

HOW WE CREATE VALUE

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OUR CAPITALS AND KEY ENABLERS THAT DRIVE US TO CREATE VALUE FROM BUSINESS ACTIVITIES CENTERED ON OUR STRATEGY TO MEET STAKEHOLDERS' NEEDS.

FINANCIAL

- Supported by:
- Robust capital management system to maintain stable financial position
 - Internally generated funds and a portion of well-adjusted debt

MANUFACTURED

- Aimed to enhance value through:
- Wide range of plant and machinery fleet with total net book value of RM59 million
 - Two Precast plants in Johor
 - On-going construction of advanced precast manufacturing facility in Singapore which enables the mechanisation of precast components production (ICPH)

HUMAN

- Empowered by our Core Values:
- Comprising a diversified workforce of 1,466 employees across all age groups and ethnicity background
 - Equipping workforce with technical knowledge and capabilities
 - With emphasis on capacity building and talent development by investing RM196,269 to upskill employees through learning programmes in creating future ready workforce

INTELLECTUAL

- Leveraging on:
- Building Information Modelling (BIM) technology as an enabler for better coordination throughout the construction lifecycle
 - Internalising data set and expertise amassed to harness the potential of Virtual Design and Construction beyond 3D models, time and cost, forging towards facility management, sustainability, and safety and health
 - Opportunities derived from the 4th Industrial Revolution (IR 4.0) where process automation enhances efficiency and enables business transformation

NATURAL

- Our commitment in reducing our impact to the environment stems from:
- Recognising our responsibilities to ensure the realisation of SDG 12: Responsible consumption and production across our business operations
 - Embedding best management practices in our business activities by investing more than RM883,000 in environmental protection, mitigation and adaptation expenditures

SOCIAL AND RELATIONSHIP

- Strive to be a good corporate citizen by:
- Building synergistic partnerships with strategic business associates for more business opportunities and diversification
 - Establishing constructive relationships and on-going dialogues with regulators, government bodies
 - Contributing to the advancement of the construction industry through active participation in relevant professional bodies

Sustainable business growth

- Aggressive business targets of:
 - i) Minimum revenue RM2 billion annually
 - ii) Maintain a Return Of Capital Employed (ROCE) > 30%
 - iii) Minimum order book replenishment of RM2 billion to RM3 billion per annum
- Awarded "Highest Return on Equity over Three Years" for the third consecutive year in the Construction category at the The Edge Billion Ringgit Club 2021

Diversified portfolio

- Global expansion (India, Indonesia, Philippines)
- Creating new products by harnessing the demand for new energy such as district cooling plants and solar energy through our Sustainable Energy Division
- Exploring opportunities as service provider for digital transformation within the built environment
- Continually harnessing BIM into achieving beyond the 6th dimension (6D) - Facility Management, traversing into 7D (Sustainability) and 8D (Safety and Health)

Robust quality, environment, safety and health (QESH) management system

- SunCon is certified to
 - i) ISO 9001:2015
 - ii) ISO 14001:2015
 - iii) ISO 45001:2018
- SunCon's Integrated QESH manual serves as our cornerstone in QESH management across all our project sites and work offices. Our Precast division also has its own QESH management system

Our workforce, our assets

- Multifaceted HR policies to protect the well-being of our people and to ensure any grievances are resolved promptly, professionally and fairly in the best interests of all parties involved
- We are committed to SDG 8 - Decent Work and Economic Growth as we do not discriminate against any demographic background. Our men to women pay equity is 1.00:0.91, with 33% women at the Executive level
- Diverse business divisions within the Sunway Group allows our employees to enjoy Perks@Work, of which the key business units are hospitality and leisure, medical care and education
- All of our Centralised Labour Quarters (CLQ) have received Certificate for Accommodation by Jabatan Tenaga Kerja

Good governance and business ethics

- Established SunCon Future Value Goals 2030 which captures our sustainability blueprint and strategic direction with 3 key goals in Enabling sustainable construction; Investing in fair, safe and inclusive workplace; and Ensuring compliance and Embracing transparency
- Established SunCon Anti-Bribery and Corruption and Anti-Money Laundering policy. These policies are linked to Sunway Group's Code of Conduct and Business Ethics and the Whistle-Blower Policy
- Appointed a Compliance Officer to ensure a high standard of compliance to all regulatory and internal requirements
- SunCon was recognised for adhering to high standards of Corporate Governance at the Minority Shareholders Watch Group (MSWG) - ASEAN Corporate Governance Award 2020, for the fifth consecutive year by clinching the Industry Excellence Award 2020 for the Construction category



Leading construction conglomerate

- We aspire to be the leading construction conglomerate by doing the right thing right first time and every time with highest cognisance of our core values: Integrity, Humility and Excellence in creating value to our customers, leveraging our diverse capabilities

For more details, please visit our corporate website on <https://www.sunwayconstruction.com.my>

Enabling sustainable construction

- We aspire to enable sustainable construction by managing our consumption and generations, and carbon footprint from supply chain while enhancing the value of our products by ensuring product safety and innovation

For more details, refer to pages 60 to 72.

Investing in fair, safe and inclusive workplace

- We aspire to invest in fair, safe and inclusive workplace by ensuring the highest level of safety and health compliance at our workplaces to safeguard the well-being of our people while focusing on our human capital development with keen insight on diversity and inclusiveness

For more details, refer to pages 73 to 84.

Ensuring compliance and embracing transparency

- We aspire to ensure compliance and embracing transparency by upholding highest level of integrity in all our business dealings and to ensure we operate within the ambit of applicable legal requirements

For more details, refer to page 85.

Clients

Customer Satisfaction Survey score:

92.2%

Authorities & Regulators

Compliance with regulatory requirements | **Zero compounds and fines related to environmental compliance**

Shareholders

Return on Equity of **17%** for FY 2021 | Dividend yield of **2.8%**

Market capitalisation of **RM2.0 billion** with outstanding order book of **RM4.8 billion** | MSCI ESG Rating **'BBB'**

Employees

RM137.2 million in salaries and rewards

Environmentally friendly, safe and healthy workplace

ZERO fatal accidents recorded in FY 2021 | Lost Time Injury Rate (per 1,000 workers) **0.16**

Training, upskilling and career progression opportunities

Contributed **RM80,000** to our staff who were affected by the flooding event in December 2021

Community

Contributed **RM1.5 million** in corporate social responsibility initiatives

PROVIDED 114 internship opportunities to young graduates | **No accidents involving community and general public**