanah Ahmad Shah | : | Team Member |

Statement Prepared by:

Statement Approved by:



 AERNIDA BINTI ABDUL KADIR

Team Leader
 Management System Certification Department
 SIRIM QAS International Sdn. Bhd.

Date: 29 March 2023



 MOHD HAMIM BIN IMAM MUSTAIN

Senior General Manager
 Management System Certification Department
 SIRIM QAS International Sdn. Bhd.

Date: 29 March 2023

Note 1:

This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date (29 March 2023).

REDUCING THE ENVIRONMENTAL IMPACT OF THIS REPORT

Printed with **eco ink**

made with a higher percentage of vegetable oil to reduce the emission of volatile organic compounds (VOCs). Contains low levels of chemicals, thus reducing environmental pollution throughout the printing process.



Printed with **carbon neutral press machines**, using eco-materials and managed and certified under the **ISO 14001:2015**

Environmental Management System to minimise environmental impact.



Eco-design is both a principle and an approach. It consists of **integrating environmental protection criteria** over a service or a product's life cycle.



Paper and printing **waste is responsibly handled**

through recycling and upcycling materials in order to reduce the burden on landfills.



The total carbon footprint for one copy of the Sunway Berhad Sustainability Report 2022 is **5.408 kgCO₂e**.

We are committed to reducing the environmental impact of our Sustainability Report and will continue working to reduce the amount of greenhouse gases (GHG) emitted throughout the entire design and printing process.



Paper sourced from **responsibly managed forests**

that provide environmental benefits. The cover is printed on FSC® Certified Mix Credit 300 gsm Enviro Wove. The inner pages are printed on FSC® Certified Mix Credit 120 gsm Enviro Wove.



The Sunway logo is displayed in a bold, red, sans-serif font with a registered trademark symbol (®) to the upper right of the word.

[Registration No. 201001037627 (921551-D)]

Level 16, Menara Sunway, Jalan Lagoon Timur,
Bandar Sunway, 47500 Subang Jaya,
Selangor Darul Ehsan, Malaysia.

Tel : (603) 5639 8889

Fax : (603) 5639 9507

Web : www.sunway.com.my

