

## SUSTAINABILITY STATEMENT

### ABOUT THIS REPORT



**Sunsuria Berhad, also referred to as “Sunsuria” or “the Group,” is pleased to present its sixth annual sustainability report, denoted as “SS2023”. This report provides a comprehensive evaluation of Sunsuria’s environmental, social, and governance (“ESG”) impacts for the financial year ending on September 30, 2023 (“FY2023”).**

*Monet Lily, Monet Residences @ Sunsuria City*

Sunsuria's SS2023 adheres to the Sustainability Reporting Guidelines (3<sup>rd</sup> Edition) of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**"), in line with the Main Market Listing Requirements. Our approach encompasses the incorporation of various frameworks, either fully or partially, including:








Sunsuria's SS2023 integrates GRI principles, emphasising stakeholder involvement, sustainability context consideration, identification of material topics, and ensuring completeness, accuracy, balance, clarity, comparability, reliability, and timeliness in the selection of subjects and information included in the report.

## SUSTAINABILITY STATEMENT

## REPORTING SCOPE AND BOUNDARY

Unless stated otherwise, SS2023 encompasses the timeframe from October 1, 2022, to September 30, 2023. Whenever feasible, historical data has been included to facilitate a meaningful comparison of the Group's ESG performance for the reporting year and its changes over time.

The statement's scope extends to Sunsuria's various business divisions, namely Property Development, Construction, Healthcare, Education and Landscape & Nursery, which encompass the following:

Business Division	Subsidiary	Scopes
	Sunsuria City Sdn. Bhd.	Tangerine Suites and Seni Residences
	Sunsuria Kejora Sdn. Bhd. (formerly known as Sunsuria Residence Sdn. Bhd.)	Sunsuria Kejora Business Park
	Sunsuria Forum Sdn. Bhd.	Forum 2 - Office Tower, SOHO and Service Apartment
	Bangsar Hill Park Development Sdn. Bhd.	BHP Block A, B, C, D and E
	Sunsuria Asas Sdn. Bhd.	BHP Block D & E, Tangerine Suites, Forum 2 - Office Tower, SOHO and Service Apartment
	Sunsuria Care Sdn. Bhd.	Service provider for BHP and Sunsuria City
	Sunsuria Education Sdn. Bhd.	Concord College International School
	Sunsuria Landscape & Nursery Sdn. Bhd.	BHP, Sunsuria City and Sunsuria Avenue

## EXCLUSIONS, LIMITATIONS AND DISCLAIMERS

While Sunsuria acknowledges the potential for significant ESG impacts within its value chain, the effects of certain outsourced activities are currently excluded from this report.

Sunsuria is dedicated to integrating its sustainability practices across the entire Sunsuria Group and cascading its ESG commitments to business partners, suppliers and contractors. The Group is implementing a more comprehensive ESG data collection process to address

any remaining gaps in sustainability reporting within its operations.

Readers should be aware that forward-looking statements within this report, relating to future plans, goals and expectations, are made with reasonable assumptions based on current business trajectories. Actual results may vary as Sunsuria adjusts its business strategies and operational decisions in response to emerging risks, opportunities and changing circumstances.

## DATA QUALITY AND ASSURANCE

All the data presented in this report has been sourced internally and verified by the relevant data owners.

The SS2023 underwent a review process by the Sustainability Working Committee, the Sustainability Steering Committee, and the Board of Directors. All parties have confirmed that the information within SS2023 accurately reflects the Group's sustainability impacts for

the year under review. The Board officially approved the SS2023 on 19 January 2024.

Currently, Sunsuria has not enlisted a third-party for the assurance of its ESG data. However, financial data included in this report, cross-referenced with the Financial Statements in Sunsuria's Annual Report 2023, has undergone auditing by Messrs Deloitte PLT.

## MEMBERSHIP IN ASSOCIATIONS

Sunsuria holds membership in various reputable professional bodies and industry associations. These affiliations demonstrate our commitment to staying informed and connected within the industry:

▶ Real Estate and Housing Developers' Association ("REHDA")	▶ The International Real Estate Federation ("FIABCI") Malaysian Chapter
▶ Malaysian Employer Federation ("MEF")	▶ Construction Industry Development Board ("CIDB")
▶ Malaysia Retail Chain Associations ("MRCA")	▶ Federation of Malaysian Manufacturers ("FMM")

## REPORT AVAILABILITY AND FEEDBACK

The SS2023 is available for download on Sunsuria's corporate website at [www.sunsuria.com](http://www.sunsuria.com) as part of the Group's FY2023 Annual Report.

Sunsuria values stakeholders' feedback on this report and its contents to continuously improve our sustainability reporting and ESG practices. Comments or queries can be directed to:



Corporate Finance Office  
**+603-6145 7777**



SUSTAINABILITY STATEMENT

# A MESSAGE FROM OUR EXECUTIVE CHAIRMAN

**Tan Sri Datuk Ter Leong Yap**  
Executive Chairman



“

Dear Valued Stakeholders,

I am pleased to share the insights from our recently concluded financial year, highlighting Sunsuria's commitment to environmental, social and governance (ESG) values.

”

In FY2023, our sustainability approach became even more integral to our operations, navigating challenges and contributing to a resilient performance despite uncertainties in the global landscape.

The year highlighted the urgency of addressing climate change, and we believe our actions today will shape the future. Sunsuria's sustainability framework, enabled in our business model, enabled us to remain resilient amid geopolitical instability, supply chain disruptions, and commodity price fluctuations in FY2023.

Our commitment to ESG practices has demonstrated resilience in the face of challenges, ensuring Sunsuria's competitive positioning in a dynamic world while safeguarding the well-being of our stakeholders. The growth in revenue by 25.9% to RM506.2 million in FY2023 attests to the success of our vision, highlighting the emphasis on quality and sustainability in our projects. This includes strategic investments in healthcare and education components, aligning with our goal to enhance the social well-being of our community.

Sunsuria's leadership recognises the transformative potential of sustainability strategies. We actively manage operational challenges, set precise Key Performance Indicators (KPIs), enhance disclosures, and initiate targeted initiatives. The establishment of KPIs in areas such as Climate Change and Emissions, Energy Efficiency, Water Efficiency, Customer Satisfaction, Local Procurement, Brand Recognition and Reputation, Talent Retention and Development, Labour and Human Rights, Occupational Safety and Health and Regulatory Compliance demonstrates our holistic approach to sustainability.



Monet Garden, Sunsuria City

Our Scope 3 disclosure for Greenhouse Gases (“GHG”) encompass business travel as well as commuting by our employees. This demonstrates our commitment to a holistic and responsible approach to addressing climate change, as we embrace the Task Force on Climate-related Financial Disclosures (“TCFD”) recommendations ahead of regulatory compliance. We maintained our dedication to minimising waste generation by increasing our usage of recycled rebar, with a 118.8% surge in FY2023, reaching 343.3 tonnes, compared to FY2022 (156.9 tonnes). We have also kept an excellent track record of maintaining zero incidences of corruption and non-compliance cases in our governance, upholding 100% of procurement from local businesses as well as maintaining our customer satisfaction rating above 80%, scoring at 84.5% in FY2023, among other notable achievements reported here.



**FY2023 Achievement**

**Bangsar Hill Park (Block B & C)**  
**GreenRE Silver Certification (Provisional)**  
Residential Building and Landed Home (RES v3.2) Category

**The Chapter and Monet Meadow**  
**GreenRE Bronze Certification (Provisional)**  
Industrial Facilities Category

**Sunsuria Kejora Business Park**  
**GreenRE Bronze Certification (Provisional)**

In FY2023, Sunsuria's Bangsar Hill Park (Block B & C) received the GreenRE Silver Certification (Provisional) in the Residential Building and Landed Home (RES v3.2) Category, while The Chapter and Monet Meadow secured the GreenRE Bronze Certification (Provisional). In the Industrial Facilities Category, Sunsuria Kejora Business Park also achieved the GreenRE Bronze Certification (Provisional). These certifications were granted in recognition of our incorporation of sustainable measures, including energy-efficient lighting, air-conditioning, passenger and service lifts, sustainable product utilisation, installation of compost bins and EV chargers, and the implementation of rainwater harvesting and siphonic rainwater discharge systems, among others. This highlights our commitment to advancing sustainability initiatives that benefit our community.

Understanding and managing our full environmental footprint, and proactive engagement with climate-related financial disclosures have been crucial components of our commitment to improving operations. This reflects our ongoing prioritisation of people and the environment in our day-to-day operations.

We remain committed to delivering quality and satisfaction through our products and services. Anticipating strengthened resource consumption and supply chain management processes in the near future, we aim to enhance our operational efficiency and shield against further social and environmental risks. This dedication, coupled with the continuous support of our shareholders, will enable Sunsuria to leverage our ESG advancements to create a brighter future for all.

**Tan Sri Datuk Ter Leong Yap**  
Executive Chairman



**118.8%**  
surge in recycled rebar in FY2023

**343.3 tonnes**  
of rebar diverted from disposal



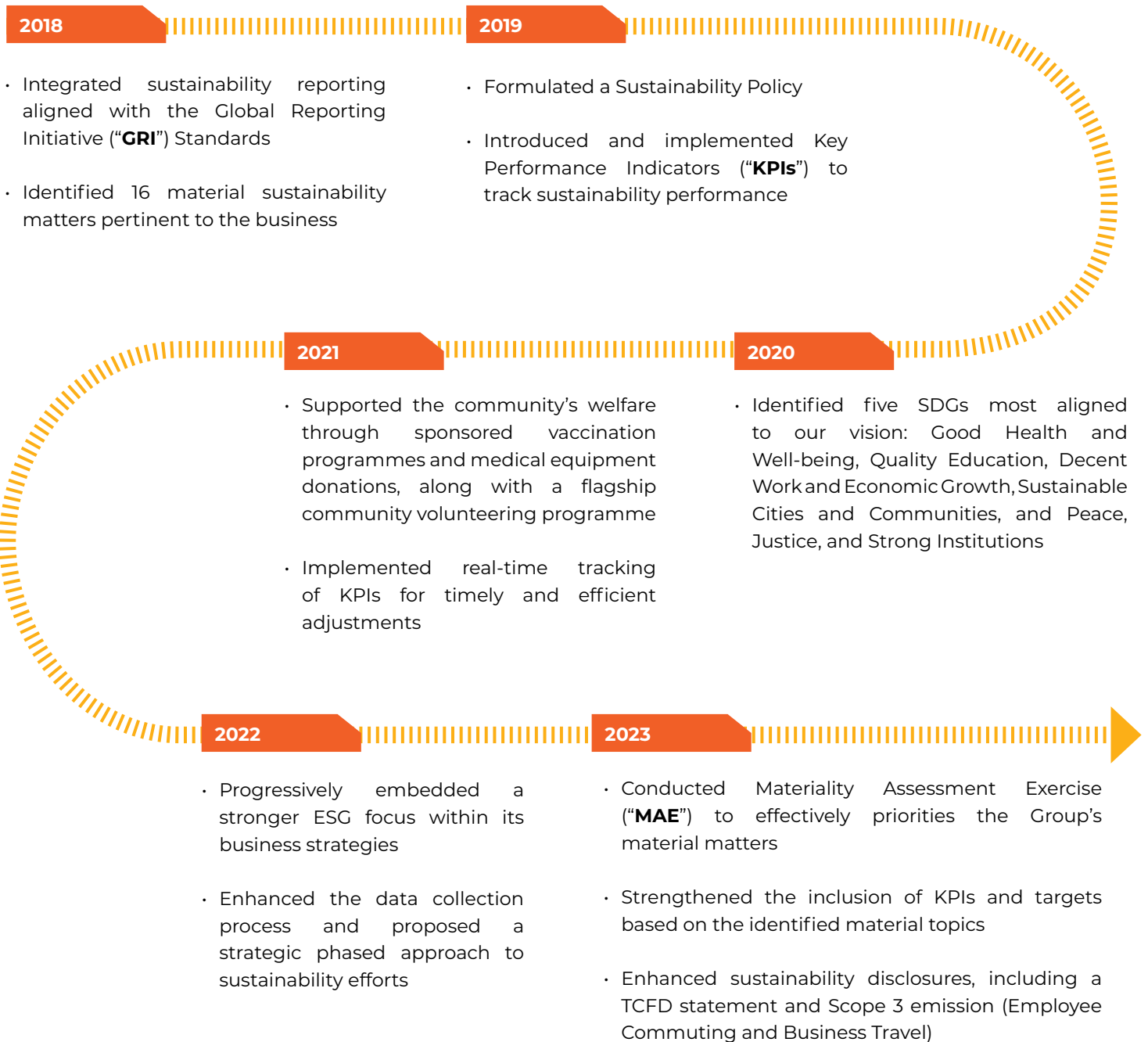
**84.5%**  
customer satisfaction rating in FY2023



**100%**  
of procurement from local businesses

## SUSTAINABILITY STATEMENT

### SUNSURIA'S SUSTAINABILITY JOURNEY



**FY2023 ESG HIGHLIGHTS & ACHIEVEMENTS**

● Economic ● Environmental ● Social ● Governance

 <p><b>84.5%</b> Customer Satisfaction Score</p>	 <p><b>RM160.1 mil</b> Total Economic Value Distributed to Stakeholders</p>	 <p><b>100%</b> Procurement Spend on Local Vendors</p>
 <p><b>100%</b> Of project sites completed HIRAC assessments</p>	 <p><b>Enhanced GHG Disclosures</b> Including Scope 3 (Employee Commuting and Business Travel)</p>	 <p><b>343.3 tonnes</b> of Rebar Diverted from Disposal (Increased 118.8% from FY2022)</p>
 <p><b>238</b> Total Workforce</p>	 <p><b>84.9%</b> Employee Satisfaction Rate</p>	 <p><b>Zero Fatalities</b> in FY2023 with 3,554,265 manhours worked</p>
 <p><b>4,967</b> Total Training Hours (Increased 71.6% from FY2022)</p>	 <p><b>50% Women Representation</b> in Sunsuria's Board</p>	 <p><b>Zero Incidence of Customer Data Breaches</b></p>
 <p><b>Zero Incidence of Corruption</b></p>	 <p><b>Establishment of KPIs &amp; Targets</b> for ESG pillars</p>	 <p><b>Zero Incidence of Regulatory Non-Compliance</b></p>



## SUSTAINABILITY STATEMENT

## CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (“SDGS”)

We have consistently aligned ourselves to the United Nations’ Sustainable Development Agenda 2030 along our sustainability reporting process. The following provides an overview of the actions our Group has taken to contribute to the achievement of the SDGs during the year being evaluated:



### Good Health and Well-being

- Organised employee engagement initiatives to encourage a healthy lifestyle.



### Quality Education

- Invested a total of 4,967 hours in training development programme.
- Initiated a Construction Trade Training to enhance the skills of construction workers.



### Gender Equality and Women’s Empowerment

- Improved gender balance across all employee levels and within Board of Directors.
- Significantly increased number of training hours for female employees.
- Maintained a 1:1 equal ratio of basic salary and remuneration of women to men.
- Achieved a 100% retention rate post parental leave for all female staff.



### Decent Work and Economic Growth

- Directed all procurement expenditures to local suppliers.
- Launched a 2-year digital transformation plan.



### Sustainable Cities and Communities

- Expanded green building initiatives across the Sunsuria City township and selected projects.
- Considered accessibility for public transportation and individuals with disabilities.



### Responsible Consumption and Production

- Enforced a policy for energy usage reduction.
- Recycled a total of 343.3 tonnes of rebar and steel scrap waste from construction projects.



### Climate Action

- Installed solar panels on the Celebration Centre Sales Gallery for sustainable electricity generation.
- Monitored operational data (for fuel and electricity consumption) to calculate GHG emissions within Scope 1 and Scope 2 emissions.
- Included Scope 3 emissions for employee commuting and business travel.



### Peace, Justice and Strong institutions

- Conducted a corporate risk assessment to address corruption.
- Updated the Procurement Policy and Procedure.

FY2023 SCORECARD



ECONOMIC

Key Performance Indicators

FY2023 Progress

**Customer Satisfaction**

To achieve 80% customer satisfaction rating based on vacant possession (“VP”) at:

- Upon VP
- Post VP (by FY2026)

Achieved 84.5% of customer satisfaction ratings at upon VP

**Note:** There are no post VP results to be referenced as there were no new VP projects in FY2023 for surveys to be conducted.

**Local Procurement**

To ensure 80% of suppliers listed on approved list encompass local businesses.

Achieved **100%** of local suppliers.

**Brand Recognition and Reputation**

To secure two prestigious property industry awards per annum.

In FY2023, Sunsuria secured total **six (6) awards**

**Note:** Please refer to Brand Recognition and Reputation section for more details.

ENVIRONMENTAL



Key Performance Indicators

FY2023 Progress

**Climate Change and Emissions**

To achieve 5% intensity reduction per annum for both Scope 1 and Scope 2 carbon intensity as measured over revenue (tCO<sub>2</sub>e/RM) and operational area (tCO<sub>2</sub>e/m<sup>2</sup>).

FY2023 as a baseline year.

Established carbon intensity baseline in FY2023:

**By Operational Area**  
0.012 tCO<sub>2</sub>e/m<sup>2</sup>

**By Revenue**  
6.4 tCO<sub>2</sub>e/RM’ mil.

**Energy Efficiency**

To achieve 5% intensity reduction by FY2025 for permanent premises, including Group’s HQ, sales galleries and investment properties.

FY2022 as a baseline year: 77.8 kWh/m<sup>2</sup> (based on the Group’s HQ).

The energy intensity recorded in FY2023 as follows:

**By Operational Area**  
93.4 kWh/m<sup>2</sup>

**Note:** The value is slightly higher than FY2022 (77.8 kWh/m<sup>2</sup>) due to expanded scope, which now includes more permanent premises.

**By Revenue**  
1,227.9 kWh/RM’ mil.

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**ENVIRONMENTAL** 

	Key Performance Indicators	FY2023 Progress
<b>Water Efficiency</b>	To establish water intensity baseline for HQ, sales galleries and investment properties.	Established water intensity baseline in FY2023: <b>By Operational Area</b> 0.0005 Megalitres/m <sup>2</sup> <b>By Revenue</b> 0.0097 Megalitres/RM' mil.

**SOCIAL** 

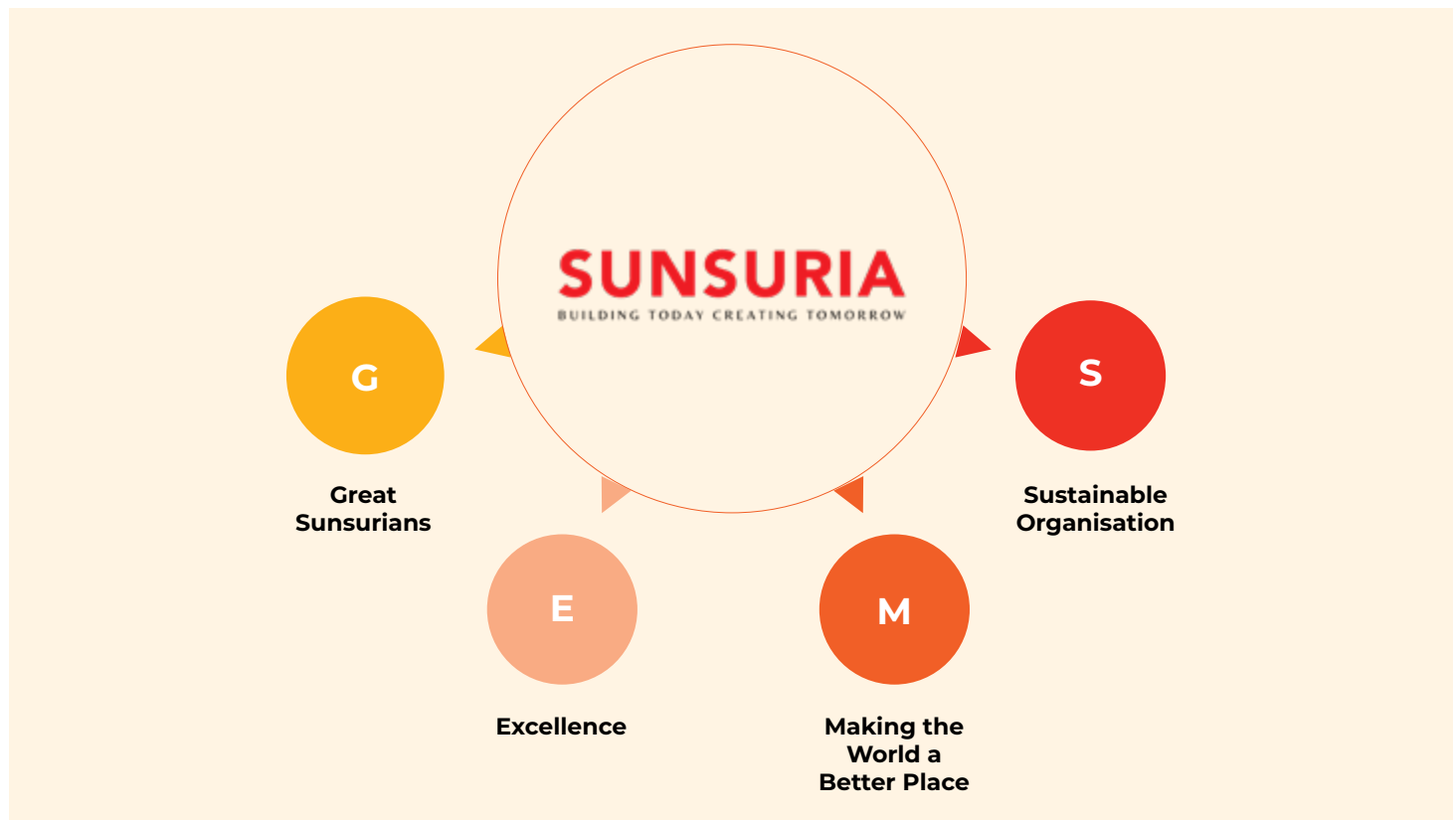
	Key Performance Indicators	FY2023 Progress
<b>Talent Retention and Development</b>	Ensuring training hours of minimum eight (8) hours per employee per annum, for both male and female.	Achieved more than 8 hours in average training hours by Gender: <b>Male – 20      Female – 22</b>
<b>Labour and Human Rights</b>	Continued zero incidents of non-compliance with regard to labour and human rights infringements.	<b>Zero incidents</b> reported.
<b>Occupational Safety and Health</b>	To ensure zero fatalities and zero lost workdays.	<b>Zero fatalities</b> reported with no lost workdays.

**GOVERNANCE** 

	Key Performance Indicators	FY2023 Progress
<b>Regulatory Compliance</b>	Continued zero non-compliance track record for social, environmental, and performance.	<b>Zero cases</b> reported.

## SUSTAINABILITY AT SUNSURIA

Sunsuria's commitment to sustainability management is rooted in the Group's corporate philosophy of G.E.M.S.: **Great Sunsurians, Excellence, Making the World a Better Place, and Sustainable Organisation.**



These principles work together to propel Sunsuria's business growth responsibly and sustainably. The company prioritises the needs and interests of its diverse stakeholders, aiming to create lasting value for all key parties. This strategic and conscientious approach highlights Sunsuria's dedication to responsible corporate citizenship.

### Group Sustainability Policy

In line with the G.E.M.S philosophy, the Group has established the Sustainability Policy as the foundation of its sustainability framework. The policy reflects the dedication of both the Board and Management to prioritise sustainability as a fundamental aspect of the Group's approach to value creation. It ensures the alignment of operations across business divisions with the commitments outlined within the policy. For more information, please refer to the policy at: [www.sunsuria.com](http://www.sunsuria.com).

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### SUSTAINABILITY GOVERNANCE

The Sunsuria Board of Directors oversees all sustainability matters within the Group through the Sustainability Steering Committee (“**SSC**”), with support from the Sustainability Working Committee (“**SWC**”). Both committees operate under clearly defined Terms of Reference, ensuring accountability. Annual meetings are conducted to review the Group’s sustainability objectives and key performance indicators, with representation from various business segments to facilitate effective implementation.

The management of ESG matters within the Group follows a top-down approach. Progress on ESG initiatives is routinely reported to the Board through the sustainability governance structure for discussion and guidance. Sunsuria’s sustainability governance structure comprises the following compositions, roles, and responsibilities:

#### Board of Directors (“BOD”)

##### Role

Retains overall responsibility for the Group’s sustainability governance

##### Responsibilities

- Leads the Group’s Sustainability Agenda.
- Supervises and oversees the Group’s Sustainability Initiatives.
- Provides the final assessment and authorisation for sustainability affairs within the Group.

##### Composition

Executive & Non-executive Directors

#### Sustainability Steering Committee (“SSC”)

##### Role

Responsible for establishing Group’s sustainability strategy

##### Responsibilities

- Formulates the Group’s sustainability strategies and goals in alignment with the Board’s directives.
- Supervises the Sustainability Working Committee (“**SWC**”) to monitor the Group’s progress in sustainability programmes.
- Ensures sustainability disclosures comply with Bursa Malaysia’s Listing Requirements.

##### Composition

Group Executive Chairman, Group CEO, Executive Director of Group Operations, Chief Financial Officer, Chief Project Officer (Chair), CEO of Healthcare, Head of Education, Chief Executive Officer of Construction

#### Sustainability Working Committee (“SWC”)

##### Role

Responsible for implementing and monitoring sustainability initiatives at the operational level

##### Responsibilities

- Assists the Sustainability Steering Committee (“**SSC**”) in compiling content for the Group’s sustainability report.
- Supports the SSC in fulfilling responsibilities related to executing the Group’s sustainable strategies, policies, and initiatives.

##### Composition

Key department representatives



The sustainability governance framework is reinforced by a strong collection of governance frameworks and policies that oversee sustainability across economic, environment, social, and governance domains.



These policies, available on our website at [www.sunsuria.com](http://www.sunsuria.com), are regularly reviewed to ensure their continued effectiveness. The Group Sustainability Policy now focuses on four pillars: Economic, Environmental, Social and Governance, guiding the company's decisions and actions, and addressing key issues identified in Sunsuria's latest materiality assessment.

Informed by industry best practices, these revisions aim to ensure a sustainable and responsible business approach, meeting current standards and anticipating future considerations in environmental, social, and governance aspects.

## SUSTAINABILITY STATEMENT

### STAKEHOLDER ENGAGEMENT

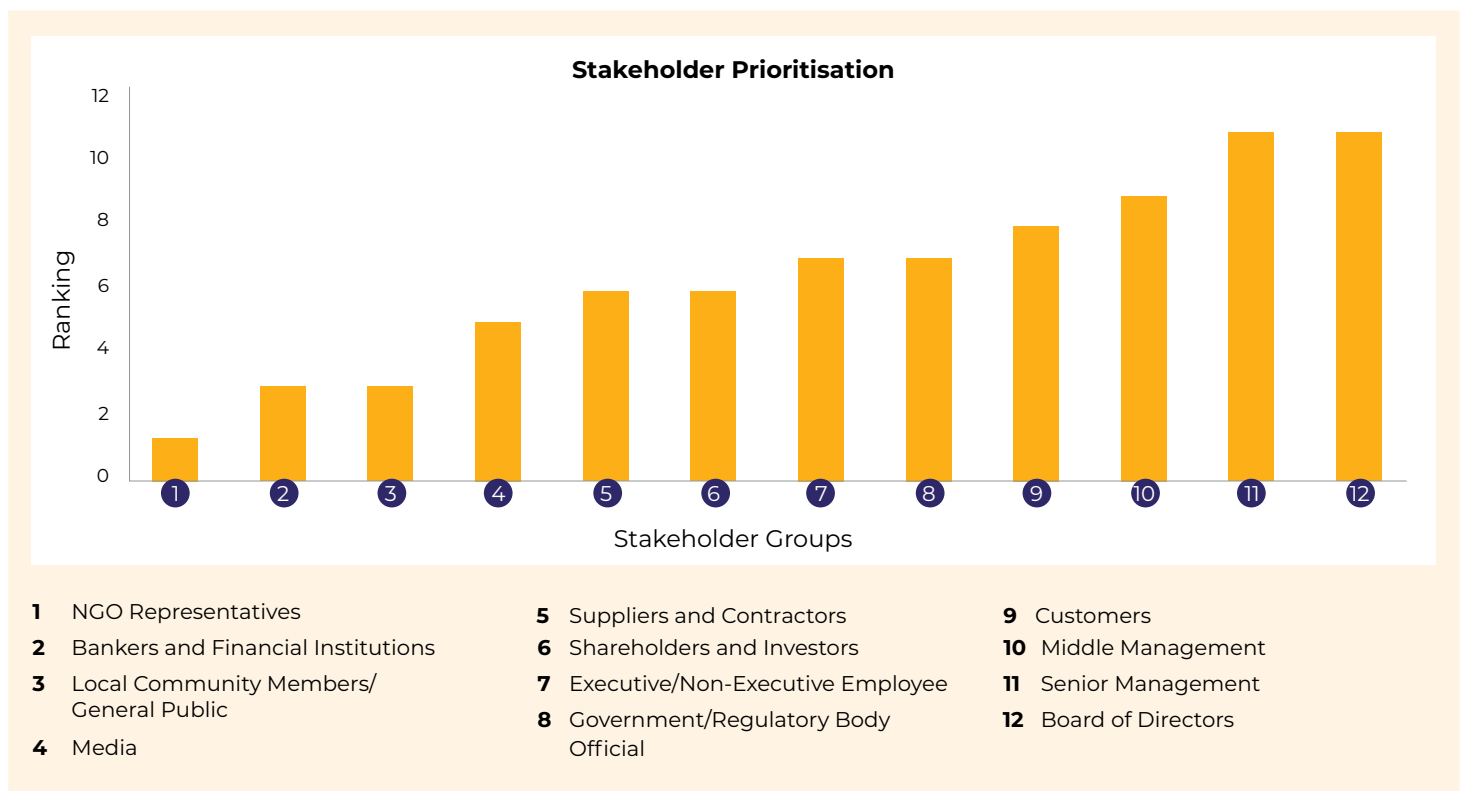
Stakeholders play a central role in Sunsuria’s sustainability initiatives, and we value the measures taken to address their priorities concerning requirements in our ESG direction. These stakeholders include individuals, groups or organisations that have an impact on or are impacted by Sunsuria’s business activities.

Their importance is particularly evident during the materiality analysis phase, shaping Sunsuria’s business strategies and operational approaches.

#### Stakeholder Prioritisation

The valuable input received from stakeholders in FY2022 not only reaffirmed Sunsuria’s commitment to sustainability but also remains relevant for FY2023. This continuous feedback plays a crucial role in guiding our efforts for sustainable growth.






To ensure precision and validity in our stakeholder engagement process, weightages were assigned to responses from diverse stakeholder groups during FY2023’s Materiality Assessment Exercise (“MAE”). This approach enables Sunsuria to prioritise every valuable perspective and enhance the significance of responses from the stakeholder groups.



**Note:** Stakeholder groups are ranked on a scale from 1 to 12, with 1 indicating the least significant and 12 indicating the highest, based on their capacity to influence the organisation.

Focus Area	Sunsuria's Response	Material Matters
	<p><b>Customers</b> - We highly value our customers and strive to provide them with quality products and services.</p>	
<ul style="list-style-type: none"> <li>• Efficient complaint resolution</li> <li>• Customer-company relations</li> <li>• Safety and security</li> <li>• Personal Data Protection Act ("PDPA") compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Sunsuria conducts sessions with customers to address their feedback or concerns when necessary.</li> <li>• Customers complete a Customer Satisfaction Survey form upon signing the sales and purchase agreement ("<b>SPA</b>").</li> <li>• We organise community and networking events annually.</li> <li>• Online inquiries received on Sunsuria's corporate website/Facebook page are directed to our Sales staff, who respond within 24 hours.</li> <li>• Customers are required to provide consent for the Personal Data Protection Act ("<b>PDPA</b>") when signing the SPA.</li> </ul>	<ul style="list-style-type: none"> <li>• Customer Satisfaction</li> <li>• Product &amp; Service Quality</li> <li>• Market Presence</li> <li>• Community Engagement</li> <li>• Green Building Initiatives</li> </ul>
	<p><b>Employees</b> - Our employees are pivotal contributors to our success, and their well-being enables Sunsuria to cultivate a motivated workforce.</p>	
<ul style="list-style-type: none"> <li>• Performance management, learning and development</li> <li>• Ethics and integrity</li> <li>• Transparency and communication</li> <li>• Safety and hygienic working conditions</li> </ul>	<ul style="list-style-type: none"> <li>• Performance Management involves goal-setting and aligning these goals throughout the organisation to enhance overall business performance.</li> <li>• We conduct training and team-building programmes to enhance staff competencies, capabilities, and relationships.</li> <li>• Employee Engagement Surveys cultivate a highly engaged workforce, enhancing employee satisfaction and motivation.</li> <li>• The Sunsuria Live Portal facilitates effective communication across the organisation.</li> <li>• An onboarding programme for new employees assimilates them into Sunsuria's culture, promote trust, and ensures alignment with the business.</li> <li>• Town Hall Meetings are conducted to make critical announcements to all employees.</li> <li>• Health and wellness programmes are leveraged to enhance the well-being of our employees.</li> <li>• The Viva Engage platform was established to discuss ideas, foster a sense of community, boost employee engagement and morale, increase productivity and promote relationship building within the workforce, aligning with our ESG goals</li> </ul>	<ul style="list-style-type: none"> <li>• Occupational Health &amp; Safety</li> <li>• Capacity Building</li> <li>• Diversity &amp; Inclusiveness</li> <li>• Business Digitalisation</li> </ul>
	<p><b>Regulatory Bodies</b> - We partner with regulators to uphold industry standards for building quality, corporate governance, as well as health and safety standards.</p>	
<ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Labour practices</li> <li>• Environmental management and compliance</li> <li>• Occupational health and safety</li> </ul>	<ul style="list-style-type: none"> <li>• Local authorities conduct regular inspections to ensure Sunsuria's compliance with local regulatory requirements.</li> <li>• We provide regular disclosures through Annual Reports and communication with regulators.</li> <li>• We support the Home Ownership Campaign.</li> </ul>	<ul style="list-style-type: none"> <li>• Governance &amp; Ethics</li> <li>• Climate Change &amp; Energy Efficiency</li> <li>• Green Building Initiatives</li> <li>• Effluent &amp; Waste Management</li> <li>• Water Conservation</li> </ul>
	<p><b>Shareholders &amp; Investors</b> - We prioritise building trust among our investors and shareholders.</p>	
<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Business strategy</li> <li>• Sustainable and stable income distribution</li> <li>• Degree of control and influence</li> </ul>	<ul style="list-style-type: none"> <li>• We issue media releases, in addition to Bursa Announcements, to keep all stakeholders informed about our financial performance and corporate development.</li> <li>• Notification cards are sent to shareholders, informing them of the availability of the Annual Report instead of distributing printed copies.</li> <li>• All media releases and Bursa Announcements are uploaded to the Company's website.</li> </ul>	<ul style="list-style-type: none"> <li>• Governance &amp; Ethics</li> <li>• Risk Management</li> <li>• Financial Performance</li> </ul>





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Focus Area	Sunsuria's Response	Material Matters
 <b>Fund Providers</b> - We work closely with fund providers to sustain a consistent capital flow over the long term.	<ul style="list-style-type: none"> <li>Company performance and cash flow</li> <li>Project launched</li> <li>Project sales</li> </ul>	<ul style="list-style-type: none"> <li>Financial Performance</li> <li>Market Presence</li> <li>Governance &amp; Ethics</li> <li>Risk Management</li> </ul>
 <b>Service Providers</b> - We collaborate with supply chain partners to ensure their operations align with our standards and expectations.	<ul style="list-style-type: none"> <li>Transparent procurement practices</li> <li>Payment schedules</li> <li>Pricing of services</li> <li>Sustainable building methods</li> <li>Health, Safety, and Environment (HSE) compliance</li> <li>Project completion and timely delivery</li> <li>Product quality</li> <li>Agents' performance and compliance management</li> <li>Non-disclosure agreement</li> <li>Service quality management</li> </ul>	<ul style="list-style-type: none"> <li>Market Presence</li> <li>Business Digitalisation</li> <li>Supply Chain Management</li> <li>Financial Performance</li> </ul>
 <b>Local Communities</b> - We aim to create sustainable living spaces that enhance well-being and foster community development.	<ul style="list-style-type: none"> <li>Impact of business operations</li> <li>Transparency and accountability</li> <li>Environmental impact</li> <li>Placemaking activities</li> </ul>	<ul style="list-style-type: none"> <li>Community Engagement</li> <li>Effluent &amp; Waste Management</li> <li>Water Conservation</li> </ul>
 <b>Media</b> - Engaging mainstream media helps raise awareness of our green agenda and sustainability drive.	<ul style="list-style-type: none"> <li>Financial performance</li> <li>New product launch</li> <li>Major events</li> <li>Crisis management</li> </ul>	<ul style="list-style-type: none"> <li>Financial Performance</li> <li>Community Engagement</li> </ul>
 <b>Non-Governmental Organisations ("NGOs")</b> - Supporting relevant NGOs goes hand-in-hand with achieving our own sustainability goals while enriching other stakeholders in the process.	<ul style="list-style-type: none"> <li>Sponsorships</li> <li>Collaboration opportunities programme support and participation</li> </ul>	<ul style="list-style-type: none"> <li>Community Engagement</li> <li>Climate Change &amp; Energy Efficiency</li> <li>Effluent &amp; Waste Management</li> <li>Water Conservation</li> </ul>



### MATERIALITY ASSESSEMENT

The identification of material matters is fundamental to Sunsuria's sustainability management. The Group establishes its list of material topics by evaluating their importance and impact on the business model and stakeholders, considering the four pillars of Sustainability: Economic, Environmental, Social and Governance.

 <b>ECONOMIC</b>	 <b>ENVIRONMENT</b>	 <b>SOCIAL</b>	 <b>GOVERNANCE</b>
<ul style="list-style-type: none"> <li>• Customer satisfaction and experience</li> <li>• Product quality and responsibility</li> <li>• Brand recognition and reputation (market presence)</li> <li>• Local procurement (supply chain management)</li> <li>• Digitalisation and technology (business digitalisation)</li> </ul>	<ul style="list-style-type: none"> <li>• Energy consumption</li> <li>• Climate change and emissions</li> <li>• Water consumption</li> <li>• Waste management</li> <li>• Green building initiatives</li> <li>• Biodiversity (<b>new</b>)</li> </ul>	<ul style="list-style-type: none"> <li>• Talent retention and development (<b>new</b>)</li> <li>• Diversity and equal opportunity workplace</li> <li>• Labour and human rights (<b>new</b>)</li> <li>• Occupational health and safety ("<b>OHS</b>")</li> <li>• Community engagement and development</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory compliance (<b>new</b>)</li> <li>• Anti-corruption and corporate governance (<b>new</b>)</li> <li>• Data privacy and security (<b>new</b>)</li> <li>• Suppliers' social compliance (<b>new</b>)</li> <li>• Suppliers' environmental compliance (<b>new</b>)</li> </ul>



## SUSTAINABILITY STATEMENT

## Materiality Assessment Process

The latest materiality assessment involved seeking input from stakeholders and evaluating topics on their environmental and social impacts as well as their importance to value generation. Sunsuria has taken into consideration the feedback and perspectives of all the Group's stakeholders engaged in its operations. The materiality assessment process is outlined as follows:

1

**Identification**

- The Group has compiled a list of sustainability topics based on various references including Bursa Malaysia, GRI Standards, other relevant sustainability reporting frameworks, prevalent industry themes, topics from the previous year and insights from industry peers.
- Additionally, we have identified key stakeholder groups to thoroughly assess the materiality of these topics, ensuring the prioritisation of stakeholder perspectives and interests. The recent survey received substantial participation from the Board, Management, as well as customers and suppliers, lending credibility to the survey results

2

**Assessment**

- Online survey questionnaires were distributed to relevant individuals to assess the importance of sustainability topics pertinent to this reporting period.
- Survey participants comprised both internal personnel and external stakeholders. In certain cases, respondents may have represented the corresponding external stakeholder groups in their survey responses.

4

**Validation**

- The materiality matrix was then reviewed and shared with the Board and senior management for validation and approval.
- Following the review, the matrix was presented to the Board, and it obtained approval.

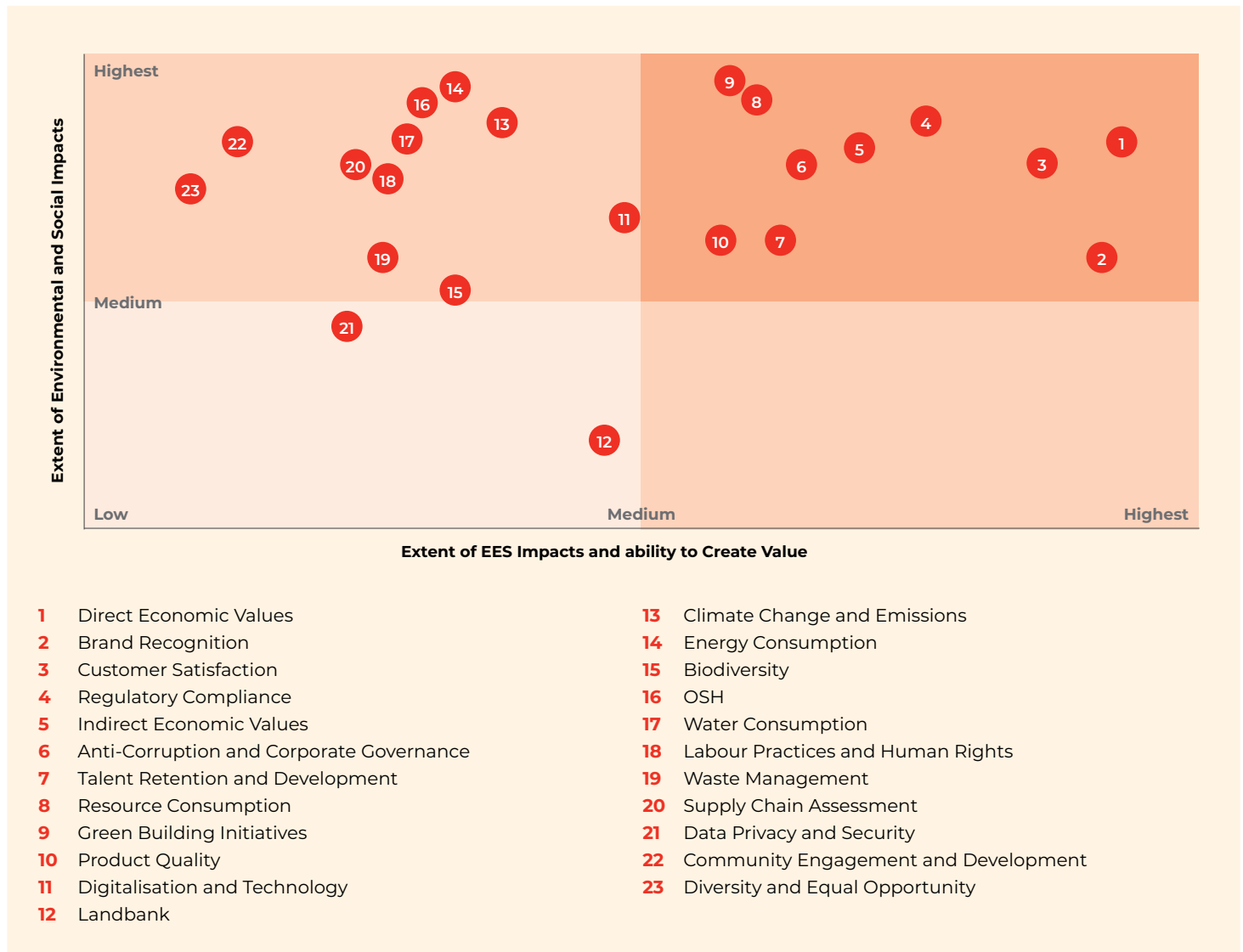
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**Prioritisation**

- The material sustainability subjects were prioritised based on the results of the materiality assessment survey. This process entailed evaluating the relevance of these important topics to Sunsuria and their significance to stakeholders. Subsequently, a materiality matrix was created using the survey outcomes.

### MATERIALITY MATRIX

This matrix illustrates the alignment of these material topics with stakeholder perspectives to map their significance in shaping the Group's ESG agenda. Detailed information on each material topic is available in the SS2023 report.



- |   |  |
|---|--|
| <b>1</b> Direct Economic Values                   | <b>13</b> Climate Change and Emissions         |
| <b>2</b> Brand Recognition                        | <b>14</b> Energy Consumption                   |
| <b>3</b> Customer Satisfaction                    | <b>15</b> Biodiversity                         |
| <b>4</b> Regulatory Compliance                    | <b>16</b> OSH                                  |
| <b>5</b> Indirect Economic Values                 | <b>17</b> Water Consumption                    |
| <b>6</b> Anti-Corruption and Corporate Governance | <b>18</b> Labour Practices and Human Rights    |
| <b>7</b> Talent Retention and Development         | <b>19</b> Waste Management                     |
| <b>8</b> Resource Consumption                     | <b>20</b> Supply Chain Assessment              |
| <b>9</b> Green Building Initiatives               | <b>21</b> Data Privacy and Security            |
| <b>10</b> Product Quality                         | <b>22</b> Community Engagement and Development |
| <b>11</b> Digitalisation and Technology           | <b>23</b> Diversity and Equal Opportunity      |
| <b>12</b> Landbank                                |  |

## SUSTAINABILITY STATEMENT

## ESG KPIs &amp; Targets

Sunsuria is committed to incorporating sustainable practices into our business operations. In FY2023, we conducted a workshop on ESG Key Performance Indicators (KPIs) and Targets, with a deliberate emphasis on the revised list of material matters. The Group has embraced the following targets, marking a significant step toward Sunsuria's dedicated efforts to drive effective change:

Material Topic	KPIS	Targets
<b>ECONOMIC</b>		
<b>Customer Satisfaction and Experience</b>	Customer satisfaction levels upon VP and post VP	80% customer satisfaction rating: <ul style="list-style-type: none"> <li>· Upon VP (existing KPI)</li> <li>· Post VP by FY2026</li> </ul>
<b>Product Quality and Responsibility</b>	QLASSIC certification scores	<b>FY2023:</b> Tangerine Suites – 80%  <b>FY2024:</b> Forum 2 SOHO and Forum 2 Apartments - 75% Concord College - 75% Bangsar Hill Park Block D & E - 80%  <b>FY2025:</b> Seni – 80% and Forum 2 Office - 75% Bangsar Hill Park Block A - 75%
	Level of predelivery inspection checks for all building projects	100% inspection rate per annum for: <ul style="list-style-type: none"> <li>· Tangerine Suites</li> <li>· Forum 2 SOHO</li> <li>· Forum 2 Apartment</li> <li>· Forum 2 Office</li> <li>· Residensi Seni</li> <li>· Concord College</li> <li>· Bangsar Hill Park Blocks A, D &amp; E</li> </ul>
<b>Local Procurement (Supply Chain Management)</b>	No. of local suppliers/contractors	80% of suppliers listed on approved list to comprise local businesses.
<b>Brand Recognition and Reputation</b>	Brand presence and media coverage (traditional media)	RM2 million PR Value per annum cumulatively from print and online media.
	Social media presence	5% increase per annum in: <ul style="list-style-type: none"> <li>· Facebook followers: (FY2023 baseline: 117,000)</li> <li>· Instagram Followers: (FY2023 baseline: 1,648)</li> </ul>
	Industry Awards	To secure two prestigious property industry awards per annum
<b>Digitalisation and Technology</b>	Reduction in paper use	At Group Level, to reduce the overall printing of hardcopy paper documents by 20% in the next 3 years. <ul style="list-style-type: none"> <li>· 1<sup>st</sup> Year - Target 10% to 15%</li> <li>· 2<sup>nd</sup> Year - Target 15% to 19%</li> <li>· 3<sup>rd</sup> Year - Target 20%</li> </ul>
	Digitalisation of manual workflows	FY2024: Digitalisation of supplier registration process.
	Introduction of paperless (electronic/digital processes)	Conversion of HR's KPI Performance review to paperless format by FY2024.



Material Topic	KPIS	Targets
<b>ENVIRONMENT</b>		
<b>Energy Consumption</b>	Energy intensity (kWh/m <sup>2</sup> or kWh over revenue)	<ul style="list-style-type: none"> <li>· 5% intensity reduction by FY2025 for permanent premises i.e., Group's HQ, sales galleries and investment properties.</li> <li>· Site reporting will continue to be based on annual absolute consumption for variable project area size year-on-year (m<sup>2</sup>).</li> </ul>
	RE (solar) energy utilisation	<ul style="list-style-type: none"> <li>· Inclusion of solar energy provision for new applicable projects i.e., Sunsuria Kejora Business Park.</li> <li>· Implementation of solar powered park/compound lighting and CCTVs in Sunsuria City.</li> </ul>
<b>Climate Change And Emissions</b>	TCFD Framework Adoption	<p>Partial adoption of the TCFD framework by FY2024 – Governance, Strategy and Metrics and Targets pillars as follows:</p> <ul style="list-style-type: none"> <li>· Establishment of Board Sustainability Committee with TOR by FY2024.</li> <li>· Establishment of Board approved Climate Change Policy by FY2024.</li> <li>· Establishment of physical, transitional and legal/reputational risks by FY2024.</li> <li>· Full adoption of TCFD Framework (and all recommended disclosures by FY2027).</li> </ul>
	Direct and indirect Scope One and Scope Two carbon intensity over revenue and over operational size.	<p>5% reduction per annum for both Scope One and Scope Two carbon intensity measured over revenue and operational area, tCO<sub>2</sub>e/m<sup>2</sup>.</p> <p>Note: FY2023 as baseline.</p>
	Avoidance of carbon through sustainable resource consumption.	To develop a baseline based on FY2023's consumption levels of alternative/sustainable materials and the corresponding carbon avoided.
<b>Water Consumption</b>	Water Intensity use as measured against operational size (Megalitres/m <sup>2</sup> )	Establishment of baseline water intensity for HQ, sales galleries and investment properties. Water saving features in new applicable development projects.
	Level of rainwater harvesting used.	Rain harvesting systems implemented on all applicable new projects.
	Usage of alternative water sources	Establishment of baseline measurement
<b>Waste Management</b>	Total waste recycled (Tonnes)	<p>5% increase in waste quantities recycled</p> <p>Note: FY2023 as baseline.</p>
	Single plastic use	Zero use of single plastics by FY2028
<b>Green Building Initiatives</b>	Level of green RE certification for projects	<p>25% of projects initiated by FY2025 to be green certified.</p> <p>Assessment can be performed by either an internal or external party.</p>



## SUSTAINABILITY STATEMENT

Material Topic	KPIS	Targets
<b>Biodiversity</b>	Number of trees planted (including transplanted/cut trees).	Plant 500 trees by 2025.
	Number of IUCN Red List species in Sunsoria City	Develop a baseline in FY2023
	Perform assessment of biodiversity levels at project to preserve the biodiversity with a structured preservation planning.	Conduct one biodiversity audit by FY2024 at Sunsoria City.
	Use of local species	Use 50% local species for landscaping, including those of high conservation value.
	Percentage of green landscape allocated	Comply with or exceed regulatory minimums for green spaces for all new projects starting FY2024.
<b>SOCIAL</b>		
<b>Talent Retention and Development</b>	Design and facilitate training and development programmes for staff capabilities and capacity building.	Facilitate Leadership Development Programme ("LDP") & Managerial Development Programme by FY2025.
	Competitive Remuneration	Conduct a salary benchmarking exercise every three years.  Desired outcome: Maintain a 10%-20% variance (+/-) compared to industry salary standards.
	Average training hours per employee	Minimum 8 hours per employee per annum
	Average training hours per male and female employee	Minimum 8 hours per male and female employee per annum
	No. of townhalls or large-scale employee engagement programmes	Organise one (1) large-scale employee engagement programme per financial year.
	Number of identified successors for strategic/critical positions identified	Identify at least one (1) candidate for each critical position.
<b>Diversity And Equal Opportunity Workplace</b>	Age and gender ratios	<b>Gender:</b> Male: 50% Female: 50%  <b>Age:</b> Aged 21-35: 45% Aged 36-50: 45% Aged >51: 10%
	Parity in pay ratios	1:1  Note: Variance of 30% +/-





Material Topic	KPIS	Targets
<b>Labour And Human Rights</b>	Level of regulatory compliance with labour laws (Akta 446, etc.)	Maintain a continued zero incidents record of non-compliance with labour and human rights infringements, including the hiring of child, illegal or forced labour within business operations under direct control of Sunsuria. <ul style="list-style-type: none"> <li>· Achieve zero non-compliance incidents per annum based on punitive measures by regulators.</li> <li>· Attain a 100% resolution rate for all complaints received.</li> </ul>
<b>Occupational Safety And Health (“OSH”)</b>	Annual LTI, accident, fatality rates, manhours worked.	Zero fatalities, zero lost workdays.
<b>Community Engagement And Development</b>	Conducting community events	Conduct 8 placemaking events per year.
	Provision of EV charging stations or EV infrastructure ready for owned assets and new developments	Ensure all new, applicable investment properties and development projects are EV-enabled by FY2025.
<b>GOVERNANCE</b>		
<b>Regulatory Compliance</b>	Continued zero non-compliance track record for social, environmental, performance	Zero cases
	Continued zero confirmed corruption cases within the Group’s business operations	Zero cases
<b>Anti-Corruption And Corporate Governance</b>	Continued zero confirmed corruption cases within the Group’s business operations	Zero cases
	Periodic awareness to all staff on Section 17A of MACC.	Conduct at least one briefing/dissemination of information or reminder to all employees each year.
	Level of supplier commitment to anti-corruption	Obtain 100% written acknowledgment of commitment to Sunsuria’s ABAC from suppliers by FY2024.
	Employee Integrity pledge sign-off	Secure 100% employee sign-off on the Conflict-of-Interest Declaration by FY2024.
	Due diligence on existing contractors/suppliers	Perform a desktop audit on 5% of existing suppliers annually for anti-corruption policies/compliance.
	Due diligence on new contractors/suppliers	Assess 100% of new contractors/suppliers annually through a desktop audit.
<b>Data Privacy And Security</b>	No of substantiated data breaches or complaints received	Zero incidents per annum.
<b>Suppliers’ Social Compliance</b>	Legal Workers & Social and Environmental Compliance Declaration by Suppliers – applied to all to major building works contractors and all associated works/packages in related to the Contract (works above RM1 million)	Ensure awarded contractors/suppliers fully comply with requirements.
<b>Suppliers’ Environmental Compliance</b>		



## SUSTAINABILITY STATEMENT



## ECONOMIC TOPICS

Sunsuria Forum @ 7<sup>th</sup> Avenue

## DIRECT ECONOMIC VALUES

Sunsuria's sustainability strategy focuses on creating economic value through its business operations and financial results. In addition to delivering profits to shareholders, robust financial performance supports the Group's environmental and social strategies and ensures equitable resource distribution to diverse stakeholders.

In FY2023, the Group achieved a revenue of RM506.2 million and a profit before tax of RM46.1 million. As of 30 September 2023, Sunsuria's unbilled sales reached RM926.8 million, contributing to future earnings visibility.

The following table outlines the economic value distributed to various stakeholder groups over the past three years:

Economic Values Created (RM'000)	FY2021	FY2022	FY2023
<b>Economic Value Generated</b>	268,678	402,202	<b>506,199</b>
<b>Economic Value Distributed:</b>			
i) Total monetary value/spend on procurement	34,652	47,996	<b>37,718</b>
ii) Total payout to employees in salaries and benefits	19,739	24,727	<b>30,740</b>
iii) Taxes paid to government	23,837	18,831	<b>18,236</b>
iv) Repayments to Financiers	59,561	167,956	<b>73,419</b>
v) Dividend Returns to Shareholders	17,918	-	-
<b>Economic Value Retained</b>	112,971	142,692	<b>346,086</b>

## INDIRECT ECONOMIC VALUES

In addition to tangible economic outcomes, Sunsuria's business model creates positive community impacts. Key aspects include:

### Affordable Housing



- Bangsar Hill Park (Block A) is underway as a replacement residence for DBKL, providing upgraded rental homes.
- Tangerine Suites offer affordable housing, addressing local needs and fostering economic stability through increased property ownership.



### Job Creation in Construction

- Construction projects, such as affordable housing in Sunsuria Forum, Setia Alam, contribute to job creation, supporting local economic development and reducing unemployment rates.

### Development Near ERL Transit



- Proximity to the ERL transit system enhances accessibility, attracting businesses, commuters and residents, boosting economic activity.



### Education Hub

- Concord College International School complements Xiamen University's hub, enhancing education standards and creating job opportunities.

### Sunsuria Kejora Business Park



- Sunsuria Kejora Business Park aim to attract businesses, fostering job creation and commercial activity, acting as a catalyst for economic growth in the area.



## SUSTAINABILITY STATEMENT

### DIGITALISATION AND TECHNOLOGY

Embracing digitalisation and technological innovation is crucial for improving the quality of the Group's products and services and streamlining processes to maintain competitiveness.

The digital transformation initiative, launched during the COVID-19 pandemic, led to significant investments in electronic quality assessment systems, online and offline payment and ordering services, Business Intelligence Analytics, and Customer Relations Management ("**Nexplatform**") for enhanced sales, customer experience, and project team management.

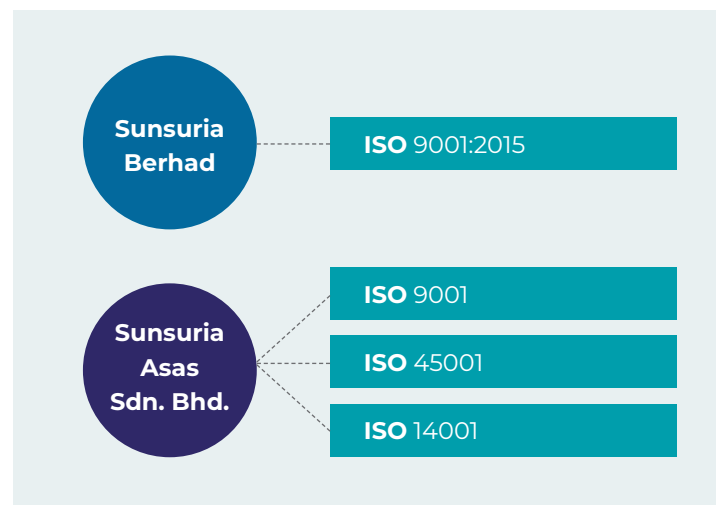
The Digital Transformation Committee meets bi-weekly to oversee progress and address issues, remaining a central focus for the Group to expand its adoption of technological innovations for enhanced business efficiency and service quality.



### PRODUCT QUALITY AND RESPONSIBILITY

Sunsuria generates primary revenue from a diverse array of products and services. Ensuring quality is crucial for customer well-being and safety.

The Group is committed to maintaining the highest quality standards, adhering to established standards, certifications, and accreditations. Sunsuria Berhad maintains ISO 9001:2015 certification, and its construction subsidiary, Sunsuria Asas Sdn. Bhd., is certified in ISO 9001, ISO 45001, and ISO 14001.



## QUALITY MANAGEMENT FOR PROPERTY DEVELOPMENT

Sunsuria has established a comprehensive quality control system for its Property Development division. Supervised by the Quality, Environmental, Safety, and Health (“**QESH**”) Unit and the Project Management Department (“**PMD**”), both report to the Chief Project Officer (“**CPO**”).

Quality control measures implemented include various activities, as depicted below:

1

Sunsuria Design Standard Rev.2 was introduced by Sunsuria’s Design Committee to establish universal design concepts’ best practices.

2

Contractors receive a briefing from the QESH team through a Contractor QESH Briefing (“**CQB**”) to outline the expected quality and safety standards before commencing construction activities.

3

Construction Trade Training (“**CTT**”) is provided to equip workers with trade skills, such as concreting and brickwork, to ensure high-quality workmanship.

4

An Independent Site QESH Assessment (“**SQA**”) is conducted during construction to ensure compliance with product quality and site safety standards.

5

Before handover, a Pre-Delivery Inspection (“**PDI**”) and Pre-QLASSIC Assessment are performed to identify and rectify defects. The actual QLASSIC assessment is carried out by the Construction Industry Development Board (“**CIDB**”).

6

Mock Up Validation is employed to verify workmanship, materials and product safety on sample projects before construction begins, aiming to prevent defects and incidents for end users.

7

All contractors and relevant Sunsuria staff are required to attend a mandatory Quality Assessment System in Construction (“**QLASSIC**”) awareness course to enhance their knowledge and competency in QLASSIC standards.

8

Upon commencing construction works, a Project Quality Plan (“**PQP**”) is submitted, outlining all QA/QC requirements for compliance by both Contractors and Consultants.

9

An e-RFWI system allows remote evaluation during routine work inspections.

10

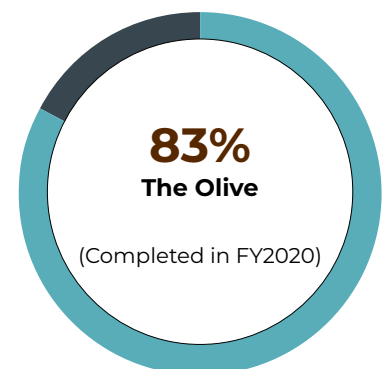
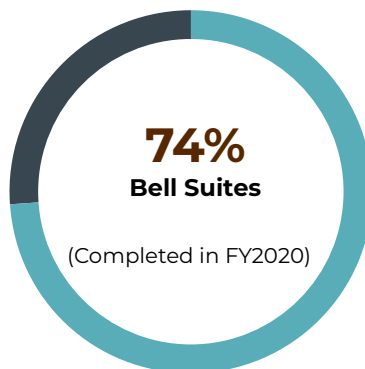
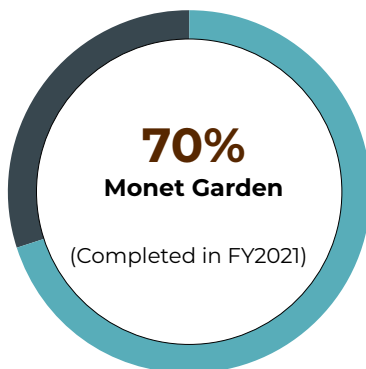
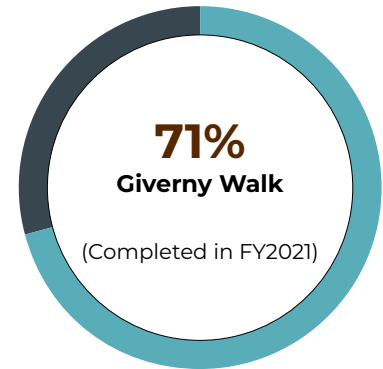
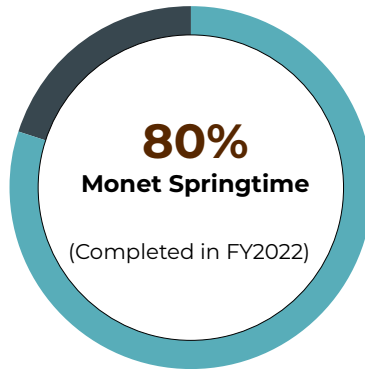
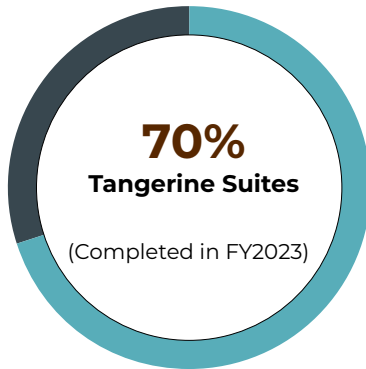
An e-Defect System enables new homeowners to submit feedback during the Defect Liability Period (“**DLP**”).

11

The Physical Product Quality Standards Rev.2 document contains standard best and poor practices.

## SUSTAINABILITY STATEMENT

For all major building projects undertaken by Sunsuria, a QCLASSIC assessment is conducted to ensure that workmanship quality meets industry standards set by CIDB. The most recent QCLASSIC scores achieved by Sunsuria are as follows:



## AWARDS AND RECOGNITION

In FY2023, the Group received several industry accolades and awards, reaffirming our steadfast commitment to delivering high-quality products. These recognitions underscore our dedication to excellence, and we are proud to have secured the following prestigious accolades:





#### Sunsuria Berhad

### ALL-STARS AWARDS (LISTED TOP 10)

StarProperty Awards 2023

#### Sunsuria Forum

### THE CLOSE-TO-HOME AWARD

StarProperty Awards 2023

#### Seni Residences

### THE FAMILY-FRIENDLY AWARD (LANDED) WITHIN GREATER KL

StarProperty Awards 2023

#### One Grant Crescent

### BEST ARCHITECTURAL DESIGN (VICTORIA)

### BEST APARTMENT DEVELOPMENT (VICTORIA)

### BEST LIFESTYLE DEVELOPMENT (VICTORIA)

2023 PropertyGuru Asia Property Awards Australia

#### Bangsar Hill Park

### GREENRE SILVER CERTIFICATION (PROVISIONAL)

under the Residential Building and Landed Home (RES v3.2) Category for the Bangsar Hill Park (Block B & C)

#### The Chapter and Monet Meadow

### GREENRE BRONZE CERTIFICATION (PROVISIONAL)

under the Residential Category for The Chapter and Monet Meadow

#### Sunsuria Kejora Business Park

### GREENRE BRONZE CERTIFICATION (PROVISIONAL)

under the Industrial Facilities Category



## SUSTAINABILITY STATEMENT

### Community-Centric Initiatives

To enhance our connections with our community, Sunsuria actively engages in initiatives that foster shared experiences and celebrate our unity in diversity.

#### Celebrating Our Cultural Heritage

Sunsuria organised various community events, including the Memori Gembira Balik Kampung Raya Open House, Merdeka celebration, and the Sunsuria Street Market. These events provide opportunities for the community to gather and participate in a range of activities.



Merdeka celebration featuring traditional dances and cultural performances.



Roti Canai Terbang and Teh Tarik Raja showcasing amazing stunts.



Memori Gembira Balik Kampung Raya Open House featuring dance performances, gasing painting, and ketupat weaving workshops.



Sunsuria Street Market provides a variety of wares.

**Fostering Healthier Families**

Addressing community well-being, Sunsuria Education Sdn. Bhd. organises a series of Parent Talks, including sessions on managing smartphone and gaming addiction in teenagers.

**Encouraging Better Fitness and Health**

Highlighting the importance of physical well-being, Sunsuria’s staff participated in a friendly football match with Guangdong Alumni Xiamen University China, securing victory for the Sunsuria team.

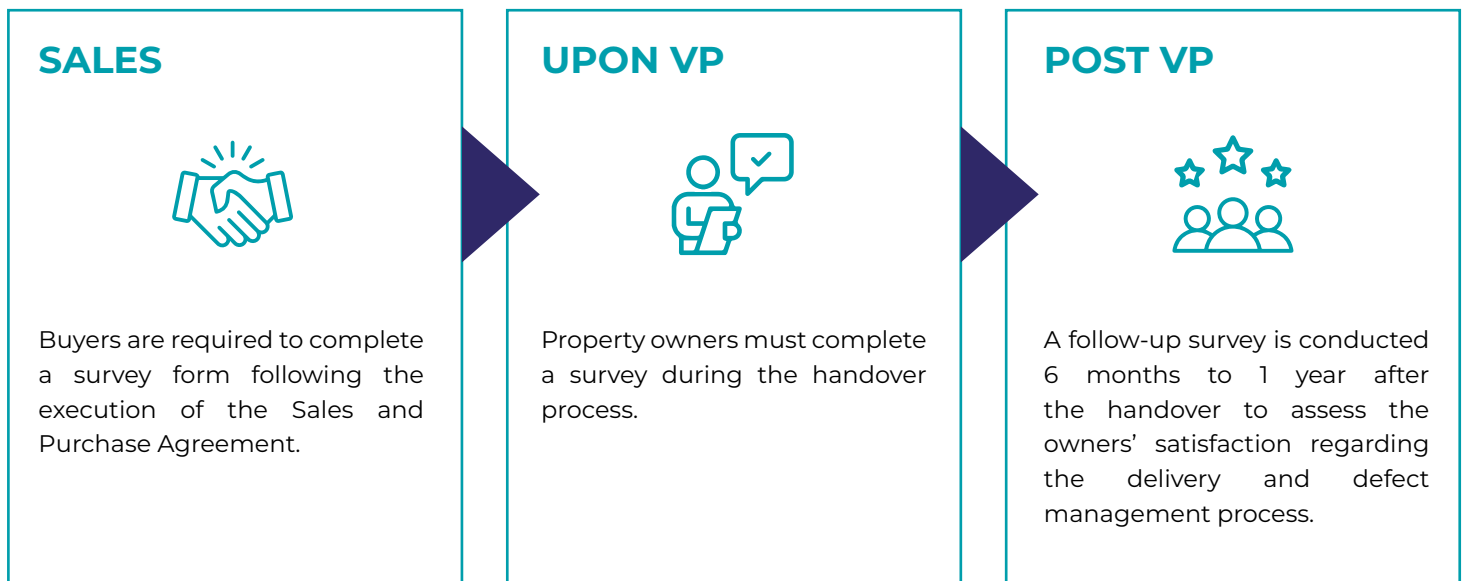
Community engagement opportunities like these position Sunsuria as a community brand that values building bonds and fostering healthy communities.

**CUSTOMER SATISFACTION**

Sunsuria focuses on understanding and meeting customers’ needs to maintain a competitive edge. The Group conducts market research and engages with customers to prioritise their needs, fostering brand loyalty through enhanced satisfaction.

To ensure customer satisfaction, Sunsuria has established a dedicated Customer Experience (“**CX**”) unit within the Group. This unit is responsible for maintaining high levels of satisfaction with Sunsuria’s brands and products.

In addition to delivering top-quality products and services, customer satisfaction levels are regularly assessed by the sales, administration, and CX teams through surveys administered at various homeownership journey stages:

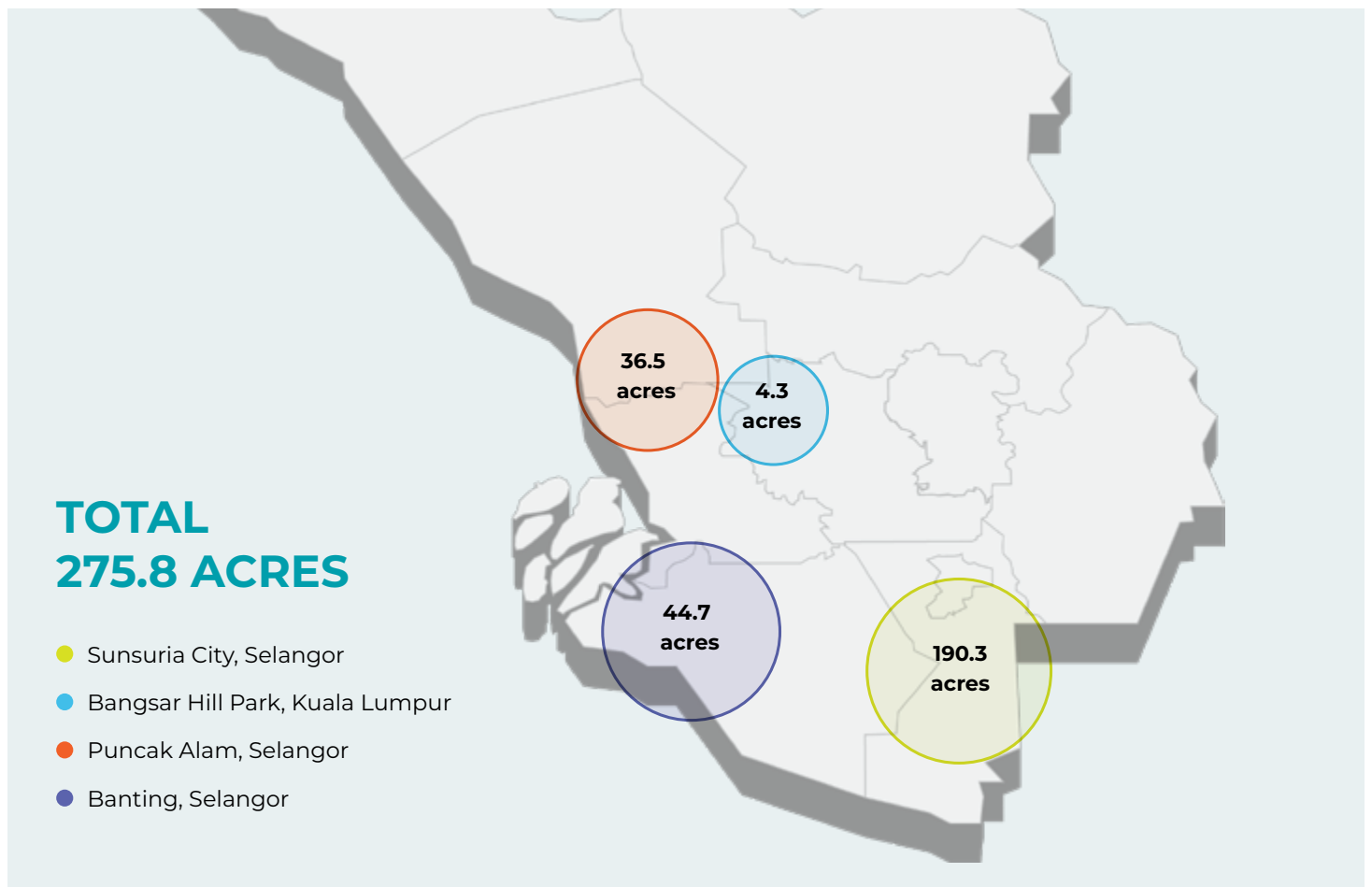


## SUSTAINABILITY STATEMENT

### LANDBANK

As a property developer, Sunsuria relies on acquiring land parcels to bring its real estate masterplans to fruition. Sunsuria has established a robust strategy for land acquisition to ensure a sustainable pipeline of land reserves for future development while maintaining financial liquidity for funding development initiatives.

All land acquisitions from property owners are executed in strict compliance with local regulations. This process involves assessments of environmental and social impacts to evaluate the suitability of development plans considering factors such as land topography, traffic, market conditions, and other effects on neighbouring communities. Additionally, all necessary approvals from local town councils are obtained before commencing development. As of FY2023, Sunsuria holds a total landbank of 275.8 acres to be developed:





## ENVIRONMENTAL TOPICS



*Sunsuria City*

### CLIMATE CHANGE

With the escalating effects of climate change felt globally, the imperative for a robust mitigation strategy has become evident to address these impacts and secure climate resilience. In alignment with these concerns, Sunsuria recognises that climate-related risks may impact its business value chains and has proactively included climate change within its significant ESG topics.

#### Emissions

As the property development industry significantly contributes to greenhouse gas (“GHG”) emissions, accounting for 40% of global emissions, Sunsuria is committed to participating in the effort to address climate change by striving to reduce direct and indirect GHG emissions from its business activities.

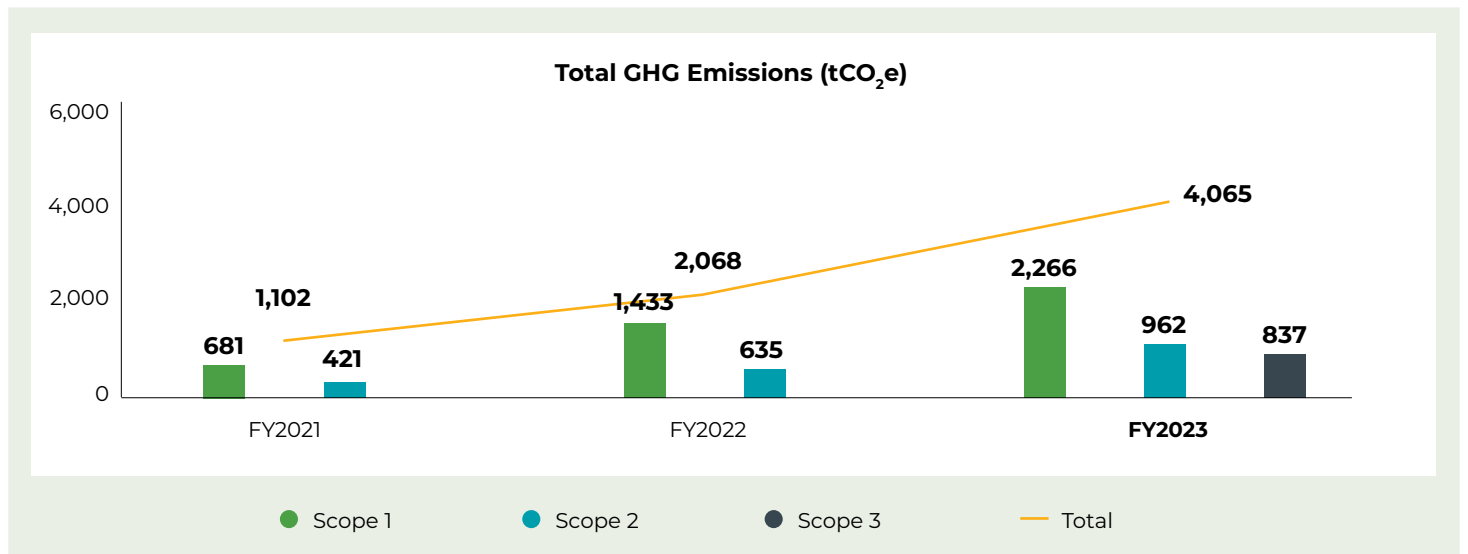
The Group’s primary sources of carbon emissions arise from the direct combustion of fossil fuels to power machinery and equipment used in construction and property development activities (Scope 1) and indirect emissions from purchased electricity (Scope 2). We have thoroughly

assessed and implemented enhancements in our energy management strategy to minimise emissions generated by our property business activities in pursuit of economic growth.

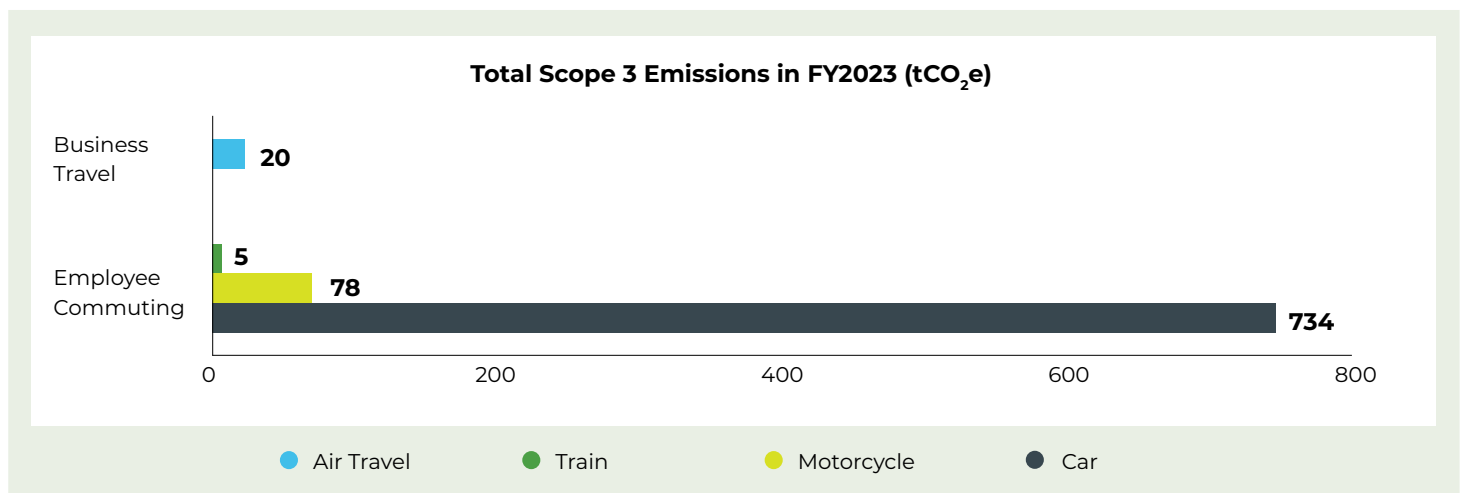
In FY2023, the Group initiated the assessment of its Scope 3 emissions, encompassing factors such as employee commuting and business trips using air travel.

The chart below provides a detailed breakdown of the Group’s cumulative GHG emissions, including Scope 1, Scope 2, and Scope 3 emissions, over the past three years:

SUSTAINABILITY STATEMENT



**Note:** The figures for FY2021 and FY2022 has been restated to reflect the latest database retrieved from the Intergovernmental Panel on Climate Change (“IPCC”). The conversion factor used to convert litres consumption to energy value is based on Malaysia Energy Statistic Handbook 2020. Meanwhile, emission factors and Global Warming Potential (“GWP”) values are retrieved from the IPCC emission factor database. GWP values used in carbon accounting is (CO<sub>2</sub> = 1; CH<sub>4</sub> = 29.8 and N<sub>2</sub>O = 273).



**Note:** The current scope of business travel is limited to air travel. The Group is currently in the planning stage of establishing a data collection process to account for other modes of transportation and intends to pursue comprehensive reporting when such data becomes available.

In FY2023, the Group recorded an increased trend in both Scope 1 and Scope 2 emissions. This increase is mainly due to our expanding projects, leading to higher energy use, especially in diesel and electricity. The heightened demand for energy has consequently contributed to the surge in overall carbon emissions.



### Carbon Intensity in FY2023

The Group has established a carbon intensity measurement in FY2023, reflecting our commitment to an annual reduction of carbon intensity by 5% for both Scope 1 and Scope 2 emissions, as reported below:

Building on the foundation of energy efficiency, the Group recognises the importance of effectively mitigating climate change impacts. To achieve this, specific targets for carbon reduction monitoring have been set. In addition to carbon accounting, the Group is actively exploring strategies to enhance mitigation efforts, aligning with the recommendations outlined in the Task Force on Climate-related Financial Disclosures (“TCFD”). More details on the Group’s alignment with TCFD can be found in the TCFD Statement section.

#### Carbon Intensity



### ENERGY CONSUMPTION AND EFFICIENCY



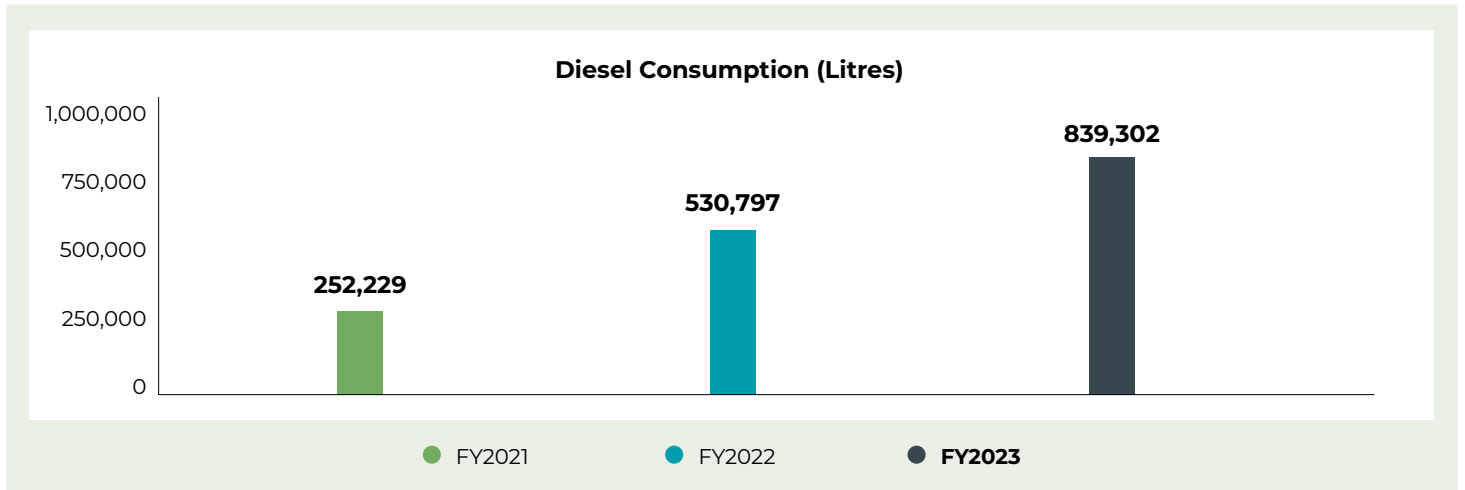
Sunsuria’s commitment to environmental responsibility is guided by the Group’s Sustainability Policy, closely aligned with the targets set by the UNSDGs. The focus on managing energy consumption and reducing emissions responds directly to the changing requirements of key stakeholders, including financiers, investors, industry regulators, and the growing environmental consciousness within the property development industry.

The Group actively seeks energy conservation measures across all business operations, promoting more commercially sustainable supply chains. In the upcoming plans, the Group aims to transition from conventional light bulbs to energy-efficient LED bulbs for all office spaces. The commitment also extends to ensuring that all office air conditioning systems are switched off during the lunch hour.

SUSTAINABILITY STATEMENT

**Diesel Consumption**

As Sunsuria’s construction projects expand, the Construction division’s project sites remain the primary consumers of diesel within the company. With the progression of work into more advanced stages, there is an anticipated increase in diesel consumption. In FY2023, these construction sites collectively consumed a substantial 839,302 litres of diesel.

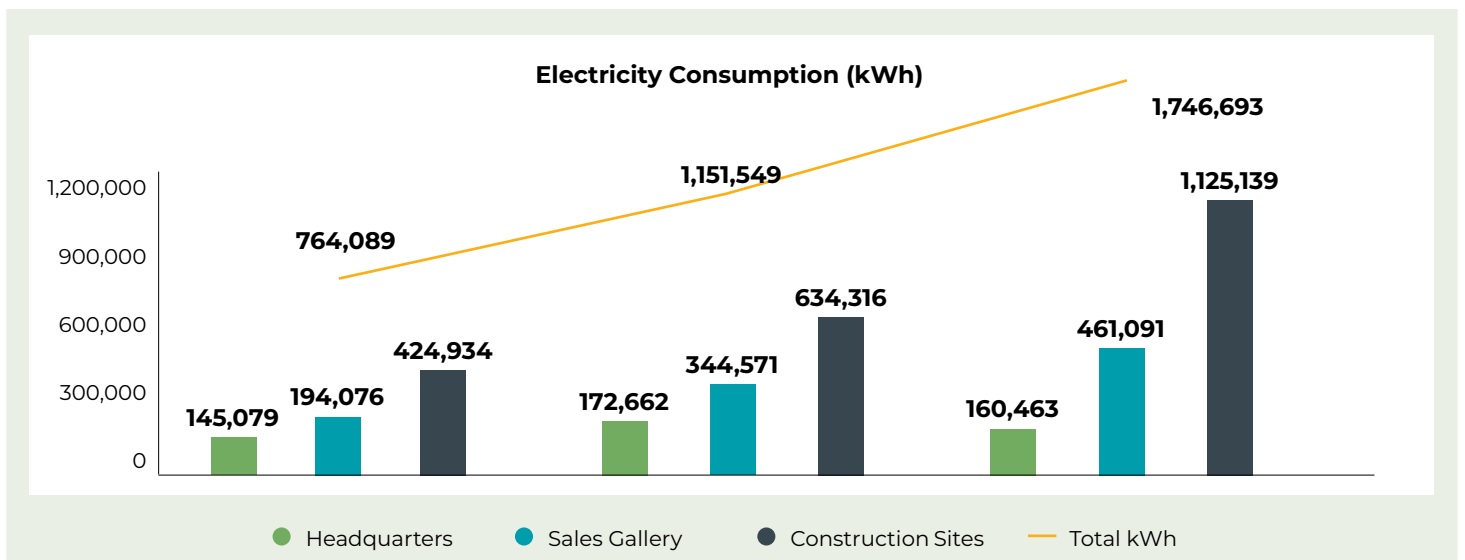


**Electricity Consumption**

Electricity supply plays a crucial role in supporting the Group’s operations by providing power to its office facilities and construction sites. Sunsuria recognises the importance of efficiently managing its purchased electricity, primarily sourced from the Tenaga Nasional Berhad (“TNB”) grid.

To ensure effective energy management, the Quality, Environmental, Safety, and Health (“QESH”) department closely monitors this aspect.

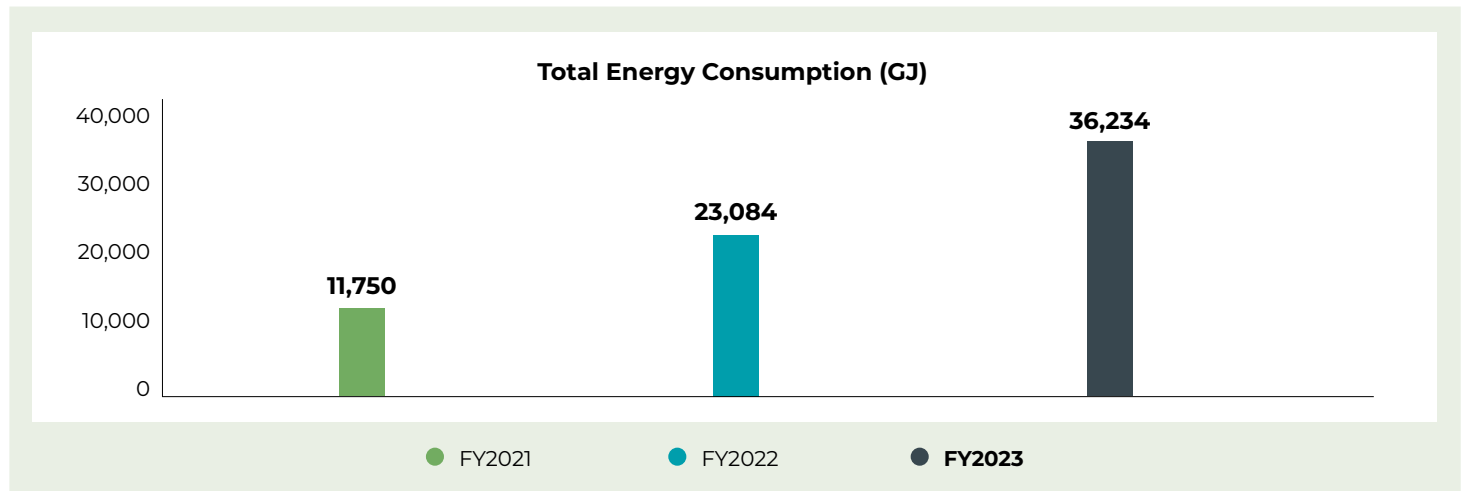
Several energy-saving initiatives have been implemented, such as adopting a solar photovoltaic (“PV”) system as a renewable energy (“RE”) source at the Celebration Centre, resulting in a 50% reduction in monthly electricity consumption at the facility. Additionally, employees are encouraged to adhere to the “Switch Off When Not In Use” practice for all machinery and equipment at our premises, including computers, lights, and air-conditioning units.





### Total Energy Consumption

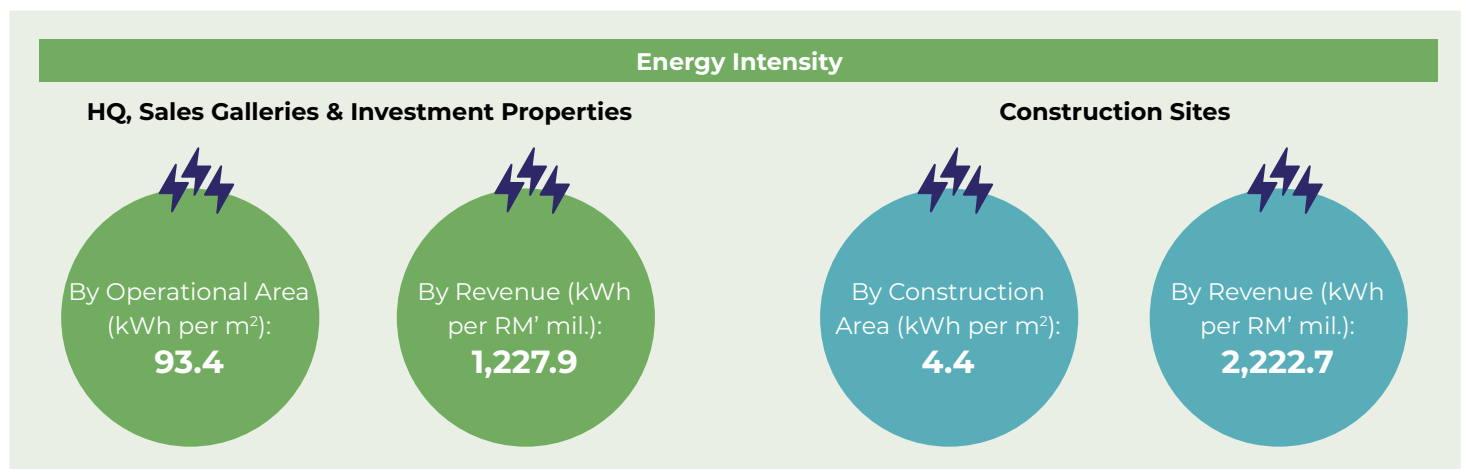
As the years progress, our Group's projects are expanding, and we anticipate a corresponding upward trajectory in energy consumption driven by heightened business demand. In FY2023, the total energy consumption registered an increase compared to FY2022. This rise is attributable to both the ongoing progression of existing projects and the initiation of new projects.



**Note:** Total energy consumption is calculated based on unit conversion of total fuel consumption (Diesel: 1 L = 0.036 GJ) and total electricity consumption (1 kWh = 0.0036 GJ).

### Energy Intensity

In FY2023, Sunsuria has established a comprehensive intensity measurement aligned to our commitment to reducing energy intensity by 5% for permanent premises such as Group's HQ, sales galleries and investment properties by 2025, which covers the following:



The Group acknowledges an increase in energy intensity compared to FY2022, primarily due to the expanded scope involving additional permanent premises. With this recognition, the Group is committed to enhancing efficiency in energy consumption, focusing on medium to long term. This strategic initiative aims to reduce carbon footprint and increase cost-effectiveness, particularly in response to the challenges posed by rising energy prices.

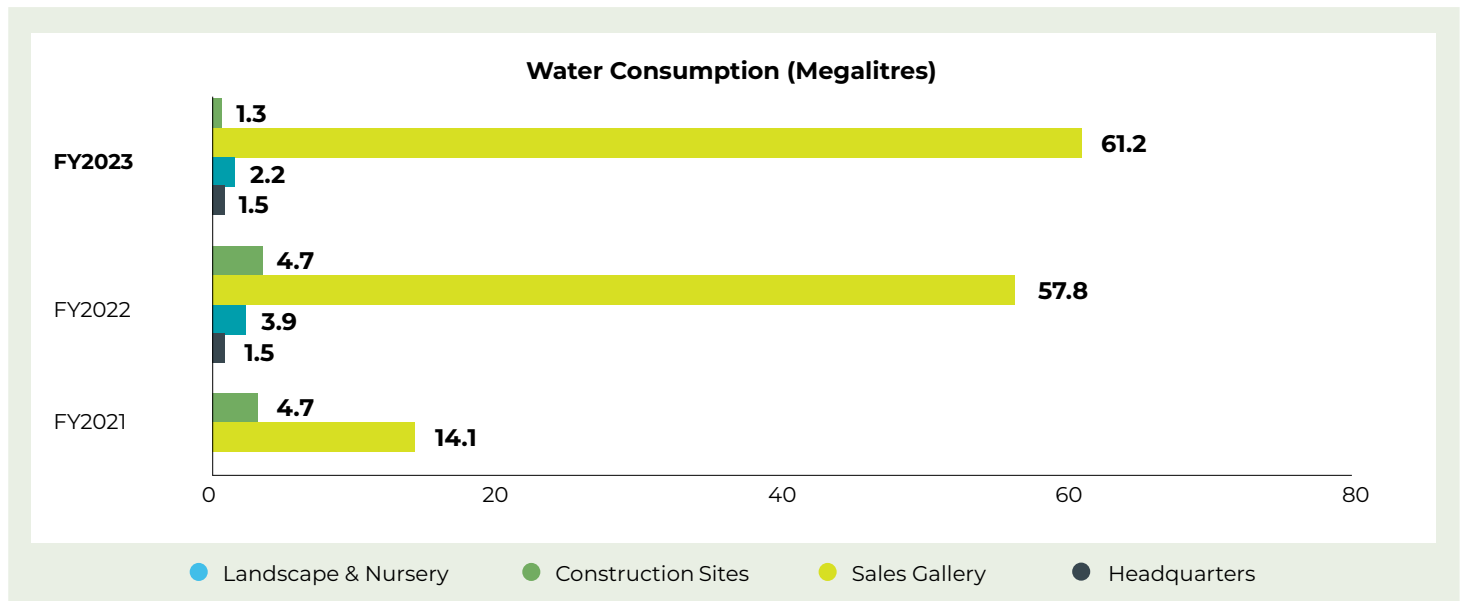
SUSTAINABILITY STATEMENT

WATER CONSUMPTION AND CONSERVATION

Water, especially potable water and its sources like rivers, faces growing threat from increased consumption, pollution, drought, and other factors affecting availability. Emphasising water efficiency and utilising non-potable sources, such as rainwater harvesting, helps reduce reliance on state utility-provided water and lowers costs. This is especially valuable in areas classified as water-stressed, enhancing overall water sustainability.

At Sunsuria, water is used across various aspects of the Group’s operations, including construction and sanitation. The Group maintains vigilant monitoring of its water usage, driven by the goals of enhanced ESG compliance and the preservation of this vital resource.

Numerous water conservation initiatives have been introduced throughout the Group. For instance, automatic sensors have been installed in washrooms to promote efficient water utilisation.



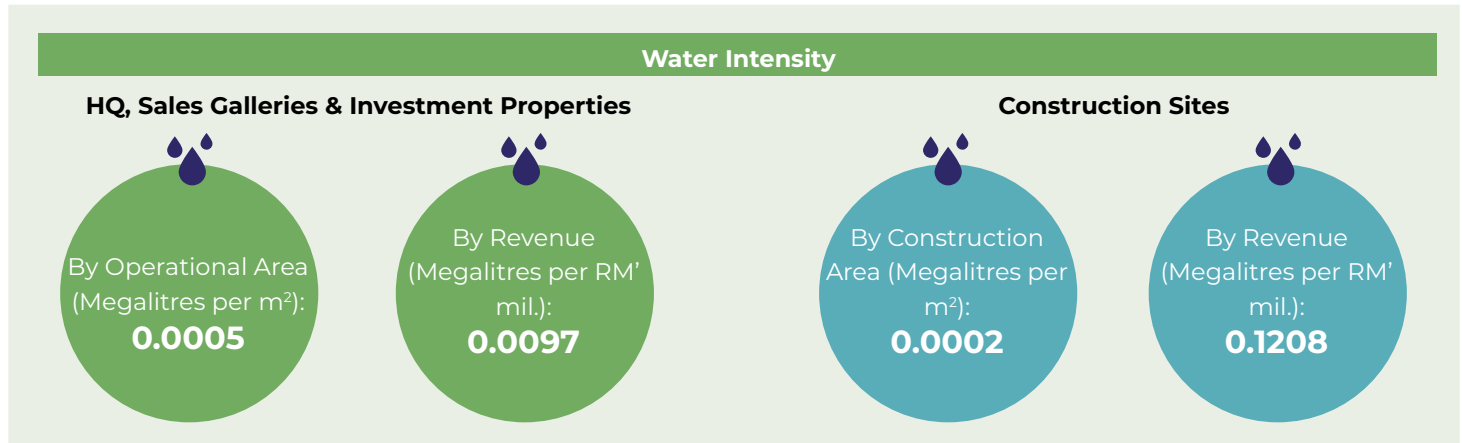
**Note:** The compilation of Headquarters’ water consumption data commenced in FY2022. Reporting of water consumption data in construction sites from FY2021-FY2022 has been restated to show accurate unit conversion from operational data (m<sup>3</sup>) to reporting unit (Megalitres).

In addition to construction operations, the landscape and nursery division play a substantial role in Sunsuria’s overall water consumption. In FY2023, the Group experienced a significant decrease in water usage for landscaping activities. This is attributed to the maturity of most plants and the consistent presence of rain, resulting in a reduction in water consumption.

To continue its water conservation efforts, the Group has introduced alternative water sources to reduce reliance on piped water for landscaping tasks. Notably, Giverny Park utilises water sourced from nearby lakes, and a rainwater harvesting system has been deployed to store water for landscaping activities around Sunsuria City.

### Water Intensity in FY2023

As part of an effort to enhance water efficiency, the intensity measurement for water consumption within the Group's permanent premises was recorded at 0.0005 Megalitres/m<sup>2</sup> in FY2023, establishing it as the baseline year for comparative water intensity measurement.



**Note:** The calculation of overall water intensity by operational area excluded landscaping activities due to difficulty in ascertaining the specific operational area coverage for landscaping.

### EFFLUENTS AND WASTE MANAGEMENT

At Sunsuria, our waste management strategy focuses on recycling construction waste to minimise its impact on landfills. We follow a “waste-to-wealth” approach, repurposing scrap metal bars and concrete waste to create precast slabs for future construction use. In FY2023, we collected a total of 343.3 tonnes of rebar and scrap.

Non-recycled waste is directed to an authorised third-party waste collector for proper disposal. This approach aligns with our commitment to United Nations Sustainable Development Goal 12, “Responsible Production and Consumption.” To ensure effective waste management and monitoring, the Quality, Environmental, Safety & Health (“QESH”) Department tracks waste generation data using templates provided by contractors. These records undergo monthly review and verification by QESH personnel.



Effluent monitoring is conducted at all active construction sites through total suspended solid tests to safeguard the quality of discharged effluents. This aligns with United Nations Sustainable Development Goal 6, “Clean Water and Sanitation,” ensuring no adverse impact on the environment and preserving clean water sources in the vicinity.

SUSTAINABILITY STATEMENT



Seating area, Bangsar Hill Park

GREEN BUILDINGS INITIATIVES

**Monet Meadow**

**GreenRE Bronze Certification (Provisional)**

under the Residential Category,

**Sunsuria Kejora Business Park**

**GreenRE Bronze Certification (Provisional)**

Industrial Facilities Category



Sunsuria is committed to advancing sustainable development through environmentally conscious property management. The Group proactively integrates eco-friendly features into its project development, emphasising this commitment across various locations.

In particular, Sunsuria City has been designed with sustainability in mind, incorporating pedestrian-friendly elements such as footpaths and bike lanes to mitigate carbon emissions and promote healthier lifestyles among residents. Safety is a top priority, with efficient lighting and a closed-circuit television (“**CCTV**”) system in place. Sunsuria actively encourages the use of public transportation, demonstrated by the connectivity link between the Salak Tinggi Express Rail Link (“**ERL**”) Station and Sunsuria City.

Furthermore, the Group implements green building initiatives across its projects, extending these practices to existing developments and planning to incorporate them into upcoming projects. In FY2023, both the Chapter and Monet Meadow received GreenRE Bronze Certification (Provisional) under the Residential Category, while Sunsuria Kejora Business Park secured GreenRE Bronze Certification (Provisional) under the Industrial Facilities Category.

Additionally, Bangsar Hillpark (Block B & C) achieved GreenRE Silver Certification (Provisional) under the Residential Building and Landed Home (RES v3.2) Category, recognising its incorporation of the following sustainability measures:



### Energy Efficient Facilities/Features

Installed energy efficient facilities, which includes:

- 4-star rating air-conditioners for all dwelling units.
- LED lighting for all common areas, with at least 40% savings from MS1525:2019 baseline.
- Passenger and service lifts that comes with sleep mode, Variable Voltage Variable Frequency (“**VVVF**”) Drive and gearless system (also contributes to increased lift travel speed).



### Utilisation of Sustainable Products

Usage of certified environmental-friendly components, such as:

- Waterproofing membrane in all applicable wet areas including dwelling unit bathrooms.
- Ceiling panels in all applicable common areas and dwelling units.
- Exterior paint for all building façades.
- Cement with at least 19.9% replacement of ordinary Portland cement (“**OPC**”) with green cement (fly ash - a recycled material which strengthens concrete).
- Low volatile organic compound (“**VOC**”) paints and adhesives for all dwelling units.



### Rainwater Management System

- Harvested rainwater is used for landscape irrigation which reduces potable water costs.
- Siphonic rainwater drainage system, which is used to drain rainwater from large roof areas, requires fewer pipes thus reducing the construction space required, making it more effective and cost-efficient.



### Sustainable Living Facilities/Features

- Stationed compost bins for on-site production of at least 30% of required fertiliser using horticulture waste.
- Installation of 6 EV chargers with priority parking lots.
- More than 80% of plants on-site are drought-tolerant, reducing water utilisation and costs.



## SUSTAINABILITY STATEMENT

### Materials Consumption

Sunsuria's property development projects rely heavily on materials such as steel, wood, sand, and cement. The prudent use of these raw materials is a key initiative implemented across all operational sites.

Each project site is required to provide a materials report, incorporating a waste reduction target at the project's completion. This approach aims to assess performance and minimise material wastage. The Group underscores the importance of material conservation through employee training programmes.

### BIODIVERSITY

Sunsuria recognises the crucial role of maintaining a healthy and diverse biodiversity in mitigating the impacts of climate change and regulating temperatures in urban areas, contributing to the long-term sustainability of property development.

The Group proactively enhances biodiversity in project development areas by thoughtfully selecting and planting a diverse array of plant species. The primary objective is to uphold and nurture biodiversity values, fostering a more balanced and flourishing ecosystem. Parks and water

features are designed to attract pollinating species of birds, butterflies, and other insects.

The Group meticulously assess native and non-invasive species, considering factors such as soil characteristics, climate conditions, and the specific requirements of local wildlife.

The introduction of a variety of plant species aims to establish a habitat that attracts and sustains a wide spectrum of wildlife within Sunsuria's developments.

#### List of Plant Species within Sunsuria's Developments



⑤ Syzygium Polyanthum

- ① Syzygium Zeylanicum
- ② Sterculia Parviflora
- ③ Suregada Multiflora
- ④ Tristania Obovate
- ⑤ Syzygium Polyanthum
- ⑥ Hopea Odorata
- ⑦ Peltophorum Pterocarpum
- ⑧ Radermachera Hainanensis
- ⑨ Dalbergia Sissoo
- ⑩ Fagraea Fragrans
- ⑪ Dalbergia Oliveri
- ⑫ Dalbergia Latifolia
- ⑬ Cratoxylum Cochinchinense
- ⑭ Caesalpinia Sappan
- ⑮ Agathis Borneensis
- ⑯ Alstonia Scholaris
- ⑰ Ficus Benjamina

### Biodiversity Audit Planning

Sunsuria has scheduled a Biodiversity Audit to emphasise the conservation of biodiversity in the context of township development. The preliminary desktop study conducted in FY2023 revealed that the project site is approximately 80% developed, with the surrounding area featuring a mix of urbanisation and smaller sections of plantation. The nearest potential ecological corridor, Sg. Langat, is located roughly 3 km away which covers a variety of habitats, including existing oil palm estates, mixed shrublands, and man-made water bodies.

### Green Landscape Initiatives

Sunsuria prioritises green landscaping through sustainable initiatives, promoting a healthy mix of flora and fauna. Prior to implementation, comprehensive case study assessments were conducted for the following green landscaping initiatives:



#### Tree Tagging and Signage

- Tags on trees serve multiple purposes, raising awareness and educating residents while aiding various entities in monitoring tree-related activities.
- Helps identify trees for removal, preservation, treatment, and commemorations.



#### Composting and Urban Farming

- Sunsuria adopts composting as an organic fertiliser source, replacing chemical fertilisers in landscaping operations.
- Mitigates the risk of water pollution through fertiliser runoff.
- The organisation explores advanced urban farming practices, including rooftop farms, hydroponic systems, and aquaponic facilities.



#### Solar Garden Lights

- Sunsuria focuses on energy-efficient solutions, planning to expand solar-powered LED streetlights in the community garden and park.
- Aesthetic appeal with self-sustained illumination for a minimum of six (6) hours, reducing reliance on grid electricity.



#### Tree Planting and Partnership Programme

- Sunsuria contributes to ecosystem rejuvenation through a tree planting program.
- Collaborates with biodiversity conservation experts to promote the nurturing and preservation of biodiversity.



SUSTAINABILITY STATEMENT



SOCIAL TOPICS



LABOUR AND HUMAN RIGHTS

Sunsuria strongly supports human rights, affirming the right of all employees to receive a fair and sustainable wage. The Group fully complies with the Minimum Wages Order 2020.

Our Code of Conduct and Business Ethics explicitly prohibits the use of child labour, forced labour, and any form of modern slavery across all operational facets. Other labor practices and commitments adopted by the Group include:

	<p>Upholding equal opportunity and non-discrimination</p>		<p>Ensuring compliance with Minimum Wage Order 2022 and laws governing working hours, overtime pay and fair compensation</p>		<p>Respecting employees' right to wellness, mental health and work-life balance</p>
	<p>Respecting workers' right to dignity at work</p>		<p>Prohibition and prevention of forced labour, debt bondage, human trafficking and all forms of modern slavery</p>		<p>Sufficient notice period for changes in terms of duties, work location or other operational changes</p>
	<p>Supporting a harassment-free and violence-free workplace</p>		<p>Recognition of children's rights and prohibition and prevention of child labour</p>		<p>Upholding the right to safe working conditions</p>

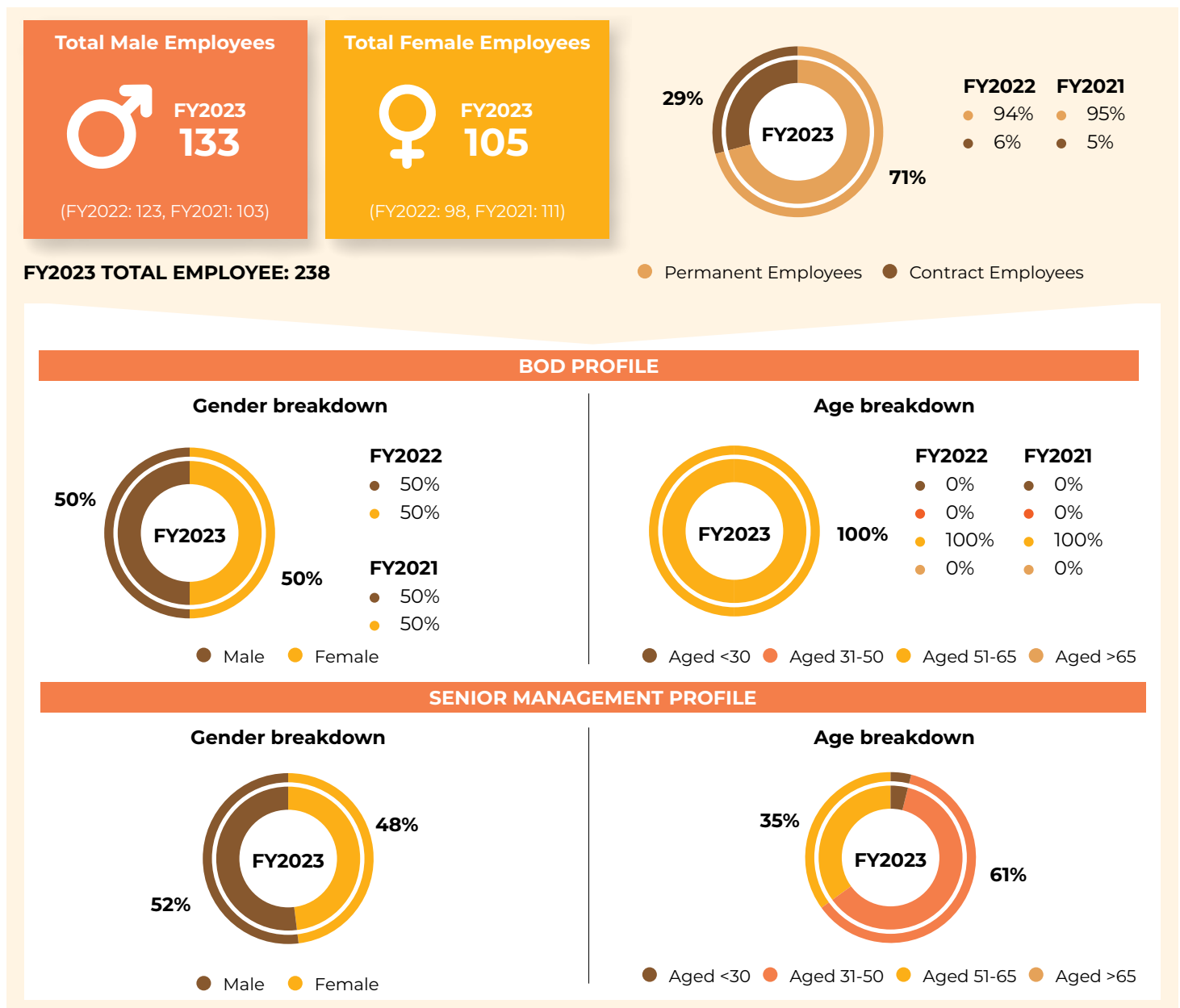
The Group currently does not have a due diligence process in place for evaluating the human rights practices of third-party business partners. Nevertheless, there is a commitment to include such requirements as a KPI in the upcoming reporting cycle. It is noteworthy that in FY2023, no incidents of adverse social impacts in the supply chain were reported.

## DIVERSITY AND EQUAL OPPORTUNITY

Sunsuria is dedicated to creating employment opportunities for Malaysians. Our approach to talent management places a strong emphasis on diversity and equality, fostering an inclusive environment that mirrors the multicultural and multi-ethnic fabric of Malaysia, with employees from various racial backgrounds.

The Group welcomes all gender expressions without bias, observes and respects diverse cultural celebrations equally, and considers individual ethnic sensitivities. In alignment with its commitment to UN Sustainable Development Goal 5 on “Gender Equality,” the Group is steadfast in offering equal opportunities based on meritocracy in all aspects of its employment practices.

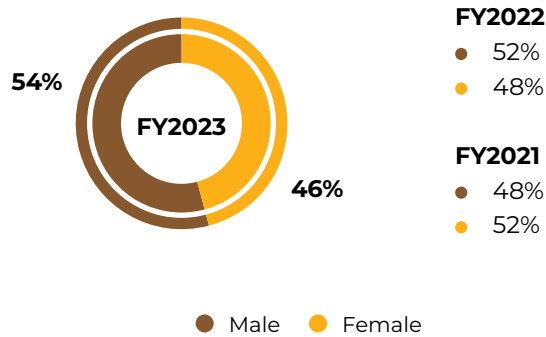
In FY2023, the overall composition of Sunsuria’s workforce is detailed as follows:



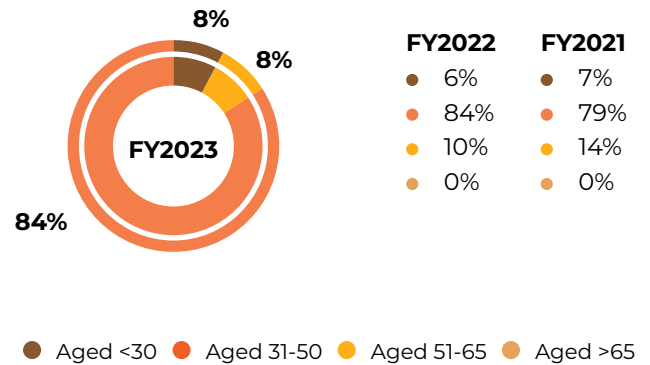
SUSTAINABILITY STATEMENT

MANAGEMENT PROFILE

Gender breakdown

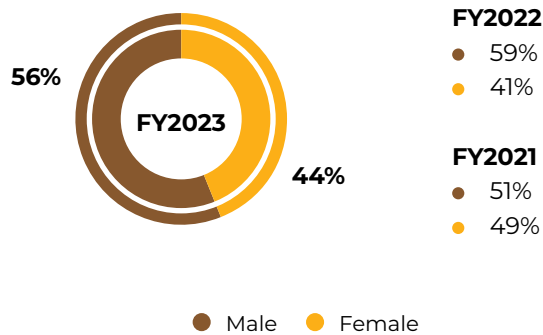


Age breakdown

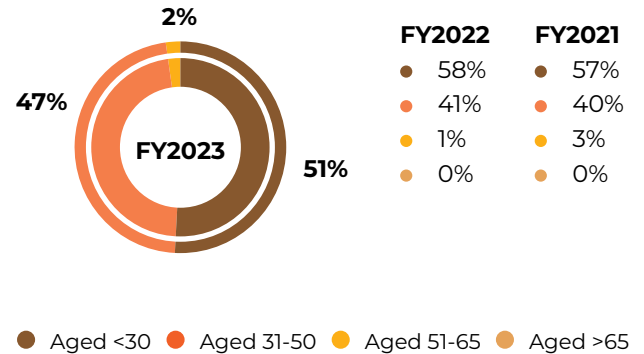


EXECUTIVES PROFILE

Gender breakdown

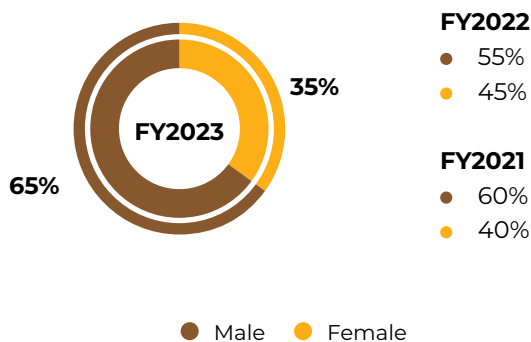


Age breakdown

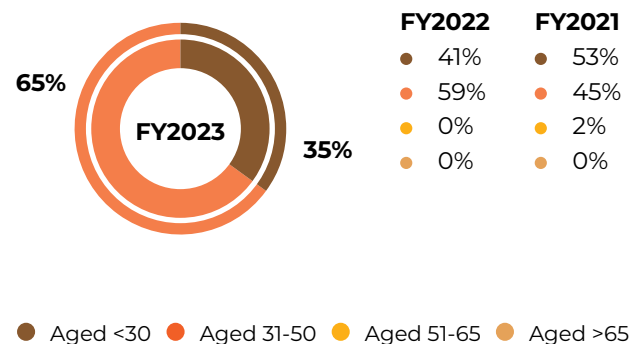


NON-EXECUTIVES PROFILE

Gender breakdown



Age breakdown



## TALENT RETENTION AND DEVELOPMENT

At Sunsuria, we recognise the central role our talent plays in shaping not only our success but also in contributing to the well-being and development of our individuals. Understanding the significance of continuous learning, we are committed to providing inclusive access to quality education, fostering lifelong learning opportunities for all.

This dedication to human capital not only strengthens and enhances the Group but also empowers individuals to thrive both personally and professionally.

### Hiring and Attrition

The Group prioritises local talents for all levels of Management and Non-Management positions.

At Sunsuria, our recruitment process emphasises aligning candidates with the company's values and collaborative culture. The key criteria encompass a blend of essential skills and a positive attitude, ensuring their ability to thrive within our dynamic work environment. The emphasis is on cultivating a skilled and diverse workforce for the mutual benefit of our employees and the overall organisational dynamics.

Acknowledging the importance of talent development, the Group invests in training and learning opportunities to enhance the skills of our workforce. This strategic approach not only enhances productivity and performance but also fosters higher job satisfaction, cultivating a positive work culture and mitigating attrition rates.

### Employee Engagement and Satisfaction

Recognising the importance of fostering a conducive work environment, Sunsuria places a high priority on ensuring the well-being of its employees to enhance workplace productivity. The Group proactively conducts employee satisfaction surveys, evaluating various social indicators such as work-life balance, workplace relationships, working conditions, and management support and leadership. This proactive approach aligns with our commitment to creating a positive working environment.

The results for the annual FY2023 Employee Engagement Survey indicate a satisfaction rate of 84.9%, reflecting our concerted effort to organise more engaging employee initiatives that align with the staff's needs and interests.

#### Fostering Employee Engagement with Interactive Initiatives

Sunsuria implements diverse activities to foster employee engagement, including festive gatherings, informative talks on parenting and stress management, sporting events, and training sessions. Signature events like the Sunsuria City Foodiethon 2023 and Sunsuria Sports Day 2023 aim to enhance relationships beyond the workplace, promote a balanced lifestyle, and offer occasions for employees' families to come together. Festive celebrations such as the Sunsurian Ramadhan Get Together, Mid-Autumn Festival, and Christmas gift-exchange contribute to a more harmonious working relationship.

#### Engagement Activities in FY2023

- |  |   |
|--|---|
| <p><b>1</b> Breast Cancer Awareness Talk</p> | <p><b>5</b> Sunsuria Sports Day</p>   |
| <p><b>2</b> CPR Training</p>                 | <p><b>6</b> Sunsuria Ramadhan Get Together</p>  |
| <p><b>3</b> Christmas Celebration</p>        | <p><b>7</b> Friendly Football Match with Guangdong Alumni Xiamen University China</p> |
| <p><b>4</b> Chinese New Year Celebration</p> |   |

## SUSTAINABILITY STATEMENT

### Employee Benefits and Well-Being

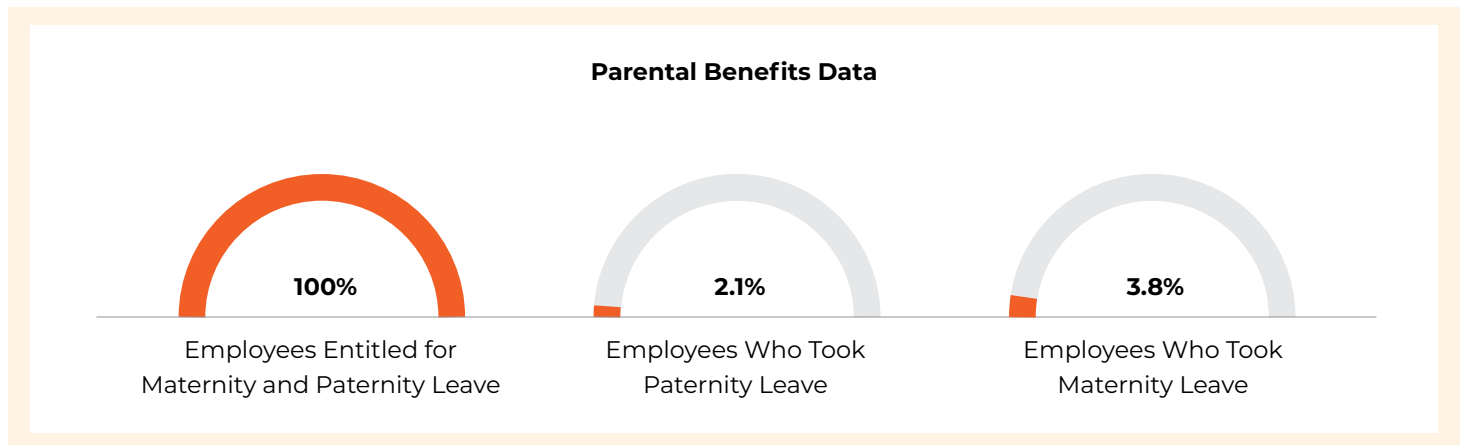
At Sunsuria, we prioritise maintaining a vibrant workplace, recognising its role in fostering a resilient and thriving workforce. The well-being of our employees is fundamental to the success of the Group, contributing to a positive work environment and supporting the overall health of our team.

Apart from adhering to statutory payments in compliance with employment laws, we ensure that our workforce receives competitive compensation packages. These packages are designed not only as a form of recognition but also to show appreciation for the valuable contributions of our employees. For a detailed breakdown of total payments and the defined contribution plan, please refer to the financial statements in the Annual Report 2023.

In addition to financial rewards, the Group actively promotes employee well-being through various programmes. These initiatives encompass Parent Talks, health seminars addressing topics such as diabetes and orthopaedics, and engaging sporting events. This holistic approach aims to contribute to the overall development and satisfaction of our employees.

### Parental Benefits

Sunsuria offers parental leave to both male and female employees, with male employees granted a 7-day paid leave and female employees provided with 98 days of paid leave.



Parental Benefits Data	FY2021	FY2022	FY2023
<b>Employees Entitled for Maternity and Paternity Leave</b>	100%	100%	<b>100%</b>
<b>Employees Who Took Paternity Leave</b>	0.9%	0.5%	<b>2.1%</b>
<b>Employees Who Took Maternity Leave</b>	3.3%	3.2%	<b>3.8%</b>
<b>Return to Work</b> (After parental leave period)			
- Male	100%	100%	<b>100%</b>
- Female	100%	100%	<b>100%</b>
<b>Retention Rate*</b>			
- Male	-	-	<b>80%</b>
- Female	-	-	<b>100%</b>

**\*Note:** The retention rate data compilation commenced in FY2023, which account for those remaining with the organisation for 12+ months after parental leave



### TRAINING AND PROFESSIONAL DEVELOPMENT

At Sunsuria, we place great value on continuous learning and development, recognising it as essential for fostering individual and organisational success. The Management is committed to providing learning opportunities that focus on upskilling employees and ensuring they stay well-informed about the latest industry knowledge.

Our approach to training follows a blended learning model, strategically designed to contribute to the long-term growth of our workforce.

Human Resources (“HR”) Department takes the lead in crafting an annual Training and Development Plan tailored

to individual employee performance appraisal. This plan encompasses training in Professional and Personal Development, Managerial Development Programme (“MDP”), and On-the-Job Training.

In FY2023, there was a nearly twofold increase in the total hours allocated for training compared to the previous year. The primary objectives were to enhance organisational effectiveness, optimise human capital, fortify staff capabilities, and cultivate a sustainable performance culture. For more detailed information on training development data, please refer to the ESG Performance Data Table section.

#### Total Training Hours

**4,967**

2,894 (FY2022)



**100%**

of employees have had appraisals  
in FY2023



**Note:** Data consolidated from Sunsuria Berhad, Sunsuria Facility Management SB, Sunsuria Landscape Nursery SB, Sunsuria Education SB & Sunsuria Healthcare SB and Sunsuria Asas in FY2023.

## SUSTAINABILITY STATEMENT

### Training Programme

Sunsuria is dedicated to fostering the growth of our talents, emphasising not only their abilities to address dynamic challenges but also their personal and professional enrichment. Aligned with UNSDG Goal 8 for “Decent Work and Economic Growth”, we provide ongoing skills training, counselling, guidance, and well-defined career paths for the individual’s empowerment. In FY2023, Sunsuria organised 48 training sessions, employing hybrid, physical, and online formats to cater to diverse learning needs.

#### Technical Training

- 1 2023 Budget Proposals & Tax Updates
- 2 ACEM Webinar Series Site Supervision Course Discipline Module: Mechanical (Webinar M1 to M5)
- 3 Building For The Future: Sustainable Property Development
- 4 CREAM: Enforcement on Scaffolding and Falsework for Safer Construction Sites
- 5 E-Invoicing Webinar By PWC
- 6 Industrial Development Conference
- 7 IR 2023 Webinar: Environmental Quality Act 1974 + EIA
- 8 Legal Talk Series #1-2023 - Land Matters And Issues In Real Estate Developments
- 9 Master Microsoft Power Platform
- 10 Microsoft Office 365 Admin
- 11 OSH Coordinator Training
- 12 Project Management
- 13 Protecting Your Property: Insurance Tips And Strategies For Property Managers (Siri 2)
- 14 PWC Malaysia’s Budget 2023 Seminar: Building A Sustainable And Resilient Future
- 15 Real Solutions For Real Estate
- 16 REHDA - Legal Tea Talk Series 2-2022 - Updates On Strata Management Issues Related To The Strata Management Act 2013 (Act 757)
- 17 Seminar Dasar Dan Mekanisma Penawaran Rumah Selangorku 3.0
- 18 Seminar Keselamatan Kebakaran: Awareness, Maintenance & Enforcement in Building
- 19 Seminar Pengurusan Strata Tahun 2022 Majlis Perbandaran Sepang
- 20 Series 1 - Property Development And Construction - Tax Compliance Issues
- 21 Series 2 - Joint Venture Arrangement - Tax Implications And Latest Development
- 22 Series 3 - Tax Planning - Land Transactions And Property Development
- 23 SIKA At Work Training Program For Contractors And Developers
- 24 SSM - Read, Interpret And Analyse Financial Statements For Company Directors And Company Secretaries (Basic Level) Strata Conference: Revitalizing Strata Communities - Strategies For Sustainable Improvements & Innovations
- 25 Strata Management Seminar 2023 (Series1) - How To Exercise The Proper Duties, Powers And Legal Obligations Of Developers, JMB/MC & Property Managers
- 26 Strata Property Management Seminar 2023 - Digitalizing Property Management
- 27 Transforming Your Business with Power BI Data Analytics
- 28 Webinar On Building Defects & QLASSIC
- 29 E-Performance Management (E-PM) Workshop



### Technical Training

- 30 ESG - Anti Money Laundering Act, MACC Section 17A and Personal Data Protection Act
- 31 Finance For Non-Finance Personnel
- 32 First Aid At Workplace
- 33 Fundamental Of Purchasing & Basic Negotiation Skills
- 34 ISO 9001: 2015 Awareness & Internal Audit Training
- 35 Legal Sharing Session - Formation of Joint Management Body & Management Corporation & Post Construction
- 36 Microsoft Excel - Intermediate
- 37 MSOSH Trained Person Working At Height Course
- 38 Tik Tok As Marketing Tools

### Soft Skill Training

- 1 Professional & Confident Corporate Image
- 2 Sales Motivation Training
- 3 Sales Training (S1) - Cold Call & Warm Call
- 4 Sales Training (S2) - Presentation & Closing
- 5 Sales Training (S3) - Follow Up Mastery
- 6 Sales Training (S4) - Calls & Appointment Setting
- 7 Team Building
- 8 The 3As Of Image Management
- 9 Effective Leadership & Supervisory Skill

### OCCUPATIONAL SAFETY AND HEALTH (“OSH”)

Ensuring the safety and well-being of our employees and contractors is a top priority at Sunsuria. We adhere strictly to Occupational Safety and Health (“OSH”) standards, integrating safety practices into our corporate culture.

Our commitment to safety is unwavering, with the “Safety-First” philosophy communicated through our online portal and on-site postings at significant work sites. Even during the transition to the COVID endemic phase, Sunsuria continues its commitment to safety, conducting weekly COVID tests. Positive cases trigger immediate adherence to Ministry of Health (“MOH”) guidelines, including self-quarantine.

Since FY2021, we have implemented the Safety and Health Assessment System in Construction (“SHASSIC”) for all high-risk projects, creating Hazard Identification, Risk Assessment, and Risk Control (“HIRARC”) documents for each main building project.

## SUSTAINABILITY STATEMENT

### Safety Management and Control Measures

Safety management is conducted under the purview of the Board through the Group Risk Management Committee (“**GRMC**”), collaborating with Heads of Departments to establish an Emergency Response Team (“**ERT**”) that underscores the significance of OSH within the Group.

The safety profile is categorised into two segments: high-risk construction sites, involving activities like working at height, mechanical lifting, and installation works; and the office compound, where OSH risks are lower, primarily pertaining to maintenance activities such as electrical and mechanical troubleshooting. Sunsuria’s HR Department oversees

OSH matters related to the Group’s employees, while the contractor’s OSH personnel manage safety compliance and monitoring on construction sites.

Aligned with Sunsuria’s Safety and Health Policy, monthly safety committee meetings addressing OSH matters among main contractors and workers are carried out. HSE data is reported bi-weekly during site meetings and verified by consultants. In the case of incidents or accidents on construction sites, the Group adheres to established safety protocols on investigation and reporting to ensure effective hazard control.

### Compliance With Safety and Health Standards

Demonstrating a commitment to a secure workplace, Sunsuria has implemented an OSH system covering all employees and contractors, fully aligned with relevant safety regulations, including:


- 1 Safety and Health Assessment System in Construction (“**SHASSIC**”) - CIS 10:2018
- 2 Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994 (Act 520)
- 3 Occupational Safety and Health Act (“**OSHA**”) 1994 (Act 514)
- 4 Occupational Safety and Health (Use and Standards of Exposure of Chemicals Hazardous to Health (“**USECHHI**”) Regulations 2000
- 5 Occupational Safety and Health - Safety and Health Committee (“**SHC**”) Regulations 1996
- 6 Occupational Safety and Health (Classification, Labelling and Safety Data Sheet of Hazardous Chemicals (“**CLASS**”) Regulations 2013
- 7 Occupational Safety and Health - Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease (“**NADOPOD**”) Regulations 2004
- 8 Department of Occupational Safety and Health (“**DOSH**”) - Guidelines for Public Safety and Health at Construction Site 1994
- 9 Factories and Machinery Act (“**FMA**”) 1967 (Act 139)
- 10 Factories and Machinery - Building Operations and Works of Engineering Construction (“**BOWEC**”) Safety Regulations 1986
- 11 Factories and Machinery - Safety, Health and Welfare (“**SHW**”) Regulations 1970
- 12 Factories and Machinery - Notification Certificate of Fitness and Inspection (“**NCFAI**”) Regulations 1970, Occupational Health and Safety Assessment Series (“**OHSAS**”) 18001: 2007, MS 1722 and ISO 45001:2018
- 13 Uniform Building by Law (“**UBBL**”) 1984
- 14 Registration of Engineers Act 1967 (“**REA**”) amended in 2015

Sunsuria conducts weekly health surveillance for employees, complying with OSHA 1994 guidelines. Construction site workers undergo monthly medical surveillance for their well-being and safety. The Group strictly adheres to relevant laws and regulations from local and international governmental authorities. Four out of seven project sites hold OHSAS 18001 certification:

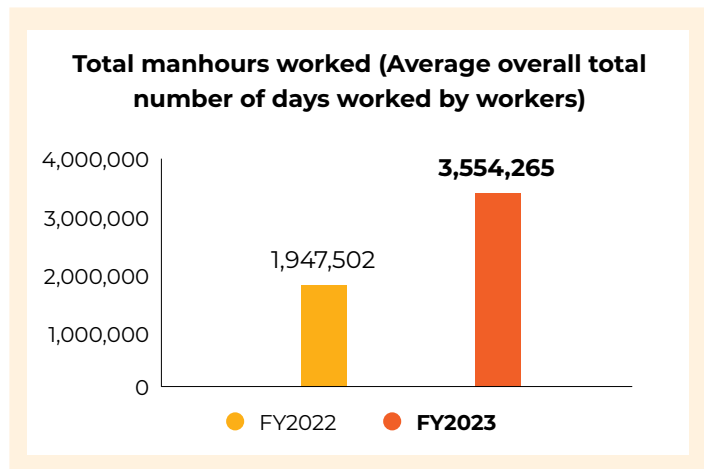
**4 out of 7 projects**

**57.1%**

OHSAS 18001 certified



**Note:** The projects include Sunsuria Asas (Forum 2, Tangerine Suites, BHP Block D & E) and Kerjaya Prospek (Block A)



OSH Site Data	FY2022	FY2023
Total manhours worked (Average overall total number of days worked by workers)	1,947,502	<b>3,554,265</b>
Number of work-related fatalities	0	<b>0</b>
Number of recordable work-related injuries	0	<b>0</b>
Lost Time Incident Rate ("LTIR")	0	<b>0</b>
Unsafe Act Unsafe Condition ("UAUC")	0	<b>0</b>


### Safety and Health Training and Programmes

In addition to strict compliance with safety regulations, Sunsuria reinforces the proficiency of its employees and construction personnel in Health, Safety, and Environmental ("HSE") practices through supplementary training. These sessions are led by HSE subject matter experts sourced both internally and from external training providers appointed by Sunsuria.

As of now, a total of 10 personnel from Sunsuria have undergone comprehensive training on health and safety-related standards. In FY2023, numerous training programmes were conducted to further strengthen our commitment to fostering a safe and healthy working environment.

**10 personnel**

Received training on safety and health-related standards



**Note:** Consolidated data from Forum 2, BHP, Sunsuria City, Kejora Earthworks and Sunsuria Berhad

- List of Safety Training**
- 1 ACEM Webinar Series Site Supervision Course Discipline Module: Mechanical (Webinar M1 to M5)
  - 2 CREAM: Enforcement on Scaffolding and Falsework for Safer Construction Sites
  - 3 OSH Coordinator Training
  - 4 Seminar Keselamatan Kebakaran: Awareness, Maintenance & Enforcement in Building
  - 5 First Aid at Workplace
  - 6 MSOSH Trained Person Working at Height Course

## SUSTAINABILITY STATEMENT

### COMMUNITY ENGAGEMENT

Sunsuria is committed to creating economic value for stakeholders in alignment with its vision and mission, ensuring a balanced approach to business progress and social responsibilities. By generating economic values for stakeholders, Sunsuria contributes to social capital, reinforcing its positive impact on society and building stronger community ties. This adaptive approach allows Sunsuria to meet market and stakeholder needs, reflecting its evolving business philosophy.

Community involvement remains a top priority for Sunsuria in line with nation-building efforts. In FY2023, the Group focused on addressing education inequality through financial contributions. Various community engagement programmes were conducted, emphasising health, family, community, and sustainability. These initiatives, including activities for World Earth Day, aim to instil sustainable practices and environmental awareness. Additionally, parenting talks were organised to assist families in addressing common household challenges.

#### Employee Volunteerism

Sunsuria places great importance on employee volunteerism as a driving force behind corporate responsibility initiatives, fostering stronger bonds among colleagues and motivating individuals to contribute to the community. In FY2023, a total of 18 employees collectively dedicated 2 hours per week to volunteer activities. Active encouragement is extended to employees to participate in corporate responsibility programmes, with upcoming initiatives focusing on sustainability and community engagement, fostering a mindset shift toward sustainability responsibilities within Sunsuria developments.

#### FY2023's Employee Volunteering Dashboard



2 hours per week



18 Employees Involved (7.38%)

#### Community Contributions

Beyond financial support, Sunsuria recognises the impact of education inequity on collective economic and social well-being. The overall distribution of community support in FY2023 is outlined below:

##### Scholarships



Total Beneficiaries

4

Total Amount

**RM20,663.20**

##### Donations



Total Beneficiaries

10

Total Amount

**RM433,500**



*Sunsuria Cup, an inter-university football tournament sponsored by Sunsuria to foster community bonding.*



## GOVERNANCE TOPICS



### Anti-Corruption and Corporate Governance

In adherence to the Malaysian Anti-Corruption Commission Act 2009 (“**MACC Act**”), Sunsuria has established an Anti-Bribery and Corruption Policy & Procedures (“**ABAC**”), adopted by the Board on 30 September 2019. The Group maintains a zero-tolerance stance towards bribery, corruption, and misconduct in all business matters.

The ABAC is applicable to all Directors, employees, and associates of Sunsuria Group, including suppliers, contractors, subcontractors, consultants, agents, representatives, and others performing work or services on behalf of Sunsuria. Anti-corruption provisions are included in all contracts and agreements with third parties to mitigate the Group’s risk. A no gift and entertainment policy is enforced in all interactions with stakeholders, and new business partners undergo anti-corruption due diligence as part of supplier assessment practices.

The Board oversees all Anti-Corruption matters as the highest authority through the Risk Management Committee. Anti-corruption training is provided for all Board Directors and Senior Management, with the most recent training conducted in September 2023.

The Group’s internal audit unit conducts annual bribery risk assessments, reporting low bribery and corruption risk in FY2023 following the assessment conducted in July 2023. A Whistleblowing Policy is in place to provide stakeholders with a channel to report suspicious activity or wrongdoing. The Whistle-Blower Committee, chaired by the Chairman of the Audit Committee, reviews all disclosures, and decides the appropriate course of action.

As part of our commitment to a zero-tolerance policy on corruption, all Sunsuria staff undergo mandatory ABAC training sessions, fostering an anti-corruption culture, and resulting in a zero-incidence track record.

During FY2023, there were no incidents of corruption detected through bribery and corruption risk assessment or reported through the Group’s Whistleblowing channels. No third-party contracts were terminated or not renewed due to corruption-related violations, and no employees were dismissed or disciplined for corruption-related offenses. The Group did not receive any fines, censures, penalties, or enter into legal settlements related to corruption in FY2023.

## SUSTAINABILITY STATEMENT

### Regulatory Compliance

Non-compliance may result in penalties, sanctions, and license revocation, adversely affecting the Group's reputation. Sunsuria recognises its duty to adhere to diverse laws, regulations, and guidelines established by authorities.

The Group is committed to prudently managing regulatory compliance risk. This commitment involves delivering comprehensive and accurate financial and corporate governance disclosures in alignment with applicable laws, regulations, and/or listing requirements pertinent to Sunsuria, including the following:

Environmental Regulations	Social Regulations
<ul style="list-style-type: none"> <li>Environmental Quality Act 1974</li> <li>Industrial Effluent Regulation 2009</li> <li>Sewage Regulations 2009</li> <li>Clean Air Regulations 2014</li> <li>Scheduled Waste Regulations 2005</li> <li>Environmental Impact Assessment Order (Prescribed Activities) 2015</li> </ul>	<ul style="list-style-type: none"> <li>Employment Act 1995</li> <li>Minimum Wage Act</li> <li>Children and Young Persons Act</li> <li>Occupational Safety and Health Act</li> <li>Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990</li> <li>Minimum Retirement Age Act</li> </ul>

During FY2023, the Group conducted multiple environmental compliance assessments for the following:

 <b>13</b> Air Quality Reading	 <b>13</b> Noise Monitoring Reading
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**Note:** Reading was carried out for the projects located at BHP Block D&E, Forum 2, BHP Pilling and Sunsuria Kejora Business Park's Earthworks.

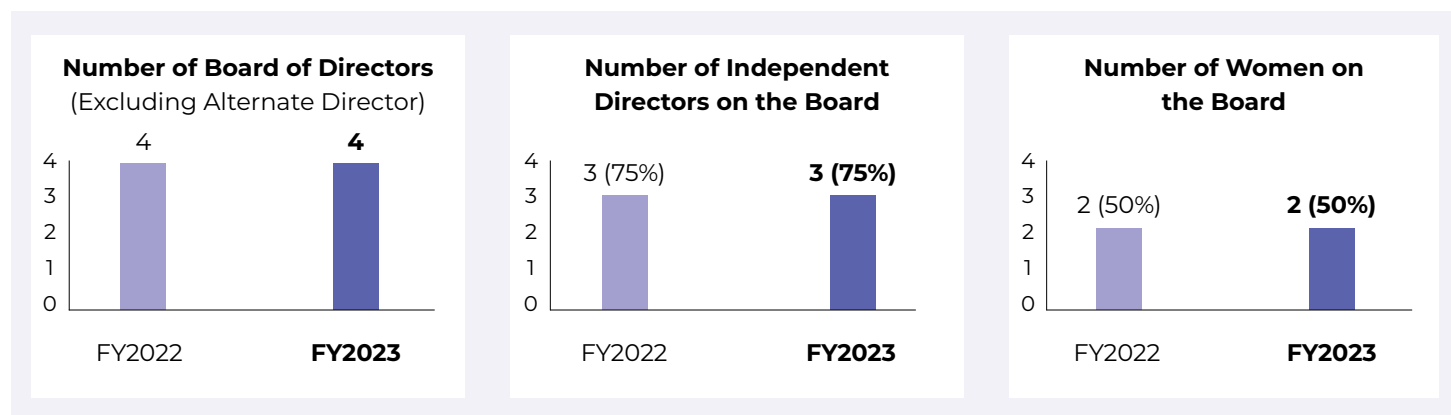
Additionally, we've established an internal system to monitor and ensure the Group's compliance with relevant regulations in our operational areas. The Group adheres to the 31000:2009 Risk Management Principles and Guidelines for managing our primary risks, including regulatory and compliance risk, overseen by the Risk Management Committee ("**RM**C").

In FY2023, the Group did not incur fines or receive censures from regulatory authorities for any non-compliance or misconduct related to environmental, socioeconomic, corporate governance, or anti-corruption matters.

Regulatory Compliance	FY2021	FY2022	FY2023
Has the company and/or subsidiaries been fined or censured for any environmental non-compliance?	No	No	<b>No</b>
Has the company and/or subsidiaries been fined or censured for any socioeconomic non-compliance?	No	No	<b>No</b>
Incidents of non-compliance with regulations resulting in a fine or penalty;	0	0	<b>0</b>
Incidents of non-compliance with regulations resulting in a warning;	0	0	<b>0</b>
Total monetary value of significant fines;	0	0	<b>0</b>
Total number of non-monetary sanctions;	0	0	<b>0</b>
Cases brought through dispute resolution mechanisms.	0	0	<b>0</b>



There were no instances of disputes brought through resolution mechanisms during FY2023 for the Company.



AGM Item	FY2021	FY2022	FY2023
<b>AGM Notice Filing Date</b> (DD-MM-YYYY)	28-01-2022	30-01-2023	<b>29-01-2024</b>
<b>AGM Date</b> (DD-MM-YYYY)	16-03-2022	15-03-2023	<b>13-03-2024</b>
<b>Number of days between the date of notice and date of meeting</b>	46	43	<b>43</b>

### Supply Chain Management

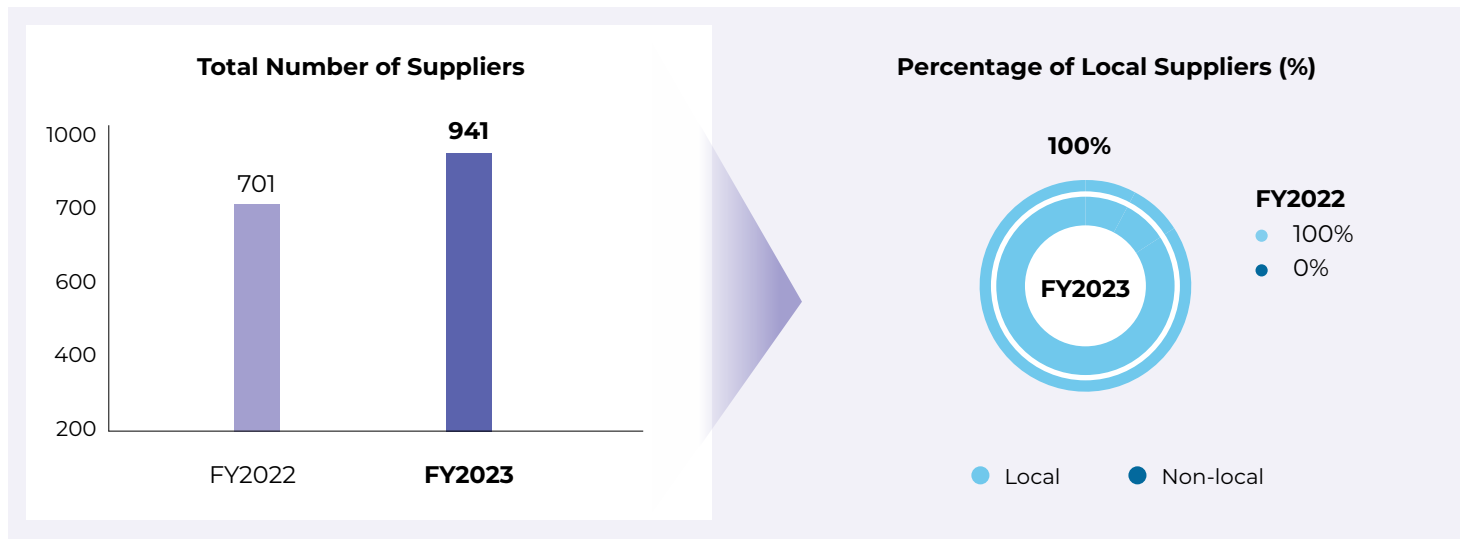
Sunsuria prioritises local procurement to enhance supply chains, providing better access to products while minimising environmental impacts. The focus on fairness, transparency, and support for local vendors with proven eco-friendly and socially responsible practices aligns with our commitment to local economic development.

Compliance with sustainable and eco-friendly practices in the supply chain is emphasised to uphold industry standards and indirectly contribute to superior goods and services. Sunsuria's supplier pre-qualification process, which considers criteria such as price, quality, and ethical standards, prioritises ISO 14001 for environmental criteria and OHSAS 18001 for social criteria.

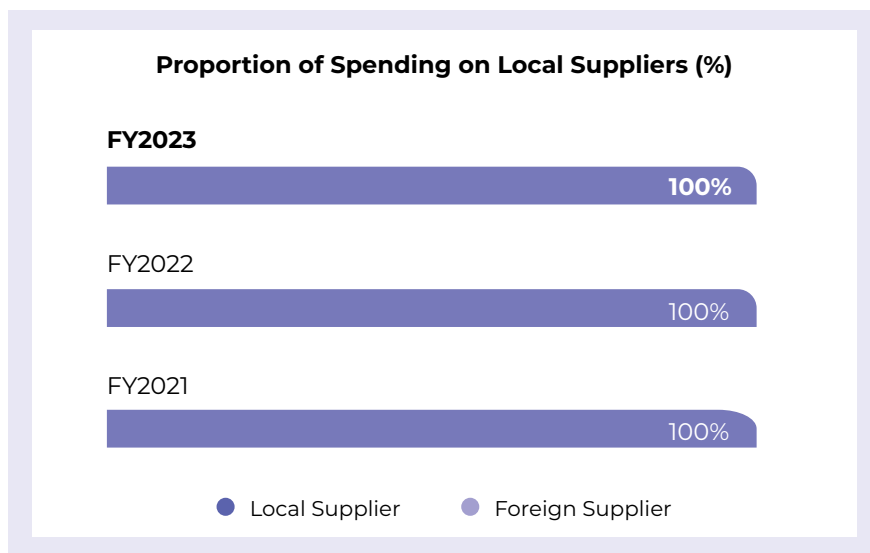
The Supply Chain Management ("SCM") Department actively identifies new local suppliers, maintaining a competitive vendor pipeline for projects exceeding RM200,000. Regular audits and inspections, including ISO-related evaluations, ensure ongoing supplier performance and the delivery of quality services. Suppliers are required to comply with the Group's policies, including endorsing our Anti-Bribery and Corruption Policy & Procedures and our Code of Ethics, and completing all forms of the pre-qualification and registration process as per the SOP.

This approach strengthens trust with our vendors, enables us to find products and services that meet our needs at the best value, supports local industries, and fosters prosperity among our community members.

SUSTAINABILITY STATEMENT



Procurement Data	FY2022	FY2023
Total number of suppliers	701	941
Total number of local suppliers	701	941
Total number of foreign suppliers	0	0
Percentage of local suppliers (%)	100%	100%
Percentage of new suppliers that were screened using environmental criteria (%)	0	0
Number of suppliers assessed for environmental impacts	0	0
Percentage of new suppliers that were screened social criteria (%)	0	0
Number of suppliers assessed for social impacts	0	0
Number of suppliers endorsed anti-bribery/anti-corruption policies (third party declaration)	701	941

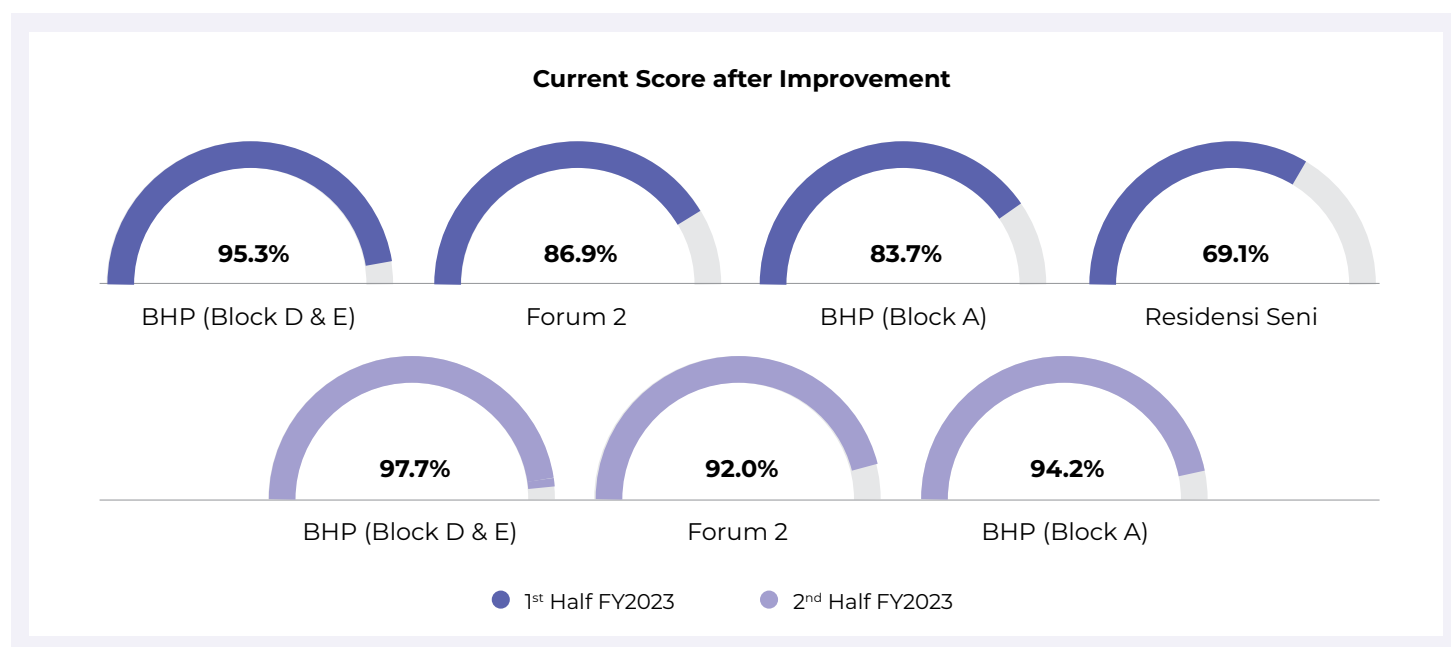


The Group has a longstanding commitment to supporting local suppliers, with a track record of 100% procurement spending on them. This commitment was maintained throughout FY2023, and the Group currently collaborates with 941 registered local suppliers. However, in light of rising building material costs, the Group is exploring various strategies for enhanced cost efficiency, which may include evaluating options for bulk purchasing from international suppliers. This consideration is aimed at ensuring a balance between supporting local businesses and managing operational costs effectively.

### Supply Chain Social and Environmental Compliance

Sunsuria plans to integrate due diligence processes to ensure suppliers comply with human rights practices and labor laws, thereby mitigating risks within its supply chain. Presently, the Group conducts bi-annual physical site audits at its Centralized Labor Quarters (“CLQs”) to ensure adherence to CIDB’s guidelines and safeguard workers’ well-being, preventing potential human rights violations.

As of FY2023, the Group has not identified any negative social or environmental impacts from its supply chain practices. The assessment findings are presented below:



CLQ Location	Assessment Date	Initial CLQ Score (%)	Total New Score after Action Plan	Current Score after Improvement (%)
<b>1<sup>st</sup> Half FY2023</b>				
BHP (Block D & E)	18 April 2023	87.1%	81/85	95.3%
Forum 2	03 May 2023	67.9%	73/84	86.9%
BHP (Block A)	26 April 2023	77.9%	72/86	83.7%
Residensi Seni	10 May 2023	56.8%	56/81	69.1%
<b>2<sup>nd</sup> Half FY2023</b>				
BHP (Block D & E)	30 October 2023	87.2%	84/86	97.7%
Forum 2	06 November 2023	74.7%	80/87	92.0%
BHP (Block A)	24 October 2023	81.4%	81/86	94.2%

**\*Note:** There was no assessment carried out at Seni Residences in the 2<sup>nd</sup> half of FY2023 due to the relocation of the CLQ.

## SUSTAINABILITY STATEMENT

Moving forward, the Group aims to expand the implementation of the Legal Workers & Social and Environmental Compliance Declaration by Suppliers. This will now include all major building works contractors and all associated works/packages related to the contract (works exceeding RM1 million), requiring all awarded contractors and suppliers to fully adhere to the specified requirements.

### Data Privacy and Security

Safeguarding confidential information is a fundamental responsibility of the Group, aligning with our commitment to good governance. The potential loss of data poses risks to stakeholder confidence and may result in financial penalties and regulatory actions.

We diligently adhere to the Personal Data Protection Act 2010 (“**PDPA**”) stipulation on collection, use, and disclosure of personal data to ensure compliance.

Utilising robust cybersecurity measures, we ensure the secure handling of customers' personal data, as emphasised in our dedication to data privacy. Our Code of Conduct includes a non-disclosure clause that extends this commitment to employees, directors, suppliers, and business partners who might encounter customer information in the course of business dealings.

As of the current date, we have reported no breaches of customer data privacy in the year under review.

	Target	FY2021	FY2022	FY2023
Number of complaints concerning breaches of customer privacy and losses of customer data	Zero incident per annum	0	0	<b>0</b>

## ESG PERFORMANCE DATA TABLE

Sustainability Matters	Indicators	Unit	FY2021	FY2022	FY2023
<b>Anti-Corruption</b>	Confirmed incidents of corruption	Number	0	0	<b>0</b>
	Percentage of operations assessed for corruption-related risks	%	100	100	<b>100</b>
<b>Community/Society</b>	Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	-	371,738	<b>454,163</b>
	Total number of beneficiaries of the investment in communities	Number	-	27	<b>14</b>
<b>Diversity</b>	<b>Total Employees by Nationality:</b>				
	Malaysian		214	221	<b>236</b>
	Non-Malaysian		0	0	<b>2</b>
	<b>Total Employees by Ethnicity:</b>				
	Malay Employee		102	94	<b>108</b>
	Chinese Employee		107	121	<b>126</b>
	Indian Employee	Number	5	6	<b>3</b>
	Others Employee		0	0	<b>1</b>
	<b>Total Employees by Employee Category:</b>				
	Senior Management		22	22	<b>23</b>
	Management		65	71	<b>76</b>
	Executives		82	106	<b>119</b>
	Non-Executives		45	22	<b>20</b>
	<b>Percentage of global staff with a disability</b>	%	0	0	<b>0</b>
	<b>Percentage of employees by gender, age group and ethnicity for each employee category:</b>				
	<b>- Senior Management</b>				
	Male		-	-	<b>52</b>
	Female				<b>48</b>
	Aged <30				<b>4</b>
	Aged 31-50	%			<b>61</b>
Aged 51-65				<b>35</b>	
Aged >65				<b>0</b>	
Malay Employee				<b>0</b>	
Chinese Employee				<b>100</b>	
Indian Employee				<b>0</b>	
Others				<b>0</b>	

## ESG PERFORMANCE DATA TABLE

Sustainability Matters	Indicators	Unit	FY2021	FY2022	FY2023	
Diversity	<b>- Management</b>					
	Male		48	52	54	
	Female		52	48	46	
	Aged <30		7	6	8	
	Aged 31-50		79	84	84	
	Aged 51-65		14	10	8	
	Aged >65		0	0	0	
	Malay Employee		16	15	24	
	Chinese Employee		83	84	74	
	Indian Employee		1	1	1	
	Others		0	0	1	
	<b>- Executives</b>					
	Male		51	59	56	
	Female		49	41	44	
	Aged <30		57	58	51	
	Aged 31-50		40	41	47	
	Aged 51-65	%	3	1	2	
	Aged >65		0	0	0	
	Malay Employee		67	57	59	
	Chinese Employee		32	40	39	
	Indian Employee		1	3	2	
	Others		0	0	0	
	<b>- Non-Executives</b>					
	Male		60	55	65	
	Female		40	45	35	
	Aged <30		53	41	35	
	Aged 31-50		45	59	65	
	Aged 51-65		2	0	0	
	Aged >65		0	0	0	
	Malay Employee		73	91	100	
	Chinese Employee		20	0	0	
	Indian Employee		7	9	0	
	Others		0	0	0	



Sustainability Matters	Indicators	Unit	FY2021	FY2022	FY2023
<b>Diversity</b>	<b>Percentage of directors by gender, age group and ethnicity:</b>				
	Male		50	50	<b>50</b>
	Female		50	50	<b>50</b>
	Aged <30		0	0	<b>0</b>
	Aged 31-50		0	0	<b>0</b>
	Aged 51-65	%	100	100	<b>100</b>
	Aged >65		0	0	<b>0</b>
	Malay		0	0	<b>0</b>
	Chinese		100	100	<b>100</b>
	Indian		0	0	<b>0</b>
Others		0	0	<b>0</b>	
<b>Talent Management and Development</b>	<b>Total new hires:</b>				
	Male		68	65	<b>71</b>
	Female		50	53	<b>50</b>
	Aged <30		62	61	<b>41</b>
	Aged 31-50		52	63	<b>76</b>
	Aged 51-65		4	4	<b>4</b>
	Aged >65		0	0	<b>0</b>
	<b>Total Turnover:</b>				
	Male	Number	41	47	<b>57</b>
	Female		46	52	<b>40</b>
	Aged <30		48	49	<b>33</b>
	Aged 31-50		35	46	<b>59</b>
	Aged 51-65		4	4	<b>5</b>
	Aged >65		0	0	<b>0</b>
	Senior Management		-	-	<b>1</b>
	Management				<b>31</b>
	Executives				<b>58</b>
	Non-Executives				<b>7</b>
	<b>Average training hours per employee:</b>				
	Male		4.4	17.6	<b>20</b>
Female		9.3	9.5	<b>22</b>	
Senior Management	Hours	10.7	32.8	<b>23.6</b>	
Management		9.6	18	<b>23.4</b>	
Executives		7.3	6.5	<b>20.4</b>	
Non-Executives		0.4	9.3	<b>12</b>	

## ESG PERFORMANCE DATA TABLE

Sustainability Matters	Indicators	Unit	FY2021	FY2022	FY2023	
<b>Talent Management and Development</b>	<b>Total hours of training by employee category:</b>					
	Senior Management	Hours	234	722.5	<b>533.5</b>	
	Management		598	1281	<b>1,775</b>	
	Executives		599	685	<b>2,414</b>	
Non-Executive	18		205	<b>244</b>		
<b>Energy Management</b>	Total diesel consumption	Litres	252,229	530,797	<b>839,302</b>	
	Total electricity consumption	kWh	764,089	1,151,549	<b>1,746,693</b>	
	Total energy consumption	GJ	11,750	23,084	<b>35,523</b>	
<b>Health and Safety</b>	Number of work-related fatalities	Number	0	0	<b>0</b>	
	Lost time incident rate	Rate	0	0	<b>0</b>	
	Number of employees trained on health and safety standards	Number	-	12	<b>10</b>	
<b>Labour practices and standards</b>	<b>Percentage of employees that are contractors or temporary staff:</b>					
	- Permanent Employee	%	95	94	<b>71</b>	
	- Contract Employee		5	6	<b>29</b>	
	Number of substantiated complaints concerning human rights violations	Number	0	0	<b>0</b>	
<b>Supply chain management</b>	Proportion of spending on local suppliers	%	100	100	<b>100</b>	
<b>Data privacy and security</b>	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	<b>0</b>	
<b>Water</b>	Total volume of water used	Megalitres	18.8	67.9	<b>66.0</b>	
<b>Waste Management</b>	Total Recycled Waste (Rebar)	Tonnes	-	156.9	<b>343.3</b>	
<b>Emissions management</b>	Scope 1 emissions	Tonnes CO <sub>2</sub> e	681	1,433	<b>2,266</b>	
	Scope 2 emissions		421	635	<b>962</b>	
	<b>Scope 3 emissions:</b>					
	- Employee Commuting		-	-	<b>816.8</b>	
- Business Travel			<b>20.1</b>			

## GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	PAGE REFERENCE/REASONS FOR OMISSION	
GRI 2: General Disclosures 2021	2-1	Organizational details	Corporate Information, page 6
	2-2	Entities included in the organization's sustainability reporting	Reporting Scope and Boundary, page 40
	2-3	Reporting period, frequency and contact point	Report Availability and Feedback, page 41
	2-4	Restatements of information	Total GHG Emissions (FY2021-2022), page 72; Water Consumption (FY2021-FY2022), page 76
	2-5	External assurance	Data Quality and Assurance, page 41
	2-6	Activities, value chain and other business relationships	Management Discussion & Analysis, page 12-21; Reporting Scope and Boundary, page 40; Stakeholder Engagement, page 52-54
	2-7	Employees	Diversity and Equal Opportunity, page 83-84
	2-8	Workers who are not employees	
	2-9	Governance structure and composition	
	2-10	Nomination and selection of the highest governance body	
	2-11	Chair of the highest governance body	Sustainability Governance, page 50-51;
	2-12	Role of the highest governance body in overseeing the management of impacts	Profiles of Board of Directors, page 24-29;
	2-13	Delegation of responsibility for managing impacts	Corporate Governance Overview Statement, page 112-124
	2-14	Role of the highest governance body in sustainability reporting	
	2-15	Conflicts of interest	Profiles of Board of Directors, page 24-29
	2-16	Communication of critical concerns	Anti-Corruption and Corporate Governance, page 93
	2-17	Collective knowledge of the highest governance body	
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance Overview Statement, page 112-124
	2-19	Remuneration policies	
	2-20	Process to determine remuneration	
	2-21	Annual total compensation ratio	
	2-22	Statement on sustainable development strategy	A Message from Our Executive Chairman, page 42-43
	2-23	Policy commitments	Sustainability Governance, page 50-51

## GRI CONTENT INDEX

GRI STANDARD		DISCLOSURE	PAGE REFERENCE/REASONS FOR OMISSION
GRI 2: General Disclosures 2021	2-24	Embedding policy commitments	Sustainability Governance, page 50-51
	2-25	Processes to remediate negative impacts	Anti-Corruption and Corporate Governance, page 93
	2-26	Mechanisms for seeking advice and raising concerns	
	2-27	Compliance with laws and regulations	Regulatory Compliance, page 94-95
	2-28	Membership associations	Membership In Associations, page 41
	2-29	Approach to stakeholder engagement	Stakeholder Engagement, page 52-54
	2-30	Collective bargaining agreements	Not applicable.
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Materiality Assessment, page 55-61
	3-2	List of material topics	
	3-3	Management of material topics	
<b>ECONOMIC PERFORMANCE</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Direct Economic Values, page 62
	201-2	Financial implications and other risks and opportunities due to climate change	
	201-3	Defined benefit plan obligations and other retirement plans	
	201-4	Financial assistance received from government	
<b>INDIRECT ECONOMIC IMPACTS</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Indirect Economic Value, page 63; Community Engagement, page 92
	203-2	Significant indirect economic impacts	
<b>PROCUREMENT PRACTICES</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Supply Chain Management, page 95-97;
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	ESG Performance Data Table, page 102

GRI STANDARD		DISCLOSURE	PAGE REFERENCE/REASONS FOR OMISSION
<b>ANTI-CORRUPTION</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Anti-Corruption and Corporate Governance, page 93; ESG Performance Data Table, page 99
	205-2	Communication and training about anti-corruption policies and procedures	
	205-3	Confirmed incidents of corruption and actions taken	
<b>CUSTOMER PRIVACY</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Data Privacy and Security, page 98; ESG Performance Data Table, page 102
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	
<b>ENERGY</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Energy Consumption and Efficiency, page 73-75; Green Building Initiatives, page 78-79; ESG Performance Data Table, page 102
	302-2	Energy consumption outside of the organization	
	302-3	Energy intensity	
	302-4	Reduction of energy consumption	
	302-5	Reductions in energy requirements of products and services	
<b>WATER AND EFFLUENTS</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Water Consumption and Conservation, page 76-77; Green Building Initiatives, page 78-79; ESG Performance Data Table, page 102
	303-2	Management of water discharge-related impacts	
	303-3	Water withdrawal	
	303-4	Water discharge	
	303-5	Water consumption	

## GRI CONTENT INDEX

GRI STANDARD		DISCLOSURE	PAGE REFERENCE/REASONS FOR OMISSION
<b>BIODIVERSITY</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Biodiversity, page 80-81
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable. Our operations are not located in or adjacent to areas known for their high biodiversity value.
	304-2	Significant impacts of activities, products and services on biodiversity	
	304-3	Habitats protected or restored	
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	
<b>EMISSIONS</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Climate Change, page 71-73; Green Building Initiatives, page 78-79; ESG Performance Data Table, page 102
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	
	305-2	Energy indirect (Scope 2) GHG emissions	
	305-3	Other indirect (Scope 3) GHG emissions	
	305-4	GHG emissions intensity	
	305-5	Reduction of GHG emissions	
<b>WASTE</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Effluents and Waste Management, page 77; Green Building Initiatives, page 78-79; ESG Performance Data Table, page 102
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	
	306-2	Management of significant waste-related impacts	
	306-3	Waste generated	
	306-4	Waste diverted from disposal	
	306-5	Waste directed to disposal	
	308-2	Negative environmental impacts in the supply chain and actions taken	
<b>EMPLOYMENT</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Labour and Human Rights, page 82;
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Diversity and Equal Opportunity, page 83-84;
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent Retention and Development, page 85-86;
	401-3	Parental leave	Training And Professional Development, page 87-89; ESG Performance Data Table, page 101-102



GRI STANDARD	DISCLOSURE	PAGE REFERENCE/REASONS FOR OMISSION
<b>LABOUR/MANAGEMENT RELATIONS</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes
<b>OCCUPATIONAL HEALTH AND SAFETY</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system
	403-2	Hazard identification, risk assessment and incident investigation
	403-3	Occupational health services
	403-4	Worker participation, consultation and communication on occupational health and safety
	403-5	Worker training on occupational health and safety
	403-6	Promotion of worker health
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
	403-8	Workers covered by an occupational health and safety management system
	403-9	Work-related injuries
<b>TRAINING AND EDUCATION</b>		
GRI 3: Material Topics 2021	3-3	Management of material topics
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee
	404-2	Programs for upgrading employee skills and transition assistance programs
	404-3	Percentage of employees receiving regular performance and career development reviews

Labour and Human Rights, page 82

Occupational Safety and Health, page 89-91;  
Talent Retention and Development, page 85-86;  
Training And Professional Development, page 87-89;  
ESG Performance Data Table, page 102

Training And Professional Development, page 87-89;  
ESG Performance Data Table, page 101-102

## GRI CONTENT INDEX

GRI STANDARD		DISCLOSURE	PAGE REFERENCE/REASONS FOR OMISSION
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Diversity and Equal Opportunity, page 83-84;
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Regulatory Compliance, page 94-95;
	405-2	Ratio of basic salary and remuneration of women to men	Gender Equality and Women's Empowerment, page 46; ESG Performance Data Table, page 99-101
<b>NON-DISCRIMINATION</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Labour and Human Rights, page 82;
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Diversity and Equal Opportunity, page 83-84
<b>CHILD LABOR</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Labour and Human Rights, page 82
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	
<b>FORCED OR COMPULSORY LABOR</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Labour and Human Rights, page 82;
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Supply Chain Social and Environmental Compliance, page 97-98
<b>LOCAL COMMUNITIES</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Stakeholder Engagement, page 52-54; Community-centric Initiatives, page 68-69; Community Engagement, page 92; ESG Performance Data Table, page 99
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments and development programs	
	413-2	Operations with significant actual and potential negative impacts on local communities	
<b>SUPPLIER SOCIAL ASSESSMENT</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Supply Chain Social and Environmental Compliance, page 97-98
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	
	414-2	Negative social impacts in the supply chain and actions taken	

## TCFD STATEMENT

### TCFD Disclosures



#### GOVERNANCE

##### **Describe the Board's oversight of climate-related risks and opportunities,**

The oversight of all material topics, including those related to climate issues, falls directly under the purview of Sunsuria's Board and Management team through the Group's sustainability governance structure.

Within this structure, Sunsuria has established a Board-level Sustainability Committee tasked with leading all climate and sustainability-related initiatives. This committee serves as the highest decision-making authority regarding the Group's ESG strategies.

The Sustainability Steering Committee ("**SSC**") facilitates the flow of information to the Board by providing regular reports on energy consumption and carbon emissions.

Armed with this information, the Board engages in deliberations to determine the most effective strategies for Sunsuria in managing climate-related topics across all levels of the Group's operations.

Further information can be found in the **Sustainability Governance** section (page 50) and **Climate Change** section (page 71-73).

##### **Describe the management's role in assessing and managing climate-related risks and opportunities.**

The Sustainability Working Committee ("**SWC**") plays a central role within the sustainability governance structure by supporting the Sustainability Committee in implementing and overseeing sustainability initiatives at the operational level.

They are tasked with establishing relevant KPIs and targets, as well as formulating the necessary strategies and action plans to achieve these targets. This involves driving annual performance in alignment with the 2023 baselines established for ESG KPIs and targets.

In addition to performance management, the SWC team is responsible for keeping the Group's Sustainability Steering Committee informed with timely updates on energy consumption and other climate intensity measurement-related data. When needed, they are also expected to contribute input and improvement plans to enhance Sunsuria's management of material topics.

The Management team is also tasked with ensuring there are robust mitigation strategies and systems in place to address emerging and existing climate-related risks identified by the Risk Management Committee.

For more information, please refer to the **Sustainability Governance** section on page 50.

## TCFD STATEMENT

## TCFD Disclosures



## STRATEGY

**Describe the climate-related risks and opportunities the organisation has identified over the short-, medium- and long-term.**

**Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.**

**Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2oC or lower scenario.**

The Board and Management of Sunsuria recognise the potential impact of climate-related risks on the Group's cash flows, reputation and license to operate, including the risk of losing access to financing from investors and lenders due to the growing integration of ESG and climate-risk considerations in investment and business decisions.

As a response, the Group is dedicated to systematically and strategically addressing all sustainability-related risks and opportunities to mitigate their potential impact on the Group's financial performance. Efforts are underway to embed these commitments and the Group's stance on climate change in the Group's Sustainability Policy.

Moreover, the Board and Management of Sunsuria have undertaken substantial efforts to fulfil Practices 4.1 to 4.4 of the MCCG 2021. This includes regular participation in ESG briefing and training sessions to stay abreast of sustainability developments.

In FY2023, the relevant working groups and Management team participated in a workshop to establish ESG KPIs and targets, aiming to better track and manage the Group's sustainability performance and enhance organisational resilience. For more information, please refer to the **ESG KPIs and Targets** section (pages 58-61).



## RISK MANAGEMENT

**Describe the organisation's processes for identifying and assessing climate-related risks.**

**Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.**

Presently, Sunsuria does not have a dedicated process for identifying and assessing climate-related risks and opportunities. As the impacts of climate change intensify, we anticipate an increased frequency of natural disasters, such as floods, which could impact the viability of our landbank.

To remain vigilant amid the evolving landscape of climate change uncertainty and market transition, Sunsuria has undertaken several environmental initiatives. Details outlining how these initiatives enable the Group to sustain operations in the face of climate change can be found in the **Environmental Topics** section from pages 71-81.

As and when the need arises, the findings of climate-related risks will be presented to the dedicated working groups and committee members for further management and incorporation into the Group's overall risk management, as guided by the **Sustainability Governance** structure on page 50.



**METRICS AND TARGETS**

**Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.**

Sunsuria monitors climate change and emissions data by quantifying the CO<sub>2</sub>e produced from both direct and indirect energy consumption. This data is subsequently juxtaposed with the Group’s revenue in RM Million and operational scale to compute the average energy efficiency/intensity.

CO<sub>2</sub>e emissions are gauged in terms of tonnes of CO<sub>2</sub>e produced per litre of fuel, specifically diesel and petrol (pertaining to Scope One and Scope Three energy consumption) and per kWh of electricity (pertaining to Scope Two energy consumption).

Please refer to the **Energy Consumption and Efficiency** (pages 73-75) and **Climate Change** (pages 71-73) sections for more information

**Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (“GHG”) emissions and the related risks,**

In FY2023, Sunsuria generated 4,065 tCO<sub>2</sub>e emissions, marking an increase compared to the 2,067 tCO<sub>2</sub>e emitted in the previous year. This rise is primarily attributed to the expansion of projects and an increase in recorded man-hours during FY2023. Additionally, the addition of Scope 3 emissions data, specifically for business travel and employee commuting, has contributed to this increase.

More information is provided in the **Emissions** section on pages 71-73.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Sunsuria Berhad (“**Sunsuria**” or “**Company**”) recognises the importance of maintaining good corporate governance practices within Sunsuria and its subsidiary companies (“**Sunsuria Group**” or the “**Group**”) as it is the Board’s fundamental responsibility to protect and enhance long-term shareholder value and the financial performance of Sunsuria Group, whilst taking into account the interest of all stakeholders. The Board is guided by the principles and recommendations of the Malaysian Code on Corporate Governance (“**MCCG**” or the “**Code**”) in implementing its governance system and ensuring compliance with the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

This Corporate Governance Overview Statement (“**CG Statement**”) provides shareholders and investors with an overview of how Sunsuria Group has applied the 3 key Principles set out in the Code during the financial year ended 30 September 2023 (“**FY2023**”):

PRINCIPLE A	PRINCIPLE B	PRINCIPLE C
Board leadership and effectiveness	Effective Audit & Risk Management	Integrity in corporate reporting and meaningful relationship with stakeholders

This CG Statement is complemented with a Corporate Governance Report (“**CG Report**”) based on a prescribed format pursuant to paragraph 15.25 of the Listing Requirements of Bursa Securities. The CG Report is available on the Company’s website [www.sunsuria.com](http://www.sunsuria.com) as well as via announcement on the website of Bursa Securities.

### PRINCIPLE A

## BOARD LEADERSHIP AND EFFECTIVENESS

### Roles and Responsibilities

The Board is committed to ensuring that the Company’s purpose, values and high standards are set from the level of chairman and all Non-Executive Directors, with the support of the executive management team, embedded throughout the Group. The Board is responsible for the effective leadership and long-term success of the Group.

In discharging its fiduciary duties and responsibilities, the Board is guided by its Board Charter which outlines the roles and responsibilities of the Board. The Board also delegates certain responsibilities to the various Board Committees. The Board Charter was reviewed periodically and is available at the Company’s website at [www.sunsuria.com](http://www.sunsuria.com).

The Board leads the Group and plays a strategic role for the oversight and overall management of the Company. The Board’s key responsibilities include reviewing and approving strategic annual business plan and budget, overseeing the conduct of the Company’s business, investment proposals, compliance and accountability systems, core values and corporate governance practices of the Group in ensuring that the Group operates with integrity and in compliance with the rules and regulations.



PRINCIPLE A

**BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**Chairman and Chief Executive Officer (“CEO”)**

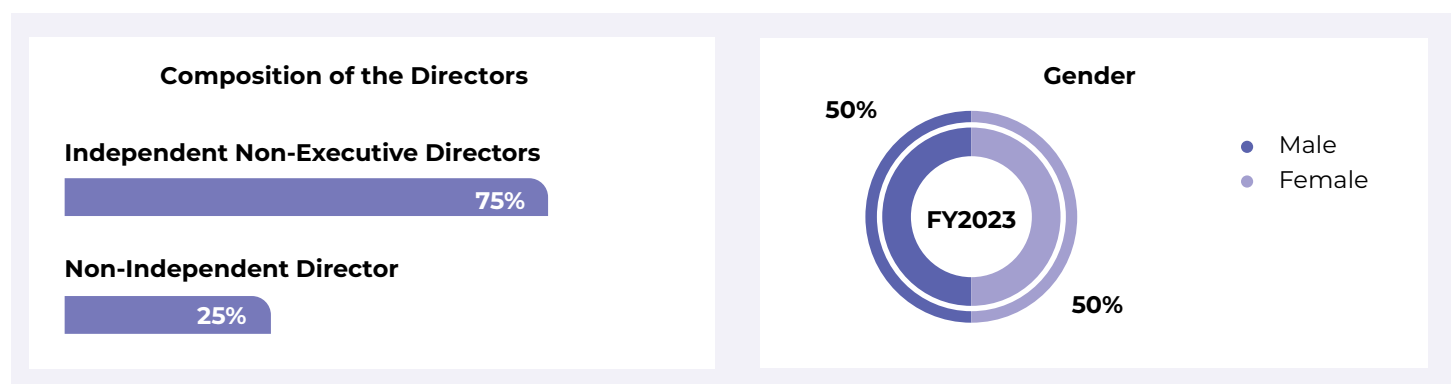
In line with good corporate practices, there is a clear distinction between the role of the Executive Chairman and the Group CEO. The Chairman provides leadership, effectiveness, conduct and governance of the Board while the Group CEO is responsible for the overall day-to-day business operations of the Group and for overseeing the implementation of strategies directed by the Board.

The roles of Chairman and Group CEO are held by separate persons and this facilitates a balance of power and authority to promote accountability and unfettered powers in decision making.

**Composition of the Board and Board Committees**

In spite of the compact Board size, the Board is confident that there are sufficient experienced and independent-minded Directors on the Board to provide sufficient check and balance. Given that there are three experienced Independent Directors representing more than 50% of the Board, the Board collectively would be able to function independently of management. This allows for effective oversight of the management as well as to support objective and independent deliberation, review and decision making.

Board diversity at the end of the financial year under review were as follows:



During the financial year ended 30 September 2023, none of the Independent Directors had served on the Board for more than nine (9) years.

**Meetings of Board and Board Committees**

For the financial year ended 30 September 2023, the Board met five (5) times to discuss the issues on the Group's financial performance, significant investments, corporate development, strategy and business plan and other matters reserved for the decision by the Board. Presentations in relation to specific businesses areas are also made by key executives. This allows the Board to develop a good understanding of the progress of the Group's business as well as the issues and challenges facing the Group, and also promotes active engagement between the Board and the key executives of the Company.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A

## BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Directors' commitment, resources and time allocated to the Company are evident from the attendance records, where the Directors attended all Board Meetings held during the financial year ended 30 September 2023.

Details of attendance of Directors at the meetings held during the financial year are as follows:

Name	Board	Board Committee				AGM
		AC	RMC	NRC	ESOS	
<b>Executive Director</b>						
1. Tan Sri Datuk Ter Leong Yap <sup>&amp;</sup>	5/5	5/5 <sup>#</sup>	4/4	-	0/0 <sup>^</sup>	1/1
<b>Non-Executive Directors</b>						
1. Tan Pei Geok <sup>*</sup>	5/5	5/5	4/4	3/3	-	1/1
2. Dato' Quek Ngee Meng <sup>+</sup>	5/5	5/5	4/4	3/3	0/0 <sup>^</sup>	1/1
3. Datin Loa Bee Ha <sup>&gt;</sup>	5/5	5/5	4/4 <sup>#</sup>	3/3	0/0 <sup>^</sup>	1/1

**Notes:** AC : Audit Committee  
RMC : Risk Management Committee  
NRC : Nomination and Remuneration Committee  
ESOS : Employee Share Option Scheme Committee  
AGM : Annual General Meeting  
<sup>&</sup> : Executive Chairman of the Board  
<sup>\*</sup> : Chairperson of AC and NRC  
<sup>+</sup> : Chairman of RMC  
<sup>></sup> : Chairperson of ESOS  
<sup>^</sup> : The Committee was formed on 28 August 2019 and no meeting was held since then  
<sup>#</sup> : Attended as invitee

Board meetings for each financial year are scheduled before the end of the preceding financial year to ensure sufficient time is given to the Directors to plan their schedules and enable them to attend the meetings. All Directors are provided with an agenda for each Board and Committee meeting prior to each meeting so that the Directors are accorded sufficient time to appraise the proposals or information. The Directors are provided with the Board papers which contain, among others, the Group's financial performance, management reports and proposals and various Board Committees' Reports respectively prior to the Board meeting. The Board papers are issued in advance to facilitate informed decision making.

All proceedings of the Board meetings were minuted. The minutes of Board meetings are circulated to all Directors for their perusal and comments. The Directors may request for further clarification or raise comments on the minutes prior to the minutes being confirmed as a correct record of the proceedings of the Board at the subsequent meeting. The signed minutes of each Board and Board Committees Meeting are properly kept by the Company Secretaries and the Company Secretaries are entrusted to organise and attend all Board Meetings to ensure proper records of the proceedings.

PRINCIPLE A

**BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**



**BOARD FOCUS AREA**

Reviewing and approving the Company's annual business plan, policies and budget

Overseeing the conduct of the Company's businesses, investment proposals, compliance and accountability systems, core values and corporate governance practices of the Group to ensure that the Group operates with integrity and in compliance with the rules and regulations

Together with Senior Management, promoted good corporate governance culture within the Group, whilst reinforcing ethical, prudent and professional behaviour

Ensure a sound risk management framework including the risk of corporate liability

Ensure the adequacy and integrity of the Company's internal control system

Ensure effective communication with stakeholders

Ensure the integrity of the Company's financial and non-financial reporting

During the financial year under review, the Board carried out the following activities:

**STRUCTURE**

- Revision to the composition of the Sustainability Committee.

**STRATEGY**

- Approved the annual budget and major capital expenditure.
- Increase in land bank.
- Diversification into healthcare through a partnership with ICON Asia Holdings Pte Ltd

**FINANCIAL AND OPERATIONAL PERFORMANCE**

- Reviewed and approved the last quarter financial results and audited financial statements for the Financial Year 2022.
- Reviewed and approved quarterly financial results for the Financial Year 2023.
- Established rated sukuk wakalah programme of RM500.0 million in nominal value based on Shariah principle of Wakalah Bi Al-Istithmar.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A

## BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

**GOVERNANCE AND RISK**

- Reviewed the Board Charter, Terms of Reference of Board Committees to align with the latest requirements of the Code and the Listing Requirements.
- Reviewed the risk reports and corruption risk assessment.
- Approved the adoption of the Policy on Non-Assurance Services and the Fit & Proper Policy.

**SUSTAINABILITY**

- Formalisation of the Sustainability Policy to align the Group's strategies and plans with sustainable development.
- Target 5% reduction per annum for both Scope One and Scope Two carbon intensity as measured over revenue and operational size, tCO<sub>2</sub>e/m<sup>2</sup>.

**BOARD COMMITTEES**

In order to ensure the effective discharge of its functions and responsibilities, the Board has delegated certain responsibilities of the Board-to-Board Committees and the Executive Chairman to assist in carrying out its responsibilities and functions. These Committees operate within their own defined terms of reference approved by the Board, and report to the Board on matters considered and their recommendations thereon. The ultimate responsibility for the final decision on all matters however, lies with the Board. The minutes of the respective Board Committee meetings will also be tabled at the quarterly Board meetings so as to keep the Board abreast of the decision and deliberation made by the respective Board Committees.

**COMPANY SECRETARIES**

The Board is supported by suitably qualified and competent Company Secretaries who are members of the relevant professional bodies. The appointment of Company Secretaries is based on the capability and proficiency determined by the Board. All members of the Board, whether as a whole or in their individual capacity, have access to the advice and services of the Company Secretaries on all matters relating to the Group to assist them in the furtherance of their duties.

The Company Secretaries also assist the Board in organising and facilitating the induction programme or on-boarding session for newly appointed Directors and making arrangements for their professional development and training. The Company Secretaries keep abreast of the evolving regulatory changes and developments in corporate governance through continuous training as they play an important role in advising the Board on updates relating to new statutory and relevant regulatory requirements.

## PRINCIPLE A

## BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

**ACCESS TO INFORMATION**

All Directors have unrestricted direct access to the advice and services of the management representatives for obtaining the relevant information to facilitate the discharge of their duties. As and when required, Directors are also able to seek advice from independent professional advisers whenever necessary at the Company's expense, to enable the Board and committee members to discharge their duties with adequate knowledge on the matters being deliberated.

**ENVIRONMENTAL, SOCIAL AND GOVERNANCE**

Environmental, social and governance (ESG) considerations are built into the Company's strategy, planning and day-to-day business operations. We have responsibility for driving progress towards the Company's ESG initiatives and the annual report sets out how the Company has addressed this key area during the financial year 2023.

The senior leadership team is accountable for embedding sustainability initiatives and targets throughout business operations and overseeing the execution. Sustainability principles are being practised throughout Sunsuria Group including product design, project developments, talent

management and engagements with the community and the wider society. The establishment of Quality Management System has been certified by SIRIM with the ISO 9001:2015. Certification to the standards is the Company's commitment towards meeting compliance to legal and other requirements. For the financial year 2023, ESG metrics and targets for key areas were deliberated and proposed to Management for consideration for top-down cascading exercise with the intent to link the performance evaluation with the ESG targets.

**COMMITMENT TO INTEGRITY****Code of Conduct and Ethics**

In an effort to promote and maintain high ethical standards at all times, the Board has adopted a Directors' Code of Conduct and Ethics which covers, amongst others, the areas of transparency, integrity, accountability, conflicts of interest, anti-corruption/bribery, confidentiality, insider trading, anti-money laundering, proper use of the Company's assets and compliance with laws, rules and regulations. The adoption of the Code aims to promote corporate culture which engenders ethical conduct that permeates throughout the Group.

Employees of the Group are guided by the Company's Code of Conduct and Ethics which comprehensively listed in the Company's Employee Handbook and provides the ethical framework to guide actions and behaviours of all Directors and its employees while at work. The Employee Handbook is accessible through the corporate intranet.

The Directors' Code of Conduct and Ethics is published in the Company's website at [www.sunsuria.com](http://www.sunsuria.com)

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A

## BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

**Whistleblowing Policy and Procedure**

The Company has established its Whistleblowing Policy, with the objective of providing a mechanism for all level of employees and stakeholders of the Group to report concerns about any suspected wrongdoing, inappropriate behaviour or misconduct relating to fraud, corrupt practices and/or abuse for management action. Investigation on the whistleblowing cases is conducted by Whistleblowing Committee and the outcome of the investigation is reported to the Audit Committee. During the financial year under review, there were no whistleblowing cases being received by the Company.

Details of the Whistle Blowing Policy and Procedures are set out in the CG Report, which is available at the Company's website at [www.sunsuria.com](http://www.sunsuria.com).

**Anti-Bribery and Corruption Policy and Procedures**

In compliance with the Corporate Liability Provision Section 17A of the Malaysian Anti-Corruption Commission Act 2009 enforced on 1 June 2020, and guided by the principles of the Ministerial Guidelines and Paragraph 15.29 of the MMLR of Bursa Securities in relation to anti-bribery, the Board has adopted its Anti-Bribery and Corruption Policy and Procedures ("**ABAC**"). The Company has adopted the ABAC in order to achieve and maintain the highest standard of integrity and work ethics in the conduct of its business and operations. The ABAC provides guidance to all employees and associates of Sunsuria Group relating to specific acts of bribery and corruption and also to related matters such as proper reporting and accounting. During FY2023, a corruption risk assessment was carried out and the outcome of the exercise was low risk.

The Anti-Bribery and Corruption Policy and Procedures is published in the Company's website at [www.sunsuria.com](http://www.sunsuria.com)

**NOMINATION AND REMUNERATION COMMITTEE**

The primary functions of the NRC are as follows:

**NRC Primary Functions**

1

to oversee the selection and assessment of directors and to ensure that Board composition meets the needs of Sunsuria Berhad, taking into consideration the fit and proper policy adopted by the Company, including the skills, knowledge, expertise and experience, integrity, competencies, commitment, contribution and gender

2

to propose new nominees to the Board of Directors of Sunsuria and any Committee of the Board

3

to assess Directors on an ongoing basis

4

to recommend to the Board the remuneration of the Executive Director in all its forms, drawing from outside advice as necessary

5

to assist the Board in determining the policy and structure for the remuneration of Directors and senior management of Sunsuria Group

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)



Committee Focus Area

- |   |  |   |   |
|---|--|---|---|
| <p><b>1</b></p> <p>The effectiveness of the size, mix and the composition of the Board and Board Committees</p> | <p><b>2</b></p> <p>The contribution of individual Director in relation to the effective decision-making of the Board</p>   | <p><b>3</b></p> <p>The independence of Independent Directors</p>                  | <p><b>4</b></p> <p>The re-nomination of the Director who was due for retirement at the Company's Annual General Meeting ("AGM")</p> |
| <p><b>5</b></p> <p>The salary increment, performance bonus KPIs for Executive Director</p>                      | <p><b>6</b></p> <p>The directors' fees for Non-Executive Directors payable from 15 March 2023 to the next AGM in March 2024, on a monthly basis, subject to the shareholders' approval</p> | <p><b>7</b></p> <p>Assessed and evaluated the training needs of the Directors</p> | <p><b>8</b></p> <p>Recommend and/or approve candidates for Senior Management positions in the Company</p>                           |

**Remuneration**

The Board through the NRC has established a Directors and Senior Management Remuneration Policy to assist the Group in attracting, retaining and motivating its Directors and Senior Management in order to run the Group successfully.

The remuneration of Executive Chairman and Senior Management are structured to link rewards to the Group and individual performance, and achievement of annual key performance indicators as well as the prevailing market practice and the economic condition. As for Non-Executive Directors, the level of remuneration reflects mainly on their experience, qualification and competence of the Non-Executive Director concerned.

The Non-Executive Directors are remunerated with Directors' fees which are subject to shareholders' approval at the AGM annually in accordance with the Clause 121 of the Company's Constitution. In recommending the proposed

Directors' fees, the Remuneration Committee takes into consideration the qualification, level of responsibilities undertaken and extent of contributions required from a Director in light of the Group's complexity, as well as the prevailing market practice and the economic condition. The Non-Executive Directors are also paid meeting allowance for attending the meetings.

In the forthcoming AGM, the Company would be seeking the shareholders' approval for the Directors' fees payable to Non-Executive Directors for the period from the 55<sup>th</sup> AGM until the next AGM in year 2025. The proposed Directors' fees, once approved, will continue to be payable on a monthly basis instead of in arrears. The Board opined that it is just and equitable for the Non-Executive Directors to be paid such payment on such basis upon them discharging their responsibilities and rendering their services to the Company.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A

## BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

The Non-Executive Directors who are shareholders of the Company will abstain from voting the Resolution concerning the Proposed Directors' Fees payment during the 55<sup>th</sup> AGM.

The remuneration details of the Executive and Non-Executive Directors for the FY2023 are outlined in the Corporate Governance ("CG") report and none of the remuneration was paid by the subsidiaries of Sunsuria.

**Evaluation of Board, Board Committees and Individual Directors**

The Board, through the NRC, conducts an annual review of the structure and composition of the Board, competency and time commitment of the Board, Board's role in addressing the governance of sustainability in the Company as well as the independence of the Independent Directors. The Board also undertakes an annual assessment of the Board effectiveness, the Board Committees and the individual Directors by way of self and peer assessment. Based on the results of the assessment made, the overall results were generally positive. The Board is satisfied with the overall performance of individual Director, effectiveness of the Board and Board committees and independency of the Independent Directors.

The Board agreed that whilst its composition is represented with an appropriate mix of skills, expertise and experience, the Board will continue to review the Board size taking into consideration the complexity of the Group.

**Independence**

The Board through the NRC undertakes the independent assessment of all its Independent Directors of the Company which was carried out as part of the board assessment annually. The NRC and the Board reviewed the independence assessment results and are satisfied that all the Independent Directors fulfilled the criteria of "Independence" as prescribed under the Listing Requirements. The Board is satisfied that none of the Independent Directors had any relationship that could materially interfere with, or be perceived to materially interfere with their unfettered and independent judgement and ability to act in the best interests of the Company.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities. All Directors have given their full commitment to the Board meeting by attending all the Board and Board Committees meetings as shown in the details of attendance of Directors at the meetings held during the financial year.

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

ON GOING PROFESSIONAL TRAINING

The Board recognises that Directors' training is an ongoing process to ensure that Directors keep themselves abreast of the latest developments in areas related to their duties and to ensure that they are equipped with the necessary skills and knowledge to meet the challenges faced by the Board. The Board has delegated the role of reviewing the training and development needs of the Directors to the NRC.

All Directors are provided with ongoing professional development and training opportunities to enable them to develop and maintain their skills and knowledge. Directors are also encouraged to personally undertake appropriate training and refresher courses as appropriate to maintain the skills required to discharge their obligations to the Group.

Name of Director	Seminars/Forum/Conference/Training	Date
<b>Tan Sri Datuk Ter Leong Yap</b>	<ul style="list-style-type: none"> <li>Anti Money Laundering Act, MACC Section 17A, and Personal Data Protection Act – in house training</li> </ul>	15.09.2023
<b>Tan Pei Geok</b>	<ul style="list-style-type: none"> <li>Workshop – Malaysia Budget 2023 highlights: Amendments and developments on tax compliance</li> <li>Virtual MIA International Accountants Conference 2023</li> <li>Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers</li> <li>Are your “Eagles” Flying Away? 3 Steps to prevent healthcare high performers from leaving</li> <li>ESG, Climate and Trust: The Board's Role – Deloitte Global Boardroom - Webinar</li> <li>Anti Money Laundering Act, MACC Section 17A, and Personal Data Protection Act – in house training</li> </ul>	<p>22.03.2023</p> <p>13 - 14.06.2023</p> <p>22.08.2023</p> <p>30.08.2023</p> <p>06.09.2023</p> <p>15.09.2023</p>
<b>Dato' Quek Ngee Meng</b>	<ul style="list-style-type: none"> <li>Inside the Brain: A Virtual Conversation Series with Smitha Chandrashekaraiyah - Association of Corporate Counsel</li> <li>Brand Strategy Workshop - Ten Cave Men</li> <li>IBA Asia Pacific Regional Forum Biennial Conference - International Bar Association</li> <li>Managing Individual Taxes - Halim Hong &amp; Quek</li> <li>Sharing session on Master of Real Estate - Halim Hong &amp; Quek</li> <li>The Practice of Law: Confronting Commercialism - Halim Hong &amp; Quek</li> <li>International Malaysia Law Conference 2023 – Malaysian Bar</li> <li>Anti Money Laundering Act, MACC Section 17A, and Personal Data Protection Act – in house training</li> <li>KL Inhouse Congress – 2023</li> </ul>	<p>06.12.2022</p> <p>02.02.2023</p> <p>22 - 24.02.2023</p> <p>11.04.2023</p> <p>18.04.2023</p> <p>22.06.2023</p> <p>10 - 13.07.2023</p> <p>15.09.2023</p> <p>21.09.2023</p>
<b>Datin Loa Bee Ha</b>	<ul style="list-style-type: none"> <li>Common Offences Committed by Directors under the Companies Act 2016 - MICPA</li> <li>What is Generative AI and how will it impact the future-PWC</li> <li>Advocacy Session for Directors and CEOs of Main Market Listed Issuers – Bursa Malaysia</li> <li>ESG, Climate and Trust: The Board's Role – Deloitte Global Boardroom - Webinar</li> <li>Anti Money Laundering Act, MACC Section 17A, and Personal Data Protection Act – in house training</li> </ul>	<p>18.05.2023</p> <p>21.06.2023</p> <p>17.08.2023</p> <p>06.09.2023</p> <p>15.09.2023</p>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A

## BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

**Re-election of Directors**

The NRC is responsible for recommending to the Board, Directors who are retiring and are standing for re-election at the AGM pursuant to and in accordance with the Constitution of Sunsuria.

In accordance with the Clause 114 of the Company's Constitution, one-third of the Directors for the time being or, if their number is not a multiple of three (3), the number nearest to one-third shall retire from office and be eligible for re-election at each AGM. All Directors are subjected to retirement by rotation at least once every three (3) years.

The NRC is also responsible for recommending to the Board those Directors who are eligible to stand for re-election/re-appointment.

Based on the office period of the Directors since their last election and upon recommendation of the NRC, the Board is proposing the re-election of Tan Sri Datuk Ter Leong Yap, who is due for retirement by rotation pursuant to Clause 114 of the Company's Constitution, being eligible has offered himself for re-election.

To assist the shareholders in their decision, sufficient information such as personal profile of the Director standing for re-election is disclosed in the Profiles of Board of Directors of this Annual Report. The details of his interest in the securities of the Company are set out in the Analysis of Shareholdings of this Annual Report.

## PRINCIPLE B

## EFFECTIVE AUDIT &amp; RISK MANAGEMENT

**Audit Committee ("AC")**

The AC comprises three (3) members, all of whom are Independent Non-Executive Director. The members of the AC are Tan Pei Geok as Chairperson, Dato' Quek Ngee Meng and Datin Loa Bee Ha. The Chairperson of the AC is not the Chairman of the Board. This meets the requirements of paragraph 15.09(1)(a) and (b) of the Main Market Listing Requirements and Practice 18.4 of the MCGG.

Collectively, the members of the AC have a wide range of relevant skills, knowledge and experience in discharging their duties. Additionally, the Chairperson, Tan Pei Geok and the Member of the AC, Datin Loa Bee Ha have vast experience and skills in accounting and finance as well as other fields of expertise and are highly-qualified to review the accuracy of the Group's financial reporting prior to recommending the same to the Board for approvals, both are the member of the Malaysian Institute of Accountants.

The composition, authority as well as the duties and responsibilities of the AC are set out under its Terms of Reference approved by the Board.

The performance of the AC for the FY2023 was evaluated and based on the results of the evaluation, the Board is generally satisfied that the AC collectively and its members individually, have been able to discharge their functions, duties and responsibilities in accordance with the Terms of Reference ("TOR") of the AC.

A full AC report enumerating summary of activities of the AC during the financial year is set out in the AC Report.

**Relationship with External Auditors**

The AC has in place policies and procedures to review and assess the appointment or re-appointment of the external auditors in respect of their suitability, objectivity and independence. The AC in this regard assesses and reviews annually among others, the adequacy of their experience and resources, their audit engagements and the experience of the engagement partners and staff in accordance with the requirements of the Group.

The AC also meets with the external auditors without the presence of the Management to enable the AC to discuss matters privately with them. During the financial period under review, the AC met the external auditors twice without the presence of the Management.

Aside from the provision of statutory services, the external auditors provide non-audit services to the Group. The proposed fees for the non-audit services are reviewed by the AC and approved by the Board. In its review, the AC ensures that the independence and objectivity of the external auditors are not compromised. In addition, the AC must be satisfied that there is no element of conflict of interest and the fees chargeable are within the allowable threshold set.

PRINCIPLE B

EFFECTIVE AUDIT & RISK MANAGEMENT (CONT'D)

The AC was satisfied with the quality of audit, performance, competency and sufficient resources provided to the Group by the external auditors during the financial period under review. As part of the assessment, the AC referred to the Annual Transparency Report issued by the audit firm. The AC was also satisfied that the provision of the non-audit services by the external auditors to the Group did not impair their objectivity and independence as external auditors of Sunsuria.

Having considered the outcome of the annual assessment of the external auditors, the Board approved the recommendation for the shareholders' approval to be sought at the forthcoming AGM on their re-appointment as external auditors of the Group.

**Internal Audit Function**

The Group has outsourced its internal audit function to an external professional services firm, which reports directly to the Audit Committee. The outsourced internal audit function has undertaken independent and systematic reviews of the systems of internal controls and risk management within the Group so as to provide reasonable assurance that such systems continue to operate satisfactorily, effectively and in compliance to the Group's established policies

and procedures. The Internal Auditors are free from any relationship or conflict of interest, which could impair their objectivity and independence.

**Risk Management and Internal Control Framework**

The Board is fully aware of its overall responsibility of continuously maintaining a sound system of internal control which covers not only financial controls but also operational and compliance controls as well as risk management and the need to review its effectiveness regularly in order to safeguard shareholders' investment and the Company's assets.

To assist the Board in maintaining a sound system of internal control, the Group has engaged internal audit and risk management consultants, who report to the AC and the RMC on a quarterly basis. The implementation and maintenance of the risk management process to help the Board in identifying, evaluating, and managing the risk is carried out by the Risk Management Committee of the Group.

The Statement on Risk Management & Internal Control which provides an overview of the Group's state of internal control is set out in pages 129-136 of this Annual Report.

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIPS WITH STAKEHOLDERS

**Communication with Stakeholders**

The Board acknowledges the importance of being accountable to the shareholders and the investors via a direct and effective line of communication. As such, the Group always ensures the timely release of quarterly financial results, audited financial statements, corporate developments and announcements of the Group via the BURSA LINK, the Company's annual reports and other circulars to shareholders and where appropriate, ad hoc press statements which serve as the principal channel in keeping the shareholders and the investing public informed of the Group's major developments and overviews of financial performance and progress throughout the year.

The communication channels used in the Company's engagement with stakeholders includes:



- ▶ Various disclosures and announcements to Bursa Securities including quarterly financial results
- ▶ Press releases and announcements to Bursa Securities and to the media
- ▶ The Company's Annual Report
- ▶ Dialogues and presentations at general meetings to provide overview and clear rationale with regards to the proposals tabled for approval by shareholders.

The Board has formalised a Corporate Disclosure Policy to ensure that communications to the public regarding the Group are timely, factual, accurate and complete. The said Policy outlines the central principles and practices in communicating with the investors, shareholders, medias and regulators.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE C

## INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIPS WITH STAKEHOLDERS (CONT'D)

**Conduct of general meetings**

The Company's General meetings serve as principal forums for shareholders to engage directly with the directors and senior management. It also provides the opportunity for shareholders to raise questions pertaining to issues related to the Annual Report, Audited Financial Statements, corporate developments, resolutions being proposed and the business of the Group. Shareholders are encouraged to attend AGM and to participate in the question-and-answer sessions on the resolutions being proposed or on the Group's operations in general. Shareholders who are unable to attend the meetings are allowed to appoint proxies to attend and vote on their behalf in accordance with the Company's Constitution.

In 2023, the Company served notice of its Fifty-Forth (54<sup>th</sup> AGM) held on 15 March 2023 of at least 28 days before the meeting, well in advance of the 21-day requirements under the Companies Act 2016 and the Main Market Listing Requirements of Bursa Securities. The additional time given to the shareholders provides them with sufficient time to scrutinise the Annual Report 2022 and to make necessary arrangements to attend the meeting. The Company also distributed together with the Notice of AGM, information on administrative details such as details of the meeting, shareholders' entitlement to attend the meeting, their right to appoint proxy and information as who may act as a proxy, etc.

The 54<sup>th</sup> AGM held on 15 March 2023 was conducted virtually through live streaming and online remote voting via Remote Participation and Voting facilities. The forthcoming Fifty-Fifth (55<sup>th</sup> AGM) of the Company will continue to be conducted virtually i.e. through live streaming and using Remote Participation and Voting Facilities to give shareholders and/or proxies an opportunity to participate in the AGM effectively.

All Board members had ensured their attendance at the 54<sup>th</sup> AGM and the Chairman of the respective Board Committees with Management attended to questions raised pertaining to their duties. The External Auditors also attended the 54<sup>th</sup> AGM and had provide information to the Management clarifications particularly relating to the financial statements.

Pursuant to the Paragraph 8.29A(1) of the Listing Requirements, the Company is required to ensure that any resolutions set out in the notice of general meetings are voted by poll.

At the AGM of the Company held on 15 March 2023, all resolutions were decided by a poll and the votes received in respect of each resolution were notified to Bursa Securities on the same date as the meeting was held. The poll voting was conducted via electronic means and the results of the voting were instantly displayed on the screen. The Company has appointed an independent external scrutineer to validate all the votes at the said general meeting.

**KEY FOCUS AREAS AND FUTURE PRIORITIES**

The Board is satisfied that the Group has maintained high standards of corporate governance and strived to achieve the highest level of integrity and ethical standard, in all its business dealings.

Moving forward, the Board will continue to operationalise and improve the Company's corporate governance practices and instil a risk and governance awareness culture and mindset throughout the organisation in the best interest of all stakeholders.

This Statement is made in accordance with the resolution of the Board of Directors dated 19 January 2024.

## AUDIT COMMITTEE REPORT

The Board of Directors of Sunsuria Berhad (“Sunsuria”) is pleased to present the Audit Committee Report for financial year ended 30 September 2023 (“FY2023”).

### COMPOSITION AND ATTENDANCE

The composition of the Audit Committee (“AC”) of Sunsuria is presented in the table below.

During the FY2023, the AC held five (5) meetings. The details of attendance of the AC members are set out below:

Members	Membership/Designation	Meeting Attendance
Tan Pei Geok	Chairperson/Senior Independent Non-Executive Director	5/5
Datin Loa Bee Ha	Member/Independent Non-Executive Director	5/5
Dato’ Quek Ngee Meng	Member/Independent Non-Executive Director	5/5

The composition of the AC is in line with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“MMLR”) which prescribes that the AC must consist of at least three (3) members with the Chairperson and a majority of the members being Independent Non-Executive Directors.

The AC comprises qualified individuals having required skills and expertise to discharge the AC’s functions and duties. The AC’s literacy and understanding of financial reporting standards and information have contributed to meaningful discussions in overseeing the integrity of the financial reporting processes and financial statements. The AC Chairperson is a member of the Certified Practising Accountants (CPA, Australia) and the Malaysian Institute of Accountants (“MIA”). Accordingly, the Company complies with paragraph 15.09(1)(c)(i) of the MMLR.

The AC meetings were conducted in accordance with the requisite quorum as stipulated in the Terms of Reference (“TOR”) of the AC, which requires at least two (2) members, with the majority of members present must be Independent Non-Executive Directors. The authorised officers and representative of the external auditors may attend meetings at the invitation of the AC. Other Board members and the representatives of the external auditors shall also have the right of attendance upon the invitation of the AC, as and when necessary, to brief the AC on specific issues.

During FY2023, the Group Chief Executive Officer and Chief Financial Officer attended the AC meetings by invitation.

The External Auditors were invited to brief the AC on audit related matters during the financial year and provided a high-level review of the financial position of the Group. Time was also allocated for the External Auditors to have private discussions with the AC in the absence of the Management. During the FY2023, the AC had met the External Auditors twice and the meeting were held without the presence of Management.

During FY2023, the Internal Auditors attended four (4) out of five (5) AC meetings held. The respective internal audit reports were presented together with their recommendations to the actions and steps taken by the Management in response to the audit findings.

Annually, the term of office and performance of the AC and each of its members are being assessed by the Nomination and Remuneration Committee. During the FY2023, the Board was satisfied that the AC has discharged its function, duties and responsibilities in accordance with TOR of the AC, supporting the Board in ensuring the Group upholds appropriate Corporate Governance standards, practices and guidance.

The Company Secretaries act as the Secretary of the AC. The AC members are provided with the agenda and relevant committee papers before each meeting. Minutes of the AC meetings will be distributed to the Board for notation and the Chairman of the AC shall report key issues discussed in the AC meetings to the Board.

## AUDIT COMMITTEE REPORT

### TERMS OF REFERENCE

The TOR of the AC is made available on the Company's corporate website at [www.sunsuria.com](http://www.sunsuria.com).

### SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR 2023

#### 1. Overseeing Financial Reporting

(a) Reviewed the following unaudited quarterly reports and the consolidated results and its related press statement, amongst others, any change in accounting policies, significant matters highlighted, the going concern assumption, and compliance with accounting standards and regulatory requirements prior to their recommendation to the Board of Directors for approval:

(i) Quarterly financial results for the fourth quarter of the financial year ended 30 September 2023 ("FY2023") at the AC meeting held on 24 November 2023.

(ii) First, second and third quarters of the quarterly results for FY2023 at the AC meetings held on 27 February 2023, 26 May 2023 and 25 August 2023, respectively.

(b) Reviewed the consolidated audited financial statements of the Company and the Group for FY2022 at the AC meeting held on 18 January 2023 and ensuring that the statements comply with the Malaysian Financial Reporting Standards ("MFRSs"), for recommendation to the Board for approval.

(c) Received and considered regular updates from management on the status and implications for the Group on financial reporting developments, including updates on discussions by the Malaysian Accounting Standards Board on the development of the MFRSs. There were new or amended MFRSs adopted by the Group in FY2023, details of which are disclosed in the audited financial statements.

(d) Assessed reasonableness and appropriateness of the judgements or estimations made by management in preparing the financial statements. Meeting on audit status, as well as findings on areas of significant external auditors' attention were held during FY2023.

For FY2023, Messrs Deloitte PLT ("**Deloitte**") identified one (1) Key Audit Matters ("**KAM**") of the Group, which is revenue and cost of sales recognition for property development activities, which is key significance in Deloitte's audit of the financial statements of the Group due to its magnitude relative to the Group's revenue and cost of sales as well as significant estimation by management were involved in developing and monitoring the total budgeted property development costs, for which inherent uncertainties may arise.

(e) Reviewed the going concern basis for preparing the Group's consolidated financial statements, including the assumptions underlying the going concern statement and the period of assessment.

The principal risks and uncertainties, the existing financial position, the Group's financial resources and the expectations for future performance and capital expenditure were made known to the AC for its review.

(f) Reviewed the significant risks and areas of audit focus highlighted by the auditors which was encountered by them during their engagement to prepare the financial statements, as well as the significant judgements made by management.

(g) Reviewed the adequacy of the processes and controls in place for effective and efficient financial reporting and disclosures under the MFRSs and the MMLR.

#### 2. External Audit

(a) Reviewed with the External Auditors, Deloitte, the Audit Review Memorandum on the audit of the financial statements for FY2022 setting out their comments and conclusions on the significant auditing and accounting issues highlighted.

(b) Reviewed with the External Auditors, the audit report, issues, reservations and management responses arising from their audit, as well as the audit and non-audit fees.



- (c) Reviewed with the External Auditors, the audit plan for FY2023 outlining, amongst others, their scope of work, areas of audit emphasis and development in laws and regulations affecting financial reporting and the responsibilities of directors and managements, and auditors.
- (d) Had discussions with Deloitte during the financial year, without the presence of management, to apprise on matters in regard to the audit and financial statements.
- (e) Reviewed the provision of non-audit services rendered by the external auditors to the Group, in circumstances where the auditors were best qualified and suitable to provide the required services given their comprehensive knowledge of the Group's business operations, systems and processes. In considering the nature and scope of the non-audit services, the AC was satisfied that the services were not likely to impair the external auditors' independence and objectivity.
- (f) Reviewed, assessed and monitored the performance, suitability and independence of the external auditors. The external auditors had provided an annual confirmation of their independence in accordance with the terms of all professional and regulatory requirements.

As part of the assessment, the AC had considered:

- Quality of planning, delivery and execution of the audit Quality and knowledge of the audit team.
- Effectiveness of communications between management and the audit team.
- Robustness of the audit, including the audit team's ability to challenge management as well as demonstrate professional scepticism and independence.
- Performance evaluation and review by management.

Following the outcome of the assessment and having satisfied with the external auditors' performance, suitability and independence, the AC at its meeting held on 24 November 2023 recommended to the Board for approval of the re-appointment of Deloitte as auditors of the Company. A resolution for their re-appointment will be tabled for shareholders' approval at the forthcoming annual general meeting.

- (g) Reviewed and revised the External Auditors' Policy, on the approved mandate for non-audit services provided by the External Auditors, up to a total fee not exceeding 50% of the total amount of audit fees paid to the External Auditors.

### 3. Internal Audit

- (a) Reviewed and adopted the risk-based internal audit plan for FY2023 to ensure sufficient scope and coverage of activities of the Company and Group.
- (b) Reviewed the internal audit reports and follow-up audit reports, including the audit findings and recommendations, Management's responses and/or actions taken thereto, and ensured that material findings were satisfactorily addressed by the Management.
- (c) Reviewed the audit recommendations and Management's responses to these recommendations and actions taken to improve the system of internal control and risk management. Enquiries were made to both internal audit function and Management over details of issues raised, root causes and the proposed corrective actions.
- (d) Monitored and deliberated the implementation of audit recommendations arising from internal audit activities as well as the follow-up audits conducted by the internal audit function to ensure that all key risks and audit issues raised have been addressed. The AC also considered the timeliness of completion of the proposed actions and whether such actions effectively resolved the issues raised.
- (e) Reviewed the status of audit assignments reported by the internal audit function to ensure that work undertaken is in line with the approved Annual Audit Plan.
- (f) Reviewed the whistle-blowing reports received via the whistle blowing channels managed by the Human Resource Department. All reports received through the whistle-blowing channels were tabled to the AC on a half yearly basis with pertinent reports highlighted for deliberation.
- (g) Reviewed the Statement on Risk Management and Internal Control to ensure that it is consistent with the AC's understanding of the state of internal

## AUDIT COMMITTEE REPORT

control and risk management system and activities of the Group and recommended the same to the Board for inclusion in the Annual Report.

- (h) Reviewed, assessed and monitored the performance and suitability of the internal audit function. An annual performance assessment was carried out by AC, as part of the internal audit function's assessment. The AC considered:

- Quality of planning, delivery and execution of the internal audit quality and knowledge of the internal audit team.
- Effectiveness of communications between the Management and the internal audit team.
- Feedback from the Management.

Following the outcome of the assessment and having satisfied with the internal audit function's performance and suitability, the AC had renewed the engagement of the outsourced internal audit function.

### 4. Related Party Transactions

- (a) Review significant related party transactions entered into/to be entered into by the Company and the Group to ensure that the transactions were in the best interest of Sunsuria Group; were fair, reasonable and on normal commercial terms; and not detrimental to the interest of the minority shareholders of Sunsuria Berhad.
- (b) Reviewed on a quarterly basis, the Recurrent Related Party Transactions ("**RRPT**") entered into by the Company and/or its subsidiaries with related parties to ensure that the Group's internal policies and procedures governing RRPT are adhered to, the terms of the shareholders' mandate are not contravened and disclose requirements of the MMLR are observed.
- (c) Reviewed the Circular to Shareholders in relation to the renewal of shareholders' mandate for RRPT and new shareholder mandate for additional RRPT, prior to its recommendation to the Board of Directors for approval.

### INTERNAL AUDIT FUNCTION

The internal audit function assists the AC in evaluating the adequacy and effectiveness of the governance, risk management and internal control systems of the Group and provide recommendations for improving such systems.

The Group has outsourced its internal audit function to a professional services firm that reports directly to the AC. The internal audit function have undertaken independent and systematic reviews on the systems of internal control and risk management of key operating units within the Group so as to provide reasonable assurance that such systems continue to operate satisfactorily, effectively and in compliance with the Group's established policies and procedures.

During the financial year under review, the outsourced internal audit function has undertaken the following:

- (a) Developed the annual internal audit plan and proposed such plan for the AC's approval.
- (b) Presented significant audit findings and areas for improvements identified during the internal audit reviews undertaken to the AC.
- (c) Solicit Management's responses in addressing the audit findings and conducted follow-up audit reviews to assess if appropriate actions have been taken to address the issues highlighted.
- (d) Undertaken recurrent related party transaction review to assess adherence to established policies and procedures and compliance with the MMLR.
- (e) Conducted discussions with Management to identify significant concerns and risk areas for inclusion in the internal audit coverage.
- (f) Reviewed the adequacy and effectiveness of the system of internal control in managing risks in various operating companies, including regulatory & compliance risk, competition risk, feasibility risk and operational risk.
- (g) Considered the concerns of the AC and Management when undertaking the respective audit work.

Total cost incurred on the outsourced internal audit function of the Group in respect of the FY2023 was at RM81,946.58 (FY2022: RM118,912.23).

## STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

The Board of Sunsuria Berhad is committed to continuously improve the Group's risk management and internal control system and is pleased to present the following Statement on Risk Management & Internal Control for the financial year ended 30 September 2023. This statement is made in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and guided by the Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers. This Statement outlines the nature and scope of risk management and internal control of the Group and covers all of the Group's operations except for associate companies.

### 1 The Board's Responsibility

The Board of Directors (the "Board") recognises the importance of sound controls and risk management practices to good corporate governance. The Board acknowledges its overall responsibility in establishing a sound risk management framework and internal control system to safeguard shareholders' investment and the Group's assets.

The Board continually reviews the adequacy and integrity of the Group's risk management and internal control system, which has been embedded in all aspects of the Group's activities and its alignment with business objectives. The Board is equally aware that the risk management framework and internal control system

are designed to manage the Group's risks within an acceptable risk appetite, rather than to eliminate the risk of failure to achieve the goals and objectives of the Group. In this regard, the risk management framework and internal control system can only provide reasonable assurance, and not absolute assurance, against material misstatement in financial information or against financial losses or fraud.

The Board established a Risk Management Committee ("**RMC**") to oversee the risk management processes within the Company and the Group and established a sound risk management framework, policies and internal risk control system.

### 2 Risk Management Committee

The Risk Management Committee ("**RMC**") was established to uphold risk oversight within the Group. The RMC is chaired by an Independent Non-Executive Director, who is neither the Chairman of the Board nor the Audit Committee.

Roles and responsibilities of the RMC include the following:

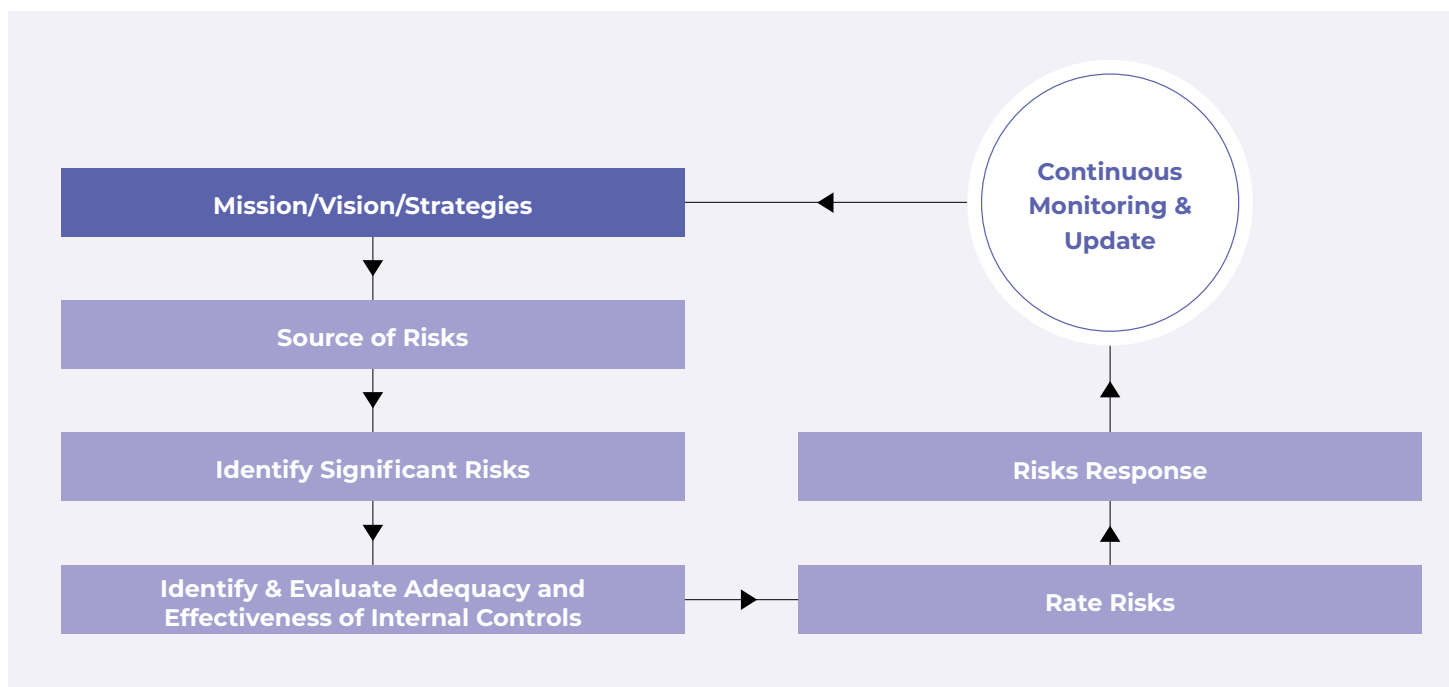
- a. Develop and recommend the Group's risk framework and policies that are aligned with its strategic business objectives.
- b. Communicate the Board's risk policies, objectives, responsibilities and reporting lines to all employees across the group.
- c. Identify and communicate to the Board on the significant risks that are critical and high risks both present and potential that the Group may face, their impact and consequences and the management action plans to manage and mitigate the risks.
- d. Perform risk oversight and review key risk profiles of the Company and the Group and regularly review and update the business units' risk management processes.
- e. Provide guidance to the business units on the Group's and business units' risk appetite and capacity, and other criteria which, when exceeded, trigger an obligation to report upward to the Board.
- f. To keep under review the effectiveness of the Group's internal control and risk management systems and review the statements to be included in the Annual Report concerning internal controls and risk management.
- g. All other risk management matters delegated by the Board.

## STATEMENT ON RISK MANAGEMENT &amp; INTERNAL CONTROL

### 3 Risk Management Framework

The Group has adopted a Risk Management Framework (“**Framework**”) that outlines policy and on-going process for identifying, evaluating, managing, monitoring and communicating the key/significant risks faced by the Group throughout the period under review. It places importance of balancing between risk and reward in making strategic business decisions, a tool in managing both existing and potential key/significant risks with the objective of protecting key stakeholders’ interest, and compliance with statutory and legal requirements. The Framework sets the risk context and categories such as industry/market, financial, operations, compliance and people in relation to the Group’s business activities.

The risk assessment methodology adopted by the Group, which is guided by the globally accepted standard for risk management i.e. ISO 31000:2018 Risk Management – Guidelines is outlined as follows:



#### Risk identification and evaluation process

The risks associated with the Group’s business goals are identified through a series of interviews with key personnel and management of the Group, which are then incorporated into a Key Risk Profile that includes details on the nature of the risk as well as its severity and probability of occurrence.

The risk identification process includes consideration for both internal and external environmental factors. External environmental factors include political, economic, social technological, legal and environment changes. Internal factors include changes in key personnel, business expansion, introduction and implementation of new or revision of existing policies and procedures.

### 3 Risk Management Framework (Cont'd)

The risks identified are evaluated by examining the impact on the Group if a risk were to occur, as well as the likelihood of its occurrence. The likelihood is rated on a scale of 1 to 5, with 1 indicating that the event is very unlikely to happen and 5 indicating that there is a very high likelihood of the event happening. The impact is also assessed on the scale of 1 to 5, with 1 being of insignificant impact and 5 being very significant. The rating takes into consideration the effectiveness of existing controls put in place to manage the risks. After the risk assessment has been carried out, the Group will continue to closely monitor those significant risks identified that are rated as critical or high.

Amongst others, the three (3) key risk areas identified in the financial year ended 30 September 2023 in accordance to its potential impact to the Group are:

#### Regulatory and compliance risk

The Group's operations are subject to guidelines, laws and regulations of the relevant jurisdictions where the local authorities, government bodies and ministries, securities commission and agencies may preside over.

The changes in laws and regulations may directly and indirectly affect the Group. The Group keeps abreast with the latest rulings, regulations and guidelines changes and assess the impact of such changes on the operation of the Group to ensure continuous compliance.

#### Operational risk

The Group's operations were exposed to sales, project management and construction related risks.

The Group recognised the importance of delivering quality products and services. Therefore, the Group adhered to stringent standard operating policies and procedures and carefully select and assess every contractor, supplier, consultant, service provider and vendor that the Group engages in. In addition to the above, Group also emphasizes on the importance of safety and the well-being of its stakeholders.



#### Competition risk

The Group's revenue and profitability are exposed to the risk of slowdown in global and local economy and the challenging property market sector. The recent surge in building material prices for steel, copper and cement have put additional pressure on the Group.

Recognising this, the Group embraces changes and strives for continuous innovation to remain relevant in the marketplace and creates differentiation to attract demand. Besides delivering quality products timely, the Group also embarks on initiatives to create vibrancy and footfalls to its development projects to enhance value for its customers.

In addition, the Group is continuously exploring various business and geographical diversifications and regularly reviewing the business plans against performances to address any gaps or shortfalls.

Risk information and treatment plans are captured and updated into a risk register. The information is consolidated to provide an enterprise overview of material risks faced by the Group and the associated risk mitigation plans, which are tracked and reviewed.

## STATEMENT ON RISK MANAGEMENT &amp; INTERNAL CONTROL

**3 Risk Management Framework (Cont'd)****Risk adoption and monitoring process**

All risks identified and assessed are documented in the Group risk assessment report and divisional & operational risk assessment report, whereby risks rated as significant and prioritised in terms of likelihood of the risk occurring and its impact should the risk occur are tabled to the RMC on 26 May 2023 and 24 November 2023, respectively. Risk assessment of the Company has been structured on a two-level assessment approach so as to give the appropriate focus at Group level and divisional & operational level.

Through these mechanisms, risks identified can be managed and monitored on a continual basis, so that the impact of such risks crystallising may be mitigated to avoid any loss or damage to the Group or division. However, certain significant risks which are rated critical or high could be due to the business environment it operates in and may not be managed and eliminated by the Group. The Group had formulated risk responses to address threats arising from significant risks to minimise the likelihood of such risks occurring or reducing the impact of such risks. On top of that, the Group also recognise opportunities that may come from certain significant risks and took appropriate actions to capitalise on the opportunities arising from such events.

The Risk Management Committee oversees risk management matters within the Group. The Risk Management Committee is assisted by the Risk Coordinator, who acts as the focal point for all risk management activities within the Group. The day-to-day risk management resides with the respective business units and support units, where action plans are developed and implemented to manage risks. The Risk Management Committee meets on a quarterly basis to review the risk management activities undertaken by the Management. Identification and assessment of significant risks as well as the corresponding controls put into effect by the Management to mitigate the identified significant risks, with the assistance from the Risk Coordinator, were presented to and reviewed by the Risk Management Committee. The Management, together with the Risk Coordinator, shall ascertain if controls are sufficient and reliable in mitigating the identified risks.

After due analysis and discussions with the Management, the Risk Coordinator will revise the risk ratings where applicable, taking into account the overall evaluation of internal controls. Any weaknesses noted during the review are reported to the Risk Management Committee. Through these mechanisms, the Risk Management Committee can be assured that the significant risks of the Group are regularly reviewed and appropriately managed to an acceptable level.

## 4 Internal Controls

The Group's internal audit function, which has been outsourced to an independent professional services firm, assists the Board and the Audit Committee by providing an independent assessment on the adequacy and effectiveness of the Group's internal control system.

During the financial year ended 30 September 2023, internal audit reviews were carried out in accordance with risk-based internal audit plan approved by the Audit Committee. Risk-based Internal Audit methodology was adopted, which entails focusing on the controls managing the key risks of the Group and providing assurance that key risks are being managed by the Management within the defined risk appetite level.

Based on the internal audit reviews, the findings arising, including the recommended corrective actions, potential risks, implications and Management's responses, were presented directly to the Audit Committee on a quarterly basis.

Results of the internal audit reviews, recommendations for improvements and corrective measures implemented or planned were deliberated during the Audit Committee meetings. Minutes of the Audit Committee meetings that recorded the deliberations were then presented to the Board.

Based on the internal audit reviews conducted during the year, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this annual report.

Key elements of the Group's risk management framework and system of internal controls include:

- An appropriate organisation structure for planning, executing, controlling and monitoring business operations with clear lines of responsibility and delegations of authority.
- Uniformity and consistency in practices and controls within the Group, whereby key processes in the Group's management and operations have been formalised and documented in the form of Standard Operating Policies and Procedures ("**SOPP**"). These SOPPs are subject to review and improvements, particularly through periodic internal audit reviews of selected areas of operations.
- Annual budgets for business units and the Group that is subject to the Board's approval. Any variances in actual performance against the budget are monitored and reported regularly. The results are consolidated and presented to the Board on a regular basis.
- Defined authorisation levels for all aspects of the business, which are formalised in the Group's Limits of Authority ("**LoA**").
- Necessary occupational safety and health ("**OSH**") guidelines, which include setting up a safety committee to enhance OSH procedures and address OSH issues that may arise from time to time.
- Audit Committee Meetings were convened at least four (4) times a year to review the effectiveness of the Group's system of internal controls. The Audit Committee meets with the Internal Auditors and External Auditors to review their reports.
- Regular internal audit visits to provide independent assurances on the effectiveness of the Group's system of internal controls processes and recommend to the Management on the areas for improvement.
- Periodic reviews of Recurrent Related Party Transactions by the Audit Committee and the Board to ensure compliance with the Listing Requirements.



## STATEMENT ON RISK MANAGEMENT &amp; INTERNAL CONTROL

## 4 Internal Controls (Cont'd)

## Key Internal Controls

Key elements of the Group's internal controls for the financial year ended 30 September 2023 are as follows:

Control Elements	Control Environment
<b>People Management</b>	<p><b>Human Resource Management</b></p> <ul style="list-style-type: none"> <li>Employee Handbook</li> <li>Formal performance appraisal result in performance linked recognition and rewards</li> <li>Employee engagement survey</li> </ul> <p><b>Integrity Management</b></p> <ul style="list-style-type: none"> <li>An Anti-corruption Framework has been duly approved by the Board on 29 April 2020 and since then, adopted across the Group. Under the framework, an anti-bribery and corruption working group had been formed to oversee the Group's anti-corruption activities. The five (5) key principles of the framework are top level commitment, risk assessment, undertake control measures, systematic review, monitoring and enforcement and lastly, training and communication.</li> <li>An Anti-Bribery and Corruption Policy and Procedures has been adopted by the Company, duly approved by the Board of Directors. ABAC adopted are in line with Malaysian Anti-Corruption Commission Act 2009. The Group has adopted a zero-tolerance policy against all forms of bribery and corruption.</li> <li>No gift and entertainment policy, subject only to certain narrow exceptions. Sunsuria employees, directors or agents (executive and non-executive) and family members are prohibited from, directly or indirectly, receiving or providing gifts &amp; entertainment.</li> <li>Whistleblowing policy has been established to provide an avenue for all employees and associates of the Group to disclose any concerns about misconduct, wrongdoings, corruption and instances of fraud, waste and/or abuse in accordance with the procedures as provided under the above-mentioned policy and to provide protection for its employees and associates who report such allegations.</li> </ul>

**4 Internal Controls (Cont'd)**

Control Elements	Control Environment
<p><b>Process Management</b></p>	<p><b>Quality Management System</b></p> <ul style="list-style-type: none"> <li>Clearly defined internal standard operating procedures and policies are easily accessible by all employees via the Company's intranet.</li> </ul> <p><b>Financial Management</b></p> <ul style="list-style-type: none"> <li>Annual budgets prepared are subject to management's review before being escalated to the Board for approval.</li> <li>LoA has been established for the Group and its subsidiaries to follow, in their day-to-day operations. Relevance of the LoA is reviewed periodically on as and when necessary.</li> </ul> <p><b>Business/Project Management</b></p> <ul style="list-style-type: none"> <li>Weekly operational and sales meetings are held to review and update on performances of every business division.</li> </ul> <p><b>Environment, Safety and Health Management</b></p> <ul style="list-style-type: none"> <li>An Occupational Health, Safety and Environment Committee is formed at every construction site.</li> </ul>
<p><b>Technology Management</b></p>	<p><b>Information Security</b></p> <ul style="list-style-type: none"> <li>Data security and data protection is very important to ensure access to applications and data is secured from cyber security threats. The Group has data backup plan and recovery procedures in place.</li> </ul>
<p><b>Crisis Management</b></p>	<ul style="list-style-type: none"> <li>Crisis management team headed by the Group's Senior Management that addresses any critical issues and operational matters effectively and efficiently and on a timely manner.</li> </ul>

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## STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

### 5 Material Associates

Disclosures in this statement do not include the risk management and internal control practices of the Company's associates companies. The Company's interests in these entities are safeguarded through the appointment of members of the Group's Senior Management team to the Board of Directors and, in certain cases, the Management Committee of these entities.

### 6 Assurance From Management

In accordance with the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed issuers, the Board has received assurances from the Executive Chairman and the Chief Financial Officer, that, to the best of their knowledge, the system of internal control and risk management of the Group are operating effectively and adequately in all material respects, based on the risk management and internal control frameworks adopted by the Group.

### 7 Review Of The Statement By External Auditors

Pursuant to Paragraph 15.23 of the Listing Requirements, the External Auditors have reviewed this Statement on Risk Management & Internal Control for inclusion in the 2023 Annual Report. Their review was performed in accordance with Audit and Assurance Practice Guide 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. Based on their review, nothing has come to their attention that causes them to believe that this statement is not prepared, in all material respects, in accordance with the disclosures required to be set out by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

### 8 Conclusion

The Board is of the view that the system of internal control and risk management is in place for the period under review and, up to the date of approval of this statement for inclusion in the annual report, is sound and sufficient to safeguard the Group's assets, as well as the shareholders' investments, the interests of customers, regulators, employees and other stakeholders. There were no material control failures or adverse compliance events that have directly resulted in any material loss to the Group.

This statement was approved by the Board on 19 January 2024.

## ADDITIONAL COMPLIANCE INFORMATION

### DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required by the Companies Act 2016 ("**Act**") to cause Management to prepare the financial statements for each financial year in accordance with Malaysian Financial Reporting Standards ("**MFRSs**"), International Financial Reporting Standards ("**IFRS**") and the requirements of the Act to give a true and fair view of the financial position of the Group and the Company at the end of the financial year and of the financial performance and cash flows of the Group and the Company for the financial year. Where there are new accounting standards or policies that become effective during the year, the impact of these new requirements would be stated in the notes to the financial statements, accordingly.

In the preparation of the financial statements, the Directors ensure that Management have:

- a) applied appropriate and consistent accounting policies;
- b) made judgements and estimates that are reasonable and prudent;
- c) ensured that all applicable accounting standards have been followed; and
- d) prepared financial statements on a 'going concern' basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue operations for the foreseeable future.

The Directors have responsibility to ensure that the Company keeps accounting records, which disclose with reasonable accuracy the financial position of the Company and the Group, which enable them to ensure that the financial statements comply with the provisions of the Act. The Directors have overall responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

### MATERIAL CONTRACT INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

There were no material contracts entered into by the Company and its subsidiaries involving Directors and Major Shareholders' Interest which were still subsisting as at the end of the financial year under review or which were entered into since the end of previous financial period except as disclosed in the financial statements.

During the financial year under review, the Company has provided shareholders' advance and corporate guarantee amounting to RM81.1 million and RM97.8 million respectively in favour of Bangsar Hill Park Development Sdn. Bhd. ("**BHPD**"), a 51%-owned subsidiary

of the Company ("**Provision of Financial Assistance**"). The Provision of Financial Assistance to BHPD is for the purpose of working capital and made with reference to the Circular to Shareholders dated 21 January 2021 and Note 27 of the financial statements.

### UTILISATION OF PROCEEDS

There were no proceeds raised from any corporate proposals during the financial year under review.

### EMPLOYEES' SHARE OPTION SCHEME ("**ESOS**")

At the Extraordinary General Meeting held on 29 March 2019, the shareholders had approved the establishment of ESOS of up to 10% of the total number of issued shares of the Company (excluding Treasury Shares, if any) for eligible Directors and employees of the Company and its subsidiaries (excluding dormant subsidiaries). The ESOS has a duration of five (5) years from its effective date i.e. 4 September 2019.

During the financial year, the Company has not granted ESOS options to the eligible persons under the scheme.

## ADDITIONAL COMPLIANCE INFORMATION

### RECURRENT RELATED PARTY TRANSACTIONS

At the last Annual General Meeting held on 15 March 2023, the Company had obtained a general mandate from its Shareholders for the Group to enter into recurrent related party transactions of a revenue or trading nature (“RRPT mandate”).

The aggregate value of the recurrent related party transactions of a revenue nature incurred by the Group pursuant to the RRPT mandate for the financial year ended 30 September 2023 did not exceed the threshold prescribed under Paragraph 10.09(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

### AUDIT FEES AND NON-AUDIT FEES

During the financial year, the amount of audit-related and non-audit fees paid and payable to the External Auditors and/or its affiliates by the Company and the Group respectively for the financial year ended 30 September 2023 are as set out below:-

	Group		Company	
	2023 (RM'000)	2022 (RM'000)	2023 (RM'000)	2022 (RM'000)
Statutory audit fees	<b>564.2</b>	535.0	<b>111.0</b>	102.0
Total (a)	<b>564.2</b>	535.0	<b>111.0</b>	102.0
Non-audit fees:-				
- Other Services	<b>43.2</b>	58.0	<b>18.0</b>	38.0
Total (b)	<b>43.2</b>	58.0	<b>18.0</b>	38.0
% of non-audit fees (b/a)	<b>7.66%</b>	10.84%	<b>16.22%</b>	37.25%