



Property

SUSTAINABILITY
REPORT
2023

Multiplying Value
ADVANCING URBAN BIODIVERSITY

About This Report



SCOPE

This report covers Sime Darby Property's sustainability performance for FY2023, which was approved by the Board Sustainability Committee on 27 March 2024. It details our ESG activities, performance and approach during the year, complementing the information published in Sime Darby Property's Integrated Report 2023.

REPORTING STANDARDS AND FRAMEWORKS

This report adheres to leading sustainability reporting standards and frameworks. Developed using best practices, it provides stakeholders with transparent and relevant information for informed decision-making.

The report has been prepared with reference to the following:

- Bursa Malaysia's Main Market Listing Requirements on Sustainability Reporting
- Bursa Malaysia's Sustainability Reporting Guide (3rd Edition)
- Global Reporting Initiative ("GRI") Sustainability Reporting Standards
- The United Nations Sustainable Development Goals ("UN SDGs")
- Task Force on Climate-related Financial Disclosures ("TCFD") Recommendations

For details on the disclosures included in this report, please refer to the Appendix on pages 122–128.

STATEMENT OF ASSURANCE

In strengthening the credibility of the Sustainability Report, this Sustainability Report has been subjected to the following:

- An internal review by the Group Corporate Assurance Department; and
- Independent limited assurance in accordance with ISAE 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" for selected indicators.

The Group Corporate Assurance Department has reviewed the following subject matter information disclosed as part of the Sustainability Report:

- Percentage of employees by gender and age group, for each employee category;
- Percentage of directors by gender and age group;
- Total number of employee turnover by employee category; and
- Total number of new employees by gender, age group and employee category.

In addition, PricewaterhouseCoopers PLT was engaged to provide an independent limited assurance on the following subject matter information reported for FY2023, in accordance with ISAE 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information":

- Percentage of operations assessed for corruption-related risks;
- Total energy consumption;
- Number of employees trained on health and safety standards;
- Proportion of spending on local suppliers;
- Total waste generated, and a breakdown of the following:
 - Total waste diverted from disposal
 - Total waste directed to disposal;
- Scope 1 emissions in tonnes of CO₂e; and
- Scope 2 emissions in tonnes of CO₂e

Please refer to the independent limited assurance report on page 129 to 132 for details on the subject matter information, scope of assurance and the assurance conclusion thereon.

REPORTING BOUNDARIES

The boundary for this report is defined around the level of ownership and management control through which Sime Darby Property is able to implement its Sustainability Framework or influence ESG outcomes.

The boundary covers:

1. **Corporate Operations** - Sime Darby Property's corporate policies, workforce, training, emissions and other impacts associated with managing business operations.
2. **Direct Investment Portfolio** - directly owned property assets are divided into two management groups - operational control and non-operational control. Control is determined by the level to which Sime Darby Property has the capacity to implement its Sustainability Strategy.
 - **Operational Control** - where Sime Darby Property is responsible for setting operational standards for the property services and performance as well as for setting and delivering capital works and investment strategies to reduce energy and improve the asset.
 - **Non-Operational Control** - across some property assets, the tenant-customer holds a lease with full management control over the entire premises that they occupy. In these assets, Sime Darby Property is unable to directly set policy or implement change. Non-operational control property assets are excluded from the reporting boundary of this report.

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ENQUIRIES

All enquiries and correspondence regarding this report or sustainability disclosures should be directed to the team at sustainability@simedarbyproperty.com.



For more information, visit
www.simedarbyproperty.com



Please scan the QR code for the following documents of the Company which are available at
<https://www.simedarbyproperty.com/investor-relations/shareholders>

3. **Other Exclusions** - Disclosure at the Group level does not include other operational businesses where Sime Darby Property does not have a majority ownership of more than 51% and/or does not have operational control. Data collected excludes our joint ventures and associates and those who are not under our operational control.

Table 1.1

Business Units included within the boundary of Sime Darby Property Berhad

Type of Business	Business Units	Operating Unit
Property Development	BU1	City of Elmina (East & West), Denai Alam, Bukit Jelutong, Elmina Business Park
	BU2	Bandar Bukit Raja
	BU3	Serenia City, Malaysia Vision Valley (Hamilton City)
	BU4	Bandar Ainsdale, Nilai Impian 1 & 2
	BU5	Bandar Universiti Pagoh, Taman Pasir Putih
	BU6	KLGCC Resort, Ara Damansara
	BU7	KL East, Subang Jaya City Centre ("SJCC")
	BU8	Putra Heights, The Glades
Leisure		Sime Darby Convention Centre ("SDCC"), Kuala Lumpur Golf & Country Club ("KLGCC"), Impian Golf & Country Club ("IGCC")
Investment and Asset Management		Bayuemas Sports and Events Complex, Oasis Block G, KL East Mall

About Us

Sime Darby Property: A Force for Good

Sime Darby Property ("the Group") is evolving from a pure-play property developer into a comprehensive real estate group. We leverage market-leading expertise in investment management and asset creation, alongside our proven track record in shaping townships and cities. Over the past five decades, we have built a successful portfolio encompassing residential, commercial, industrial and logistics properties, evident through our 25 townships and developments nationwide. Additionally, the Group boasts a land bank of approximately 14,800 acres in strategic locations across the west coast of Peninsular Malaysia, poised for future development.

Our Purpose: Multiplying Value

Our vision for the future of the urban landscape aligns with our core purpose: to be a value multiplier for people, businesses, economies and the planet. Sime Darby Property's reach extends beyond property development. Our Investment & Asset Management (IAM) segment establishes a foothold in the industrial and logistics sector, managing approximately 7.7 million sq. ft. of total net lettable area, encompassing retail, commercial, hospitality, education and industrial spaces.

Leisure and International Presence

Within our Leisure segment, the Group proudly owns the prestigious Kuala Lumpur Golf & Country Club ("KLGCC"). Previously known as TPC Kuala Lumpur, holds the distinction of being the only Audubon Cooperative Sanctuary Certified Golf Course in Malaysia, demonstrating our dedication to environmental stewardship alongside its world-class golfing experience.

Furthermore, Sime Darby Property marked its international presence by participating in a Malaysian consortium that redeveloped the iconic Battersea Power Station in Central London.

Partnership for Progress

In collaboration with our stakeholders, we strive to multiply value for societies, the environment and economies. We hold a proud legacy of creating award-winning townships and delivering positive community experiences through social infrastructure projects.

Corporate Responsibility

As a responsible corporate citizen, Sime Darby Property, alongside our philanthropic arm, Yayasan Sime Darby ("YSD"), actively implements initiatives to support marginalised communities within and surrounding our townships.

Championing Urban Biodiversity

Our commitment to urban biodiversity continues through a strategic partnership with Tropical Rainforest Conservation and Research Centre ("TRCRC") on conservation and regeneration efforts. This collaboration led to the establishment of the Elmina Rainforest Knowledge Centre ("ERKC") in 2022 and has encouraged the participation of 1,783 people through various educational and volunteer-based activities.

Recognitions and Sustainability

2023 marked a year of celebration for the Group. We received recognition through various national and international awards, including being named a top property developer in 'The Edge Malaysia's Top Property Developers Awards' for the eleventh consecutive year. Sime Darby Property is a constituent of the MSCI ACWI Small Cap Index with an MSCI ESG Rating of BBB. We were also rated B by the Carbon Disclosure Project ("CDP").

Remaining a Force for Good

We remain resolute in our commitment to being a 'Force for Good'. We uphold the principles of ESG practices in all our business activities, aligning ourselves with the UN SDGs.

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Cover Rationale

Sime Darby Property goes beyond building – we cultivate ecosystems. Our commitment to urban biodiversity is proactive, weaving sustainability into our core values to reshape the real estate industry.

Our commitment extends beyond reducing our footprint – we actively enhance ecosystems within our developments which includes creating green spaces, preserving natural habitats, and promoting sustainable landscaping. This is our contribution to a greener future, where economic growth and environmental responsibility go hand-in-hand.

Our focus extends beyond the environment. We are committed to building resilient communities. As we transition into a real estate development leader by 2025, our commitment as a true Value Multiplier remains unwavering.

“Sustainability is a key dimension towards excellence in business operations. At Sime Darby Property, we work collaboratively towards achieving net zero, creating urban biodiversity and fostering resilient communities.”



51st

ANNUAL GENERAL
MEETING OF
SIME DARBY PROPERTY

Monday, 20 May 2024

10:00 a.m.

<https://investor.boardroomlimited.com>

OVERVIEW OF SIME DARBY PROPERTY

OUR PURPOSE

To be a **Value Multiplier** for **People, Businesses, Economies** and the **Planet**.

Our Core Values

T



Together
We Do
What's Right

E



We Lead
with
Excellence

A



We Embrace
New
Approaches

M



We **M**ake
It
Happen

At Sime Darby Property, our TEAM core values are underpinned by strong behavioral actions that are sustainability-centric. We believe that our employees lead the way to embed and instil a sustainable mindset through actionable habits.

OUR VISION

Advancing real estate as a force for collective progress, in harmony with the planet's resources.

OUR MISSION

To develop, own and manage a **thriving asset portfolio, creating value** for all stakeholders.

OUR PRESENCE



UNITED KINGDOM

Battersea Power Station, Central London



MALAYSIA

Who We Are



Property

Sime Darby Property ("the Group") is Malaysia's leading property developer with more than 50 years of experience in building sustainable communities. With over 100,000 homes across 25 active townships and developments under its belt, the Group has a wide reach encompassing assets and operations across the country. We made our presence in the United Kingdom through our involvement as part of a Malaysian consortium that successfully redeveloped the iconic Battersea Power Station in Central London.

Beyond Property Development, Sime Darby Property has a strong footing in the industrial and logistics sector at Bandar Bukit Raja, Elmina Business Park and Serenia City in Selangor; Nilai Impian and Hamilton Nilai City in Negeri Sembilan; and Bandar Universiti Pagoh in Johor. Our strategic partnerships with various global players such as LOGOS SE Asia Pte Ltd, Mitsui & Co. Ltd. and Mitsubishi Estate Co. Ltd., have resulted in the establishment of a few noteworthy industrial and logistics facilities, including the E-Metro Logistics Park in Bandar Bukit Raja. Within our Leisure arm, Sime Darby Property is the proud owner of the Kuala Lumpur Golf & Country Club, one of the region's most prestigious golf clubs.

As a responsible corporate player, Sime Darby Property and our philanthropic arm, Yayasan Sime Darby ("YSD") actively implement various social welfare initiatives to assist underprivileged communities living within and nearby its townships.

As at December 2023, the Group has approximately 14,800 acres of land bank, most of which are located strategically on the west coast of Peninsular Malaysia. Within its Investment & Asset Management business, the Group operates approximately 7.7 million sq. ft. of net lettable area across commercial, retail, hospitality, education and industrial segments.



MARKET CAPITALISATION

RM4.3 billion

as at 31 December 2023



TOTAL ASSETS

RM15.9 billion

as at 31 December 2023



TOTAL SALES

RM3.3 billion

as at 31 December 2023

Figure 1.1: Our Presence

Awards and Recognitions

Our commitment to sustainable development and eco-conscious initiatives continues to be acknowledged with prestigious awards that highlight our innovative approach to creating resilient communities:

2023 FIABCI Malaysia Property Award (Environmental Category):

Our Elmina Rainforest Knowledge Centre in the City of Elmina was honoured for its leadership in environmental education and its contribution to urban biodiversity and sustainability in Malaysia's real estate landscape.



Talentbank Graduates' Choice Award 2023 (Second Place - Property Developer Sector):

Our position as a preferred employer for the nation's graduates showcases our strong appeal to emerging professionals and our ability to attract top talent.



FIABCI World Gold Award (Master Plan):

Our Elmina Central Park was recognised for setting a high benchmark in sustainable urban planning, enhancing community wellness and fostering ecological connectivity in the City of Elmina.

The City of Elmina is certified the best masterplanned township in the world by FIABCI in 2023.

Level II Arboretum Status:

Elmina Central Park's dedication to urban biodiversity and education in environmental stewardship has merited this esteemed status, underlining our efforts to integrate nature within our communities.

The 300-acre Elmina Central Park is a certified "Level II arboretum", after surpassing the minimum requirement of 100 species of woody plants and providing a valuable service to the public through various education and awareness initiatives.

Green Building Index Gold Certification:

The Group Cantara Residences has been awarded a Gold Rating in the Residential New Construction category by the Green Building Index ("GBI") Accreditation Panel. Located in the distinguished township of Ara Damansara, the family-oriented Cantara Residences was also bestowed with the World Silver award for the Residential Mid-Rise category at the 2023 FIABCI.

HR Asia
BEST COMPANIES
TO WORK FOR
IN ASIA 2023

Chua Eng Imm, Chief People Officer, receiving "HR Asia's Best Companies to Work for in Asia 2023" award.

HR Asia's Best Companies to Work For in Asia Award 2023:

We were honoured for our continued commitment towards creating a thriving workplace culture and HR practices, affirming our dedication to employee excellence and well-being.

A Message from Our Leadership



DATO' RIZAL RICKMAN RAMLI
Chairman

DATO' AZMIR MERICAN
Group Managing Director

Dear Stakeholders,

We are proud to present the Sime Darby Property Sustainability Report for 2023. Sustainability has long been part of our work, underpinning every community and township we develop. In a world with escalating environmental and social issues—such as climate change, resource depletion and social inequality—our resolve has only grown stronger. As an industry leader responsible for over 100,000 homes in 25 active communities and townships across Malaysia, we recognise our significant impact and influence and we are determined to harness this responsibly to foster sustainable advancement in property development.

This commitment is encapsulated in our purpose statement: To be a value multiplier for the people, businesses, economies and the planet. Living this purpose means we help to create the best places for our customers and the communities we serve, inspire our people, preserve our culture and deliver sustainable growth for our securityholders.

In 2023, we advanced to the “Thrive Amidst Uncertainty” phase of our Group’s SHIFT25 strategic roadmap, making significant strides in our transformation, evolving from a traditional property developer into an investment-led real estate enterprise. In this journey of transformation, sustainability remains a key driving force for our company—to stay relevant and competitive while delivering shared value to our stakeholders.

INSTITUTIONALISING SUSTAINABILITY THROUGH GOOD GOVERNANCE

We regard good governance as a critical catalyst for generating positive impacts. In this context, over the past year, we have concentrated on reinforcing our foundational practices, particularly within the realm of sustainability governance. A key development was the establishment of the Board Sustainability Committee (“BSC”), tasked with steering our sustainability initiatives. This ensures strong sustainability integration into our operations, with the BSC collaborating closely with the leadership team for more effective decision-making and risk management.

Our governance model, a collaborative effort between the board and management, is dedicated to setting and attaining sustainability objectives. This collaborative framework entails incorporating sustainability into our strategic planning, risk management and communication with stakeholders. A designated member of senior management is tasked with ensuring the seamless integration of sustainability practices into our day-to-day operations.

Furthermore, with the introduction of our new executive leadership, we have streamlined our strategies and operational practices to foster sustainable growth and leverage opportunities amidst market challenges. Our initiatives focus on enhancing our capacity to achieve Net Zero targets, uncovering value in our development projects and elevating construction safety standards—all pivotal steps toward future sustainability achievements.

PROTECTING THE PLANET FOR A RESILIENT FUTURE

Our leadership position in environmental sustainability is more than a commitment—it is a response to the urgent environmental challenges that imperil our planet and society. Rising sea levels, extreme weather events and diminishing natural resources not only threaten our ecological balance but also pose profound risks to global economies, public health and community well-being. In this critical landscape, we uphold our role in championing sustainability practices that address these pressing concerns for both our business and the wider world.

Central to our agenda is addressing climate change. We are striving to remove fossil fuels from our processes and increase our consumption of renewable energy as part of our efforts to lead the real estate sector towards a sustainable transformation. This year, we have announced ambitious Net Zero targets, aiming for a 40% reduction in Scope 1 and 2 emissions by 2030, with a vision to achieve Net Zero emissions across all scopes by 2050. Furthermore, we have enhanced our approach to climate-related risk management by embarking on the Task Force on Climate-related Financial Disclosures (“TCFD”), setting a strategic course for full TCFD framework compliance by 2027.

Our approach to climate change recognises the importance of avoiding “carbon tunnel vision.” Biodiversity and climate efforts must go hand in hand. Malaysia’s own rich ecosystems, abundant with unique flora and fauna, underscores the vital role of biodiversity in maintaining climate and ecological health. Our initiatives in urban biodiversity leverage this insight, focusing on research and actionable strategies to enrich urban ecosystems, informed by Malaysia’s natural diversity.

In collaboration with the Tropical Rainforest Conservation and Research Centre (“TRCRC”), we established the Elmina Rainforest Knowledge Center (“ERKC”) in 2022, to foster forestry research, conservation, education and recreation. Situated beside a 2700-acre forest reserve in Bukit Cherakah, within Sime Darby Property’s City of Elmina, the ERKC aims to bridge the connection between people and nature, featuring community programmes and a nursery to cultivate up to 100,000 trees from endangered, rare and threatened (“ERT”) species. In Elmina, our objective is to plant 210,000 trees, with a significant focus on conserving 21,000 ERT species.



The abundance of nature at the City of Elmina.

A Message from Our Leadership

The KL East Park serves as another benchmark in our nature-based efforts. Following an extensive carbon sequestration analysis in 2023, the park is identified as a potential urban carbon sink. Through strategic afforestation, we aim to boost this capability, contributing to the development of durable and ecologically vibrant urban spaces.

CONTRIBUTING TO SOCIAL PROGRESS

At the core of our sustainability agenda are the people: the individuals and communities we serve. Our foundational purpose is to enrich lives and contribute to societal well-being, offering value that resonates beyond our immediate business interests. For our residents, this commitment translates into creating environments that enhance their quality of life, build resiliency and foster a sense of community.

In this vein, we have embarked on a collaboration with Lagenda Properties to provide well-priced, affordable housing, thereby elevating living standards and broadening homeownership opportunities for Malaysians. Our inaugural venture in Gurun, Kedah, epitomises this effort, with plans to construct over 3,000 affordable homes, demonstrating our resolve to address the housing needs of our community effectively.

Given the nature of our work, we also strive to strengthen our supply chain and ensure our suppliers align with our sustainability standards, such as fair practices and responsible environmental practices. This has resulted in an annual supply chain engagement wherein these engagements, a sustainability-themed module is delivered to the main tier contractor. We believe it is crucial to engage our supply chain often and constructively to help us drive and develop a more sustainable supply chain network.

Extending our impact to broader community engagement, we emphasise generating positive social outcomes through the diligent efforts of Yayasan Sime Darby ("YSD"), our dedicated philanthropic branch. This organisation plays a pivotal role in channelling our resources and commitment to areas where they can make a substantial difference. In 2023, Sime Darby Property provided RM9.5 million (including RM9.5 million to YSD) in donations to more than 50 organisations, impacting 68,377 beneficiaries. This was achieved through our proactive partnerships with more than 50 organisations, showcasing our integrated approach to community support and development, aiming to create a ripple effect of positive change across the communities we touch.

LOOKING TO THE FUTURE

While we are cautious about the challenges still confronting the market today, we maintain an optimistic outlook for 2024, anticipating it to be a pivotal year for strategic investments in real estate. Our focus will be on astute sector positioning, which we foresee as instrumental in driving performance. The emphasis on stringent environmental, social and governance ("ESG") standards, coupled with strategic location selection, will increasingly influence our decisions, ensuring our actions resonate with our commitment to excellence and sustainability.

Despite persistent market uncertainties, we are poised to seize emerging opportunities, particularly as we transition into a phase marked by a significant need for sustainable infrastructure. Our proactive approach aims to leverage these shifts, reinforcing our dedication to shaping a future where real estate serves as a catalyst for positive, widespread impact.

In closing, we would like to take this opportunity to express our sincere gratitude to all our stakeholders for their and support. You are the reason we exist and are responsible for our continuity and success. Together, we strive to achieve our vision of "Advancing real estate as a force for collective progress, in harmony with the planet's resources."

DATO' RIZAL RICKMAN RAMLI
Chairman

DATO' AZMIR MERICAN
Group Managing Director

Our Sustainability Framework

SUSTAINABILITY FRAMEWORK

Our sustainability framework serves as a strategic blueprint for integrating sustainable practices into the core of our business. This framework reflects the key sustainability dimensions that are important to our business operations and its impacts and the key dimensions are energy efficiency, low carbon transition, urban biodiversity enhancement, climate-resilient communities and enriching community experiences.

The integration of corporate sustainability practices into our business processes is crucial for long-term resilience and prosperity. It ensures that Sime Darby Property not only thrives but also acts as a catalyst for positive change in the industry, benefiting all stakeholders.



Figure 1.2: Sime Darby Property Sustainability Framework

Our Sustainability Framework

Activating Our Sustainability Agenda: Our Four Key Imperatives

We bring our sustainability agenda to life through four key imperatives:



As we push the boundaries of climate leadership, our goal to foster resilient communities is supported by a strong culture of health and safety, good governance and strategic communications.



Building sustainable townships while nurturing healthy communities and ecosystems should be the way forward for property developments because it would in turn inspire residents and the public to care about and protect the environments they are living in, for a better future. ▮▮

Dato' Azmir Merican,
Group Managing Director



Our Contribution to the UN SDGs

We are committed to driving positive impacts sustainably across our business and ensure our efforts are strategically aligned to the UN SDGs. Based on the UN SDGs, targets and indicators, we have identified 11 SDGs that are relevant to us and in which we can make the most impact. This focused alignment ensures our efforts and contributions are aligned with global priorities.

Good Health and Well-being



Target 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

Our Contribution

We are consistently working with our employees and contractor workers to ensure that everyone is fully vaccinated against COVID-19. This is part of our commitment to ensure their health is protected. We have also implemented the Sime Darby Property Worker Quarters' Hygiene Standards as part of our commitment to ensure all our contractors are in compliance with Act 446.

Quality Education



Target 4.b: By 2020, substantially expand globally the number of scholarships available to developing countries, in particular programme least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries.

Our Contribution

In 2023, a total of 54 Technical and Vocational Education and Training ("TVET") graduates sponsored as part of the RM1.2 million YSD allocation for a 3-year program (2023 – 2025). We collaborated with *Institut Kemahiran Belia Negara* ("IKBN") for on-job-training at KLGCC under the hospitality industry. We engaged *Akademi Binaan Malaysia* ("ABM"), under the Construction Industry Development Board ("CIDB") for construction-related industry graduates. For 2023, students were enrolled under the Air Conditioning & Mechanical Ventilation Programme. For 2024 and 2025, students are expected to graduate from programmes such as scaffolding, backhoe & excavator operations and mobile crane operations.

Gender Equality



Target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.

Our Contribution

We are making significant strides towards gender balance in leadership. Women now hold half of management positions, with a growing presence in leadership roles: a noteworthy 36% on the Board of Sime Darby Property. This progress fosters a more diverse leadership landscape, which contributes to stronger decision-making.

Clean Water and Sanitation



Target 6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.

Our Contribution

Our commitment to water conservation has resulted in a positive 18.23% reduction in water withdrawal for potable water compared to 2022, across our entire business operations. Additionally, the installation of water-saving features in 3,764 residential units aims at encouraging reduction in water use.

By promoting more efficient water use among residents, these features enhance the sustainability of the water management system.

Affordable and Clean Energy



Target 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix.

Our Contribution

We are driving sustainability in our township developments by implementing innovative solar solutions. This includes installing rooftop solar photovoltaic ("PV") panels across selected assets. These panels will generate clean energy, reducing our reliance on traditional sources and contributing to a more sustainable future for both residents and the environment.

Our energy consumption in 2023 saw a 2.46% decrease compared to 2022 due to groupwide energy habit practices and retrofitting exercises. While this rise is primarily due to increased activities and events within our developments, we recognise the importance of energy efficiency. We are actively exploring and implementing solutions to address this increase and ensure a more sustainable future for our communities.

Decent Work and Economic Growth



Target 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants and those in precarious employment.

Our Contribution

We are investing in a safer future by training our top contractors (39 representatives) on human rights according to International Labour Organisation ("ILO") standards. This focus on ethical practices is complemented by a significant increase in Occupational Safety and Health incident reports (from 4 to 16), indicating an improved reporting culture. It highlights the need for continued awareness and our comprehensive Quality, Health, Safety, Security & Environment ("QHSSSE") policy ensures we prioritise safety in all aspects of our work.

Our Contribution to the UN SDGs

Industry, Innovation and Infrastructure



Target 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

Our Contribution

We have constructed 3,764 energy-efficient homes and achieved eco-certifications (BCA Green Mark, GBI, LEED, BREAM, GreenRE) across 18 townships. This commitment helps reduce negative impacts on the natural environment by using less water, energy and other natural resources; employing renewable energy sources and eco-friendly materials; and reducing emissions and other waste.

Sustainable Cities and Communities



Target 11.6: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.

Our Contribution

The design and operations of our townships and commercial buildings incorporate green spaces and urban nature features. Placemaking and inclusive social infrastructures are some of the strategies we embark on to ensure that we create community vibrancy and resiliency in the townships.

Responsible Consumption and Production



Target 12.5: Substantially reduce waste generation through prevention, reduction, reuse and recycling and strive to achieve 40% of waste diverted from landfill annually.

Our Contribution

As part of our commitment on promoting circular economy, we have achieved 24.86% waste diverted from landfill in 2023. This progress is driven by our commitment to the 3Rs (Reduce, Reuse, Recycle).

Climate Action

13 CLIMATE ACTION



Target 13.2: Integrate climate change measures into national policies, strategies and planning.

Our Contribution

We have pledged to achieve Net Zero operational carbon emissions by 2050, referencing the science-based target of limiting global temperature rise to 1.5°C. The Group's comprehensive Net Zero approach involves tackling Scope 1 and 2 emissions with near-term and long-term reduction strategies which includes significant changes to how Sime Darby Property conducts our business.

Life on Land

15 LIFE ON LAND



15.5: Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.

Our Contribution

We are seeing positive results in our effort to restore urban landscape with threatened species of trees. Over half (52.17%) of our goal to plant 50,000 Red List Species has been achieved (26,085). Additionally, our overall tree planting initiative is nearing completion, with 143,679 trees planted, reaching 89.7% of our target of 160,000. Demonstrating our commitment to protecting biodiversity, we are the first Malaysian real estate company to achieve ArbNet Arboretum Level II Certification, recognising our dedication to enhance urban biodiversity and uphold environmental stewardship.

Material Matters

In 2023, we embarked on a double materiality assessment to enhance our analytical capabilities regarding our company's activities related to the environment, social responsibility and ethical considerations. The principle of double materiality allows us to elevate our sustainability reporting to a more comprehensive level.

METHODOLOGY

A double materiality approach was our preferred method as the approach helps us navigate both the impact of sustainability on our business and our impacts on sustainability. This allowed us to report both on how our business is impacted by sustainability issues ("outside-in") and how our business activities impact society and the environment ("inside-out"). Through this method, we hope to build the confidence in our government, our investors and the general public that we are delivering more detailed and transparent disclosures.



MATERIALITY MATRIX

At Sime Darby Property, we view sustainability as a continuous journey guided by our materiality matrix. We have organised our material matters based on matters we will comply, compete and lead.

Comply: Ensuring that our business practices and operations are in line with local and international requirements

Compete: Demonstrating strong efforts in championing the material matters

Lead: Demonstrating leadership in the planning and delivery of our material matters.

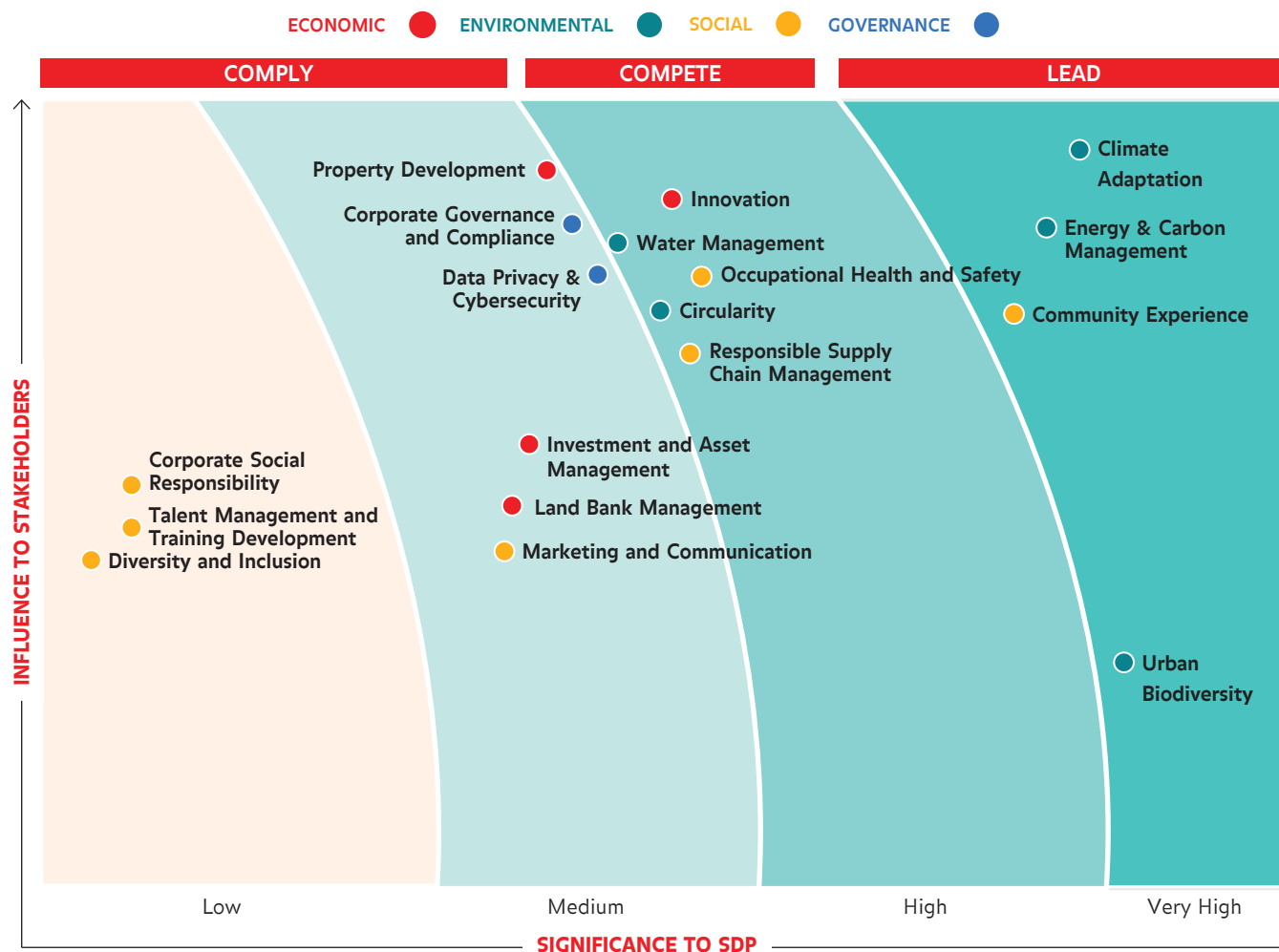


Figure 1.3: Sime Darby Property Materiality Matrix

Through our comprehensive sustainability assessment, we have identified 13 topics that are critical drivers of our overall sustainability performance. Among these, nine (9) stand out as particularly crucial. These key material matters are:



We also ensure transparency by reporting on Bursa Malaysia's common sustainability matters, which are included in this report.



Material Matters

INNOVATION



We drive our business competitiveness, enhance customer experiences and improve work efficiency through technology and digitalisation.

ENERGY & CARBON MANAGEMENT



We manage our greenhouse gas emissions by reporting across various scopes, setting reduction targets and initiating strategies such as improving energy efficiency and adopting renewable energy sources, including rooftop solar PV panels.

URBAN BIODIVERSITY



We strive to minimise the impact of our urban development on biodiversity and mitigate these impacts through conservation and regeneration efforts. By incorporating several initiatives, we aim to enhance urban biodiversity and their ecosystem services.

CIRCULARITY



We embed circular principles throughout our value chain by designing for recycling, procuring recycled materials, sustaining low-waste construction processes and managing waste to minimise landfill contributions.

WATER MANAGEMENT



We optimise water usage by incorporating water considerations into our designs, reducing water intensity, ensuring proper treatment and providing adequate access to water for our employees, contractors and tenants.

CLIMATE ADAPTATION



We assess and mitigate risks from the physical impacts of climate change (e.g., floods, sea-level rise) in our project design, development and management.



OCCUPATIONAL HEALTH AND SAFETY



We commit to providing a safe and healthy work environment by adhering to health and safety laws, regulations and standards to prevent job-related injuries and aim for zero fatalities.

COMMUNITY EXPERIENCE



We foster positive community engagement by collecting and addressing feedback, ensuring adequate infrastructure and employment opportunities and prioritising the health and safety of our tenants.

DIVERSITY AND INCLUSION



We champion diversity, equity and inclusion as core aspects of our corporate identity, embracing talents of different ages and ethnicities to enrich perspectives and contribute to our success.

LABOUR STANDARDS AND PRACTICES



We uphold high labour standards and practices, ensuring the fair treatment and well-being of all our employees.

RESPONSIBLE SUPPLY CHAIN MANAGEMENT



We ensure our supply chain partners advance on ESG imperatives, including reducing GHG emissions and upholding human rights throughout the procurement process.

ANTI-BRIBERY AND CORRUPTION ("ABC")



We adopt a zero-tolerance policy towards bribery and corruption in all our business dealings, mitigating risks through promoting good governance and ethical practices among our employees, partners and suppliers.

DATA PRIVACY & CYBERSECURITY



We prioritise our stakeholders' data privacy, continuously strengthening our cybersecurity measures and elevating our information technology security standards.

Stakeholder Engagement

We actively engage our key stakeholders – employees, customers, investors, partners, regulators and communities – through tailored strategies built on transparency and collaboration. This ensures their voices shape our operations, strategy and long-term sustainability goals.

Frequency of Engagement

A Annually	W Weekly	M Monthly	D Daily
Q Quarterly	O Ongoing	R Regularly	P Periodically

EMPLOYEES

Engagement Platform & Frequency

- Intra- and interdepartmental meetings
- Email announcements
- Newsletters
- Viva Engage digital employee engagement platform
- Individual performance reviews
- Personal and professional development programmes
- Focus group discussions
- Townhalls
- Employee engagement surveys
- Learning and development programmes
- Volunteering opportunities
- HR business partner engagements
- Jalinan Nurani digital platform for Employee Assistance Programmes
- Employee engagement activities
- Skip-level meetings
- New onboarding programme for new hires
- Speak Up Forum

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Issues and Concerns Raised

- Fair and competitive career advancement opportunities.
- Employee well-being and wellness initiatives.
- Support for work-life balance.
- Enhanced understanding of sustainability issues and ways employees can contribute value.

Our Response

- Provide training and project assignments in line with business goals that enhance employees' skills.
- Implement an internal mobility framework.
- Continue to make employee aware of Jalinan Nurani platform to assist employees and family members with mental or physical health concerns.
- Organise employee well-being programmes such as webinars on resilience, financial planning, men and women's health and self-care tips for caretakers among others.
- Continue flexible work arrangements.
- Educate employees about sustainability using internal channels.
- Organise Sustainability Day, focusing on key issues.
- Involve employees in sustainability-themed programmes.

INVESTORS AND ANALYSTS

Engagement Platform & Frequency

- Investor conferences
- Annual General Meetings and Annual Reports
- Investor briefings
- One-on-one meetings
- Non-deal roadshows
- Email or phone communication
- Investor Relations web page and news updates
- Site visits

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Issues and Concerns Raised

- A growth strategy with a clear emphasis on long-term shareholder returns.
- Assessment of the property sector's prospects and response to macro environmental factors affecting the Group's operating landscape.

Our Response

- Organise quarterly briefings on financial and operational results, as well as updates on key developments and strategies.
- Communicate clear strategic direction, goals and outcomes, broad risk exposures, as well as performance targets of the Group.
- Allow direct access to the Board members and Executive Leaders at Annual General Meetings.
- Provide prompt responses to investors' and analysts' queries.

CUSTOMERS

Engagement Platform & Frequency

- Project launches
- Virtual showrooms and online booking system
- Physical sales and marketing initiatives
- PRIME members events
- Meetings with joint management bodies and residents' associations
- Website, call centre and social media channels
- Community events
- High-5 and Quick-Fix initiatives (upon handover of keys)
- Net Promoter Score ("NPS") surveys

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Issues and Concerns Raised

- Engagement and resolution of property-related issues.
- Promotion of healthy, sustainable lifestyles through community facilities.
- Ensuring eco-efficiency and safety standards across all amenities.

Our Response

- Regularly conduct meetings with management bodies and residents' associations.
- Assign dedicated personnel for each township and development to serve as points of contact with the community.
- Implement a Quick-Fix programme to promptly resolve any issues upon residents moving into their new homes.
- Utilise green label construction materials, such as Forest Stewardship Council ("FSC") doors and timber flooring.
- Install solar panels and water-saving fittings in units.
- Implement a Tree-to-Tree replacement policy, focusing on endangered, rare and threatened ("ERT") species.
- Establish the Elmina Living Collection Nursery ("ELCN") as part of the Elmina Rainforest Knowledge Centre ("ERKC") in the City of Elmina.

Stakeholder Engagement

VENDORS

Engagement Platform & Frequency

- Annual dialogue
- Safety and sustainability trainings
- Procurement and appointment process
- Vendor performance evaluation
- Relationship-building and networking sessions
- Data collection process
- Meetings

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Issues and Concerns Raised

- High construction cost
- Lack of competent contractors
- Lack of technical knowledge coupled with implementation challenges on sustainability practices

Our Response

- Securing early appointment of contractors as well as retaining them with SDP.
- Implementing new contracting model – buy forward option and cost-led procurement
- Strategic sourcing initiatives - focus on local procurement
- Labour supply – Monitoring the status for key contractors and closely follow up on their action plan.
- Conduct dialogues, workshops with industry experts, knowledge sharing sessions and on-site learning activities.
- Enforce Vendor Code of Business Conduct to align with Sime Darby Property's supply chain aspirations.
- Adopt best practices in managing sustainable development within the supply chain.
- Engage vendors on eco-efficiency programme and facilitate improved data collection.

MEDIA

Engagement Platform & Frequency

- Press releases and statements, including notes to editors
- Networking sessions
- Media briefings
- Annual General Meetings and annual reports
- Product launches and corporate events
- Festive gatherings and media events
- Media site visits
- Award ceremonies
- Participation in feature or news articles
- Joint campaigns and advertising

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Issues and Concerns Raised

- Transparency and accuracy of updates.
- Provision of market and industry insights.
- Updates on business strategies and tactics.
- Prompt responses to issues raised in the media.

Our Response

- Work closely with Executive Leadership on financial and non-financial updates to the media.
- Provide Group updates on product launches, sales campaigns, CSR and sustainability initiatives and key appointments, among others.
- Provide access to Sime Darby Property leadership for their perspective on the market and industry.
- Share business strategies, market insights and outlook.
- Ensure Group Corporate Communications responds promptly to enquiries.

DEBT PROVIDERS

Engagement Platform & Frequency

- Email communication
- Meetings
- Events hosted by debt providers
- Site visits
- Annual General Meetings and annual reports

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Issues and Concerns Raised

- Ability to service debt obligations and adherence to covenants.
- Good governance and risk management framework.

Our Response

- Demonstrate commitment to good governance and transparent financial disclosures.

REGULATORS AND INDUSTRY AFFILIATIONS

Engagement Platform & Frequency

- Meetings
- Email communication
- Seminars or webinars
- Industry forums
- Government consultations
- Advisory groups

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Issues and Concerns Raised

- Compliance with regulations.
- Contribution to industry best practices and national agendas.

Our Response

- Participate in industry and national-level forums to stay abreast of changes in the regulatory environment.
- Ensure compliance with all relevant requirements through the Group's dedicated compliance function.
- Offer industry perspective to help shape new policies and regulations.
- Share knowledge and best practices in industry forums.
- Support and contribute to national development initiatives such as affordable housing, biodiversity inventories and guidelines for wetland construction and maintenance.

Governance Structure

SUSTAINABILITY GOVERNANCE

Governance Structure

The Board Sustainability Committee, established in 2023, was tasked to champion our sustainability strategy, ensuring alignment with market trends and addressing the diverse needs of our sector. The BSC works closely with management across all business areas, embedding sustainability into the heart of our decision-making processes, risk management and daily operations.

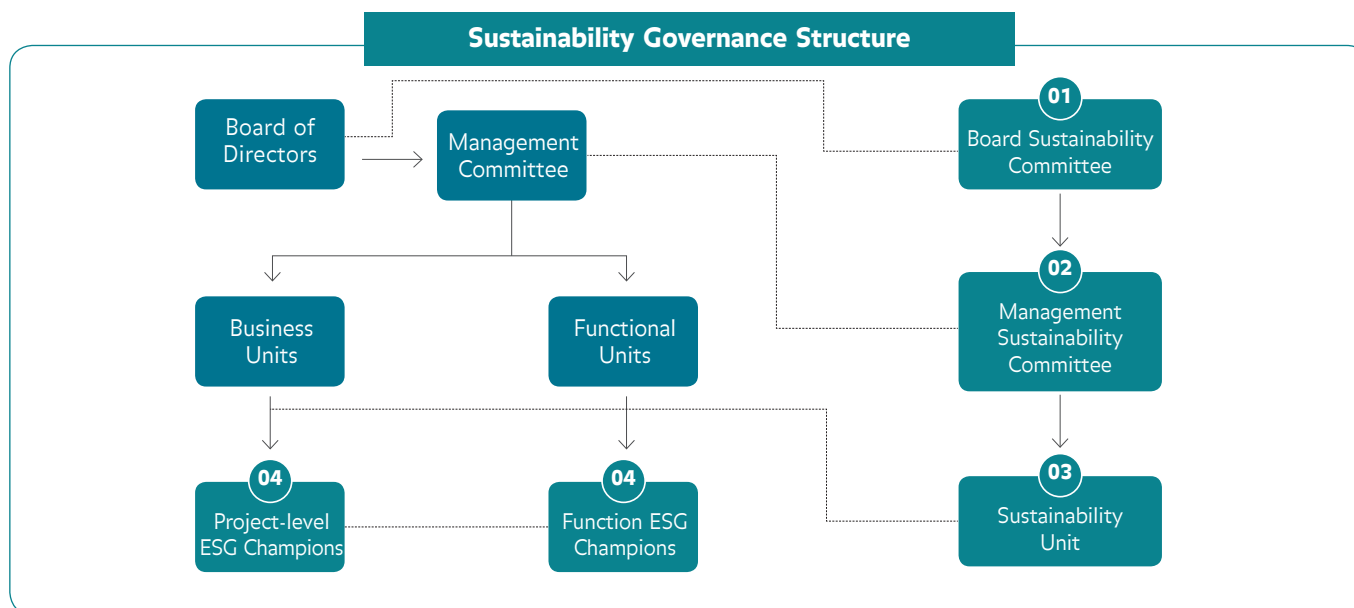


Figure 2.1: Sime Darby Property Sustainability Governance Structure

Roles & Responsibilities

Oversight and Guidance

Board Sustainability Committee ("BSC"):

- Provides strategic direction and oversees the Group's overall ESG framework.
- Composed of diverse sustainability experts who assess the effectiveness of sustainability programmes and initiatives.
- Tasked with engaging in strategic discussions about sustainability assurance indicators with a third-party service provider.

Management Sustainability Committee ("MSC"):

- Senior leaders responsible for implementing ESG initiatives across the Group.
- Ensures alignment of our initiatives with material matters.

Implementation and Integration

Sustainability Department:

- Develops and implements the Group's ESG strategy across all organisational levels.
- Creates standardised practices through ESG guidelines, frameworks and toolkits.
- Monitors progress and alignment of ESG initiatives through a Project Management Office ("PMO") function.

ESG Champions:

- Embedded within specific business segments and functions.
- Champion the practical application of the ESG strategy in daily operations.
- Integrate ESG considerations into decision-making and everyday activities.
- Oversee alignment with Group's ESG objectives and facilitate project completion.

ADVANCING SUSTAINABILITY THROUGH BOARD LEADERSHIP

Our commitment is demonstrated through setting clear strategic direction, fostering accountability via ESG sensitisation, performance metrics and incentivisation programmes. This comprehensive approach ensures a more sustainable future for our organisation and stakeholders.

Board Sustainability Committee Engagement during FY2023

Area	Key Activities
ESG & Sustainability	Reviewed, provided input and recommended on: • Sime Darby Property Sustainability Strategy proposal • Net Zero announcement and carbon reduction roadmap • Climate risks and opportunities assessments • Sustainability materiality matters & ESG risks • Human Rights Policy
Performance & Reporting	Reviewed: • Quarterly updates on ESG performance & sustainability progress • Sustainability Statement for Annual Report 2022 • Sustainability Report for FY2022 Provided input on: • Findings on limited assurance by PricewaterhouseCoopers PLT for Sustainability Report for FY2022 • Scope of limited assurance for FY2023 Sustainability Report

Board Trainings

Over the past year, our board members and senior management have engaged in a wide range of training programmes, spanning leadership, global economic trends, sustainability and financial integrity. These sessions were designed to enhance our understanding across key areas such as economic outlooks, ESG principles, compliance standards and cybersecurity, reflecting our commitment to stay abreast of evolving industry standards and regulatory requirements.

Our focus also extended to technological advancements and sector-specific challenges, particularly within real estate and property management. The training covered innovation, the implications of artificial intelligence and strategies for embedding sustainable business practices. This approach signifies our measured effort to weave new technologies and sustainability into our operational fabric.

Additionally, our participation in programmes centred on climate change and environmental awareness underscores our response to global sustainability trends. By taking part in these initiatives, we demonstrate our collective awareness of the need to adapt and align with broader environmental objectives and governance practices.

For further details on Board Trainings, refer to our 2023 Integrated Report, available on page 235

Executive Remuneration and ESG Performance

We reinforce our commitment by tying ESG Key Performance Indicators ("KPIs") to the remuneration of our C-suite executives, underlining the significance we place on emissions reduction and sustainable practices at the leadership level.

Governance Structure

THE BOARD SUSTAINABILITY COMMITTEE

Sime Darby Property's commitment to ESG and sustainability recognises the need for a comprehensive approach, drawing on diverse expertise across various disciplines. Our committee, reflecting this very principle, brings together individuals with a multitude of backgrounds and specialisations. This collective strength directly supports our efforts to integrate sustainability into all aspects of our operations.



DATO' SERI AHMAD JOHAN MOHAMMAD RASLAN

Committee Chairman

Focuses on Governance and Financial Oversight

Dato' Seri Johan lays the groundwork with a focus on transparency and governance. His oversight ensures the integrity of our sustainability initiatives, in compliance with regulatory requirements. Under his leadership, we maintain high accountability standards and are inspired to pursue sustainability with authenticity. He is also a Council member of Climate Governance Malaysia and a Steering Committee member of CEO Action Network.

DATIN NORAZAH MOHAMED RAZALI

Committee Member

Focuses on ESG Governance

Datin Norazah prioritises transformation and growth with an emphasis on ESG governance. Her experience ensures that our products and operations adhere to high ESG standards, pushing the Group towards sustainable development and ethical practices.





DATO' HAMIDAH NAZIADIN

Committee Member

Focuses on Strategic HR and Community Development

Dato' Hamidah brings expertise in strategic HR and leadership experience to the committee, primarily from one of ASEAN's leading universal banking group. Her expertise in putting in place effective people strategies in driving human capital agenda coupled with her passion in fostering community development via the CIMB Foundation, significantly enhances our overall talent development agenda and sustainability efforts. With her efforts and steer towards incorporating a robust sustainability dimension, Sime Darby Property's cultural transformation has successfully incorporated a sustainable behavioural aspect as part of our T.E.A.M. values and behaviours.

DR. LISA LIM POH LIN

Committee Member

Focuses on Environmental Sustainability

Dr. Lisa leverages her passion for the environment and her expertise in academic research and investment management to guide our strategic vision towards environmental stewardship. Her role is essential in aligning our operations with global environmental regulations, ensuring long-term sustainability is embedded in our business model.



NUR FARAHBI SHAARI

Committee Member

Focuses on Sustainable Investments

Farahbi introduces an investor's perspective, crucial for aligning our sustainability efforts with global market trends and investor expectations. With over 13 years of experience in developing value-creation strategies in real estate, Farahbi's insights ensure our sustainability strategies are both impactful and aligned with investment priorities.



Risk Management

Sime Darby Property undertook steps to strengthen our sustainability risk management approach. This aligns with our commitment to proactively identify and mitigate ESG risks within our established risk appetite.

We have expanded the scope of our risk assessments to include six (6) key revised and reprioritised material matters identified by the Group, where the assessment of balance of the reprioritised matters that are not covered under the Group's current risk profile will be conducted in FY2024.

We have also commenced the process to assess the physical risk exposure to our asset portfolio, where specific assets were identified for the initial physical risk assessment. The commencement of transitional risk assessment during the year have also allowed us to better understand the potential exposure and our impact to the Group (financial or otherwise). The Group is committed to implementing adaptation and/or mitigation measures to reduce the risk exposure arising from climate risk assessment.

Recognising the materiality of ESG-related risks identified through the current risk assessments, we have integrated two (2) additional broad based ESG risks into our material risk profile:



Learn about the newly identified ESG risks, their impact on value creation and our mitigation measures in our 2023 Integrated Report on page [121](#)

Policies and Guidelines

We have implemented policies and guidelines to ensure consistent integration and enforcement of sustainable practices across all our operations.

Table 1.2

Sime Darby Property Material Matters, Policies and Guidelines

Material Matters	Policies & Guidelines
 Innovation	None
 Energy and Carbon Management	- Carbon Footprint Guidelines - Energy Policy (applicable to the Leisure Business Unit)
 Urban Biodiversity	- Tree-to-Tree Replacement Policy - International Union for Conservation of Nature ("IUCN") Landscape Guideline - Wetlands Construction & Maintenance Guideline - Sime Darby Property Tree Planting Matrix
 Circularity	Waste Management Guideline
 Water Management	Water Management Guideline
 Climate Adaptation	Sustainability Policy
 Occupational Health and Safety	Quality, Health, Safety, Security and Environment (QHSSE) Policy
 Community Experience	Stakeholder Engagement Policy
 Diversity and Inclusion	- Human Resource Policy - Anti-Discrimination Policy - Whistleblowing Policy
 Labour Standards and Practices	- Human Rights Policy - Code of Business Conduct
 Responsible Supply Chain Management	- Vendor Code of Business Conduct - Vendor Integrity Pledge
 Anti-Bribery and Corruption	- Code of Business Conduct - Anti-Bribery and Corruption Policy - Whistleblowing Policy - Conflict of Interest Policy - Gift, Entertainment and Travel Policy - Donations and Sponsorships Policy - Anti Money Laundering Policy
 Data Privacy and Cybersecurity	- Group Information Security Policy ("GISP") - Third-Party Security Management Policy - Enterprise Mobile Policy - Cyberattack Policy - Identity Access Management Policy

Sustainability Thought Leadership

Lasting change requires collective effort. With this in mind, Sime Darby Property fosters a collaborative approach to sustainability. We actively engage in industry dialogue, forge strategic partnerships and empower stakeholders through knowledge sharing and resource provision. This commitment to collaboration amplifies our sustainability efforts and drives meaningful change across the industry and beyond.



General Manager, Sustainability, Dr Yasmin Rasyid
(2nd from right) at the COP 28 panel discussion in Dubai.

CEO Action Network ("CAN"):

CAN is a closed-door, peer-to-peer informal network of CEOs and Board Members committed to driving sustainable action in corporate Malaysia. With over 60 members from more than 20 critical sectors, CAN aspires to catalyse its members and the broader economy towards shaping future-ready and ESG-integrated business models and ecosystems. Sime Darby Property plays a critical role within this network, with our CEO serving on the Steering Committee, thus helping shape the Malaysian corporate sector's sustainability landscape.

REHDA Institute:

We moderated a panel discussion on ESG practices in commercial and industrial spaces at the Rehda Institute's CEO Series 2023 Economy & Business Forum. This engagement focused on the urgent need for clearer consumer insights and the availability of transparent ESG metrics. Our efforts are directed towards bridging the gap between current practices and the potential for sustainable growth, ensuring a more informed and responsible industry.

United Nations Conference of Parties ("COP"):

Our participation as panellists at the UN COP 28 in Dubai highlights our dedication to global sustainability efforts and collaborative action against climate change. Through the "Multi-Level Action: Whole-of society and nation Approach" discussion, we emphasised the importance of collaborative solutions to the climate crisis. Our involvement at this level highlights Sime Darby Property's commitment to being part of the solution to the world's most pressing environmental issues.

KEY CONTRIBUTIONS IN 2023

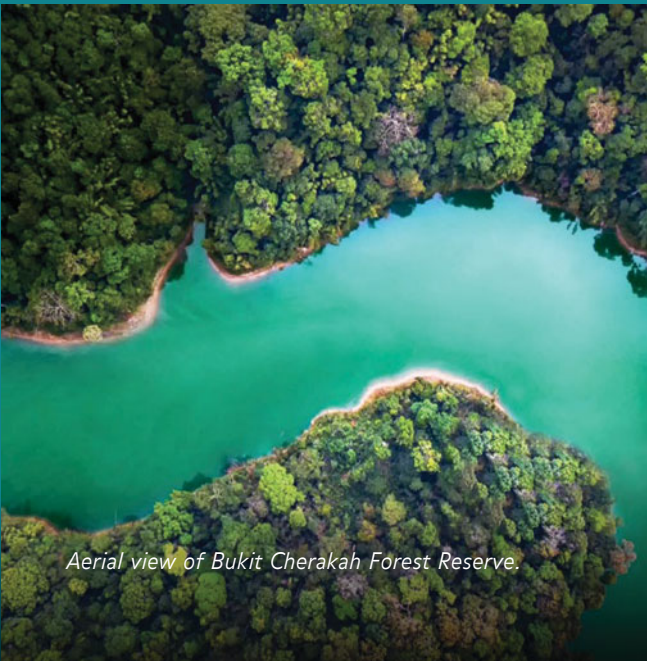
British Malaysia Chamber of Commerce ("BMCC"):

Since its inception in 1963, the BMCC has played a pivotal role in promoting bilateral trade relations between the United Kingdom and Malaysia. As a vital component of the Global Chamber Network and a member of the Britain in Southeast Asia ("BiSEA") network, the BMCC serves as a dynamic platform for networking, branding, international trade services and industry advocacy. In 2023, Sime Darby Property actively participated in sustainability discussions hosted by the BMCC, engaging with fellow members through meetings and site visits to spotlight sustainable practices. A key event was Climate Action Week, organised by the BMCC, focusing on elevating climate action awareness among its member companies.

SUSTAINABLE COMMUNITIES, THRIVING PLANET:

SIME DARBY PROPERTY'S ESG COMMITMENT

Sustainability is more than a commitment; it is a core driver of our strategic vision. We integrate it across all levels, influencing how we innovate, operate, and interact with our communities and the environment, fostering a sustainable legacy for future generations. In the following pages, we delve deeper into our performance this year, addressing our material matters across the following four areas of impact and value creation.



Aerial view of Bukit Cherakah Forest Reserve.

ECONOMIC

Our economic strategies, centred on innovation, not only drive financial growth but also empower environmental and social advancements.



Innovation

pg 35

ENVIRONMENT

We are dedicated to reducing our environmental impact, actively addressing climate action, biodiversity, and adopting sustainable practices that foster resilient and vibrant urban environments.



Energy and Carbon Management

page 42



Urban Biodiversity

page 49



Circularity

page 66



Water Management

page 70



Climate Change Adaptation

page 74

SOCIAL

Our goal is to create communities that are inclusive, safe, and engaging, with high standards of living experiences, well-being and social responsibility.



Occupational Health and Safety

pg 83



Community Experience

pg 86



Diversity and Inclusion

pg 94



Labour Standards and Practices

pg 104



Responsible Supply Chain
Management

pg 107

GOVERNANCE

Governance at Sime Darby Property underscores our dedication to ethical operations, risk management, and data security, ensuring trust and transparency.



Anti-Bribery and Corruption

pg 111



Data Privacy and Cybersecurity

pg 115

Performance Scorecard

Environment



Net Zero

Operational Carbon Emissions by 2050 announced.



3.81% reduction in our operational carbon emissions compared to 2022.



24.86% waste diverted from landfill in 2023.



26,085 Red List species trees planted, achieving a total of **52.17%** of our target to plant **50,000** trees.



18.23% reduction in potable water usage compared to 2022.

*Supported by research on the importance of **urban biodiversity** for city resilience, clean air and water and resident well-being, **Sime Darby Property** prioritises these factors in our urban biodiversity strategies.*

Social



25 community programmes implemented with a focus on environmental education, healthcare and other community support areas.



3,437 safety training hours achieved.



2,941 volunteer hours clocked in.

No **indigenous** rights violations identified.

Governance



31 security training and awareness sessions implemented.



1 online breach recorded.



36% of Board members are women.



Zero substantiated reports of corruption have been found.



36% of women hold senior management positions.

Driving Our Vision Through Innovation



Sime Darby Property's pilot rooftop solar initiative supports the National Energy Transition Roadmap (NETR).

Our customers can be assured of our commitment of delivering on our promises of being a value multiplier for people, business, economics and the planet. As part of our Engines of Growth, (for example, Engine 3) is our experimental engine which sees us working with third parties to collaborate on new ideas and thinking, look at new ways of design, new method of constructions, innovation and application of Research and Development.

Despite being an established, long-standing company we do not shy away from taking experimental bets and always striving to improve ourselves. This is why innovation has become a cornerstone in Sime Darby Property, helping us transform the way our products are developed, marketed and managed. The rapid evolution of technology and changing consumer preferences has propelled us to embrace innovation as a means

to stay competitive and meet the growing demands of the market. Sime Darby Property has witnessed a dramatic shift towards adopting innovative solutions to enhance customer experience and streamline operations.

Innovation has played a crucial role in reshaping how we operate, offering both new opportunities and challenges. One of the key benefits of innovation for us is the improvement in efficiency and productivity. By leveraging technology and advanced tools, we are able to streamline processes, reduce costs and make informed decisions quicker than ever before. Innovation has also enabled us to differentiate ourselves in a crowded market. With the rise of online platforms and digital marketing strategies, we are able to reach a wider audience and engage with potential clients in a more personalised manner.

Driving Our Vision Through Innovation

Furthermore, innovation has driven us to make our buildings smarter and enhance more sustainability elements in our construction practices. By incorporating innovative technologies and energy-efficient systems, we are creating buildings that are not only environmentally friendly, but also cost-effective in the long run. Smart buildings offer enhanced security, comfort and convenience for tenants, while also reducing energy consumption and carbon footprint, showcasing our commitment to sustainability and innovation.

For us at Sime Darby Property, innovation is no longer a choice but a necessity to thrive in a competitive market. By embracing new technologies, digital solutions and sustainable practices, we can create value for their clients, improve operational efficiency and stay ahead of the curve, therefore fostering the growth of resilience businesses and communities. The examples highlighted in the following pages demonstrate some of our achievements for 2023.

CHAMPIONING INNOVATION

This section demonstrates our efforts in achieving our sustainability aspirations particularly through innovative methods in build and landscape. As innovation remains a core focus for us, we have dedicated teams overseeing product innovation in areas such as design, construction and environmental integration. Additionally, we are also supported by our marketing team that are continuously exploring innovative new ways to promote our products while aligning with our sustainability goals – ensuring that we stay ahead in both marketing innovation and sustainability initiatives.

Within this section, we delve into our innovative approaches to product development and marketing, focusing on four (4) key areas of focus: Design, Build, Lifestyle and People. Through these key pillars, we strive to create lasting value and a positive impact on the environment and communities we serve.

(a) Championing Product Innovation

In 2023, we have managed to maintain the consistencies our Quality Assessment System in Construction ("QLASSIC") performance of our residential products, averaging 82-83% for the past four years, despite the high volume of units handed over in 2023 (3,418 units). This high QLASSIC performance is a result of our continuous efforts to ensure exceptional quality in our projects. Among the efforts include:

1. **Engagements with Stakeholders:** Regular meetings with internal and external quality stakeholders to understand challenges, deliberate solutions and align deliverables for a smoother handover of the voluminous number of units in FY2023.
2. **Handyman Team:** Establishment of a pool of contractors under SDP to expedite defects rectification when contractors are not able to meet the committed SPA obligations. This effort enables the improved customer satisfaction in terms of response to complaints.
3. **Enhancement of Interval Inspection:** Use of technology to improve on quality management at site. Integrating Procore (Project Management software) and Drone technology for inspections. This allows better coverage of inspections and allows for better tracking of rectification status and assignment of work.
4. **Increased Training to all contractors to address Skill Labour Issues:** Increased trade trainings to contractors based on repeated defects recorded.
5. **Other Quick Fixes Implemented/Rolled-out in FY2023:**
 - a. Improvement of Handing Over Vacant Possession ("HOVP") readiness process – pre-HOVP Inspections carried out to ensure readiness and livability 3 days prior to customers collecting keys to their homes.
 - b. Carry out re-inspections of homes after receiving report from Home Defect Inspectors appointed by and to educate home owners on the type of defects which are in accordance to CIDB guidelines.

Our exploration of technology for quality monitoring and advancement is constant and remains a key agenda.

(b) Innovations in Build and Construction

We have embarked on an initiative to reimagine how homes are designed and built, as a response to the challenges brought about by the pandemic. This initiative aims to address crucial questions such as the flexibility of homes for diverse use of space and functions, their ability to adapt to climate change and the possibility of alternative construction methods.

We are currently in the first stage of the comprehensive four-part journey towards the democratisation of homes. In the first stage, we are actively exploring standardising the various Double-Storey Link Home ("DSLH") layout options before moving towards the second stage, which will encompass the manufacturing of homes through the deployment of Modern Methods of Constructions. Standardisation in the construction industry lends a hand in improving performance and quality. Among the benefits it bring include the reduction in variation in quality; improvement of profitability through cost reduction; reduction of lead times; minimisation of defect Standardisation of DSLH which aims to reduce production timeframes, enhance delivery predictability and quantify potential cost reductions.

This initiative serves as a foundation for further standardising of other building typologies, variations and disciplines within the project such as building fixtures, sustainability features, structure and mechanical elements and more. This subsequently allows future projects to leverage the same processes, design, or plans and pre-estimated costing information, increase productivity, and improve environmental, health and safety measures.

(c) Innovations in Township Design (Main Infrastructure and Landscape) and Environmental Integration

The Group has more than 50 years track record of delivering landed and high-rise properties covering residential, commercial and industrial development. Our broad product spectrum – from affordable to luxury homes, malls, eco-parks, office buildings, shop lots and industrial business parks – captures various market segments and caters to different lifestyle preferences, affordability and business needs.

In 2023, we launched the Planting Matrix which helped the landscape team identify the best plants to plant, at the right place. This is an effort towards having a resilient ecosystem within our townships. Three key types of planting are encouraged, namely bio-centric (fruiting trees or seed-producing trees to attract insects and birds), carbon-centric (trees with high carbon sequestration capacities) and people-centric (broad leafy canopy trees that offer shade along pedestrian walkways).

› OUR COMMITMENT

Innovation is at the heart of Sime Darby Property's success. It fuels our competitiveness, helps us meet evolving customer needs, fosters sustainability and drives business growth.

We guide our innovative practices by these core principles:

Sustainability

We prioritise solutions that minimise environmental impact, exploring modern construction methods, low-carbon materials, energy efficiency and alternative designs.

Efficiency

We optimise resources, improve processes and seek alternative solutions to maximise value creation.

Customer Focus

We leverage technology and innovation to meet the evolving needs and expectations of our customers.

Quality Assurance

We adopt technological advancements to consistently meet quality standards and enhance customer experience.

Driving Our Vision Through Innovation

Innovation is crucial in our industry for sustainable growth and tackling ESG challenges. It empowers us to:



By embracing innovation, we lay the foundation for a sustainable future for all stakeholders



IoT-based sensor urban farm in partnership with Cultivateat to be launched at PARC, Subang Jaya.

› OUR APPROACH

Our real estate innovation focuses on sustainability and efficiency, aiming to reduce environmental impact and enhance social and economic outcomes. We dedicate resources to explore and implement innovative solutions aligned with our ESG commitments.

Structured Innovation Approach:

SHIFT25 Strategy:

Technology and innovation are key focus areas, highlighting its importance in driving our business forward.

Technology and Innovation Committee:

This committee, convening quarterly, facilitates the translation of strategic vision into action.

Resource Allocation:

Dedicated funding supports innovation projects, fostering a culture of exploration and development of new technologies that contribute to our sustainability goals and strengthen our market presence.

By integrating innovation into our operations, we aim to further our commitment to ESG principles and contribute to responsible growth within the real estate sector. This approach allows us to explore sustainable solutions and enhance our overall sustainability efforts.

» OUR VALUE CREATION IN 2023

In 2023, we focused on driving innovation to deliver high-impact solutions, prioritise efficiency and promote sustainable practices throughout our property development lifecycle.

1. Driving Innovation in Build and Construction

Why It Matters:	What We Did:
Reducing our environmental footprint is a core responsibility. By exploring innovative construction techniques, we aim to minimise waste, shorten construction time and improve energy efficiency in our built environments, contributing to a greener future.	We conducted in-depth studies on prefabrication and modular construction methods, evaluating their feasibility, potential environmental benefits and suitability for different project types. This research will inform future development decisions and guide us towards more sustainable construction practices.

2. Enhancing Operational Efficiency Through Technology

Why It Matters:	What We Did:
Delivering exceptional value to our customers is paramount. Standardising builds through manufactured homes and embracing digitalisation in construction have the potential to expedite construction, potentially reduce costs and ensure higher quality homes.	We made significant progress towards standardised builds by developing prototypes for manufactured homes with standardised components and streamlined processes. Additionally, we integrated Procore, a construction management platform, to streamline defect management and implemented drone usage for quality inspections. These initiatives allow for early identification and resolution of issues, reduced rework and ultimately, faster delivery of higher-quality homes for our customers.

3. Championing Innovative Solutions

Why It Matters:	What We Did:
Empowering residents to make eco-conscious choices and fostering resilient communities are at the heart of our commitment. By putting in place the innovative planting selection matrix, we are creating a more ecologically vibrant environment for residents. This matrix acts as a guide, ensuring the right plant species are chosen for their specific function within the landscape. This, alongside implementing renewable energy solutions, empowers residents to make sustainable choices and reduce our overall carbon footprint.	We installed residential solar rooftops on new homes, allowing residents to consume clean energy, reduce their electricity bills and contribute to a sustainable future. We also explored the feasibility of microgrids in townships and managed industrial parks. Additionally, we developed a planting selection matrix aims to balance species composition and function, bolstering urban biodiversity, improved air quality and enhanced aesthetics within our communities.

Driving Our Vision Through Innovation

► OUR IMPACT AND ACHIEVEMENTS

Short-term

Prioritising Engines of Growth:

We are aligning with the organisational strategy to focus on areas that drive the most value, enhancing profitability and accelerating revenue.

Product and Service Excellence:

We prioritise customer-centricity, making product and service quality the cornerstone of successful development, upholding our brand reputation and achieving a competitive edge through excellence.

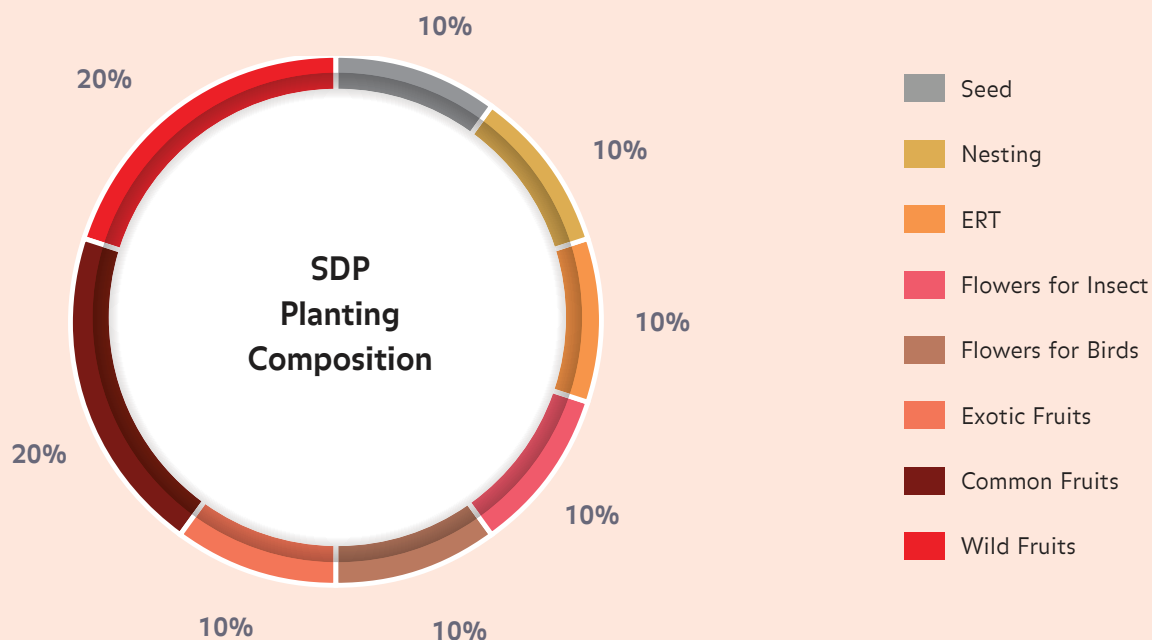
Medium- to Long-term

Fostering Innovation:

We are cultivating an innovation culture throughout the organisation, encouraging experimentation, idea sharing and pushing boundaries to become a forward-thinking and agile company. This builds internal capabilities to thrive in challenging times.

Competitive Advantage Through Innovation:

We aim to create unique value propositions through sustainability, innovative products and services, differentiating ourselves from competitors and standing out in the marketplace.



► OUR OUTLOOK

In 2023, we have managed to maintain the consistency of our Quality Assessment System in Construction (“QLASSIC”) performance in our residential offerings. This achievement reflects Sime Darby Property’s commitment to innovative practices in construction. With an average of 82% in 2020 and 83% in 2021 as well as 2022, we have consistently exceeded the QLASSIC national average of 73% in 2020, 77% in 2021 and 2022. This performance indicates we are on the track to meet our 85% average goal across all developments by 2030.



Aerial view of Elmina Biodiversity Park.

6

CLEAN WATER
AND SANITATION



7

AFFORDABLE AND
CLEAN ENERGY



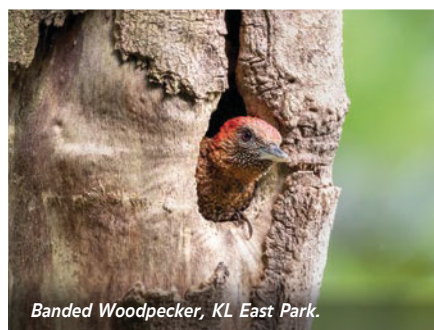
15

LIFE
ON LAND



Environment

Energy and Carbon Management



› OUR COMMITMENT

Climate change is the defining challenge of our time, with the potential to disrupt our operations and impact communities. As a leading property developer, we recognise our pivotal role in confronting this crisis. Managing energy and carbon effectively is not just about business – it is about protecting the environment and ensuring the long-term sustainability of our developments, contributing to a better future for all.

Our dedication to sustainability aligns with the objectives of the Paris Agreement, specifically its target to limit global warming to below 1.5°C. In prioritising energy and carbon management, we fulfil a crucial responsibility and actively contribute to a sustainable future for our business, the communities we engage with and generations yet to come.

› OUR APPROACH

Driven by this concern, Sime Darby Property is committed to achieving Net Zero emissions by 2050. We are committed to a comprehensive approach that tackles greenhouse gas ("GHG") emissions across all scopes.

Scope 1: Direct GHG Emissions



➔ What It Covers:

Emissions from Sime Darby Property's direct control including fuel consumption by our agricultural machineries, heavy machineries, corporate vehicle fleet, on-site generators, refrigerant from cold room and fuel used for cooking equipment.

➔ Our Approach:

1. GHG Protocol Calculation Tools - Emission Factors from Cross-Sector Tool (March 2017)
2. 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories

Scope 2: Indirect GHG Emissions from Electricity Use



➔ What It Covers:

Indirect emissions from electricity use in our operations building, corporate office and sales galleries.

➔ Our Approach:

Grid Emission Factor for Peninsular Malaysia 2017-2021

Scope 3: Other Indirect GHG Emissions



➔ What It Covers:

All indirect emissions (not included in Scope 2) that occur in the value chain of Sime Darby Property, including both upstream and downstream emissions.

➔ Our Approach:

GHG Protocol - Technical Guidance for Calculating Scope 3 Emissions.

Sime Darby Property is actively developing a carbon reduction roadmap aligned with the Science Based Targets initiative ("SBTi"). This framework provides a scientifically rigorous pathway for reducing greenhouse gas ("GHG") emissions. Aligning with SBTi ensures our ambitious goals contribute to global climate change mitigation efforts.

Our roadmap outlines a 10-year plan (2021-2030) to achieve carbon neutrality. We are focusing on achieving measurable reductions in carbon emissions. This plan reflects our commitment to implementing a long-term, scalable sustainability practices that can be consistently rolled out and expanded over time.

Our strategy prioritises a two-pronged approach:

- Expanding Renewable Energy: We are continuously investing in solar energy capacity to promote cleaner energy generation.

- Enhancing Efficiency: Our efforts in infrastructure retrofits and adopting energy-efficient practices aim to optimise energy consumption across our operations. This comprehensive approach ensures we address both energy generation and consumption.

Sime Darby Property's Net Zero Target

Carbon Emissions (Scope 1 & 2 only)

FY2022 (Restated)

17,036 tCO₂e

Operational Carbon Emissions



Scope 1
4% Fuel
754 tCO₂e



Scope 2
96% Electricity
16,282 tCO₂e

FY2023

16,387 tCO₂e

Operational Carbon Emissions



Scope 1
3% Fuel
537 tCO₂e



Scope 2
97% Electricity
15,850 tCO₂e

3.81% reduction driven by conscious efforts to improve energy habits

Setting a clear pathway towards operational carbon Net Zero by 2050

- Current focus on reducing Scope 1 and 2 emissions whilst baselining Scope 3

- Scope 1 and 2 carbon reduction targets are referenced against SBTi, measuring from our FY2021 baseline emissions

- Continuous assessment of our external indicators

Key Initiatives



Activation of Renewable Energy



Energy Efficient Initiatives



Urban Biodiversity Conservation



Low Carbon Operations

Our commitment to environmental responsibility is further underscored by our ambitious target of a 40% reduction in Scope 1 and 2 emissions by 2030. This target aligns with Malaysia's commitment under the Paris Agreement.

Energy and Carbon Management

► OUR VALUE CREATION IN 2023

GHG restatement

We have conducted a comprehensive reassessment of our Scope 1 and Scope 2 emissions for 2021 and 2022, prompted by the revised 2022's emissions factors announced by the Energy Commissions in December 2023. Our updated emissions reporting now accurately reflects these changes, ensuring our data for 2021 and 2022 adheres to the latest calculation methodologies.

Scope 1 GHG emissions

We have updated our Scope 1 GHG emissions data to include Liquefied Petroleum Gas ("LPG") consumption data from SDCC that was previously unavailable and corrected a conversion error for LPG gas consumption in IGCC.

Scope 1 Emission	2021	2022
As previously reported in tCO ₂ e	450.23	743.83
Additional emission source in tCO ₂ e	6.51	10.24
Restated in tCO₂e	456.74	754.07

Scope 2 GHG emissions

Our Scope 2 emissions data now reflects the Energy Commissions' updated emission factor ("EF") which was announced in 2023. Additionally, we have reclassified the electricity consumption of tenants at KLGCC, International Gallery and KL East Gallery from Scope 2 to Scope 3 emissions.

Scope 2 Emission	2021	2022
As previously reported in tCO ₂ e	14,292.82	13,509.95
Impact from revised emission factor in tCO ₂ e	699.55	3,995.24
Impact from exclusion of locations in tCO ₂ e	(597.47)	(1,223.32)
Restated in tCO₂e	14,349.90	16,281.87

Energy consumption

The reclassification of the electricity consumption of tenants at KLGCC, International Gallery and KL East Gallery from Scope 2 to Scope 3 emissions resulted in the following revision of our energy consumption.

Energy Consumption in GJ	2021	2022
As previously reported (GJ)	75,743.79	90,928.22
Impact from restatement in Scope 1 and Scope 2 (GJ)	(2,699.80)	(5,520.26)
Restated in GJ	73,043.99	85,407.96

1. Scope 1: Direct Emissions

As part of our commitment to mitigate the effects of climate change, we are committed to take action to reduce our carbon emissions. Our goal is to achieve Net Zero Emissions by 2050. This will require us to transform how we operate, the selection of our materials and resources and also in how we support the transition of the supply chain towards a more sustainable approach.

2030 Target

Near-term strategy

- Implement energy efficiency and retrofitting technologies
- Increase awareness on good energy habits among all Sime Darby Property employees

Long-term strategy

- Transition towards utilising renewable energy sources for all our operations

Net Zero by 2050

Near-term strategy

- Transition towards electrification of corporate fleet and equipment long-term strategy

Long-term strategy

- Implement nature-based solutions and carbon removal through urban biodiversity enhancement and regeneration efforts

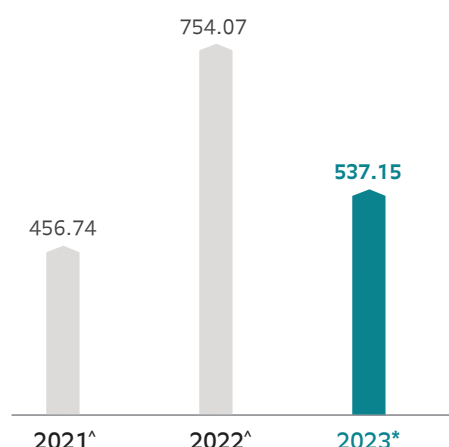


Figure 5.1: Total GHG Emissions (tCO₂e) for Scope 1 (2021-2023)

* This data was subjected to an external limited assurance by an independent third party. Refer to the independent limited assurance report on pages 129 to 132.

[^] Restated

2. Scope 2: Indirect Emissions from Electricity Use

Scope 2 emissions were reduced by 2.65% from 2022, primarily due to energy efficiency initiatives undertaken.

Energy Audit at KL East Mall

What We Did:

At KL East Mall ("KLEM"), an energy audit completed in July 2023 played a critical role in advancing our energy conservation efforts. The audit assessed the building's energy consumption, identified areas of energy efficiency and led to the prioritisation of significant energy user ("SEU") measures. These energy-saving measures were stratified into three cost-based categories:

Low/Zero Cost Initiatives

- Adjusting thermostat settings to optimise energy use without sacrificing comfort.
- Switching off display TVs after 10 pm to reduce electricity usage during times of low activity.



Medium Cost Measures

- Balancing airflow systems to enhance Heating, Ventilation, and Air Conditioning ("HVAC") efficiency.
- Optimising chiller plant operations for better energy management.



High Cost Investments

- Retrofitting existing fluorescent lighting to LED lights, offering long-term energy savings despite the initial expense.



Progress and Achievements:

This led to a reduced Scope 2 emission in KL East Mall by

6%

Energy and Carbon Management

Retrofit Initiatives

What We Did:

We continue to prioritise our environmental responsibility by implementing a portfolio of retrofit initiatives across various properties. These initiatives focus on maximising energy efficiency through upgrades to existing infrastructure and equipment.

Progress and Achievements:

We have significantly reduced energy consumption by replacing traditional bulbs with energy-efficient T5 and LED alternatives. For instance, switching to LED streetlights at Taman Pasir Putih and car parks is estimated to save 3,500 kWh annually per location, translating to a reduction of approximately 2 tCO₂e emissions each. Similarly, replacing fluorescent lights with T8 bulbs at the Leisure Complex resulted in an impressive estimated 80,000 kWh reduction over three (3) months (approximately 46 tCO₂e). Additionally, integrating light sensors in designated areas targets a 3,500 kWh annual reduction (or 1,750 kWh for half-year implementation), resulting in an estimated 1 tCO₂e reduction.

Energy Savings at Sime Darby Property Corporate Office

What We Did:

Following the successful implementation at KLEM, similar energy-saving measures were adopted at Sime Darby Property Corporate Office, Ara Damansara.

Progress and Achievements:

This reduced Scope 2 emission in Sime Darby Property Corporate office by **6.6%**

Rooftop Solar PV Project

What We Did:

We have identified 14 of 21 assets as viable for rooftop solar photovoltaic ("PV") installations. These installations are planned to become operational during the period 2024-2025. This initiative is estimated to achieve a reduction of approximately 4.2 thousand metric tonnes of CO₂ equivalent (tCO₂e) in our Scope 2 emissions.

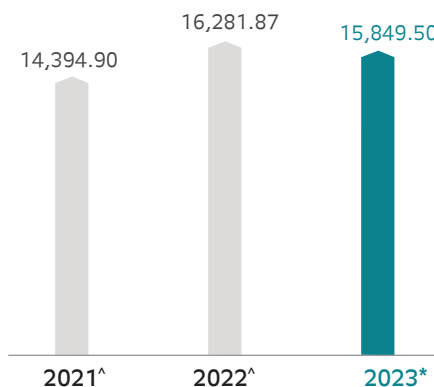


Figure 5.2: Total GHG Emissions (tCO₂e) for Scope 2 from 2021–2023

^{*} This data was subjected to an external limited assurance by an independent third party. Refer to the independent assurance report on pages 129 to 132.

[^] Restated

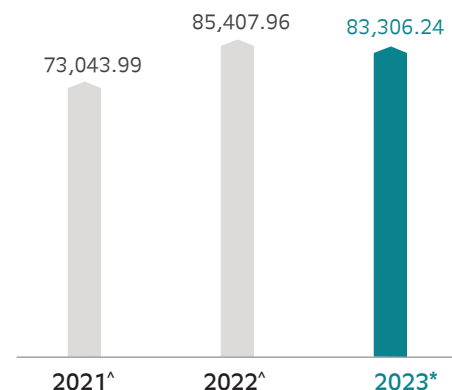


Figure 5.3: Total Energy Consumption (GJ) from 2021–2023

^{*} This data was subjected to an external limited assurance by an independent third party. Refer to the independent assurance report on pages 129 to 132.

[^] Restated

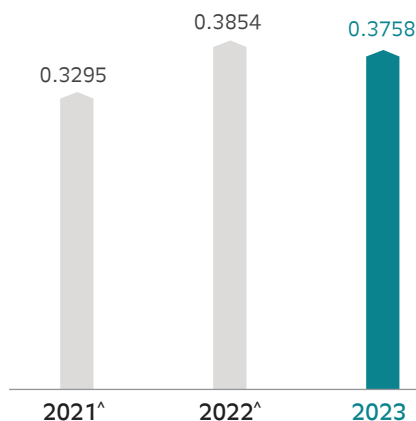


Figure 5.4: Energy Intensity (GJ/m²) from 2021–2023

[^] Restated

3. Other Indirect Emissions

To inform our Net Zero strategy, we are assessing key Scope 3 emissions, beginning with waste diverted from landfill and employee commuting. This initial assessment lays the groundwork for a more comprehensive analysis in future.

Collaboration with tenants, consultants, contractors and suppliers will further enhance our understanding and contribute to the development of impactful emission reduction strategies moving forward.



Employee commuting

2023

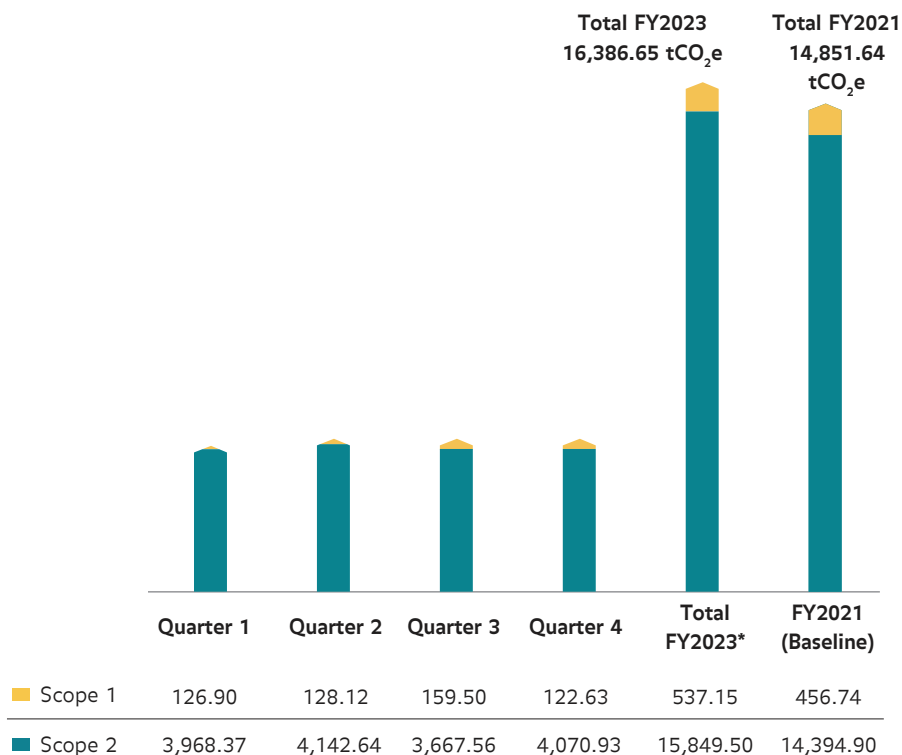
1,989.34
tCO₂e

OUR IMPACT AND ACHIEVEMENTS

1. Overall Impact

In 2023, the Group's total emissions amounted to 16,386.65 tCO₂e.

Operational Carbon FY2023 (Scope 1 and 2)



* Total for Scope 1 and Scope 2 only

Figure 5.5: Total FY2023 carbon emissions compared to FY2021 baseline

Further analysis reveals the largest share of these emissions originated from our Investment & Asset Management business, contributing 46%, followed by our Leisure division at 39% and Property Development at 15%.

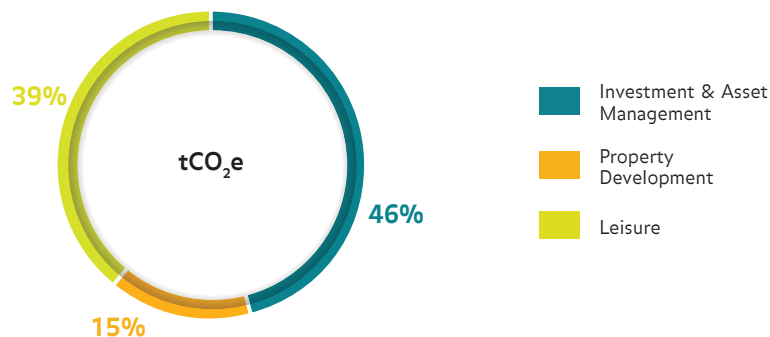
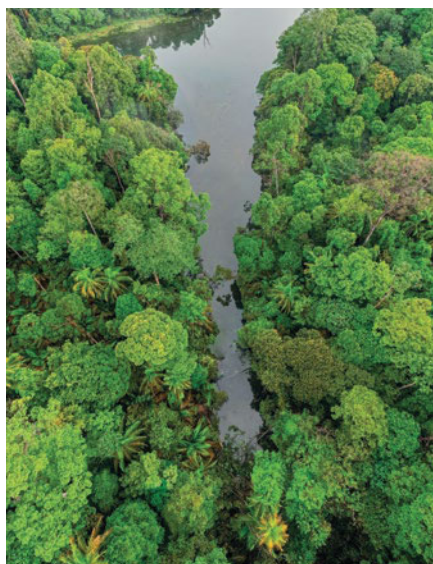


Figure 5.6: Breakdown of emissions in 2023



Energy and Carbon Management

► OUR IMPACT AND ACHIEVEMENTS

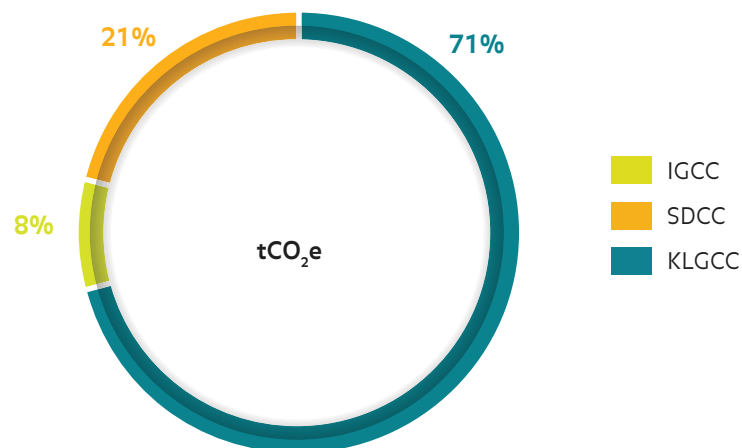


Figure 5.7: Breakdown of emissions within Leisure Division in 2023

Within the Leisure division, the Kuala Lumpur Golf & Country Club (“KLGCC”) emerged as the top emissions contributor, followed by Sime Darby Convention Centre (“SDCC”) and Impian Golf & Country Club (“IGCC”) in emissions intensity. Recognising the need for targeted interventions, we have initiated energy audits for KLGCC and SDCC to identify key areas for improvement.

► OUR OUTLOOK

As we enter 2024, two (2) assets have been identified as high energy consumers i.e. KLGCC and SDCC. The Group decided to prioritise the implementation of energy savings measure identified through comprehensive energy audits. These initial actions lay the groundwork for enhanced environmental integration, supported by a following strategy aligned with the SBTi.

Short-term

- Retrofitting infrastructure with energy-efficient technologies.
- Transitioning to renewable energy sources.
- Fostering a culture of sustainability within our workforce.

Medium-term

- Expanding renewable energy projects, including solar panel installations.
- Intensifying waste reduction and recycling initiatives.
- Adopting energy-efficient appliances and practices for enhanced operational sustainability.

Long-term

- Significantly reducing GHG emissions through:
 - Electrification of transportation and machinery.
 - Sustainable design principles in our developments.
 - Adoption of green procurement methods.
 - Creation of biodiversity corridors and the conservation of natural habitats.
- Investing in nature-based solutions, including biodiversity corridors and natural habitat conservation, to enhance urban biodiversity and increase carbon sequestration.

Urban Biodiversity

► OUR COMMITMENT

As a responsible organisation with a significant land bank, we understand the critical role of nature-based solutions in achieving Net Zero targets. Despite the environmental challenges of urbanisation, we are committed to leveraging its potential for a sustainable future. Therefore, we are deeply committed to leading the way in enhancing urban biodiversity.



► OUR APPROACH

Our approach integrates nature with development to foster a harmonious relationship between people and the environment. This is built on the following foundational pillars:



Avoid

We embed the protection and conservation of biodiversity in our planning and maintain a strict policy against rainforest removal.



Conserve

We safeguard non-forest land that holds significant biodiversity value.



Regenerate

We restore degraded land marked for urban biodiversity within our development regions.

Urban Biodiversity

Our commitment is driven by several key considerations:



Minimising our impact and fostering regeneration:

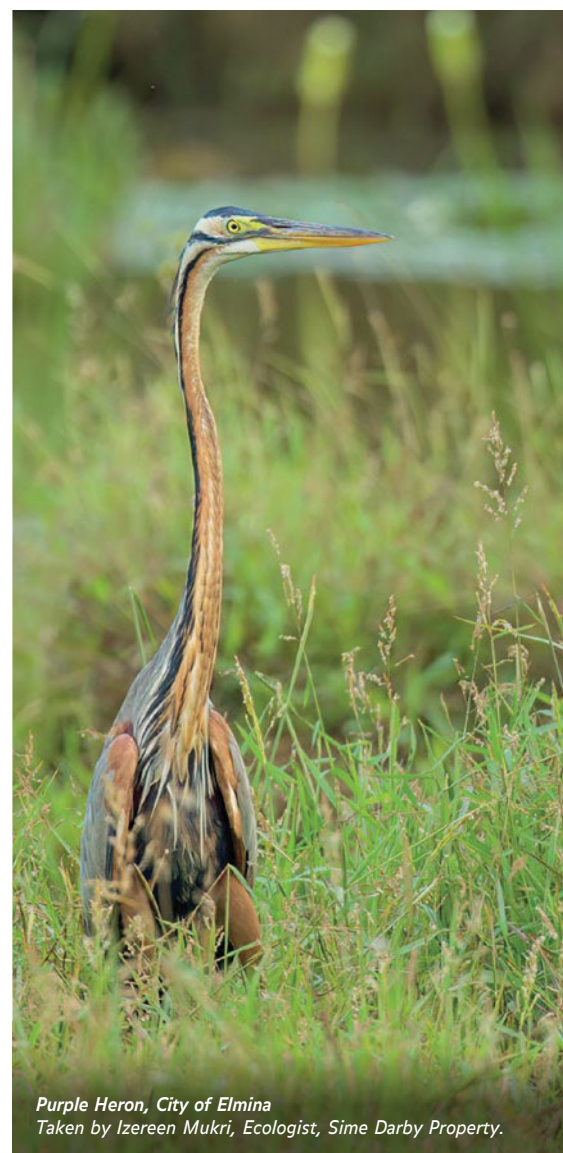
We strive to minimise the environmental impact of our operations and actively seek opportunities to conserve existing biodiversity and regenerate degraded ecosystems. This is particularly relevant considering the majority of our developments occur on degraded areas, typically disused oil-palm plantations.

Promoting co-existence and awareness:

We believe in promoting harmonious coexistence between communities and urban biodiversity. We strive in raising awareness among stakeholders about the critical role biodiversity plays in various aspects of urban life and benefits of ecosystem services, including climate change adaptation, flood mitigation, food security and recreational opportunities. By integrating these considerations into our development practices, we aim to contribute to a more sustainable and resilient future for both people and nature.

Alignment with global and national frameworks:

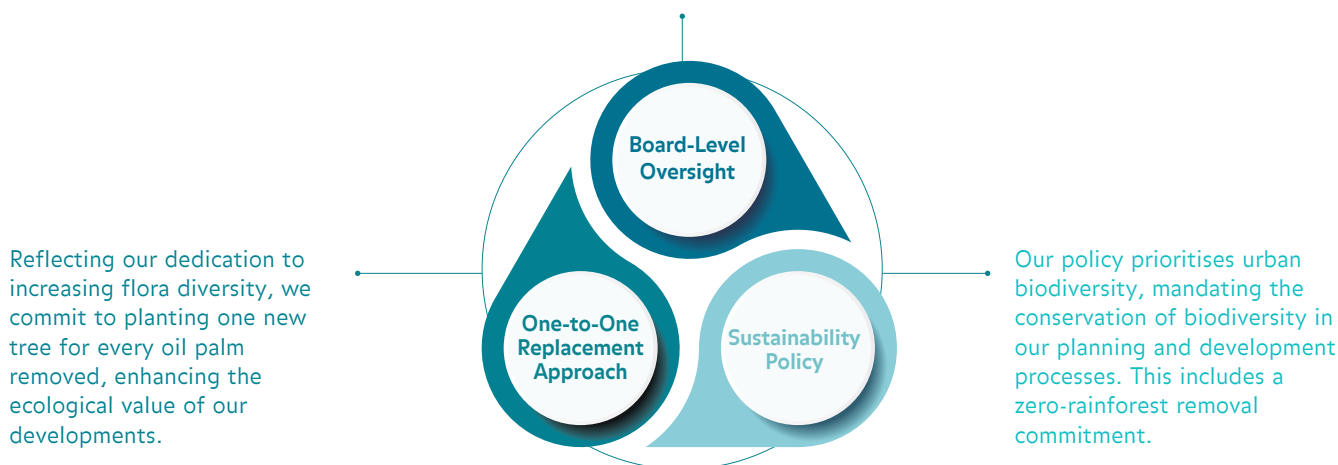
We actively support the United Nations Sustainable Development Goals ("UN SDGs"), the Kunming-Montreal Global Biodiversity Framework and the National Policy on Biological Diversity 2022-2030. These frameworks highlight the importance of protecting and restoring biodiversity for a sustainable future.



Governance and Policy:

Our approach is underpinned by a strong governance structure and policy frameworks that ensure sustainability is at the core of our operations.

The MSC and BSC set the strategic direction and alignment with our overarching sustainability goals.



Biodiversity Management Strategies:

To effectively manage biodiversity, we implement several key strategies:

- **Biodiversity Impact Assessment:** Ensuring biodiversity impact assessment are conducted prior to any development, during Environmental Impact Assessment stage.
- **Endangered, Rare and Threatened ("ERT") Species Planting:** We aim to bolster the populations of ERT species by integrating them into our landscaping, with over 26,000 ERT trees planted as part of our commitment to their preservation.
- **Tree Planting Commitment:** We aim to plant 160,000 trees by 2030, which is expected to sequester 30,000 tCO₂e, with a focus on native species to support local ecosystems.
- **Stringent Review Process:** Ensuring compliance with our sustainability objectives, every project undergoes rigorous reviews, including Design Review Meetings and Special Landscape Presentation Meetings chaired by the CEO. These reviews evaluate species selection, planting locations and the overall impact on biodiversity.

Operational Practices and Tools:

Our operational framework includes a range of practices and tools designed to support and enhance our biodiversity efforts:

- **Internal Expertise:** A dedicated resident ecologist spearheads our biodiversity initiatives, supported by continuous training for our staff and collaboration with external experts to stay at the forefront of ecological conservation.
- **Sustainable Land Use:** We strategically convert monoculture oil palm plantations into rich, diverse real estate developments, interspersed with habitat enrichment focusing in our main parks, buffer areas, in-phase parks and streetscapes, thereby promoting urban biodiversity.
- **SDP Planting Selection Matrix:** To guide our planting decisions, we apply the SDP Planting Selection Matrix, which recommends plant species that support ecosystem services based on the type of development. Our directive prioritises ecosystem functionality over aesthetic considerations.
- **SDP Biodiversity Index ("SDP-BI"):** The SDP-BI, launched in 2022, is a self-assessment tool adapted from Singapore's City Biodiversity Index. It allows us to benchmark our biodiversity efforts against established indicators and identify areas for improvement. Initially focusing on urban fauna in green spaces and built environments, future assessments will be broader to provide a comprehensive picture of our biodiversity practices.

Urban Biodiversity

► OUR VALUE CREATION IN 2023

Focusing on both conservation and regeneration, our 2023 initiatives created and enhanced valuable green spaces, prioritising urban biodiversity. This commitment reflects our dedication to environmental stewardship and sustainable development.

1. Investing in Green Spaces to enhance Ecosystem Services

Why It Matters:

Urban green spaces counteract biodiversity loss due to urbanisation, providing essential ecosystem services such as habitat provisions, air and water purification, flood mitigation and carbon sequestration. They also enhance residents' quality of life by offering recreational opportunities, reducing stress levels and promoting physical and mental well-being.

What We Did:

- Dedicated 888.74 acres of green space across 16 main parks for urban biodiversity conservation and regeneration. These parks boast various plant species, promoting biodiversity and supporting various ecosystem services.
- Established 18.45 km of ecological corridors to connect these green spaces. This vital network allows for the movement of diverse species, contributing to a healthy ecosystem and fostering resilience to disturbances.

2. Connecting Fragmented Habitats

Why It Matters:

Connecting fragmented habitats through ecological corridors is critical for wildlife movement and genetic diversity. This allows species to access essential resources, find mates and escape from disturbances, ultimately ensuring ecosystem resilience.

What We Did:

- Collaborated with Tropical Rainforest Conservation and Research Centre ("TRCRC"), a non-governmental forest conservation organisation, to establish an ecological corridor strategically connecting 2,700-acre Bukit Cherakah Forest Reserve and 300-acre Elmina Central Park.
- Initiated the ongoing restoration of Sungai Subang riparian buffers, with a focus on a diversity of native plant species to continuously promote and attract biodiversity throughout the area.
- Conducted a comprehensive Biodiversity & Connectivity Assessment to understand the current state of the area and inform future restoration planning.
- Established Experimental Restoration Plots within the riparian zone to test and refine restoration techniques for future implementation.
- Developed a Maintenance Operating Manual to guide ongoing maintenance and ensure the long-term success of the restored corridor.



Planting native tree species to create ecological corridor along Sungai Subang.

Progress and Achievements:

- Trialling a riverbank reforestation technique to later be replicated along 2.1 km of riverine corridor as a way to enhance connectivity for urban wildlife.
- In the progress of developing a holistic biodiversity and ecologically sound biodiversity management masterplan to guide future efforts. This plan provides a structured approach for future initiatives, informed by ecological data and best practices.

3. Advancing Biodiversity Conservation in the City of Elmina And fostering coexistence through education and awareness

Why It Matters:

In the City of Elmina, a thriving ecosystem is essential for clean air, water and community vibrancy. Our focused strategy on urban biodiversity underscores its critical role in ensuring a sustainable future. By fostering a balance between urban development and the natural world, we aim to enhance community well-being and environmental health.

What We Did:

- Established the Elmina Rainforest Knowledge Centre ("ERKC") to lead in the research and conservation of urban biodiversity, while engaging the community through educational programmes and eco-tourism.
- Collaborated with the Tropical Rainforest Conservation and Research Centre ("TRCRC") to establish the Elmina Living Collection Nursery ("ELCN"). Focused on cultivating plant species of conservation importance for replanting across developments, the ELCN boasts the cultivation of 187 species, with over 35,000 seedlings and 10,000 tree saplings currently under care.
- Developed Elmina Central Park, a 300-acre area certified as a Level II arboretum, showcasing over 100 species of woody plants to contribute to biodiversity and sustainability in urban spaces.

Progress and Achievements:

- Establishment of ERKC and ELCN enhances research, conservation and community engagement for urban biodiversity preservation.
- Elmina Central Park's Level II arboretum recognition highlights its role in urban biodiversity and sustainability, providing habitat for endangered species and promoting environmental education and community involvement.



Urban Biodiversity



Promoting coexistence with wildlife by showcasing mammal camera-trapping assessment in City of Elmina.



*Blue-Tailed Bee-Eater, City of Elmina
Taken by Izereen Mukri, Ecologist, Sime
Darby Property.*



*White-Bellied Sea-Eagle, City of Elmina
Taken by Izereen Mukri, Ecologist, Sime Darby Property.*



*Baya Weaver, City of Elmina
Taken by Izereen Mukri, Ecologist, Sime Darby Property.*

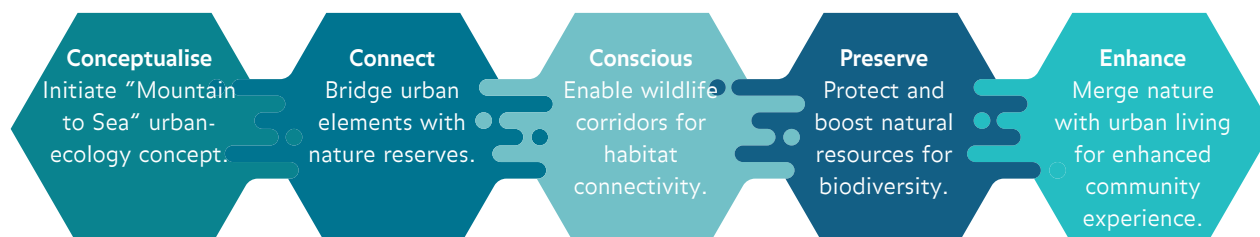


*Understanding the importance of bats in urban ecosystem
during a night session of Elmina Citizen Scientist Programme.*

4. Transforming Disused Land into Thriving Ecosystems In Hamilton City

Why It Matters:

Repurposing unused land into green spaces is vital for strengthening ecological networks, providing habitats for diverse species and improving community well-being. In Hamilton City, our approach relies on five (5) strategic pillars which advances the regeneration of the area.



What We Did:

Transforming 284 acres of disused oil-palm plantation into a vibrant ecosystem, including a 10km Green Belt, using photogrammetry for land assessment to advance urban biodiversity in Hamilton City.

5. Enhancing Urban Wetlands and Waterways In Bandar Bukit Raja

Why It Matters:

Urban wetlands and waterways are critical for flood mitigation, water purification and providing habitats for diverse aquatic and terrestrial species. They serve as nature-based solutions to mitigate urban environmental challenges such as floods.

What We Did:

- In Bandar Bukit Raja, we are establishing an urban wetland system combining grey and green infrastructure to enhance water storage capacity.
- Implemented the "Reroute-Retain-Restore-Release" strategy:
 - Rerouted excess water through swales and dry creeks into wetlands using redesigned drainage systems.
 - Increased water storage capacity beyond regulatory requirements, holding the equivalent of 25 Olympic-sized swimming pools.
 - Restored the natural wetland habitat to support diverse flora and fauna.
 - Facilitated controlled water release back into the drainage system.



Great Egret, Bandar Bukit Raja
Taken by Izereen Mukri, Ecologist, Sime Darby Property.

Progress and Achievements:

- Increased water storage capacity and mitigated flood risks through the development of a 180-acre urban wetland system.
- Enhanced water storage capacity beyond regulatory requirements by retaining the equivalent of 25 Olympic-sized swimming pools within the wetlands.
- Improved water quality through the natural filtering capabilities of the wetland system.
- Enhanced community well-being by combining flood control with recreational opportunities and fostering environmental awareness.

Urban Biodiversity

6. Nurturing a Wetland Sanctuary in Bandar Universiti Pagoh

Why It Matters:

Bandar Universiti Pagoh hosts a vibrant ecosystem of interconnected wetlands that is crucial for local biodiversity and environmental sustainability. Wetlands serve as natural water filtration systems, habitats for diverse wildlife and buffer zones that enhance resilience to climate change. In *Bandar Universiti Pagoh*, the canals play a vital role in maintaining ecological balance by connecting various water bodies, thereby facilitating wildlife movement and supporting a thriving ecosystem.

What We Did:

- Developed a 1.9km canal network to connect Laguna Park (90.95 acres) with Eco-Laguna Pond (22.77 acres).
- Maintained the integrity of the Pagoh River and its connected pond, as well as Eco-Laguna Pond, ensuring continuity of natural habitats.
- Preserved densely packed riparian buffers, fostering primary growth essential to the ecosystem.
- Utilised ponds and canals for effective stormwater management, integrating environmental care with infrastructure development.

Progress and Achievements:

- Recorded 84 species of birds, which includes both residents and migratory species, enhancing the ecological value of the area.
- Maintained a variety of aquatic plants in canals and Eco-Laguna Pond, creating microhabitats for a multitude of species.
- Highlighted the presence of notable wildlife such as the Lesser Whistling-ducks and the globally threatened Lesser Adjutant.



*Medium Egret, Bandar Universiti Pagoh.
Taken by Izereen Mukri, Ecologist, Sime Darby Property.*



Brown Shrike, Bandar Universiti Pagoh
Taken by Izereen Mukri, Ecologist, Sime Darby Property.



Gray-Headed Swamphen, Bandar Universiti Pagoh
Taken by Izereen Mukri, Ecologist, Sime Darby Property.



Red-Wattled Lapwing, Bandar Universiti Pagoh
Taken by Izereen Mukri, Ecologist, Sime Darby Property.



Southeast Asian Box Turtle, Bandar Universiti Pagoh
Taken by Izereen Mukri, Ecologist, Sime Darby Property.



Black-Winged Kite, Bandar Universiti Pagoh
Taken by Izereen Mukri, Ecologist, Sime Darby Property.

Urban Biodiversity

7. Enhancing Urban Biodiversity and Wellbeing in Kuala Lumpur Golf and Country Club

Why It Matters:

In densely populated urban areas, integrating nature-based solutions like green corridors is crucial for maintaining ecological balance and providing green spaces for community wellness.

What We Did:

- Transformed the "Spine Road", a roadway within the development strategically located to connect nearby green spaces, into an ecological corridor. Dense tree plantings along its sides and median form a connected canopy. This allows safe passage for arboreal and semi-arboreal species between Bukit Kiara Federal Park ("BKFP") and Rimba Ilmu, while also offering thermal comfort to joggers and cyclists using the road.
- Collaborated with Forest Research Institute Malaysia ("FRIM") to conduct pre-development assessments. These assessments helped identify existing species and provided guidance for planning and design to minimise disruptions to wildlife and reduce potential human-wildlife conflicts.

Progress and Achievements:

- Secured recertification of KLGCC as an Audubon Certified Course in 2023, a testament to our sustained excellence in biodiversity practices required for recertification every few years.

8. Revitalising Mature Urban Parks

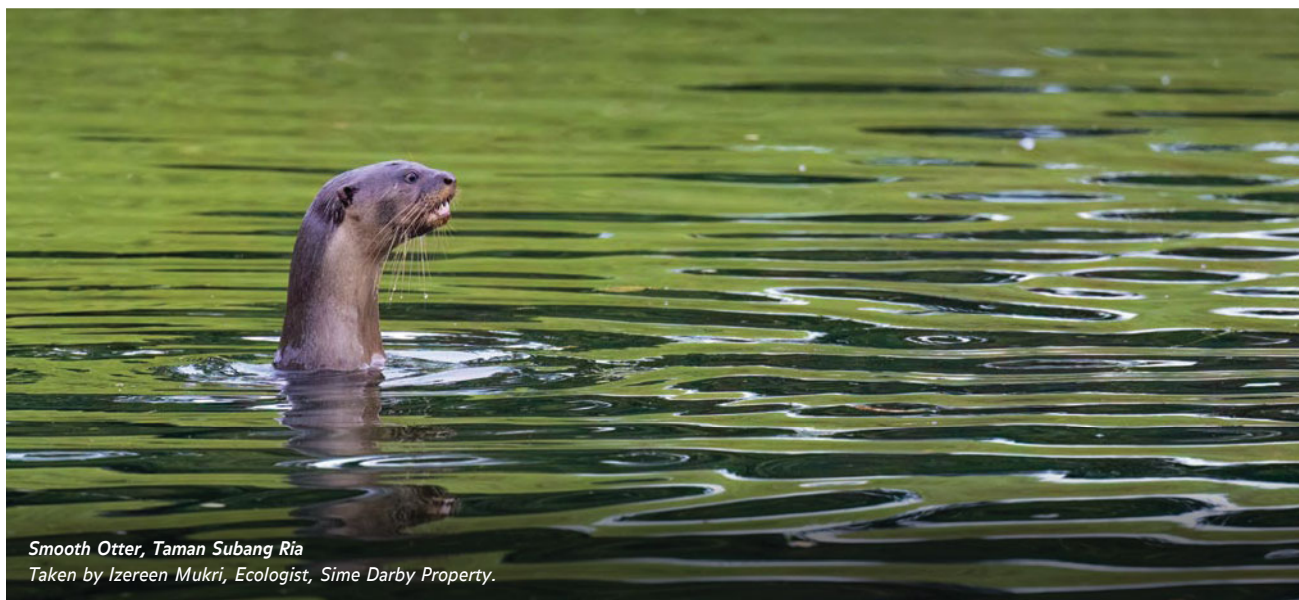
Why It Matters:

Mature urban parks, such as Taman Subang Ria ("TSR"), are essential for sustaining urban biodiversity. They provide established ecosystems that support various species. These areas are vital green spaces in urban settings, contributing to ecological balance and offering nature access to residents.

What We Did:

To address the decrease in usage and ecological oversight of TSR, spanning 72.63 acres, we undertook a project aimed at:

- Habitat Maintenance:** Preserving and enhancing the diverse habitats within TSR, including aquatic and densely vegetated areas, to support an array of species.
- Biodiversity Support:** Activities were carried out to sustain habitats for a variety of biodiversity, including 66 species of birds, small mammals and ERT species such as the Smooth-coated Otter and King Cobra.
- Community Involvement:** TSR was developed into an area focused on sustainability and community engagement, encouraging environmental awareness among residents.



9. Assessing Biodiversity at The Glades

Why It Matters:

Conducting comprehensive assessments of biodiversity is critical for developing informed and targeted conservation strategies. By understanding the complex network of species and their interdependencies, we can identify essential conservation needs and implement protective measures for diverse habitats. This is particularly crucial in urban areas, where biodiversity faces the greatest pressure.

Progress and Achievements:

- Identified 45 bird species from 29 families, highlighting ecological richness.
- Detected predatory birds and migratory species, emphasising ecological significance.
- Identified 31 species of butterflies – important pollinators and food source for birds and other wildlife.
- Identified 14 species of dragonflies and damselflies - important biological control for mosquitoes and indicator of healthy water bodies.
- Identified 13 species of bees, wasps and hornets - important pollinators and predators of other insects.



What We Did:

- Teamed up with experts from Universiti Putra Malaysia to conduct a comprehensive biodiversity survey at The Glades, employing both visual and auditory observation techniques.



Urban Biodiversity

10. Safeguarding, Sustaining and Connecting Nature in the City

Why It Matters:

Encompassing 53 acres, KL East Park ("KLEP") serves as an urban wildlife sanctuary, boasting rich biodiversity with 316 plant species, over 120 bird species and a diverse array of fish, reptiles and insects. In 2023, KLEP sequestered an estimated 7,983 Mg CO₂e (with annual potential sequestration of 345 Mg CO₂e), significantly contributing to climate change mitigation. Besides its ecological role, the park offers valuable educational and recreational opportunities, fostering public understanding of environmental issues and appreciation for nature.

What We Did:

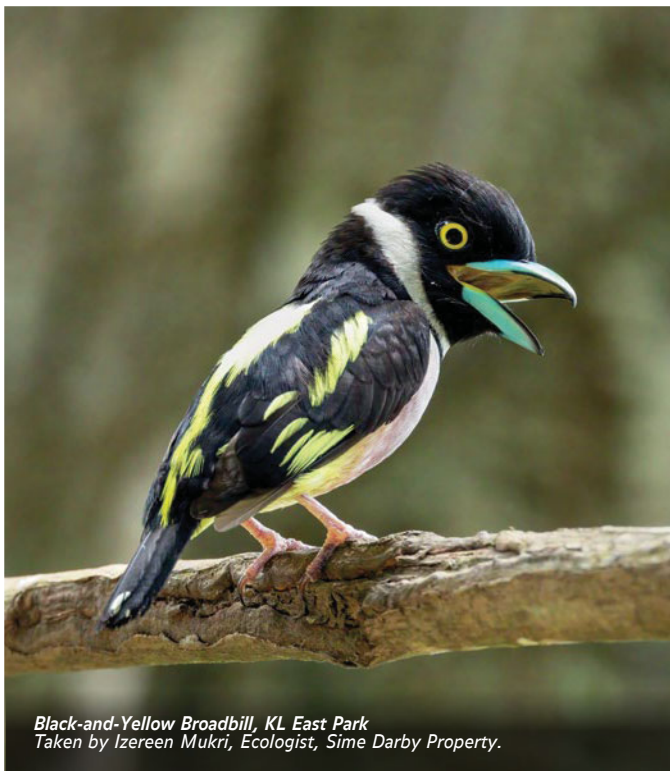
- Secured 53 acres of forest, opening 17 acres to the public for educational and recreational use.
- Conducted comprehensive surveys to document the park's flora and fauna.
- Partnered with experts to evaluate the park's carbon capture potential.
- Established a 0.5-acre Miyawaki microforest using native species for ecosystem restoration.
- Initiated the development of ecological corridors to connect KLEP with surrounding green spaces.



Rat Snake, KL East Park
Taken by Izereen Mukri, Ecologist, Sime Darby Property.



Assassin Bug, KL East Park
Taken by Izereen Mukri, Ecologist, Sime Darby Property.



Black-and-Yellow Broadbill, KL East Park
Taken by Izereen Mukri, Ecologist, Sime Darby Property.



Raising awareness on the importance of Insects with Kolej Yayasan Saad ("KYS") KL East International School.



Oriental Scops-Owl, KL East Park
Taken by Izereen Mukri, Ecologist, Sime Darby Property.



Four-Lined Tree-Frog, KL East Park
Taken by Izereen Mukri, Ecologist, Sime Darby Property.



Orb-Weaver, KL East Park
Taken by Izereen Mukri, Ecologist, Sime Darby Property.



Sunda Colugo, KL East Park
Taken by Izereen Mukri, Ecologist, Sime Darby Property.

Urban Biodiversity

► OUR IMPACT AND ACHIEVEMENTS

1. Impact



942 acres 38,000,000 m²
restored/conserved.



172 species of birds, **17**
species with conservation
concerns.*



Over **140,000 trees**
planted across all
townships.



39 species of reptiles, **5**
species with conservation
concerns.*



29 mammals species,
17 species with
conservation concerns.



3 citizen scientist
projects involving **160**
community members for
biodiversity awareness.



4 ecological corridors, totaling a **length of 18.45 km**, have been identified and enhanced to
promote biodiversity connectivity.

* Based on IUCN Red List of Threatened Species

** Based on IUCN Red List of Threatened Species and Red List of Mammals for Peninsular Malaysia



Wetlands of Bandar Bukit Raja.



Selangor Silvered Langur, Taman Subang Ria
Taken by Izereen Mukri, Ecologist, Sime Darby Property.



Triangle Keelback, KL East Park
Taken by Izereen Mukri, Ecologist,
Sime Darby Property.

**Table 2**

Areas allocated for Urban Biodiversity Focused Area.

Business Unit	Township	Area of Interest	Accreage (ac)	Metre square (m ²)	Length (km)
1	Elmina East	Elmina Urban Biodiversity Corridor		0	3.20
1	Elmina East	Forest Park	84	339,936.24	
1	Elmina East	Community Park	36	145,686.96	
1	Elmina East	Sakura Lake	21	84,984.06	
1	Elmina West	Wildlife Park	25	101,171.50	
2	Bandar Bukit Raja 2	Community Wetland Park	60	242,811.60	
3	Serenia City	Central Park	32	129,499.52	
3	Serenia City	Serenity Park	8.39	33,953.15	
3	Serenia City	Aman North Park	11	44,515.46	
3	Serenia City	Aman South	5.94	24,038.35	
3	Serenia City	Wild Meadow Crossing	6.73	27,235.37	
3	Serenia City	Rare Fruit Park	2.39	9,672.00	
3	Serenia City	Bamboo Trail	3.15	12,747.61	
3	Serenia City	Serenia Hill	10.34	3,800,000	
3	Hamilton City	Plot 6	284	1,149,308.24	
3	Hamilton City	Green Belt		0	10
4	Nilai Impian	Taman Ujana	20	80,937.20	
4	Nilai Impian	Townpark	4.61	18,656.02	
4	Nilai Impian	The Parc	8	32,374.88	
4	Bandar Ainsdale	Taman Tasik Ainsdale	11.50	46,538.89	
5	Bandar Universiti Pagoh	Laguna Park	90.95	368,061.92	
5	Bandar Universiti Pagoh	Pond 1C	22.77	92,147.00	
5	Bandar Universiti Pagoh	Canals		0	1.90
6	KLGCC Resort	Spine Road		0	3.35
6	KLGCC Resort	Parcel A and B	12	48,562.32	
7	KL East	KL East Park	53	214,483.58	
7	KL East	Microforest	0.50	2,023.43	
7	KL East	KL East Ecological Corridor		0	
7	SJCC	Taman Subang Ria	72.63	2,939,234.42	
8	The Glades	Gated Residence integrated with green and blue spaces	56	226,624.16	
		TOTAL	941.90	3,811,737.43	18.45

Urban Biodiversity

2. Performance Data

We strive to plant more threatened species of trees from 19,520 in 2019 to 26,085 in 2023 across our development. Introducing trees with conservation significance is an important ex-situ efforts taken by Sime Darby Property. To date, 53 species has been identified and planted across our development.

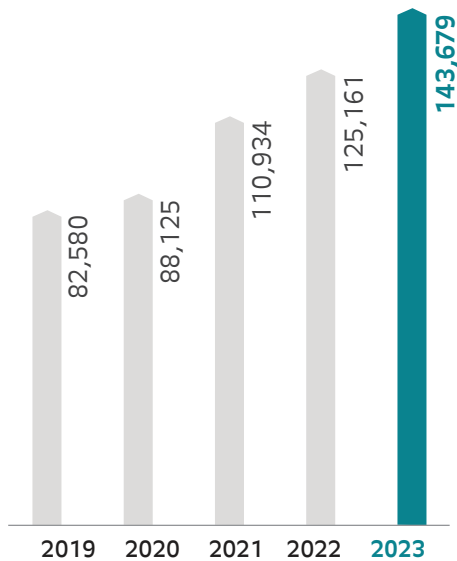


Figure 5.71: Total number of trees planted

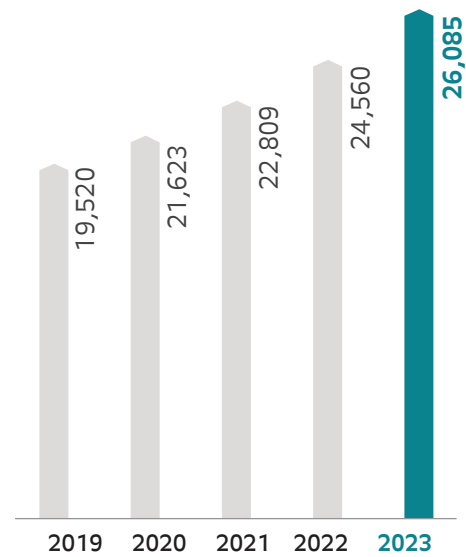


Figure 5.72: Total number of threatened tree species from the IUCN list planted

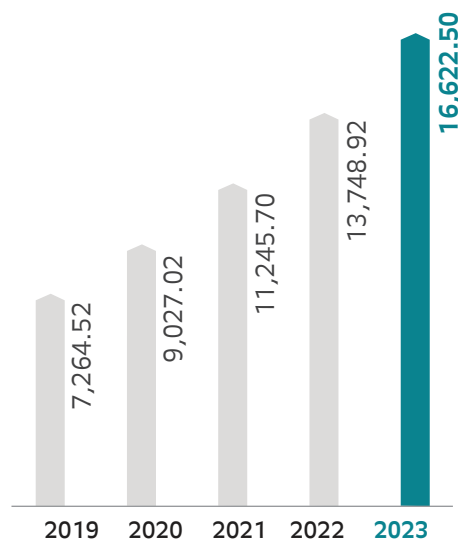


Figure 5.73: Total carbon sequestered*

* Based on conservative estimates, a tree sequesters carbon dioxide (CO₂) at a rate of approximately 0.02 tonnes of CO₂ equivalent (tCO₂e) per year.

› OUR OUTLOOK

We remain committed to leading the way in urban biodiversity. We are establishing a robust framework aligned with global and national agendas, outlining clear goals, targets and action plans for streamlined biodiversity approaches.

Our focus areas include:

- **Strategic green asset management:** Identifying other potential areas for conservation and regeneration within our land-banks, leveraging advanced technology and digitalisation.
- **Enhancing connectivity and functionality:** Creating more ecological corridors and optimising plant selection to establish functional ecosystems.
- **Addressing key challenges:** Combating invasive species and promoting community engagement through citizen science initiatives.



Key projects include:

- **Urban Biodiversity Framework:** Launching in 2024, a comprehensive framework will guide Sime Darby Property's biodiversity efforts. Specifically, it will outline clear goals, targets and scientific approaches for green asset conservation and regeneration. A robust baseline established through the SDP-Biodiversity Index will inform decision-making and track progress over time. Additionally, collaboration with stakeholders and Citizen Science programmes will tackle invasive species, while placemaking initiatives like birdwatching will foster community connection.
- **Urban Biodiversity Conference 2024:** Sime Darby Property's inaugural Urban Biodiversity Conference will unite local and international communities focused on Nature-Based Solutions ("NBS"). The conference aims to share knowledge on local case studies, methodologies, government initiatives and financial tools that incentivise real estate industry involvement in NBS.
- **Elmina Urban Biodiversity Corridor Phase 2:** Launching in 2024, this phase focuses on restoring a 2.1 km corridor. Native trees (dipterocarps and fruit trees) will be planted to attract wildlife, promote natural regeneration and improve soil stability. Restoration extends beyond the corridor, addressing invasive species in the Triangle Plot and diversifying flora in the Wildlife Park for a more resilient ecosystem.
- **Hamilton City Biodiversity and Ecosystem Assessment:** Following a digital survey, a comprehensive Biodiversity and Ecosystem Assessment ("BESA") will analyse existing biodiversity in Plot 6. This assessment is crucial for developing a plan to manage and restore biodiversity in the area. The BESA findings will ultimately help measure the success of restoration efforts in promoting a healthy and resilient ecosystem.

Through these efforts, we aim to create sustainable and ecologically sensitive developments that benefit both nature and human communities.

Circularity

› OUR COMMITMENT

It is imperative to shift from linear to circular economic models, particularly within the property sector, where the impact of waste and resource mismanagement is profound. Circularity allows us to address these challenges head-on, promoting the reuse and recycling of materials, reducing waste and driving sustainable construction practices.

Incorporating circularity into our business model helps us to design out waste and pollution, keep products and materials in use for as long as possible and regenerate natural systems. This approach aligns with our commitment to sustainability and responsible stewardship of the environment, ensuring that we contribute positively to the communities we serve and the planet at large.

› OUR APPROACH

Our waste management strategy is guided by the revised 2021 Waste Management Guidelines ("WMC"). These guidelines advocate for prevention, recycling and responsible disposal of waste, ensuring compliance with legal standards and meticulous reporting and monitoring procedures. Furthermore, we prioritise the Waste Management Hierarchy, established in the UN SDGs, which emphasises reusing items to extend their lifespan, recycling materials to create new products and treating non-recyclable waste through composting or energy recovery, with landfilling as a last resort. To improve waste management efficiency, we also emphasise source separation of recyclables.

Our operational efforts in waste management are focused on areas known for substantial waste production, including:

Table 5.2

Operational efforts in Waste Management

Areas of High Waste Production	Our Practices
Construction	- Adopt the SDP Waste Management Hierarchy. - Utilise reusable formwork systems to reduce wood waste. - Establish on-site sorting stations for the segregation and recycling of construction materials like concrete, metal and wood. - Implement Integrated Building Systems ("IBS"), modular construction and utilise Building Information Modelling ("BIM") for clash detection to streamline material use. - Protect stockpiled materials from weather damage by storing away from demolition areas and off the ground. - Enforce a policy against single-use plastics on construction sites.
Site Clearance	Process green waste (such as shrubs and clippings) on-site into compost, enriching soil and reducing landfill use.
Landscaping and Gardening	- Recycle materials from renovations for new constructions and landscaping projects. - Compost food waste to enhance soil quality.
Investment & Asset Management	- Implement the SDP Waste Management Hierarchy. - Minimise product packaging and encourage tenants to adopt this practice. - Run educational campaigns to foster waste reduction and responsible consumption. - Collaborate with charities for the donation of unused items. - Install and signpost recycling bins for paper, plastic, glass and metal to facilitate proper waste segregation. - Work with certified recycling firms to ensure efficient waste management.
Leisure	

Additionally, we undertake Environmental Impact Assessments ("EIA") or Detailed Environmental Impact Assessments ("DEIA") in compliance with the Environmental Quality Act 1974. This ensures that our development activities are conducted in a manner that minimises environmental and socio-economic impacts, adhering to the regulations set by the Department of Environment ("DoE") Malaysia.

› OUR VALUE CREATION IN 2023

In 2023, we undertook a series of initiatives to enhance our circularity efforts, focusing on efficient waste management and promoting sustainable living practices across our developments and townships.

Implementing Waste Management Initiatives at Sime Darby Property's Sites

What We Did:	Progress and Achievements:
Introduced a Gravity and Full Vacuum Automated Waste Collection System to enhance waste collection efficiency and promote a cleaner living environment.	The Automated Waste Collection System at The Glades Putra Heights marks a forward step in enhancing operational efficiency and environmental stewardship, with ongoing evaluation of its impact on carbon emissions and cost savings.



Promoting Community Engagement and Recycling

What We Did:	Progress and Achievements:
- Revitalised the "Invest in Our Planet" campaign at the KL East Sales Gallery, encouraging the community to participate in used cooking oil recycling for rewards, in a collaborative effort between the Township & Community Services Unit of Business Unit 7, the Safety & Sustainability department and FatHopes Energy. - Conducted workshops in partnership with Pertubuhan Alam Sekitar EcoKnights Kuala Lumpur and Selangor, teaching community members how to convert used cooking oil into soap bars, thus empowering them to reduce waste. - Implemented sustainability projects at the Kuala Lumpur Golf & Country Club ("KLGCC"), including wood chipping, dry leaf composting and food waste composting, to convert waste into resources that enhance soil quality and reduce methane emissions. - Introduced a food waste management system at KL East Mall to reduce food waste disposal at landfills, mandating all tenants to segregate food waste for collection in accordance with environmental regulations.	- The partnership with FatHopes Energy led to the repurposing of 68.9kg of used cooking oil, translating into a reduction of 183 kgCO₂ emissions, showcasing our commitment to reducing greenhouse gas emissions. - The soap-making workshops resulted in the production of 33 bars of soap, demonstrating the practical application of recycling and waste reduction techniques within the community. - Our sustainability initiatives at KLGCC have improved soil quality and reduced methane emissions by repurposing organic waste, highlighting our dedication to environmental stewardship. - The food waste management initiative at KL East Mall represents a step towards zero food waste contribution from SDP's retail business, enforcing food waste segregation and responsible disposal practices among tenants, in line with Act 672.

Circularity

Strengthening Waste Management across Operations

What We Did:

- Collaborated with contractors to enhance the reuse and recycling of construction waste, significantly reducing its volume and minimising environmental impacts. This initiative directly tackled the challenge of managing the large amounts of waste generated by construction activities.
- Streamlined site clearance processes by emphasising waste separation at source, ensuring responsible disposal and reducing the environmental footprint of site clearance activities. This approach effectively addressed the challenge of managing waste during site clearance.
- Implemented the principles of Reduce, Reuse and Recycle (3Rs) to manage organic waste from landscaping activities efficiently. This strategy helped in addressing the challenge of disposing of organic waste in an environmentally friendly manner.
- Launched awareness campaigns and competitions to improve waste disposal and recycling habits among residents, alongside implementing a "No Single-Use Plastic" initiative. These efforts targeted the challenge of changing tenant behaviour towards more sustainable waste practices.
- Enhanced the robustness of waste management data for greater traceability and transparency. This improvement addressed the challenge of ensuring data integrity and transparency in waste management efforts, enabling better tracking, reporting and continuous improvement.

► OUR IMPACT AND ACHIEVEMENTS

Sime Darby Property generated a total of 14,402.01 tonnes* of waste in 2023. Of this amount, 10,821.86 tonnes were diverted to disposal while the remaining 3,580.15 tonnes were reused and recycled throughout our operations in 2023. This action demonstrates our commitment to resource efficiency and aligns with our long-term goal of implementing a circular economy model.

While we are continually exploring the potential of sustainable materials in construction and material packaging issues, challenges were encountered in 2023. These challenges are being actively assessed and solutions are being explored for future implementation.

We have initiated the process of reporting data on carbon avoidance. Therefore, FY2023 will be the inaugural year in which we report this data.

** This data was subjected to an external limited assurance by an independent third party. Refer to the independent assurance report on pages 129 to 132.*

Landfilling remains the dominant method of waste disposal, accounting for 75.14% of our waste stream (transfer station, controlled landfill and unspecified landfill). This unspecified landfill category likely includes a mix of materials that are not currently recyclable or that lack efficient recycling infrastructure. There is positive news on the recycling front: we are diverting 24.86% of our waste from landfill through recycling initiatives including composting. This signifies a growing commitment to a responsible waste management and resource recovery.

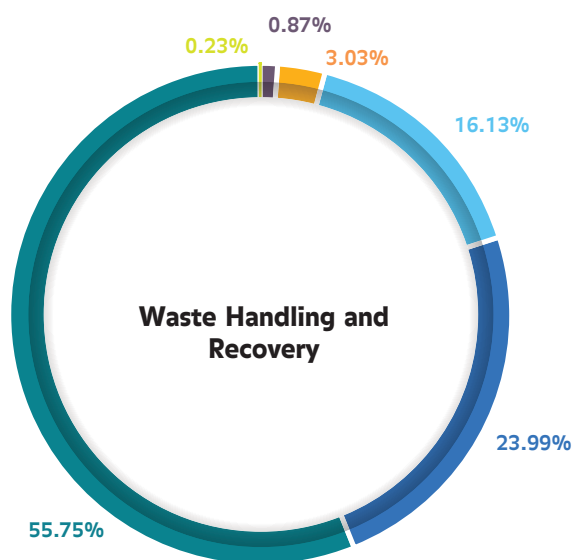


Figure 5.91: Waste Handling Recovery



The dominance of operational solid waste (49%) and food waste (16%) in our waste type composition presents a significant opportunity to optimise our waste management practices and promote resource conservation.

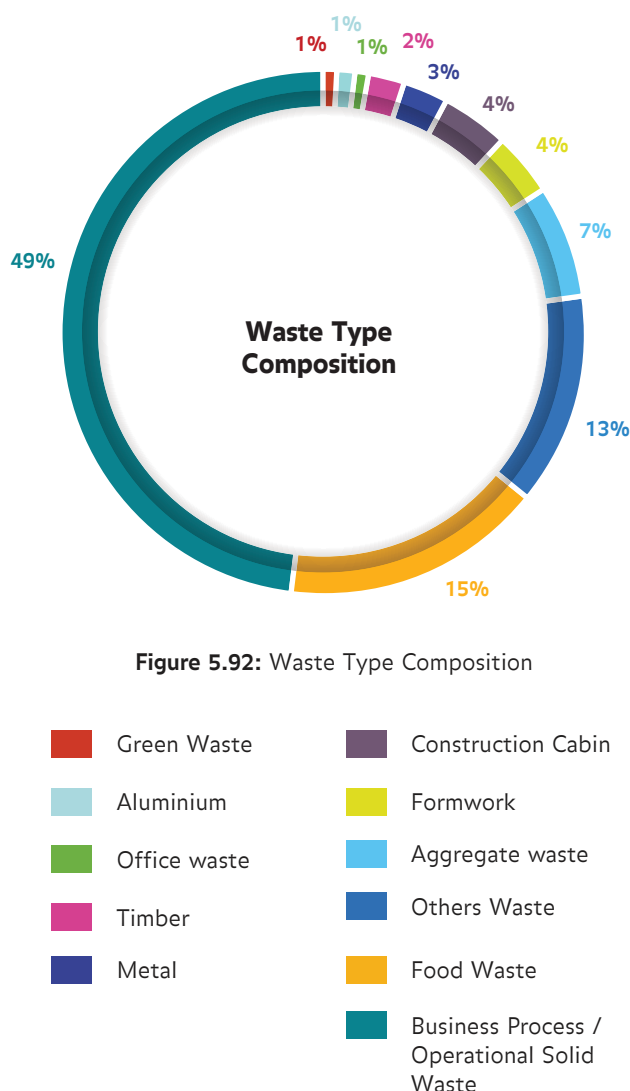


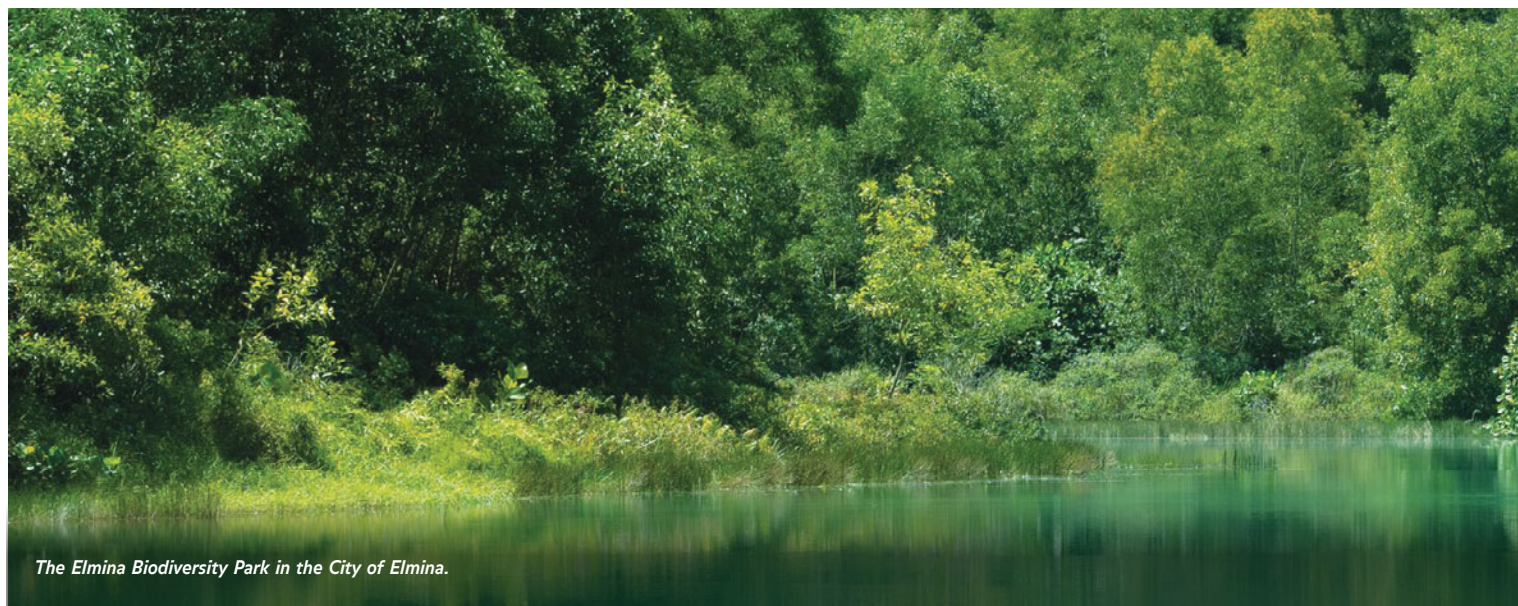
Figure 5.92: Waste Type Composition



➤ OUR OUTLOOK

In 2024, our aim is to enhance our circularity efforts by concentrating on waste reduction, reuse, recycling and segregation throughout our operations. Our target is to divert 40% of our waste from landfills annually, aligning with Malaysia's National Recycling Rate by the Ministry of Housing and Local Government ("KPKT")'s Circular Economy Blueprint.

Water Management



The Elmina Biodiversity Park in the City of Elmina.

› OUR COMMITMENT

We recognise the growing global concern about water issues and are dedicated to contributing to sustainable water management solutions. Our initiatives align with key international efforts, including Sustainable Development Goal 6 (Clean Water and Sanitation for All), the Water Action Decade (2018-2028) and the Water Action Agenda adopted at United Nations COP meetings. These efforts underscore the importance of collaboration to ensure water security, an issue we actively support.

By prioritising water management practices, we aim to contribute to both environmental sustainability and the economic well-being of the communities we serve. We are committed to responsible water stewardship within these communities, working to ensure a reliable water supply for all stakeholders.

› OUR APPROACH

The Board sets the strategic direction for our water stewardship approach, prioritising efficient and sustainable water use in all operations and surrounding communities. This strategy focuses on responsible water management practices, with a key focus on:

Sustainable Water Usage:

We prioritise potable treated water as the primary source, while leveraging surface and groundwater responsibly when necessary. This focus on responsible utilisation is exemplified in projects like Elmina City, strategically located between two crucial river basins in Selangor.

Compliance and Best Practices:

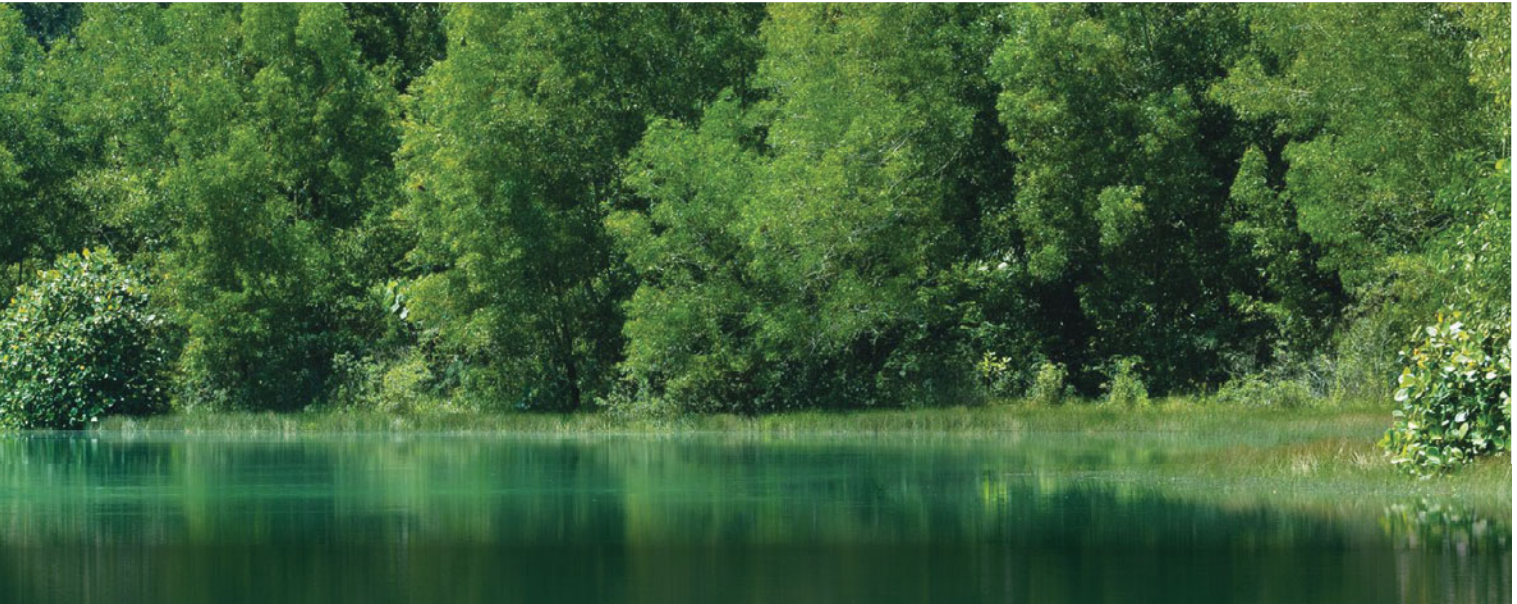
Adhering to all relevant water regulations and industry best practices, especially Environmental Impact Assessment ("EIA") approval condition, Environmental Management Plan ("EMP") and other regulations stipulated in Environment Quality Act ("EQA") 1974.

Resource Allocation and Risk Management:

The Board allocates resources for effective water management and actively identifies and mitigates potential water-related risks.

Stakeholder Engagement:

Engaging with employees, investors and local communities on water management issues and encouraging their participation in sustainable practices.



We have established a comprehensive framework to manage water resources effectively. This framework incorporates:

Internal Policies:

Water management guideline to reduce water usage and to ensure the water supplied to facilities meets the required environmental and health standards.

External Guidelines:

Integrate the urban stormwater management manual ("MSMA") into the design of Sime Darby Property's development to safeguard local hydrological system.

External certifications:

GreenRE certification achieved through adherence to rigorous sustainability standards, including efficient water use and management practices.

Continuous Monitoring and Research:

Water assessment is carried out to monitor and maintain the water balance and quality, subject to the conditions change or project being implemented.

On-site implementation:

Erosion Sediment Control Practices ("ESCP") for monitoring wastewater and effluent quality, further strengthening our commitment to responsible water management.

Water Management

► OUR VALUE CREATION IN 2023

We have actively pursued a range of water management initiatives in 2023.

Key Focus Areas

What We Did

Championing Infrastructure and Innovation



- Invested over RM100 million in upgrading the Integrated Water Supply Scheme ("IWSS") to enhance water efficiency in the Northern Corridor (Southern Line).
- Developed water-efficient product designs as part of the Minimum Sustainability Element framework.

Fostering Resource Stewardship in Development



- Monitored the use of water-saving fittings and managed water usage in alignment with the 2030 Sustainable Goals.
- Optimised operations to lessen the frequency and volume of water usage, revising processes for greater efficiency.

Optimising Operational Efficiency and Compliance



- Consistently monitored water quality in accordance with the Department of Environment's Environmental Management Plans ("EMPs").
- Ensured that the discharge of wastewater and effluents met the regulatory requirements and the latest limits stipulated in the EIA Approval Conditions.

Promoting Sustainable Urban and Infrastructure Planning



- Integrated the Urban Stormwater Management Manual for Malaysia ("MSMA") into the design of Sime Darby Property's developments to safeguard local hydrological systems.
- Established a target to equip 30,000 units with of low water use fittings accredited by the Water Efficiency Labelling Scheme ("WELS")/Water Efficient Products Labelling Scheme ("WEPLS") by 2030.
- Implemented rainwater harvesting systems in high-rise developments to utilise Malaysia's abundant rainfall.

Implementing Internal Water Conservation Practices



- Reduced cleaning frequency or adjusted water use per activity to conserve water through efficient cleaning practices.
- Eliminated or combined water-using processes to streamline operations and minimise reliance on water.
- Implemented water-efficient process changes to optimise operations for water efficiency.
- Maximised non-potable water use for suitable processes to diversify water sources and prioritise non-potable water where feasible.
- Conducted periodic water pipe checks to prevent water loss through proactive leak detection and repair.

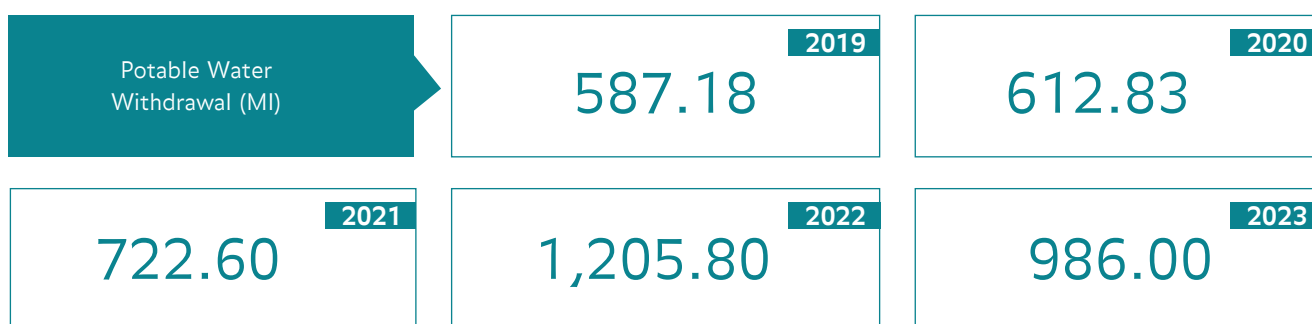
These efforts reflect Sime Darby Property's commitment to comprehensive water management, emphasising infrastructure development, on-site best practices, consumption monitoring, quality management and sustainable planning.

► OUR IMPACT AND ACHIEVEMENTS

1. Performance Data

This year witnessed an 18.23% reduction in potable water withdrawal from the previous year, attributed to the increased use of non-potable water sources like rainwater harvesting.

Currently, we are in the process of developing a system for the measurement and analysis of non-potable water data. This endeavour involves refining our methods for processing this data, aimed at enhancing the accuracy and reliability of our measurements. Due to the ongoing development of this system, non-potable water data will not be disclosed this year.



► OUR OUTLOOK

Sime Darby Property is dedicated to achieving a 30% reduction in operational water intensity by 2030, focusing primarily on decreasing consumption and enhancing efficiency.

This vision will be realised through:

Comprehensive Value Chain Assessment:

A comprehensive analysis of water risks across our entire value chain is currently underway. This assessment will inform the development of a targeted action plan within the next three years, further strengthening our water management practices.

Implementation of WASH Service Plan:

We are planning to launch a Water, Sanitation and Hygiene ("WASH") service plan within the next two years. This plan will enhance access to clean water and sanitation facilities within the communities we serve, contributing to improved health and well-being.

Emissions Tracking and Reduction:

We are developing an initiative to track and aim to reduce the carbon emissions from our water usage, planning to quantify these in terms of tonnes of carbon dioxide equivalent (tCO₂e).

Climate Adaptation



Sime Darby Property is developing climate resilient townships.

► OUR COMMITMENT

At Sime Darby Property, we recognise the profound importance of climate adaptation.

Our efforts are driven by several key considerations:

Environmental Responsibility

01

With the built environment contributing to a significant portion of global emissions, we aim to reduce our emissions and lessen our environmental impact, acknowledging our role in a larger ecosystem.

Business Sustainability

02

Understanding that climate change introduces both challenges and opportunities, we are adjusting our strategies and operations to enhance the resilience and sustainability of our portfolio.

Stakeholder Value Creation

03

Our initiatives in climate change adaptation are designed to meet the evolving expectations of our stakeholders, including investors, tenants and communities, aiming to create a positive impact socially and environmentally.

Contribution to Global Efforts

04

We are mindful of the role businesses play in addressing climate change and are focused on making contributions that support a sustainable future.

› OUR VALUE CREATION IN 2023

As a responsible corporate citizen, Sime Darby Property recognises the urgency of addressing climate change and its potential impact on our business and stakeholders. We are committed to building a more sustainable future through proactive adaptation and mitigation efforts, aiming to enhance the resilience of our operations, reduce our environmental footprint and drive sustainable growth in the long term.

1. Building Climate Resilience

Why It Matters:	What We Did:
The assessment of climate change risks is integral to our investment decision-making process. This includes analysing the potential effects of climate change on our assets and operations, both directly and indirectly.	All our developments are designed in accordance to the regulatory requirements to mitigate climate risks (i.e. MSMA requirements, Uniform Building by Law ("UBBL"), Environmental Impact Assessment ("EIA") and other local authorities' requirements. This approach allows us to identify vulnerabilities and enhance the resilience of our assets against climate-related impacts, ensuring the stability and security of investments for our stakeholders.

2. Decarbonising Our Operations

Why It Matters:	What We Did:
Reducing the carbon footprint of our projects is a key objective in our environmental sustainability efforts. This effort helps in addressing climate change and ensures the sustainability of our developments.	Our decarbonisation efforts focus on implementing strategies that lower greenhouse gas emissions across our developments. This includes using energy-efficient design, integrating renewable energy and increasing green spaces. These steps are aimed at improving the sustainability of our developments and enhancing their long-term value.

3. Driving Sustainable Growth

Why It Matters:	What We Did:
Innovating to create sustainable revenue streams is important for our business's ongoing growth and sustainability. It involves finding opportunities that are beneficial for our investors, tenants and communities, while also being mindful of environmental impacts.	We are exploring new ways to create value sustainably, such as through green financing and investing in eco-friendly technologies. The goal is to develop a portfolio that provides strong financial performance as well as positive environmental and social impacts.

4. Leveraging Collaboration for Transformative Change

Why It Matters:	What We Did:
Addressing climate change requires collective action and collaboration beyond individual efforts. By working together with diverse stakeholders, including industry peers, government agencies and research institutions, we can accelerate progress towards a sustainable future. This collective approach is crucial for achieving systemic change and building a more resilient future for all.	We have joined forces with Tenaga Nasional Berhad ("TNB") to explore and develop innovative renewable energy solutions. This strategic collaboration aims to transform our townships and developments into hubs of clean energy integration.

With these initiatives, Sime Darby Property is actively working towards a sustainable future, aligning our business practices with the broader goal of climate change adaptation and environmental responsibility.

› OUR OUTLOOK

Our action plan tackles climate change through adaptation and strategy. We will assess vulnerabilities, target key risks and build resilience through collaborative measures. This long-term strategy integrates climate considerations for a prepared and adaptable future.

Climate Transparency: Our TCFD Journey

Climate change poses unprecedented challenges and opportunities for businesses worldwide, underlining the critical need for a transparent, consistent and comprehensive reporting on climate-related risks and opportunities. The Task Force on Climate-related Financial Disclosures ("TCFD") provides a framework for companies to disclose this information effectively, enabling stakeholders to understand the financial implications of climate-related risks and opportunities.

We have adopted a phased approach to align with the TCFD recommendations. This initial disclosure, marks the first step towards full TCFD requirements by 2027. Our commitment to responsible business practices and transparent reporting ensures we address climate challenges and potential benefits as the field matures.

GOVERNANCE

Robust governance structures ensure climate change remains a core consideration in our strategic planning and decision-making. Our governance framework ensures that climate change is not just an item on the agenda but a critical lens through which all strategic decisions are made.

Our framework comprises two (2) key committees:

Board Sustainability Committee ("BSC"):

Oversees strategic matters related to climate change. The BSC ensures climate-related risks and opportunities are effectively integrated into board-level discussions and decision-making processes.

Management Sustainability Committee ("MSC"):

Provides operational support to the BSC, ensuring the timely and effective execution of climate-related initiatives across the organisation. The MSC works to translate strategic direction into tangible actions, driving progress towards our sustainability goals.

Furthermore, Board members receive regular progress reports and participate in training sessions to deepen their understanding on sustainability-related issues. Additionally, carbon reduction targets are directly tied to the remuneration of our C-Suite executives, emphasising the leadership's accountability in driving emissions reductions.

This approach, with frequent and focused discussions at board and management levels, strengthens our ability to identify, assess and manage climate risks and opportunities.



For more information on sustainability governance, please see page 26.

STRATEGY

Our strategy recognises the profound implications of climate change for our business, driving us to establish a robust approach aligned with TCFD guidelines. A key element of this strategy is scenario analysis, which we conducted for the first time for the first time in 2023. This allows us to explore potential future climate scenarios and their implications on our operations.

We initiated an assessment using two Intergovernmental Panel on Climate Change ("IPCC") Representative Concentration Pathway ("RCPs"):

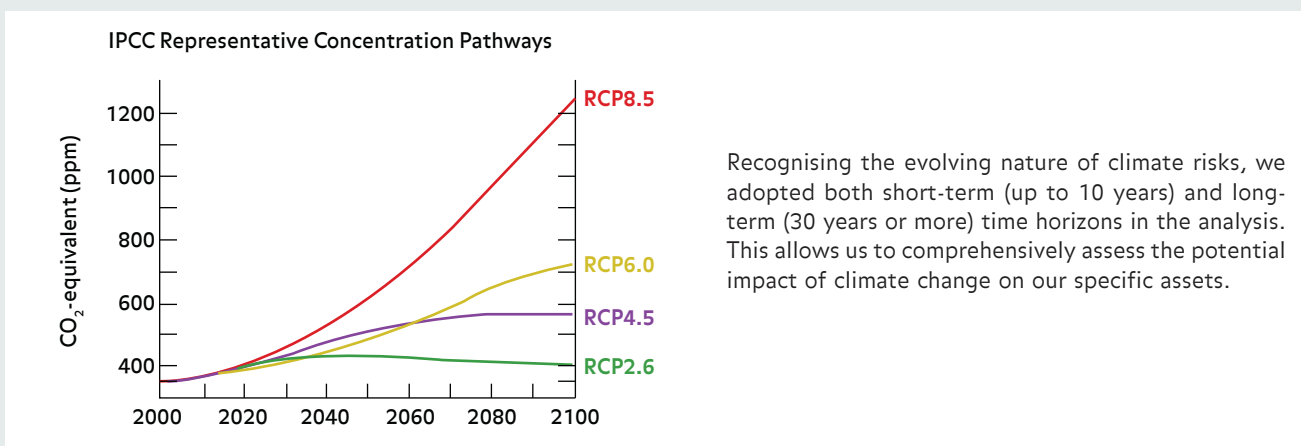
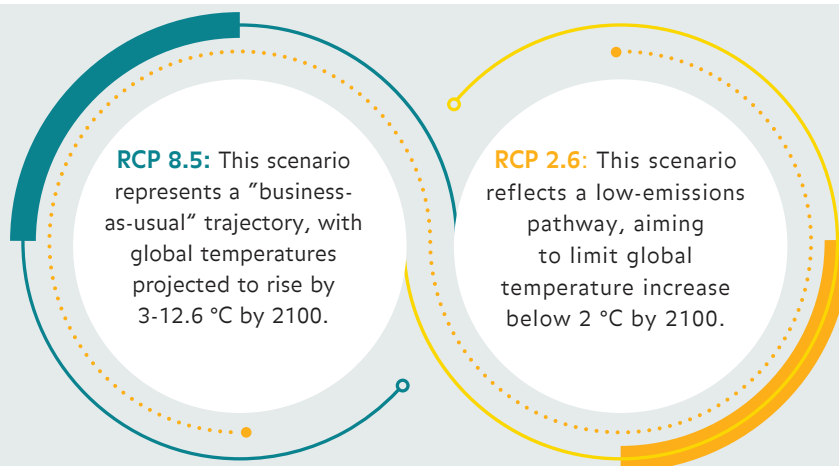


Figure 5.7: IPCC Representative Concentration Pathways



Climate Transparency: Our TCFD Journey

Understanding Climate-Related Risks and Opportunities

To gain a broader understanding of the potential financial implications of climate change, we have commenced the evaluation of a selection of assets in our portfolio, considering both potential costs and opportunities. The evaluation is currently ongoing and is expected to cover the entire asset portfolio of the Group.

RISK MANAGEMENT

We have in 2023 commenced our journey to assess our portfolio for climate-related risks. This encompasses both physical threats, like extreme weather events and potential business disruptions arising from the transition to a low-carbon economy.

Comprehensive Physical Risk Assessment (2023)

In early 2023, we conducted a high-level physical risk assessment with the support of an external consultant. This assessment evaluated the potential impact of seven climate hazards (e.g., flooding, soil movement) on three of our key sites: Bandar Bukit Raja ("BBR") 2 township, KL East Mall and BBR16a detached factories. By considering a range of future climate scenarios (RCP 2.6 and RCP 8.5) for the period 2010-2100, we ensure we are prepared for various possibilities.



Identifying Transitional Risks

We collaborated with a third-party consultant to conduct two climate change scenario analyses focused on transitional risks. These analyses identified and categorised climate-related risks based on their potential financial impacts. The assessment is currently on-going and will undergo refinement to ensure its financial and non-financial impact is understood and managed appropriately to the Group's risk appetite.

Looking ahead, we are committed to continuously improving our approach to incorporating climate risk into our existing Enterprise Risk Management ("ERM") framework.



Aerial view of Elmina Gardens.

METRICS AND TARGETS

We prioritise transparent and responsible data reporting. Recognised methodologies ensure the accuracy of our Scope 1 and 2 emissions data, presented in detail within our annual Sustainability Reports since 2016. Any variations are clearly explained and intensity metrics are employed to compare emissions to our operations, providing a comprehensive understanding of our environmental impact. Additionally, external assurance verifies the data integrity.

We have established ambitious climate targets, encompassing both absolute and intensity-based reductions. These well-defined goals address key aspects of climate change, such as renewable energy targets and effectively manage potential climate-related risks and opportunities for our operations. Notably, the targets aim to achieve a 40% reduction in Scope 1 and 2 emissions by 2030 and reach Net Zero by 2050.

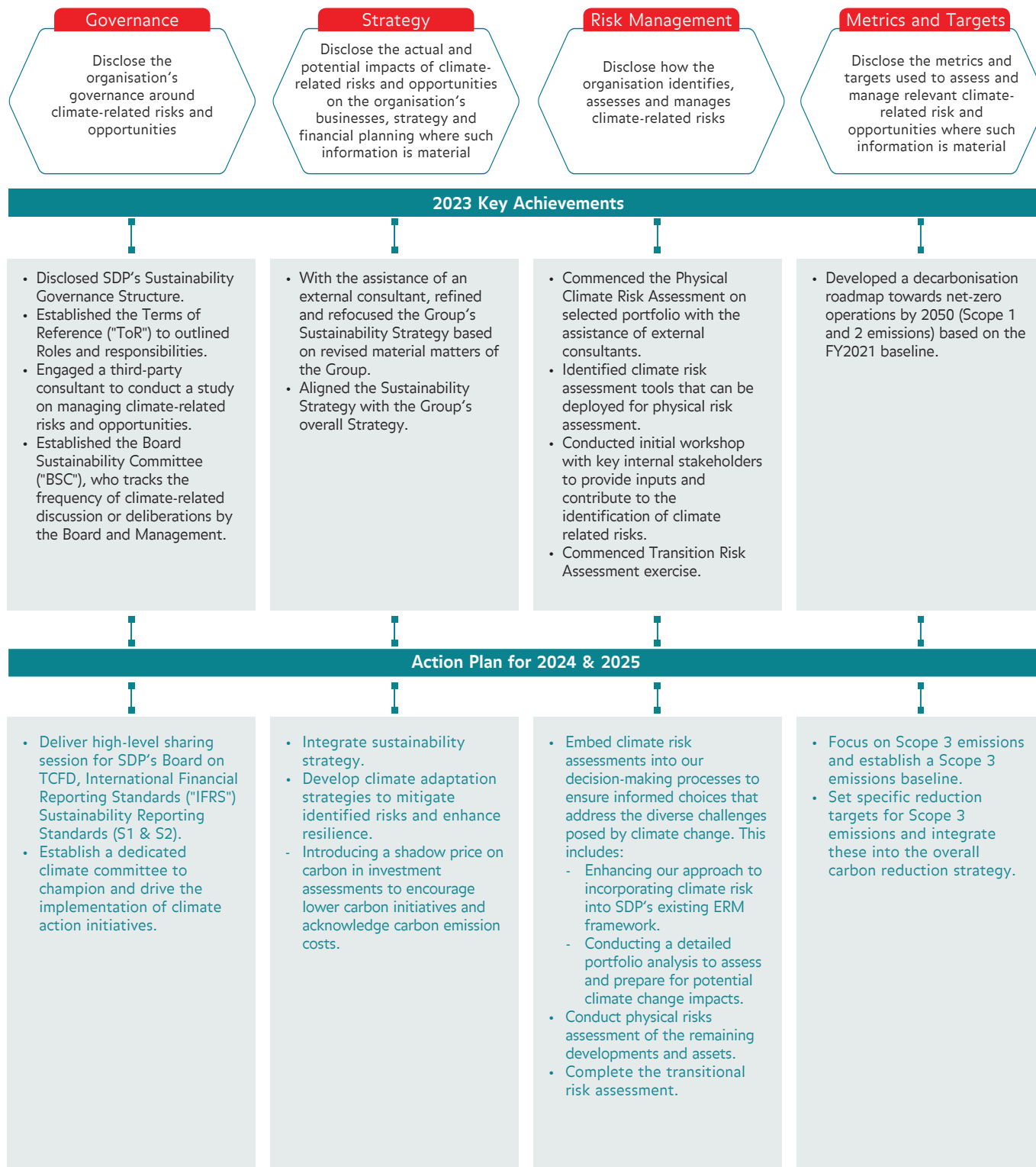
Recognising the importance of a comprehensive approach to emissions reduction, we are actively reviewing our main Scope 3 emissions, focusing on areas such as waste, business travel and employee commuting. This collaborative effort, which involves engaging with stakeholders, aims to gain a broader perspective and ultimately develop a more effective Net Zero strategy.

For more information on our energy & carbon management performance, please see pages 42.

Climate Transparency: Our TCFD Journey

LOOKING FORWARD: BUILDING CLIMATE RESILIENCE

As we strive to make a positive impact on the environment, we are taking significant steps to address climate-related challenges:



Adapting to Climate Change: Bandar Bukit Raja's Constructed Wetland

Facing the Challenge of Climate Change:

Recognising the growing threat posed by climate change, including the increased risk of flooding, Sime Darby Property is taking proactive steps to incorporate climate risk management into the development of Bandar Bukit Raja. This comprehensive approach aims to safeguard the well-being of residents and ensure the long-term sustainability of the community.

The "Protecting Communities" Project:

Launched in 2023, the "Protecting Communities in Bandar Bukit Raja" project directly addresses the potential for increased flooding identified through our 2023 climate risk assessment. We are committed to responsible business practices and actively engage in initiatives that address climate challenges like this.

Nature-Based Solution: Recreational Wetlands

The project focuses on the restoration of wetlands, which act as natural buffers against flooding by absorbing excess rainwater. This initiative not only aims to reduce flood risk but also offers additional environmental benefits, including:

- **Urban biodiversity:** Restored wetlands provide vital habitats for various plant and animal species, contributing to a healthy and thriving ecosystem.
- **Carbon Sequestration:** Wetlands act as carbon sinks, capturing and storing significant amounts of carbon emissions, thus contributing to climate change mitigation.
- **Improved Water Quality:** By filtering pollutants and sediments, restored wetlands enhance the quality of water resources in the surrounding area.
- **Enhanced Recreational Opportunities:** Restored wetlands offer opportunities for nature-based recreation such as bird watching, hiking and kayaking, fostering tourism and community engagement.

Building a Sustainable Future:

The "Protecting Communities in Bandar Bukit Raja" project exemplifies Sime Darby Property's dedication to proactive environmental management and community well-being. It showcases the potential of utilising nature-based solutions to address climate challenges while fostering a more sustainable future for Bandar Bukit Raja and its residents.



A family at KL East Park.

3

GOOD HEALTH
AND WELL-BEING



4

QUALITY
EDUCATION



5

GENDER
EQUALITY



8

DECENT WORK AND
ECONOMIC GROWTH



11

SUSTAINABLE CITIES
AND COMMUNITIES



Social

Occupational Health and Safety

› OUR COMMITMENT

We prioritise a safety philosophy rooted in the belief that our staff and contractors are entrusted to our care. We are committed to returning them safely, with the motto “Ten fingers in, ten fingers out...ten toes in, ten toes out” serving as a constant reminder.



Safety briefing conducted at site.

› OUR APPROACH

For us, safety remains more than merely a priority. It represents a fundamental value, seamlessly integrated into the core of our operations. In alignment with our commitment to continuous improvement, we have evolved our safety approach to ensure that every individual, from the Board and management to on-site contractors, actively participates in creating a safer work environment.

Our approach to health and safety is grounded in our Quality, Health, Security, Safety and Environment (“QHSS”) policy. This policy integrates health, safety, security, environmental and quality functions within a unified department.

In line with this commitment, we prioritise occupational health and safety by adhering to with all applicable requirements, including:

OCCUPATIONAL HEALTH & SAFETY REGULATIONS



Occupational Safety and Health Act 1994



Construction Industry Development Board Act 1994



Factories and Machinery Act 1967

To reinforce our dedication to safety, we have implemented the Health, Safety, Security and Environment (“HSSE”) Manual Management System. This framework will improve our Occupational Health and Safety Management System across our supply chain through integrating HSSE standards into our operations. Through ongoing risk assessments and monitoring, we continuously refine our HSSE practices, ensuring safety remains a top priority while striving for operational excellence.

Moreover, as part of our continued commitment to transparency and accountability, we have integrated safety Key Performance Indicators (“KPIs”) into our corporate scorecard and individual performance evaluations. These metrics serve as tangible markers of our progress and underscore our unwavering dedication to fostering a safe and secure work environment.

As we forge ahead, we remain steadfast in our mission to prioritise the safety and well-being of all individuals involved in our Operations and Projects in ensuring everyone goes home safely to their loved ones.

Occupational Health and Safety

› OUR VALUE CREATION IN 2023

We continued to enhance safety standards and promote the well-being of all individuals involved in our operations and projects.

Table 6.1

HSSE Initiatives and Achievements

Focus Area	Initiatives
Leadership Felt and Visible Programme	Now in its third year, our Felt and Visible Leadership Programme has proven instrumental in reinforcing our safety message from the top down. Members of the board and senior management actively engaged with staff and contractors at project and operations sites, initiating meaningful conversations about safety. Through 13 leadership visits (planned and surprise visits), the leaders directly interacted with 62 foreign workers, gaining invaluable insights into the risks they encountered in their daily tasks.
Heightened Enforcement on Personal Protective Equipment (PPE)	We intensified our enforcement efforts regarding basic PPE usage. Working with the contractors, the compliance improved from quarter to quarter and we achieved a compliance rate of 97% across 23 sites by Q4. This is to ensure a strong message to our contractors to enforce safety protocols in our sites.
Safety Collaboration Teams	Middle managers, serving as frontline leaders, played a pivotal role in driving safety initiatives at project sites. Through 24 Safety Collaboration Teams site visits, the 3C's—clients, contractors, and consultants—collaborated to enhance safety practices and compliance on sites.
Investment in Safety Training	Recognising the critical role of education and training in promoting safety, we dedicated significant resources to enhance the skills and knowledge of our workforce. In total, we invested 3,437 man hours in providing safety training to 412 employees, empowering them with the tools and expertise needed to assess potential hazards effectively.
Safety KPIs	As part of our commitment to transparency and accountability, we continued to integrate safety KPIs into our corporate scorecard and individual performance evaluations. These metrics serve as tangible markers of our progress and underscore our unwavering dedication to fostering a safe and secure work environment.
Toolbox Talks & "Taiso" Exercise	Our contractors conducted 1,765 Toolbox Talk Sessions and a pre-work exercise called Taiso with an attendance number of 132,283.
Key Safety Events	Promoting a culture of safety, we held two well-attended events. Over 750 staff participated in Safety Day, themed "System and Discipline." The Partners' Dialogue Day attracted 115 attendees from our supply chain, focusing on "Safety and Quality in Practice: Towards a Productive Workplace."

In summary, our efforts underscore our unwavering commitment to safety excellence and our dedication to creating a safe work environment. By fostering collaboration, investing in education, and strengthening enforcement measures, we pave the way for our organisation to focus on Barrier Thinking in 2024.

► OUR IMPACT AND ACHIEVEMENTS

Our CEO and COO's surprise visits to main contractors exemplify our proactive leadership and dedication to HSSE standards. This approach enhances a culture of safety at every supply chain level. Complementing these efforts, enhanced collaboration with contractors in 2022 improved incident reporting. Consequently, reported injuries rose from 45 in 2021 to 152 in 2022, and to 194 in 2023, mirroring an increase in Lost Time Injury frequency rate ("LTIFR") from 0.11 to 0.57, indicative of more active contractor engagement and transparent reporting practices.



97%

Sampling on 23 Contractors Based on Surprise Visits in Q4



HSSE Felt & Visible Leadership

6

Surprise Visits by Chief Executive Officer, Chief Operating Officer – Township Development & Integrated Development

7

Leadership Engagement & Action Programme (LEAP) Visits



No. of Employees trained on Health & Safety Standards*

412

**This data was subjected to an external limited assurance by an independent third party. Refer to the independent limited assurance report on pages 129 to 132.*



1

Fatality



11

Lost Time Injuries

Safety Training Man-hours



3,437

Manhours

Internal & External Trainings
| Conferences & Events

Safety Observation



94%

Completed FY2023 Safety Observation ("SO") submission

A safety observation ("SO") involves scanning your environment for potential hazards, documenting both safe and unsafe behaviours or conditions, and capturing photos of any identified risks.



194

Total Injuries and First Aid Reported

In December 2023, a 34-year-old Bangladeshi construction worker at a Sime Darby Property site succumbed to injuries caused by an excavation collapse. This incident serves as a reminder of the importance of our commitment to ensuring the safety of all employees.

► OUR OUTLOOK

To lead by example, fostering a safety driven culture through collaboration with our partners ensuring a safe work environment where everyone goes home safely to their loved ones.

Community Experience

› OUR COMMITMENT

Community experience is a fundamental aspect of our sustainability agenda. We view the spaces we develop not just as places to live but as vibrant communities where connections are made and a sense of belonging is fostered. Our investment in community experiences is designed to build loyalty, inspire innovation and create value for everyone involved.

This commitment is rooted in our core values and is reflected in the dedication of our employees and the satisfaction of our residents. Our focus on building strong community ties ensures inclusive growth and mutual prosperity.

Our efforts in community engagement are evident in our contributions to ESG goals, including:



Beyond building structures, we empower residents and communities to forge sustainable futures by encouraging social interaction and respecting diversity. These efforts contribute to a thriving, resilient society for future generations.

› OUR APPROACH

Responsible social engagement and community collaboration are our core values. Our Board of Directors actively oversees these efforts, ensuring alignment with our overall sustainability and social responsibility vision.

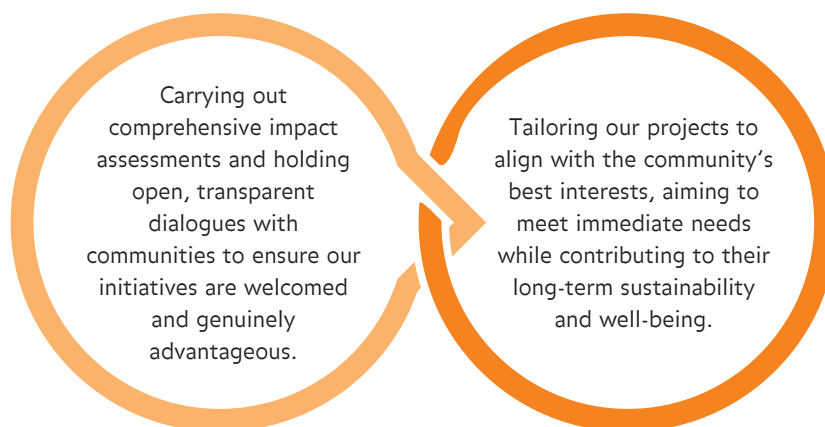
Guided by Comprehensive Policies

To navigate our path towards responsible and impactful engagement with the community, we are guided by a detailed framework of policies.

- **Sustainability Policy:** This outlines our dedication to responsible practices across our operations, aiming to support environmentally and socially sustainable development, especially within community engagement activities.
- **Quality, Health, Safety, Security & Environment (QHSSE) Policy:** Focused on ensuring “no harm” comes to people or the environment, this policy highlights our commitment to responsible development and the well-being of the communities we engage with.
- **Whistleblowing Policy:** By providing a means for stakeholders to express concerns, this policy supports our dedication to transparency and ethical behaviour.
- **Human Rights Policy:** Sime Darby Property upholds respect for human rights as expressed in relevant international conventions and declarations, in particular, the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, as well as the United Nations Global Compact.
- **Stakeholder Engagement Policy:** This sets forth our approach to interacting with communities, stressing the importance of respectful, transparent and mutually beneficial relationships.

Practising Meaningful Engagement

Acknowledging the significance of thoughtful engagement, we endeavour to implement initiatives that are mindful of their impact. This involves:



Through this nuanced approach, we aim to cultivate strong, enduring relationships with our local communities.

Community Experience

› OUR VALUE CREATION IN 2023

We are dedicated to integrating social contribution into our core operations, focusing on enhancing community well-being, educational access, environmental sustainability and healthcare availability. Our initiatives are designed to address the specific needs of communities, improve the overall experience of residents and promote sustainable development.

1. Fostering Inclusive Communities

We prioritise fostering vibrant and inclusive communities through targeted initiatives. These programmes address diverse needs, ranging from supporting festive celebrations to enhancing public spaces and promoting sustainable practices.

Objective

To encourage community engagement and foster a sense of belonging and shared purpose within the community

What We Did:

- **Celebrating Diversity: Cultural Festivals and Events**
 - Successfully hosted various cultural festivals, such as the Chinese New Year Lucky Rabbit Rush, Grand Raya Bazaars and Hari Malaysia celebrations. These events drew significant participation, showcasing the cultural richness of the community and fostering an environment of mutual respect and understanding.
- **Empowering Individuals: Educational Workshops**
 - Offered a diverse range of workshops for personal growth and skill development, including urban farming sessions and Anniketyni's 'SUSEY' Solo Art Exhibition. Other creative sessions covered perfume making, caricature drawing, soap making and batik painting.
- **Building Connections: Community Engagement**
 - Enhanced community bonds through initiatives like Family Fitness Fun Days, which promoted health and wellness. The Buzzar Ria - Go Green Market supported local artisans and entrepreneurs, promoting sustainable consumer habits with eco-friendly products.
 - Volunteer Programmes provided platforms for active participation, allowing residents to contribute meaningfully to local needs and foster a collaborative spirit within the community.
- **Promoting Sustainability: Sustainability Initiatives**
 - Included events like Urban Farming Awareness Day to promote sustainable practices, aiming to enhance residents' understanding of sustainability in urban living.

Progress and Achievements:

The Home Living Experience initiative has demonstrated significant success, as evidenced by:

- **Community Reach:** Successfully engaging with over 55,000 individuals, which reflects the broad impact of the initiative on enhancing community life.
- **Net Promoter Score ("NPS"):** Achieving a Net Promoter Score of 71.38% in 2023, indicating a high level of satisfaction among participants and positive recognition of the initiative within the community.



Multicultural programme held for the community

Playtime Enrichment Programme at the City of Elmina's Inclusive Playground

Objective

To enhance the playtime experience for special needs children from SK Taman Bukit Subang at the City of Elmina's Inclusive Playground

What We Did:

- **Inclusive Playtime Engagement:** Organised the Playtime Enrichment Programme, specifically designed for special needs children, facilitating their integration and interaction within a supportive play environment.
- **Specialised Activities:** Conducted eight weeks of tailored activities, aimed at developing the children's social skills and encouraging their active participation in a variety of play settings.

Progress and Achievements:

The Playtime Enrichment Programme has marked considerable milestones, as evidenced by:

- **Volunteer Engagement:** Mobilised a dedicated team of volunteers, contributing a total of 143.5 hours, reflecting our community's commitment to inclusivity and support.
- **Skill Development:** Noted significant improvements in the social skills of participating children, as confirmed by educational authorities, showcasing the programme's positive impact on the children's development and social integration.

Bandar Bukit Raja Townpark 2.0

Objective

To establish Bandar Bukit Raja Townpark as a vibrant and sustainable community hub, enriching the lives of residents through diverse recreational activities and green initiatives.

What We Did:

- **Major Transformation:** Converted a 50-acre area into the largest townpark in Klang, establishing a vast and dynamic space for community activities and environmental appreciation.
- **Sustainable Development:** Integrated renewable energy sources, emphasising our commitment to environmental sustainability within the community's recreational spaces.
- **Innovative Design:** Introduced the largest crown structure and the biggest solar-powered signage, showcasing the park's unique features and commitment to innovation.
- **Community Celebration:** Hosted a community event to celebrate the opening of the park's second phase, promoting local businesses and strengthening community ties.
- **Recreational Diversity:** Offered a wide range of activities for all ages, including cycling, jogging, urban farming and nature connection, ensuring a comprehensive recreational experience.

Progress and Achievements:

Progress and Achievements

The initiatives at *Bandar Bukit Raja Townpark* have realised significant accomplishments, as reflected by:

- **Model Recognition:** Established *Bandar Bukit Raja Townpark* as a model for sustainable placemaking initiatives.
- **Record Acknowledgment:** Gained official acknowledgment for our dedication to sustainability with three (3) in the Malaysia Book of Records, largest recreational park with renewable energy, the largest crown structure and the biggest solar-powered signage.
- **Community Enrichment:** Created a multifaceted and inviting environment for residents, fostering community engagement and offering a serene retreat for relaxation and outdoor activities.

Community Experience

2. Promoting Community Empowerment and Sustainable Development

Our integrated approach targets the intersection of community empowerment with sustainable development, aiming to enhance well-being, promote environmental stewardship and encourage sustainable living practices.

Initiative	What We Did:
Festive Support	Provided support to over 1,100 individuals from welfare homes and low-income families during festive seasons, enhancing their celebrations.
Fabric Recycling	Collected over 63,800 kg of fabrics for recycling, aimed at reducing environmental waste and generating proceeds of over RM6,000 to benefit community welfare.
Used Cooking Oil (UCO) Collection & Workshops	Launched a used cooking oil recycling programme in March 2023, partnering with FatHopes Energy to raise awareness and collect used oil from residents. Fifty residents from the surrounding area participated, contributing 68.9 kg of used oil collected at the KL East Sales Gallery.
Beautification and Greening Projects	Engaged volunteers in planting trees and enhancing public spaces such as the Plaza MPK tunnel and Camar Rimba, to improve the aesthetic and environmental quality of local areas.
Urban Community Farm	Established an urban community farm in Bandar Bukit Raja to foster resilience and health in the community by enhancing access to nutritious produce and offering leisure space for residents.

3. Advancing Education and Healthcare Accessibility

A cornerstone of our community value creation lies in enhancing access to education and healthcare, ensuring that underserved communities receive the support and resources they need for a better quality of life.

Initiative	What We Did:
Education Support	Providing essential school supplies to 2,722 students and upgrading educational facilities, this initiative aims at enhancing educational accessibility and the quality of the learning environment. By doing so, we are committed to removing barriers to education and fostering a conducive learning atmosphere for students.
Citizen Science Programme	We initiated the Citizen Science Programme to empower community members as active participants in scientific research. Our efforts included: - Engaging over 125 children and parents in environmental assessments at the City of Elmina, both during the day (Diurnal Assessment) and at night (Nocturnal Assessment). - Conducting an educational session on citizen science and nature journaling for 35 students at KYS KL East International School. This programme has played a role in enhancing scientific understanding and environmental stewardship within the community, especially among the youth.
Healthcare Access and Preventive Care	Through the establishment of a polyclinic in partnership with Yayasan Sime Darby and offering free health checks, this initiative has significantly improved healthcare access for 63,000 individuals in underserved areas. Our efforts are focused on ensuring that underserved communities receive the necessary healthcare support and resources for a better quality of life.

4. Leveraging Strategic Volunteerism and Partnerships

Volunteerism and strategic partnerships are pivotal to amplifying our impact. Through engaging our employees and collaborating with like-minded organisations, we are able to extend our reach and deepen our community engagement.

Initiative	What We Did:
Technical and Vocational Education and Training ("TVET")	To bridge the skills gap in the construction industry, we implemented Technical and Vocational Education & Training ("TVET") programmes specifically for B40 youths. Collaborating with YSD (funder), CIDB (training provider) and SDP Supply Chain partners (<i>Institut Kemahiran Belia Negara</i> and <i>Akademi Binaan Negara</i>), we designed targeted programmes aligned with current industry needs. This initiative directly supports the government's goal of increasing local employment in the 3D (Dirty, Dangerous, Difficult) sector. In 2023, we invested RM0.6 million (from a RM1.2 million allocation) and empowered 54 youths with industry-ready skills.
Community Engagement Through Volunteerism	Our dedication to community support is reflected in our commitment to dedicating 2,941 volunteer hours across various initiatives. This hands-on approach to community involvement underscores our belief in the power of active participation and engagement in driving social change.
Rescue Surplus Food	By partnering with entities such as Yayasan Sime Darby and The Lost Food Project, we have been able to deliver impactful programmes that have benefited over 67,000 individuals. These collaborations help extend our reach and deepen our impact on environmental conservation, social well-being and educational access.

OUR IMPACT AND ACHIEVEMENTS



25 community programmes focusing on community support, environmental sustainability, education and healthcare



Benefiting **20** schools, **23** welfare homes and **150** B40 families



RM11.9 million

(including donation to Yayasan Sime Darby RM9.47 million and sponsorships to more than 50 organisations, impacting **45,000** beneficiaries)



2,941 volunteer hours



67,000+ Lives Touched through programmes delivered with YSD



Benefitting **45,000** individuals across more than 50 organisations through donations and sponsorships



778 Volunteers

Community Experience

Performance Data

In 2023, Sime Darby Property invested RM9,482,170 into community initiatives, impacting 68,377 beneficiaries, and saw strong employee participation with 778 volunteers contributing 2,941 hours.

Community Development and Engagement



[^] This figure is an estimate. Our management team is developing a more robust reporting methodology to ensure greater accuracy in future reports.

Volunteering



► OUR OUTLOOK

Looking ahead, we remain committed to building stronger communities through increased engagement, collaboration and a focus on sustainability. By expanding our outreach and working closely with local authorities and NGOs, we aim to co-create impactful solutions that address environmental and social well-being. This collaborative approach reflects our dedication to being a responsible developer and creating shared value for all stakeholders.

Seed Homes Lagenda: Fostering Affordable Communities in Gurun



In a strategic alliance with Lagenda Properties Berhad, we have formed Seed Homes Lagenda, a joint venture established through our wholly-owned subsidiary, Seed Homes Sdn Bhd. This 50:50 partnership goes beyond mere development of affordable housing; it seeks to lay the foundation for enriched community experiences.

Our vision for Seed Homes aligns with delivering innovative solutions that extend beyond the bricks and mortar of affordable housing. We aim to foster inclusive and dynamic communities where every individual can thrive. The establishment of Seed Homes Lagenda's affordable township project in Gurun, Kedah, exemplifies this vision.

Through the acquisition of a 249-acre plot from Sime Darby Property, we plan not only to deliver over 3,000 affordable homes but also to create a space that fosters community spirit, enhances social interaction and promotes sustainable living.

This development strategically leverages its location to benefit from Gurun's anticipated industrial growth while also integrating community-centric features that enhance residents' quality of life. From green spaces and communal amenities to infrastructure that supports active lifestyles, the project is designed to be more than just housing; it is a hub for fostering community ties and environmental stewardship.

Our Group Managing Director, Dato' Azmir Merican, expressed his enthusiasm for this venture, our first step into the affordable township sector with a focus on community engagement. He highlighted that through this partnership with Lagenda Properties, we aim to provide greater access to homeownership while also enriching the community experience. This reflects our commitment not only to housing affordability but also to being a catalyst for positive community and environmental impacts.

Dato' Azmir further noted that this initiative underscores our dedication to pursuing housing solutions that bring tangible value to people's lives. By focusing on community experiences, we align with our Purpose to be a Value Multiplier for People, Businesses, Economies and the Planet, showcasing our commitment to creating spaces where communities can flourish alongside nature.

Diversity and Inclusion

› OUR COMMITMENT

Sime Darby Property is committed to building an inclusive workplace that reflects the diversity of the communities we serve. We believe a diverse workforce, with individuals from various backgrounds and experiences, fosters creativity, informed decision-making and attracts a wider range of talent. This aligns with our core values of sustainability and responsible business practices. By mirroring the diversity of our communities, we gain a deeper understanding of their needs and aspirations, enabling us to deliver innovative and sustainable solutions.

› OUR APPROACH

We remain dedicated to creating a work environment that fosters diversity, inclusion and safety for all employees. This aligns with our SHIFT25 strategy and prioritises employee well-being, engagement and productivity.



Investing in Our People

Upskilling and Reskilling:

We offer targeted training and development programmes to cater to the diverse needs of our workforce, empowering them to excel in their roles and contribute effectively to our goals.



Building a Sustainable Talent Pipeline:

We actively cultivate a diverse talent pool through various initiatives, ensuring we have the necessary skills and expertise to achieve long-term success.

Fostering a Safe and Respectful Workplace

Upholding our Values:

We are committed to our core value of "Together We Do What's Right" by maintaining a work environment free from harassment and discrimination.

Clear Policies and Procedures:

We have established comprehensive anti-harassment and anti-discrimination policies that are easily accessible to all employees.

Open Communication:

We ensure clear communication of our Code of Business Conduct and provide accessible reporting procedures for any concerns or incidents.

These combined efforts create a positive and inclusive work culture where everyone feels valued, respected and empowered to thrive – ultimately driving the success of our Group.

Cultivating a Respectful Workplace

Why It Matters:

We recognise that a safe and respectful work environment is vital for our employees' productivity and morale. Sexual harassment undermines our core values of equality and respect. Tackling this issue is essential to ensure a workplace where every employee feels secure and valued.

What We Did:

To address this, we have taken a proactive approach by implementing an anti-sexual harassment campaign. We have strategically placed awareness posters at our offices to educate our employees about the different forms of sexual harassment—verbal, non-verbal, physical, visual, gestural and psychological—and the appropriate actions to take if they encounter or witness such behaviour. These posters serve as a constant reminder of our zero-tolerance policy and provide clear guidelines on how to report incidents, ensuring that our workforce is empowered to maintain a professional and dignified workplace.



OUR IMPACT AND ACHIEVEMENTS

1. Accolades & Recognition

We are proud to have been recognised for our dedication to fostering a positive and rewarding work environment for our employees. In 2023, we received two (2) prestigious awards:



HR Asia's Best Companies to Work For in Asia 2023 Award:

This accolade reflects our commitment to creating a thriving workplace culture through employee engagement initiatives and outstanding HR practices. It positions us among leading employers in Asia, including Fortune 500 companies and multinational corporations.

These achievements underscore our dedication to attracting, developing and retaining exceptional talent. They serve as a validation of our commitment to creating a workplace that embodies our values and fosters a sense of belonging and fulfilment for our employees.

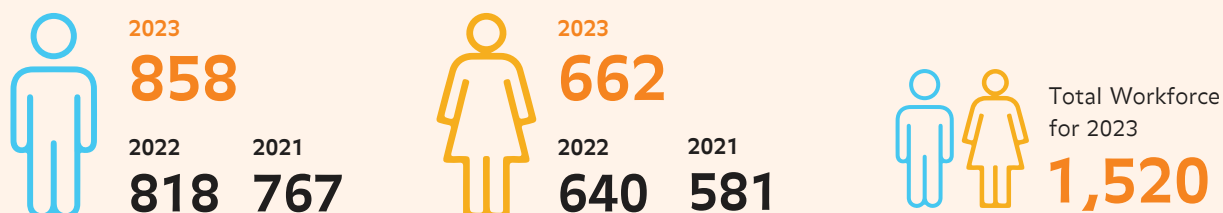


Talentbank's Graduates' Choice Award:

This award signifies our success in attracting and retaining top graduate talent. Securing the second position within the Property Developer sector highlights our appeal to young professionals seeking meaningful career growth opportunities.

Diversity and Inclusion

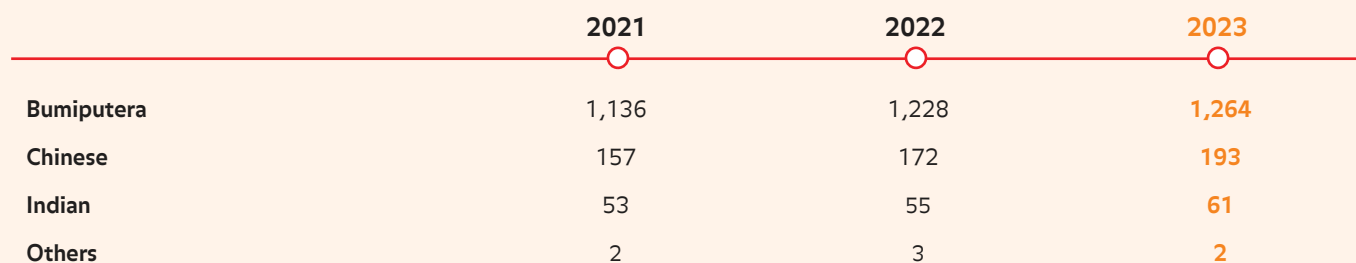
Gender Diversity (Total Workforce)



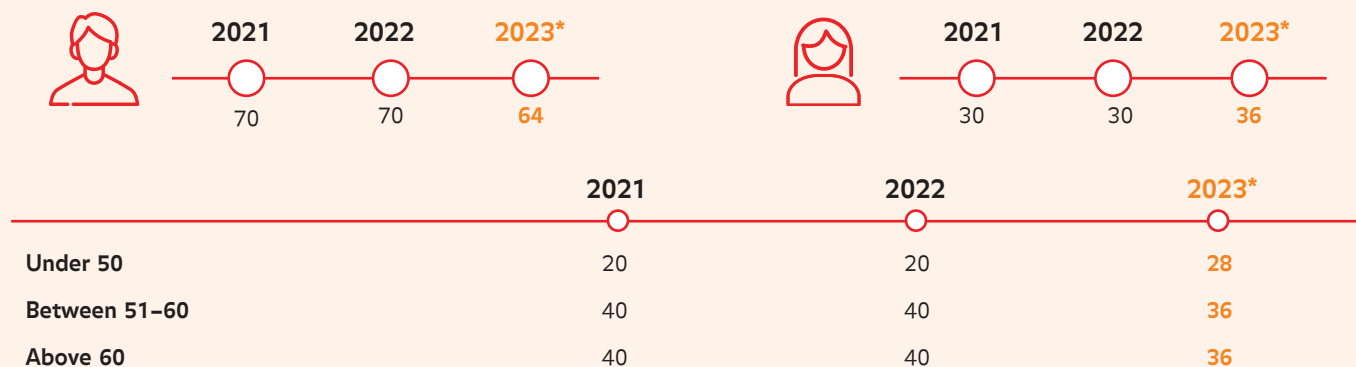
Age Diversity (Total Workforce in %)



Cultural Diversity



Board Diversity (%)



*2023 data has been internally assured by Sime Darby Property's Group Corporate Assurance Department.

Leadership Diversity: Women in Senior Management (%)



2021

2022

2023

29

34

36

Number of Employees (Headcount)

2021

2022

2023

Senior Management

109

115

129

Middle Management

262

303

322

Executive

388

434

453

Non-Executive

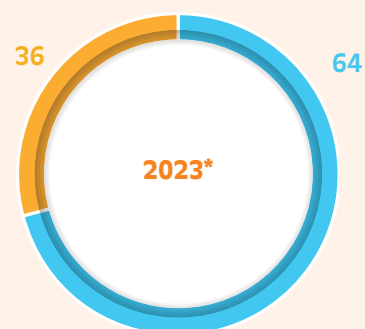
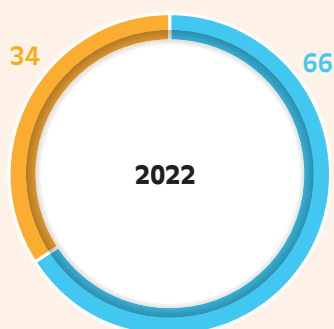
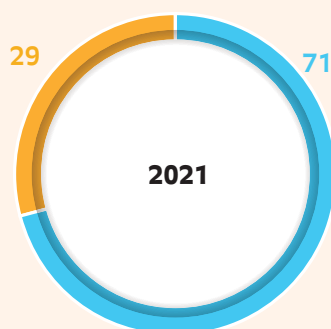
589

606

616

Employee by Position Level, Gender and Ethnicity (%)

Senior Management


■ Male ■ Female

2021

2022

2023*

Bumiputera

45

41

40

Chinese

43

44

50

Indian

12

12

10

Others

0

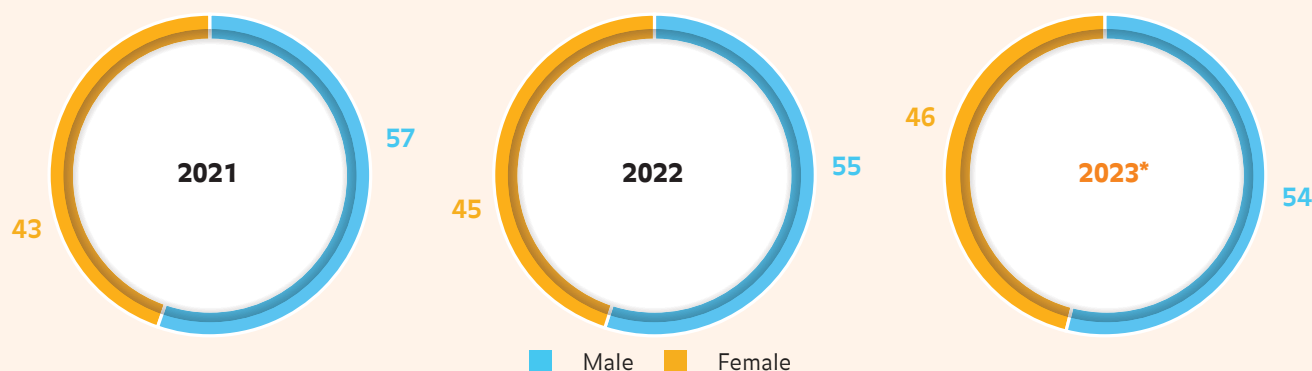
3

0

*2023 data has been internally assured by Sime Darby Property's Group Corporate Assurance Department.

Diversity and Inclusion

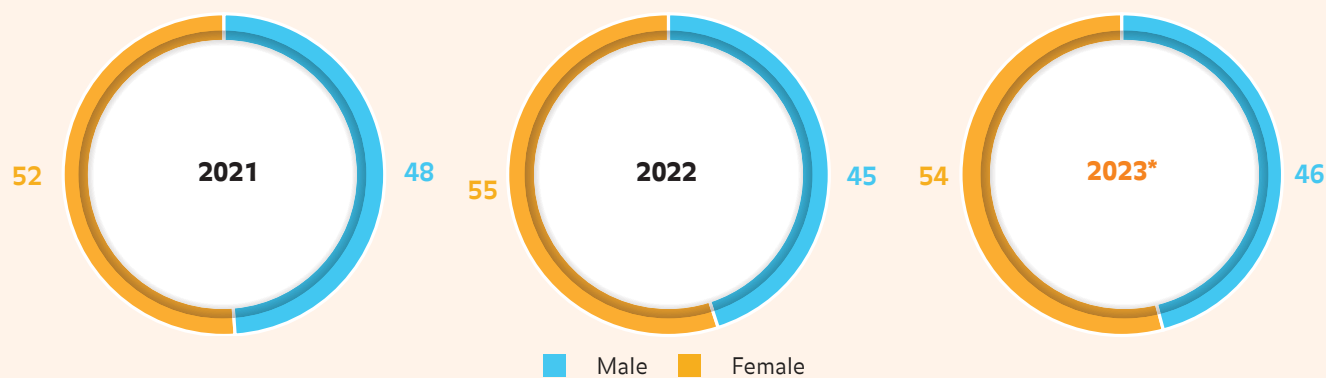
Middle Management (%)



	2021	2022	2023*
Bumiputera	75	75	74
Chinese	24	21	23
Indian	1	2	3
Others	0	2	0

*2023 data has been internally assured by Sime Darby Property's Group Corporate Assurance Department.

Executive (%)

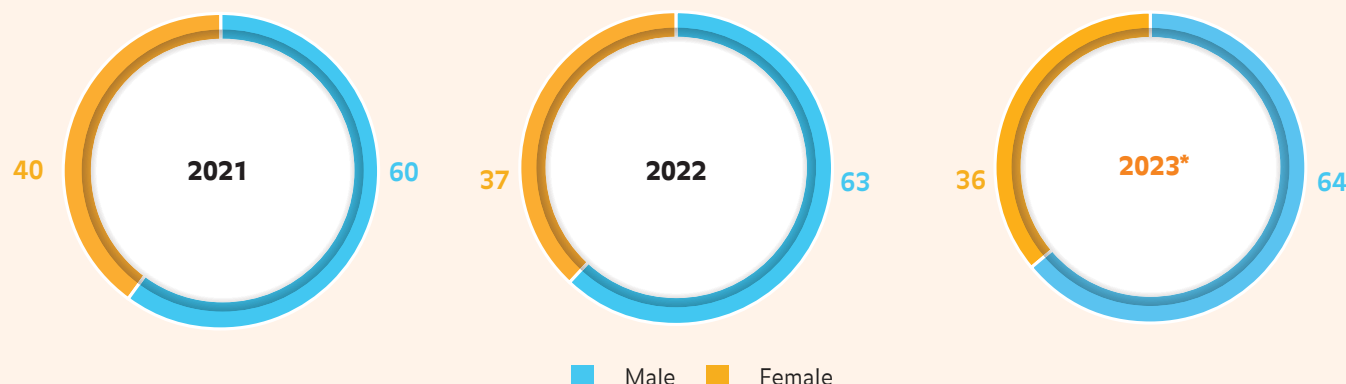


	2021	2022	2023*
Bumiputera	87	86	87
Chinese	9	10	10
Indian	4	3	3
Others	0	1	0

*2023 data has been internally assured by Sime Darby Property's Group Corporate Assurance Department.



Non-Executive (%)



	2021	2022	2023*
Bumiputera	94	93	93
Chinese	2	1	2
Indian	4	4	5
Others	0	2	0

*2023 data has been internally assured by Sime Darby Property's Group Corporate Assurance Department.

Employee by Position Level and Age Group (%)

		2021	2022	2023
Senior Management	Under 30 years old	1	0	0
	30 - 50 years old	71	67	63
	Over 50 years old	28	33	37
Middle Management	Under 30 years old	2	2	2
	30 - 50 years old	83	81	81
	Over 50 years old	15	17	17
Executive	Under 30 years old	28	28	23
	30 - 50 years old	66	66	71
	Over 50 years old	6	6	6
Non-Executive	Under 30 years old	22	23	22
	30 - 50 years old	66	63	64
	Over 50 years old	12	14	14

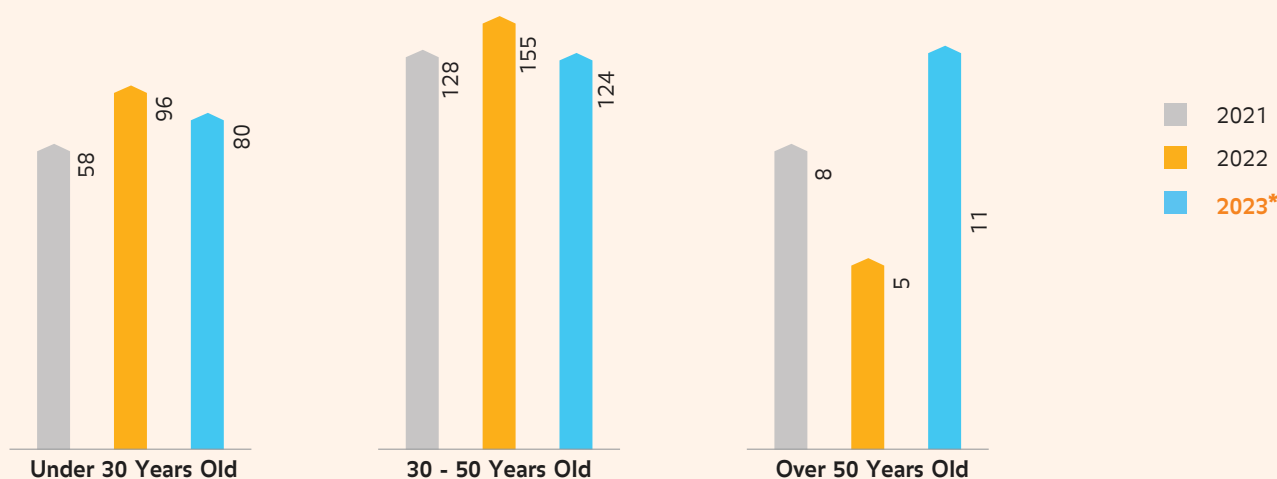
Diversity and Inclusion

Total New Hires by Gender



*2023 data assured by Sime Darby Property's internal Group Corporate Assurance Department.

Total New Hires by Age Group



*2023 data has been internally assured by Sime Darby Property's Group Corporate Assurance Department.

Total New Hires by Position Level

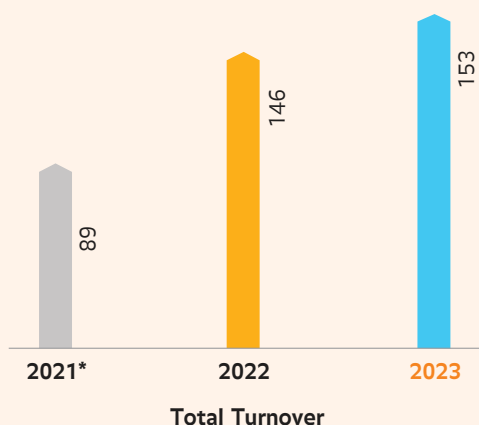
	2021	2022	2023*
Senior Management	31	25	26
Middle Management	61	52	42
Executive	77	101	77
Non-Executive	25	78	70

*2023 data has been internally assured by Sime Darby Property's Group Corporate Assurance Department.

Employee Hire Rates by Position Level and Age Group (%)

		2021	2022	2023
Senior Management	Under 30 years old	0	0	0
	30 - 50 years old	81	92	81
	Over 50 years old	19	8	19
Middle Management	Under 30 years old	5	6	7
	30 - 50 years old	95	90	83
	Over 50 years old	0	4	10
Executive	Under 30 years old	52	54	44
	30 - 50 years old	45	46	56
	Over 50 years old	3	0	0
Non-Executive	Under 30 years old	60	55	61
	30 - 50 years old	40	42	36
	Over 50 years old	0	3	3

Employee Turnover



*Excludes MSS & involuntary termination.

Diversity and Inclusion

Employee Turnover by Gender



Employee Turnover by Age Group

	2021	2022	2023
Under 30 years Old	21	25	28
30 – 50 years old	52	98	95
Over 50 years Old	16	23	30

Employee Turnover by Region

	2021	2022	2023
Malaysia	88	145	153
Singapore	1	0	0
Vietnam	0	1	0

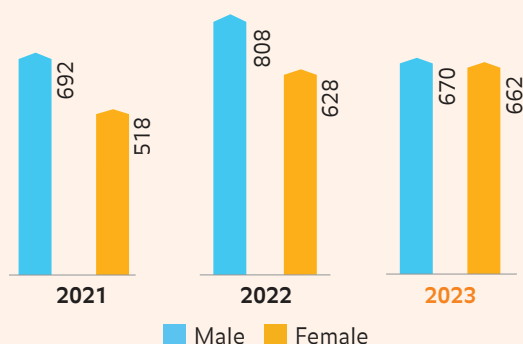
Employee Turnover by Position Level

	2021	2022	2023*
Senior Management	11	24	25
Middle Management	27	32	40
Executive	32	50	47
Non-Executive	19	40	41

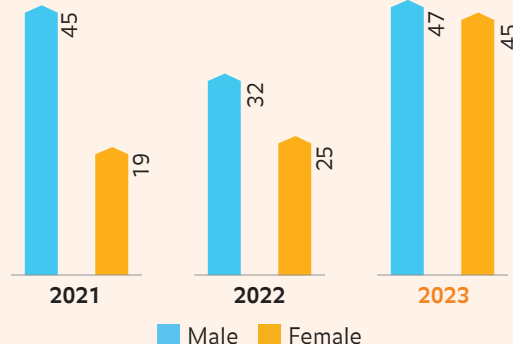
*2023 data has been internally assured by Sime Darby Property's Group Corporate Assurance Department.

Parental Leave

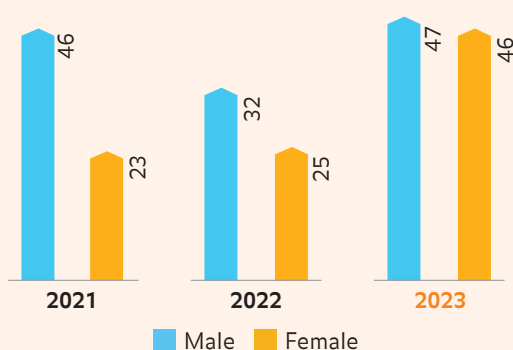
Employees that were entitled to parental leave



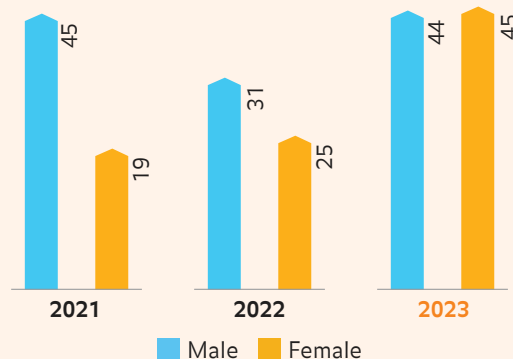
Employees who returned to work after parental leave ended



Employees that took parental leave



Employees who returned to work after parental leave and remained employed for 12 months



Return-To-Work Rates of Employees Who Took Parental Leave (%)



Retention Rates of Employees Who Took Parental Leave (%)



OUR OUTLOOK

In 2024, Sime Darby Property will intensify its focus on diversity, equity and inclusion, embedding these values into our culture and employee engagement efforts. We aim to maintain momentum in enhancing workforce productivity and well-being, recognising their importance to our success. Career development will also be emphasised through targeted programmes that support professional growth and align with organisational objectives. As part of our SHIFT25 journey, optimising productivity and diversifying skill sets will be key, leveraging diversity to foster a culture of innovation.

Labour Standards and Practices



Safety briefing conducted on-site

› OUR COMMITMENT

We recognise the critical importance of fair labour standards and practices in the property development sector. The labour-intensive nature of our projects, which significantly influence the creation of living spaces, underscores the necessity for ethical employee treatment to guarantee operational quality, efficiency and sustainability. By prioritising strong labour practices, we not only enhance the well-being of our workforce and the communities we impact but also solidify stakeholder trust, affirming our position as a leader committed to sustainability.

› OUR APPROACH

We believe in fostering a work environment that respects and upholds the fundamental rights of all employees. This commitment is reflected in our core values and translates into several key aspects:

Strengthening Employee Work Ethics

Employee Handbook: Applicable to all employees, the Employee Handbook outlines fair treatment, safe and healthy work environments and details of employment terms, working conditions, compensation (wages, benefits, work hours, overtime, leave), aligning with national laws.

Code of Business Conduct ("COBC"): This code sets the foundation for ethical conduct and embeds human rights considerations into our daily operations, ensuring adhere to standards like the Guiding Principles on Business and Human Rights.

Human Rights Policy:

Our dedication to human rights is guided by a comprehensive Human Rights Policy, aligned with the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the UN Global Compact. This policy covers:

- › **Health & Safety:** Adherence to applicable laws, establishment of a standard operating procedure, and measures to prevent accidents and injuries.
- › **Workplace Security:** Commitment to a safe workplace, intolerance of any form of harassment, abuse, or violence.
- › **Working Hours, Wages & Benefits:** Ensuring operations comply with labour laws, cover wages, hours, overtime, holidays, sick leave, and benefits. Fair compensation in line with local labour markets.
- › **Fair Employment:** Promotion of a diverse and discrimination-free workplace, addressing biases.
- › **Upskilling & Education:** Providing training and opportunities for continuous career development.

Respecting Collective Bargaining Rights:

➤ National Union of Commercial Workers ("NUCW"):

We uphold the collective bargaining rights of the NUCW, which represents a significant portion of our workforce. We strive to foster good relationships with our employees and their unions, which helps in achieving better performance and operational efficiency.

➤ Transparency and Communication:

We actively communicate employment details, including wages, benefits, work hours, overtime and leave entitlements, to ensure our employees are well-informed.

➤ OUR VALUE CREATION IN 2023

We are dedicated to maintaining an ethical workplace with full compliance with labour standards, which are central to our efforts in creating a positive and impactful work environment.

Fostering Employee Engagement & Well-Being

Why It Matters:

An engaged and well-supported workforce is happier, more productive and better equipped to deliver exceptional results.

What We Did:

We launched a series of initiatives designed to open lines of communication and provide comprehensive support to our staff. This included the implementation of town halls, engagement activities and skip-level meetings that promote transparency and constructive feedback. Furthermore, we hosted a range of educational webinars and talks and provided access to our remote therapy service, *Jalanan Nurani*, emphasising the importance of mental health and well-being in our corporate ecosystem.

Ensuring Compliance to the Employment (Amendment) Act 2022

- **Employee Rights:** Respect for the right to join and form organisations, bargain collectively, and participate in political processes.
- **Compliance and Reporting:** Obligation for all employees and partners to uphold the company's values and report grievances or human rights issues through established channels.
- **Governance and Communication:** Tracking and reporting on human rights performance to stakeholders.
- **Ethical Supply Chain:** Developing relationships with vendors who share the company's values, expecting them to adhere to the Group's Vendor Code of Commitment.
- **No Exploitation & Protecting Children's Rights:** Zero tolerance for forced labour, bonded labour, slavery, and child labour; commitment to protect and take action against these issues.
- **Respecting Community Rights:** Recognition and respect for the rights of local communities and indigenous people, especially in relation to land and compensation claims.

Why It Matters:

The recent updates to the Employment Act, which took effect on 1 January 2023, carry significant implications for both employers and employees in creating a modern, equitable and flexible employment environment.

What We Did:

In response to the changes in the Employment Act, Sime Darby Property has updated its policies and procedures to ensure full compliance. Among the notable adjustments, we have extended our maternity leave policy to provide mothers with 98 consecutive days of leave. Recognising the importance of paternal involvement in childcare, fathers are now entitled to seven (7) calendar days of paternity leave. Additionally, we have adjusted our compensation policies to ensure employees earning up to RM4,000 are eligible for overtime payments.

Labour Standards and Practices

Elevating Standards of Living Through Minimum Living Wage Adjustment

Why It Matters:	What We Did:
The concept of the Minimum Living Wage is fundamental to ensuring that employees can meet their basic needs and maintain a decent standard of living amidst escalating costs.	To address the challenges of the rising cost of living and to support our employees in achieving a sustainable standard of living, Sime Darby Property has raised the Minimum Living Wage to RM2,400.00 monthly. This strategic adjustment is aimed at enabling our employees to afford a minimum acceptable living standard that meets their basic needs. We will continue to review the minimum wages and will make necessary adjustments over time where appropriate.

Promoting Work-Life Balance with Flexible Work Solutions

Why It Matters:	What We Did:
In today's evolving work environment, flexibility is key to enhancing productivity and work-life balance.	As part of our commitment to fostering a supportive and adaptable work culture, Sime Darby Property has implemented flexible working arrangements that permit eligible employees to work remotely from home on selected days. Additionally, we have introduced flexible working hours, allowing employees to start their day at the office no later than 9:30 a.m., provided they complete an 8-hour workday. These measures are instrumental in enabling our workforce to thrive in a more dynamic, productive and balanced work environment.

› OUR OUTLOOK

We are dedicated to fostering a culture of transparency and accountability in our labour practices. By openly communicating with our workforce and holding ourselves to the highest ethical standards, we aim to build trust and create a work environment where everyone feels empowered to contribute their best.

Responsible Supply Chain Management

› OUR COMMITMENT

Our supply chain carries significant environmental and social impact, directly influencing our operations. With this in mind, we view our vendors as key partners in reaching our sustainability objectives. We hold ourselves accountable for fostering their well-being and ethical practices. This translates into a collective movement towards shared environmental and social goals, ensuring their alignment with our sustainability goals and maximising positive impacts across the entire supply chain.



Industrial and logistics projects at Bandar Bukit Raja.

› OUR APPROACH

We are committed to maintaining and promoting a responsible supply chain within our operations. We achieve this through a multi-pronged approach:

Vendor Registration and Code of Conduct

Registration Process: To engage in business with Sime Darby Property, all potential vendors must register their companies via our online platform at <https://procurement.simedarbyproperty.com>. This process requires vendors to submit accurate and complete information along with necessary documentation.



Code of Conduct: It is mandatory for vendors to familiarise themselves with and adhere to our Vendor Code of Business Conduct (Vendor "COBC"). The Vendor COBC details our expectations for ethical behaviour and business practices, ensuring all collaborations uphold our standard and comply with specific human rights requirements.

Procurement Integrity and Transparency



Procurement Policies: The Group Procurement Policies & Authorities ("GPPA") govern our procurement activities. These policies are designed to guarantee that procurement decisions are made based on integrity, transparency and a commitment to best practices, safeguarding the principles of fair and ethical procurement across all operations.

Adherence to Local Regulations

Compliance Requirement: In our Tender documents and Letters of Award ("LOA"), we clearly stated that vendors must comply with all relevant local authorities' requirements, national laws and regulations, particularly concerning social and environmental aspects. This compliance is a critical component of our vendor assessment process, reinforcing our commitment to responsible business practices within the local context.



Responsible Supply Chain Management

› OUR VALUE CREATION IN 2023

We have integrated responsible supply chain management into our core operations, prioritising ethical sourcing, environmental sustainability and respect for human rights across our entire value chain.

Supply Chain Initiatives 2023

1. Upskilling Vendors for Sustainability:

Objective

To prepare vendors for the forthcoming implementation of the Occupational Safety and Health in Construction Industry (Management) ("OSHCIM") and sustainability practices.

What We Did:

We launched training programmes and workshops on OSHCIM awareness, sustainability awareness, carbon management and human rights, aiming to elevate our vendors' capabilities in these critical areas.

OSHCIM Awareness Workshop (Group 1)



Date : 6 June 2023

Venue : Function Room 2 & 3, KLGCC

Trainer: Unbox Resources Sdn Bhd
(external)

No. of vendors: 13 consultants

No. of participants: 23 pax

OSHCIM Awareness Workshop (Group 2)



Date : 7 June 2023

Venue : Function Room 2 & 3, KLGCC

Trainer: Unbox Resources Sdn Bhd
(external)

No. of vendors: 12 consultants

No. of participants: 23 pax

Sustainability Awareness Workshop



Date : 21 November 2023

Venue : Function Room 2 & 3, KLGCC

Trainer: Sime Darby Property's
Sustainability Department

No. of vendors: 20 contractors

No. of participants: 39 pax

2. Fostering Collaboration and Open Dialogue

Objective

To share our safety and quality aspirations and objectives within the supply chain with our key vendors.

What We Did:

The Partners Dialogue 2023 was a pivotal moment for collaboration, where we engaged with our vendors to ensure alignment on our mutual goals for safety and quality in the supply chain. This collaboration was reinforced by securing early appointments with contractors, fostering a consistent and cooperative relationship that aligns with Sime Darby Property's supply chain aspirations.

3. Enhancing Ethical Engagement and Compliance

Objective

To ensure our contractors are aligned with high ethical standards and respect for human rights.

What We Did:

We enhanced our Letter of Award ("LOA") for contractors by incorporating explicit references to human rights regulations, including the Children and Young Persons (Employment) Act 1966 and its amendments, the Minimum Wages Order 2022 and the Human Rights Commission of Malaysia Act 1999. Furthermore, we engage in active learning and collaboration initiatives including conducting dialogues, workshops with industry experts, knowledge sharing sessions and on-site learning activities. These comprehensive efforts ensure adherence to ethical standards and respect for human rights across operations.

4. Building an Ethical Supply Chain

Objective

To ensure that our supply chain operates ethically, which includes upholding fairness, safety and respect.

What We Did:

We launched an effort to align our contractors with the International Labour Organisation's ("ILO") standards, which included evaluating our first-tier contractors' practices against the ILO's forced labour indicators. With an initial understanding of ILO standards' application at the worker level among these contractors, we are now ready to expand these assessments to a broader set of contractors and actively work with them to ensure practices are in line with the ILO's standards.

Complementing these efforts, we have initiated strategic sourcing to prioritise local products and adopted best practices to manage sustainable development within our supply chain.

Through these focused areas, we are setting a new standard for responsible supply chain management, underpinned by our commitment to creating sustainable value for all stakeholders.

► OUR IMPACT AND ACHIEVEMENTS

Procurement Spend to Local Vendors[^]:



Total Payment to Local Vendors (RM million)

1,377.70
2021

1,561.10
2022

2,176.96
2023

[^] In the context of Sime Darby Property (SDP), local vendors refers to vendors whose registered businesses are incorporated in Malaysia.



Proportion of Spending on Local Suppliers (%)

99.80
2021

99.69
2022

99.83
2023*

* This data was subjected to an external limited assurance by an independent third party. Refer to the independent limited assurance report on pages 129 to 132.



Total Procurement Spend
(RM million)

1,380.43
2021

1,565.87
2022

2,180.70
2023

► OUR OUTLOOK

Sime Darby Property is shaping a future built on a responsible and sustainable supply chain. We are planning to develop a comprehensive Sustainable Supply Chain Management Framework that ensures alignment with our sustainability goals, both internally and among our vendors and partners. We anticipate this initiative will be a responsible supply chain that contributes to achieving our ambitious sustainability targets. Through collaboration and shared commitment, we strive to create a positive impact throughout the entire value chain.



Sime Darby Property's Headquarters in Ara Damansara

Governance

Anti-Bribery and Corruption

› OUR COMMITMENT

Integrity and ethical practices remain fundamental to our business operations. We continue to take a clear stand against bribery and corruption, maintaining a zero tolerance approach towards any corrupt activities. This stance helps us protect our reputation and maintain trust with our stakeholders. By prioritising transparency and accountability, we aim to protect the interests of our stakeholders, ensuring that the value we create is shared in a fair and responsible manner.



› OUR APPROACH

We achieve ethical conduct through a structured anti-corruption and integrity framework that emphasises transparency and honesty in all interactions. This framework is underpinned by a corporate governance structure.

- **Board-level Oversight:** On our agenda, we include a standing item for the review of our Anti-Bribery and Corruption (“ABC”) plans, programmes and delivery. This is overseen by our Risk Management Committee.
- **Management-level Engagement:** Our Governance Oversight Management Committee integrates Anti-Bribery and Corruption considerations into its agenda.
- **Policy and Manual Implementation:** We ensure that all ABC-related policies and manuals receive approval either from our Board or the Risk Management Committee.
- **Regular Risk Assessments:** We update our bribery and corruption risk profile through regular risk assessments conducted across all key business operations on a quarterly basis.
- **Whistleblowing Mechanisms:** Managed by our Group Corporate Assurance function, we maintain a dedicated channel for whistleblowing, under the careful oversight of our Audit Committee.

Several independent oversight mechanisms are in place to ensure the effectiveness of our anti-corruption efforts:

- **Risk Management Committee:** Provides overall oversight of Anti-Bribery and Corruption initiatives.
- **Audit Committee:** Oversees and manages the whistleblowing process, which includes the investigation outcome. Updates the Board on key material investigation carried out by the Group.
- **Group Compliance Office:** Acts as the Group’s Integrity Governance Unit (“IGU”) for the Group, reporting directly to the RMC for independent oversight.
- **Chief Risk, Integrity and Compliance Officer:** Leads the Group’s integrity efforts as its Chief Integrity Officer, reporting directly to the Risk Management Committee.
- **Group Corporate Assurance:** Manages the whistleblowing channels and investigations, reporting directly to the Audit Committee.

Anti-Bribery and Corruption

Ethical Values Embedded Throughout

Our "TEAM" values (Together We Do What's Right) highlight collaboration, respect and integrity, influencing our decisions and activities across the value chain. These principles translate into practical measures that help us manage and reduce corruption risks.

A comprehensive set of policies and procedures reinforces our ethical focus. These include:

- **Code of Business Conduct ("COBC"):** Sets out the standard of behaviours expected of Directors and Employees of the Group, which provides necessary guidance on expected ethical behaviour for all employees.
- **Anti-Bribery and Corruption Policy:** Prohibits all forms of bribery and corruption, outlining clear guidelines for ethical conduct and the expected conduct in managing key bribery risk.
- **Anti-Money Laundering Policy:** Mitigates risks associated with money laundering activities.
- **Conflict of Interest Policy:** Ensures fair and transparent decision-making by managing potential conflicts and preventing acts of Conflict of Interest from damaging the Group's interests and reputation.
- **Sponsorship and Donation Policy:** Governs responsible and ethical sponsorship and donation practices.
- **Gift, Entertainment and Travel Policy:** Provides clear guidelines for accepting and offering gifts, entertainment and travel to avoid undue influence.
- **Whistleblowing Policy:** Encourages reporting of suspected misconduct, providing a safe and confidential channel for raising concerns.
- **Anti-Bribery Management System ("ABMS") Manual:** Aligns with ISO 37001:2016 standards, outlining comprehensive anti-bribery management practices.
- **Vendor COBC:** Defines and provides clarity on the Group's expectations with regard to the Group's counterparties' behaviour and conduct when working with, providing goods/services, or entering any business transactions with the Group.
- **Annual Compliance Attestation and Declaration:** Employees are required to annually affirm their commitment and compliance to the COBC and its related ethical conduct.
- **Vendor Integrity Pledge ("VIP"):** Vendors are required to formally affirm their compliance with, respect and upholding of the principles of the Vendor COBC, as well as all applicable laws and regulations, especially those relating to Anti-Bribery and Corruption.

A summary of the above policies is publicly available on the Group's website at <https://www.simedarbyproperty.com/who-we-are/corporate-governance>.

By implementing this comprehensive framework and fostering a culture of integrity, we remain committed to conducting business ethically and responsibly, contributing to a positive and corruption-free business environment.

› OUR VALUE CREATION IN 2023

Our strong ABC measures are essential for legal compliance, while ensuring we create shared value for our stakeholders. Throughout 2023, we actively identified, managed and mitigated corruption risks, reaffirming our dedication to ethical conduct.

1. Proactive Risk Management: Identifying and Addressing Potential Threats

Why It Matters:	What We Did:
Operating in diverse geographical locations and conducting complex business transactions exposes us to potential corruption risks. To effectively safeguard our operations and uphold ethical standards, we prioritise proactive risk management strategies.	Regular Updates and Reporting: Recognising the dynamic nature of risk landscapes, we update our risk assessments on a quarterly basis. These updates are reported to the Governance Oversight Management Committee ("GOMC") and Risk Management Committee ("RMC") for informed decision-making and resource allocation.

2. Empowering Employees Through Knowledge and Awareness

Why It Matters:	What We Did:
A well-informed and engaged workforce is crucial for effectively preventing and detecting corruption. Equipping employees with the necessary knowledge and understanding of ABC policies and procedures empowers them to make ethical decisions and identify potential red flags.	• Mandatory ABC Training: We implemented mandatory ABC training for all employees, ensuring everyone possesses the fundamental knowledge and skills to recognise and avoid corrupt practices. This training programme equips them to navigate complex situations with high standards of ethics and integrity. • Continuous Reinforcement: To maintain a high level of awareness and understanding, we integrate ABC-related training and assessment into the annual COBC e-learning and e-assessment programme. • Targeted Communication: We recognise the importance of timely reminders, especially during periods with heightened risk potential. We regularly communicate ABC-related policies, particularly the Group's "No Gift Policy," specifically during festive seasons.

Anti-Bribery and Corruption

3. Maintaining Transparency and Accountability: Building Trust through Openness

Why It Matters:

Transparency and accountability are fundamental pillars of ethical business conduct. By openly communicating our anti-corruption efforts and holding ourselves accountable for upholding ethical standards, we build trust and confidence among stakeholders.

What We Did:

- **Public Reporting:** We maintain a commitment to transparency by publicly reporting on proven incidents of corruption involving employees within the Sustainability Report. This open communication demonstrates our willingness to learn from past experiences and continuously improve our anti-corruption practices.
- **Zero Tolerance Policy:** Our firm stance against corruption is mirrored in our zero tolerance policy. In 2023, we saw no instances of staff discipline or dismissal due to non-compliance with ABC policies. Additionally, there were no allegations of corruption or misconduct during the year.
- **Financial Integrity:** Maintaining high standards of financial integrity is central to our values. Throughout 2023, we incurred no fines, penalties, or settlements related to corruption.

► OUR IMPACT AND ACHIEVEMENTS

1. Performance Data

In 2023, we conducted anti-corruption assessments on all of our operations and provided anti-corruption training to 84.5% of our workforce. We reported no confirmed cases of corruption, indicating a potential effectiveness of our policies. However, we received 18 reports of misconduct or malpractice, with 13 resolved, leaving room for improvement in our resolution process. We remain committed to upholding ethical standards and addressing all reports thoroughly.

Anti-Corruption



Number and percentage
of operations assessed for
corruption

20 (100%*)

**This data was subjected to an external limited assurance by an independent third party. Refer to the independent limited assurance report on pages 129 to 132.*

Communication and training on anti-corruption policies



Number and percentage of employees
received mandatory anti-corruption training

1,284 (84.5%)

Incidents of Corruptions

Number of confirmed incidents of corruption

0
2023

Number of confirmed cases where employees were
dismissed/disciplined for corruption

0
2023

Number of misconduct or malpractice reports received
% resolved

**18 reports received;
13 reports resolved
(72% resolved)**

Number of investigations conducted **18**

► OUR OUTLOOK

We are committed to enhancing our efforts through a comprehensive assessment conducted by an independent consultant. This includes preparing for an Anti-Bribery and Corruption ISO Certification and reviewing our Organisational Anti-Corruption Plan ("OACP") to strengthen preventive programmes for the next five years. Our aim is to become a global leader in ethical conduct, fostering trust and sustainability in all our operations.

Data Privacy and Cybersecurity

› OUR COMMITMENT

We understand the importance of safeguarding sensitive information, which is crucial for building and maintaining trust with our stakeholders. This commitment helps prevent data breaches and leaks, safeguarding our reputation and demonstrating responsible data management. Our dedication extends to ensuring operational stability, regulatory compliance and operational continuity, underpinning our efforts to protect against the risks posed by cyberattacks.



› OUR APPROACH

Our approach to data protection is both disciplined and strategic, ensuring the privacy and security of our customers' information. We operate within a robust framework designed to handle all data securely, adhering strictly to data protection laws such as the Personal Data Protection Act ("PDPA") and the General Data Protection Regulation ("GDPR"). This compliance underscores our commitment to ethical practices and the maintenance of high data privacy standards.

In our ongoing efforts to safeguard personal and confidential information, we align our practices with these laws and regulations, seeing this not just as compliance but as a crucial element of building trust. Our cybersecurity framework is built around three essential pillars, each critical in enhancing our systems' resilience against cyber threats.



People

We focus on training and awareness programmes to prepare our staff to recognise and avoid cyber threats.



Process

Clear policies and procedures have been established for managing data, responding to incidents and ensuring business continuity to manage security events effectively.



Technology

We utilise advanced security technologies, including tools powered by artificial intelligence, to identify and mitigate cyber threats across our network and applications.

Data Privacy and Cybersecurity

Additionally, we have implemented a set of policies, each designed to address specific aspects of our cybersecurity efforts.

Group Information Security Policy ("GISP"):

This policy sets the foundation for IT security within Sime Darby Property Group, guided by Management's directives. It is the cornerstone of our IT security framework and is developed in accordance with ISO/IEC 27001:2013 standards. The GISP aims to safeguard assets such as financial information, intellectual property, employee details and third-party entrusted information by adopting the ISO/IEC 27001 family of standards for an effective information security management system ("ISMS").

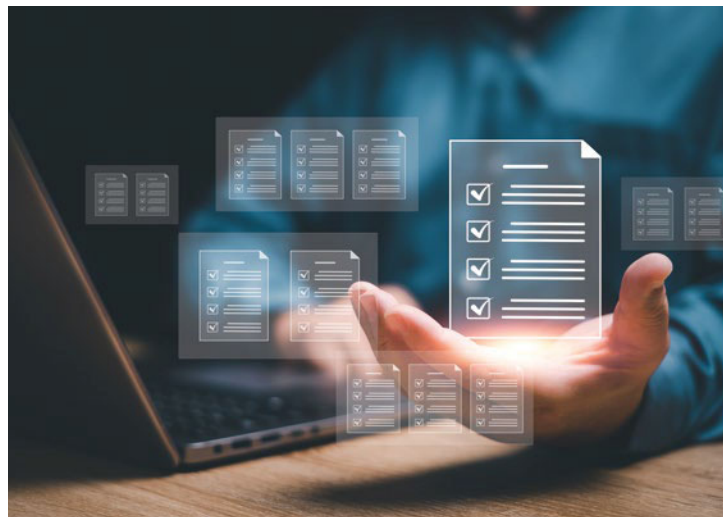
Enterprise Mobile Policy:

This policy establishes guidelines for the use of mobile computing devices and remote working arrangements. It focuses on ensuring secure access to business information and data, delineating the responsibilities and acceptable practices for mobile and remote access to protect against unauthorised access and data breaches.



Identity Access Management Policy: This policy provides a framework for managing the identities and access rights of users, applications and systems, as well as detecting and responding to security incidents or violations.

Cyberattack Policy: This policy document sets out a framework for preventing, detecting, responding to and recovering from cyberattacks. It provides comprehensive guidelines for personnel to effectively reduce cyberattack risks and mitigate their impacts.



Third-Party Security Management Policy: This document outlines the principles for secure engagement with third parties, emphasising the protection and balanced management of confidentiality, integrity and availability of information. It aims to enhance the security posture through diligent management of third-party services and the information accessed or shared with them.

Aligned with our dedication to upholding robust data protection and cybersecurity standards, we have undertaken a range of targeted measures designed to improve our security stance:

By taking a comprehensive and multi-dimensional approach to data privacy and security, we aim to minimise risks, protect sensitive information and maintain the trust of our customers and partners.



Responsibility Allocation

Focus Area

Our Efforts

We have defined roles and responsibilities within our organisation to help in managing data and cybersecurity. This ensures that everyone understands their role in safeguarding our customers' information.



Security Investment

Focus Area

Our Efforts

We allocate resources towards enhancing our data and cybersecurity management. This includes our investment in security technologies, training programmes and the introduction of proactive security measures to strengthen our defences.



Grievance Mechanisms

Focus Area

Our Efforts

We have established processes for managing security concerns or incidents. These processes allow for the reporting of security breaches, handling of complaints and thorough investigation of issues to ensure timely resolutions.



Digital Security Enhancement

Focus Area

Our Efforts

We take measures to maintain the integrity of our digital assets and information. Our efforts include regular employee training, careful access management, deploying firewalls and intrusion detection systems and conducting periodic security evaluations.

Data Privacy and Cybersecurity

› OUR VALUE CREATION IN 2023

Cyber threats are constantly evolving and we are committed to implementing robust measures to strengthen cybersecurity and increase our information technology security standards.

1. Strengthening Cybersecurity Defences

What We Did:	Progress and Achievements:
To protect our systems and data, we implemented a multi-layered security approach: • Multi-Factor Authentication (“MFA”): This adds an extra layer of security to logins, requiring a second factor beyond just a password. This reduces the risk of unauthorised access, even if a password is compromised. • Access Controls: We implemented granular access controls to ensure that only authorised users have access to specific data and systems. This minimises the potential damage if a breach occurs. • AI-Powered Security Tools: We deployed advanced security solutions powered by Artificial Intelligence (“AI”) to continuously monitor endpoints, servers and networks. These tools can detect and prevent suspicious activity, including ransomware attacks, in real-time.	• Stronger Authentication: Implementing MFA adds an extra layer of verification beyond usernames and passwords, significantly reducing the risk of identity theft. No incidents of compromised user accounts were reported. • Granular Access Control: Implementing access control strengthens our overall security posture by restricting unauthorised access to sensitive data and functionalities. • Proactive Malware Defence: Proactive Malware Defence: A sophisticated malware targeting data exfiltration was identified and neutralised in December. Managed Extended Detection and Response’s prompt detection and actions—malware blocking, endpoint isolation and data loss prevention—underscore the system’s contribution to our security framework.

2. Enhancing Detection and Response

What We Did:	Progress and Achievements:
To strengthen our ability to identify and respond to potential threats, we implemented a Managed Extended Detection and Response (“MXDR”) solution. This tool improves our network visibility by analysing data from various sources, enabling accurate threat identification and swift response to secure our systems.	MXDR has led to a 70% reduction in incident response time, successfully intercepted 20 malware attempts in 2023 and proactively identified and neutralised a sophisticated malware targeting data exfiltration.

3. Benchmarking Our Security Maturity

What We Did:	Progress and Achievements:
In an effort to enhance our cybersecurity posture, we carried out a benchmarking exercise complemented by a workshop with our Digital & IT department. This collaborative approach helped us critically assess our cybersecurity framework and identify strategic domains crucial to our operational security.	We are proud to have achieved a ‘defined’ level of maturity with a score of 2.5 out of 5 in our benchmarking assessment, closely aligning with the industry benchmark of 2.6. The workshop outcomes have been pivotal, pinpointing areas for further development and informing our pathway to elevate our cybersecurity practices from “defined” to “managed” maturity, particularly in key areas such as Data Protection and Identity and Access Management.

4. Safeguarding Sensitive Data

What We Did:	Progress and Achievements:
We implemented a comprehensive suite of data protection initiatives, including: • Restricting Universal Serial Bus (“USB”) Access: By limiting USB access, we aim to reduce the risk of data breaches that could arise from unauthorised transfers via USB devices. This step is an essential part of our broader strategy to protect sensitive information. • Controls on Data Sharing: We have implemented stringent controls to restrict data sharing, ensuring that information is accessed solely by authorised personnel. This measure is crucial for maintaining the confidentiality and integrity of our data. • Data Classification and Encryption: Our approach to classifying sensitive data and applying encryption technologies is designed to enhance our defence against unauthorised access. These measures are pivotal in ensuring a high level of protection for our critical information. • Enhancements in Cloud Application Security: To secure our data within cloud environments, we have introduced additional security measures. These enhancements aim to address vulnerabilities and secure our cloud-based applications against potential threats.	Our data protection measures have successfully eliminated USB-related malware incidents, reduced unauthorised data sharing and proactively identified and neutralised an attempt to exfiltrate data.

5. Increasing Accountability and Compliance

What We Did:	Progress and Achievements:
We introduced a Privileged Access Management (“PAM”) tool, which serves as a system designed to oversee and regulate access to critical and privileged accounts within our organisation. This approach aims to mitigate the potential for insider threats and restrict lateral movements within our network by ensuring that only authorised users can access these sensitive areas.	The PAM tool has contributed to a more controlled and secure environment by managing privileged access and applying detailed controls, narrowing opportunities for attacker manoeuvres within our systems.

Data Privacy and Cybersecurity

6. Upholding Trust Through Transparency

What We Did:

In 2023, we investigated two data privacy complaints through comprehensive internal processes, engaging directly with the complainants throughout the investigation.

Progress and Achievements:

Our investigations found no evidence to support the claims and we reaffirmed Sime Darby Property's strong stance on data protection during our interactions with the complainants. This commitment to transparency fostered continued trust with our stakeholders.

7. Developing Cybersecurity Capacities

What We Did:

In response to vulnerabilities faced by specific employee groups, we implemented measures to strengthen cybersecurity. These included deploying advanced phishing detection systems, enhancing endpoint protection and providing targeted security awareness training focusing on social engineering, internet security and data protection.

Progress and Achievements:

Through these programmes, employees gained the skills to identify and respond effectively to security threats, strengthening our overall cybersecurity posture.

► OUR IMPACT AND ACHIEVEMENTS

1. Performance Data

In 2023, there was one recorded online security breach, marking the first such incident within the period from 2021 to 2023.

Table 7.1

Number of online breaches from 2021 – 2023

Disclosures	2021	2022	2023
Online Security:			
Number of online breaches	0	0	1

► OUR OUTLOOK

We strive to continuously enhance cybersecurity and protect data privacy. We achieve this through a multi-pronged approach based on seven key focus areas:



Safeguard
critical and
confidential data



Manage **cyber risks**
and ensure compliance



Implement Zero
Trust Access protocols

Strengthen
oversight and
governance measures



Establish secure
design principles and
architectures



Enhance capability
development and upskilling
initiatives



Heighten
awareness
across the organisation



By prioritising these actions, we demonstrate our steadfast commitment to data security and building a secure digital environment for all stakeholders.

Performance Data Table

from ESG Reporting Platform

Indicator	Measurement Unit	2023
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	9.66
Middle Management	Percentage	23.60
Executive	Percentage	28.66
Non-Executive	Percentage	38.08
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	9,482,170.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	68,377
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	0.00
Senior Management Between 30-50	Percentage	63.00
Senior Management Above 50	Percentage	37.00
Middle Management Under 30	Percentage	2.00
Middle Management Between 30-50	Percentage	81.00
Middle Management Above 50	Percentage	17.00
Executive Under 30	Percentage	23.00
Executive Between 30-50	Percentage	71.00
Executive Above 50	Percentage	6.00
Non-Executive Under 30	Percentage	22.00
Non-Executive Between 30-50	Percentage	64.00
Non-Executive Above 50	Percentage	14.00
Gender Group by Employee Category		
Senior Management Male	Percentage	64.00
Senior Management Female	Percentage	36.00
Middle Management Male	Percentage	54.00
Middle Management Female	Percentage	46.00
Executive Male	Percentage	46.00
Executive Female	Percentage	54.00
Non-Executive Male	Percentage	64.00
Non-Executive Female	Percentage	36.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	64.00
Female	Percentage	36.00
Under 50	Percentage	28.00
Between 51-60	Percentage	36.00
Above 50	Percentage	36.00

Internal assurance

External assurance

No assurance

(*)Restated

Indicator	Measurement Unit	2023
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	23,140.62
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	1
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.11
Bursa C5(c) Number of employees trained on health and safety standards	Number	412
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	6,787
Middle Management	Hours	16,494
Executive	Hours	22,165
Non-Executive	Hours	28,626
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	12.80
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	25
Middle Management	Number	40
Executive	Number	47
Non-Executive	Number	41
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	2
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.83
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	1
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	986.000000

Internal assurance External assurance No assurance

(*)Restated

GRI Content Index

GRI	GRI Standard	Description	Additional Information
GRI 2: General disclosures	2-1	Organisational Details	About Us
	2-2	Entities included in the organisation's sustainability reporting	About Us
	2-3	Reporting period, frequency and contact point	About This Report
	2-4	Restatements of information	Environment: Energy & Carbon Management, page 44
	2-5	External assurance	Statement of Assurance, pages 129 to 132
	2-6	Activities, value chain and other business relationships	About Us
	2-7	Employees	Social: Diversity and Inclusion, pages 92-101
	2-9	Governance structure and composition	Sime Darby Property Integrated Report 2023: pages 187, 208 and 215
	2-10	Nomination and selection of the highest governance body	Sime Darby Property Integrated Report 2023: pages 228-229
	2-11	Chair of the highest governance body	Sime Darby Property Integrated Report 2023: page 188
	2-12	Role of the highest governance body in overseeing the management of impacts	Sime Darby Property Integrated Report 2023: pages 210-212
	2-13	Delegation of responsibility for managing impacts	Sime Darby Property Integrated Report 2023: page 216
	2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance: Governance Structure, page 27
	2-15	Conflicts of interest	Sime Darby Property Integrated Report 2023: pages 209-210
	2-16	Communication of critical concerns	Sime Darby Property Integrated Report 2023: pages 222-223
	2-17	Collective knowledge of the highest governance body	Sime Darby Property Integrated Report 2023: page 227
	2-18	Evaluation of the performance of the highest governance body	Sime Darby Property Integrated Report 2023: page 207 Sustainability Governance: Governance Structure, page 27
	2-19	Remuneration policies	Sime Darby Property Integrated Report 2023: page 236
	2-20	Process to determine remuneration	Sime Darby Property Integrated Report 2023: page 235
	2-22	Statement on sustainable development strategy	Sustainability Governance: Our Sustainability Framework, page 11

GRI	GRI Standard	Description	Additional Information
GRI 2: General disclosures (cont'd.)	2-23	Policy commitments	Sustainability Governance: Policies and Guidelines, page 31
	2-24	Embedding policy commitments	Sustainability Governance: Policies and Guidelines, page 31
	2-27	Compliance with laws and regulations	Sime Darby Property Integrated Report 2023, pages 207, 223, and 249
	2-28	Membership associations	Sustainability Governance: Sustainability Thought Leadership, page 32
	2-29	Approach to stakeholder engagement	Stakeholder Engagement, pages 22-25
INNOVATION			
GRI 3: Material Topics 2021	3-3	Management of material topics	Driving Our Vision Through Innovation: pages 35-40
Energy & Carbon Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	Environment: Energy & Carbon Management, pages 42-48
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Environment: Energy & Carbon Management, page 47
	302-4	Reduction of energy consumption	Environment: Energy & Carbon Management, pages 44 and 47
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Environment: Energy & Carbon Management, pages 44-45
	305-2	Energy indirect (Scope 2) GHG emissions	Environment: Energy & Carbon Management, pages 44-46
	305-3	Other indirect (Scope 3) GHG emissions	Environment: Energy & Carbon Management, page 47
URBAN BIODIVERSITY			
GRI 3: Material Topics 2021	3-3	Management of material topics	Environment: Urban Biodiversity, pages 49-65
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	Environment: Urban Biodiversity, page 63
	304-2	Significant impacts of activities, products and services on biodiversity	Environment: Urban Biodiversity, pages 52-64
	304-3	Habitats protected or restored	Environment: Urban Biodiversity, page 62
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Environment: Urban Biodiversity, page 64

GRI Content Index

GRI	GRI Standard	Description	Additional Information
CIRCULARITY			
GRI 3: Material Topics 2021	3-3	Management of material topics	Environment: Circularity, pages 66-69
GRI 301: Materials 2016	301-2	Recycled input materials used	Environment: Circularity, page 68
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Environment: Circularity, pages 68-69
	306-2	Management of significant waste-related impacts	Environment: Circularity, pages 68-69
	306-3	Waste generated	Environment: Circularity, page 68
	306-4	Waste diverted from disposal	Environment: Circularity, page 69
	306-5	Waste directed to disposal	Environment: Circularity, page 68
WATER MANAGEMENT			
GRI 3: Material Topics 2021	3-3	Management of material topics	Environment: Water Management, pages 70-73
GRI 303: Water and Effluents 2018	303-2	Management of water discharge related impacts	Environment: Water Management, pages 72-73
	303-3	Water withdrawal	Environment: Water Management, page 73
CLIMATE CHANGE ADAPTATION			
GRI 3: Material Topics 2021	3-3	Management of material topics	Environment: Climate Change Adaptation, pages 74-75
OCCUPATIONAL HEALTH & SAFETY			
GRI 3: Material Topics 2021	3-3	Management of material topics	Social: Occupational Health & Safety, pages 81-83
GRI 403: Occupational health and safety 2018	403-1	Occupational health and safety management system	Social: Occupational Health & Safety, page 81
	403-5	Worker training on occupational health and safety	Social: Occupational Health & Safety, page 82-83
	403-9	Work-related injuries	Social: Occupational Health & Safety, page 83
COMMUNITY EXPERIENCE			
GRI 3: Material Topics 2021	3-3	Management of material topics	Social: Community Experience, pages 84-90
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments and development programmes	Social: Community Experience, pages 86-91

GRI	GRI Standard	Description	Additional Information
DIVERSITY AND INCLUSION			
GRI 3: Material Topics 2021	3-3	Management of material topics	Social: Diversity and Inclusion, pages 92-101
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Social: Diversity and Inclusion, pages 98-100
GRI 401: Employment 2016	401-3	Parental leave	Social: Diversity and Inclusion, page 101
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity of governance bodies and employees	Social: Diversity and Inclusion, page 94
LABOUR STANDARDS AND PRACTICES			
GRI 3: Material Topics 2021	3-3	Management of material topics	Social: Labour Standards and Practices, pages 102-104
GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social: Labour Standards and Practices, pages 103-104
RESPONSIBLE SUPPLY CHAIN MANAGEMENT			
GRI 3: Material Topics 2021	3-3	Management of material topics	Social: Responsible Supply Chain Management, pages 105-107
GRI 204: Procurement practices 2016	204-1	Proportion of spending on local supplier	Social: Responsible Supply Chain Management, page 107
ANTI-BRIBERY AND CORRUPTION			
GRI 3: Material Topics 2021	3-3	Management of material topics	Governance: Anti-Bribery and Corruption, pages 109-112
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Governance: Anti-Bribery and Corruption, page 112
	205-2	Communication and training about anti-corruption policies and procedures	Governance: Anti-Bribery and Corruption, page 111
	205-3	Confirmed incidents of corruption and action taken	Governance: Anti-Bribery and Corruption, page 112
DATA PRIVACY & CYBERSECURITY			
GRI 3: Material Topics 2021	3-3	Management of material topics	Governance: Data Privacy & Cyber Security, pages 113-119
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Governance: Data Privacy & Cyber Security, page 118
OTHER DISCLOSURES			
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	Performance Scorecard, page 34

TCFD Index

TCFD Pillars	Recommended Disclosures	Page References
Governance Disclose the organisation's governance around climate-related issues and opportunities	(a) Describe the board's oversight of climate-related risks and opportunities	Page 76
	(b) Describe management's role in assessing and managing climate-related risks and opportunities	Page 76
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning where such information is material	(a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	Page 77
	(b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	Page 77-78
	(c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Page 77-78
Risk Management Disclose how the organisation identifies, assesses and manages climate-related risks	(a) Describe the organisation's processes for identifying and assessing climate-related risks	Page 78
	(b) Describe the organisation's processes for managing climate-related risks	Page 78
	(c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Page 78
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	(a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Page 79
	(b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions and the related risks	Pages 43-48
	(c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Page 79

Statement of Assurance



Independent Limited Assurance Report to the Board of Directors of Sime Darby Property Berhad on the selected sustainability information disclosed in the Sustainability Report 2023

To the Board of Directors of Sime Darby Property Berhad

We have been engaged by Sime Darby Property Berhad ("SDP" or "the Company") to perform an independent limited assurance engagement on selected material sustainability indicators (the "Subject Matter Information") as reported by the Company in its Sustainability Report for the year ended 31 December 2023 as defined below and marked with the symbol "*" in SDP's Sustainability Report 2023.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information for the financial year ended 31 December 2023, is not prepared, in all material respects, in accordance with the Reporting Criteria.

Subject Matter Information

The Subject Matter Information reported in the Company's Sustainability Report on which we provide limited assurance comprise the below:

Subject Matter Information		Reporting period 1 January to 31 December 2023
Anti-corruption	Percentage of operations assessed for corruption-related risks	100%
Energy management	Total energy consumption	83,306.24 GJ
Supply chain management	Proportion of spending on local suppliers	99.83%
Health and safety	Number of employees trained on health and safety standards	412 pax
Waste management	Total waste generated, and a breakdown of the following: (a) Waste diverted from disposal (b) Waste directed to disposal	14,402.01 tonnes 3,580.15 tonnes 10,821.86 tonnes
Emissions management	Scope 1 emissions in tonnes of CO ₂ e	537.15 tCO ₂ e
	Scope 2 emissions in tonnes of CO ₂ e	15,849.50 tCO ₂ e

Our assurance was with respect to the financial year ended 31 December 2023 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the Company's Sustainability Report 2023, or other information accompanying the said document and, therefore, we do not express any conclusion thereon.

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia
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Statement of Assurance



Independent Limited Assurance Report to the Board of Directors of Sime Darby Property Berhad on the selected sustainability information disclosed in the Sustainability Report 2023

Reporting Criteria

The Subject Matter Information needs to be read and understood together with the Reporting Criteria, which the Company is solely responsible for selecting and applying. The Reporting Criteria used for the reporting of the Subject Matter Information are set out below:

Reporting period	Reporting Criteria
1 January to 31 December 2023	Sustainability Reporting Guide (3 rd Edition) issued by Bursa Malaysia Securities Berhad

Inherent Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure the Subject Matter Information allows for different, but acceptable, evaluation and measurement basis that can affect comparability between entities over time.

Responsibilities of the Directors and Management

Management of the Company is responsible for the preparation of the Subject Matter Information in accordance with the Reporting Criteria.

This responsibility includes the selection and application of appropriate methods to prepare the Subject Matter Information reported in the Company's Sustainability Report as well as the design, implementation and maintenance of internal controls relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error. Furthermore, the responsibility includes the use of assumptions and estimates for disclosures made by the Company which are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the Company's sustainability reporting process.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Subject Matter Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the approved standard for assurance engagements in Malaysia, International Standard on Assurance Engagements ("ISAE") 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". This standard requires that we plan and perform this engagement under consideration of materiality to express our conclusion with limited assurance about whether the Subject Matter Information is free from material misstatement.

The accuracy of the Subject Matter Information is subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. Our limited assurance report should therefore be read in conjunction with the Reporting Criteria on the reporting of the Subject Matter Information for the financial year ended 31 December 2023.

A limited assurance engagement involves assessing the suitability in the circumstances of SDP's use of the Reporting Criteria as the basis for the preparation of the Subject Matter, assessing the risks of material misstatement of the Subject Matter Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.



Independent Limited Assurance Report to the Board of Directors of Sime Darby Property Berhad on the selected sustainability information disclosed in the Sustainability Report 2023

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("MIA") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Main Assurance Procedures

Our work included the following procedures:

- Considered the suitability in the circumstances of the Company's Reporting Criteria as the basis for preparing the Subject Matter Information;
- Inquired the personnel responsible for data collection, collation and reporting of the Subject Matter Information at the corporate and operating unit level to obtain understanding of the Company's control environment, processes and systems relevant to the preparation of the Subject Matter Information;
- Performed limited substantive testing on a sample basis on transactions included in the Subject Matter Information to check that underlying information had been appropriately evaluated or measured, recorded, collated and reported, by:
 - a. agreeing the transaction amount to external and/or internal documents, for the Subject Matter Information as follows;

Subject Matter Information	Examples of documentary evidence
Percentage of operations assessed for corruption-related risks	Quarterly corruption risk assessment
Total energy consumption	Electricity bill, LPG meter readings, fuel usage form
Number of employees trained on health and safety standards	Proof of attendance, training content
Proportion of spending on local suppliers	Procurement spend report, incorporation certificate of company
Total waste generated, and a breakdown of the following: i. Total waste diverted from disposal ii. Total waste directed to disposal	Waste collection receipts
Scope 1 emissions in tonnes of CO ₂ e	LPG meter readings, fuel usage form
Scope 2 emissions in tonnes of CO ₂ e	Electricity bill

Statement of Assurance



Independent Limited Assurance Report to the Board of Directors of Sime Darby Property Berhad on the selected sustainability information disclosed in the Sustainability Report 2023

Main Assurance Procedures (cont'd)

- b. checking the transactions reported against the eligible criteria as set out in the Reporting Criteria.
- Considered the presentation and disclosure of the Subject Matter Information in the Company's Sustainability Report 2023.

Restriction on Distribution and Use and Disclaimer of Liability to Third Parties and For Any Other Purpose

This report, including the conclusion, has been prepared solely for the Board of Directors of Sime Darby Property Berhad in accordance with the agreement between us, in connection with the performance of an independent limited assurance engagement on the Subject Matter Information as reported by the Company in its Sustainability Report 2023 and should not be used or relied upon for any other purposes. We consent to the inclusion of this report in the Company's Sustainability Report 2023 to be disclosed on the website of the Company at <https://www.simedarbyproperty.com/sustainability> and <https://www.simedarbyproperty.com/investor-relations/annual-report>, in respect of the financial year ended 31 December 2023, to assist the Directors in responding to their governance responsibilities by obtaining an independent limited assurance report on the Subject Matter Information for the financial year ended 31 December 2023. Accordingly, we will not accept any liability or responsibility to any other party to whom our report is shown or into whose hands it may come.

A handwritten signature in black ink, appearing to be 'Pm Cw R'.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
8 April 2024

SIME DARBY PROPERTY BERHAD

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