

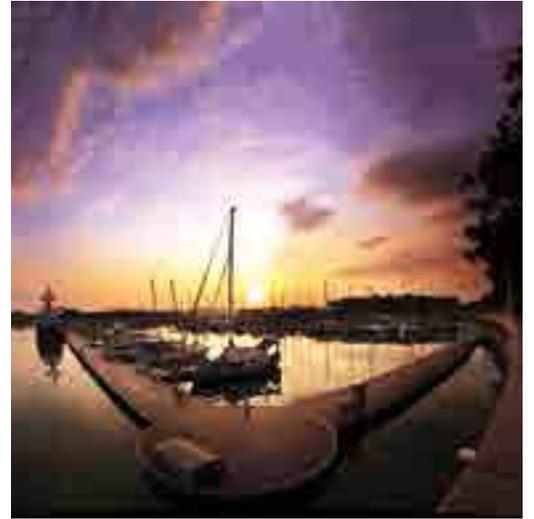
A child is flying a colorful kite in a field of tall grass. In the background, there is a large, intricate wooden structure made of many thin, vertical poles, resembling a traditional Malay house or a large sculpture. The scene is bright and sunny.

MALAYSIA'S OWN RIVIERA

The world's yachting community has a new destination to congregate at - **Puteri Harbour**. The luxurious waterfront development in Iskandar Puteri has been designed to present a Riviera experience complete with marinas, a yachting club and al fresco cafes and restaurants along a marina-facing boulevard. Puteri Harbour is fast becoming one of Malaysia's renowned destinations for international sporting and entertainment events, presenting a unique holiday destination for people from all walks of life.



PUTERI HARBOUR



SUSTAINABILITY REPORT



78 Sustainability Report

SUSTAINABILITY REPORT

ABOUT OUR REPORTING

UEM Sunrise Berhad's ("UEM Sunrise") annual sustainability statement is a summary of the Group's operating performance. The scope and criteria used when preparing this statement are summarised below.



SCOPE OF REPORT

1 January to 31 December 2017



REPORTING CYCLE

Annually



COVERAGE

UEM Sunrise and its subsidiaries as included in the Group's consolidated financial statements. A subsidiary is a company in which UEM Sunrise holds a majority stake or has direct managerial control. References to 'the Company' and 'we' refer to UEM Sunrise and/or its affiliates and subsidiaries.



REFERENCES AND GUIDELINES

Principal Guideline :

Global Reporting Initiative ("GRI") Standards

Additional Guideline :

Bursa Malaysia's Corporate Social Responsibility ("CSR") Framework



MATERIALITY AND RELEVANCE OF INFORMATION DISCLOSED

UEM Sunrise engaged an external consultant to conduct a detailed materiality study with representatives from all stakeholder groups and its Board of Directors. This study helped identify the most important aspects of sustainability for stakeholders and the Group.



FEEDBACK

This sustainability report is available to all stakeholders in hard copy on request and can be downloaded from our corporate website www.uemsunrise.com. For further information and comments please contact :

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UEM Sunrise Berhad,
Level U2, Block C5,
Solaris Dutamas,
No.1, Jalan Dutamas 1,
50480 Kuala Lumpur,
Malaysia.

Tel : +603 2718 7788
Fax : +603 6207 9033
Email : corpcomm@uemsunrise.uemnet.com

SUSTAINABILITY AT UEM SUNRISE

We are designing a better tomorrow, today. As a leading property developer in Malaysia, UEM Sunrise continues to lead the way by designing healthy, vibrant communities with a greater value and positive impact.

Sustainable development is central to our business philosophy and company culture. We have reinforced our commitment to sustainable development by formalising our sustainability focus areas. This approach allows us to identify and manage the full spectrum of our economic, environmental and social impact, and integrate sustainable development into every facet of our business.

UEM Sunrise's Sustainability Focus Areas



PLACES

We continue to transform the places in which we invest to create value while retaining their character, supporting our communities and enhancing people's lives



PEOPLE

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



SOCIO-ENVIRONMENTAL PERFORMANCE

We take great care in developing high-quality developments while improving our social and environmental performance



ECONOMIC PERFORMANCE

We deliver sustainable economic performance that is underpinned by good corporate governance and high ethical standards

SUSTAINABILITY GOVERNANCE

UEM Sunrise approaches sustainability by integrating it into its DNA. Our commitment to sustainability is top-down; the Board sets the tone and is responsible for the overall business conduct. The Board works with management to consider specific issues from strategy through to safety, environment and reputation. The executive team is accountable for UEM Sunrise's overall business including its sustainability performance. This team comprises the group chief executive, heads of businesses and certain functions such as safety and operational risk and human resources.

Our Managing Director/Chief Executive Officer and his immediate appointees maintain the procedures stipulated in our Sustainability Policy and ensure they are implemented in a reasonable timeframe.

SUSTAINABILITY POLICY

UEM Sunrise commits itself to achieving this balance by :

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

UEM Sunrise Sustainability Commitment



GOVERNANCE

Sustainability begins with board oversight and commitment and includes management systems and processes that integrate sustainability into day-to-day decision making.



ECONOMIC

UEM Sunrise has a direct economic impact on its suppliers and vendors through business dealings with them. More indirectly, the quality of our products plays a role in the well-being of our customers. We also enhance the socio-economic well-being of under-served segments of society via education, community development initiatives and supporting the work of various non-governmental organisations.



ENVIRONMENT

Our commitment and action plan for the environment is manifested through the strategic management of water, energy, waste and environmental conservation. While ensuring that we incorporate innovative designs and features as well as new thinking into our development projects, we also track and monitor our environmental impact. Operating sustainably is a journey of continuous improvement which we aim to enhance by identifying gaps and the opportunities available to address them more efficiently.



SOCIAL

UEM Sunrise recognises that we have a strong impact on the lives of two major groups of stakeholders, namely our customers and employees. We are committed to ensuring the best possible living environment for our customers while placing equal emphasis on nurturing a conducive workplace that respects our employees and provides them with the necessary support to derive a high level of satisfaction within the Company. We also invest in building strong relationships based on trust with the media, our investor community and society at large.

GOVERNANCE

GOVERNANCE STAKEHOLDER ENGAGEMENT FRAMEWORK

Stakeholder engagement is crucial from a sustainability perspective. It supports our understanding of emerging risks and opportunities while facilitating the mitigation of these risks and the realisation of opportunities. Throughout the course of any given year, we communicate with our stakeholders through various channels.

Stakeholder Groups	Areas of Interest	Methods of Communication
 Customers	<ul style="list-style-type: none"> Community activities and programmes Company and development updates Project launches Customer engagements 	<ul style="list-style-type: none"> U Living magazine Company website Events and engagement sessions Social media Call centre Customer satisfaction survey Emails
 Shareholders & Investors	<ul style="list-style-type: none"> Return on Investment Financial performance Branding Company strategy and updates 	<ul style="list-style-type: none"> Investor Relations and conferences Annual Reports and Sustainability Reports Shareholder updates Annual General Meetings ("AGM") and Extraordinary General Meetings ("EGM") One-to-one or group meetings Site visits
 Analysts/ Media	<ul style="list-style-type: none"> Ongoing and future projects 	<ul style="list-style-type: none"> Media releases Media conferences Media interviews Social media Analysts briefings
 Industry Peers	<ul style="list-style-type: none"> Ongoing and future projects UEM Sunrise's involvement in society 	<ul style="list-style-type: none"> Corporate website Events, seminars and engagement sessions U Living
 Value Chain Partners	<ul style="list-style-type: none"> Fair procurement Sustainable partnerships with UEM Sunrise 	<ul style="list-style-type: none"> Training and briefing Events and engagement sessions
 Community and the Public	<ul style="list-style-type: none"> Societal contributions Socio-environmental impact from operations 	<ul style="list-style-type: none"> U Living Community programmes Social media Website Call centre
 Employees	<ul style="list-style-type: none"> Career development opportunities Benefits and remuneration 	<ul style="list-style-type: none"> Employee satisfaction survey Employee engagement activities Regular meetings Internal newsletter Titans portal
 Government/ Regulatory Authorities	<ul style="list-style-type: none"> Compliance Supporting government Initiatives 	<ul style="list-style-type: none"> Formal meetings Performance reports

STAKEHOLDER GROUPS CONSULTED FOR THE MATERIALITY SURVEY

 Shareholders

 Fund Managers

 Employees

 Local Communities

 Suppliers

 Partners

 Federal and State Governments

 Media

 Financiers

 Customers and Clients

 Ministries and Agencies

 Non-governmental Organisations ("NGOs")

PRIORITISING MATERIAL ASPECTS

We conducted a materiality study to identify critical economic, environmental and social issues that may significantly affect the Company’s business performance or substantively influence the assessments and decisions of stakeholders.

THE METHODOLOGY

UEM Sunrise’s Stakeholders Materiality Survey was conducted throughout the last quarter of 2017. The survey was performed by an external consultant to maintain impartiality and secure the anonymity of the respondents.

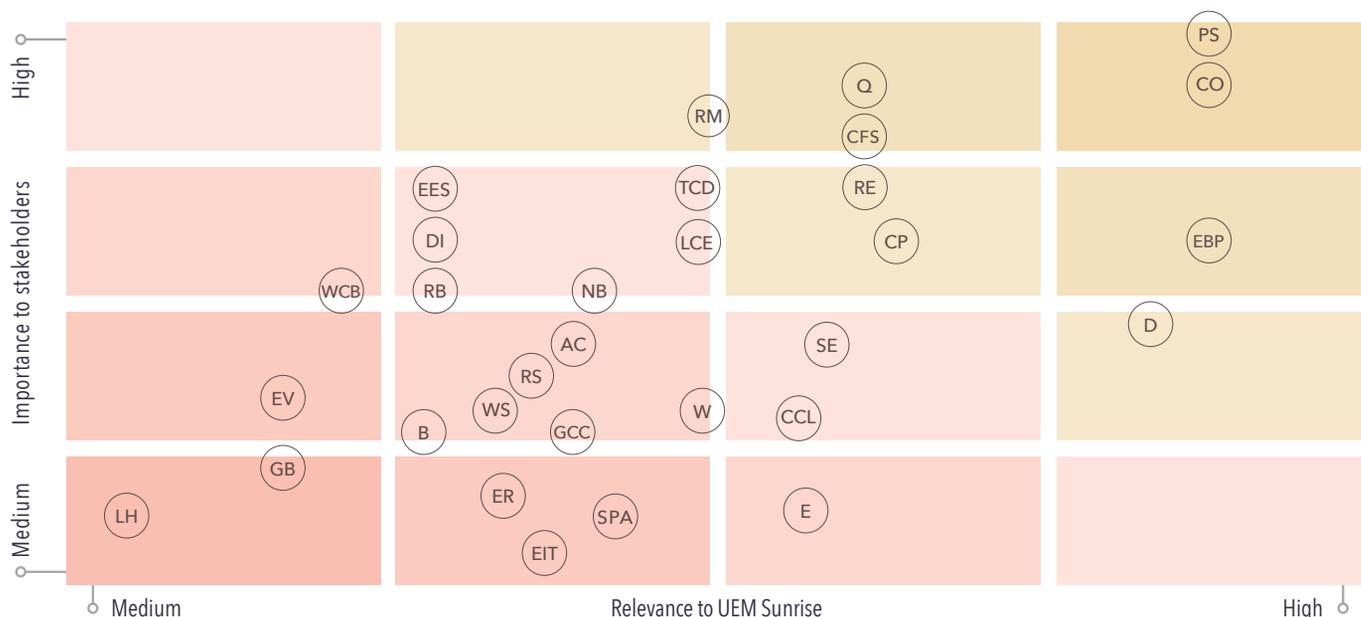
The survey responses were used to ascertain the views of stakeholders. Respondents were asked to rate the importance they placed on 32 economic, environmental and social aspects on a scale of ‘very unimportant (1)’ to ‘very important (5)’.

As each stakeholder group was not equally represented, a separate average score was calculated for each area within each stakeholder group before obtaining a total average. This approach ensured that each stakeholder group was represented equally.

The same survey was completed by representatives from the Board. These responses were used to represent the views of UEM Sunrise.

Our nature of business has remained unchanged since last year. Senior management reviewed the materiality matrix and considers it relevant.

The Result



- | | | |
|------------------------------------------|---------------------------------|-----------------------------------------------------|
| Q - Quality | SE - Stakeholder engagement | RS - Responsible sourcing |
| PS - Public safety | D - Discrimination | LH - Local hiring |
| RM - Responsible marketing | RB - Remuneration and benefits | WS - Waste |
| CFS - Customer feedback/satisfaction | NB - Nation building | W - Water |
| CO - Corruption OSH | CCL - Child & compulsory labour | B - Biodiversity |
| EES - Employee engagement & satisfaction | EV - Employee volunteerism | GCC - GHG emissions & climate change |
| TCD - Training and career development | WCB - Wider community benefit | ER - Employer/employee relations |
| RE - Recruiting/retaining employees | AC - Anti-competition | SPA - Sustainable procurement & supplier assessment |
| CP - Customer privacy | E - Energy | EIT - Environmental impact from transportation |
| EBP - Economic & business performance | GB - Green building | |
| DI - Diversity & inclusivity | | |
| LCE - Local community engagement | | |

 **ECONOMIC**

CREATIVE PLACEMAKER IN BUILDING THE ECONOMY

Malaysia’s property and construction industry continues to advance the country’s economic and social development. We will continue focusing on achieving a good financial performance which allows us to invest in our long-term sustainable development goals and build communities of the future.

Placemaking

“Places” is the strategic pillar that represents the heart of our sustainability strategy. Effective placemaking underscores our approach to transforming spaces into vibrant and authentic destinations. We balance the aesthetic, functional, ecological and cultural impacts of the design and construction of our properties. We also aim to achieve long-term placemaking to maintain and manage our assets while improving the lives of the people who live, work and visit there.

What Placemaking Means to UEM Sunrise	How UEM Sunrise Delivers it	Key Impact
Master Planning	<ul style="list-style-type: none"> Stakeholder engagement 	<ul style="list-style-type: none"> Smart and sustainable city development
Supporting communities and local revitalisation	<ul style="list-style-type: none"> Community engagement Social integration Visual perception 	<ul style="list-style-type: none"> Heritage preservation and enhancement Community investment
Supporting local economy	<ul style="list-style-type: none"> Local jobs and commerce 	<ul style="list-style-type: none"> Local visitors
Liveability	<ul style="list-style-type: none"> Visitor and occupant safety Quality public spaces 	<ul style="list-style-type: none"> Health and well-being
Connectivity	<ul style="list-style-type: none"> Public transport accessibility Accessibility to international transport hubs 	<ul style="list-style-type: none"> Virtual connectivity Cycleability and walkability Connectivity to points of interest

PLACEMAKING INITIATIVES IN ISKANDAR PUTERI

Iskandar Puteri Jazz Festival 2017



Puteri Harbour was the official venue for the inaugural Iskandar Puteri Jazz Festival 2017 (“IPJF”) on 29 April 2017. IPJF showcased Southeast Asia’s Jazz talents to international audiences including music lovers and renowned Jazz celebrities in the region. Admission to this event was free.

The Inaugural UEM Sunrise-Iskandar Puteri Night Marathon 2017



The UEM Sunrise-Iskandar Puteri Night Marathon was organised by Intan Jauhar Sdn. Bhd. and supported by the Johor State Government. It was aligned with our long-term efforts of incorporating sports and healthy living into the blueprint of Iskandar Puteri. As the main sponsor of this inaugural event, we strengthened our relationship with stakeholders and cemented our position as master developer in Iskandar Puteri.

The run was held on 1 April 2017 at Dataran Mahkota, Kota Iskandar in Iskandar Puteri, Johor. It received an overwhelming response from over 7,500 runners with close to 700 participants attending from the international community. Four different race categories were offered to both men and women : 42km, 21km, 10km and 5km.

Challenge Iskandar Puteri 2017



Puteri Harbour in Iskandar Puteri, Johor has once again hosted Challenge Iskandar Puteri from 22 to 23 September 2017. This was the 6th race in the global challenge series of full and half triathlon races. UEM Sunrise was the title sponsor with more than 1,800 people supporting the event. The three categories held were the '5km Fun Run', the 'Challenge Iskandar Puteri Kids' race and the main 'Challenge Iskandar Puteri 2017' race.

REEBOK Spartan Race Iskandar Puteri 2017



UEM Sunrise was the main partner of Reebok Spartan Race Iskandar Puteri 2017, which was held on 9 December 2017. The race consisted of two events namely the Reebok Spartan Sprint (a 5km sprint with more than 20 obstacles) and the Reebok Spartan Beast (a 20km race with more than 30 obstacles).

ISKARNIVAL 2017



ISKARNIVAL2017 once again took place at Iskandar Puteri, Johor. The 6th ISKARNIVAL 2017 presented two agendas – ISKARNIVAL Kool on 25 and 26 November 2017 and ISKARNIVAL Aktif on 2 and 3 December 2017. The two weekends, which were filled with arts, culture and sports, have attracted more than 72,000 visitors.

Kuala Lumpur International Comedy Festival (“KLICFEST”) 2017



We were proud to be the venue host for KLICFEST 2017 from 21 to 23 April 2017 at Black Box, Publika. The KLICFEST showcased 14 comedy shows featuring local and international superstars including Harith Iskander and Nabil Ahmad from Malaysia, Fakkah Fuzz from Singapore, Paul Ogata from America and Johnny Daley from Jamaica. The event attracted more than 3,500 comedy enthusiasts.

Symphony Fun Walk & Run 2017



The inaugural Symphony Fun Walk & Run 2017 was held on 12 August 2017 at Symphony Hills, Cyberjaya. The event received an overwhelming response with more than 600 participants taking part. Runners from the United Kingdom, India, Indonesia and the Philippines supported the event.

Iskandar Safe City Ride 2017



The Iskandar Safe City Ride 2017 was held at Puteri Harbour, Iskandar Puteri, Johor on 5 August 2017. UEM Sunrise was the main sponsor of the event, which was organised by the Royal Malaysia Police. Admission was free and the event featured two cycling routes : a 6km Family Ride and 39km Power Ride. More than 1,000 cyclists took part in this event.

Publika Jazz Festival



Publika Jazz Festival 2017 was held on 25 and 26 August 2017 at Publika, Solaris Dutamas, Kuala Lumpur. The annual celebration for music lovers showcased local and international talents and featured different genres of jazz from all eras. More than 8,000 people attended this event.

Mid-Autumn Festival with Publika



Publika Mid-Autumn Festival 2017 was held from 30 September to 1 October 2017 at the Square, Publika. Activities included a DIY Mooncake and Lantern, story-telling game, lion dance and Chinese drum performance, lantern parade and oldies classic jazz performance.

Publika Comic Play 2017



Publika Comic Play 2017 was held from 14 to 19 November 2017. It displayed a variety of cosplay components for artists, performers, art galleries, fan clubs and the cosplay community. Other activities included art exhibitions, a mini collector's library, a movie screening, a cosplay costume contest, stage performances and a bazaar.

6th Sama-Sama Bon Odori Festival 2017



The 6th Sama-Sama Bon Odori Festival 2017 was held at The Square, Publika on 10 September 2017. More than 2,000 visitors were exposed to both Malaysian and Japanese cultures. The event was held in conjunction with Malaysia and Japan's 60 years of diplomatic relations.

Welcoming the New Year with Us



UEM Sunrise held two amazing New Year Countdown celebrations at Puteri Harbour in Iskandar Puteri, Johor and Publika in Solaris Dutamas, Kuala Lumpur. The Johor crowd was entertained with special appearances from Steve Thornton & Afroasia, Fazz and Kaya. Kuala Lumpur was presented with DJ Xes Xes Loveseat, Rozz and Back2Basixx.



UEM Sunrise Invited Customers to Visualise its Commitment to Quality International Lifestyle Developments Through the 'Zaha Hadid Architects' Exhibition Series

On 9 July 2017, UEM Sunrise officiated its partnership with Zaha Hadid Architects in the 'Zaha Hadid Architects : Reimagining Architecture' Exhibition at the Kuala Lumpur Architecture Festival 2017. Opening in Publika, this exhibition series is the first of its kind in Southeast Asia. It was later premiered in Singapore and Melbourne and recorded over 13,000 attendees in the three countries. The exhibition showcased a range of the late Zaha Hadid's works, spanning 40 years in which she became an industry pioneer who redefined architectural design and the first woman to receive the prestigious Pritzker Architecture Prize.

Locals gained insight into the works of the late Dame Zaha Hadid for the first time ever. Visitors witnessed the workings of an architecture and design maestro who is driven to deliver quality developments. As part of our corporate social responsibility, we hope that through this exhibition, visitors will gain a deeper understanding of architecture and design, and discern the ways in which our projects become more innovative, resolved and polished from a formal and technological standpoint with each new design.

As we work to deliver quality developments, we also want to create sustainable communities through initiatives such as this exhibition series which will bring the design, architecture and cultural communities together. We hope that the series will go a long way to enrich the communities in Kuala Lumpur, Singapore and Melbourne with a deeper understanding of Zaha Hadid's works, and stimulate a wider conversation on good design and architecture.

Zaha Hadid Architects : Reimagining Architecture is one of our landmark initiatives. Not only will visitors of the exhibition gain a deeper understanding of Zaha Hadid's legacy, the exhibition series is also a tribute to all our customers and partners in the various markets who have supported the expansion of our geographical footprint over the years.



One-stop Real Estate Management

UEM Sunrise signed a service agreement with 10 preferred real estate agencies through its wholly-owned subsidiary, SCM Property Services Sdn. Bhd ("SCM"). This agreement is for the provision of value-added, one-stop real estate management services to both existing and potential customers as well as residents and owners of SCM-managed properties.

SCM's Synergistic Collaboration with Preferred Real Estate Agencies



SCM will provide a systematic and complete range of professional services in its capacity as a provider of property and facilities management which includes building management, maintenance, security, insurance management, renovation management, capital improvements and customer service.



Connectivity Shapes Our Township

Connectivity and accessibility are the most important attributes of a liveable city. A good transportation system is vital as it directly affects residents' mobility and national economic growth.

On 18 August 2017, UEM Sunrise together with Nusajaya Tech Park, a 40 : 60 joint venture with Ascendas-Singbridge, hosted the inaugural High-Speed Rail ("HSR") Seminar as part of the ASEAN Market Insights Seminar series. The seminar drew more than 150 attendees at the Singapore Business Federation.

During a panel discussion, '**Capturing Potential Business Opportunities with High-Speed Rail**', we highlighted our focus on unlocking the development potential of Iskandar Puteri. Various industrial, commercial and residential projects will set a strong foundation to support an overall thriving transit-oriented development in the region via Gerbang Nusajaya.



UEM Sunrise also collaborated with UMP Holdings Sdn. Bhd. (“UMPH”), a subsidiary of Universiti Malaysia Pahang, with support from Universiti Institut Teknologi MARA (“UiTM”) Shah Alam and UiTM Seri Iskandar, Perak to host a 14-day Building Information Modelling (“BIM”) Workshop.

Twenty-seven students from the Faculty of Architectural Planning & Surveying (“FSPU”) attended the workshop from 26 January to 8 February in UiTM Shah Alam. The students underwent an intensive BIM course that included live 3D modelling and coordinating a simulation of UEM Sunrise’s Solaris 3 Plot A project. The University students were introduced to BIM software in order for them to embrace new technology that will increase their marketability once they enter the job market.

BIM is the future of the construction and built-environment industry which promotes effective project modelling, designing, estimations, scheduling, construction simulation and facilities management.



Affordable Homes

UEM Sunrise has extensive experience in building upmarket properties. However, we are also committed to constructing homes for the low to medium-income group in Malaysia, aligning ourselves with the country’s agenda to increase affordable housing.

Our commitment to building quality yet conducive affordable homes for the comfort and benefit of the *rakyat* has paid off. Our freehold, affordable housing project, Bayu Nusantara in Iskandar Malaysia, Johor, won a merit award under The Edge Malaysia Affordable Urban Housing Excellence Award 2017, which recognises outstanding affordable housing projects.

Bayu Nusantara is part of the 258-acre Nusa Bayu, which sits at the intersection of Pontian Link and the Malaysia-Singapore Second Link. The 19.88-acre development consists of 351 affordable landed properties and 241 two-storey terraced homes under Rumah Mampu Milik Johor (RMMJ), 80 two-storey terraced homes under Perumahan Komuniti Johor Type B and 30 one-storey shop lots.

In 2017, construction also commenced on another affordable homes project – Denai Nusantara. Located in Iskandar Puteri, Johor, Denai Nusantara comprises five 12-storey residential towers and single-storey landed shops. It is a project under the Rumah Mampu Milik Johor (“RMMJ”) that targets local community members with a low and middle monthly household income of RM8,000 and below.

Denai Nusantara is strategically located adjacent to the new transportation hub, which will be operational soon. It is just five minutes from the 210-hectare industrial park, Nusajaya Tech Park in Gerbang Nusajaya. The development comes with affordable maintenance, quality workmanship, lifestyle recreation and amenities as well as communal facilities such as a multi-purpose hall, *surau*, *tadika*, management office and recreational park with jogging tracks.

Moving forward, we are expanding our commitment to providing affordable housing through our collaboration with the Kementerian Wilayah Persekutuan in our first affordable RUMAWIP project. Kondominium Kiara Kasih is a well-planned residential development with a lively ambience and facilities for the *rakyat* to enjoy community living and be part of connected and well-organised living. The project was launched in March 2018.

Supply Chain Sustainability

Sustainability is integral to our procurement processes and supplier engagement. Sustainability questions are incorporated into bids and performance indicators. We will continue to :

- Improve processes and engage with suppliers to identify and manage risks
- Increase productivity and efficiency within the supply chain.

We are committed to supporting business opportunities and capacity building for local suppliers across operations and throughout our supply chain. Our Code of Business Ethics communicates these positions to internal stakeholders and suppliers.

Our suppliers expectations include areas on integrity; labour and human rights; health, safety and environment; and supplier inclusion. Clear expectations and standards in our contracts ensure sustainability considerations are included in total cost of ownership evaluations, quality audits and our ongoing discussions with suppliers on performance indicators and continuous improvement.

Contractors must ensure that their work does not directly or indirectly pollute or contaminate the environment. The requirements imposed by relevant authorities must be adhered to, particularly the Environmental Quality Act 1974 and Environmental Impact Assessment.

We engage with suppliers and contractors on sustainable development issues through our quarterly business reviews, supplier relationship management, supplier sustainability forum and supplier audits.

We are committed to boosting the local economy through employment. Our ‘Instruction to Tenderer’ stipulates that all tenderers must be 100% Malaysian owned except for tenderers for the Company’s projects located out of Malaysia. We also encourage participation from *Bumiputera* contractors and subcontractors.

Environmental and Social Requirement for UEM Sunrise’s Suppliers, Contractors and Subcontractors

Compensation packages must comply with :

- The Worker’s Compensation (Foreign Workers Compensation Scheme) (Insurance) Order 1996; and/or
- The Social Security Insurance; and/or
- Employer’s Liability Insurance; and/or
- Any other insurance with statutory limits as requested by Malaysian laws.

Fair remuneration must be provided

- That at least covers their living wage

Valid permits to work

- Must be issued before permanent or temporary workers can work in accordance with Malaysian immigration and Labour laws

Overtime

- Must be paid to workers

Workers must not be exposed to hazards or risks

- When carrying out work in addition to being supervised by our safety personnel on site

Workers must not degrade the environment

- From potential pollution as far as is practicable and mitigate the potential impacts on the environment

Reduce the impact of their operations

- Measured through emissions released, biodiversity impacts, waste disposed of, pollution and other environmental issues resulting from their operations

Share UEM Sunrise’s commitment to the environment

- UEM Sunrise wants suppliers who conduct business in a similar way. Suppliers must work to reduce their consumption of resources including raw materials, energy and water throughout all aspects of the project



ENVIRONMENT

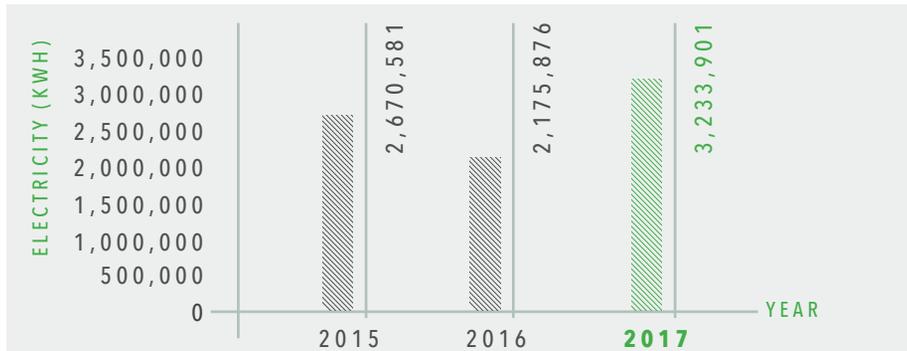
Green Place-led Developments

We always take great care to develop environmentally-sound buildings that are built using an integrated design approach. Sustainable measures are incorporated throughout a building's lifecycle, from planning and design to operation and maintenance. We are committed to reducing climate impact and optimising resource efficiency throughout our operations.

Energy Conservation and Efficiency

Energy management plays a central role in our Environmental Management System. All energy consumption is recorded and evaluated annually. Goals and measures are derived from these results.

Indirect Energy Consumption

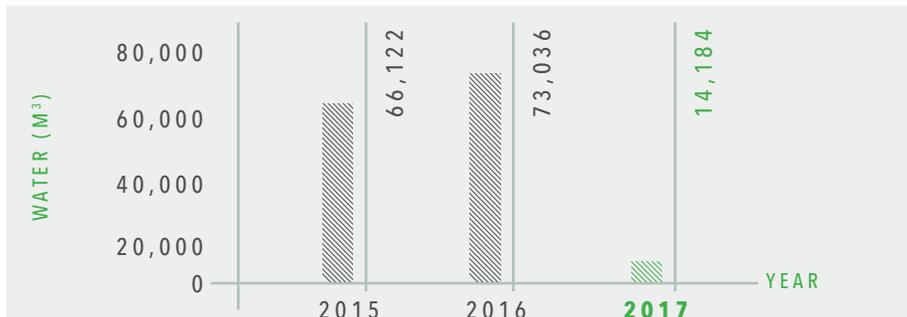


Water Management

Water is integral to maintaining the quality of our natural and built environment. Protecting our water and natural environments through better water management is crucial in adapting to changing demography, resource use and climatic regimes.

Over the past years, we have implemented smart irrigation and efficient landscaping practices at our existing buildings and new developments. The least efficient fixtures are prioritised in order to maximise our conservation efforts. Improvements implemented include smart controllers, low flow sprinkler heads and infrastructural improvements. We also harvest rainwater for use in our irrigation systems with developments such as Estuari Gardens in Iskandar Puteri using rainwater for landscaping. In 2017, our water consumption reduced significantly as the ownership of several water meters was transferred to tenants in some of our buildings.

Water Consumption



Waste and Recycling

Our management strategy is to monitor our waste stream and volume, provide recycling options and encourage tenants to support our efforts. We continue to work with contractors to minimise waste by accessing waste data across more properties. Working with tenants helps us address the pressures of reusing and recycling waste while promoting a healthy environment and communities.

Our Waste Management Strategy



DESIGN PHASE

- We incorporate waste collection and separation facilities in our properties as stipulated in our Safety, Health and Environment Policy.



DURING CONSTRUCTION WORK

- We encourage contractors to operate a waste management plan. We are committed to gradually reducing the waste produced during construction such as through off-site pre-fabrication). Where possible, we specify end-of-life recycling for building components, which is particularly relevant for our development activities. Our contractors are required to disclose their waste management results.



DURING THE OPERATION PHASE

- Our waste is largely generated by tenants' activities. Waste management efforts focus on waste segregation, management and disposal as well as engagement with tenants. Beyond legal requirements, we aim to progressively improve each property's waste recycling rate. Over the past years, we have significantly reduced the amount of waste sent to landfill.



Flora and Fauna Conservation

The SIREH Park in Iskandar Puteri was opened to the public in November 2017. This 343-acre urban park is the largest in Johor. It promotes the aesthetics of the planted areas and encourages outdoor activities via three major thrusts, namely recreational, educational and scientific initiatives.

At SIREH Park, UEM Sunrise aims to preserve as much as possible the existing vegetation, minimise slope cutting and maintain all existing water bodies. The park is developed according to the six guiding principles i.e. sustainable, world-class, natural heritage park, fun and enjoyment, for all age groups and abilities and promote greater understanding and appreciation of the natural environment.

Featuring Johor Landscape Day at SIREH Park

UEM Sunrise celebrated Hari Landskap Negeri Johor from 17 to 19 November 2017 at SIREH Park. Organised by Jabatan Landskap Negeri Johor, this annual programme evaluates various categories of landscaping scenery around Johor such as residential, villages, commercial, institutional and individual premises. A competition between 16 gardens created by 16 local authorities was the highlight of this event. These gardens are permanently showcased to the public at SIREH Park.

Featuring Spartan Race Iskandar Puteri

UEM Sunrise successfully hosted the Spartan Race Iskandar Puteri, the world's largest obstacle course race. The race was held at SIREH Park, on 9 December 2017 in partnership with Spartan Race. More than 6,000 participants from all over the world including Malaysia, Singapore, China, Indonesia, the Philippines and the United States took part in one of three available categories : Ultra Beast (40km and over 60 obstacles), Beast (20km and over 30 obstacles) and Sprint (5km and over 20 obstacles).

SIREH Park is a perfect venue for outdoor activities such as jogging, trekking, mountain biking, boating, kayaking and canoeing.

Flora and Fauna Conservation at Project Sites

Our operations may adversely affect the surroundings if not managed properly during construction. Excavations and earthworks impact our existing landscape, soil and geology through the creation of new landforms, erosion, removal and alteration of soil, and the removal of rock.

Initiatives to Minimise Impact on Flora and Fauna



Keep use of chemical pesticides to a minimum at our developments



Choose plants that attract birds and other small fauna



Transplant all trees to a new development before earthworks commence



We work closely with the state government and local authorities including Jabatan Landskap Negeri Johor, FRIM, MARDI, Jabatan Mineral dan Geosains, Jabatan Pertanian, Jabatan Perhutanan and Jabatan Perhilitan in conserving the natural habitat, replanting, reforestation and botanical planting

Climate Change and Emissions Management

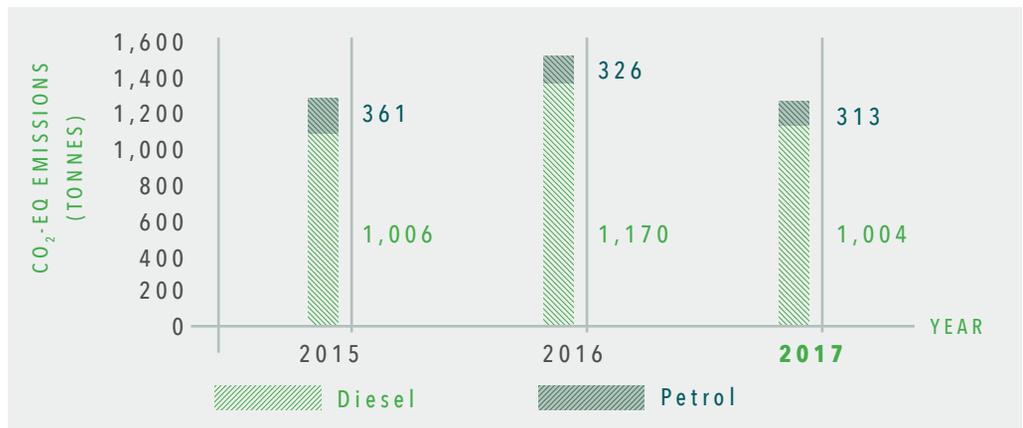
Carbon dioxide emissions are a major contributor to global climate change. If left unchecked, large-scale climate change will have serious economic, social and environmental consequences for our business and the communities in which we operate.

UEM Sunrise continues to monitor and report its greenhouse gas ("GHG") emissions. We monitor Scope 1, 2 and 3 GHG emissions in accordance with the Greenhouse Gas Protocol.

Scope 1

We report GHG emissions from all machinery and company-owned vehicles. The volume of CO₂ emissions from the consumption of fuel is derived from the emission factor published by the IPCC Guidelines for National GHG Inventories.

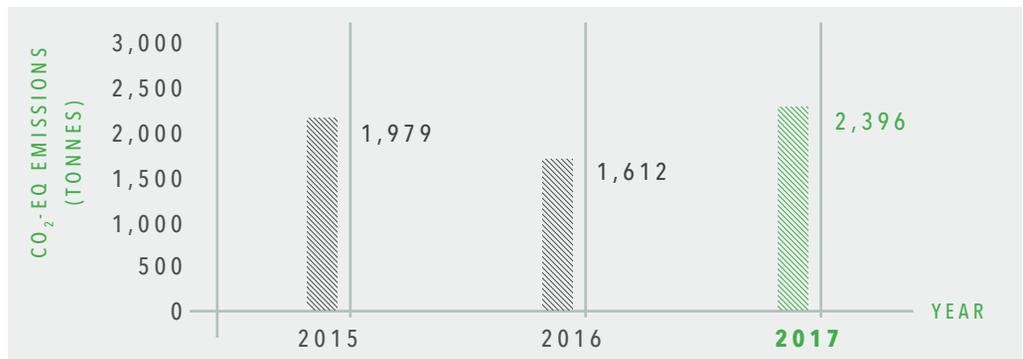
CO₂ Emissions from Machinery and Company-owned Vehicles



Scope 2

We calculated emissions resulting from electricity consumption. The volume of CO₂ emissions from the use of electricity was derived using the emission factor published by the Malaysian Green Technology Corporation for the Peninsular Grid.

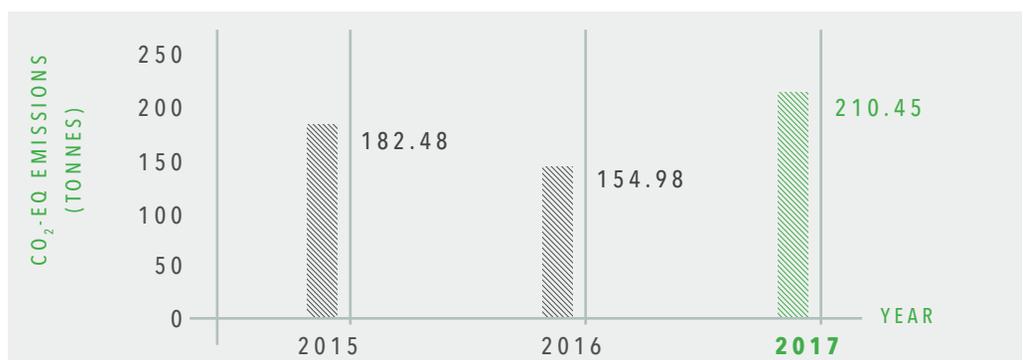
CO₂ Emissions from Purchased Electricity



Scope 3

Air travel GHG emissions were calculated point to point including the number of employees on board and distance travelled. Separate calculations were performed for business and economy class flights. We perform this exercise using conversion tools published by the WRI Greenhouse Gas Protocol.

CO₂ Emissions from Air Travel



 **SOCIAL**

CREATIVE COMMUNITIES AND ART-BASED PLACEMAKING

OUR PEOPLE

We create an environment where our employees are healthier, happier and more productive. Investing in our employees and providing rewarding career paths helps us develop a diverse and industry-leading team.

Attractive Remuneration

UEM Sunrise provides employees with competitive salaries. Compensation programmes are designed to recognise and reward employees for their accomplishments and the value that they bring to the Company.

We offer all entitlements stipulated by the labour law such as the Employees Provident Fund (“EPF”) contributions and Employees’ Social Security (“SOCSO”). We comply with local statutory regulations and systems related to retirement to safeguard the retirement rights of our employees.

UEM Sunrise’s Attractive Remuneration Packages

 Professional Association Membership	 Corporate Club Membership	 Loans	 Children Excellence Award
 Special Leave	 Hospitalisation Benefits	 Other Medical Benefits	 Car Loan Interest Subsidy

UEM Sunrise pays 15% EPF contributions to employees who have served more than two years. This is above the statutory rate of 12%.

Our remuneration system, containing fixed and variable elements, gives us a competitive edge in the market. Our attractive remuneration packages comprise short and long-term components such as basic salary, benefits, short-term variable bonuses/incentives as well as the long-term incentive of the Employee Share Option Scheme (“ESOS”).

Performance Management

Our Performance Management System (“PMS”) recognises and measures the performance of employees. This tool helps both employees and their managers monitor employees’ performance more effectively.

The PMS has evolved into an electronic format. Employees can create scorecards, set Key Performance Indicators (KPIs), track performance progress and review their performance throughout the Performance Appraisal cycle. The in-house electronic version of the PMS is known as ACE.

Three Phases of the PMS Cycle

- 1. KPI PLANNING**
The KPI planning stage is typically performed from the beginning to the middle of the Financial Year. The appraisee and appraiser agree on a performance plan. Agreed KPIs include focus areas, KPI objectives, weightage and measurement that are aligned with the overall business objectives.
- 2. PERFORMANCE MONITORING**
The Performance Monitoring phase requires both appraiser and appraisee to jointly monitor the performance progress throughout the appraisal period. The mid-year review is typically held in June and July. However, the appraiser and appraisee are encouraged to conduct performance tracking and feedback on an on-going basis.
- 3. PERFORMANCE APPRAISAL**
The Performance Appraisal phase compares the actual and planned results and identifies future improvements. Typically, this phase is performed in November and December.



Level	2015	2016	2017
Managerial (UE5 & Above)	15%	15%	15%
Exec (UE1-UE4)	53%	50%	49%
Non-exec	32%	35%	36%

We encourage employees to engage in regular performance discussions with their line managers. Constructive and forward-looking feedback can be obtained during these discussions and development interventions may be devised to help employees achieve their performance goals.

Employee Engagement

We value teamwork and an open culture. Employees are encouraged to engage with one another and the wider community through interdepartmental activities and volunteerism.

Employee Engagement Platforms



Publications

- Newsletters, the titans (intranet), press releases and annual reports



Informal engagement sessions

- Townhall session with the Managing Director/Chief Executive Officer, management dialogue, HOD engagement sessions, forum, knowledge sharing sessions and teh tarik sessions



Sports and Outdoor Activities

- Staff sports events including bowling, hiking and a treasure hunt



Celebrations

- Family day, birthdays, annual dinner, awards night, festive celebrations

UEM Sunrise partnered with Aon Hewitt to gauge employee feedback in November 2017. 10,828 employees responded to the survey, achieving a response rate of 94%. Our engagement score of 65%, which was consistent with the previous years, was within the 'moderate zone'.

High Flyers Session with Managing Director and Board Members of UEM Sunrise

The High Flyers Session with UEM Sunrise talents is a 'Get To Know You' initiative led by the Talent Management Department of the UEM Sunrise Human Resource Organisational Development Division. A total of six sessions were held in the Central and Southern regions.

High Flyers Session Speakers

	<p>EN. ANWAR SYAHRIN ABDUL AJIB Managing Director/ Chief Executive Officer</p>		<p>PN. ZAIDA KHALIDA SHAARI Non-Independent Non-Executive Director</p>
	<p>YM UNGKU SUSEELAWATI UNGKU OMAR Independent Non-Executive Director</p>		<p>MR. LIM TIAN HUAT Independent Non-Executive Director</p>

During the sessions, our talents exchanged stories and ideas with the Senior Management Team, who also shared inspirational advice with our fellow talents in their career development and leadership capabilities.



Occupational Health and Safety

Strong and dedicated safety leadership and sound dynamic management systems are essential components of our effort to achieve 'zero harm' and a safe and sustainable work environment.

An effective safety culture within UEM Sunrise involves commitment, accountability and continuous reinforcement from all levels of management including the UEM Sunrise Board of Directors. The Board reviews our Health, Safety and Environmental performance through the monthly performance report.



Values

Safety is a shared responsibility and it always comes first.



Policy

Our Health and Safety Policy sets out our overarching commitments in relation to health and safety. The policy applies to all employees, contractors and all operations under UEM Sunrise's control.



Target Zero

Target Zero is a strategic framework which starts with the philosophy that all incidents are preventable.



Management System

Our Health, Safety and Environmental Management System forms the framework by which we manage our HSE risks across the business.



Accreditation and Certification of Construction Site Supervisor and Skilled Workers Briefing by CIDB Malaysia

CIDB ACT 520 (33A) made it compulsory for all construction site supervisors and workers proficient in skills listed in the Third Schedule of the Act to register and obtain a certificate of accreditation for their skills.

On 15 February 2017, QASHE organised the briefing by CIDB roadshow for our contractors, site supervisors and project management team. The roadshow updated the participants on the current industry requirements in line with the new requirements.

QASHE Infographic Awareness

QASHE publish infographic awareness each month which highlights current practices, activities, achievements and other relevant HSE updates.

SHASSIC Training

QASHE organised SHASSIC training in November 2017 to instil the importance of implementing SHASSIC and its benefits to the organisation. The briefing was attended by consultants, contractors, site supervisors and the project management team.

SHASSIC Assessment by CIDB Highlights



Safety Indicator	2015	2016	2017
Total recordable injury frequency rate	4.1	0.15	0
Absenteeism rate (headcount)	3	2	0
Absenteeism rate (days)	15	30	0
Lost Time Injury frequency (No. of cases)	3	2	0
Fatal accident rate (No. of cases)	1	0	0
Occupational diseases rate	0	0	0
Lost day rate	0	0	0
Number and percentage of workers undergoing health surveillance	0	0	0

Knowledge Management

Our greatest assets are our employees and their unique knowledge and skills. We provide development opportunities through many programmes to foster their personal and professional growth. Continuously investing in developing employees' professional, technical and leadership skills helps us improve our capabilities.



UEM Sunrise Reimagining Homes in 21st Century Workshop

The UEM Sunrise’s Design Thinking Workshop aimed to improve our ability and capacity to meet the challenges of V3.0 including the Digital Transformation.

Design Thinking is a methodology used by designers to solve complex problems and find desirable solutions for clients. It draws upon logic, imagination intuition and systemic reasoning. It explores possibilities of what could be and creates desired outcomes that benefit the end user – the customer.

Our Design Thinking Workshop commenced in July 2017. The three teams put in great effort and designed product prototypes for the company with three identified projects.

- 

Development Project : Reimagine the Urban Living Experience in a World Where Work Life Integration is Becoming a Norm
- 

Customer Experience : Redesign the After Sales Service Experience
- 

Retail and Asset Project : Redesign the Mall Customer Engagement Experience

Knowledge Sharing Series

The Knowledge Sharing Series is an open session conducted by employees. Employees who had previously attended value-added training imparted their first-hand knowledge to other employees. Several sessions were held throughout the year. These sessions developed a knowledge continuity culture within the organisation through the sharing and exchange of information for the betterment of the organisation’s vision and mission.

Project Management Professionals (PMP) Certifications

PMP certification is the global gold standard for project management professionals and the most recognised in the industry. Ten employees who took part in the programme in 2017 have completed and passed their examinations.



Workforce by Employment Type

No. of Employees



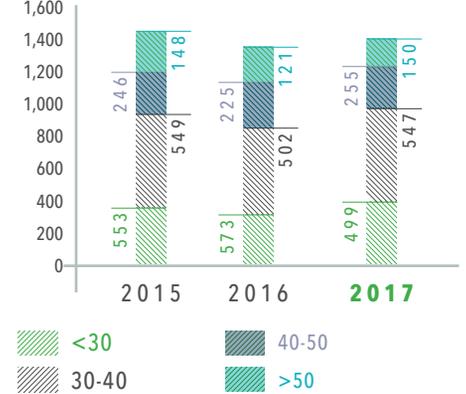
Workforce by Gender

No. of Employees



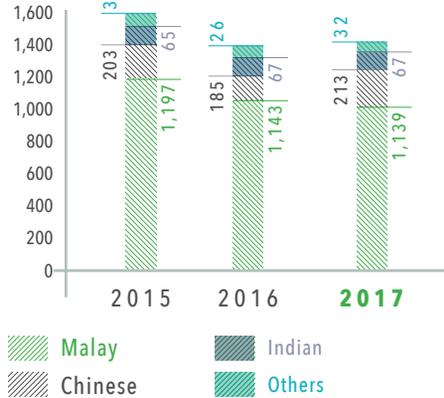
Breakdown by Age Group

No. of Employees



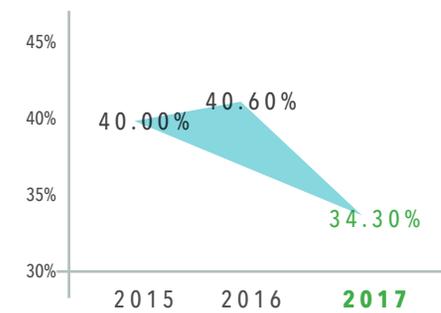
Breakdown by Race

No. of Employees



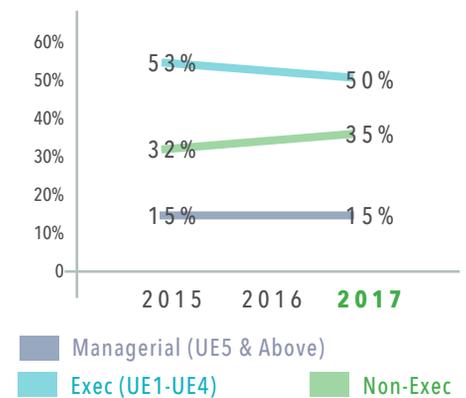
Percentage of Women in Management

No. of Employees



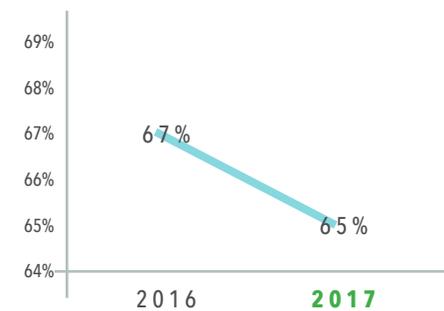
Employees that have been Formally Appraised

No. of Employees



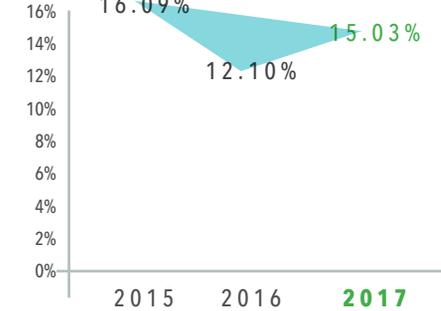
Employee Engagement Index (EEI)

Employee Engagement Index (EEI)



Employee Turnover

Employee Turnover (%)



Empowering Our Female Leaders

The Women in Leadership ICAEW Programme challenges our female leaders to reach their full leadership potential. The six-month programme consists of action learning experiences and coaching sessions with a strong emphasis on personal development. It seeks to refine and craft an individual's leadership style.

Participants also had an opportunity to network with inspiring female leaders from various working backgrounds. The participants were groomed to become role models for other women in UEM Sunrise.



OUR SOCIETY

**Education and Human Capital
UEM Sunrise PINTAR School Adoption Programme**

The PINTAR School Adoption Programme was initiated by Khazanah Nasional Berhad, the investment holding arm of the Government of Malaysia, in December 2008. Led by PINTAR Foundation, it was designed to help students achieve academic excellence in order to inspire the young generation to become responsible.

Currently, UEM Sunrise has 14 adopted schools in the Central and Southern regions after graduating 10 schools last year. UEM Sunrise has implemented programmes that have been guided by PINTAR’s four core modules : Motivational and Team Building Programme; Educational Support Programme; Capability and Capacity Building; and Reducing Vulnerabilities and Social Issues.

Programmes organised included the Examination Seminars (PT3 and SPM), Students’ Motivational Camp and a Workshop on UPSR answering techniques for teachers in a new format. We developed these programmes to contribute to the holistic development of the students – academically, psychologically and socially.

Motivational Camp for our PINTAR Students

Since its inception in 2011, the Motivational Camp has been known to be one of the most anticipated events organised for UEM Sunrise’s PINTAR Adopted Schools programme.

2017 marked the 7th year of UEM Sunrise in hosting this Motivational Camp. The camp, which was held at Tiram Indah Village, Johor Bahru, was attended by 120 Form Four and Form Five students from SMK Gelang Patah, SMK Kompleks Sultan Abu Bakar, SMK Tanjung Adang and SMK Taman Nusa Jaya. The three-day two-night annual camp was filled with continuous mental and physical challenges which included indoor and outdoor activities to help these students unleash their full potential and train them to stay focused.

Examination Seminars for Our PINTAR Adopted Schools’ Students

In 2017, we collaborated with Berita Harian in organising Examination Seminars for our PINTAR Schools in the Central and Southern regions. The two-day programme had benefited 450 students. These seminars were held to raise students’ academic performance and help them to achieve desired results.

The PT3 Examination Seminar focuses on four subjects namely Mathematics, English, Bahasa Malaysia and Science while the SPM Examination Seminar focuses on Mathematics, English, Bahasa Malaysia and History.



Central Region

School	Number of Students	Programme
SMK Kiaramas	200	PT3 Examination Seminar Phase 1
SMK Kiaramas & SMK Seri Hartamas	169	PT3 Examination Seminar Phase 2
SMK Kiaramas & SMK Seri Hartamas	200	SPM Examination Seminar Phase 1
SMK Kiaramas	200	SPM Examination Seminar Phase 2

Southern Region

School	Number of Students	Programme
SMK Gelang Patah, SMK Kompleks Sultan Abu Bakar, SMK Tanjung Adang & SMK Taman Nusa Jaya	250	PT3 Examination Seminar Phase 1
SMK Gelang Patah, SMK Kompleks Sultan Abu Bakar, SMK Tanjung Adang & SMK Taman Nusa Jaya	250	PT3 Examination Seminar Phase 2
SMK Gelang Patah, SMK Kompleks Sultan Abu Bakar, SMK Tanjung Adang & SMK Taman Nusa Jaya	250	SPM Examination Seminar Phase 1
SMK Gelang Patah, SMK Kompleks Sultan Abu Bakar, SMK Tanjung Adang & SMK Taman Nusa Jaya	250	SPM Examination Seminar Phase 2
SMK Gelang Patah, SMK Kompleks Sultan Abu Bakar, SMK Tanjung Adang & SMK Taman Nusa Jaya	120	Motivational Camp 2017

UEM SUNRISE PINTAR SCHOOLS

Central Region

1. Sekolah Rendah Agama Batu 3, Bangi
2. Sekolah Kebangsaan Bangi
3. Sekolah Kebangsaan Cyberjaya
4. Sekolah Kebangsaan Rinching Hilir
5. Sekolah Menengah Kebangsaan Sri Hartamas
6. Sekolah Menengah Kebangsaan Kiaramas

Southern Region

1. Sekolah Jenis Kebangsaan (Tamil) Gelang Patah
2. Sekolah Kebangsaan Ladang Pendas
3. Sekolah Jenis Kebangsaan (Cina) Ming Terk
4. Sekolah Kebangsaan Tanjung Adang
5. Sekolah Menengah Kebangsaan Gelang Patah
6. Sekolah Menengah Kebangsaan Kompleks Sultan Abu Bakar
7. Sekolah Menengah Kebangsaan Taman Nusa Jaya
8. Sekolah Menengah Kebangsaan Tanjung Adang



UEM Sunrise was presented with an Appreciation Award by the Education Minister of Malaysia, YB Dato' Seri Mahdzir Khalid. The award recognises our contribution and continuous commitment to education through our PINTAR School Adoption Programme.



Approximately 22,000 students and teachers benefited from UEM Sunrise's PINTAR Adopted School programmes since their inception in 2008.

UEM Sunrise's management team including En Anwar Syahrin Abdul Ajib, Managing Director/Chief Executive Officer and YBhg. Dato' Roslan Ibrahim, Chief Operating Officer, Development visited the adopted schools. They interacted with the students and teachers to understand their diverse learning needs.

Remedial Classes for UEM Sunrise's Primary Schools 2017

UEM Sunrise organised Remedial Classes for UEM Sunrise's PINTAR Primary Schools in the Central and Southern regions from April to August 2017. The four-month tuition-like programme has benefited close to 500 students from five schools : Sekolah Kebangsaan Cyberjaya, Sekolah Kebangsaan Bangi and Sekolah Kebangsaan Rinching Hilir in the Central Region and Sekolah Kebangsaan Ladang Pendas and Sekolah Kebangsaan Tanjong Adang in the Southern Region.

The Remedial Classes programme replaced the Berita Harian Examination Seminars Phases 1 and 2 for UPSR. It was initiated to help students excel in their academic performance and acts as an engagement platform for teachers and students.

'Remedial Classes' is one of the core programmes that have been implemented by UEM Group since 2015. That was first adopted by UEM Sunrise in 2017.



Pintar Al-Quran

UEM Sunrise organised the 9th Pintar Al-Quran Programme with the 'Khatam Al-Quran' ceremony on 25 November 2017 at Black Box, Mall of Medini, Iskandar Puteri, Johor. This initiative aims to increase the literacy of young people in Al-Quran.

The ceremony was held to celebrate the remarkable achievement of 165 pre-schoolers from UEM Sunrise's seven adopted KEMAS kindergartens in the Gelang Patah area. More than 2,600 pre-schoolers have benefited from the programme to-date.

The ceremony was officiated by YB Dr. Haji Zaini Haji Abu Bakar, Iskandar Puteri State Assemblymen who was accompanied by YBhg. Dato' Roslan Ibrahim, Chief Operating Officer, Development of UEM Sunrise. More than 300 guests attended including parents and representatives from KEMAS and Jabatan Agama Islam Negeri Johor ("JAINJ").

COMMUNITY DEVELOPMENT School Holiday Cheer to Agathians Shelter

On 7 December 2017, we visited the Agathians Shelter to treat 40 boys, aged between four and 19 years, to school holiday joy. The children were entertained by Labu the Clown followed by several fun activities such as a Balloon Blowing Competition, Balloon Popping and Tissue Paper Mummy. UEM Sunrise also presented a cheque for RM20,000.00 to assist in the children's education.



Celebrating Ramadan

We welcomed the holy month of Ramadan by continuing with the tradition of spreading joy through the Ramadan Programme 2017. Zakat or tithes were disbursed to the various deserving stakeholders residing within our area of operations in the Southern and Central regions.

A total of RM600,420.00 was presented to three of eight Asnaf categories namely Asnaf Fakir, Asnaf Miskin and Asnaf Fisabilillah involving 1,096 recipients.

<p>➤ 9 JUNE</p>	<ul style="list-style-type: none"> • Pertubuhan Kebajikan Amal Rukaiyah in Bangi, Selangor 	
<p>➤ 13 JUNE</p>	<ul style="list-style-type: none"> • Asnaf students from UEM Sunrise PINTAR Schools in Southern Region • Asnaf Fakir and Asnaf Miskin from the villages in Gelang Patah, Johor 	
<p>➤ 14 JUNE</p>	<ul style="list-style-type: none"> • Asnaf students from Sekolah Kebangsaan Cyberjaya, in Cyberjaya, Selangor • Asnaf students from Sekolah Kebangsaan Bangi in Bangi Selangor 	<ul style="list-style-type: none"> • Pusat Jagaan Mahmudah Malaysia in Bangi, Selangor • Masjid Kariah Batu 3 in Bangi, Selangor • Asnaf students from Sekolah Rendah Agama Batu 3 in Bangi, Selangor
<p>➤ 15 JUNE</p>	<ul style="list-style-type: none"> • 20 children from Pertubuhan Nur Kasih Bestari, Segambut, Kuala Lumpur 'shopped' for 'Baju Raya' at Publika Seloka Raya Bazaar • Asnaf students from Sekolah Menengah Kebangsaan Kiaramas in Kuala Lumpur 	
<p>➤ 16 JUNE</p>	<ul style="list-style-type: none"> • Masjid Seri Timah in Kajang, Selangor 	
<p>➤ 19 JUNE</p>	<ul style="list-style-type: none"> • Maahad Tahfiz Al-Quran Wal Qiraat Addin in Air Kuning, Tapah, Perak • Pertubuhan Anak-Anak Yatim Darul Aitam ("BUSARAH") in Tapah, Perak • Masjid Jamek Tapah Road in Tapah, Perak 	
<p>➤ 22 JUNE</p>	<ul style="list-style-type: none"> • Pusat Dalam Komuniti ("PDK") in Gelang Patah, Johor • Sekolah Kebangsaan Ladang Pendas in Gelang Patah, Johor • Maahad Tahfiz Az-Zahra Kampung Ladang in Gelang Patah, Johor 	

PEOPLE'S Rights

UEM Sunrise recognises its corporate responsibility to respect human rights and the importance of demonstrating that it is taking the necessary steps to fulfil this social obligation.

We do this by striving to operate responsibly along the entire value chain; by safeguarding the rights of our own employees and those of workers who build for us.

Our activities have the potential to impact human rights. We are committed to preventing, mitigating and managing potential negative effects while striving to promote human rights. We also improve human dignity and living conditions through job creation and local procurement while investing in community capacity building, infrastructure and economic development programmes.

UEM Sunrise Stand on Human Rights

Elimination of child, forced and compulsory labour

Zero tolerance to discrimination in the workplace

Freedom of association and collective bargaining

We encourage our suppliers and contractors to treat their employees, and to interact with communities, in a manner that respect human rights.

When planning projects, we consider human rights issues such as security, labour rights, workforce welfare, community health and safety, water use, air quality and the potential impact on the livelihoods of local communities.

OUR SUSTAINABLE OPERATIONS

Customer Focus

Customers are important to UEM Sunrise because they eventually serve as ambassadors of our brand. We believe in establishing a close rapport with homeowners of our properties and have various enjoyable or meaningful engagement mechanisms. We are committed to ensuring the best possible living environment for our customers.

Customer Satisfaction

Our customers' opinions are important to us. We have established a formal mechanism to gather feedback which helps us improve our services and the Company's value proposition. Customers can communicate with us via the Customer Care toll-free hotline at 1 800 888 008, our dedicated customer care email address or SMS.

Allowed Time-frame for Escalating, Responding to and Resolving Complaints

Category	Response	Time Limit	Resolution
Information only	No action required		
During Defect Liability Period ("DLP")	Within 1-5 working days	After 21 working days	Within 30 working days
After DLP	Within 1-7 working days	After 14 working days	Within 30 working days
Vicinity/General	Within 1-5 working days	After 7 working days	Within 14 working days

UEM Sunrise's Customer Satisfaction Survey gauges customer satisfaction levels at all touch points. An independent consultant has been appointed to execute the survey to ensure impartiality.

The survey was conducted online, through mail drop and during focus group discussions. It concentrated on projects that had been launched and handed over in the past two years, in particular.

Customer loyalty is derived from the average score achieved across the following elements.

Training	2015	2016	2017
Corporate Reputation	72%	63%	80%
Product Quality and Offerings	66%	63%	69%
Customer Experience	65%	69%	75%
Overall Satisfaction	69%	65%	75%

Customer Privacy

The Personal Data Protection Act 2010 ("PDPA") was enacted by the Malaysian government in 2010 to protect individuals' personal data in commercial transactions. PDPA came into force on 15 November 2013.

UEM Sunrise issues a PDPA notice to all existing and new customers to obtain their consent before using their data for commercial transactions. The notice informs customers of how UEM Sunrise and its subsidiaries and associate companies collect, store and handle the personal information of individuals in accordance with the PDPA and laws of Malaysia.

Loyalty Programme

Customers are privy to pre-launch previews and discounts on new UEM Sunrise purchases through our Trésor Loyalty Programme. They also receive invitations to exclusive events hosted by the Company.

A range of premium partner merchants have added value to our loyalty programme. These merchants enhance customers' lifestyles by offering special discounts and offerings in the beauty and health, lifestyle, food and beverage and services sectors. Key merchants include Sothys, Payot, Seido Golf, the Jewellerists and GoCar Mobility.

Safeguarding the Interest of Home Buyers

In August 2017, our Learning and Development Department and Legal Department organised a talk on Construction Industry Payment and both the Adjudication Act 2012 (CIPAA) and Guide to Strata Management Act 2013.

Solicitors from Messrs. Raja Darryl & Loh highlighted problems with cash flow in the construction industry. We also invited solicitors from Messrs. Lim Soh & Goonting to share their insights on the sole purpose of the Strata Management Act 2013.

The Strata Management Act 2013 safeguards the rights and interests of house buyers and parcel owners on the proper maintenance and management of the building as well as common property.

Quality First

On 2 March 2017, "Towards ISO Transition 2018" was launched by YBhg Dato' Roslan bin Ibrahim, COO Development. During the launching, 42 internal auditors who had graduated from the internal audit training for integrated management system were presented with their certificates.

This is part of our transition to ISO 9001 : 2015 and ISO 14001 : 2015. These are the two key globally recognised quality and environmental management system standards. These new standards have increased emphasis on risks, improving environmental performance and the environmental aspects of our operations lifecycle.

Sessions to raise awareness of these ISO standards were delivered to top management on 29 March 2017.

CONQUAS/QLASSIC

The QLASSIC is a quality assessment system developed by Construction Industry Development Board ("CIDB"), Malaysia with CONQUAS being from Building Construction Authority ("BCA"), Singapore. QLASSIC and CONQUAS are widely-used quality assessment systems to measure quality levels achieved on completed building projects in Malaysia.

In 2017, UEM Sunrise identified five completed projects to undergo CONQUAS Assessment by BCA Singapore and QLASSIC Assessment by CIDB. The assessments were carried out from 13 February to 27 October 2017.

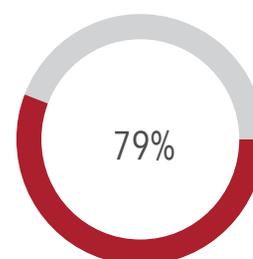
CONQUAS/QLASSIC Assessment Results

QASHE organised a briefing on CONQUAS and QLASSIC on 3 May 2017. Various business partners attended including door and window installers, painters, tilers, mechanical and engineering works contractors and other architectural trades.

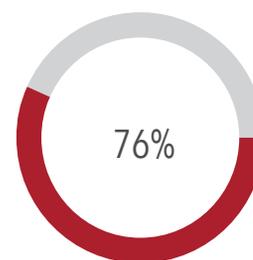
Community Development System Beyond Housing

UEM Sunrise hopes to bring people together from within and around its developments in addition to building quality homes with convenient infrastructure. We want our communities to live and grow in a friendly, safe and healthy environment.

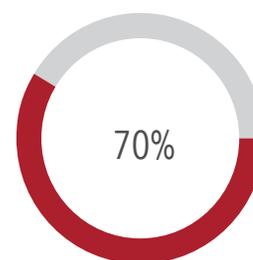
UEM Sunrise continues to bring people together with events throughout the year. We are keen to not only integrate sustainability into our development but also into the daily lives of communities.



- Residensi22 Mont'Kiara
- Bayu Angkasa
- Arcoris Mont'Kiara



- Verdi Eco-dominiums



- Teega Puteri Harbour